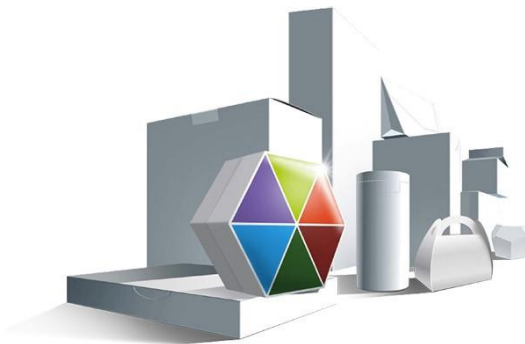


Reno De Medici

Company Presentation

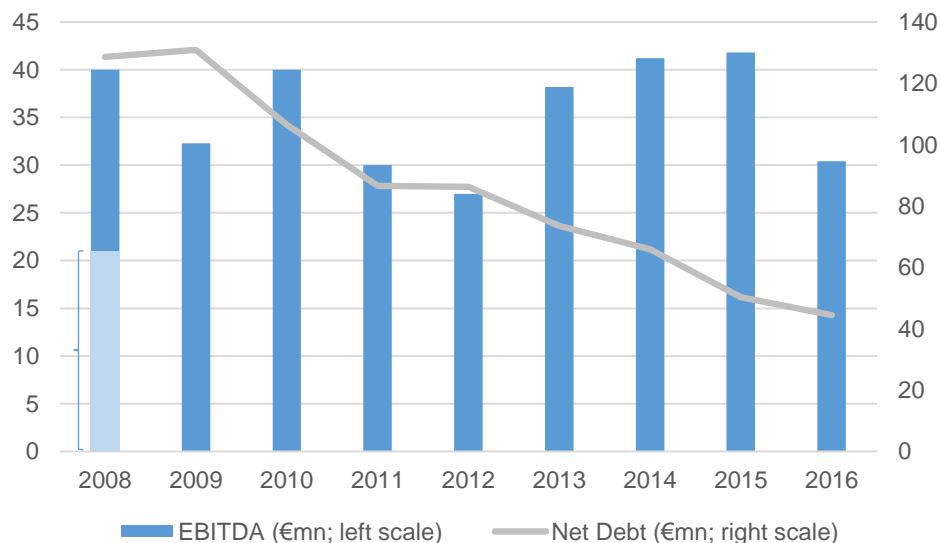
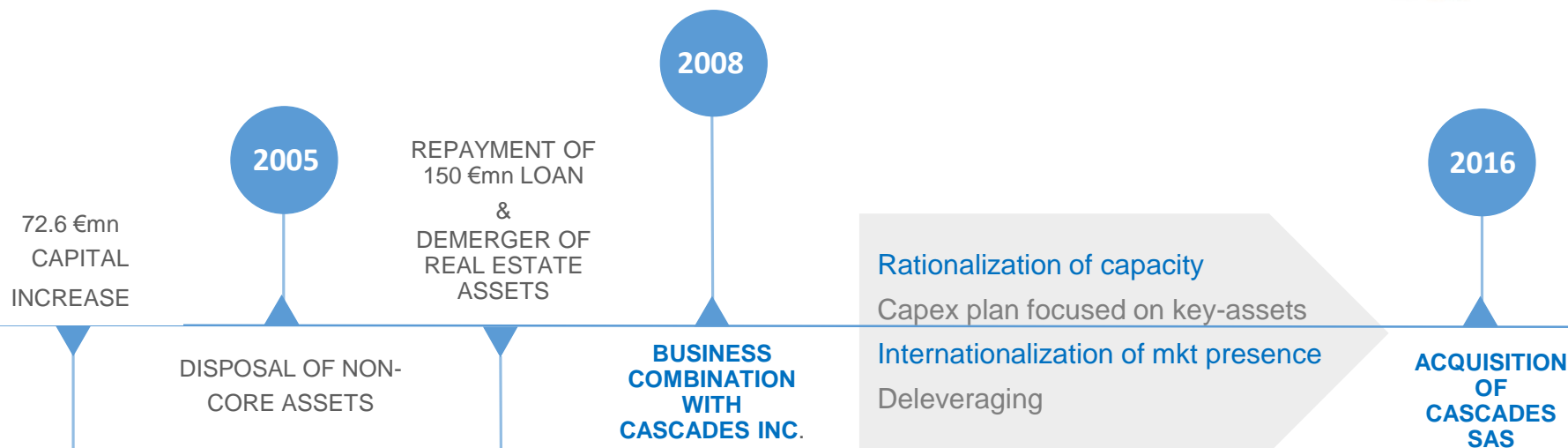
Paris, MidCap Conference – 28 June 2017



Born to be
converted



- 1 RDM Features and Strategic Guidelines**
- 2 Delivering on Strategy
- 3 RDM Shares and Final Remarks



Total 2008 EBITDA was 40 €mn, of which 21.2 €mn from goodwill generated by the business combination.



CAPEX PROJECT AT ARNSBERG

In April 2016, RDM carried out a **6.2 million euro** investment at Arnsberg (close to Dortmund) to rebuild the **Middle Layer and Post drying section**



Increase in production capacity thanks to:

- ✓ higher process speed
- ✓ improved efficiency
- ✓ lower consumption of energy and raw materials.

CASCADES S.A.S. ACQUISITION

On 30 June 2016 RDM has bought from Cascades Inc. 100% of Cascades sas (FBB business, i.e. cartonboard based on pulp).

The deal brings all assets from the Business Combination carried out in 2008 under one Group and Leadership, with the opportunity to offer a complete product portfolio



Assets located in La Rochette (140 km east of Lyon)

Strategic location to serve customers throughout Europe

Price of **11.3 m€**, net of **8.7 m€** of net debt of the acquired Company.

Site capacity of **165,000 tons**; two board machines.

Top **10 clients** – mainly professional printers - accounting for **55%** of total yearly sales.

Wide range of **applications** (pharma, food, cosmetics, displays, publishing...).



European scale

Strategic locations of assets across Europe
Unique position of virgin cartonboard production in South Europe

Integrated cartonboard offer

Products based both on recycled wastepaper and virgin fiber enhance RdM leading position in the European cartonboard market



Size

Installed capacity well above 1 million tons
Revenues exceeding 550 m€
Additional EBITDA (well above 3 m€)



Marketing opportunities

Cartonboard based on pulp provides access to a growing market with valuable clients
More effective marketing effort through a simplified branding policy





Today RDM boasts:



INTERNATIONAL FOOTPRINT

Strong presence across
Europe (3 mills in Italy, 2 in
France and 1 Germany)

RICH PRODUCT PORTFOLIO



Cartonboard products
based on recycled and
virgin-fiber, meeting the full
range of end-users' needs



ONE COMPANY PHILOSOPHY

One brand
One strategy
One management team

The new logo reflects the new
Group organization and selling
proposition.





Packaging applications and, to a lesser extent, **graphic purposes** drive cartonboard production.

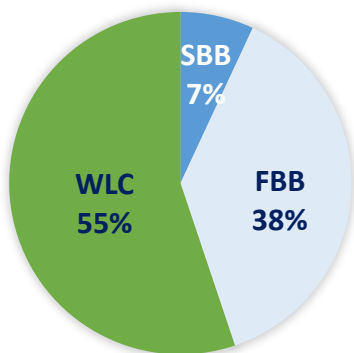
SBB - Solid Bleached Sulphate Board (GZ/UZ)
FBB - Folding Boxboard (GC/UC);

Based on virgin fiber

WLC - White Lined Chipboard (GD/UD) and
 Triplex Board (GT/UT).

