

MINUTES OF ORDINARY SHAREHOLDERS' MEETING  
OF "RENO DE MEDICI S.p.A." OF 29 APRIL 2016

The undersigned, Mr. Ignazio Capuano and Mr. Marco Ferrari,  
on behalf of the joint stock company

"RENO DE MEDICI S.p.A."

with registered office in Milan (Province of Milan) at Viale Isonzo  
No. 25, entered in the Register of Companies of Milan, with  
registration and taxpayer's identification number 00883670150,  
Economic and Administrative Registration No. 153186, with share  
capital of EUR 140,000,000.00 fully paid in, listed on the Mercato  
Telematico Azionario electronic stock market operated by the Borsa  
Italiana S.p.A. Italian stock exchange, STAR segment,  
whereas:

- on 29 April 2016 an ordinary shareholders' meeting of the mentioned  
company was held in Milan at Piazza degli Affari No. 6;
- the undersigned, Ignazio Capuano, was appointed as chairman and  
presided over at the meeting until its conclusion;
- the taking of the minutes for it was conferred upon the undersigned,  
Marco Ferrari, also present at the meeting, as also set forth in the  
report that follows.

Now, therefore, the following is set forth (in accordance with Article  
2375 of the Italian Civil Code and in compliance with the other  
applicable provisions, and in line with the status of the Company as  
well, the shares of which are listed for trading on the Mercato  
Telematico Azionario operated by Borsa Italiana S.p.A.) as to the  
holding of the ordinary shareholders' meeting of 29 April 2016 of the  
mentioned company

"RENO DE MEDICI S.p.A.".

On 29 April 2016, in Milan, at Piazza degli Affari No. 6, a  
shareholders' meeting of "RENO DE MEDICI S.p.A." was held in ordinary  
session.

At 11:00 a.m. the Chairman of the Board of Directors, Robert Hall,  
greeted all of those present, thanking them for their attendance and  
asking Mr. Capuano (degreed engineer) to chair the shareholders'  
meeting on his behalf because of his difficulties with the Italian  
language.

The Managing Director Ignazio Capuano then assumed the chairmanship  
forthwith, first of all greeting all of the participants, doing so on  
behalf of his colleagues on the Board of Directors and on the Board of  
Auditors, and company staff as well.

The Chairman of the shareholders' meeting then thanked Chairman Robert Hall for his request to preside at the present shareholders' meeting and proposed to the meeting that Dr. Marco Ferrari, notary in Sesto San Giovanni, be called upon to draft the minutes for today's ordinary shareholders' meeting, as a private deed.

There being no objections, the Chairman of the shareholders' meeting confirmed the appointment of the notary Marco Ferrari as Secretary. The Chairman of the shareholders' meeting then declared and noted the following:

- that, for the Board of Directors, in addition to the Chairman of the Board of Directors, Robert Hall, and the Managing Director Ignazio Capuano, also present were the Directors Laurent Lemaire and Matteo Rossi, with the Director Laura Guazzoni having justified her absence;
- that, for the Board of Auditors, the Chairman, Giancarlo Russo Corvace, and the standing auditor, Tiziana Masolini, were present, with the principal auditor Giovanni Maria Conti having justified his absence;
- that the present shareholders' meeting was held in compliance with the rules and regulations in force on the subject, and with the Articles of Association;
- that today's ordinary shareholders' meeting was duly called, in accordance with the law and the Articles of Association, for 28 April 2016, on first call, to be held at the registered office of the company in Milan at Viale Isonzo No. 25 at 11:00 a.m., and on second call for today, 29 April 2016, at Borsa Italiana in Milan, Piazza degli Affari No. 6, at 11:00 a.m., as appears from the notice of meeting published in the daily periodical "Milano & Finanza" on 18 March 2016 and the full notice published on the website of the company on that same date with the following:

**"AGENDA OF MEETING**

- 1. Separate financial statements at 31 December 2015.**
  - 1.1. Approval of the separate financial statements at 31 December 2015, based on the reports of the board of directors, of the board of auditors and of the independent auditors, and acknowledgement of the submittal of the consolidated financial statements at 31 December 2015.**
  - 1.2. Allocation of the net income of financial year 2015.**
- 2. Appointment of one member of the board of directors.**
- 3. Appointment of one standing auditor and one alternate auditor.**

**4. Report on remuneration in accordance with Article 123-ter of Legislative Decree No. 58/98 and as amended and supplemented (the Consolidated Finance Act, "TUF")."**

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The Chairman of the shareholders' meeting also declared and noted the following:

- that the full text of the notice of meeting was also reported to the market through the SDIR-NIS regulated data dissemination system of which the company is a member;
- that the session called for 28 April 2016 at 11:00 am was adjourned as recorded in the pertinent memorandum of minutes and that the company did not receive any request for additions to the agenda of meeting under Article 126-*bis* of the TUF;
- that, by notice published on the company's website and reported to the market using the mentioned SDIR-NIS system on 28 April 2016 in accordance with Article 84 of the Issuers' Regulations, the company gave notice of adjournment to second call for the present shareholders' meeting (annotation thus updated upon the signing of the present memorandum of minutes as a result of documentary verifications of the Company);
- that, with the participation of 31 entitled representatives, whether themselves or by proxy, 262,525,471 ordinary shares representing 69.54% of the 377,527,656 ordinary shares with voting rights comprising the share capital, the duly called shareholders' meeting was validly convened in ordinary session on second call in accordance with the law and the Articles of Association and was able to resolve on the items on the agenda of the meeting;
- that, during the meeting, before each vote, the updated attendance data will be communicated;
- that the communications of intermediaries for the purposes of participation, by those so entitled, in the present meeting were carried out in accordance with the legal provisions in force on the subject and in adherence to the provisions of the Articles of Association;
- that, in accordance with Articles 8 and 9 of the Articles of Association and with the provisions in force on the subject, it was ascertained that those present were entitled to participate in the shareholders' meeting and, in particular, it was determined that the proxies held by the participants were in compliance with the rules of

law and of the Articles of Association in force and that there appeared to be no proxy requests for the present meeting;

