

**Star Conference  
Milan 26 March 2013**

**RenoDeMedici**



# Statement Disclaimer

*Certain statements in this presentation, including statements regarding target results and performance, are forward-looking statements based on current analyses and/or assumptions. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for the Company's products, increases in raw material and energy costs, changes in the relative values of certain currencies, fluctuations in selling prices, adverse changes in general market and industry conditions and other factors.*



# RdM Group overview

*Leading Italian and second-ranked European producer of recycled cartonboard.*

## Our Business

- Pan European asset base (Germany, France, Italy and Spain).
- Wide production range meeting almost all packaging and graphic applications.
- Sheeting and distribution centers to meet demanding customer service requirements.



## Our values

- To further strengthen our environmental sustainable credo and behavior;
- To be recognized as the best partner in the global consumer packaging supply chain.
- To achieve a return on capital in line with the best peers.





# Carton Board: Production & Sales Circuit

## Recycled paper Collectors



## Consumers



## Distributors



## Cartonboard Producer



## Converters



# Packaging Market

- Packaging offers a vast range of benefits to the finished product: transportation, security, safety and visibility.
- Cartonboard packaging is needed and used in different industries : food, pharmacy, luxury, utilities, tobacco,...
- Stronger market after several shutdowns and reorganization at European level; a better supply / demand balance will lead to increased the operating rate

# RdM– People

## HR

- More than 1.400 employee coming from more than 10 countries.
- Extensive Training programs
- Maximum efforts on safety.



## RDM MANAGEMENT

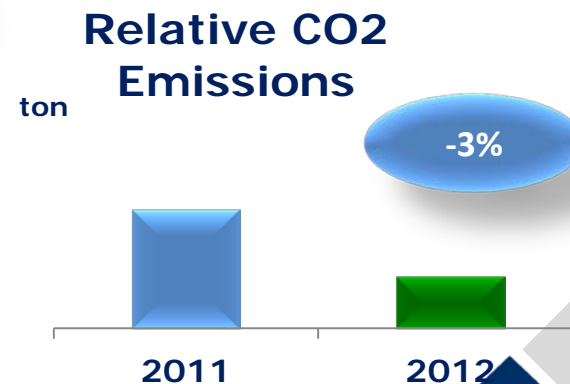
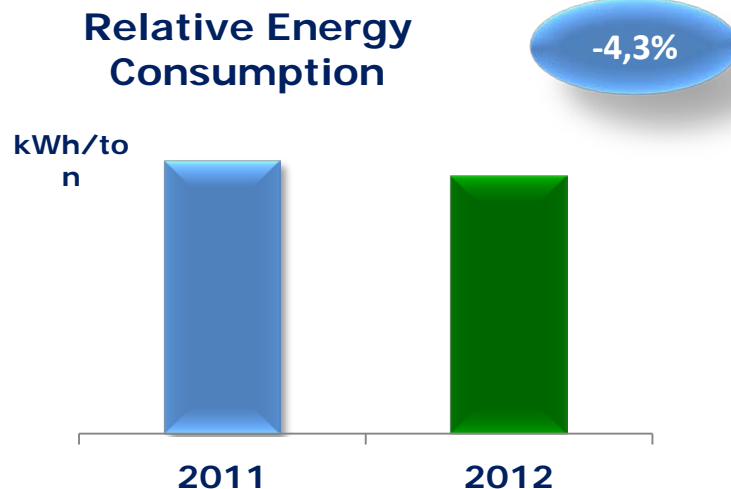
RdM Management is multicultural, multilingual and coming from different history and organizations in order to face all complexities of the business.



# Pioneer of recycling and sustainable development

Recycling and low environmental impact are core values for RDM

- ◆ Ca. 950,000 tons of recycled fibers (consumption).
- ◆ Continuous reduction in energy and water consumption and CO2 emissions.