Based on recycled fiber

European cartonboard production (2016)

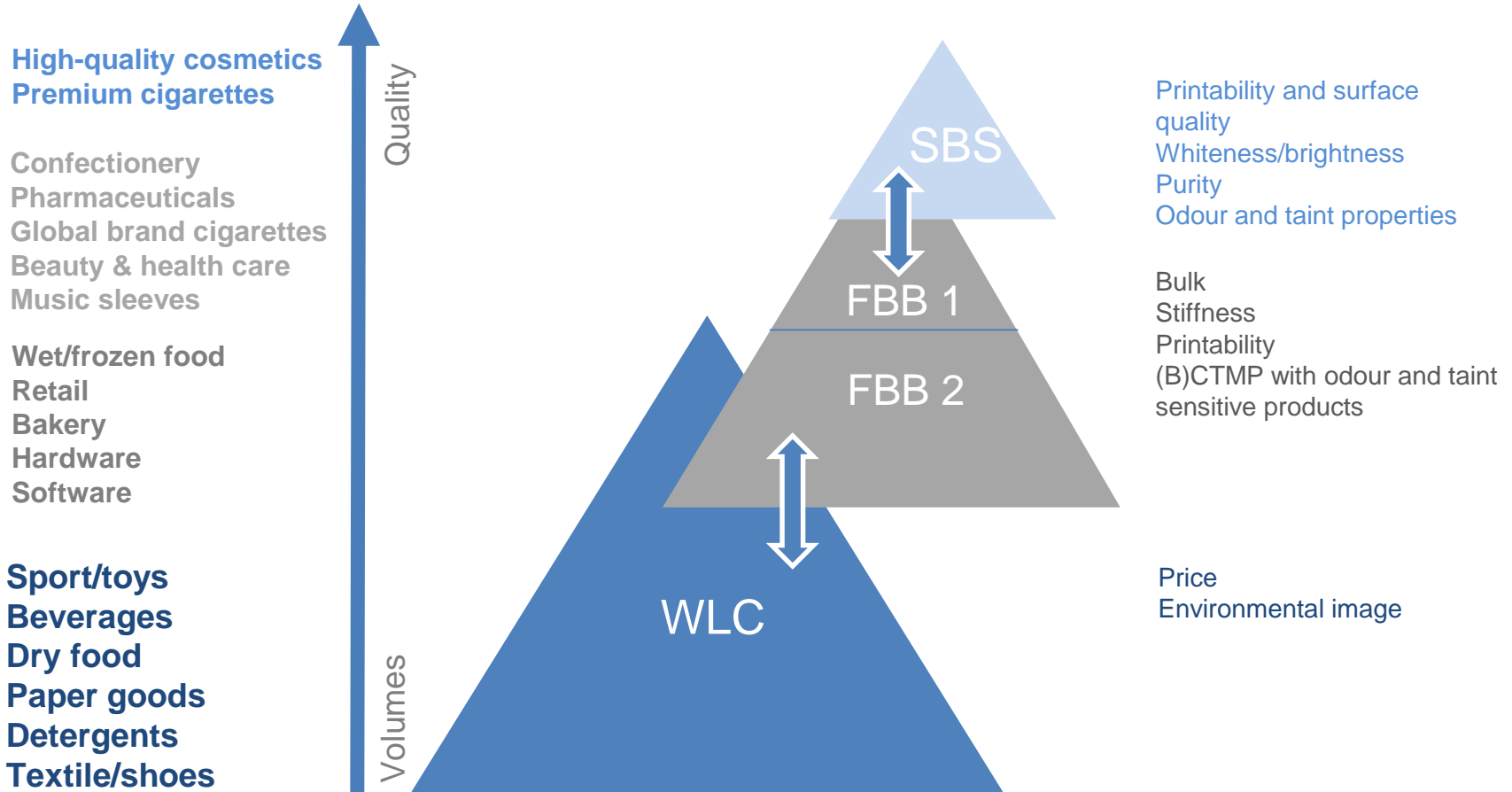


('000 tons)

SBB	500
FBB	2,731
WLC	3,974



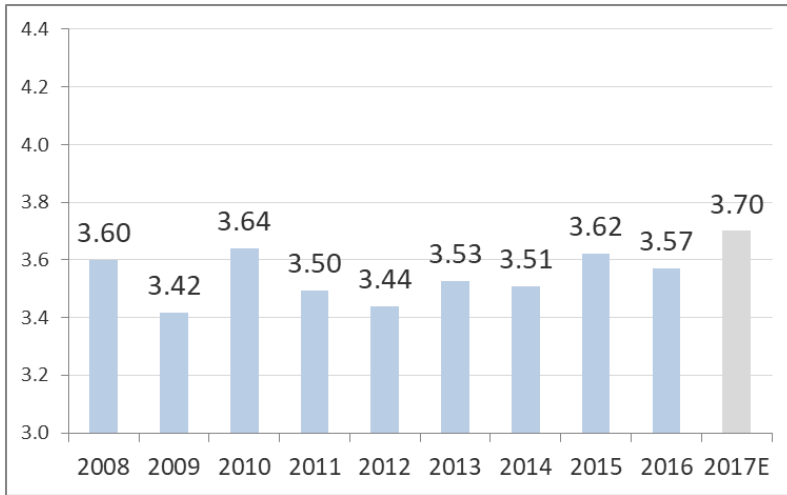
In the last few years, until H1 2016, RDM production was focused on **one business segment**: White Lined Chipboard, “**WLC**”. Following to the acquisition of Cascades sas (30 June 2016), RDM is also involved in the “**FBB**” business.



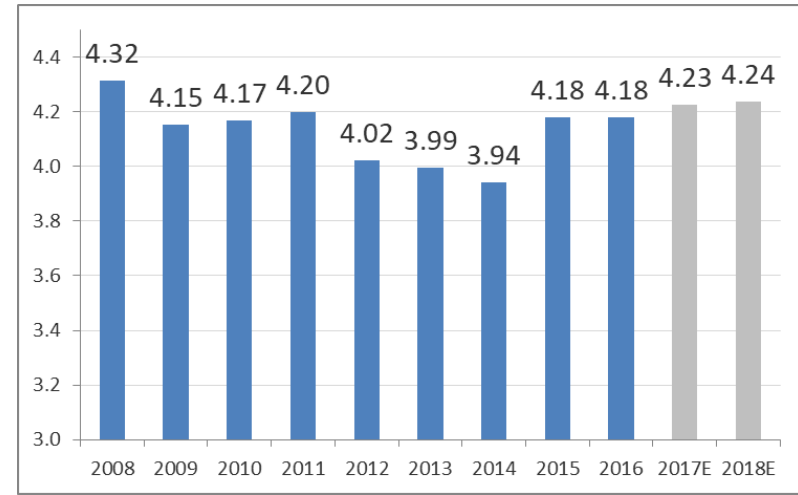
Source: Company's elaborations on market data



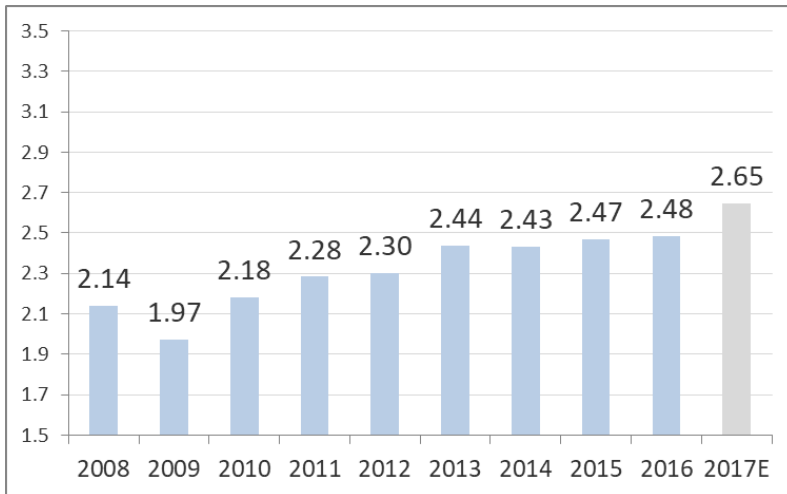
WLC demand in Europe (mn tons)



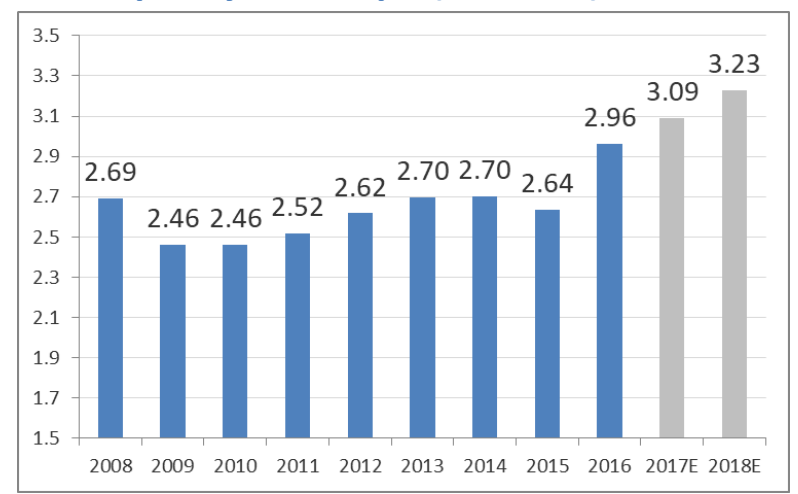
WLC capacity in Europe (mn tons)



FBF demand in Europe (mn tons)



FBF capacity in Europe (mn tons)



Source: Company's estimates



Mayr Melnhof and **RdM** as a whole represent over 55% of total production capacity in WLC.

The rest of competition is fragmented in terms of size. Differently from MM and RdM, minor players in the WLC market do not have a PanEuropean asset base.