- that, in accordance with Legislative Decree No. 196/2003 (Personal Data Protection Code), the data of the participants in the shareholders' meeting were collected and processed by the company solely for the purposes of the performance of mandatory organisational duties and duties for shareholders' meetings;
- that an audio recording of the holding of the shareholders' meeting was made solely for the purposes of facilitating the preparation of the pertinent memorandum of minutes and that the recording will only be kept for the time strictly necessary for the drafting of the minutes and will then be erased;
- that, in accordance with Article 120 of the TUF, shareholders who directly or indirectly hold more than 5% of the company's share capital and have not so indicated to the company and to CONSOB shall not be able to exercise the voting rights pertaining to the shares for which such communication has been omitted;
- that the voting rights pertaining to the shares for which the reporting duties referred to in Article 122, first paragraph, of the TUF have not been performed shall not be able to be exercised as provided by the fourth paragraph of that same Article 122;
- that as of today's date the subscribed and paid-in share capital is EUR 140,000,000.00, divided into 377,800,994 shares, of which 377,527,656 are ordinary shares and 273,338 are convertible savings shares without par value and that this division between ordinary shares and savings shares results from the conversion into ordinary shares of 590 savings shares that occurred during February 2016 pursuant to Article 5 of the Articles of Association;
- that the ordinary shares of the company are listed for trading on the MERCATO TELEMATICO AZIONARIO organised and operated by BORSA ITALIANA S.P.A., STAR Segment;
- that, as of today, those with a direct or indirect stake greater than 5% in the subscribed share capital of RENO DE MEDICI S.p.A., represented by shares with voting rights, according to the shareholders' register, supplemented by the communications received pursuant to Article 120 of the TUF, are as follows:

<b>SHAREHOLDERS</b>	<b>Number of ordinary shares</b>	<b>Percent of voting capital</b>
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<b>CASCADES S.A.S.</b> <i>in direct ownership</i>	217,474,386	57.61
<b>CAISSE DE DEPOT ET PLACEMENT DU QUEBEC</b> (DEPOSITORY AND INVESTMENT FUND) <i>in direct ownership</i>	34,450,000	9.12
<b>FALLIMENTO EXEUFIS S.P.A. IN LIQUIDAZIONE</b> <i>in direct ownership</i>	20,799,057	5.51

- that the company did not hold any treasury shares;
- that the company is not aware of the existence of any shareholder agreements pursuant to Article 122 of the TUF relating to shares in the company;
- that the company is not subject to outside management and coordination.

Now, therefore, the Chairman of the shareholders' meeting, Ignazio Capuano, invited the participants to declare any eventual lack of entitlement to vote. Nobody took the floor.

The Chairman of the shareholders' meeting then noted that, with regard to the items on the agenda of meeting, there had been full performance of the duties provided for by the rules of law and regulations in force. In particular, he specified:

- that the Directors' Report drafted pursuant to Article 125-ter of the TUF on the items on the agenda was filed on 18 March 2016 at the registered office, published on the website [www.renodemedici.it](http://www.renodemedici.it), forwarded to BORSA ITALIANA and disseminated to the market through the SDIR-NIS system;
- that the draft Separate Financial Statements, Consolidated Financial Statements and Management Report, including the proposal for the allocation of the profit comprising the appropriate section of the Annual Report on Corporate Governance and Ownership Structure of the company in accordance with Article 123-bis of the TUF, which were approved by the Board of Directors on 17 March 2016, as well as the Report on Remuneration, were filed on 6 April 2016 at the registered office, published on the website [www.renodemedici.it](http://www.renodemedici.it), forwarded to

BORSA ITALIANA and disseminated to the Market through the SDIR-NIS system;

- that on 6 April 2016 the public was provided, by the same methods, with the Report of the Board of Auditors, the report of the Independent auditors on the Financial Statements and the Report of the Independent auditors on the Consolidated Financial Statements;

- that, as to the occurrence of the filing of all of the mentioned documentation, the appropriate reporting to the public has been carried out by a press release of 6 April 2016 and a notice published on 6 April 2016 in the daily periodical MILANO & FINANZA as well as on the company's website and disseminated through the SDIR-NIS system.

The Chairman of the shareholders' meeting declared that, in compliance with the request from CONSOB in Communication DAC/RM/96003558 of 18 April 1996, the fees pertaining to the independent auditors DELOITTE & TOUCHE S.P.A. are the following:

(i) for the auditing of the 2015 separate financial statements, including an opinion as to the consistency of the management report and the report on corporate governance and ownership structures and periodic checks on the regular bookkeeping: a remuneration (including the ISTAT statistics institute adjustment) of EUR 102,000 for 2,198 hours worked;

(ii) for the auditing of the 2015 consolidated financial statements, including checking the consolidation process and a summary examination, without the issuance of an audit report, of the reporting packages sent by some subsidiaries and affiliates to the parent company for consolidation purposes: a remuneration of EUR 24,000 for 450 hours worked;

(iii) for the auditing of the 2015 half-yearly report: a remuneration of EUR 22,000 for 507 hours worked;

specifying that the annual individual and consolidated fees do not include the CONSOB contribution.

The Chairman of the shareholders' meeting informed that the following will be recorded in and/or attached to the minutes of the shareholders' meeting as an integral and substantial part thereof and will be made available to the shareholders:

- the list of names of the shareholders participating in the shareholders' meeting, in person and by proxy, complete with all of the data requested by CONSOB, with indication of their respective shares;

- a list of the names of the shareholders who have voted for and against, and who have abstained from voting or have departed prior to casting a vote, with the pertinent number of shares represented in person and/or by proxy;
- a summary on the participants indicating their names, the responses given and any replies.