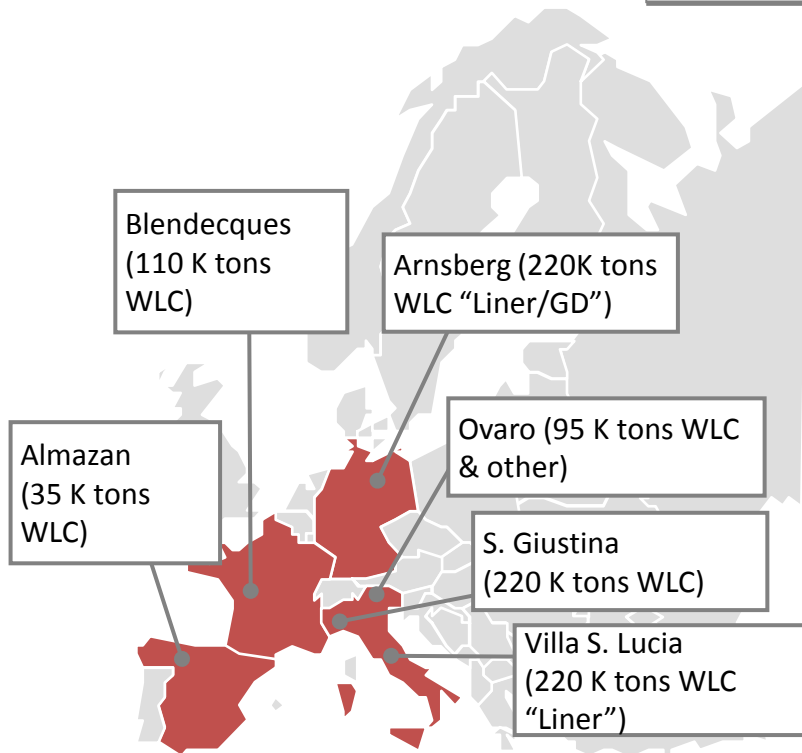


# RdM has a W. European footprint, the second biggest European recycled cartonboard producer

## RdM 2012 footprint

Installed capacity by mill, tons

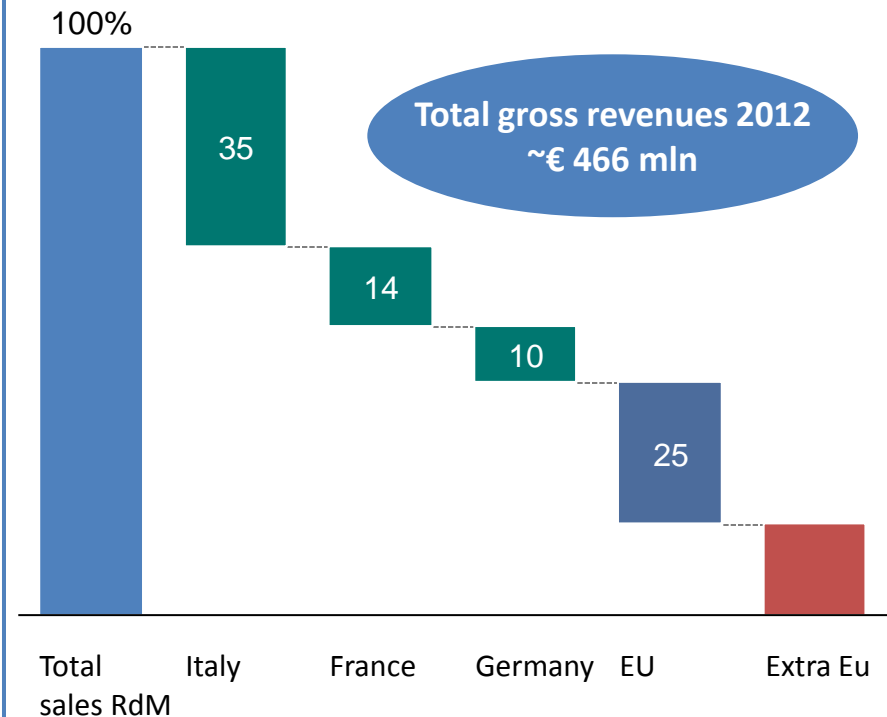
FOOTPRINT 2012



- 6 operating mills in 2012 with total installed capacity of ~900k tonnes
- 60% of the installed capacity is in Italy and only in WLC

## Sales by end market

Percent, 2012 data



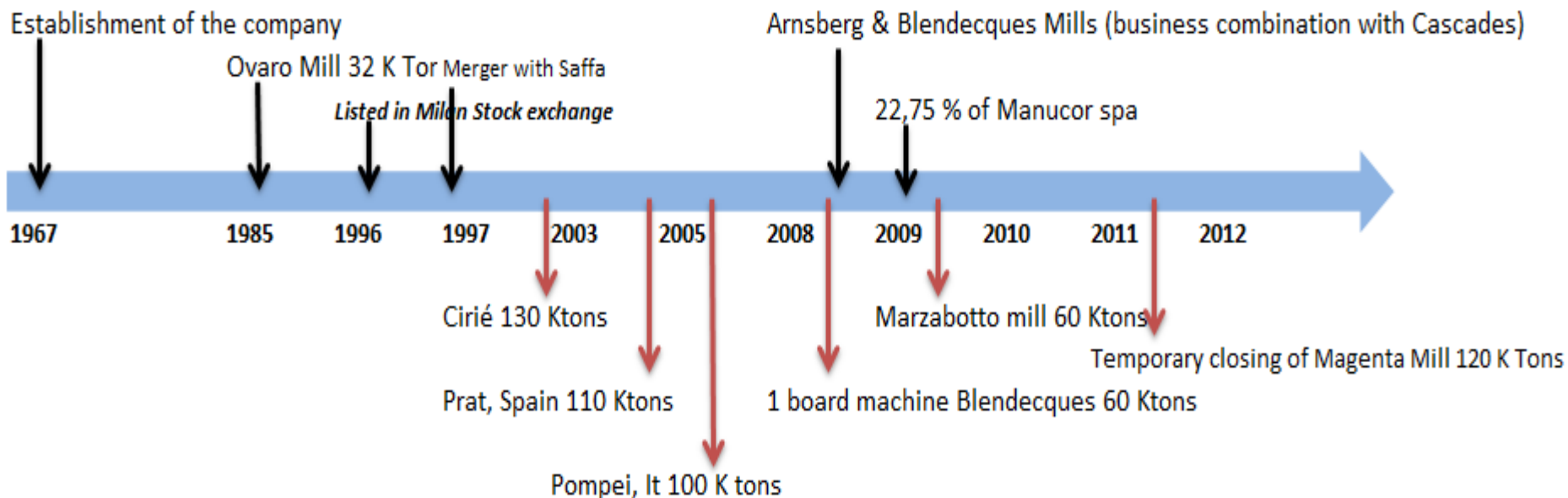
- Italy main end market and together with France and Germany summing up to more than 60% of total market





