

RENO DE MEDICI

NEUTRAL

Price (Eu): 0.22
Target Price (Eu): 0.25

SECTOR: Industrial

Carlo Barracchia

phone: +39-02-77115.230

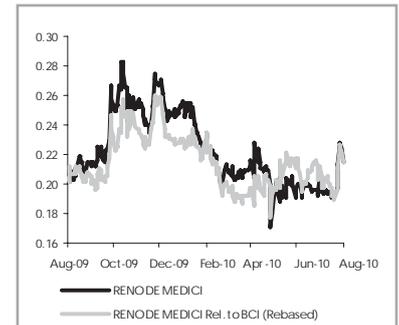
e-mail: cbarracchia@intermonte.it

Results Showed Sound Volumes Recovery

- 1H results: solid volumes growth.** Reno de Medici closed the first part of the year with sales of Eu241.5mn, up 12.6% YoY. This recovery was mainly driven by volumes, 474,000 tons of cardboard were shipped, up 13% YoY. The average price for cardboard showed a marked improvement vs. 2H09, thanks to the price increases introduced in October 2009. Increased manufacturing efficiency and a general reduction in costs helped to offset rising raw material prices (recycled pulp) and a new upward trend in energy costs. 1H EBITDA stood at Eu18.1mn, flat compared to last year, with almost the entire result delivered in 2Q, with EBITDA of Eu10.9mn, +18% YoY. EBIT stood at Eu4.6mn (Eu4.75mn in 1H09) after Eu13.4mn of depreciation. Net financials improved from a negative Eu4.4mn to Eu-2.7mn, driving a pre tax profit of Eu1.9mn (Eu0.4mn in 1H09). Net profit stood at Eu0.5mn vs. a loss of Eu0.9mn in 1H09.
- Positive news from cash generation: around Eu13.3mn.** Reno de Medici showed sound cash generation, bringing the 1H total to Eu13.3mn and taking the NFP down to Eu-117.5mn, the second quarter contributed with cash generation of Eu7.7mn. Cash generation was driven by a tight grip on working capital and a reduction in CAPEX. RdM's management has been able to continue to reduce the debt, despite the tough environment.
- Outlook and our assumptions on 2010.** The company provided an outlook in line with 1H, claiming that variable cost increases have probably peaked: "the outlook for the remaining part of 2010 appears to be in line with the Group's performance during the first six months of 2010..... Regarding movements in the price on raw material mixture, RDM Group evaluates that both the prices of cellulose and waste are considered to have reached their highest levels..".
- We are slightly lowering our 2010-2011 estimates.** We are reducing our EBITDA estimates from Eu42mn to Eu39mn for the current year, as we are no longer incorporating an increase in cardboard prices, which now seems more likely to come about next year. As for 2011 our EBITDA forecast remains unchanged at Eu43.0mn.
- NEUTRAL confirmed.** In our opinion, the stock is trading at rock bottom valuations based on balance sheet multiples: P/BV of 0.4x and P/TBV of 0.5x. Operating leverage is huge, but the sector is still suffering from overcapacity. Our valuation of Eu0.25 per share remains unchanged, based on a 2011 EV/ROACE.

Key Figures	2008A	2009A	2010E	2011E	2012E
Sales (Eu mn)	451	428	467	485	495
Ebitda (Eu mn)	40	31	39	43	46
Net profit (Eu mn)	-6	-7	2	5	5
EPS - New (Eu)	0.00	-0.03	0.01	0.01	0.01
EPS - Old (Eu)	0.00	-0.03	0.02	0.02	
DPS (Eu)	0.00	0.00	0.00	0.00	0.00
Ratios & Multiples	2008A	2009A	2010E	2011E	2012E
P/E	nm	nm	43.0	18.0	15.6
Div. Yield	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Ebitda	11.4	6.9	5.1	4.5	3.9
ROCE	5.5%	1.4%	4.1%	5.5%	6.8%

Reno de Medici- 12m Performance



Source: FactSet Partners

RATING: Unchanged
TARGET PRICE (Eu): Unchanged
Change in EPS est: 2010E 2011E
nm -36.2%

STOCK DATA

Reuters code: RDM.MI
Bloomberg code: RM IM
Performance 1m 3m 12m
Absolute 50% 11.9% 5.2%
Relative 1.6% 9.9% 4.8%
12 months H/L: 0.28/0.17