He informed that, in order to meet the technical and organisational requirements of the works, several employees and co-workers of the company and representatives of the independent auditors were admitted to the shareholders' meeting and they assisted me [sic] during the course of the session of the shareholders' meeting.

The Chairman of the shareholders' meeting also informed that accredited journalists, experts and financial analysts were admitted to attend the shareholders' meeting with the consent of the Chairman of the shareholders' meeting itself, but they were not able to take the floor.

He then reported on the technical methods used for managing the works of the shareholders' meeting and for conducting the voting. In particular, he specified that, in the process of registration for admittance to the shareholders' meeting, anyone so entitled or having a proxy received an attendance card, or multiple cards if they represented others by proxy and manifested the intention to cast opposite votes.

The Chairman of the shareholders' meeting then asked the participants, in person or by proxy, not to be absent, to the extent possible, and communicated that if they had to leave the shareholders' meeting before the votes or the end of the works they should return the attendance card to the staff in charge, stating that, upon their return to the room, the card would be returned to them and attendance would be recorded.

The Chairman of the shareholders' meeting indicated that, in the event of the issuance of multiple cards to a single proxy, the process would be deemed automatically barred and voting would be barred for the holder of any cards not delivered to the staff in charge if the proxy who has departed delivers only one or some of the cards.

The Chairman of the shareholders' meeting informed that, prior to each vote, those in attendance having such right will be acknowledged, ascertaining the identification data of those who should declare that they do not intend to participate in the voting.

Before moving on to the resolution on the items on the agenda, the Chairman of the shareholders' meeting reminded the audience that those entitled to exercise voting rights may request to take the floor on any item on the agenda.

He clarified that, at the end of all of the interventions on each item resolved upon, responses to questions will be given, possibly after suspension of the works of the shareholders' meeting for a limited time, informing that he will respond directly to the questions or will invite the other directors and auditors to do so.

The Chairman of the shareholders' meeting recalled that, under Article 135-*undecies* of the TUF, the company has appointed the firm COMPUTERSHARE S.P.A. as the entity to which those so entitled may confer a proxy with voting instructions for some or all of the proposals on the agenda of the meeting.

In this regard, the Chairman of the shareholders' meeting informed that COMPUTERSHARE S.P.A., as the designated proxy, has reported that it had not received any proxies.

He went on to inform, lastly, as to the technical methods for managing the works of the shareholders' meeting and for conducting the voting, specifying that:

(i) the voting would take place by a show of hands, with the obligation on the part of those voting against or in abstention to communicate as to the names and number of shares held in person and/or by proxy;

(ii) the voting on individual items on the agenda will close the debate on such items.

Lastly, the Chairman of the shareholders' meeting noted that no questions have been received by the company on the items on the agenda in accordance with Article 127-*ter* of the TUF.

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The Chairman of the shareholders' meeting then went on to resolve on the items referred to in the **first item of the agenda**: "1. Separate financial statements at 31 December 2015. 1.1 Approval of the Separate Financial Statements at 31 December 2015 based on the reports of the Board of Directors, of the Board of Auditors and of the Independent auditors, and acknowledgement of the submittal of the Consolidated Financial Statements at 31 December 2015. 1.2 Allocation of the net income of financial year 2015."

Carlo Mecella requested the floor, representing the company CASCADES S.A.S., proposing to omit the reading aloud of the financial



statements, of the independent auditors' report on the financial statements and of the report of the board of auditors, limiting it to a reading aloud of the proposal alone so as to give more leeway for the participants and considering the fact that the documents had already been made available to the shareholders.

There being no objections, the Chairman of the shareholders' meeting submitted the following proposals for resolution on the first item on the agenda, which are essentially in line with those contained in the report from the board of directors, with the understanding that there will be a separate vote on proposals to approve the financial statements and allocation of the profit, to enable those so entitled to cast opposite votes:

With regard to item 1.1, the Chairman of the shareholders' meeting read aloud the proposal for deliberation, as follows:

*"The ordinary shareholders' meeting of Reno de Medici S.p.A.:*

- upon review of the Report of the Board of Directors;*
- upon review of the Report of the Board of Auditors;*
- upon examination of the Financial Statements at 31 December 2015;*
- in acknowledgement of the Report of DELOITTE & TOUCHE S.P.A.;*
- in acknowledgement of the submittal of the consolidated financial statements at 31 December 2015;*

*RESOLVES*

that the separate financial statements at 31 December 2015, showing a profit for the financial year of EUR 12,388,940.36, be approved."

With regard to item 1.2, the Chairman of the shareholders' meeting read aloud the proposal for deliberation, as follows:

*"The ordinary shareholders' meeting of Reno de Medici S.p.A.:*

- considering the profit for the financial year as shown by the Financial Statements at 31 December 2015, as approved by the present ordinary shareholders' meeting;*

*RESOLVES*

1) to allocate the profit of financial year 2015, amounting to EUR 12,388,940.36, as follows:

- EUR 619,447.02 to the legal reserve pursuant to Article 2430 of the Italian Civil Code;*
- EUR 2,239,196.98 to cover the residual losses from the resolution dated 2 November 2015;*
- EUR 20,090.34 to the dividend to be distributed to the 273,338 savings shares as a preferred dividend of EUR 0.0245 for financial*

year 2015, as a preferred dividend of EUR 0.0245 for financial year 2014 and as a preferred dividend of EUR 0.0245 for financial year 2013, and thus an overall preferred dividend of EUR 0.0735 for each savings share;

