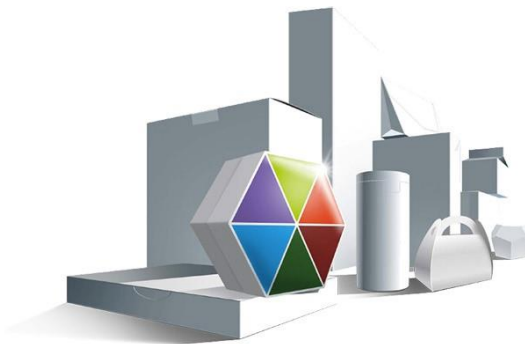


Reno De Medici

Lunch Meeting - Milan

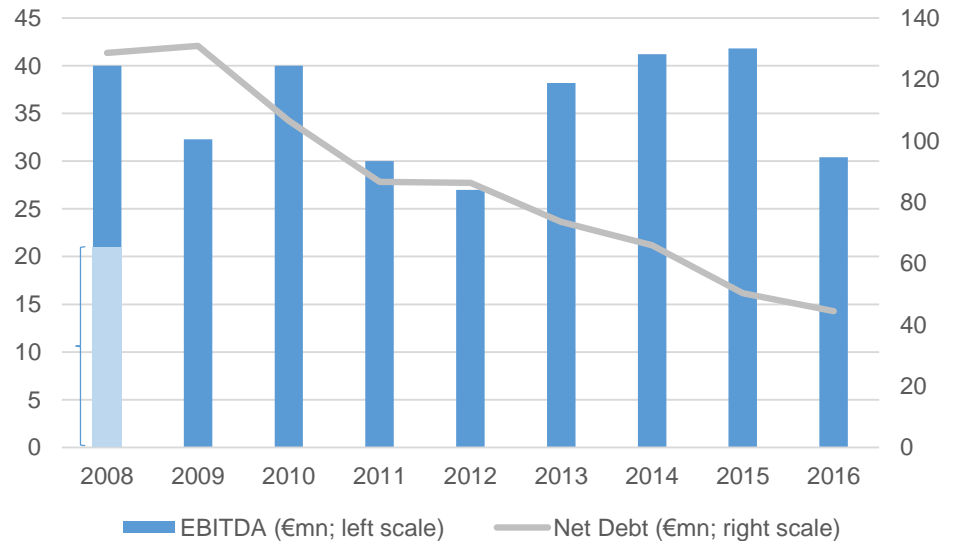
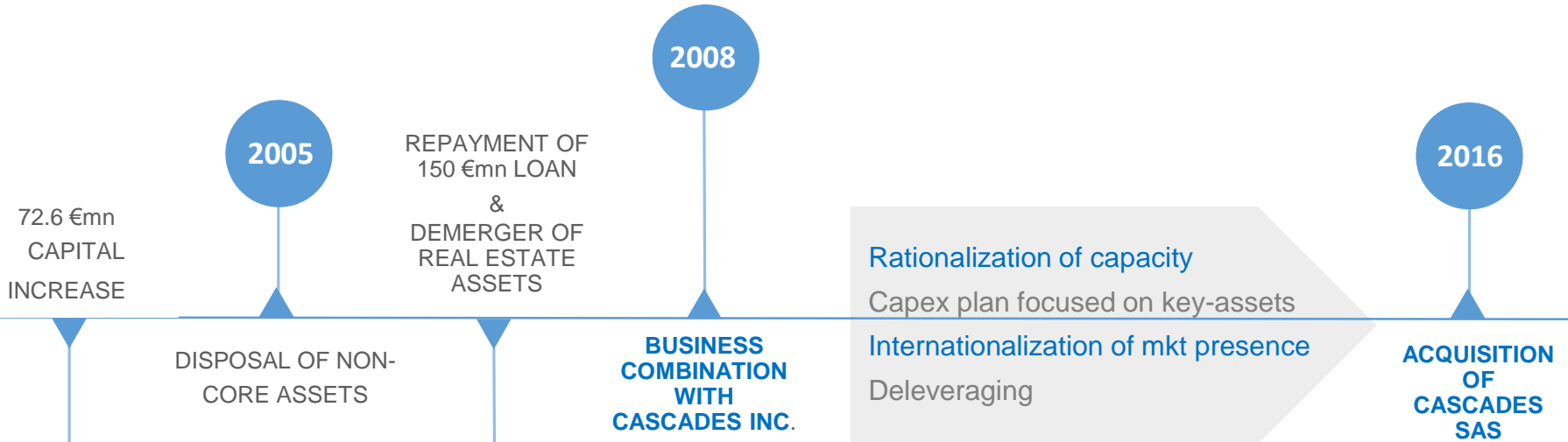
13 March 2017



Born to be
converted



- 1 RDM Features and Strategic Guidelines**
- 2 FY2017 Financials
- 3 RDM Shares and Final Remarks



Total 2008 EBITDA was 40 €mn, of which 21.2 €mn from badwill 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 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.

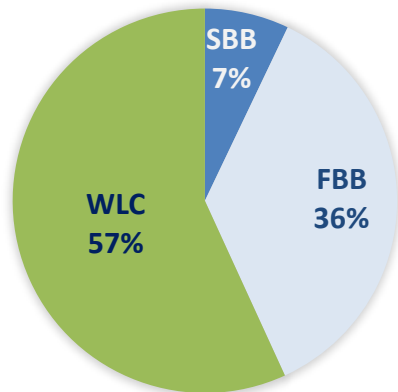
SBB - Solid Bleached Sulphate Board (GZ/UZ)
FBB - Folding Boxboard (GC/UC);

Based on virgin fiber

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

Based on recycled fiber

European cartonboard production (2015)



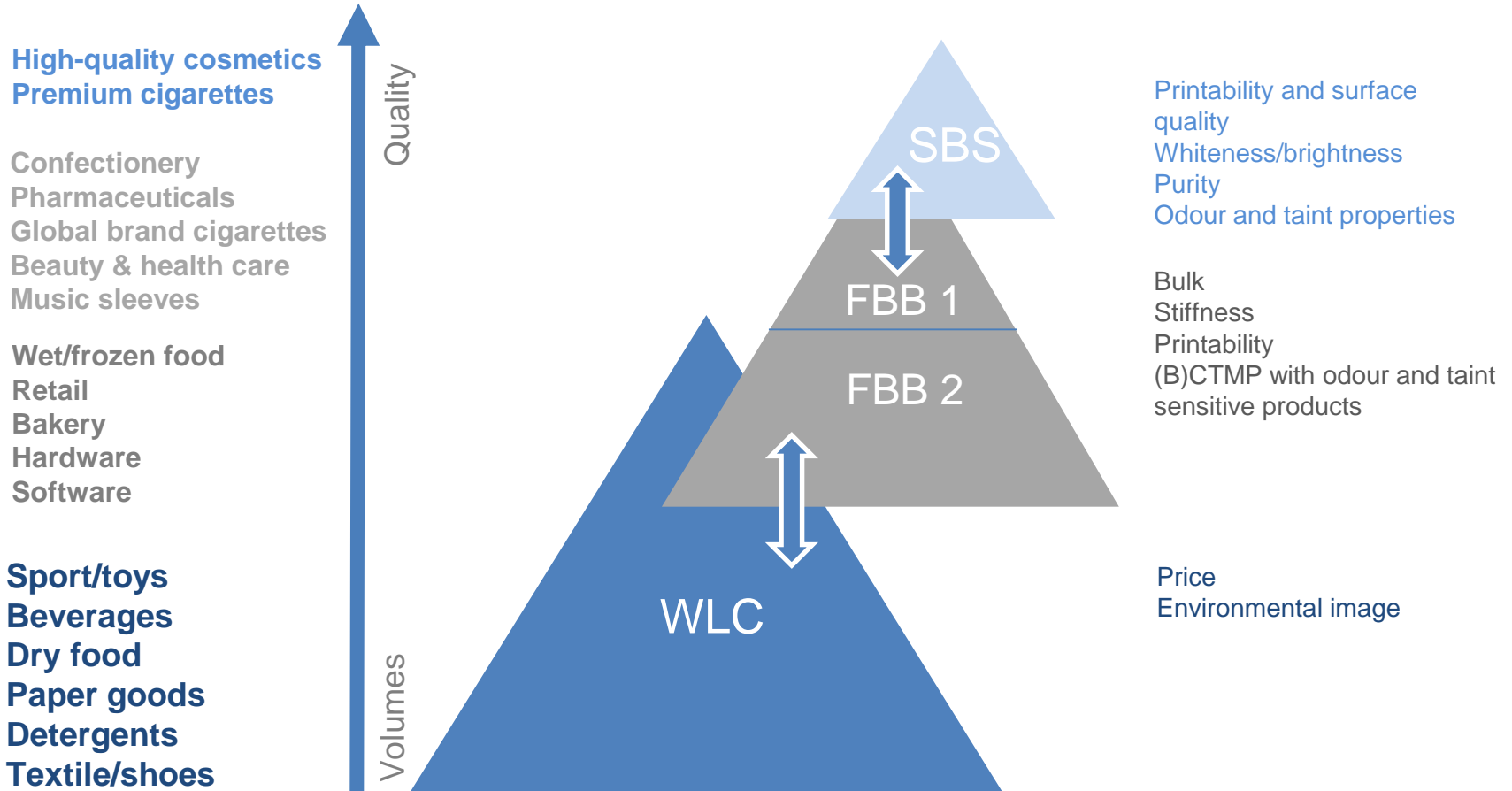
('000 tons)