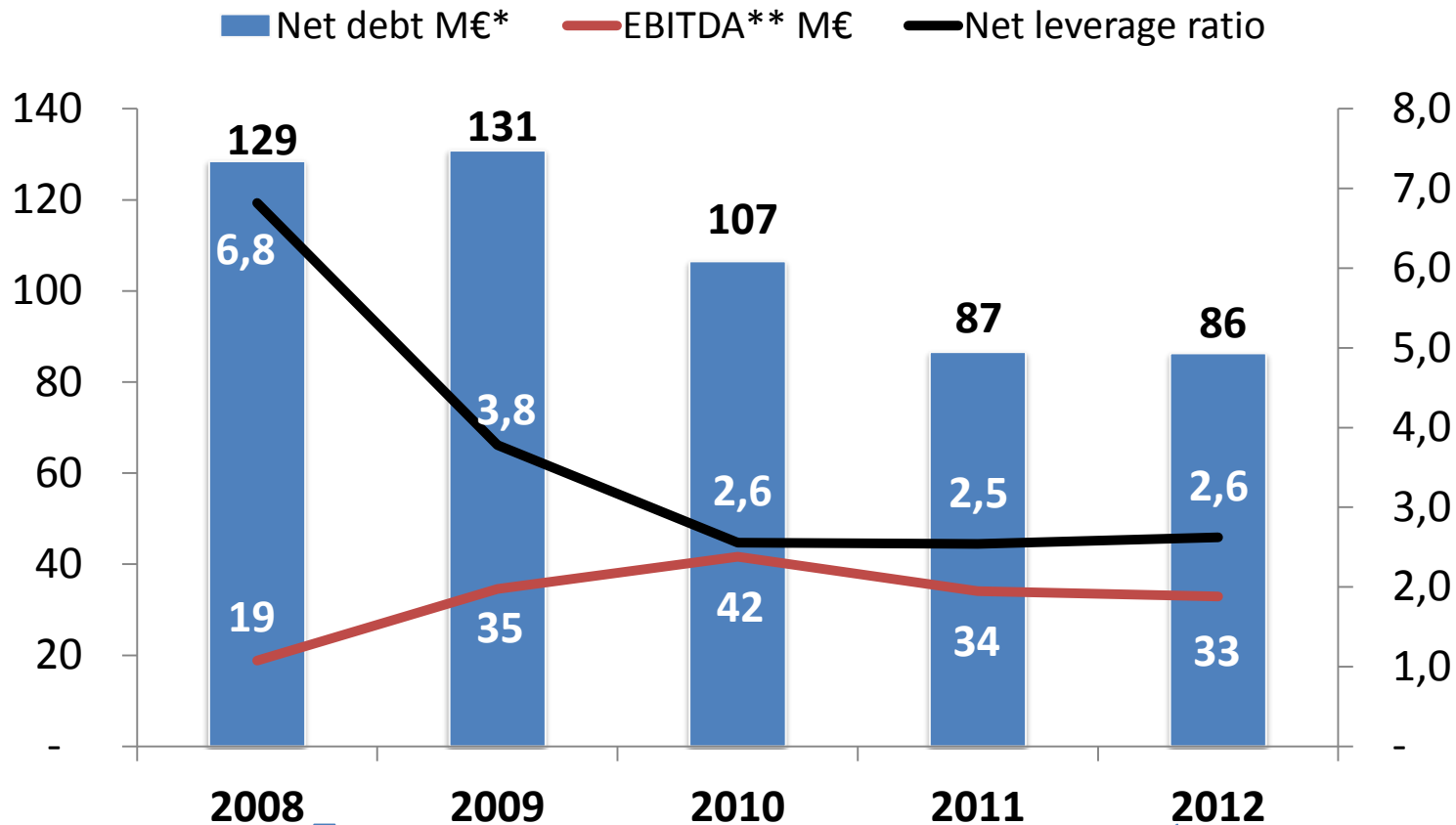
# RDM HISTORY: Growing through acquisition and restructuring assets