SHAREHOLDER DATA

No. of Ord. shares (mn): 379
Total No. of shares (mn): 379
Mkt Cap Ord (Eu mn): 83
Total Mkt Cap (Eu mn): 83
Mkt Float - ord (Eu mn): 36
Mkt Float (in %): 43.7%
Main shareholder:
Cascades 36.4%

BALANCE SHEET DATA

2010
Book value (Eu mn): 159
BVPS (Eu): 0.42
P/BV: 0.6
Net Financial Position (Eu mn): -115
Enterprise value (Eu mn): 198

RENO DE MEDICI - KEY FIGURES

		2008A	2009A	2010E	2011E	2012E
	Fiscal year end	31/12/2008	31/12/2009	31/12/2010	31/12/2011	31/12/2012
PROFIT & LOSS (Eu mn)	Sales	451	428	467	485	495
	EBITDA	40	31	39	43	46
	EBIT	14	4	12	15	19
	Financial income (charges)	(10)	(9)	(8)	(7)	(6)
	Associates & Others	0	0	0	0	0
	Pre-tax profit (Loss)	(17)	(5)	4	8	13
	Taxes	(2)	(2)	(2)	(3)	(6)
	Tax rate (%)	12.5%	35.7%	-38.5%	-34.0%	-47.2%
	Minorities & discontinue activities	(0)	(0)	(1)	(1)	(2)
	Net profit	-6	-7	2	5	5
	Total extraordinary items	(7)	0	0	0	0
	Ebitda excl. extraordinary items	40	31	39	43	46
	Ebit excl. extraordinary items	14	4	12	15	19
Net profit restated	0	(7)	2	5	5	
PER SHARE DATA (Eu)	Total shares out (mn) - average fd	377	377	379	379	379
	EPS stated fd	-0.02	-0.03	0.01	0.01	0.01
	EPS restated fd	0.00	-0.03	0.01	0.01	0.01
	BVPS fd	0.60	0.58	0.42	0.44	0.47
	Dividend per share (ord)	0.00	0.00	0.00	0.00	0.00
	Dividend per share (sav)	0.00	0.00	0.00	0.00	0.00
Dividend pay out ratio (%)						
CASH FLOW (Eu mn)	Gross cash flow	18	19	29	33	33
	Change in NWC	(18)	6	(0)	(10)	(6)
	Capital expenditure	(17)	(20)	(13)	(18)	(21)
	Other cash items	0	0	0	0	0
	Free cash flow (FCF)	(1)	20	29	23	27
	Acquisitions, divestments & others	2	(5)	0	0	0
	Dividend	0	0	0	0	0
	Equity financing/Buy-back	0	0	0	0	0
Change in Net Financial Position	(16)	1	16	6	9	
BALANCE SHEET (Eu mn)	Total fixed assets	271	264	250	241	239
	Net working capital	88	82	83	92	98
	Long term liabilities	(65)	(60)	(60)	(58)	(58)
	Net capital employed	293	286	273	276	279
	Net financial position	(132)	(131)	(115)	(109)	(99)
	Group equity	161	155	159	167	180
	Minorities	0	0	0	0	1
Net equity	161	155	159	167	181	
ENTERPRISE VALUE (Eu mn)	Average mkt cap - current	83	83	83	83	83
	Adjustments (associate & minorities)	0	0	0	0	0
	Net financial position	(132)	(131)	(115)	(109)	(99)
	Enterprise value	215	213	198	192	182
RATIOS(%)	EBITDA margin*	8.9%	7.3%	8.4%	8.9%	9.3%
	EBIT margin*	3.2%	0.9%	2.5%	3.1%	3.8%
	Gearing - Debt/equity	82.1%	84.5%	72.2%	65.3%	55.3%
	Interest cover on EBIT	1.4	0.5	1.5	2.1	3.2
	Debt/Ebitda	3.30	4.21	2.93	2.53	2.15
	ROCE*	5.5%	1.4%	4.1%	5.5%	6.8%
	ROE*	-4.5%	-4.5%	1.2%	2.9%	3.1%
	EV/CE	0.9	0.8	0.8	0.8	0.7
	EV/Sales	0.5	0.5	0.5	0.4	0.4
	EV/Ebit	nm	nm	18.3	13.8	9.8
Free Cash Flow Yield	-0.7%	20.9%	29.6%	23.7%	27.7%	
GROWTH RATES (%)	Sales	31.7%	-5.1%	9.0%	4.0%	2.0%
	EBITDA*	35.2%	-22.5%	25.9%	9.9%	7.6%
	EBIT*	36.1%	-72.2%	189.7%	29.0%	26.6%
	Net profit	nm	nm	nm	145.3%	14.6%
	EPS restated	-83.5%	nm	nm	145.3%	14.6%