No. of mills	FY 2016 (‘000 tons sold)	FY 2016 Revenues (€mn)	Q1 2017 (‘000 tons sold)	Q1 2017 Revenues (€mn)
7	1,671*	1,023.0*	426*	261.9*



6	890**	477.8**	268**	149.5**
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Source: MM and RdM Annual and Quarterly Reports.

* Approximately 20% of MM Karton production is based on virgin fiber. The rest is WLC.

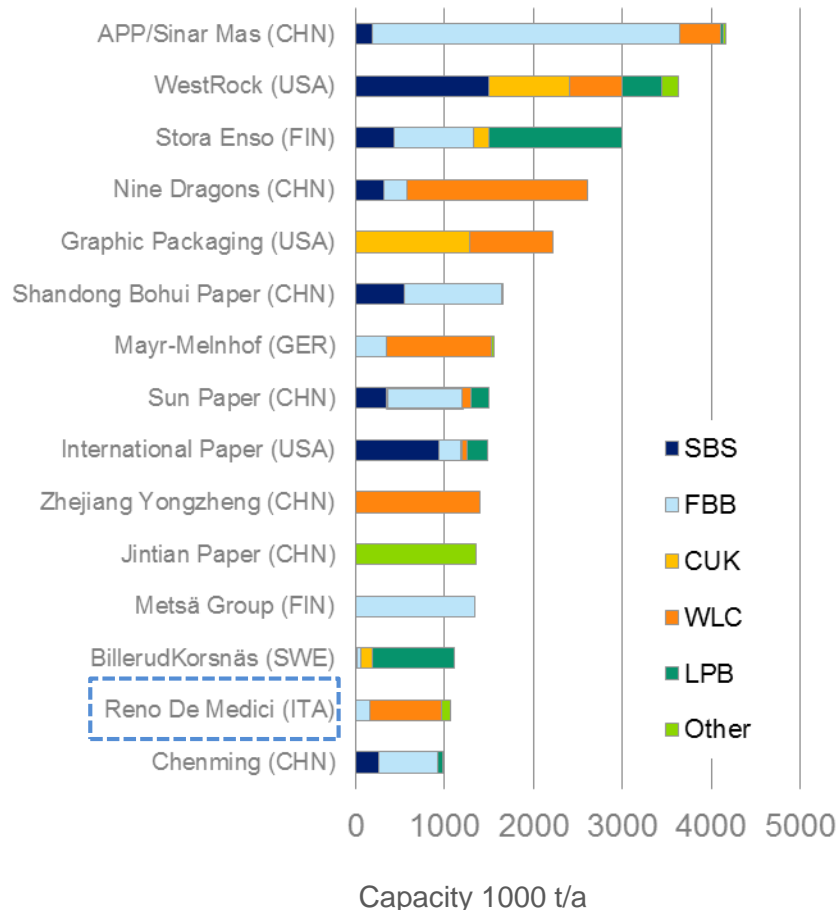
** RdM Group data include the FBB business (RdM La Rochette sas), consolidated starting from Q32016.

Q1 2017 FBB volumes sold were **42K tons**, while **Revenues** were **33 €mn**.

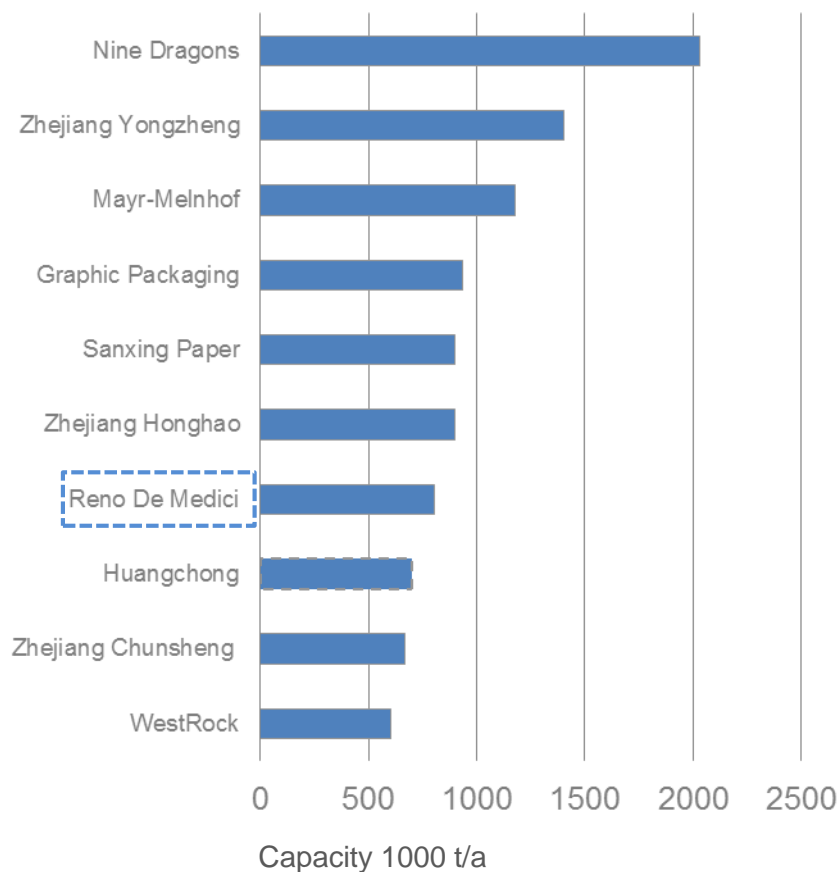
Quarterly data are unaudited.