## Acquisitions



## Divestments

# Even during critical macroeconomic crisis, RDM has improved the leverage ratio



Subprime  
crisis

Sovereign  
debt crisis

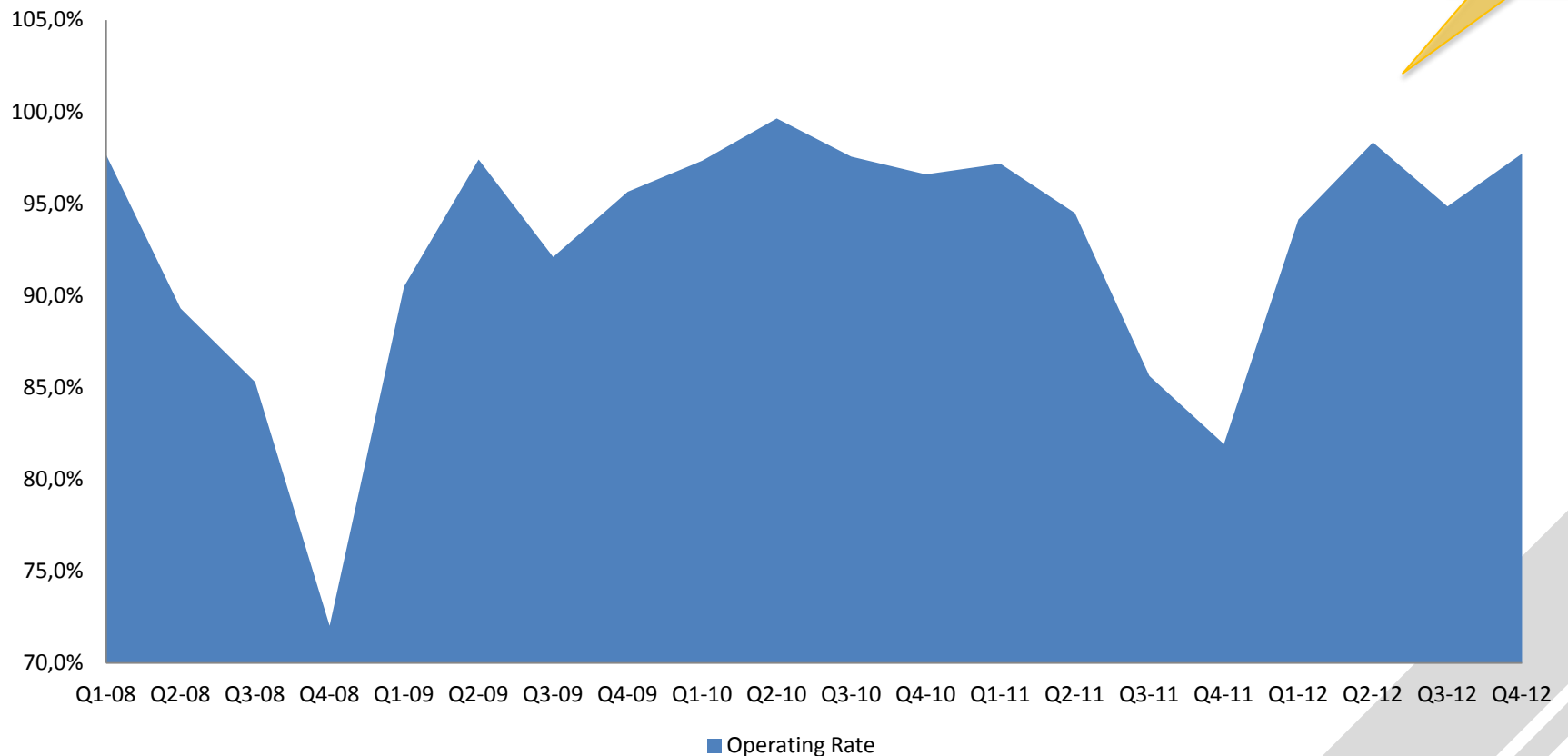


\*From 2010, RDM has started a factoring program without recourse

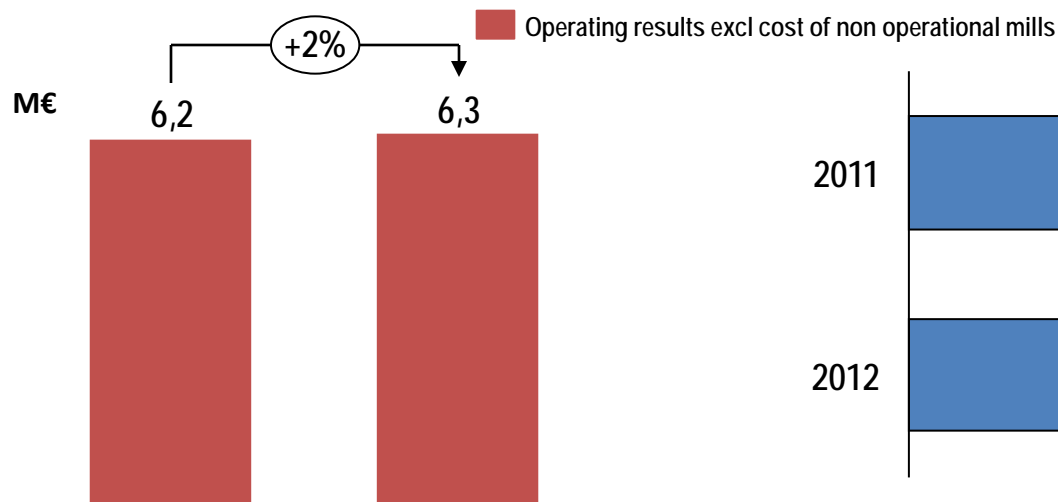
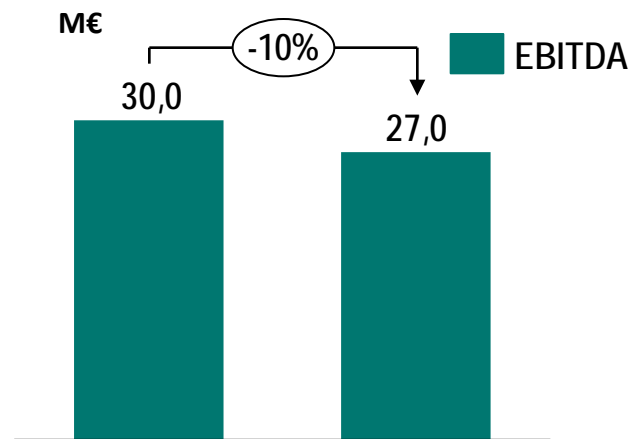
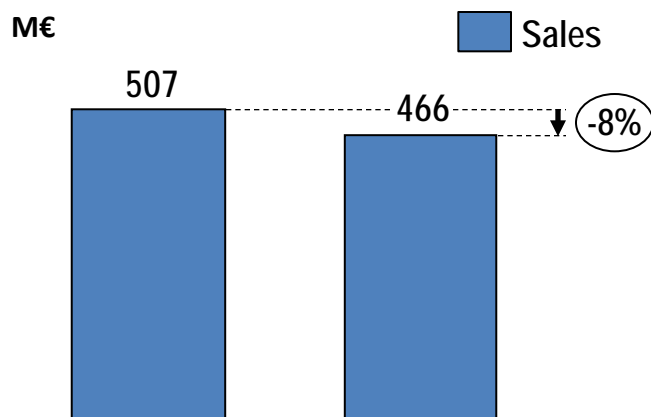
\*\*excluding cost generated by non operational mills

