Q3

Interim Report

09.30.2017

NET REVENUES: €429.7 MILLION
(COMPARED TO €345.9MILLION AS AT SEPTEMBER 30, 2016)

GROSS OPERATING PROFIT (EBITDA): €33 MILLION
(COMPARED TO €23.4 MILLION AS AT SEPTEMBER 30, 2016)

OPERATING PROFIT (EBIT): €16.1 MILLION
(COMPARED TO €7.1 MILLION AS AT SEPTEMBER 30, 2016)

NET PROFIT (LOSS) FOR THE PERIOD: PROFIT OF € 12.1 MILLION
(COMPARED TO A PROFIT OF €3.5 MILLION AS AT SEPTEMBER 30, 2016)

NET FINANCIAL DEBT: € 42 MILLION
(COMPARED WITH €44.4 MILLION AS AT DECEMBER 31, 2016)

Reno De Medici S.p.A.
Viale Isonzo 25, Milan
Share capital €140,000,000
Tax code and VAT number 00883670150

CONTENTS

BOARD OF DIRECTORS AND AUDITORS

Board of Directors

Robert Hall	Chairman
Michele Bianchi	Chief Executive Officer
Alan Hogg	Director
Giulio Antonello	Director
Gloria Francesca Marino	Director
Laura Guazzoni	Director
Sara Rizzon	Director

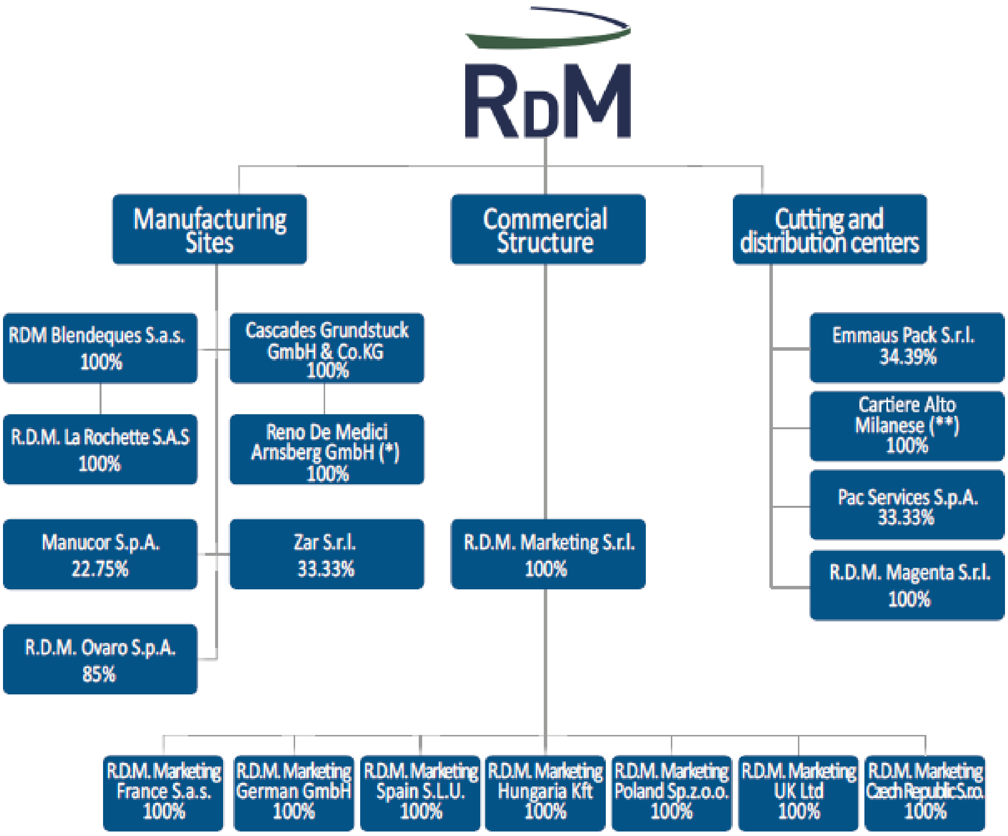
Board of Statutory Auditors

Giancarlo Russo Corvace	Chairman
Giovanni Maria Conti	Statutory Auditor
Tiziana Masolini	Statutory Auditor
Elisabetta Bertacchini	Deputy Statutory Auditor
Domenico Maisano	Deputy Statutory Auditor

Independent Auditors

Deloitte & Touche S.p.A.

