

The Board of Directors approved the interim financial report for the period ended september 30th, 2011

Consolidated Financial Results as at 30 September 2011
(Vs. 3 Q 2010):

- **NET REVENUES:** EURO 394.8 MILLION (euro 366.8 million as at 30 September 2010)
- **GROSS OPERATING PROFIT (EBITDA):** EURO 24.8 MILLION (euro 28.0 million as at 30 September 2010)
- **OPERATING PROFIT (EBIT):** EURO 5.1 MILLION (euro 8.5 million as at 30 September 2010)
- **NET PROFIT (LOSS) OF THE PERIOD:** EURO (1.5) MILLION (euro 1.6 million as at 30 September 2010)
- **NET FINANCIAL INDEBTEDNESS:** EURO 105.2 MILLION (euro 106.5 million as at 31 December 2011)

Milan, November 4, 2011

The Board of Directors of Reno De Medici S.p.A. ("**RDM**" or the "**Company**"), parent company of one of the world's largest producers of recycled cardboard, met today under the chairmanship of Mr. Christian Dube and approved the **Interim financial report for the period ended September 30th, 2011** of the Reno De Medici Group ("**RDM Group**" or the "**Group**").

* * *

Introduction

Following two very positive quarters, in the third quarter the Reno De Medici Group felt the negative effects of the turbulence on the financial markets, and that of Europe in particular, which is having repercussions on the real economy.

After weakening in the second quarter, as already noted, order flow in the third quarter was affected by an appreciable deterioration in the overall macroeconomic situation.

High levels of stocks and the uncertainties hanging over the immediate future have also led to a sharp slowdown in the demand for coated cartonboard, with destocking clearly taking place. At a European level there was a fall of 2.6% in demand in the first nine months of 2011 over the same period in 2010, with a drop of over 8% in the third quarter compared to the second quarter. The negative trend in Europe was partially contained by increases in sales on overseas markets.

The following table sets out the highlights of the profit and loss accounts for 30 September 2011 and 30 September 2010:

(thousands of Euros)	30.09.2011	30.09.2010
Revenues from sales	394,850	366,780
EBITDA (1)	24,758	28,014
EBIT (2)	5,071	8,494
Results of operating activities before taxes (3)	(431)	3,086
Current and deferred taxes	(1,030)	(1,497)
Profit (loss) for the period	(1,461)	1,589

1) Cfr. Consolidated financial statement of RDM Group, "Gross Operating Profit"

2) Cfr. Consolidated financial statement of RDM Group, "Operating Profit"

3) Cfr. Consolidated financial statement of RDM Group, "Profit (loss) for the period" - "Taxation"

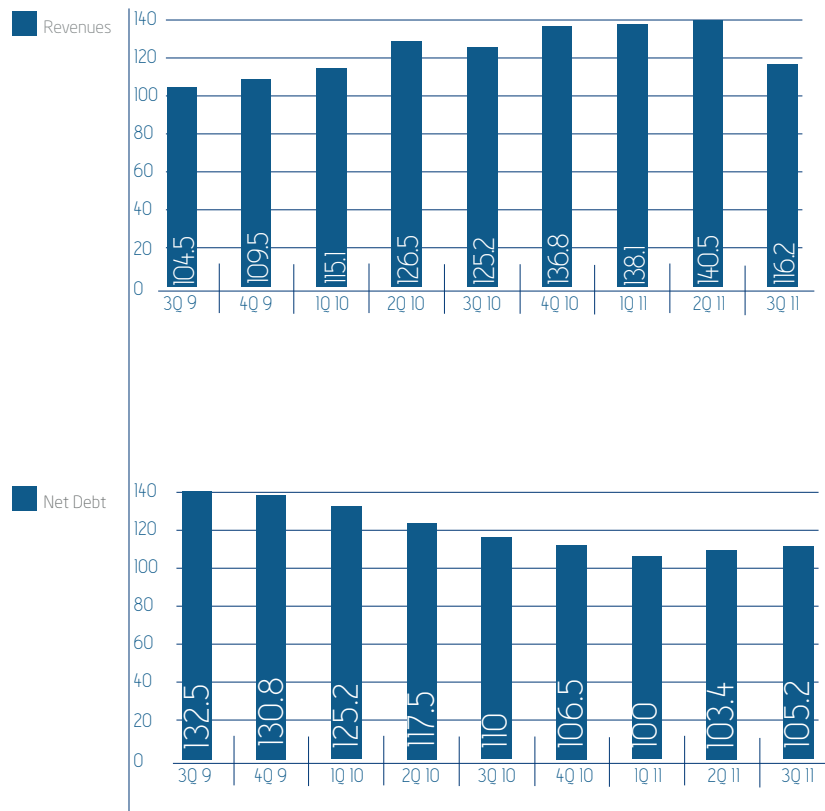
* * *

Main consolidated results

The Group's **production** in the period reached 675 thousand tonnes compared to 692 thousand tonnes for the same period in 2010; the fall is entirely attributable to the third quarter, due to stoppages at certain factories. In terms of volumes sold, 684 thousand tonnes were despatched compared to 701 thousand tons in 2010.