* Excluding extraordinary items

Source: Intermonte SIM estimates

1H results: solid volumes growth. Reno de Medici closed the first part of the year with sales of Eu241.5mn, up 12.6% YoY.

RdM enjoyed a more favourable scenario driven by an increase in European industrial demand that was geared towards rebuilding inventories and powered by the economic recovery. The group's production reached 469,000 tons during the first half of 2010, compared with 429,000 tons last year. In terms of volumes sold, the company shipped 474,000 tons, +13% YoY.

Trends in sale prices for cardboard were also positive compared to 2H09, but almost flat YoY.

Increased manufacturing efficiency and a general reduction in costs helped to offset rising raw material prices (recycled pulp) and a new upward trend in energy costs. 1H EBITDA stood at Eu18.1mn, flat compared to last year, with almost the entire result delivered in 2Q, with EBITDA of Eu10.9mn, +18% YoY. EBIT stood at Eu4.6mn (Eu4.75mn in 1H09) after Eu13.4mn of depreciation. Net financials improved from a negative Eu4.4mn to Eu-2.7mn, driving a pre tax profit of Eu1.9mn (Eu0.4mn in 1H09). Net profit stood at Eu0.5mn vs. a loss of Eu0.9mn in 1H09.

Reno de Medici H1 2010 Results

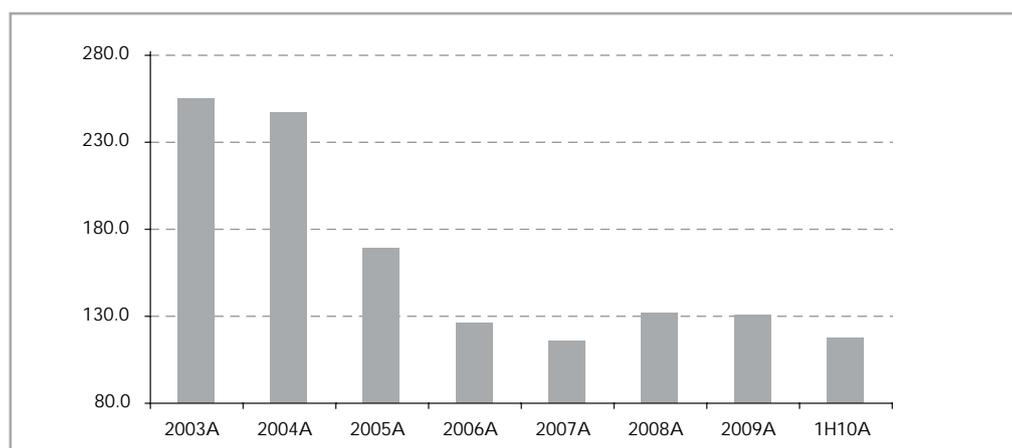
(€ mn)	H1 2009 A	H1 2010 A	H2 2009 A	H2 2010 E	2009 A	2010E
Sales	214.6	241.5	213.5	225.1	428.1	466.7
Yoy Growth		12.6%		5.4%	-5.1%	9.0%
Volumes	419.0	474.0	445.0	450.5	864.0	924.5
Yoy Growth		13.1%		1.2%	-2.8%	7.0%
Other Revenues	9.3	14.3	1.5	5.0	10.8	19.3
Cost of Raw Materials & Services	-164.9	-171.4	-163.5	-193.2	-328.4	-364.6
	-79.9%	-77.9%	-76.6%	-85.8%	-76.7%	-78.1%
Labour Costs	-38.1	-39.7	-38.9	-38.8	-76.9	-78.5
Other Operating	-2.4	-2.5	-3.5	-3.0	-5.8	-5.5
EBITDA ADJ	18.0	18.1	13.0	21.0	31.1	39.1
Margin %	5.1%	7.7%	6.1%	9.3%	7.3%	8.4%
Extra items	21.2	0.0	0.0	0.0	0.0	0.0
EBITDA Recurring	18.0	18.1	13.0	21.0	31.1	39.1
Margin %	11.0%	7.7%	6.1%	9.3%	4.4%	8.4%
Yoy Growth		0.1%		61.4%	64.9%	25.9%
Depreciations	-12.8	-13.4	-13.7	-14.1	-26.5	-27.5
Right offs	-0.5	0.0	-0.1	0.1	-0.6	0.0
EBIT	4.8	4.6	-0.7	7.0	4.0	11.6
Financials	-4.4	-2.7	-4.7	-5.0	-9.1	-7.7
Pre Tax	0.4	1.9	-5.4	2.0	-5.1	3.9
Taxes	-1.1	-1.0	-0.6	-0.5	-1.7	-1.5
Minorities	-0.1	-0.4	-0.2	-0.1	-0.4	-0.5
Net Result	-0.9	0.5	-6.2	1.4	-7.1	1.9