GROUP OPERATING COMPANIES ASAT SEPTEMBER 30, 2017



(*) Company owned 94% by Reno De Medici S.p.A. and 6% by Cascades Grundstück GmbH & Co.KG.
(**) Company in liquidation

DIRECTORS' REPORT ON OPERATIONS

The Reno De Medici Group closes very positively Q3 2017 recording an EBITDA of €33 Million, an increase of €9.6 Million compared to €23.4 Million in 2016, and a Net Profit of €12.1 Million, vs. €3.5 Million last year.

The comparison with 2016 must take into account the different impact of the line-by-line consolidation of R.D.M. La Rochette S.A.S., acquired on June 30, 2016, and of the R.D.M. Marketing Group, as the Profit & Loss account of the Q3-2016 Interim Reports included only 3 months of the Subsidiaries' operations.

The improvement vs. last year of the Group EBITDA is due for an amount of €3 Million to the 9 months (vs. 3 months in 2016) consolidation of R.D.M. La Rochette S.A.S., and for €6.6 Million to the improvement of the business performance in the traditional WLC segment (white liner packaging carton board based on paper for recycling), for the higher production efficiency, the new managerial organization implemented at the beginning of the year, and the positive effects of the selling price increase announced at the end of February 2017.

As regards the global **macroeconomic scenario**, the progress of 2017 confirms the improvement of the world economy, and shows an accelerating growth in most major geographical areas. The IMF predicts for the year a global growth of 3.6%, a slight improvement compared to the previous assessments for the year, and a more visible improvement vs. the 3.2% of 2016. Global trade prospects a global growth of 4,2%, a much higher rate compared to the 2.6% that was recorded in 2015 and the 2.3% of 2016, also with a positive adjustment of previous assessments.

Growth should rise to 2.2% in **Advanced Economies** (vs. +1.7% of 2016), and to +4.6% in **EMDEs (**vs. +4.3% both in 2016 and 2015).

The **Euro Area** is expected to grow 2.1%, an improvement vs. 1.8% of 2016, as well as vs. previous estimations, in a differentiated scenario among countries, where the highest growth rates vs. 2016 are shown by France (+1.6% vs. +1.2%) and Italy (+1.5% vs. +0.9%). Stronger domestic demand, the continuing ECB's accommodative monetary policy, low cost of energy, all support growth and business investments. In this scenario, the growth expectations for 2017 for the major economies of the Area have been revised upward.

The evolution in Q3-2017 in the two sectors in which the Reno De Medici Group now operates, WLC - White Lined Chipboard, and FBB – Folding Box Board, confirms the positive trend already recorded in previous quarters, and shows a stronger European demandcompared to prior year, a good order inflow and a higher backlog.

In the **WLC segment**, the order inflow in Q3-2017 was satisfactory and stronger than prior year, a positive trend that confirms the evolution of previous quarters. Backlog also increased and is higher than in 2016.

In terms of deliveries, in the first nine months of 2017 most of the major European markets except Spain show positive variations compared to 2016: Western and Central Europe grew +1.6%, East Europe +7.4% and Turkey a very significant +18.6%.

Also in the **FBB segment**, in which R.D.M. La Rochette S.A.S. operates, the order inflow was very satisfactory and stronger than prior years.

In terms of deliveries, in the first nine months of 2017 European demand increased +4% vs. 2016, but with very different trends amongs markets: on the one hand, a very strong growth is recorded in East Europe and Turkey, on the other hand it is recorded a decrease in Germany (-3.0%) and UK (-6.0%); all the other main markets grow, including Italy.

As regards the main production costs, the evolution of prices of **paper for recycling** in 2017 was marked until August by continuous and important hikes, mainly associated to the re-acceleration of exports to the Far East and to China in particular, but also to the higher demand generated by the new production capacity that has entered the market in some contiguous sectors (mainly containerboard). Then in September market prices had a drop, particularly in some grades (MP - Mixed Paper, and OCC - Old Corrugated Containers), following the reduction of import licenses decided by the Chinese Government, and the announcement that starting from 2018 imports of unsorted paper would be prohibited. Given the timing of such price reduction, its benefit on the September ytd accounts of cartonboard producers has been insignificant.