- EUR 1,963,143.81 to the dividend to be distributed to the 377,527,656 ordinary shares, amounting to a dividend of EUR 0.0052 for each ordinary share currently outstanding, acknowledging that this is lower than the 3% dividend of EUR 0.49 provided for by Article 22, paragraph 2, letter a) of the Articles of Association, as the dividend pertaining to the ordinary shares upon payment of the preferred dividend for the savings shares (cumulative with the preferred dividend for the two preceding financial years, if not yet already paid);

- with regard to the remaining EUR 7,547,062.21 (or the amount of the profit remaining if there is a difference in the number of shares entitled to dividends on the pertinent record date), this is to be applied to the "available reserve" created by virtue of the capital reduction resolved on 2 November 2015 and taking effect on 29 February 2016, which is thus increased to EUR 17,946,318.01;

2) to establish that the payment of the dividend is to take place in a lump sum on 11 May 2016 for each ordinary share so entitled and for each savings share so entitled, with the ex-dividend date of 9 May 2016 and the record date of 10 May 2016;

3) to confer upon the chairman of the board of directors and to the managing director, jointly and severally, all appropriate powers to carry out any act necessary for the execution of the present resolution."

Upon completion of the reading, the Chairman of the shareholders' meeting specified that the net income of the financial year, amounting to EUR 12,388,940.36, is reported due to mere factual error as EUR 12,388,945.00 in the Directors' Report on the Items in the Agenda of Meeting drafted pursuant to Article 125-ter of the TUF, while it is correctly indicated in the proposal on the distribution of the net income of the financial year included in the Directors' Management Report, thereby extending an apology to all shareholders for the error. The Chairman of the shareholders' meeting stressed that the independent auditors DELOITTE & TOUCHE S.P.A., hired to provide its opinion on the financial statements in accordance with the TUF, has issued the pertinent report containing an unqualified opinion.

Then stating that he desired to go on to briefly describe the results of financial year 2015, the Chairman of the shareholders' meeting pointed out that the performance in this year had "two speeds", with a very dynamic first part of the year characterised by particularly high demand encompassing both the Italian market and, more generally, the European one, and a second part of the year that was very weak. He specified that, in the first quarter, growth was 4%, in the second 3%, and in the third 5%, and that in the fourth quarter there was a decline of 1%, which had really begun in August, with a total annual growth equal to 3%.

In explaining the reason for the decline in the second half of 2015, the Chairman reminded the shareholders' meeting that the company operates on the basis of forecasts on the development of final demand for consumer goods: the forecasts estimated for the development of final demand indeed influence the orders from the company's main customers, manufacturers of final goods, from three to six months in advance, depending on the type of product, of the pipeline on final trends in the market. With reference to the second half of 2015, the forecast for growth in final demand was higher than the growth that actually occurred and, accordingly, the orders from the manufacturers of final goods were slower than expected, the result of their efficient management of warehouse inventories.

In summary, he noted that the product offered by the company reacts directly to the development of the GDP and that, therefore, if the GDP does not display significant changes upward, such circumstance is also reflected in the growth of the company. In this regard he stressed that, as the Company makes 90% of its sales in Europe, it suffers from the lack of growth on the continent.

The Chairman of the session continued with his presentation, pointing out that the company, with the backing of the growth in the first half of the year, launched a price increase implemented starting June 2015. He stated that this price increase proved to be essential since, starting from June, there has been an increase in the cost of raw materials in Europe, especially for fibres. The increase in prices has therefore allowed the company to avoid suffering from the increase in the cost of raw materials, anticipating this trend, thus limiting potential losses on margins and indeed even keeping the differential at the same level.

With reference to the amounts of the gross margins, the Chairman of the shareholders' meeting pointed out that between 2014 and 2015 there

was a differential of a few hundred thousand euro, recording in fact an increase of between 41.2%/41.3% and 41.9%, approximately. He pointed out that, although the difference is not particularly large, the nature of the gross margins varied significantly between 2014 and 2015. He stated that in 2014 the company benefited from extraordinary items related to energy efficiency projects that in turn contributed to accrediting company for what are referred to as white certificates; he specified that the difference from the tax benefits relating to these projects amounted to a contribution of about 7 million euro, given that a series of project accreditations was concentrated in 2015 while involving previous years.

In this regard, the Chairman of the shareholders' meeting clarified that the mechanisms involving white certificates consist of the presentation of particular projects aimed at improving efficiency and reducing energy consumption that are submitted for approval to the appropriate authorities, in this instance the GSE (Energy Services Manager). The appropriate authority evaluates the reporting produced in terms of reducing energy consumption and, following approval, proceeds to accredit white certificates that can then be traded on the relevant market. He pointed out that, starting in the last period of 2015, the recognition process has suffered delays in the accreditation phase and he provided several details on the possible reasons for such delays.

Mr. Capuano went on to clarify that RENO DE MEDICI S.p.A. submitted two projects to the GSE that provided significant energy savings at the Santa Giustina and Ovaro establishments. He said that the project involving the Santa Giustina establishment was approved but that further documents were requested, and that, on the other hand, the project for the Ovaro establishment had been approved only partially. The Chairman of the shareholders' meeting went on to describe to the shareholders' meeting the second component of significant change between the 2014 and 2015 financial years. He noted that this component involved the price of energy, which, during the course of 2015, declined considerably compared to the previous year, generating a positive component of income that helped offset the increase in production costs caused by the rising cost of raw materials. He then noted that the company, despite having an EBITDA not particularly different from 2014, was able to change its quality significantly. He also drew the attention of the shareholders' meeting to the fact that, since January 2016, a transaction of interest to the company

since 2015 had been finalised, consisting of the disposal of the entire stake held in the company owning the 35,000-tonne establishment located in central Spain, with regard to which the board of directors did not view any potential for significant development. He noted that, although the sale had caused a book loss, already recorded in 2014, it had however freed up about 5 million euro in funds between the sale price and the debt that was deconsolidated. He concluded on this point, stating that, as a result of this transaction, the company has moved away from the Spanish market, obtaining in exchange resources to devote to other sites.