# Operating Rate per Quarter

Operating Rate



# Key figures : annual comparaison



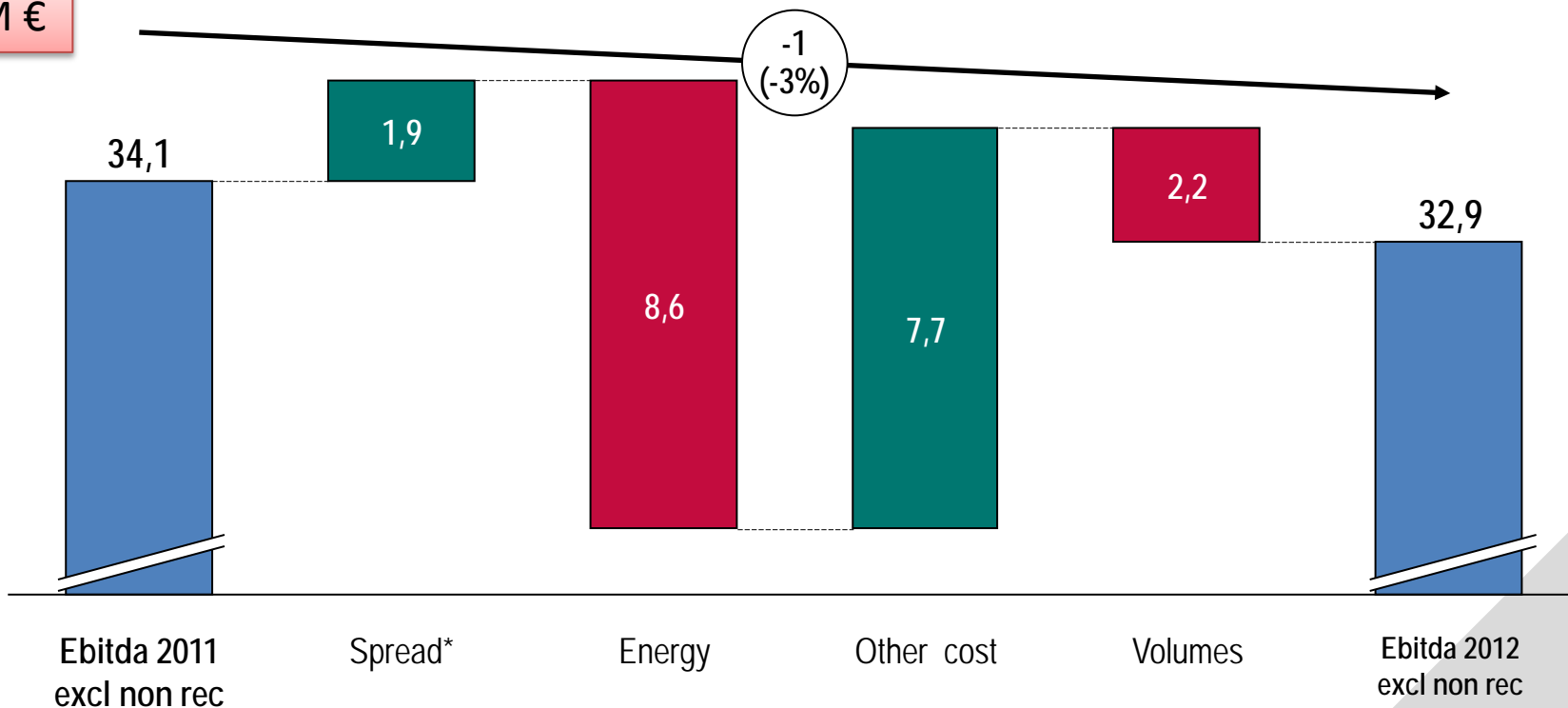
# Variation 2011 - 2012

878

Tons Sold

834

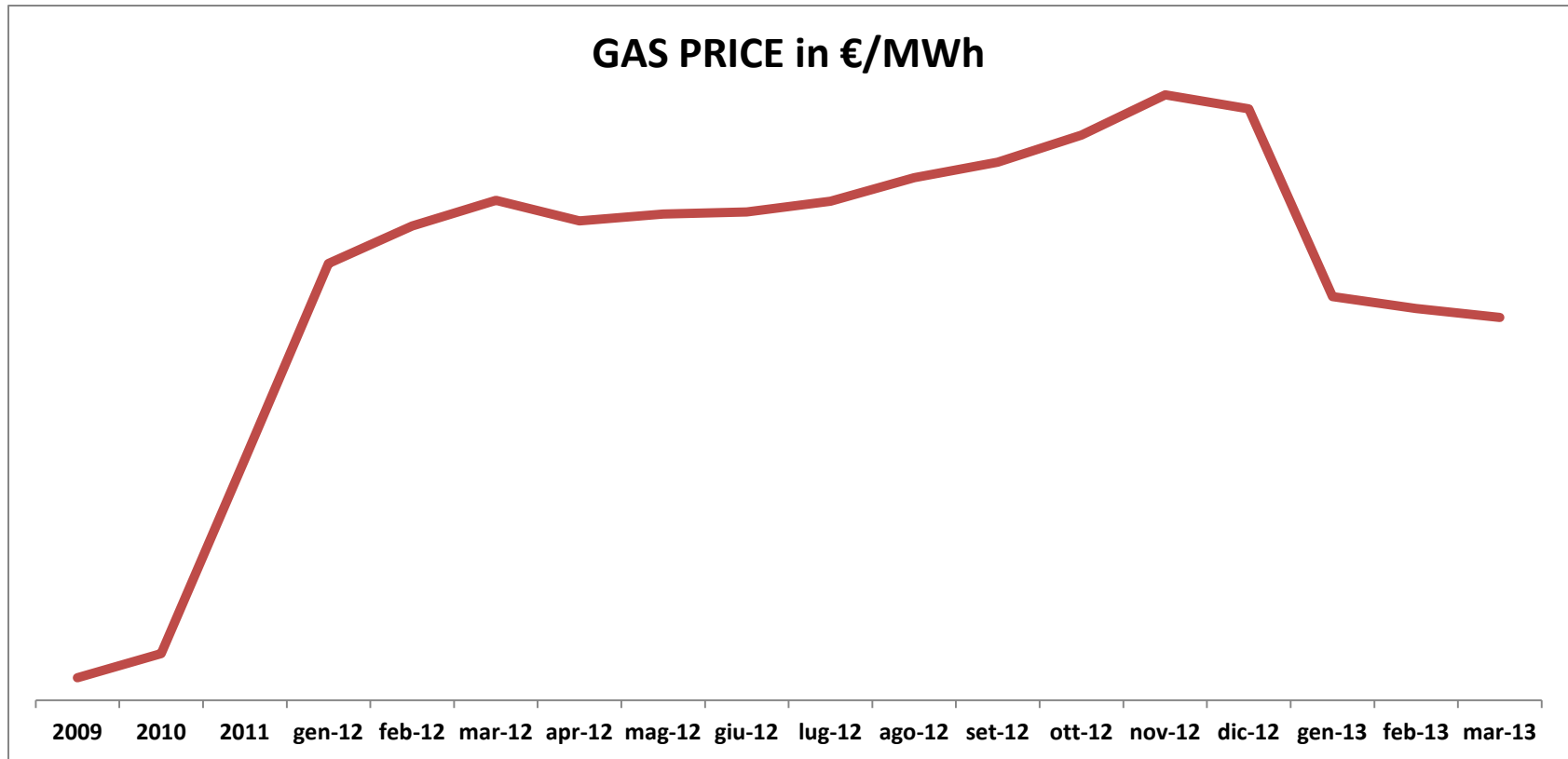
M €



\* Spread: sales price minus raw material prices



After more than 2 years of very high prices , the gas price in Italia are going down



Source: company data

# Undervalued stock creates investments opportunities

Equity (M€)	136,7
Number of Shares (M)	377,8
Book Value per share (€)	0,36
Aver. Stock price (€)	0,14
Price / Book Value	0,4

M€		<div>Mills</div> <div>Arnsberg</div> <div>St Giustina</div> <div>Villa Sta Lucia</div> <div>Blendecques</div> <div>Almazan</div>	}	M€	
Non current Assets	240			NFP (Debt)	86
+				+	
Working Capital	42			Equity	136
+					
Other Liabilities	-60				
222		Capital employed		222	