Source: Intermonte Sim

Positive news from cash generation: around Eu13.3mn. Reno de Medici showed sound cash generation in 2Q, bringing the 1H total to Eu13.3mn and taking the NFP down to Eu-117.5mn, a Eu7.7mn improvement in 2Q09.

Cash generation was driven by a tight grip on working capital and a reduction in CAPEX. RdM's management has been able to continue to reduce the debt, despite the tough environment

NFP Evolution



Source: Intermonte SIM Estimates

Company guidance in the press release. "In a macro-economic situation in Europe, where clear strong signals of a recovery in terms of end consumption have yet to be seen, the outlook for the remaining part of 2010 appears to be in line with the Group's performance during the first six months of 2010, excluding any seasonal phenomena and, in particular, production stoppages, which, as usual, are planned for the summer period and at year end at the southern European factories. Trends in the market and orders confirm the positive tendency of first half 2010: a slight pick up in the economy and end consumption should offset the effects linked to the replenishment of stocks disappear. Regarding movements in the price on raw material mixture, RDM Group evaluates that both the prices of cellulose and waste are considered to have reached their highest levels, further increases are still possible."

We slightly reduce our estimate for 2010-2011. We are reducing our EBITDA estimates from Eu42mn to Eu39mn for the current year, as we are no longer incorporating an increase in cardboard prices, which now seems more likely to come about next year. As for 2011 our EBITDA forecast remains unchanged at Eu43.0mn.

Reno de Medici P&L

(€ mn)	2007A	2008A	2009A	2010E	2011E	2012E
Sales	342.5	451.1	428.1	466.7	485.3	495.0
YoY growth	9.1%	31.7%	-5.1%	9.0%	4.0%	2.0%
EBITDA Adj	29.6	18.8	31.1	39.1	43.0	45.2
<i>Ebitda margin</i>	8.7%	4.2%	7.3%	8.4%	8.9%	9.1%
Total D&A	(19.0)	(25.7)	(27.1)	(27.5)	(28.0)	(27.3)
EBIT	10.6	-6.8	4.0	11.6	15.0	18.9
<i>Ebit margin</i>	3.1%	-1.5%	0.9%	2.5%	3.1%	3.8%
Net financials & Participations	(7.6)	(11.7)	(9.1)	(7.7)	(7.0)	(6.0)
Pre tax profit	3.0	2.7	-5.1	3.9	8.0	12.9
Taxes	0.8	(2.1)	(1.7)	(1.5)	(2.7)	(6.1)
<i>Tax Rate</i>	<i>nm</i>	-76.9%	33.3%	-38.5%	-34.0%	-47.2%
Minorities & Discontinued Operations	(2.1)	(6.8)	0.0	0.0	0.0	0.0
Group Net Profit	1.7	-6.1	-6.7	2.4	5.3	6.8