Lastly, the Chairman of the shareholders' meeting noted that the profit of RENO DE MEDICI S.p.A. alone is more than 12 million euro and thus this represents a good result. He went on to clarify that the consolidated profit, on the other hand, is a bit lower than the profit of the parent company, considering that the overall profit of the latter involves dividends deriving from stakes held in establishments in Germany and in Ovaro. The Chairman of the shareholders' meeting stated that he believed that the "breakthrough", especially as regards the position of shareholders who have been investors in the company for quite a few years, was both solid and concrete, considering that the company has been in positive territory for years now.

In particular, he noted that, thanks to the hedging transaction carried out in November of last year covering the prior losses, the company and the shareholders have been placed in a position so as to be able to decide whether dividends are to be distributed. The Chairman of the shareholders' meeting, on behalf of the Board of Directors as well, then stated that he was pleased to be able to propose a distribution of dividends that - as he said - albeit of limited amount would represent a good start for the company, especially considering the fact that the last dividend was distributed in 2001.

Upon conclusion of the presentation, the Chairman of the shareholders' meeting, to facilitate debate therein, invited the shareholders who wished to take the floor to please indicate their intention to do so and also invited them, in order to expedite the progress of the session, to put a time limit on participation to allow everyone who wanted to participate to do so.

The shareholder Giancamillo Naggi took the floor and pointed out that the bottom line, from his point of view as a technical specialist, was "stingy", that is, it was substantially better than what was shown

there on the bottom line, especially with reference to EBITDA, and that the dividend was modest in comparison with the net income and with the forecast for net income and the low debt of the company; nevertheless, considering that the amount not distributed would remain in capital, he hoped that this would be reflected in the market value of the shares. He went on to announce in advance that he would vote in favour of approval of the financial statements.

The shareholder went on to complain about the scant communication from the company and, in this regard, expressly referred to the instance of the resignations submitted by the Managing Director Mr. Capuano effective as of 30 June 2016. The shareholder stated that he was displeased by these resignations, highlighting how Mr. Capuano had been able to take the company from a negative situation into a positive one, achieving steady, solid prospects and a very low debt level.

On the other hand, the shareholder noted that the Managing Director, as a result of his resignations, would be leaving the company with two major problems.

He clarified that the first problem involved the transaction - not mentioned in the preceding presentation on the results of the financial year - referred to in the letter of intent signed with the company CASCADES S.A.S. He emphasised that this transaction was particularly important, not so much because it amounted to 16 to 20 million euro but due to the involvement of a related party indirectly representing 58% of the company's capital, to which, in his opinion, one must add the stakes of other shareholders linked to it by "intimate friendship," mentioning CAISSE in this regard. The shareholder requested additional information in this regard, especially concerning the possibility that RENO DE MEDICI S.p.A. could be preparing itself to acquire its own parent company, the future liquidity of which would mainly derive from the sale of shares of RENO DE MEDICI S.p.A. itself. The shareholder stated that he hoped that the reasons for the resignations of the Managing Director Capuano were not related to this transaction, and expressly asked both the Managing Director himself and the Chairman of the Board of Auditors whether, during the meetings of the board of directors, Mr. Capuano had taken a negative stance on such a transaction. The shareholder said that he was aware that, given that it was a letter of intent that was involved, this does not represent a final decision, but he pointed out that it had a particularly binding nature given the parties involved.

He summed up, asking - in other words - whether the company would be purchasing a company with liquidity deriving from the sale of RENO DE MEDICI S.p.A.

He clarified that the second problem - which also criticises the company for scant communications - involved the fact that its market capitalisation was "ridiculous", that is, he explained, it was at least equal to four times the EBITDA and that, on the other hand, it stands at seven times for competing companies, in some cases. The shareholder noted that there were multiple reasons that led him to believe that this value was depressed and prevented the possibility of future delisting.

The shareholder hoped for an initiative in that regard on the part of the absolute majority shareholder, of whom he requested that particular attention be paid to the transaction that was to be carried out, hoping that such a transaction would be performed in such manner as to provide an advantage for all shareholders, that is, for the minority shareholders as well. In this regard, he stated that he did not understand the reasons that led the company towards this investment rather than to distributing a greater dividend to shareholders.

The shareholder concluded by emphasising, on the other hand, how he considered the company to be perfect in terms of its management and stated again his appreciation for the work done by the Managing Director Mr. Capuano.

The Chairman of the session took the floor in response to the shareholder Naggi, thanking him for his participation and pointing out his resignations had nothing to do with the transaction mentioned, as confirmed as well by the Chairman of the Board of Auditors.

Mr. Capuano went on to stress that the resignations were, on the contrary, the result of an offer of professional interest and that they came at a time for the company that was opportune, on the one hand, as well as more problematic, on the other. He said that the time might be ill-chosen, considering that fact that the company was preparing itself for an important step involving the acquisition of the La Rochette establishment, the property of a shareholder. He noted, however, that the transaction would be carried out anyway even if the seller were not a related party, and he assured that the Board of Directors was operating in adherence to existing rules and regulations in the interest of the company itself as well as in the interest of the shareholders.

The Chairman of the session stated that he wanted to continue further in depth on the technical aspects of the transaction and stressed that, while it was true that the company whose acquisition was being prepared for was the parent company of RENO DE MEDICI S.p.A., at the time when the acquisition would take place that company would no longer be the parent company, given that the shares would have been transferred earlier to another company.