As regards **virgin fibers (cellulose)**, 2017 has been characterized by a strong upward trend of prices, that is continuing to-date, both in the so-called ‘short-fibers’ segment, due to the difficulty of supply to meet demand, as well as in the ‘long fibers’ segment, mainly for the increased Chinese demand.

As regards **chemical products**, the evolution of prices in 2017 was marked by volatilty: the increases recorded in Q1 were partially reabsorbed in Q2; Q3 showed a more stable scenario, although the prices of some additives decreased.

In summary, the average cost of raw materials for the RDM Group in the first nine months of 2017 was substantially higher than in the same period of prior year.

The prices of **energy** in 2017 in Europe, while still remaining generally low, showed a marked volatility in the first two quarters, to then resume in Q3 a steady upward trend, associated to the improved macroeconomic scenario and the consequent increased demand of energy.

As regards **oil**, in a general market scenario still characterized by an excess of supply, the trend of prices reflects the expectations for an increase of consumption. As a consequence prices (Brent), that in 2016 had increased from 30 US$-per-barrel of February-March 2016 up to the 55 US$ recorded at the end in December, in 2017 sligthly increased further, although with some volatility, up to the 57-58 US$-per-barrel recorded at the end of September.

The price of **natural gas**, the main source of energy for the Reno De Medici Group, in Europe decreased (for deliveries in 2017) from 17,5 €/MWH recorded in December down to the 15,5 €/MWH of March 2017, to then resume starting from August an upward trend up to the current 18 €/MWH.

As regards **electrical energy**, a general upward trend of spot quotations was observed in the period, mainly due to the stronger demand generated by the improved macro-economic scenario, but also to climatic factors; the renewed concerns on the availability of the French nuclear parc also impacted futures prices.

The price of **coal**, the main source of energy for the Arnsberg mill, after a long rally, that saw prices increase from 40/45 US$/ton of February-April 2016 to 85 US$/ton at the end of December, initially decreased in Q1-2017 down to 70 US$/ton, to then rebound in Q2 up to 85 US$/ton (end of June), a value that has remained basically firm through Q3.

In any case, the overall average cost of energy recorded in the first nine months of 2017 by the Reno De Medici Group was still lower than in the same period of prior year, also thanks to investments and succesfully implemented efficiency programs.

Tons-sold in the first nine months of 2017 by the Reno De Medici Group were 766 Thousand, compared to 650 Thousand sold in 2016. The increase of 116 Thousand is due to the consolidation of Cascades La Rochette SAS (that in 2017 was fully consolidated for 9 months, vs. 3 months only in 2016), and to the higher volumes sold in the traditional WLC business.

Revenues from Sales were €430 Million, compared to €346 Million of prior year. The increase by +€83.7 Million is due for +€60.3 Million to the different consolidation period of

R.D.M. La Rochette S.A.S, and for +€23.4 Million to the higher revenues in the traditional WLC business.

Other Revenues amounted to €5.6 Million, an increase of €2.1 Million compared to the same

period of 2016, mainly due to the Certificates of Energetic Efficiency (the so-called 'white certificates') received in the period, relevant to projects carried out in previous years.

Personnel Costs amounted in the period to €65.8 Million, an increase of €12.7 Million compared to 2016, out of which €9.3 Million are relevant to R.D.M. La Rochette S.A.S., for the already mentioned different consolidaition period. The balance, an increase of +€3.4 Million, results from the consolidation of the R.D.M. Marketing Group (also in this case for the different consolidation period) and for €1.2 Million are associated to the restructuring costs of the management reorganization carried out at the beginning of current year.