Source: Intermonte Sim

Rendo de Medici Cash Flow

(€ mn)	2007A	2008A	2009E	2010E	2011E	2012E
Net Income	1.7	-6.0	-6.7	2.4	5.3	6.8
Depreciation and Amortization	18.4	23.9	26.5	27.5	28.0	27.3
Other non-cash items	0.0	0.0	0.0	0.0	0.0	1.0
Gross Operating Cash Flow	20.1	17.9	19.7	29.9	33.3	34.1
Change in NWC	8.5	(18.4)	5.5	(0.5)	(9.5)	(5.8)
Capex	(17.8)	(16.9)	(19.6)	(13.0)	(18.0)	(20.8)
Change in financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Acquisitions	0.0	0.0	(4.5)	0.0	0.0	1.0
Share Capital Increase	0.0	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0	1.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Net Cash Flow	10.8	(16.4)	1.2	16.4	5.8	9.5
Initial Net Financial Position	(126.6)	(115.8)	(132.2)	(131.0)	(114.6)	(108.9)
Final Net Financial Position	(115.8)	(132.2)	(131.0)	(114.6)	(108.9)	(99.4)

Source: Intermonte Sim

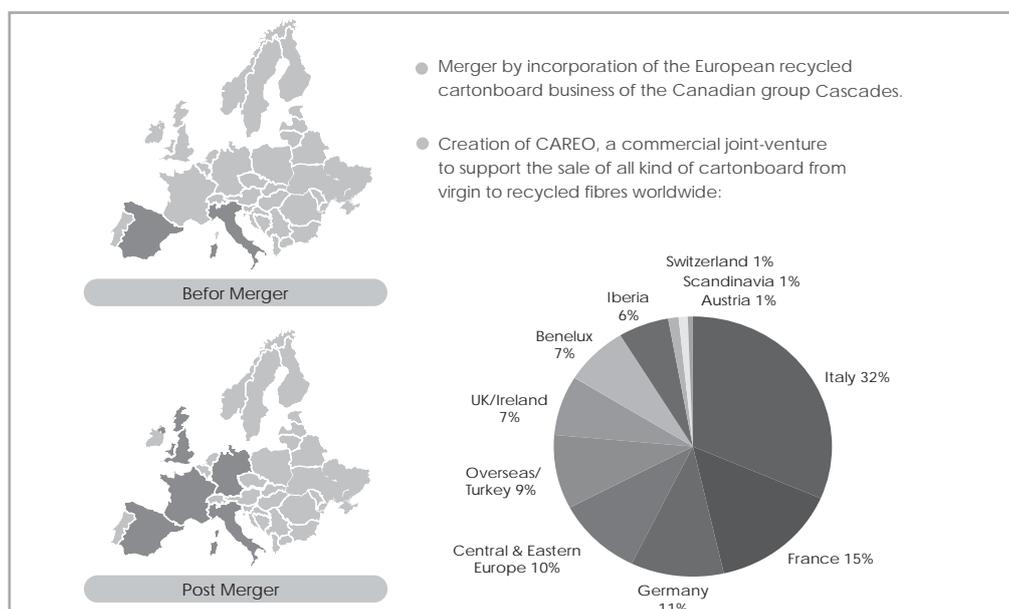
NEUTRAL Confirmed. In our opinion, the stock is trading at rock bottom valuations based on balance sheet multiples: P/BV of 0.4x and P/TBV of 0.5x. Operating leverage is huge, but the sector is still suffering from overcapacity. Our valuation of €0.25 per share remains unchanged, based on a 2011 EV/ROACE.

Company in Pills.

Reno De Medici is the leading Italian and second-ranked European producer of cartonboard based on recycled material. It has a production capacity splitted among several mills in Italy, Spain, France and Germany. The different types of cartonboard that Reno De Medici produce targets all packaging and binding applications. The Reno De Medici products are offered through different brands to meet the customers requirements and to achieve a widespread presence in Italy, as well as abroad.

In 2008 RdM merged with Cascades European assets definitively approved. Following the deal, Cascades became the leading shareholder with 30.6% of the capital. The transaction involved the integration of two production facilities into the RDM Group, one in France and one in Germany, as well as a cutting and distribution centre in England. The Canadian company transferred its facilities in Blendecques (France), in Wednesbury (UK) and in Arnsberg (Germany) for a total output of around 350,000 tonnes per year.