The Chairman of the session recalled that CASCADES S.A.S. is the French company that now holds the stake in RENO DE MEDICI S.p.A., acting as the holding company for all of the European businesses of the CASCADES group. He recalled that, when the business combination had been activated in 2008, RENO DE MEDICI S.p.A., having acquired the German and French facilities of CASCADES, gave in exchange shares combined together in CASCADES S.A.S. itself. He then reiterated that, before proceeding to acquire CASCADES S.A.S. a carve-out would have to be done, that is, a transfer of the stake held in RENO DE MEDICI S.p.A. by CASCADES S.A.S. to another company of the Cascades group.

Upon request from the shareholder Naggi, he clarified that the transfer will not bring cash into CASCADES S.A.S. because an intercompany transaction will take place and, more precisely, the proceeds of the transfer will be used to pay off debt.

The shareholder Naggi spoke up and asked if the shares would be sold off the market and at what price.

The Chairman of the session confirmed that the transaction would take place off the market and stated that he was not able to inform as to the price of the transaction, noting however that it would be communicated in accordance with the rules and regulations in force. Mr. Capuano specified that the price range indicated in the letter of intent represented the Enterprise Value, thus an amount net of the debt component; he clarified that if there happened to be financial debt it would be deducted from the price.

The Chairman of the session acknowledged the dissatisfaction on the part of the shareholder with regard to the amount of the dividend, but stressed that the distribution was still a small step forward.

He went on to emphasise the reason why his resignations came at an opportune time for the company: he said that that the company was in a good situation and had a very close-knit team of international managers that was easily capable of moving forward without the current managing director and of following the path already traced out, and



even improving it. In this regard, he concluded with irony referring to the market's positive response to the news of his resignations. At this point, the shareholder Naggi asked for information on the performance in the early months of 2016.

The Chairman of the session answered by describing how the early months of 2016 represented a continuation of the last three months of 2015, noting how the problems connected with the increased cost of raw materials, already encountered in the previous financial period, reflected the increase in exports of such materials to China. In this regard, he clarified that the Chinese had increased the importing of pulp paper from Europe by about 15%, mainly for two reasons: on the one hand, because it is more convenient in terms of value to import from Europe rather than from North America and, on the other hand, because the cost of transport from Europe is negligible. He went on to say that in early months of 2016 there had been an increase in the cost of raw materials but that, nevertheless, the company could not think about an increase in prices for the time being.

The Chairman of the session anticipated that the early months of 2016 would be weaker than 2015, both in terms of business volumes as well as in market terms. He added that the company also had a small problem of a production nature at a certain plant. The Chairman of the session said that he was nevertheless confident that the remainder of 2016 would be quite positive because of the decline in the price of gas and the reduction of debt. He then made reference to the publication of the press releases and documents concerning the Interim Management Report at 31 March 2016, the approval of which had to be undertaken today as well.

Lastly, in connection with the reference to a lack of communication, the Chairman of the session stressed that the company has made a great effort to improve at least the reporting and meetings with analysts and potential investors. He stressed that, in the last two financial years, such meetings took place at least five times per year, some organised at the stock exchange for the STAR segment and others with the assistance of the company's specialist, INTERMONTE SIM SPA, in Frankfurt, Geneva and Paris. Lastly, the Chairman of the session noted that the company was also planning an overhaul of the website in order to improve electronic communications.

With no one else asking to take the floor, the Chairman of the shareholders' meeting put to the vote the proposal to resolve on item 1.1 on approving the separate financial statements, which he had read

aloud, renewing the request made to the participants to declare any possible deficiencies in entitlement to vote under the law and Articles of Association.

He asked the staff involved to provide him with the updated data on attendance and asked the shareholders present, or their proxies, not to leave the meeting until the completion of the voting procedures. He reported that there were 32 attendees with the right to vote, representing in person and/or by proxy 262,525,486 shares equal to 69.54% of the 377,527,656 ordinary shares with voting rights comprising the share capital.

He opened the voting and asked for a show of hands by those in favour, recording the votes.

He asked for a show of hands by those voting against, recording the votes.

He asked for a show of hands by those abstaining, recording the votes. He asked those abstaining that they go to the station assigned to have their votes recorded.

Upon completion of the voting operations, he declared the voting closed and announced the results:

**262,398,626 votes in favour;**

**0 votes against;**

**126,860 votes in abstention.**

The Chairman of the shareholders' meeting declared that the proposal was approved by a majority.

\* \* \* \* \*

He then put to the vote the proposal to resolve on item 1.2 on the allocation of the profit of the financial year, which he had read aloud.

He opened the voting and asked for a show of hands by those in favour, recording the votes.

He asked for a show of hands by those voting against, recording the votes.

He asked for a show of hands by those abstaining, recording the votes.

Upon completion of the voting operations, he declared the voting closed and announced the results:

**262,525,486 votes in favour;**

**0 votes against;**

**0 votes in abstention.**

The Chairman of the shareholders' meeting declared that the proposal was approved unanimously.

\* \* \* \* \*

The Chairman of the shareholders' meeting then went on to resolve on the item referred to in the second item of the agenda: "2. Appointment of one member of the Board of Directors."

He proposed to omit reading aloud the Directors' Report relating to this item on the agenda.