SBB	498
FBB	2,532
WLC	3,990



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.

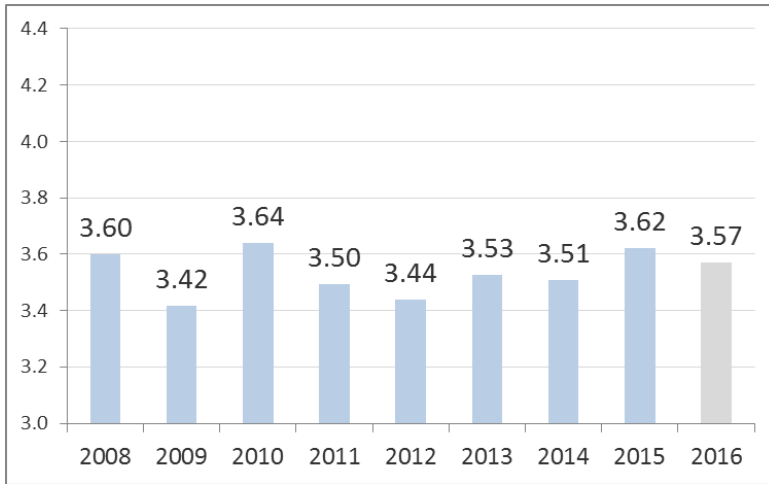
Source: Company's elaborations on market data



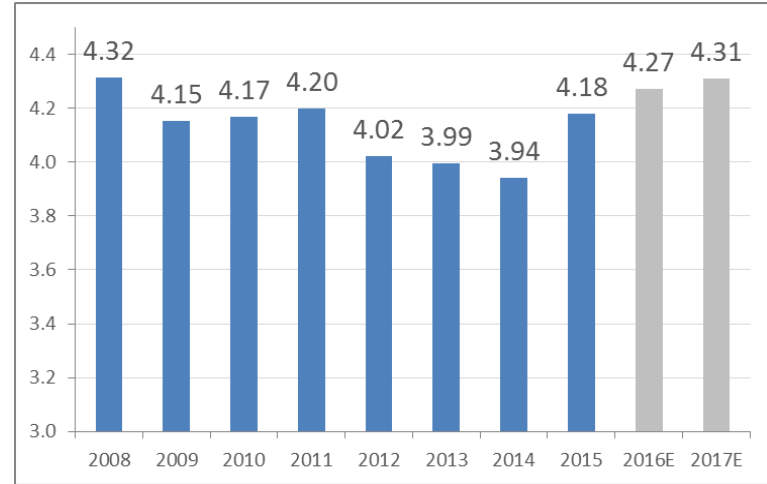
Source: Company's elaborations on market data



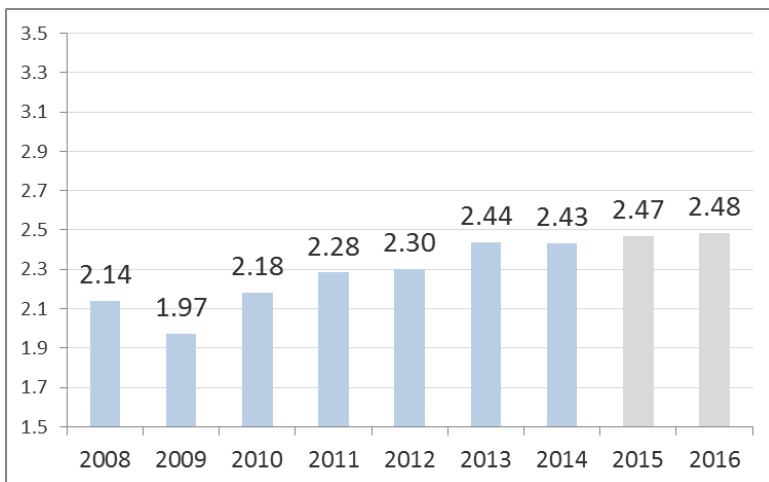
WLC demand in Europe (mn tons)



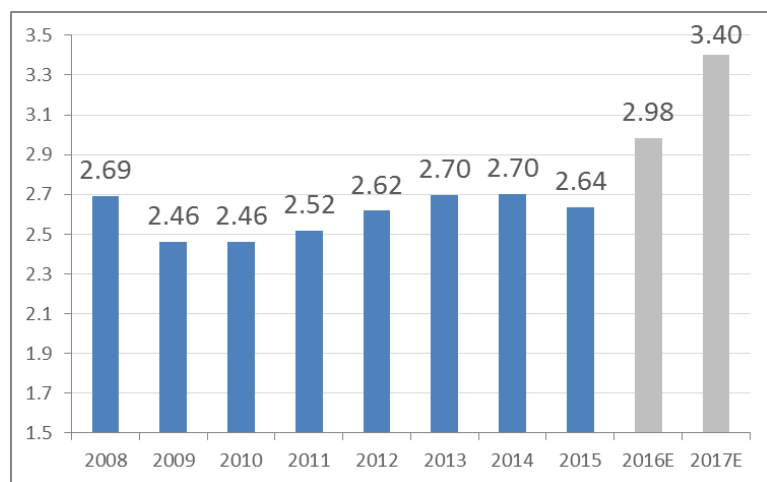
WLC capacity in Europe (mn tons)



FBB demand in Europe (mn tons)



FBB capacity in Europe (mn tons)





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	FY15 ('000 tons sold)	FY15 Revenues (€mn)	9M 2016 ('000 tons sold)	9M 2016 Revenues (€mn)
7	1,710*	1,046.7*	1,258*	777.5*
6	824	438.0	650**	345.9**



Source: MM and RdM Annual and Interim Reports.

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

** RdM Group data for 9M2016 include the FBB business (Cascades sas), consolidated starting from Q32016.

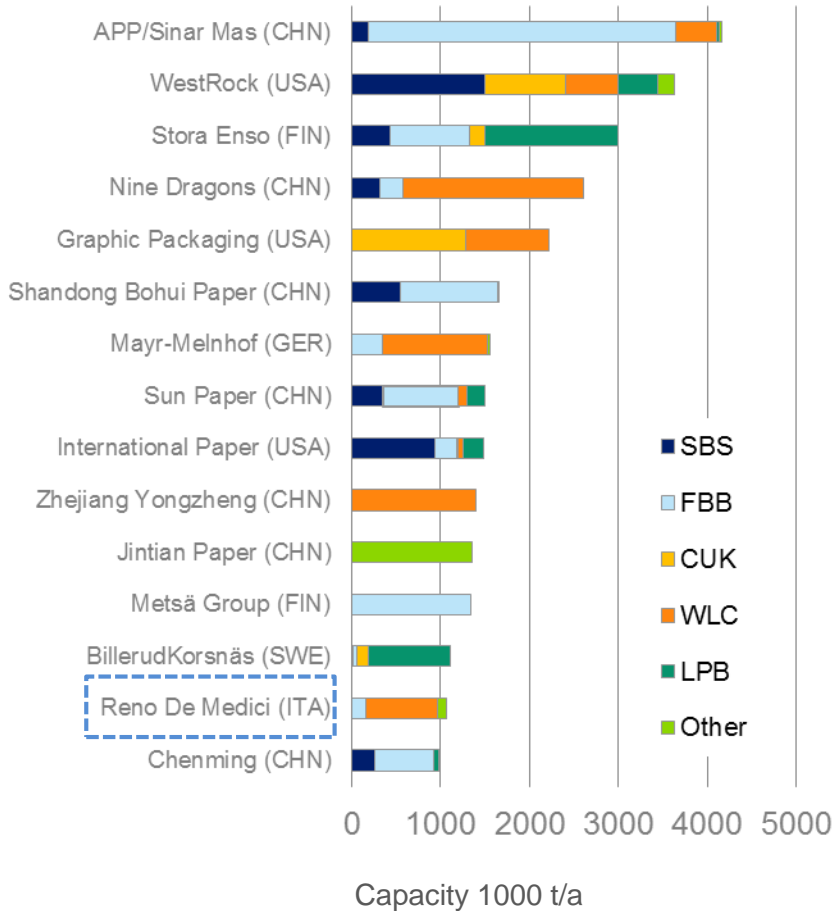
Q3 FBB volumes sold were **34K tons**, while **Revenues** were **26.8 €mn**.