Cartonboard producers by grade



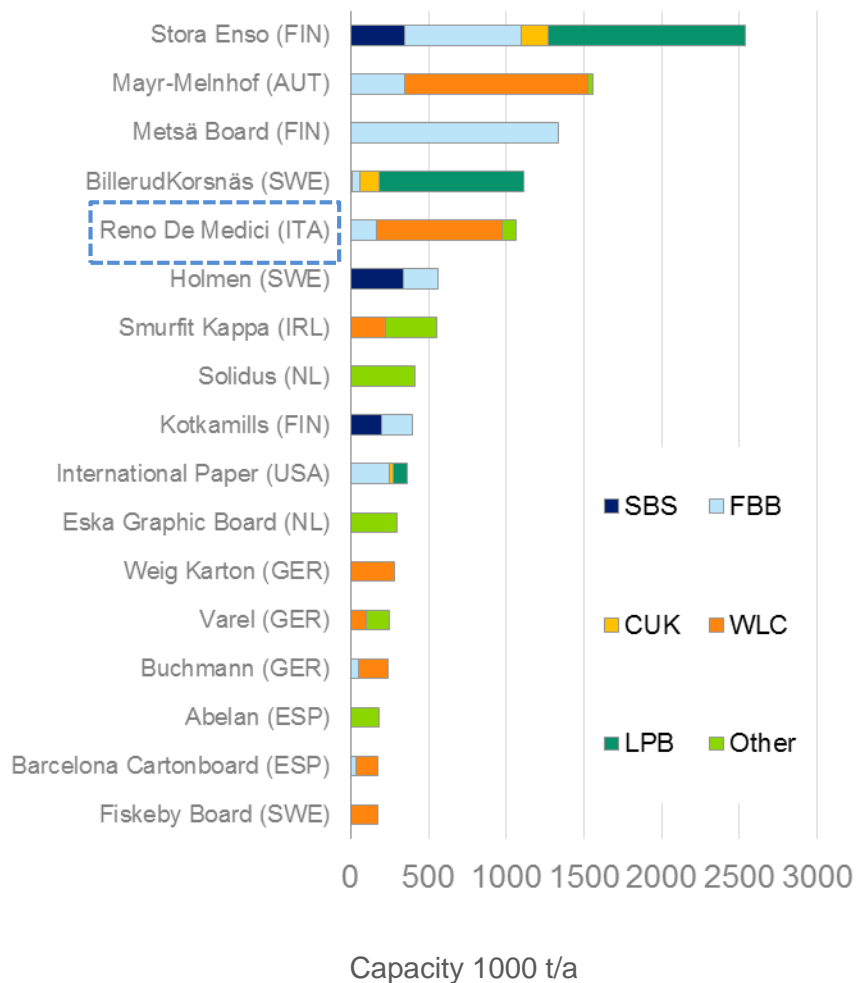
WLC producers



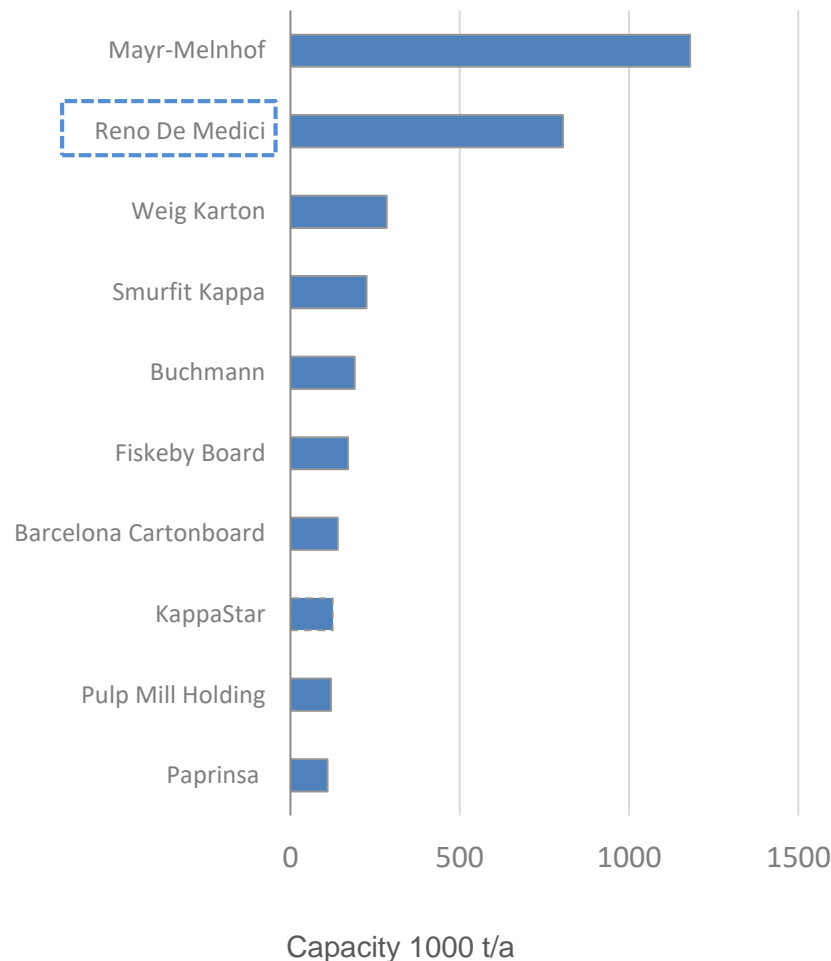
Source: PÖYRY, 2016



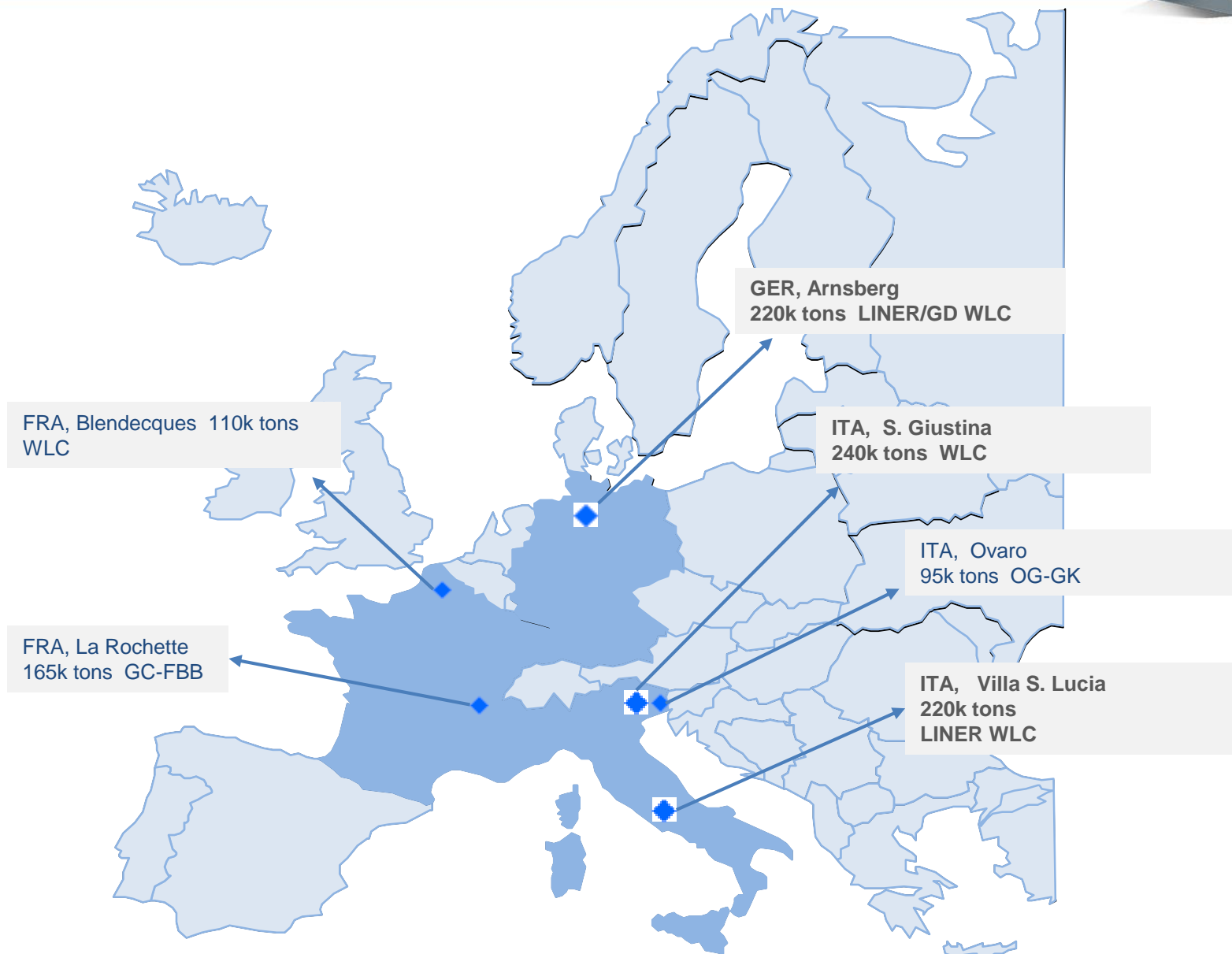
Cartonboard producers by grade



WLC producers



Source: PÖYRY, 2016





2 Operating Plants:

- S. Giustina
- Villa S. Lucia

Reno De Medici SpA
(operating holding)

Operations

RDM Arnsberg GmbH (*)
100%

RDM Ovaro SpA 80%

RDM Blendecques Sas
100%

ZAR Srl
33.33%

Manucor SpA
22.75%

**RDM
La Rochette sas**
100%

Marketing

RDM Marketing srl
100%

Sheeting & Distribution

RDM Magenta Srl
100.00%

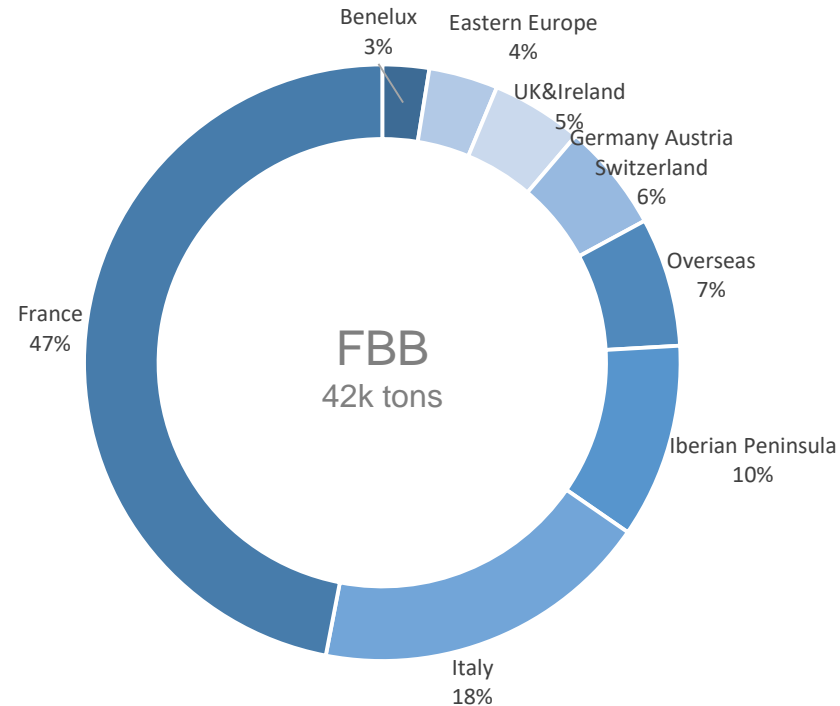
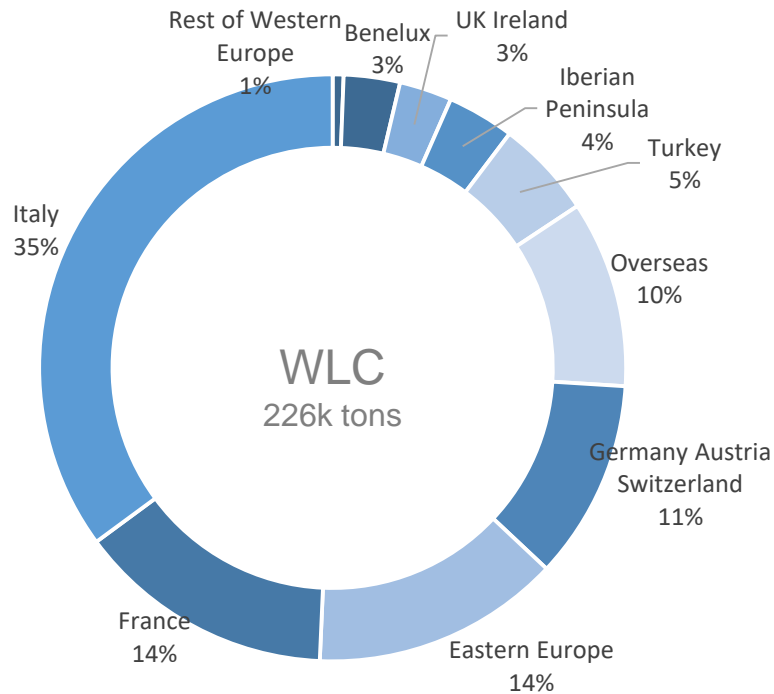
Emmaus Pack Srl
34.39%