There being no objections, he recalled that, following upon the resignations of the Independent Director Enrico Giliberti, the Board of Directors, after verifying that the list from which all current members of the board are taken did not contain anyone available with the required prerequisites of independence, had co-opted the attorney at law Matteo Rossi by resolution of 12 November 2015 and that it was required that the shareholders' meeting resolve in this respect under Article 12, paragraph 16 of the Articles of Association, the text of which he read aloud, as follows: "*In the event that, during the course of the financial year, one or more directors depart, provided that the majority is always composed of directors appointed by the shareholders' meeting, Article 2386 of the Italian Civil Code shall apply as indicated in the following:*

A) *The board of directors shall proceed to carry out the substitution, within the scope of those appearing on the same list as the list containing the departed directors, in any event ensuring the presence of the number of directors fulfilling the prerequisites of independence referred to in Article 148, paragraph 3, of Legislative Decree 58/1998 equal to the minimum number established by law, and the shareholders' meeting shall resolve, with the majority provided for by law, in adherence to the same criterion;*

B) *In the event that no candidates remain on the mentioned list not elected previously or there are no candidates fulfilling the prerequisites required, or in any event when for any reason it is not possible to adhere to the provisions of letter a), the board of directors shall proceed to carry out the substitution as may be decided subsequently by the shareholders' meeting with the majority provided for by law, without voting by list."*

He went on to specify that the subsequent paragraph 17 establishes that: "*In any event, the board and the shareholders' meeting shall proceed to make the appointment so as to ensure the presence of independent directors at the total minimum number required by the rules incidentally in force. The shareholders' meeting may resolve, on*

*the other hand, to reduce the number of members [of] the board to the number of directors in office for the remaining period of their term."* Lastly, the Chairman of the shareholders' meeting recalled that, by resolution of 29 April 2014, the shareholders' meeting had set at 5 the number of members of the board of directors, establishing the expiration pertaining thereto as the time of the approval of the 2016 Financial Statements, and had then voted for the only list then submitted by the shareholder CASCADES S.A.S. composed, in fact, of 6 members.

In view of the fact that the Board of Directors had not seen fit to propose any name, Mr. Capuano asked the shareholders whether there were any proposals for the appointment of a new independent director. Carlo Mecella asked to take the floor, representing the shareholder CASCADES S.A.S., proposing the confirmation of the attorney at law Matteo Rossi as member of the Board of Directors with a term and with remuneration equal to those of the other directors in office. He noted that Mr. Rossi fulfilled the prerequisites of independence required by the Articles of Association and the company and by the code of governance of Borsa Italiana S.p.A., to which the company had adhered. In the absence of other proposals, the Chairman of the shareholders' meeting then proceeded to read aloud the proposal for resolution consistent with the one contained in the Report of the Board of Directors as supplemented by the name proposed by the shareholder CASCADES S.A.S.:

*"The ordinary shareholders' meeting of Reno de Medici S.p.A.:*  
*- in acknowledgement of the report from the board of directors;*

*RESOLVES*

*to appoint, as director pursuant to Article 2386 of the Italian Civil Code, Matteo Rossi, born in Milan on 28 April 1955, with a term and remuneration equal to those of the other directors in office."*

The Chairman of the shareholders' meeting opened the debate, reserving the right to respond to any questions at the end of the participations, asking that, to facilitate the debate therein, the shareholders who wished to take the floor please indicate their intention to do so and calling on shareholders to vote on the basis of the proposals received and to cast their vote by a show of hands.

In the absence of participations, he noted that the attendance had not changed from what was last recorded.

He opened the voting and asked for a show of hands by those in favour, recording the votes.

He asked for a show of hands by those voting against, recording the votes.

He asked for a show of hands by those abstaining, recording the votes. He asked those voting against and those abstaining that they go to the station assigned to have their votes recorded.

Upon completion of the voting operations, he declared the voting closed and announced the results:

**225,109,729 votes in favour;**

**37,195,029 votes against;**

**220,728 votes in abstention.**

The Chairman of the shareholders' meeting declared that the proposal of the shareholder CASCADES S.A.S. was approved by a majority and that therefore the attorney at law Matteo Rossi was appointed as independent member of the Board of Directors of RENO DE MEDICI S.p.A., to hold office up to approval of the 2016 financial statements and with remuneration equal to that conferred to the remaining members of the board of directors.

\* \* \* \* \*

The Chairman of the shareholders' meeting then went on to resolve on the item referred to in the third item of the agenda: "3. Appointment of one Standing Auditor and one Alternate Auditor." He proposed to omit reading aloud the Directors' Report relating to this item on the agenda.

There being no objections, he recalled that, following upon the resignations of the standing auditor Vincenzo D'Aniello, the alternate auditor Giovanni Maria Conti had replaced him, and that it was therefore required that the shareholders' meeting resolve on the matter in accordance with Article 19, paragraphs 21 and 22, of the Articles of Association, the text of which he read aloud, as follows:

*"When the shareholders' meeting must appoint standing auditors and/or alternate auditors needed to complete the board of auditors, the following shall apply: whenever it is necessary to substitute auditors elected on the majority list, the appointment shall take place by a vote of the pertinent majority, not voting by list; if, on the other hand, substitution of auditors elected on the minority list arises, the shareholders' meeting shall substitute them by the pertinent majority vote, selecting them from among the candidates indicated in the list to which the auditor to be replaced belongs or in the minority list for which the second greatest number of votes were*

reported, so as to ensure adherence to the rules in force on the subject of gender balance.

Whenever applying these procedures does not allow, for any reason, the replacement of auditors designated by the minority, the shareholders' meeting shall proceed by the pertinent majority voting; however, in the determination of the results of such latter voting the votes shall not be counted from those who, according to the communications made under the regime in force, hold, even if indirectly and even if jointly with other shareholders parties to a significant shareholders' agreement within the meaning of Article 122 of Legislative Decree 58/1998, a relative majority of the votes that can be cast in a shareholders' meeting, nor from shareholders who control them, are controlled by them or are subjected to their joint control; all of this always so as to ensure adherence to the rules in force on the subject of gender balance."

He recalled that the Board of Auditors currently in office was appointed by the shareholders' meeting of 30 April 2015 and that all of the members, both standing and alternate, were taken from the only list submitted by the shareholder CASCADES S.A.S. and therefore the voting was to proceed by relative majority.

