

**RECORDATI: SALES GROWTH AND FURTHER MARGIN IMPROVEMENT IN THE FIRST QUARTER 2015. SALES +5.9%, OPERATING INCOME +18.1%, NET INCOME +21.5%.**

- Consolidated revenues € 275.7 million, +5.9%.
- EBITDA<sup>(1)</sup> € 82.8 million, +15.9%
- Operating income € 73.5 million, +18.1%.
- Net income € 52.0 million, +21.5%.
- Net financial position<sup>(2)</sup>: net debt of € 136.8 million.
- Shareholders' equity € 865.0 million.
- Full year 2015 targets: sales of more than € 1,000 million, operating income around € 250 million and net income around € 175 million.

Milan, 5 May 2015 – The Board of Directors of Recordati S.p.A. approved the Group's consolidated results for the first quarter 2015 prepared in accordance with International Accounting Standards and International Financial Reporting Standards (IAS/IFRS) and in particular as per IAS 34 requirements for interim reporting. These financial statements will be available today at the company's offices and on the company's website [www.recordati.com](http://www.recordati.com) and can also be viewed on the authorized storage system 1Info ([www.1Info.it](http://www.1Info.it)).

**Financial highlights**

- **Consolidated revenues** in the first quarter 2015 are € 275.7 million, up by 5.9% compared to the same period of the preceding year. International sales grow by 10.6%.
- **EBITDA**<sup>(1)</sup>, at 30.0% of sales, is € 82.8 million, an increase of 15.9% over the same period of the preceding year.
- **Operating income**, at 26.6% of sales, is € 73.5 million, an increase of 18.1%.
- **Net income**, at 18.8% of sales, is € 52.0 million, an increase of 21.5% over the first quarter of 2014.
- **Net financial position**<sup>(2)</sup> at 31 March 2015 records a net debt of € 136.8 million. **Shareholders' equity** increases to € 865.0 million.

<sup>(1)</sup> Earnings before interest, taxes, depreciation and amortization.

<sup>(2)</sup> Cash and short-term financial investments less bank overdrafts and medium/long-term loans which include the measurement at fair value of hedging derivatives (fair value hedge).

**Management Comments**

"The first quarter results show continued revenue growth and further improvement of our profitability", declared Giovanni Recordati, Chairman and CEO. "For the full year 2015 we confirm our expectations to achieve sales of more than € 1,000 million, operating income of around € 250 million and net income of around € 175 million."

**RECORDATI INDUSTRIA CHIMICA E FARMACEUTICA S.p.A.**

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## Conference call

Recordati will be hosting a *conference call* **today 5 May 2015** at 4.00 pm Italian time (3.00 pm London time, 10.00 am New York time). The dial-in numbers are:

Italy	+39 02 8020911, toll free 800 231525
UK	+44 1 212818004, toll free 800 0156371
USA	+1 718 7058796, toll free 855 2656958
France	+33 170918704
Germany	+49 65 255114450

Callers are invited to dial-in 10 minutes before conference time. If conference operator assistance is required during the connection please digit \* followed by 0 or call +39 02 8061371. A recording of the conference call will be placed on the website [www.recordati.com](http://www.recordati.com).

A set of slides which will be referred to during the call will be available on our website [www.recordati.com](http://www.recordati.com) under Investors/Company Presentations.

*Recordati, established in 1926, is an international pharmaceutical group, listed on the Italian Stock Exchange (Reuters RECI.MI, Bloomberg REC IM, ISIN IT 0003828271), with a total staff of around 4,000, dedicated to the research, development, manufacturing and marketing of pharmaceuticals. Headquartered in Milan, Italy, Recordati has operations in the main European countries, in Russia, in other Central and Eastern European countries, in Turkey, in North Africa and in the United States of America. An efficient field force of medical representatives promotes a wide range of innovative pharmaceuticals, both proprietary and under license, in a number of therapeutic areas including a specialized business dedicated to treatments for rare diseases. Recordati is a partner of choice for new product licenses for its territories. Recordati is committed to the research and development of new specialties within the urogenital therapeutic area and of treatments for rare diseases. Consolidated revenue for 2014 was € 987.4 million, operating income was € 231.0 million and net income was € 161.2 million.*

For further information:

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*Statements contained in this release, other than historical facts, are "forward-looking statements" (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements are based on currently available information, on current best estimates, and on assumptions believed to be reasonable. This information, these estimates and assumptions may prove to be incomplete or erroneous, and involve numerous risks and uncertainties, beyond the Company's control. Hence, actual results may differ materially from those expressed or implied by such forward-looking statements. All mentions and descriptions of Recordati products are intended solely as information on the general nature of the company's activities and are not intended to indicate the advisability of administering any product in any particular instance.*