Quarterly data are unaudited.

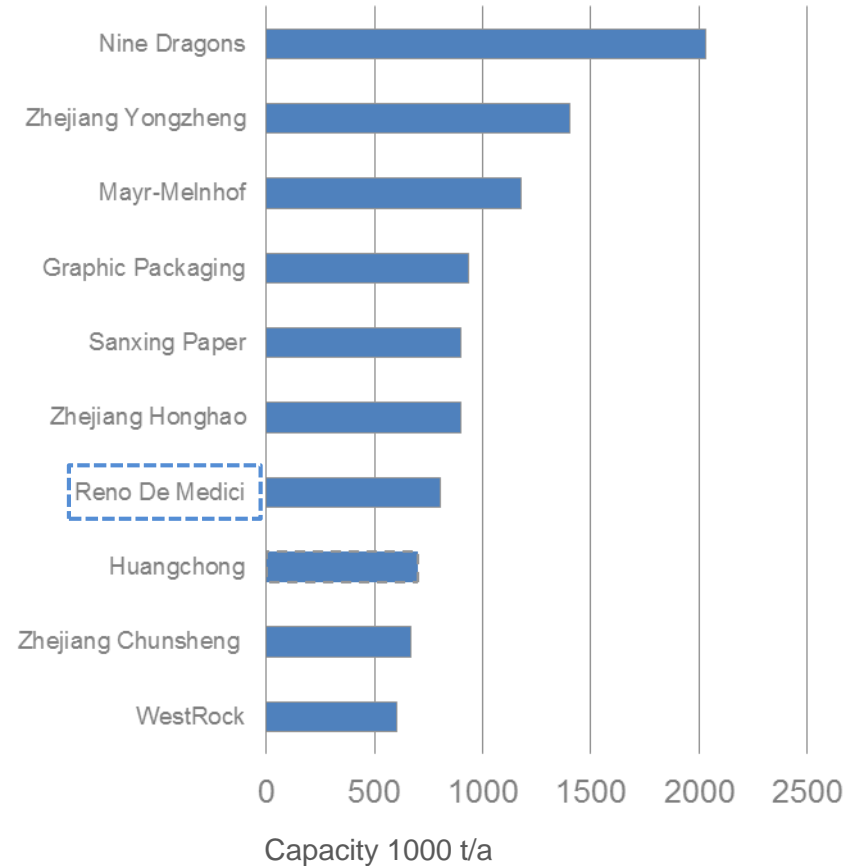
Mayr Melnhoff FY2016 earnings will be released on 21 March 2017.