In the first 9 months of 2017 **EBITDA** attained €33 Million, compared to €23.4 Million in 2016. The contribution of R.D.M. La Rochette S.A.S. amounts to €4.0 Million, vs. €1 Million of prior year (for the different consolidation period); it has to be noticed that in Q3-2017 the EBITDA of the Subsidiary was negative, due to the longer Summer production stand-still that had to be made to allow for the installation of a new equipment.
The EBITDA associated to the traditional WLC substantially improved compared to 2016, by €6.6 Million (+29.5%), where **higher costs of raw materials** were more than compensated by higher revenues for higher tons-sold, and by lower costs due to higher operational efficiency**.**
As already mentioned, EBITDA benefits from higher Other Revenues and also, for an amount of €1,1 Million, from the reversal of the provision for the 'renewable surcharge' that was posted since 2015, based on the assumption that the surcharge was to be applied also on self-produced energy; the reversal follows the Resolution 276/2017, issued on April 21 by the Italian Energy Authority, that definitively clarified the terms of the cancellation of such type of surcharge.

EBIT of the period was €16.1 Million (of which €3.3 Million were generated by R.D.M. La Rochette S.A.S.), vs. €7.1 Million in 2016.

Net Financial Expenses were €2.4 Million, vs. €2.5 Million in 2016, where the benefits from lower interest and other financial expenses were partially offset by higher negative exchange differences, mainly due to the devaluation of the US dollar.

Income from Investments was €0.5 Million, compared to €0.7 Million recorded in 2016. Theamount includes the share of the Group of the 2016 profit of PAC Service S.p.A. and of Emmaus Pack S.r.l., partially offset by the write-off for -€0.1 Million of a minor investment.

The provision for **Income Taxes** amounts to €2.1 Million, compared to €1.6 Million in 2016.

Consolidated Profit of the period was €12.1 Million, a substantial increase of €8,6 Million compared to €3.5 Million recorded in 2016. R,D,M, La Rochette S.A.S.' Net Profit was €2.7 Million, vs. €0.6 Million of 2016, an increase mainly due to the different consolidation period.

Capital Expenditures made in the period by the Reno De Medici Group were €15.3 Million, compared to €13.2 Million in 2016.

Consolidated Net Financial Indebtedness of the RDM Group at September 30, 2017 was €42 Million, a decrease of €2.4 Million compared to €44.4 Million at December 31, 2016.
The evolution of the NFI in first nine months of 2017 was impacted, for a total amount of €6.6 Million, by some specific outflows that include: dividends-paid and shares 'buyback' for -€1,3 Million; investment in Paper Interconnector S.c.r.l. for -€1,7 Million; restructuring costs for -€1 Million; the deposit made by RDM Arnsberg GmbH on the 'logo fee' tax case for -€2.6 Million.
In particular, as regards the deposit made by RDM Arnsberg GmbH, the Subsidiary has prudently decided to make a deposit at the German Tax Offices (national and local) for the entire amount of the taxes claimed, plus interest, relevant to the so called 'logo fee' that was disallowed in the tax audit of the period 2011-2013, even in the presence of the MAP – Mutual Agreed Procedure that was activated at the end of December 2016. The final amount, if any, that will be actually due will be eventually known only when the MAP procedure will be concluded, and the amount that would have been paid in excess in Germany will be reimbursed, plus interests at an annual rate of 6%. It is also expected, according to the MAP procedure, that the amount that would be finally due in Germany should be substantially recovered in Italy. As a consequence, the final economic and financial impact at consolidated level should be limited to the difference between the tax-rates and the interest-rates applied by the two Countries.

Such a deposit, that in essence was made based on financial considerations, was recorded as a non financial ‘sundry credit’. As a consequence, in order to allow a better understanding

of the financial evolution, the Net Financial Indebtedness at the end of the period is showed at two levels, with and without the impact of the deposit.

	09.30.2017	12.31.2016	Variation
Net financial debt	**42,040**	**44,399**	**(2,359)**
Deposit at the German Tax Offices	**(2,552)**		**(2,552)**
Adjusted net financial debt	**39,488**	**44,399**	**(4,911)**

Consolidated results

The following table summarizes key income statement indicators as at September 30, 2017 and 2016.