Pac Services SpA
33.33%

(*) Company owned 94% by Reno De Medici SpA and 6% by Cascades Grundstück GmbH & Co.KG.



Q1 2017 Volumes sold by geography



RDM boasts a robust position in core European countries.

In WLC, strong geographic reach leverages on a well-diversified asset base.

In FFB, La Rochette (Cascades sas) represents the only production site in Southern Europe.



Low-risk concentration

Market share of **top ten converters** is around **30%**.

First 10 RdM clients account for approx. **22.5%** of tons sold.

First RdM 100 clients account for **68%** of tons sold.

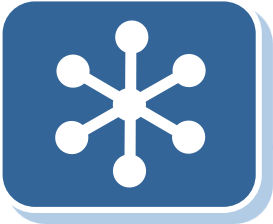


- 1 RDM Features and Strategic Guidelines
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Key actions on strategy

New
**organizational
design** in place



Smarter **use of
technology** in
planning and
production

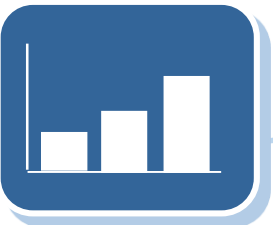


Best practice
sharing within the
One-Company
approach



Early deliveries

Optimized portfolio
management on a
high **order
backlog**



RDM **mkt shares**
increasing almost
anywhere



Higher **operating
rates** at key-mills



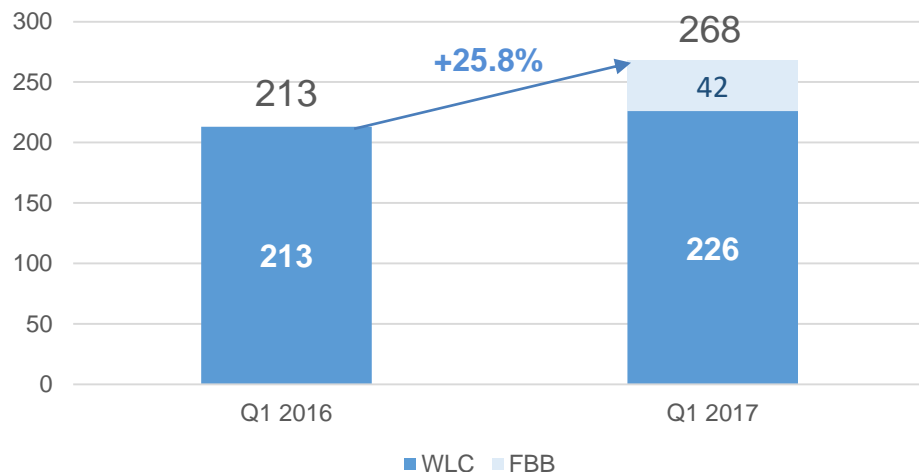


In 2016 the FBB business (RDM La Rochette sas), was consolidated starting from Q3.

Consolidated Income Statement		03.31.2017	03.31.2016
(thousands of Euros)			
Revenues from sales		149,453	111,617
Other revenues and income		1,463	1,256
Change in inventories of finished goods		(7,085)	(3,913)
Cost of raw materials and services		(110,499)	(82,712)
Personnel costs		(23,167)	(16,096)
Other operating costs		(1,042)	(897)
Gross operating profit		9,123	9,255
Depreciation and amortization		(5,513)	(5,210)
Write-downs and revaluations			
Operating profit		3,610	4,045
Financial expense			
Gains (losses) on foreign exchange		(755)	(850)
Financial income		26	(225)
Net financial income/(expense)		2	19
		(727)	(1,056)
Gains (losses) from investments			
Taxes		378	729
		(768)	(796)
Profit (loss) for the period before discontinued operations		2,493	2,922
Discontinued operations			(188)
Profit (loss) for the period		2,493	2,734
attributable to:			
Group's share of profit (loss) for the period			
Minority interest in profit (loss) for the period		2,493	2,676
			58



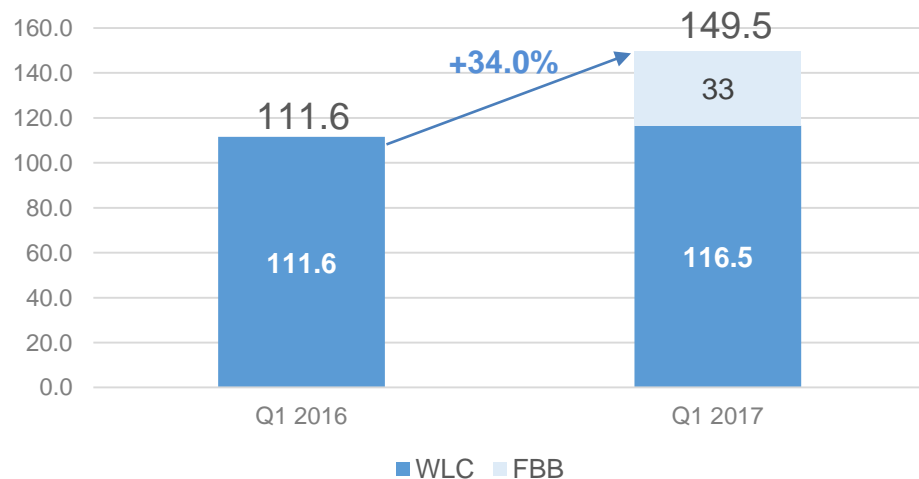
Volumes sold ('000 tons)



The increase in Q1 2017 volumes mainly reflects the **benefits of the RDM La Rochette consolidation**.

WLC volumes increased by **6.1%**.

Revenues from sales (€ mn)



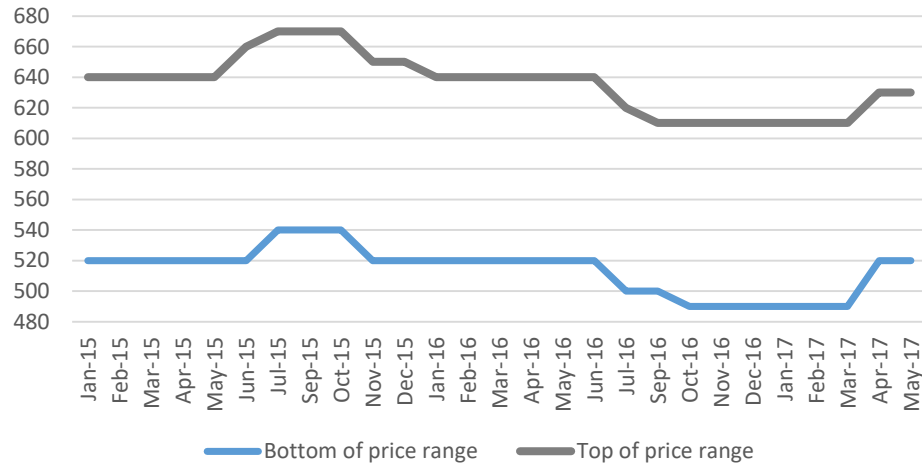
The increase in Group revenues was driven by the positive impact of the **consolidation of RDM La Rochette**.

WLC revenues increased at a lower pace than volumes, i.e. by **4.1%**.