Cartonboard producers by grade



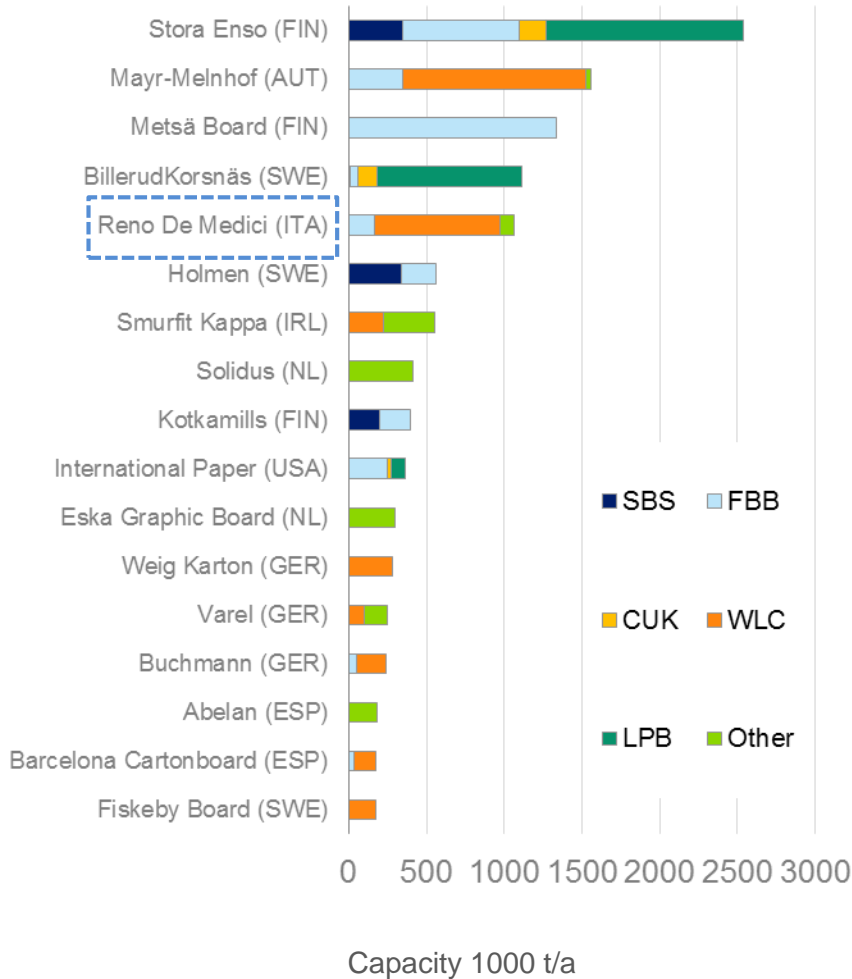
WLC producers



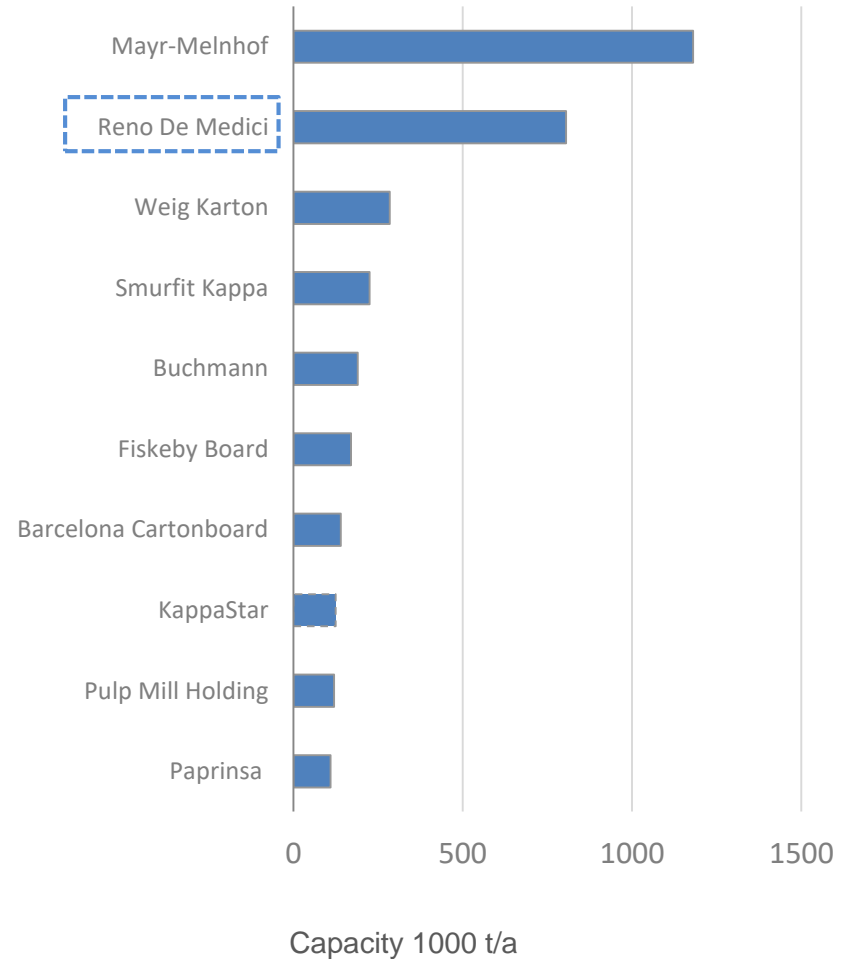
Source: PÖYRY, 2016



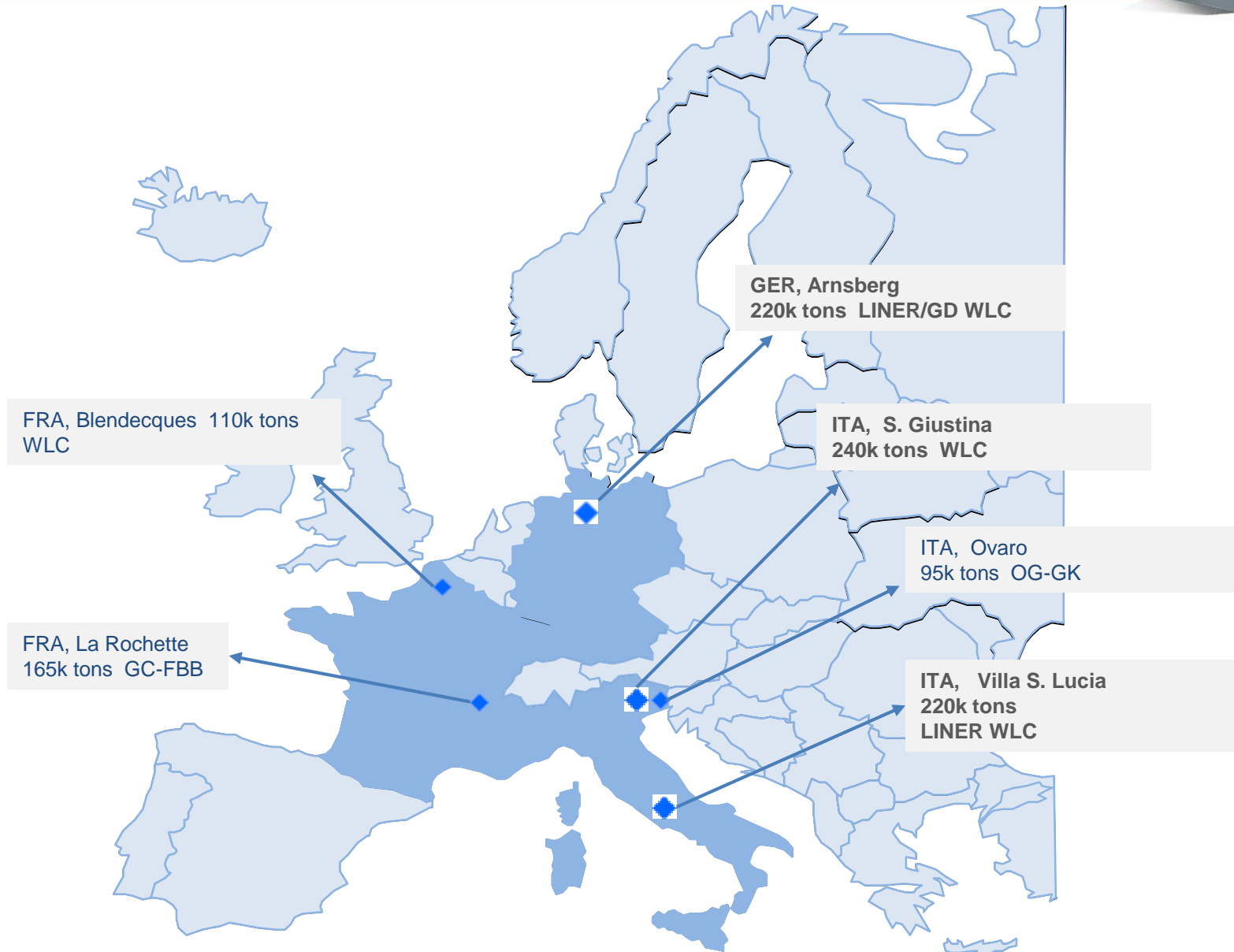
Cartonboard producers by grade

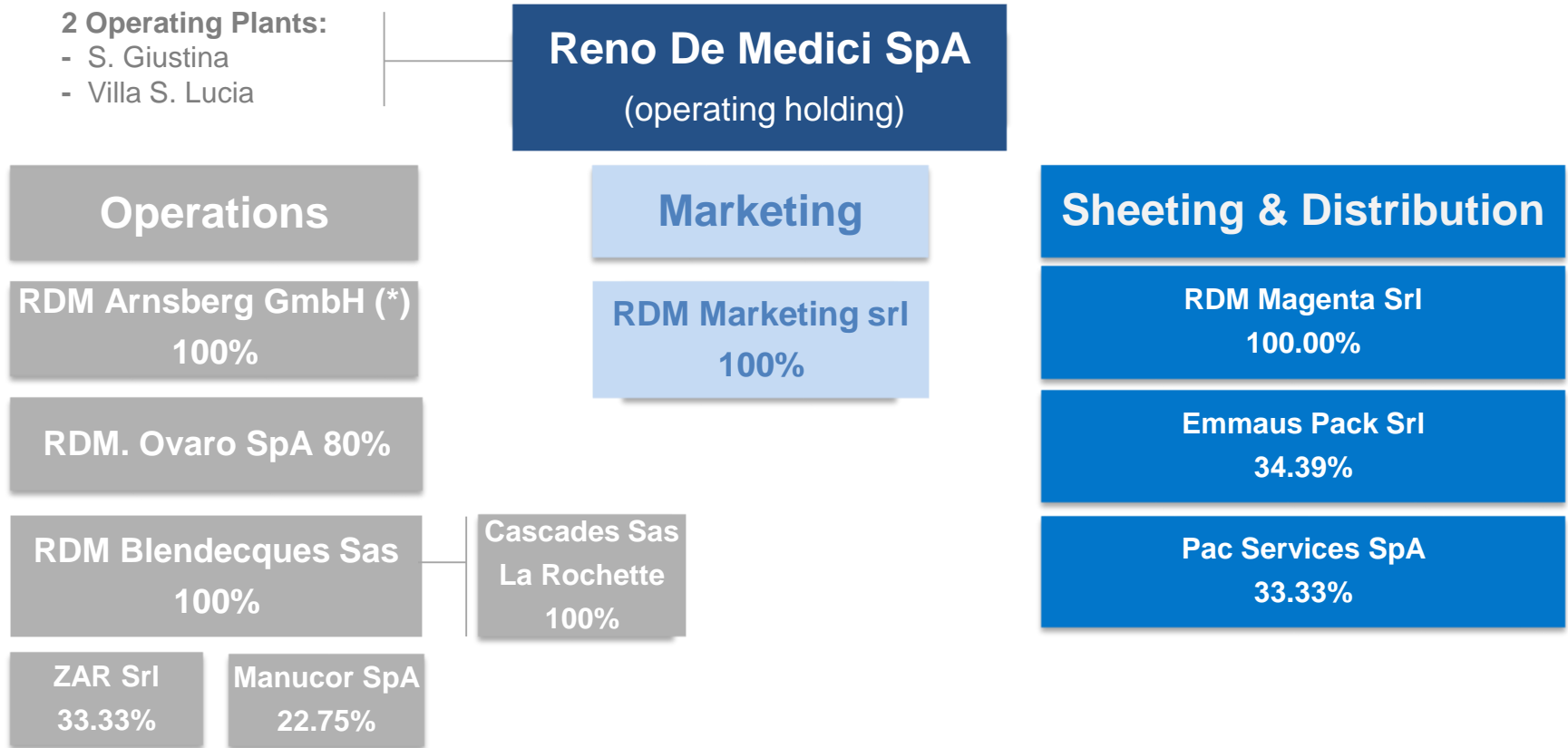


WLC producers



Source: PÖRY, 2016



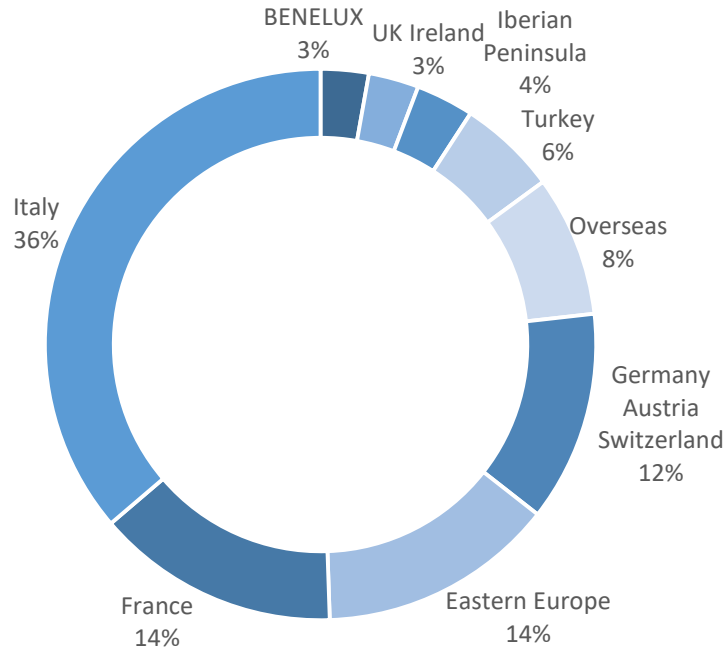


(*) Company owned 94% by Reno De Medici SpA and 6% by Cascades Grundstück GmbH & Co.KG.

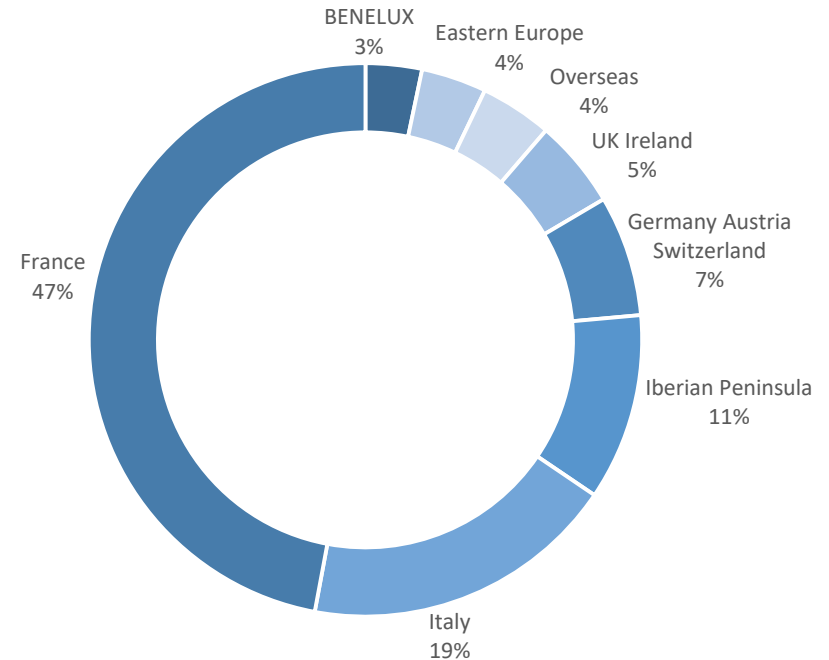


FY 2016 Revenues by geography

RDM - WLC



RDM - FFB



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
- 2 **FY2017 Financials**
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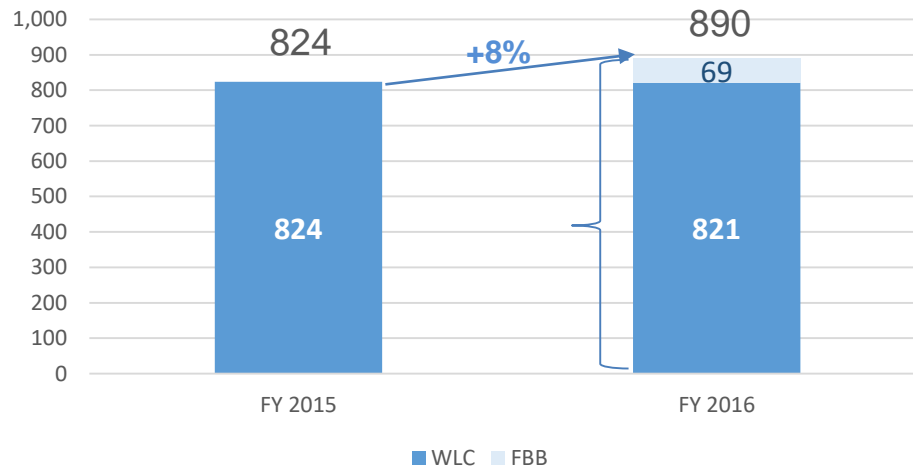


RDM Group data for FY2016 include the FBB business (Cascades sas), consolidated starting from Q32016.

Consolidated Income Statement	12.31.2016	12.31.2015
(thousands of Euros)		
Revenues from sales	477,764	438,235
Other revenues and income	6,932	6,488
Change in inventories of finished goods	468	(2,375)
Cost of raw materials and services	(373,659)	(331,376)
Personnel costs	(76,067)	(63,663)
Other operating costs	(5,003)	(5,506)