(thousands of Euros)	09.30.2017	09.30.2016
Revenues from sales	**429,653**	**345,944**
OPERATING PROFIT (EBITDA) (1)	**33,006**	**23,369**
EBIT (2)	**16,117**	**7,090**
Pre-tax income (3)	**14,169**	**5,288**
Current and deferred taxes	*(2,072)*	*(1,557)*
Profit (Loss) for the period before discontinued operations	**12,097**	**3,731**
Discontinued operations		**(188)**
Profit (Loss) for the period	**12,097**	**3,543**

1) See "Gross operating profit" in the Consolidated Financial Statements of the RDM Group

2) See 'Operating profit' in the Consolidated Financial Statements of the RDM Group

3) See 'Profit (loss) for the period' – 'Taxes' in the Consolidated Financial Statements of the RDM Group

The following table provides a breakdown of net revenues from the sale of cartonboard by geographical area of customers:

(thousands of Euros)	09.30.2017	% of total	09.30.2016	% of total
Italy	140,163	32.6 %	122,295	35.4 %
EU	237,243	55.2 %	174,140	50.3 %
Non-EU	52,247	12.2 %	49,509	14.3 %
Revenues from sales	**429,653**	**100 %**	**345,944**	**100 %**

Key events

In the first half of 2017 the Reno De Medici Group further proceeded in the **reorganization of its managerial organization, both commercial and production.**

From January 1st , 2017, all the products of the Group are marketed only under the RDM brand, and the Cascades brand and logo, and the Careo logo, were discontinued.

On April 28, 2017, the Extraordinary Shareholders Meeting of Reno De Medici S.p.A.'s resolved the merger into the Mother Company of RDM Marketing S.r.l., since its mission came to an end with the acquisition by the Reno De Medici Group of R.D.M. La Rochette S.A.S., that completed the *business combination* with the European operations of Cascades.

In this ambit, the commercial operations of the Reno De Medici Group were reorganized based on 3 geographical areas, that are responsible for the commercialization in the assigned countries of the whole products portfolio of the Group.

In the month of June **Reno De Medici S.p.A. and Friulia S.p.A. redefined the shareholders' agreement** that had been signed on June 27, 2012, in the ambit of the acquisition by Friulia of a 20% stake in R.D.M. Ovaro S.p.A. at a price of €2,5 Million. Such agreements granted *inter alia* to Friulia S.p.A. the right to resell its investment in R.D.M. Ovaro S.p.A. to Reno De Medici S.p.A. at certain terms and conditions, through the exercise of a 'put option' by no later than June 27, 2017.

The Parties appreciated the success of the partnership and, in view of the further investments necessary to increase the value of R.D.M. Ovaro S.p.A., and of its possible plans of expansion, agreed that an extension of the partnership is beneficial to the Subsidiary.

Consequently, the Parties signed a new agreement whereby Reno De Medici S.p.A. will acquire Friulia's 20% stake in R.D.M. Ovaro S.p.A., for a total price of € 2,497.010,95, in four equal tranches, the first of which has already been acquired on June 15, 2017; the other three tranches will be acquired on June 30 of 2018, 2019 and 2020. Reno De Medici S.p.A. will be free to exercise the call option at any earlier time.

Other information

Purchase of treasury shares in the first nine months of 2017

In the first nine months of 2017, in compliance with the authorization granted by the Ordinary Shareholders' Meeting on November 2, 2015 pursuant to Article 2357 of the Italian Civil Code,

Reno de Medici S.p.A. purchased a total of 852,919 ordinary treasury shares at a unit price of €0.35 for a total amount of €300,600.

These purchases were carried out on regulated markets in compliance with Article 132 of Legislative Decree 58 of February 24, 1998 and Article 144-bis, 1b) of Consob Regulation 11971/1999.

Following the purchases made in the period, and in view of the shares already held, Reno de Medici holds a total of 1,434,519 treasury shares, or 0.38% of share capital. No treasury shares were offloaded and no Reno de Medici shares were purchased by the Subsidiaries.

Establishment of a Stock Grant Plan for the 2017-2019 period

The Ordinary Shareholders’ Meeting of April 28, 2017 approved the establishment of a Stock Grant Plan for the 2017-2019 period, reserved to Reno de Medici S.p.A.’s CEO (the “Plan”).

The Plan is based on the CEO being entitled to receive up to 2,262,857 ordinary bonus shares in the Company at the end of the aforementioned three-year period, subject to the achievement of certain performance objectives, as defined in advance by the Board of Directors (having consulted the Remuneration Committee), for each Plan year.

The ordinary bonus shares that might be awarded to the CEO would be out of the treasury shares held by the Company, as authorized by the aforementioned Ordinary Shareholders’ Meeting of April 28, 2017 in compliance with Article 2357-ter of the Italian Civil Code.