# **RECORDATI GROUP**

Summary of consolidated results prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (IAS/IFRS)  
(thousands of €)

INCOME STATEMENT	First Quarter 2015	First Quarter 2014	Change %
REVENUE	275,746	260,362	5.9
Cost of sales	(88,293)	(86,995)	1.5
GROSS PROFIT	187,453	173,367	8.1
Selling expenses	(77,978)	(75,509)	3.3
Research and development expenses	(19,892)	(20,786)	(4.3)
General & administrative expenses	(15,351)	(14,462)	6.1
Other income (expenses), net	(761)	(423)	79.9
OPERATING INCOME	73,471	62,187	18.1
Financial income (expenses), net	(3,728)	(4,087)	(8.8)
PRE-TAX INCOME	69,743	58,100	20.0
Provision for income taxes	(17,775)	(15,334)	15.9
NET INCOME	51,968	42,766	21.5
Attributable to:			
Equity holders of the parent	51,964	42,764	21.5
Minority interests	4	2	100.0

EARNINGS PER SHARE	First Quarter 2015	First Quarter 2014	Change %
Basic	€ 0.254	€ 0.211	20.4
Diluted	€ 0.248	€ 0.202	22.8

Earnings per share (EPS) are based on average shares outstanding during each year, 204,537,493 in 2015 and 202,722,546 in 2014, net of average treasury stock which amounted to 4,587,663 shares in 2015 and to 6,402,610 shares in 2014.  
Diluted earnings per share is calculated taking into account stock options granted to employees.

COMPOSITION OF REVENUE	First Quarter 2015	First Quarter 2014	Change %
Total revenue	275,746	260,362	5.9
Italy	61,883	67,036	(7.7)
International	213,863	193,326	10.6

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(thousands of €)

<b>ASSETS</b>	<b>31.3.2015</b>	<b>31.12.2014</b>
Property, plant and equipment	94,602	92,273
Intangible assets	273,037	266,018
Goodwill	468,999	463,474
Equity investments	16,700	17,079
Non-current receivables	4,021	4,743
Deferred tax assets	33,357	33,021
<b>TOTAL NON-CURRENT ASSETS</b>	<b>890,716</b>	<b>876,608</b>
Inventories	142,492	141,223
Trade receivables	208,434	179,029
Other receivables	25,978	32,316
Other current assets	8,416	4,927
Fair value of hedging derivatives (cash flow hedge)	12,117	4,132
Short-term financial investments, cash and cash equivalents	187,056	136,990
<b>TOTAL CURRENT ASSETS</b>	<b>584,493</b>	<b>498,617</b>
<b>TOTAL ASSETS</b>	<b>1,475,209</b>	<b>1,375,225</b>
<b>EQUITY AND LIABILITIES</b>	<b>31.3.2015</b>	<b>31.12.2014</b>
Share capital	26,141	26,141
Capital in excess of par value	83,719	83,719
Treasury stock	(28,767)	(30,727)
Hedging reserve	4,863	(683)
Translation reserve	(38,460)	(56,314)
Other reserves	30,087	29,865
Retained earnings	788,425	627,240
Net income for the period	51,964	161,187
Interim dividend	(53,080)	(53,080)
<b>GROUP SHAREHOLDERS' EQUITY</b>	<b>864,892</b>	<b>787,348</b>
Minority interest	78	74
<b>SHAREHOLDERS' EQUITY</b>	<b>864,970</b>	<b>787,422</b>
Loans due after one year	287,563	286,202
Employees' termination pay	18,144	18,388
Deferred tax liabilities	24,212	21,553
Other non-current liabilities	3,129	3,102
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>333,048</b>	<b>329,245</b>
Trade payables	120,769	112,536
Other payables	71,426	64,886
Tax liabilities	18,424	12,541
Other current liabilities	770	903
Provisions	24,108	25,784
Fair value of hedging derivatives (cash flow hedge)	5,409	5,075
Loans due within one year	28,326	28,281
Bank overdrafts	7,959	8,552
<b>TOTAL CURRENT LIABILITIES</b>	<b>277,191</b>	<b>258,558</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,475,209</b>	<b>1,375,225</b>

**DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS**

The manager responsible for preparing the company's financial reports Fritz Squindo declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.