Gross operating profit	30,435	41,803
Depreciation and amortization	(21,680)	(22,345)
Write-downs and revaluations		(2,222)
Operating profit	8,755	17,236
<i>Financial expense</i>	(3,248)	(3,597)
<i>Gains (losses) on foreign exchange</i>	169	450
<i>Financial income</i>	29	20
Net financial income/(expense)	(3,050)	(3,127)
Gains (losses) from investments	705	543
Taxes	(3,030)	(3,676)
Profit (loss) for the period before discontinued operations	3,380	10,976
Discontinued operations	(188)	(1,114)
Profit (loss) for the period	3,192	9,862
attributable to:		
Group's share of profit (loss) for the period	3,134	9,784
Minority interest in profit (loss) for the period	58	78



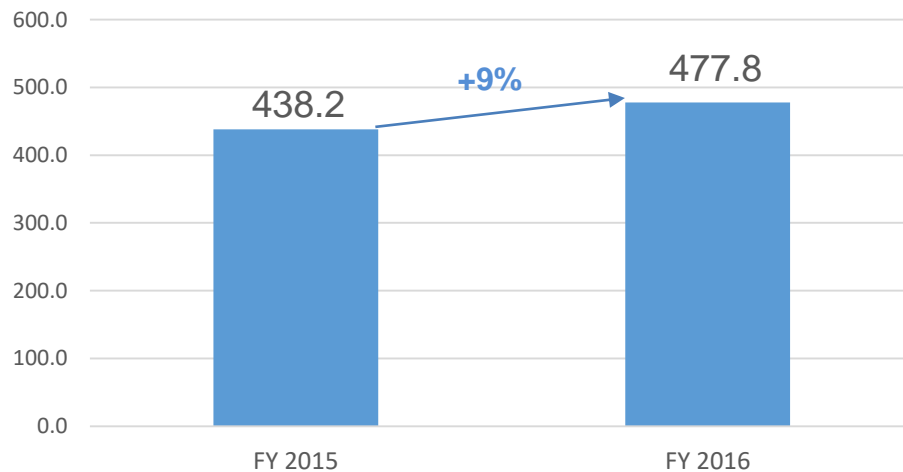
Volumes sold ('000 tons)



The increase in FY 2016 **Volumes** and **Revenues** reflects the **benefits of Cascades sas consolidation**, starting from 30 June 2016.

FBB volumes sold in H2 2016: 69,000 tons.
Decrease in WLC: 3,500 tons.

Revenues from sales (€ mn)



Dynamics of WLC Volumes Sold in 2016 reflect a scenario of weaker demand in Europe vs. 2015. Overseas demand partly compensated for the European market weakness.