*Capital employed includes suspended activities fixed asset*

*Estimates based on 2012 figures*

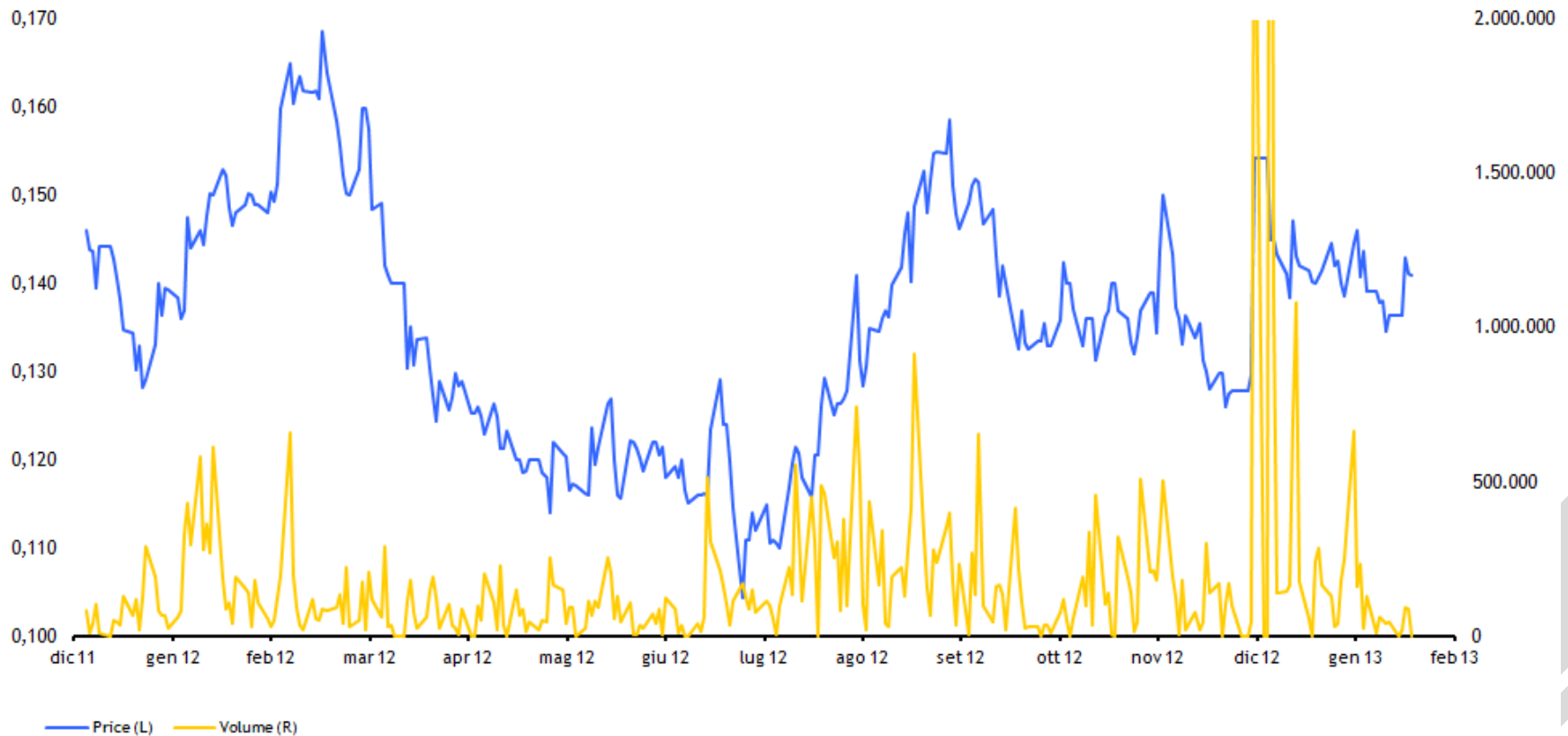


# Financial consideration

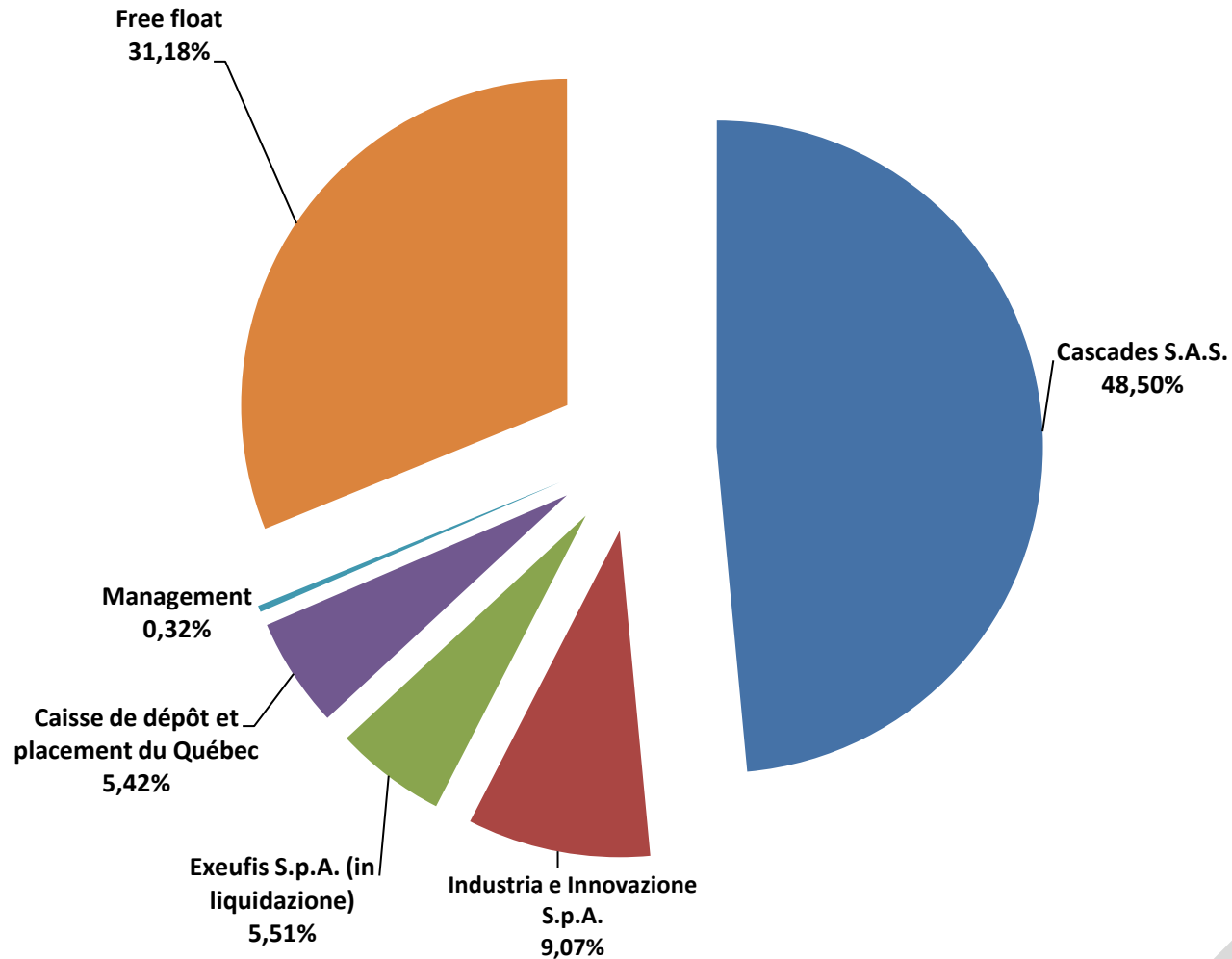
- RDM stock seems undervalued compared to peer group
- Restructuring completed with capacity downsized by 240 k tons over the last 5 years
- Limited capex plan (approx 20 M€/year) necessary to improve our asset base and reduce our debt
- The Italian gas prices shall reach the European level within this year thanks to the divesting of Eni from Snam and access to spot market in Italy.

# RM.MI : increase of trading volume

Price for Reno de Medici S.p.A. (Ordinary) (IT) in EUR as of 15/02/13



# Shareholders base



*Put option between Cascades s.a.s and Industria e innovazione S.p.A to be exercised in 2013*



# Financial results highlights

	2009	2010	2011	2012	Q4-2011	Q1-2012	Q2-2012	Q3-2012	Q4-2012
<b>Development of Sales (in millions of EUR)</b>									
Total sales	428,1	503,6	507,1	466,3	112,2	116,6	120,8	111,4	117,5
Dispatched Tons (thousands of tons)	864	946	878	834	194	208	215	202	209,0
