

RenoDeMedici



PRESS RELEASE

**THE TRANSFER OF THE COMPANY BRANCH COMPOSED BY OVARO PLANT (UD)
TO R.D.M. OVARO S.R.L. AND THE ENTRANCE OF FRIULIA S.P.A. IN ITS SHARE CAPITAL
APPROVED**

Milan, June 20, 2012

The Board of Directors of Reno De Medici S.p.A. (“**RDM**” or the “**Issuer**”), parent company of one of the world’s largest producers of recycled cardboard, approved the transfer to R.D.M. Ovaro S.r.l. of the company branch composed by Ovaro Plant, located near Udine.

This transaction and the subsequent capital increase will allow the entrance of Friulia S.p.A., the holding company owned by the Friuli Venezia Giulia Region, in the share capital of the new legal entity.

Through this transaction, Reno De Medici will strengthen its presence in this area thanks also to the experience and know-how of Friulia, and will implement a major program of investments with the aim to develop and to growth the pole of Ovaro, which will be able to rely of a balanced financial structure, which is expected to attract a significant contribution of industry funding in the medium term.

The transfer price is Euro 10 million, confirmed in the appraisal conducted by the Independent Expert Marcello Prioni, Professor at Bocconi University in Milan.

The Company Branch transferred consist of production facilities, commercial credits an debts, liabilities relative to the production of the plant, employee labour contracts and employee funds.

The starting date of effectiveness of the transfer contract will be July 1st, 2012, and it is subject to the termination clause consisting of RDM’s failure to obtain consent to cancellation of the lien on the assets subject to transfer in favour of Banca Intesa San Paolo S.p.A. and Unicredit S.p.A. by virtue of the loan agreements originally stipulated in 2006. The consent of the banks holding the lien must be received within 5 months after the effective date of transfer of the Branch.

The transfer to a wholly owned subsidiary has been approved by the Board of Directors, upon approval by Related-Party Committee, in accordance with the procedures pursuant to Consob Regulation n. 17221/2010 as subsequently amended (“CONSOB Regulation”) and to the “Procedure for Related Party Transactions” adopted by Reno De Medici. The Transaction is also considered a significant related-party transaction, as the amount of the Transaction exceeds the materiality threshold of 5% provided by CONSOB regulation and by the Procedure for Related Party Transactions; the Disclosure for purposes of Annex 4 of CONSOB Regulation, will be available to the public in the terms and conditions required by law.

Moreover, in case of execution of the above transaction of capital increase that would tear up the exemption provided by Annex 3B of the CONSOB Regulation, since the operation as a whole would



exceed the materiality threshold, RDM will publish the Disclosure pursuant to art. 71 of the CONSOB Regulation, in the terms and conditions required by law.

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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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For purposes of Art. 154-bis, sub-section 2, of Legislative Decree 58/1998 (Consolidated Law on Finance), Stefano Moccagatta, the officer in charge of drawing up the Company's accounting documents, hereby declares that the accounting information contained in this Disclosure corresponds to the Company's accounting documents, books, and entries.

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For further informations:

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