The Reno De Medici Group **earned revenues** of Euro 395 million in the first nine months of 2011, representing **a rise of 8%** over the same period in 2010, essentially due to the **increase in prices** introduced in 2010 and at the beginning of 2011, in turn caused by the constant **rise in the cost of raw materials**. **EBITDA fell from Euro 28 million in the first nine months of 2010 to Euro 24.8 million** in the corresponding period in 2011. This comparison reflects the peculiarity of the third quarter of 2010, which was exceptionally positive due amongst other things to the over-procurement policies followed by customers, in contrast to the opposing trend seen in the third quarter of 2011 which, as said, was penalised by destocking. Profitability in the quarter also felt the effect of stoppages at certain factories. **There was a net loss of Euro 1.5 million for the period**, with the result also being affected by the write-down of investments.

The Group as at September 30, 2011 made capital expenditures of Euro 18.9 million (Euro 11.4 million at 30 September 2010).



* * *

Outlook for operations

The outlook for operations for the remainder of the year is expected to be in line with the negative trend seen in the third quarter, due to the persisting weakness of the economy, the specific difficulties being encountered by certain countries, the drop in consumption and the disruption still characterising the financial markets.

The specific critical features of the industry relate above all the extent to which volumes will hold up; the uncertainty about the immediate future could in fact reduce the tendency of households to spend, with the resulting continuation of the destocking process. In this situation Reno De Medici will work to safeguard industrial efficiency and profitability, adjusting production levels to real demand.

It is expected that there will be a fall in the cost of production factors during the rest of the year, in particular in that of raw material mixture. Energy costs should remain at their present high levels in the short term.

* * *

Mr. Stefano Moccagatta, the officer in charge of drafting the Company's accounting documents, declares pursuant to 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.

* * *

This document is an English translation from Italian. The Italian original shall prevail in case of difference in interpretation and/or factual errors.

* * *

The Consolidated Financial Results for the period ended 30 September 2011 will be available to the public at the Company's registered office at Via Durini n. 16/18, Milan, Italy and at Borsa Italiana, in the terms and conditions required by law. Copies can be obtained. Such documents are also consultable on the website: www.Renodemedici.it.

* * *

For further
informations:

Investor Relations

Tel: +39 02 89011300

E-mail: Investorelations@imagebuilding.it

Image Building Media Relations

Simona Raffaelli,
Alfredo Mele,
Valentina Bergamelli

Tel: +39 02 89011300

E-mail: RenoDeMedici@imagebuilding.it

Consolidated Income
StatementConsolidated condensed interim financial
statements at 30 September 2011

(thousands of Euros)	30.09.2011	30.09.2010
Revenues from sales	394,850	366,780
Other revenues and income	10,602	10,468
Changes in stocks of finished goods	2,402	3,038
Cost of raw materials and services	(323,738)	(289,189)
Staff costs	(56,174)	(59,315)
Other operating costs	(3,184)	(3,768)
Gross Operating Profit	24,758	28,014
Depreciation and amortisation	(19,687)	(19,520)
Operating Profit	5,071	8,494
Financial expenses	(5,607)	(6,131)
Exchange rate differences	231	657
Financial Income	96	18
Financial income (expenses), net	(5,280)	(5,456)
Income (loss) from investments	(222)	48
Taxation	(1,030)	(1,497)
Profit (loss) for the period	(1,461)	1,589
Attributable to:		
Profit (loss) for the period pertaining to the Group	(1,724)	1,067
Profit (loss) for the period pertaining to minority interests	263	522

Consolidated
 Statement of financial
 position

ASSETS	30.09.2011	31.12.2010
(thousand of Euros)		
Non-current assets		
Tangible fixed assets	243,042	244,241
Goodwill	63	63
Other intangible assets	6,281	5,990
Investments	6,502	6,689
Deferred tax assets	1,227	1,369
Financial assets held for sale	194	191
Trade receivables	81	81
Other receivables	528	370
Total non-current assets	257,918	258,994
Current assets		
Stocks	88,968	81,925
Trade receivables	107,486	121,016
Other receivables	7,739	4,247
Liquid funds	3,230	2,210
Total current assets	207,423	209,398
Non-current assets held for sale	1,290	1,290
TOTAL ASSETS	466,631	469,682

Consolidated
Statement of financial
position

LIABILITIES	30.09.2011	31.12.2010
<i>(thousands of Euros)</i>		
Shareholders' Equity		
Shareholders' equity attributable to the Group	153,905	155,565
Minority interests	656	1,010
Total shareholders' equity	154,561	156,575
Non-current liabilities		
Bank loans and other financial liabilities	50,866	55,531
Derivative financial instruments	1,124	1,011
Other payables	1,596	1,596
Deferred tax liabilities	24,471	25,536
Employee benefits	24,807	24,175
Non-current provisions for contingencies and charges	5,666	6,087
Total non-current liabilities	108,530	113,936
Current liabilities		
Bank loans and other financial liabilities	58,086	50,416
Derivative financial instruments	698	794
Trade payables	129,397	127,227
Other payables	14,677	16,398
Current taxation	682	1,630
Employee benefits		2,706
Total current liabilities	203,540	199,171
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	466,631	469,682

Net financial position

<i>(thousands of Euros)</i>	30.09.2011	30.06.2011	31.12.2010
Cash and cash equivalents and short-term financial receivables	6,181	5,990	2,601
Short-term financial payables	(58,646)	(57,688)	(51,723)
Valuation of current portion of derivatives	(698)	(587)	(794)
Short-term financial position, net	(53,163)	(52,285)	(49,916)
Long-term financial payables	(50,866)	(50,636)	(55,531)
Valuation of current portion of derivatives	(1,124)	(677)	(1,011)
Financial position, net	(105,153)	(103,598)	(106,458)