<b>Earnings Data (in millions of EUR)</b>									
EBITDA	32,2	40,0	30,0	27,0	5,3	7,2	6,8	5,4	7,6
EBITDA excluding cost generated by non operational mills	34,6	41,6	34,1	32,9					
Operating profit (EBIT)	5,0	12,0	2,1	-1,5	-2,9	0,7	0,2	-1,2	-1,2
Profit for the year (loss)	-6,6	2,0	-2,2	-12,2	-0,8	-2,1	-1,8	-3,1	-5,2
<b>Depreciation / Capital Expenditures (in millions of EUR)</b>									
Depreciation and amortization	-26,7	-26,1	-27,5	-26,3	-7,8	-6,5	-6,6	-6,6	-6,6
Capital expenditures	-20,8	-17,3	-23,7	-17,8	-3,8	-3,3	-2,5	-5,6	-6,4
<b>Employees</b>	1.618	1.595	1.502	1.430	1.502	1.469	1.460	1.443	1.432
<b>Tons sold per employee</b>	534	593	585	583					

## Comments & Outlook

- ✓ Lower sales volume due to Magenta suspended activities
- ✓ Impact of suspended activities 5,9M€ on the EBITDA
- ✓ Impact on the natural gas prices (mostly in Italy) approx 8 M€

### 2013 outlook:

- Decreasing trend of natural gas prices in Italy
- Increasing trend on the order inflow compared to 2012
- Waste papers prices remain high but should be compensated by the selling prices



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