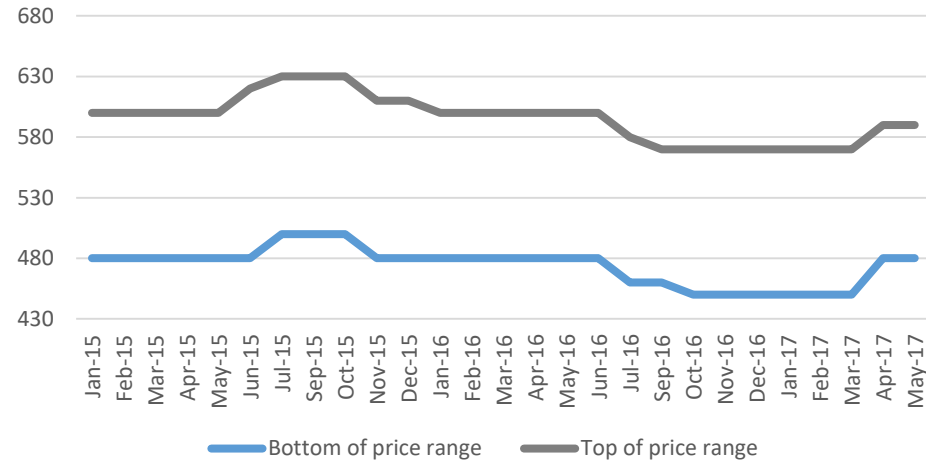


(€ per ton)

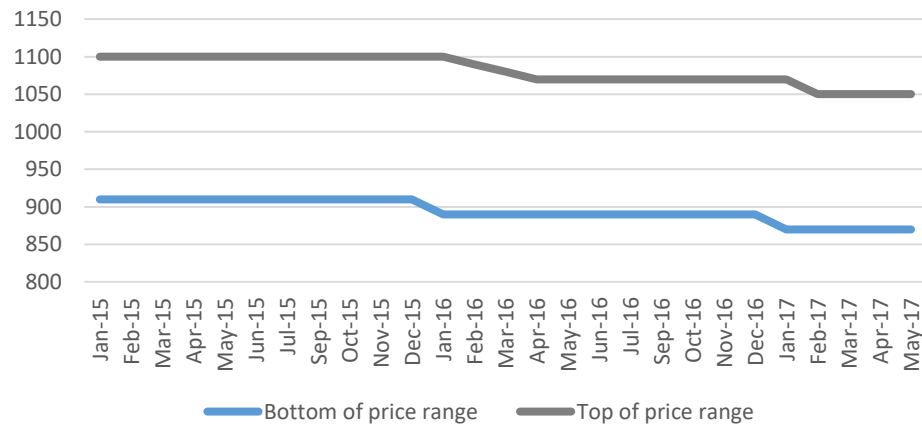
GDII in Italy



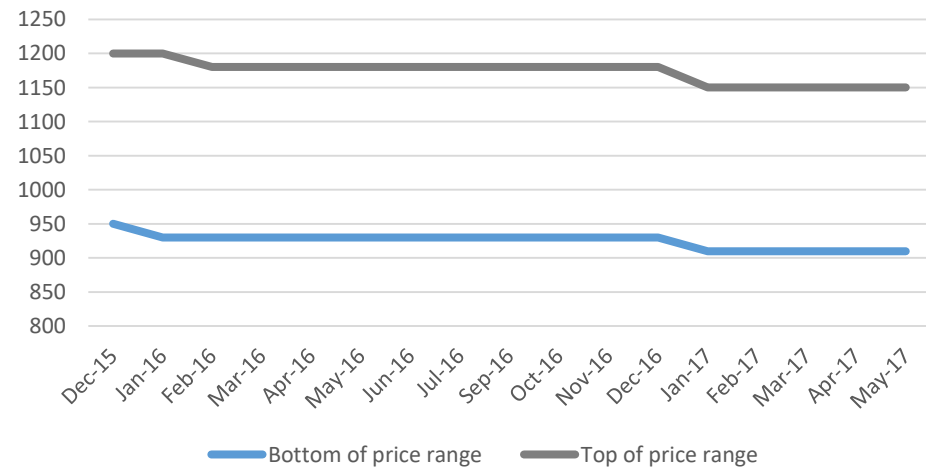
GDIII in Italy

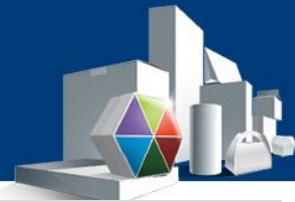


GCII in Italy

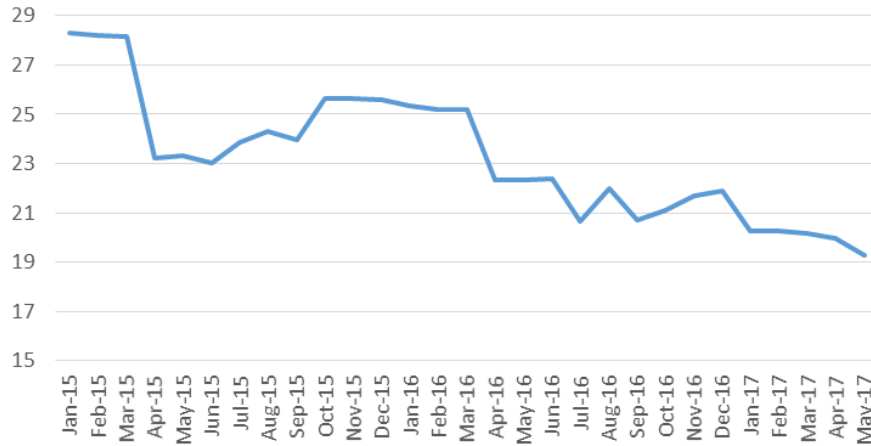


GCII in France

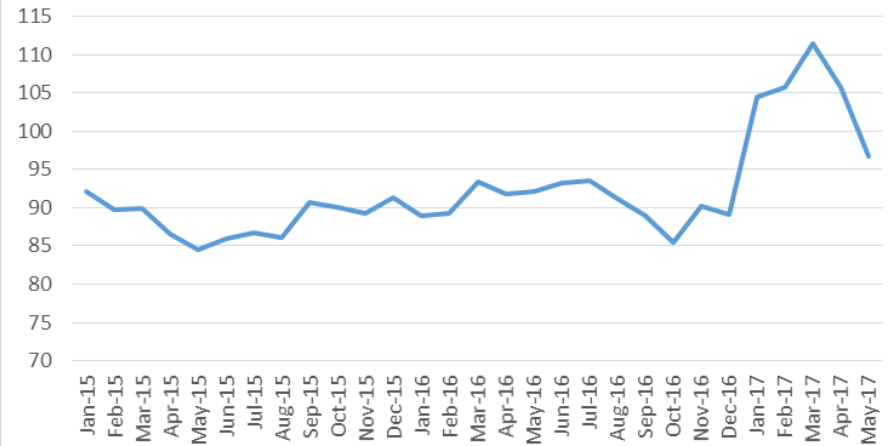




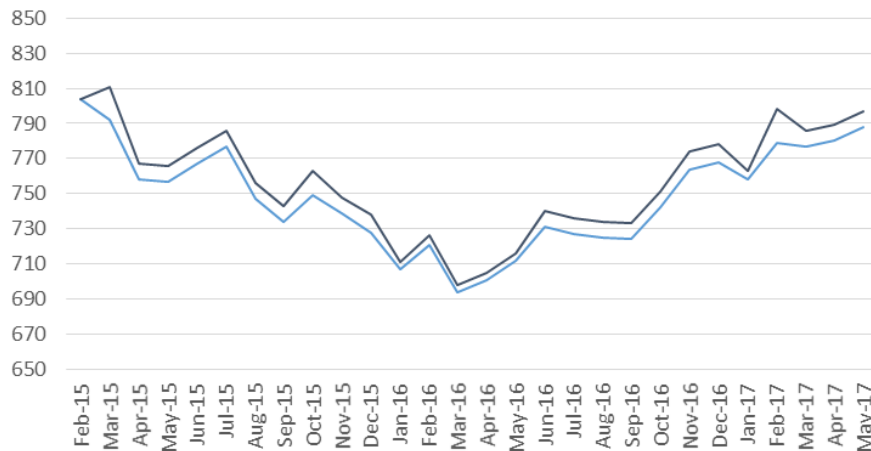
Natural gas (€/MWh)



Coal in Germany (€ per ton)