One of the Plan’s goals is to align the CEO’s interests with the main objective of creating value for the Company and the Group over the medium and long term. The Plan is a way of supplementing the fixed component of remuneration with variable performance-related components, in line with best market practice.

For more details on the Plan, please see the prospectus drafted pursuant to Article 84-bis of the Consob Issuers’ Regulation 11971/1999, which is available at www.rdmgroup.com and via the authorized storage facility eMarketStorage.com

Subsequent events

No major events were recorded after the end of the quarter.

Outlook

As regards the macroeconomic scenario, in Europe the short-term outlook seems less uncertain than it appeared at the beginning of the year, the recovery could strenghten further, although it might be limited by weak wage growth and persisting low inflation.

In the sectors in which the Reno De Medici Group operates, the short-term outlook remains positive.

In the **Whitelined Chipboard (WLC)** segment, after the closing of the period European demand and order inflow remains sustained.

The increase of price lists that the RDM Group annouced at the end of February, applied on the deliveries as from May, was successful, although to a lesser degree that it was announced. However, in the presence of the continuous and important hikes of the prices of fibers, in order to protect profitability, the RDM Group announced at the beginning of July a new price increase, that has been applied to the deliveries as from September.

In the European **Folding Box Board (FBB)** segment, in which R.D.M. La Rochette S.A.S. operates, the order in-flow and backlog remained also satisfactory. At the beginning of October the Group announced an increase of selling prices, that will be applied on the deliveries starting from November 1st, in order to restore profitability that has been eroded by the continuous growth of the cost of raw materials.

The expected evolution of the prices of **paper for recycling** in the last part of 2017 is marked by a significant uncertainty, and in particular as regards the possible evolution of exports to China, and the relevant consequences on prices. It can be reasonably believed that, when the export activity to China will normalize, the price decreases that have characterized the month of September and the first part of October will be reabsorbed; on the other hand, the pressure on prices generated by the additional production capacity that is entering the market in some contiguous sector will continue and might even increase. So at the moment it is difficult to assess precisely the real evolution of prices of paper for recycling.

As regards **virgin fibers**, strong demand is expected to continue, and the consequent pressure on the level of prices should continue.

The prices of **chemical products** seem to have stabilized.

The evolution of the **prices of energy** for the rest of the current year and for 2018 envisages a further general upward trend, that should be essentially driven by stronger demand, where the increase of the price of natural gas should be relatively contained, whilst stronger increases can be envisaged for electric power and coal.

CONSOLIDATED FINANCIAL STATEMENTS ASAT SEPTEMBER 30, 2017

Consolidated Income Statement	09.30.2017	09.30.2016
(thousands of Euros)		
Revenues from sales	429,653	345,944
Other revenues and income	5,613	3,555
Change in inventories of finished goods	(5,129)	(2,624)
Cost of raw materials and services	(329,320)	(267,766)
Personnel costs	(65,793)	(53,055)
Other operating costs	(2,018)	(2,685)
Gross operating profit	**33,006**	**23,369**
Depreciation and amortization	(16,889)	(16,279)
Write-downs and revaluations		
Operating profit	**16,117**	**7,090**
Financial expense	(1,944)	(2,368)
Gains (losses) on foreign exchange	(457)	(165)
Financial income	3	23
Net financial income/(expense)	(2,398)	(2,510)
Gains (losses) from investments	450	708
Taxes	(2,072)	(1,557)
Profit (loss) for the period before discontinued operations	**12,097**	**3,731**
Discontinued operations		**(188)**
Profit (loss) for the period	**12,097**	**3,543**
attributable to:		
Group's share of profit (loss) for the period	12,097	3,485
Minority interest in profit (loss) for the period		58

Statement of Financial Position - ASSETS	09.30.2017	12.31.2016
(thousands of Euros)		
Non-current assets		
Tangible assets	193,372	196,633
Other intangible assets	8,067	6,441
Equity investments	4,595	2,509
Deferred tax assets	1,504	1,536
Other receivables	8,132	3,679
Total non-current assets	**215,670**	**210,798**
Current assets		
Inventories	82,620	82,450
Trade receivables	76,840	67,405
Other receivables	10,291	12,866
Cash and cash equivalents	24,827	29,331
Total current assets	**194,578**	**192,052**
TOTAL ASSETS	**410.248**	**402.850**