In view of the fact that the Board of Directors had not seen fit to propose any name, Mr. Capuano asked the shareholders whether there were any proposals for the appointment of a standing auditor and an alternate auditor.

Carlo Mecella asked to take the floor, representing the shareholder CASCADES S.A.S., proposing the confirmation of Dr. Giovanni Maria Conti as standing auditor and the appointment as alternate auditor Dr. Domenico Maisano, with a term of office equal to the term of the Board of Auditors in office, confirming for the Standing Auditor alone the remuneration already resolved upon the occasion of the shareholders' meeting of 30 April 2015.

In the absence of further proposals, the Chairman of the shareholders' meeting then proceeded to read aloud the proposal for resolution consistent with the one contained in the Report of the Board of Directors as supplemented by the names proposed by the shareholder CASCADES:

*"The ordinary shareholders' meeting of Reno de Medici S.p.A.:*  
*- in acknowledgement of the Report of the Board of Directors;*

*RESOLVES*

*to appoint, as member of the board of auditors, in accordance with Article 2401 of the Italian Civil Code, Giovanni Maria Conti, born in Milan on 4 October 1964, to hold office as standing auditor, and Domenico Maisano, born in Milan on 4 June 1969, to hold office as alternate auditor, with the same term and remuneration as the auditors in office."*

The Chairman of the shareholders' meeting opened the debate, reserving the right to respond to any questions at the end of the participations, asking that, to facilitate the debate therein, the shareholders who wished to take the floor please indicate their intention to do so and calling on shareholders to vote on the basis of the proposals received and to cast their vote by a show of hands. In the absence of participations, he noted that the attendance had not changed from what was last recorded.

He opened the voting and asked for a show of hands by those in favour, recording the votes.

He asked for a show of hands by those voting against, recording the votes.

He asked for a show of hands by those abstaining, recording the votes.

He asked those voting against and those abstaining that they go to the station assigned to have their votes recorded.

Upon completion of the voting operations, he declared the voting closed and announced the results:

**225,109,729 votes in favour;**

**37,195,029 votes against;**

**220,728 votes in abstention.**

The Chairman of the shareholders' meeting declared that the proposal of the shareholder CASCADES S.A.S. was approved by a majority and that the following were thus appointed:

- as Standing Auditor, Dr. Giovanni Maria Conti, born in Milan on 4 October 1964;
- as Alternate Auditor, Dr. Domenico Maisano, born in Milan on 4 June 1969.

He also declared that, in accordance with the resolution adopted by the shareholders' meeting of 30 April 2015, the appointed members of the Board of Auditors shall remain in office until approval of the financial statements at 31 December 2017 and that the Standing Auditor will be paid an annual fee equal to the one already resolved upon.

\* \* \* \* \*

The Chairman of the Shareholders' Meeting then went on to resolve on the **fourth and final item of the agenda**: "4. Report on Remuneration in accordance with Article 123-ter of Legislative Decree 58/98 and as amended and supplemented (the Consolidated Finance Act, "TUF")."

Carlo Mecella asked to take the floor, representing the shareholder CASCADES S.A.S., proposing to omit the reading aloud of the directors' report on remuneration under Article 123-ter of the TUF considering the fact that the document had been made available to the shareholders by the deadlines provided for by law.

There being no objections, the Chairman of the shareholders' meeting recalled that Article 123-ter of the TUF provides that listed companies prepare a report on remuneration divided into two sections: (i) the first section of the report is meant to describe the company's remuneration policy and the procedures used for the adoption and implementation of such policy;

(ii) the second section of the report describes the remuneration of the management and supervisory bodies, of the general managers and of the other executives with strategic responsibilities.

He recalled that the shareholders' meeting is thus called upon to express an advisory vote and that, as required by CONSOB regulations on transactions with related parties, as reflected in the internal procedure adopted by the company, approval of the remuneration policy by the shareholders' meeting exempts the company from applying such procedure for transactions with related parties in resolutions on the subject of remuneration of directors and of executives with strategic responsibility provided that they are consistent with the remuneration policy.

He then submitted to the shareholders' meeting the following proposal for resolution on this point of the agenda, with the main content thereof in conformity with the content of the directors' report provided to the public as of 6 April 2016:

*"The ordinary shareholders' meeting of Reno de Medici S.p.A.:*  
*- upon review of the report on remuneration under Article 123-ter of the TUF,*

**RESOLVES**

*in accordance with Article 123-ter, paragraph 6, of Legislative Decree 58/1998 and for all other legal intents and purposes, in favour of the content of Section One of the Report on Remuneration."*

Thus, he opened the debate, reserving the right to respond to any questions at the end of the participations, asking that, to facilitate



the debate therein, the shareholders who wished to take the floor please indicate their intention to do so and calling on shareholders to vote on the basis of the proposals received and to cast their vote by a show of hands.

In the absence of participations, he noted that the attendance had not changed from what was last recorded.

He opened the voting and asked for a show of hands by those in favour, recording the votes.

He asked for a show of hands by those voting against, recording the votes.

He asked for a show of hands by those abstaining, recording the votes.

He asked those voting against that they go to the station assigned to have their votes recorded.

Upon completion of the voting operations, he declared the voting closed and announced the results:

**225,546,331 votes in favour;**

**36,979,155 votes against;**

**0 votes in abstention.**

The Chairman of the shareholders' meeting declared that the proposal was approved by a majority.

\* \* \* \* \*

There being no other business and with no one further asking to take the floor, the Chairman of the shareholders' meeting declared the session closed at 12:07 p.m. Annexes:

"A": List of participants and results of voting.

Chairman of the Shareholders' Meeting

Signed by

Managing Director

Mr. Ignazio Capuano

Secretary

Dr. Marco Ferrari