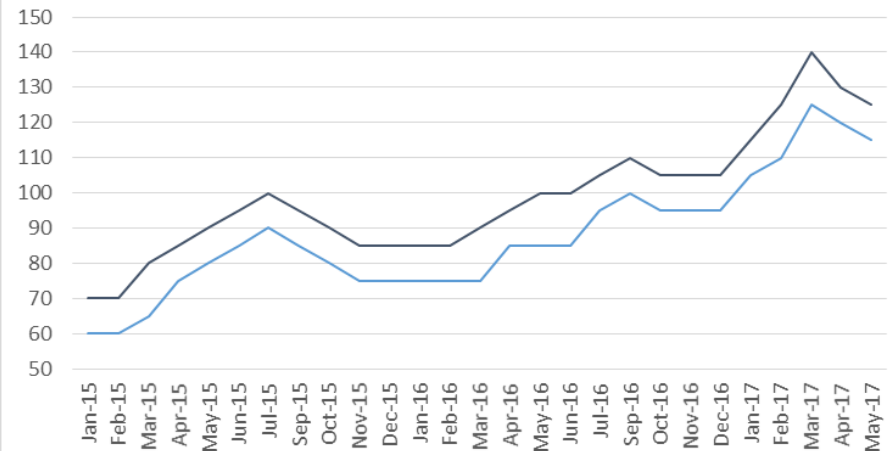
Bleached softwood pulp (€ per ton)



Top of price range

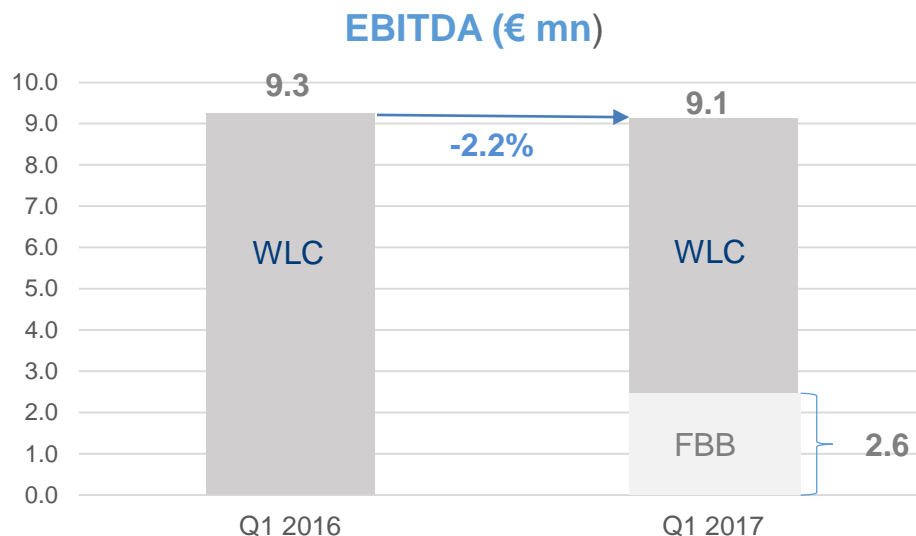
Bottom of price range

Mixed paper and board (€ per ton)



Top of price range

Bottom of price range



RDM La Rochette was not in the RDM Group consolidation perimeter in Q1 2016.

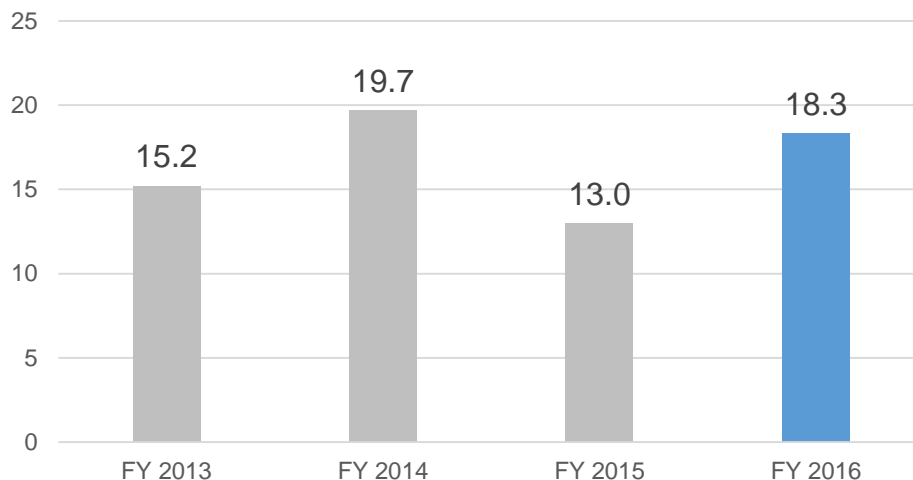
The **WLC EBITDA change** (from 9.3 mn€ in Q1 2016 to 6.5 mn€) is basically due to following drivers:

- Lower average **selling prices**;
- Higher cost of **non-energy raw materials**.

Q1 2017 EBITDA also reflects an **extraordinary item: 1.2 € mn restructuring costs** for the reorganization.



Capex (€ mn)

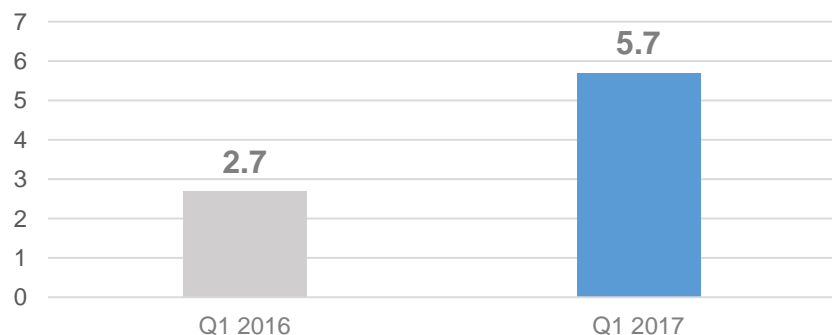


Typically, over the last eight years, RDM investments have been mainly concentrated in upgrading **one plant** at a time.

In 2016, Capex was mainly focused on the **Arnsberg mill** rebuild.

Cumulated capex of **144.2 million euro** over the 2008-2015 period, i.e. **18.0 million euro on average per year**.

Capex in Q1 (€ mn)



In Q1 2017 capex was mainly focused on the Blendecques mill press section rebuild.



WHAT?

Higher output volumes at constant installed capacity

WHERE?

Santa Giustina, Arnsberg and Villa S.Lucia Mills



Impacts of **efficiency gains** achieved through last 3 years investments



WHAT?

Decreased energy consumption per ton of production

WHERE?

Santa Giustina and Ovaro Mills



WHAT?

Reduced fibers consumption per ton of production

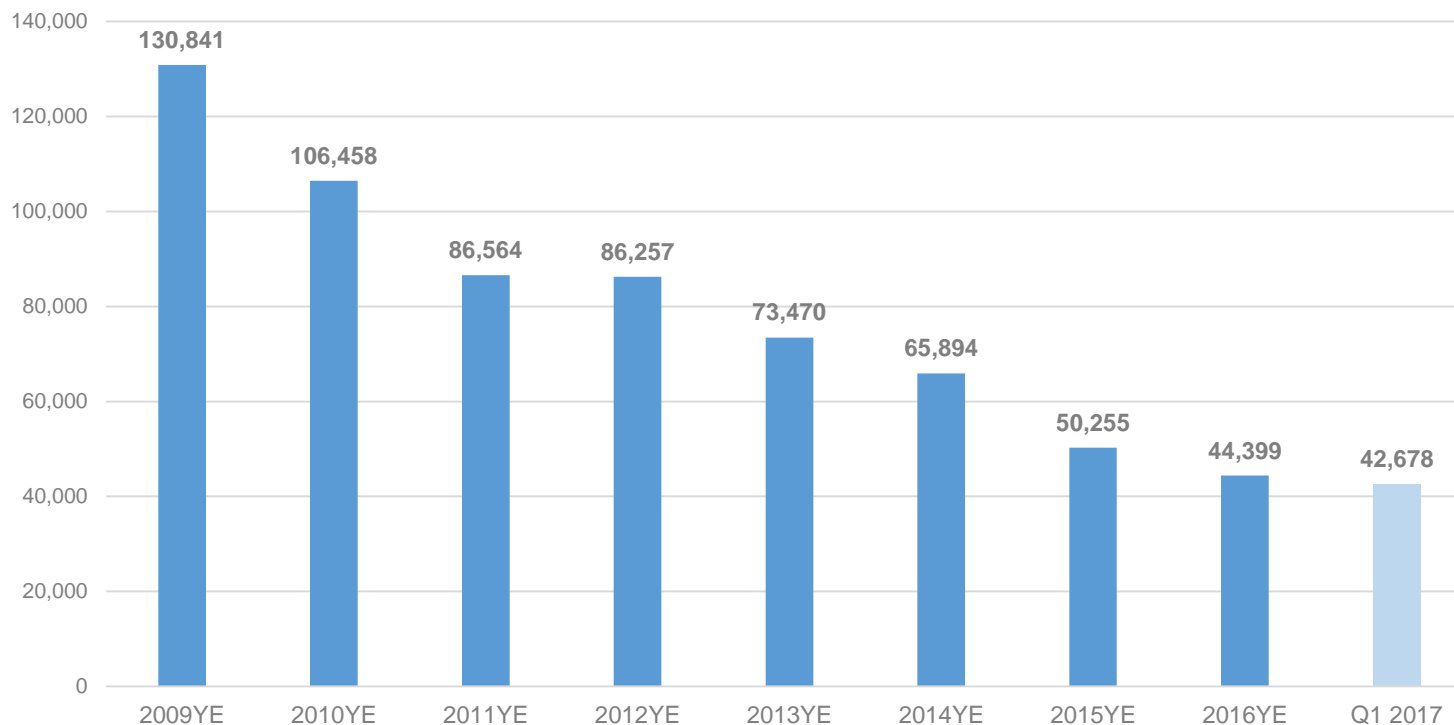
WHERE?