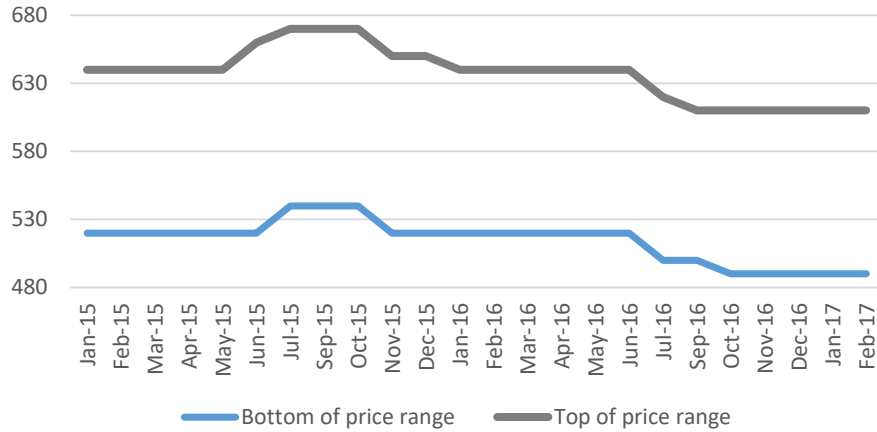
Higher overseas sales lowered average selling prices in WLC.

FBB sales in H2 2016: 54.7 € mn.
WLC sales in FY 2016 decrease: 15 € mn.

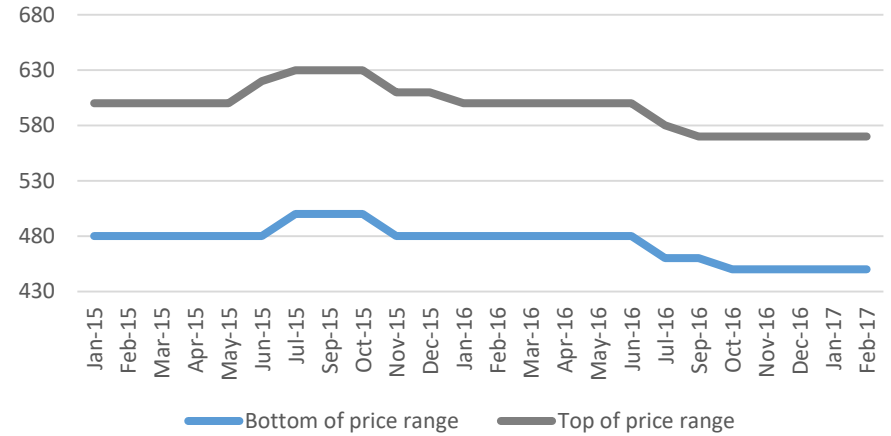


(€ per ton)

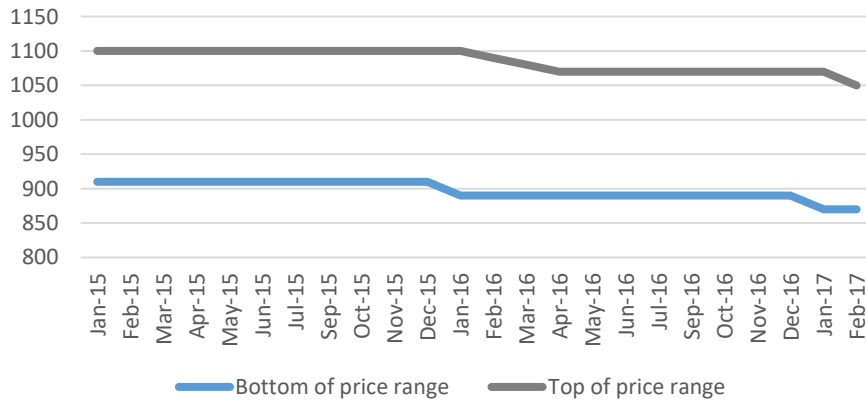
GDII in Italy



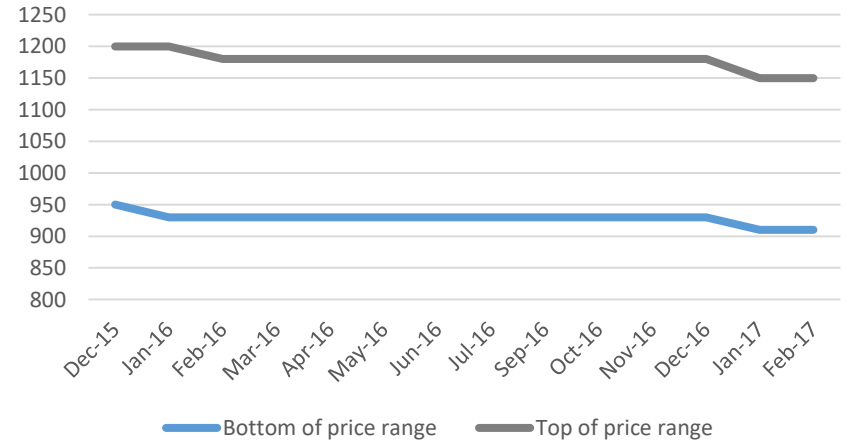
GDIII in Italy



GCII in Italy



GCII in France



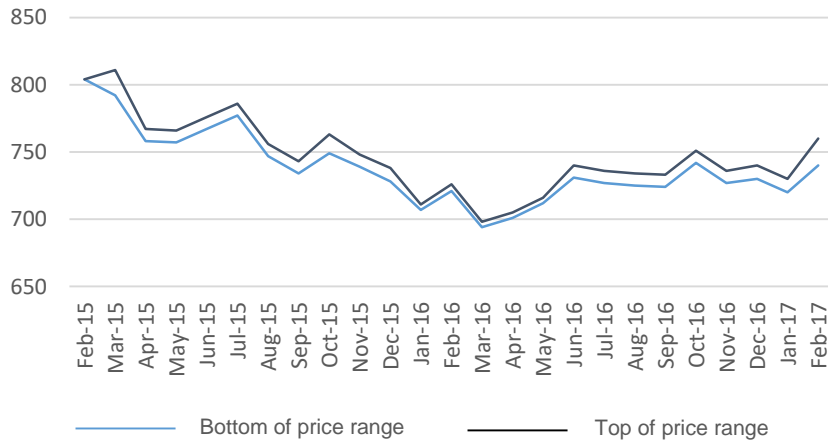
Source: Company's elaborations on market data



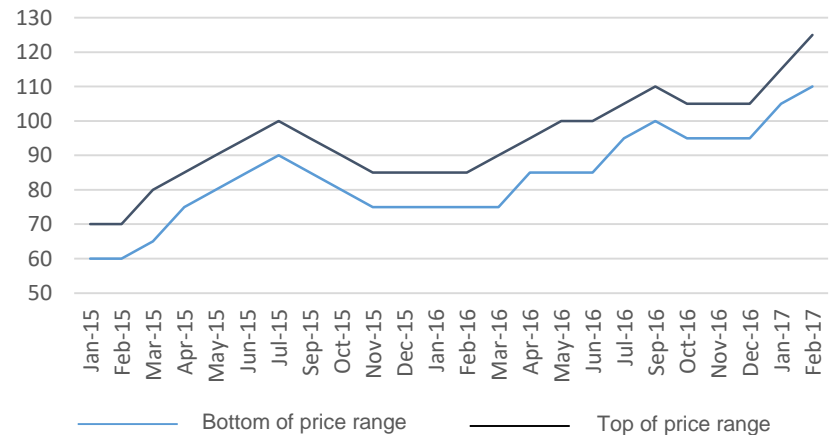
Natural gas price (US\$/GAL)

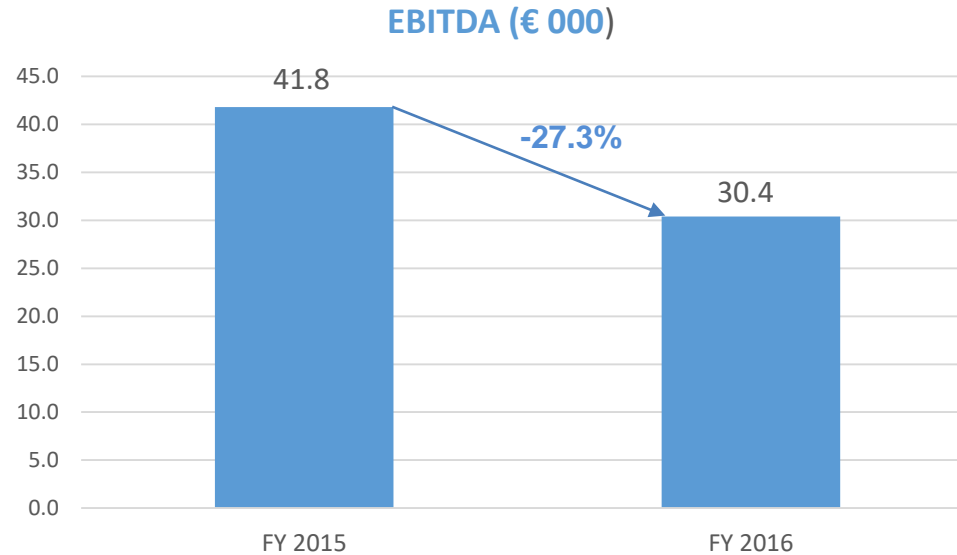


Bleached softwood pulp (€ per ton)