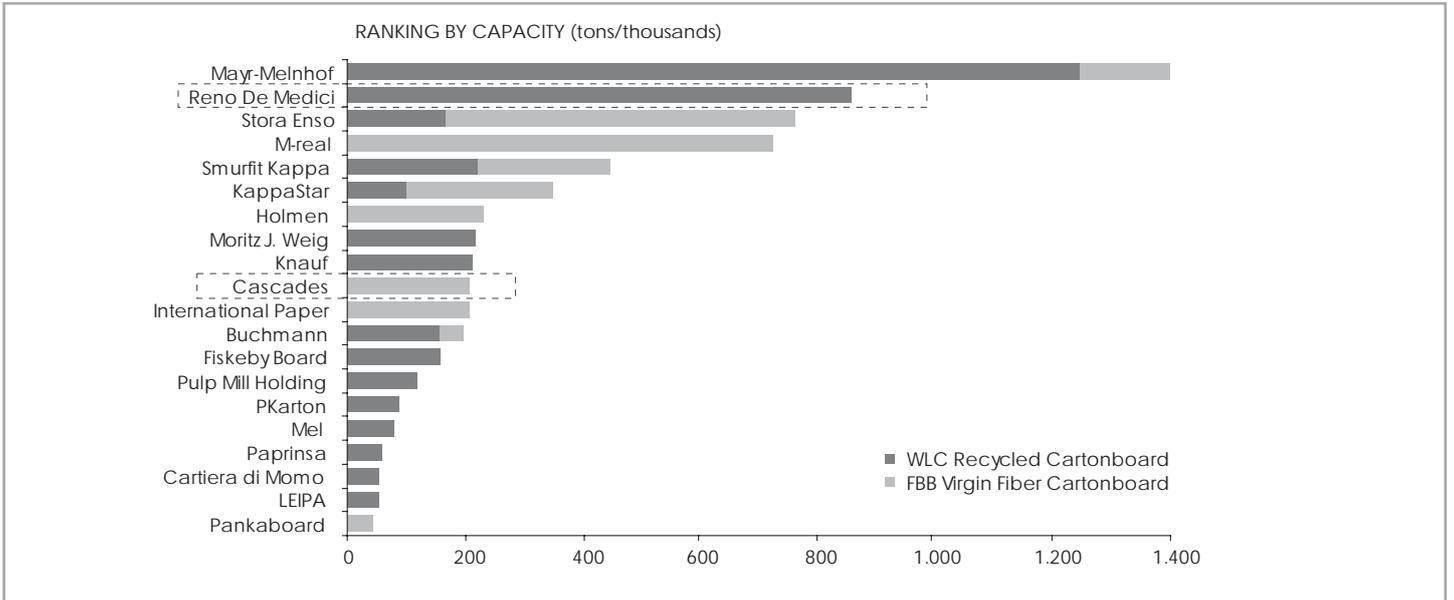
Section I – Transforming into an European Player



Source: based on RDM and Cascades 1H09 turnover

As of today RDM has become the second largest cartonboard operator in Europe, after Mayr Melnhof with an overall capacity above 800k ton.