Santa Giustina Mill





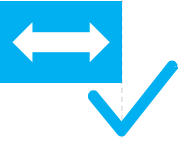
Net Financial Debt over time ('000€)



Strong cash flow generation, driving the decrease in Net Financial Debt, continued in Q1 2017.



Blendecques
shoepress section



La Rochette
power plant



Ovaro
converting machine



Santa Giustina
steam turbine



New ERP



Health & Safety projects



Jan

Aug

Dec

2017 planned capex in line with previous years range.



- 1 RDM Features and Strategic Guidelines
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- 3 **RDM Shares and Final Remarks**



Share Capital: 140,000,000.00 €

Outstanding shares: 377,800,994, o/w
377,531,366 ordinary shares
269,628 convertible savings shares

Listing markets

Milan Stock Exchange – MTA (STAR segment)

Madrid Stock Exchange

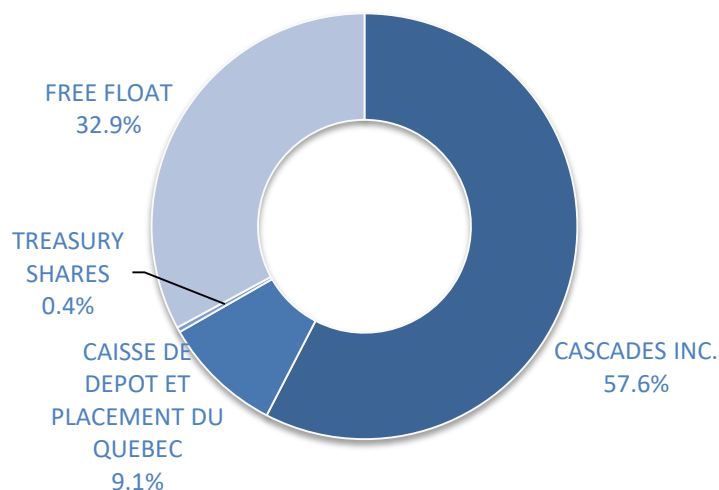
Codes

Bloomberg: RM IM; Reuters: RDM.MI

ISIN: IT0001178299

Mkt cap.: 130.3 € mn (@0.345 € p.s. as of 23 June 2017)

Main shareholders



Source: RDM shareholder register

Last dividend paid

ORDINARY SHARE: Dividend of 2.65 € cents

Payment date: **10 May 2017**

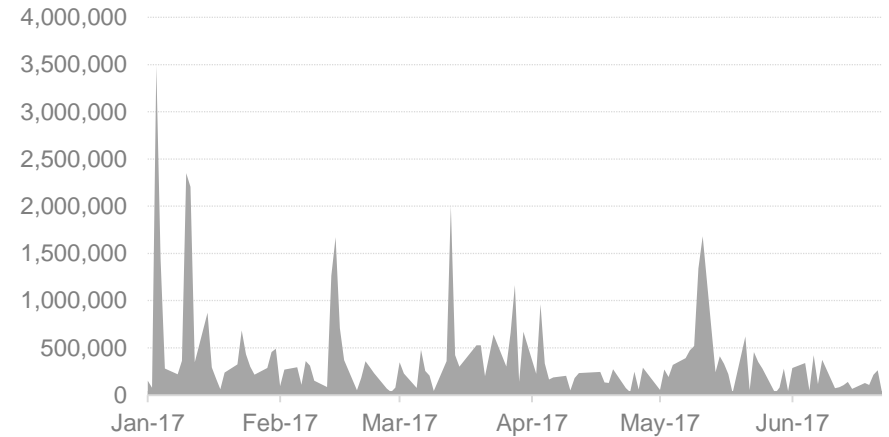
Dividend yield: **0.9%** (YE2016 price of 0.3055 €)



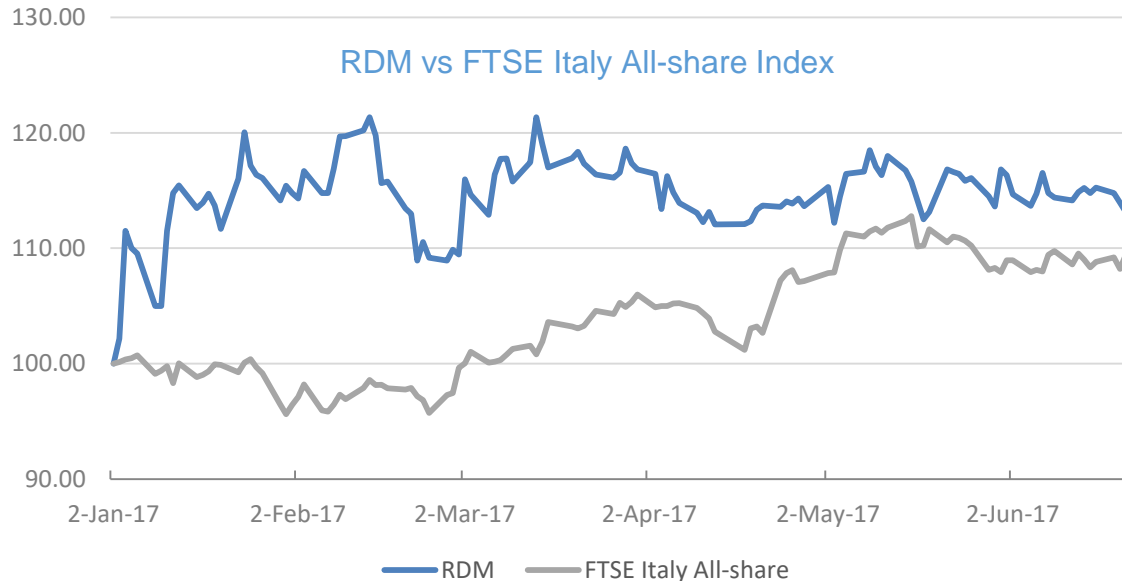
RdM share price



RdM traded volumes



RdM vs FTSE Italy All-share Index





Board appointed on 28 April 2017. Term of office: 3 financial years.
The CEO is the only executive member of the Board.



Robert Hall, Chairman

VP, Legal Affairs and Corporate Secretary at Cascades. Part of the senior management team, he works for Cascades since 1994.



Michele Bianchi, Chief Executive Officer

Chemical engineer, with more than 18 years of experience in the European packaging industry. Coopted on 3 November 2016.



Laura Guazzoni, Independent Director

Chartered accountant and business consultant. Bocconi University professor.



Sara Rizzon, Director

Lawyer at the Jones Day Milan office. Expert in M&A and corporate compliance



Gloria F. Marino, Independent Director

Chartered accountant and statutory auditor.



Allan Hogg, Director

CFO of Cascades Group since 2010 – Bachelor's Business Administration in Accounting.



Giulio Antonello, Independent Director

In the past, investment banker and CEO of a listed Company. Presently, strategic advisor in the asset management field.



We remain focused on executing the stated strategy:

- 1 Enhance **efficiency** and **competitiveness** in both operations and customer services
- 2 Strengthen the **One-Company** culture, by sharing best practices across RdM
- 3 Invest in **sustainable** solutions to maximize value generation to all our stakeholders

2017 YTD achievements prove that we are on the right track:

Growing performance in Q1 2017 vs Q4 2016
in spite of:

- Fierce mkt competition
- Peaks in input prices
- 1.2 €mn restructuring costs

Mid-April selling price increase:

effective with orders confirmed from May 2017, full impact in July 2017, to partially recover the higher costs in raw materials.

Continue building on solid foundations
means
Getting ready for new opportunities