Mixed paper and board (€ per ton)



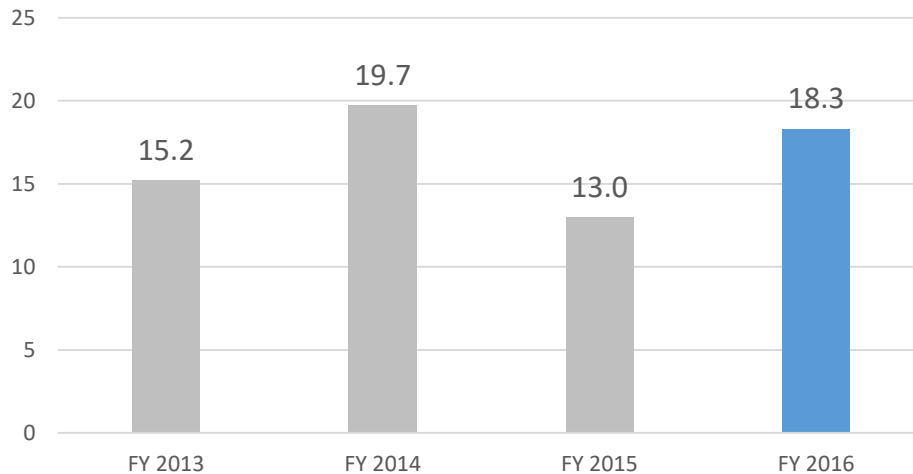


The **EBITDA change** is basically due to the following drivers:

- **weaker market scenario** compared to the FY 2016 (putting pressure also on selling prices);
- lower production at the **Arnsberg** mill, due to the **investment** carried out in April 2016;
- Higher cost of **non-energy raw materials**.



Capex (€ mn)



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

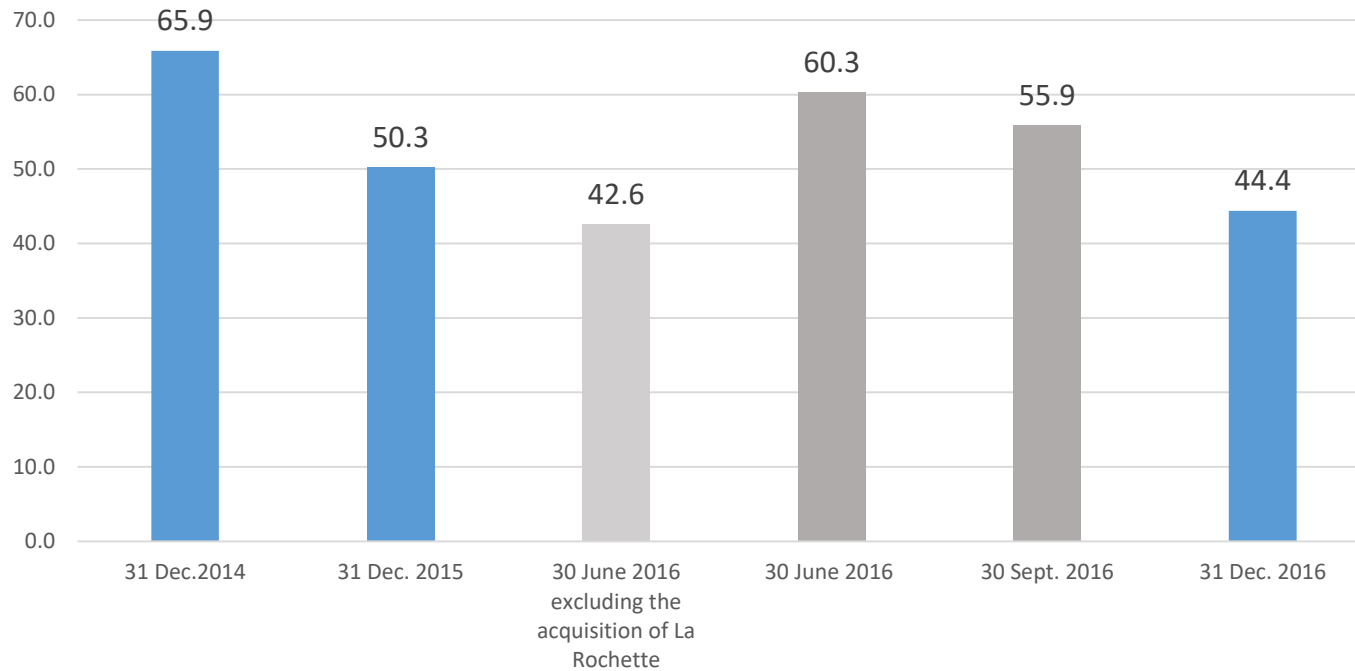
In 2016, Capex was mainly focused on the **Arnsberg mill**.

D&A pretty stable/slightly declining in the meantime (-3.0% FY 2016 vs. FY 2015).

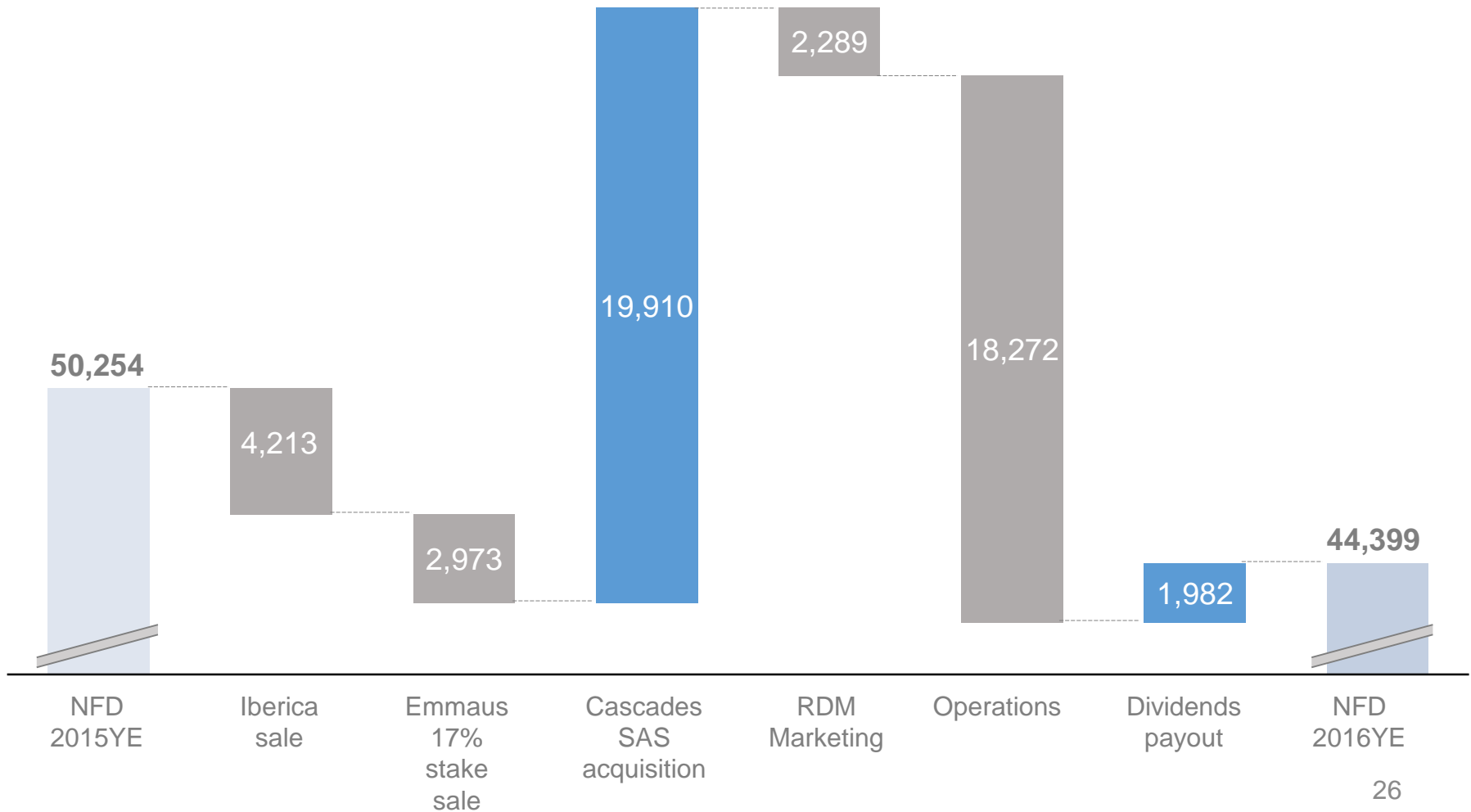
Cumulated capex of **162.5 million euro** over the 2008-2016 period, i.e. **18.0 million euro on average per year**.