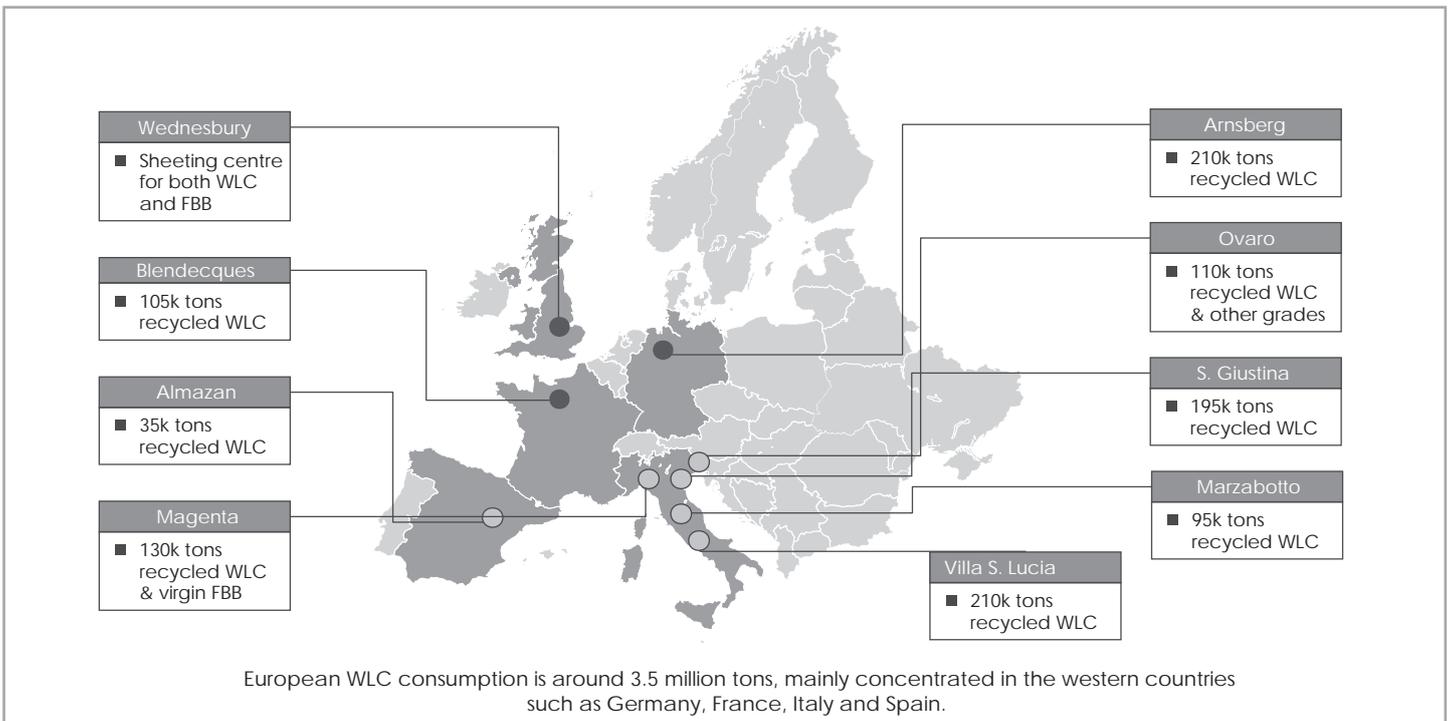
Section I–Pan-European Market Presence



Source: Company data

The integration has allowed RDM to improve its competitive position and to have a better geographical breakdown of sales: the weight of Italy dropped from 52% to 35%. The geographical risk diversification with the two new Blendecques mills (165k tons of recycled WLC) and Arnsberg (185k tons recycled WLC) should allow RDM to reduce the lead time (according to the company 2 days less due to the positioning of mills closer to clients). Clients will be better served, allowing strong savings.

Reno De Medici - Production Facilities



Source: CEPI Cartonboardstatistics and Company data.

History in Brief

Section I Milestones

1967	1967	Establishment of the Company Cartiera del Reno, based in Milan with production unit in Marzabotto (Bologna). Output capacity of 8,000 tons.
	1985	Acquisition of Ovaro, capacity 32,000 tons.
	1986	Acquisition from Cartiera Binda de Medici of the Ciriè (Turin) plant, output 60,000 tons. The Company changed name to Reno de Medici.
	1992	Equity holding in Grafiche Capretta, a converting firm with a potential output capacity of 15,000 tons.
	1995	Ovaro merged into Reno de Medici. Equity holding in Grafiche Capretta raised to 70%.
1996	1996	Reno de Medici listed on the Milan stock exchange. Global output capacity up to 270,000 tons.
	1997	Reno de Medici and Saffa merge. The Company takes the name Reno De Medici, acquiring the Bianchi Saffapack converting division, Saffa Immobiliare, Italmatch, a number of smaller holdings and a controlling interest in Sarrío' (Spain).
1998	1998	Reno De Medici merged with Sarrío', the main holding of the former Saffa, becoming Europe's second largest maker of mainly recycled cardboard with an output capacity of over 950,000 tons and a market share in Europe of around 20%.
	1999	The company Grafiche Capretta merged with Bianchi Saffapack, changing name to Europoligrafico and becoming Italy's leading paper-transformation firm with 4 production units and an output capacity of 60,000 tons.
	2001	Acquisition of Aticarta with a paper mill in Pompei and a converting mill in Rovereto.
2005	2005	Non-core assets disposal and sale of the share capital owned in Europoligrafico and Aticarta.
2006	2006	Demerger of some real estate assets, through the creation and simultaneous listing of RDM Realty.
2008	2008	Merger by incorporation of the European recycled cartonboard business of the Cascades Group. Creation of a commercial joint-venture (Careo) for the sale of all kind of cartonboard both from virgin and recycled fibres.
2009	2009	Acquisition of a minority stake in Manucor, the leading Italian plastic film producer.