Statement of Financial Position - LIABILITIES AND SHAREHOLDERS' EQUITY	09.30.2017	12.31.2016
(thousands of Euros)		
Shareholders' equity		
Shareholders' equity attributable to the Group	166,334	155,216
Total shareholders' equity	**166,334**	**155,216**
Non-current liabilities		
Payables to banks and other lenders	51,231	57,627
Derivative instruments	207	268
Other payables	38	79
Deferred taxes	6,351	7,492
Employee benefits	33,275	33,878
Non-current provisions for risks and charges	5,624	6,224
Total non-current liabilities	**96,726**	**105,568**
Current liabilities		
Payables to banks and other lenders	16,009	16,174
Derivative instruments	138	154
Trade payables	106,819	103,685
Other payables	21,730	20,543
Current taxes	1,217	657
Current provisions for risks and charges	827	841
Employee benefits	448	12
Total current liabilities	**147,188**	**142,066**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**410,248**	**402.850**

Net financial position	09.30.2017	12.31.2016	Variation
(thousands of Euros)			
Cash, cash equivalents and short-term financial receivables	25,245	29,677	(4,432)
Short-term financial debt	(16,008)	(16,327)	319
Valuation of current portion of derivatives	(138)	(154)	16
Short-term net financial position	**9,099**	**13,196**	**(4,097)**
Medium-term financial receivables	300	300	0
Medium-term financial debt	(51,232)	(57,627)	6,395
Valuation of non-current portion of derivatives	(207)	(268)	61
Net financial position	**(42,040)**	**(44,399)**	**2,359**

NOTES

The Interim Report of the RDM Group as at September 30, 2017 was prepared on the basis of Article 82, paragraph 1, of the Issuers' Regulations adopted by Consob Resolution 11971 of May 14, 1999, as subsequently amended and supplemented.
Thus, compliance with the requirement described in Article 154-*ter* of the Consolidated Finance Act is achieved with this report.

This Interim Report was not audited by the Independent Auditor.

ACCOUNTING PRINCIPLES

The statement of financial position and income statement were prepared in accordance with recognition criteria set by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission pursuant to the procedure set forth in Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament of July 19, 2002.
The recognition and measurement criteria used to prepare the financial statements for the first quarter remain unchanged from those used to prepare the consolidated financial statements as at December 31, 2016. For a description of these criteria, reference is made to those financial statements.

RDM has applied the same accounting principles as for the Interim Report as at December 31, 2016.

The preparation of the Interim Report in accordance with IFRS requires the use of estimates and assumptions including through the use of operating data that have an impact on reported asset and liability amounts and on the disclosure of contingent assets and liabilities at the reporting date. Final results may differ from the estimates made. Estimates are used to measure the contribution of discontinued operations, provisions for doubtful receivables, inventory obsolescence, depreciation and amortization, asset write-downs, employee benefits, restructuring funds, taxes, other provisions and funds, and the valuation of derivative instruments. Estimates and assumptions are reviewed periodically, and the impact of any change is reflected immediately in the income statement, with the exception of derivatives.

The statement of financial position and income statement are stated in thousands of Euros.

WORK FORCE

As at September 30, 2017, the RDM Group's staff consisted of 1,516 employees compared to 1,536 employees as at December 31, 2016.

STATEMENT OF EXECUTIVE RESPONSIBLE FOR THE PREPARATION OF THE COMPANY'S FINANCIAL REPORTS PURSUANT TO ARTICLE 154-*BIS*, PARAGRAPH 2, OF LEGISLATIVE DECREE 58/1998 (CONSOLIDATED FINANCIAL ACT)

Stefano Moccagatta, the executive responsible for the preparation of the company's financial reports, hereby states that pursuant to Article 154-*bis*, paragraph 2 of the Consolidated Finance Act, the accounting information contained in the Interim Report as at September 30, 2017 of Reno De Medici S.p.A. corresponds to information contained in documents, ledgers and accounting entries.

Milan, November 3, 2017

Signed
Stefano Moccagatta