Net financial indebtedness (€ mn)



Strong cash flow generation drove the decrease in Net Financial Debt.





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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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

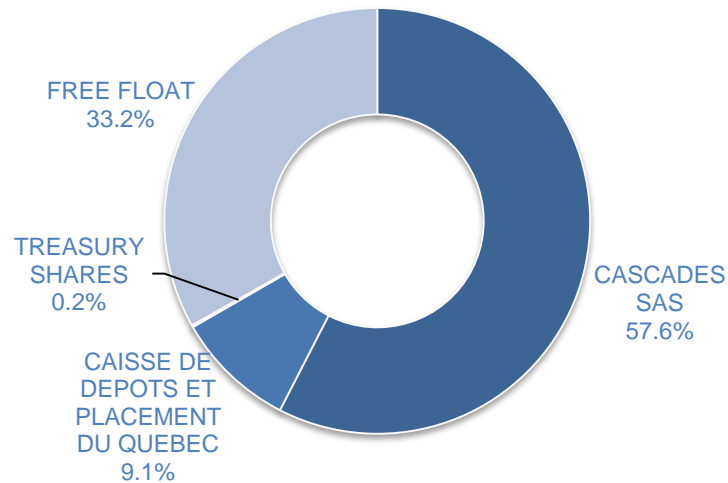
Milan Stock Exchange – MTA (STAR segment)
 Madrid Stock Exchange

Codes

Bloomberg: RM IM; Reuters: RDM.MI
 ISIN: IT0001178299

Mkt cap.: 135.6 € mn (@0.359 € p.s. as of 8 March 2017)

Main shareholders



Source: RDM shareholder register as of 30 June 2016

Last dividend paid

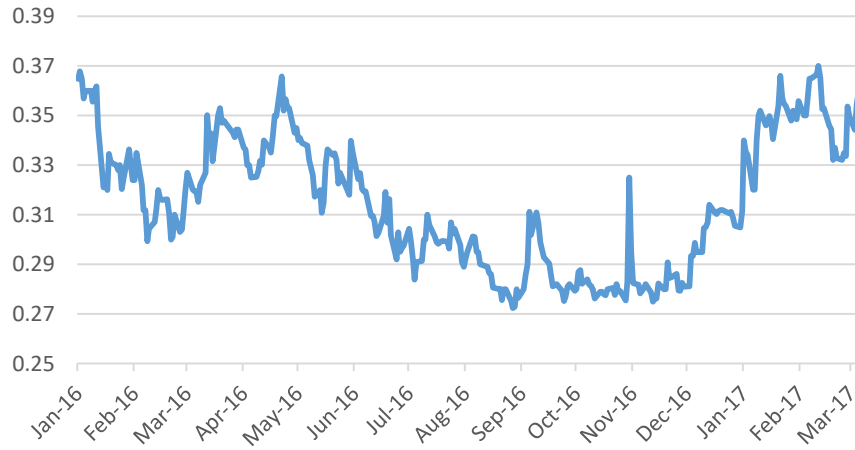
ORDINARY SHARE: Dividend of 52 € cents

Payment date: **11 May 2016**

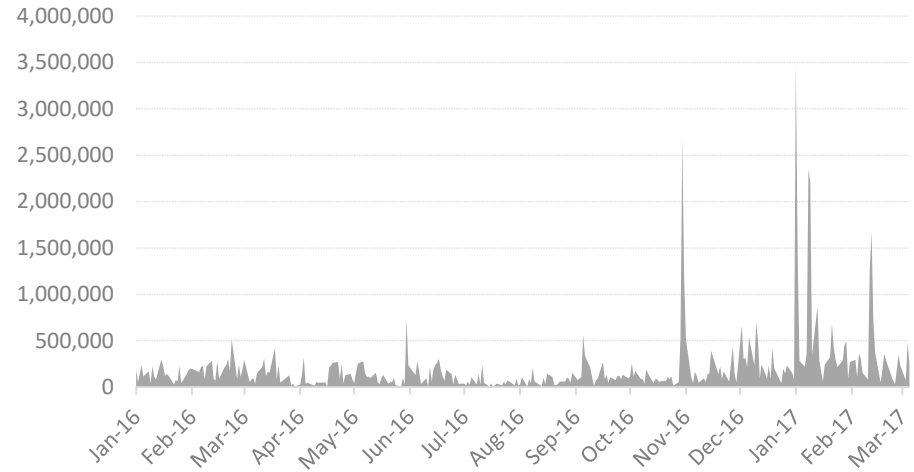
Dividend yield: **1.4%** (YE price of 0.3679 €)



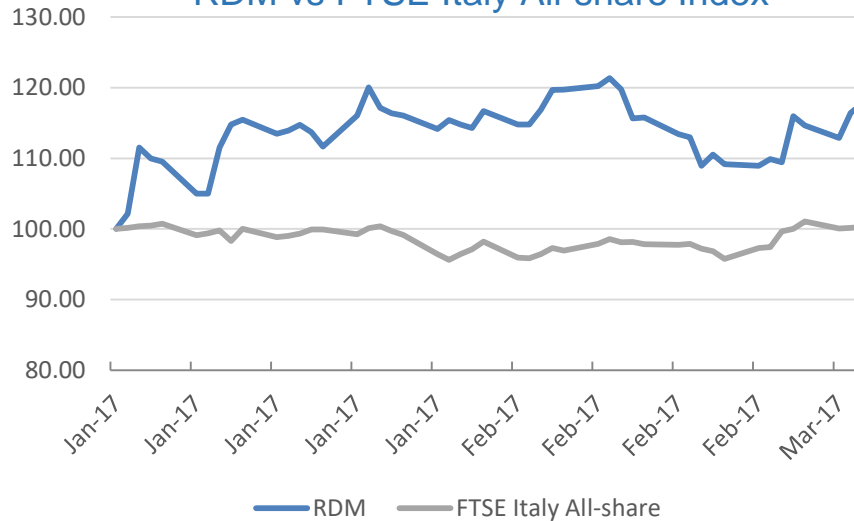
RDM share price



RDM traded volumes



RDM vs FTSE Italy All-share Index





Traditional administration and control system (BoD, Statutory Auditors and Shrs' Meeting).
Adoption of the **Code of Corporate Governance** of Listed Companies promoted by Borsa Italiana.

Board of Directors



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. Co-opted on 3 November 2016.

Matteo Rossi, Independent Director



Lawyer boasting deep expertise in M&A and International Affairs. Co-opted on 19 Nov. 2015.

Laura Guazzoni, Independent Director



Chartered accountant and business consultant. Bocconi University professor.

Laurent Lemaire, Director



Founder, shareholder and past-CEO of Cascades.

**Board appointed on 29 April 2014. Term of office: 3 financial years.
New Board will be appointed on 28 April 2017.**



We are deploying a structured set of initiatives:

- 1 Enhance **efficiency** and **competitiveness** in both operations and customer services
- 2 Strengthen the integration through the new identity and a “**One Company**” culture
- 3 Roll-out of **best practices** across the Company

2017
efforts
aimed at ...

*Building on solid foundations
for future growth*