Source: Company data

SHORT SALES: PROHIBITION REVOKED, WITH EXCEPTIONS

With resolution no. 17 078 dated 26/11/09, the National Commission for Companies and the Stock Market (CONSOB) has maintained the ban on short selling effective 1st December 2009, for only those companies increasing their capital on or before 30th November 2009. For these companies, the sale of shares must still be supported by both the availability and the ownership of the relevant securities until the completion of the capital increase operation.

DISCLAIMER (for more details go to <http://intermonte.it/disclosures.asp>)

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.

This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.

The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by the Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.

This disclaimer is constantly updated on Intermonte's website www.intermonte.it under DISCLOSURES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.

The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities.

Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

GUIDE TO FUNDAMENTAL RESEARCH

Reports on all companies listed on the S&P MIB40 Index, most of those on the MIBEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsworld.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and -10% compared to the market over a 12 month period ;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

The stock price indicated is the reference price on the day prior to the publication of the report.

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms. As at June 30th 2010 Intermonte's Research Department covered 119 companies.

Intermonte's distribution of stock ratings is as follows:

BUY: 16.81%

OUTPERFORM: 31.09%

NEUTRAL: 40.18%

UNDERPERFORM: 10.92%

SELL: 0.84%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (30 in total) is as follows:

BUY: 30.0%

OUTPERFORM: 13.33%

NEUTRAL: 56.67%

UNDERPERFORM: 0.00%

SELL: 0.00%

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

- within the last year, Intermonte SIM managed or co-managed/is managing or is co-managing (see companies indicated in bold type) an Institutional Offering of the securities of the following Companies: Arkimedica, Bouty (private placement), **Cogeme, Enel**, IT Holding (private placement), Pierrel (private placement), TBS Group;
- Intermonte SIM is Sponsor in accordance with the Italian Securities Markets regulations, with the related obligation of coverage and distribution of research, of the following Companies: Arkimedica, Biancamano, Conafi, Omnia Network, Realty Vallog;
- Intermonte SIM is Specialist (Market Maker), Advisor, in accordance with the Italian Securities Markets regulations, with the related obligation of coverage and distribution of research, of the following Companies: Biancamano, B&C Speakers, Buongiorno, Cementir, Cogeme, Datalogic, DeA Capital, Digital Bros, Dmail, EEMS, Eurotech, Fiera Milano, Fintel Energia Group, Gefran, IGD, IW Bank, Kerself, M&C Management e Capitali, Pierrel, QF Alpha Immobiliare, QF Beta Immobiliare, Reno de Medici, Saes Getters, Servizi Italia, TBS Group, Ternienergia, Vittoria Assicurazioni, VR Way.
- Intermonte SIM SpA and its subsidiaries do not hold a stake of equal to or over 1% in any class of common equity securities of the subject company;
- Intermonte SIM SpA acts as Financial Advisor to the following companies: Cattolica Assicurazioni.

DETAILS ON STOCK RECOMMENDATION

Stock	RENO DE MEDICI		
Current Recomm:	NEUTRAL	Previous Recomm:	NEUTRAL
Current Target (Eu):	0.25	Previous Target (Eu):	0.25
Current Price (Eu):	0.22	Previous Price (Eu):	0.21
Date of Report:	11/08/10	Date of Last Report:	15/03/10

© Copyright 2010 by Intermonte SIM - All rights reserved

It is a violation of national and international copyright laws to reproduce all or part of this publication by email, xerography, facsimile or any other means. The Copyright laws impose heavy liability for such infringement. The Reports of Intermonte SIM are provided to its clients only. If you are not a client of Intermonte SIM and receive emailed, faxed or copied versions of the reports from a source other than Intermonte SIM you are violating the Copyright Laws. This document is not for attribution in any publication, and you should not disseminate, distribute or copy this e-mail without the explicit written consent of Intermonte SIM.

INTERMONTE will take legal action against anybody transmitting/publishing its Research products without its express authorization.

INTERMONTE Sim strongly believes its research product on Italian equities is a value added product and deserves to be adequately paid .

Intermonte Sim sales representatives can be contacted to discuss terms and conditions to be supplied the INTERMONTE research product.

INTERMONTE SIM is MiFID compliant - for our Best Execution Policy please check our Website www.intermonte.it/mifid

Further information is available