

RECORDATI: EXCELLENT RESULTS IN THE FIRST QUARTER 2016. SALES +9.6%, OPERATING INCOME +22.7%, NET INCOME +26.0%.

- Consolidated revenues € 302.2 million, +9.6%.
- EBITDA⁽¹⁾ € 99.0 million, +19.6%
- Operating income € 90.2 million, +22.7%.
- Net income € 65.5 million, +26.0%.
- Net financial position⁽²⁾: net debt of € 42.1 million.
- Shareholders' equity € 916.5 million.
- Full year 2016 targets: sales of more than € 1,100 million, operating income of more than € 310 million and net income of more than € 220 million.

Milan, 5 May 2016 – The Board of Directors of Recordati S.p.A. approved the Group's consolidated results for the first quarter 2016 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 and can also be viewed on the authorized storage system 1Info (www.1Info.it).

Financial highlights

- **Consolidated revenues** in the first quarter 2016 are € 302.2 million, up by 9.6% compared to the same period of the preceding year. International sales grow by 11.5%.
- **EBITDA⁽¹⁾**, at 32.7% of sales, is € 99.0 million, an increase of 19.6% over the same period of the preceding year.
- **Operating income**, at 29.8% of sales, is € 90.2 million, an increase of 22.7%.
- **Net income**, at 21.7% of sales, is € 65.5 million, an increase of 26.0% over the first quarter of 2015.
- **Net financial position⁽²⁾** at 31 March 2016 records a net debt of € 42.1 million. **Shareholders' equity** increases to € 916.5 million.

⁽¹⁾ Earnings before interest, taxes, depreciation and amortization.

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

Management Comments

“We are pleased to report excellent results in the first quarter, which show significant sales and margin growth, in part due to favourable seasonality in some countries”, declared Giovanni Recordati, Chairman and CEO. “For the full year 2016 we now expect to achieve sales of more than € 1,100 million, operating income of more than € 310 million and net income of more than € 220 million.”

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Conference call

Recordati will be hosting a *conference call* **today 5 May 2016** 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 8058811, toll free 800 213 858
UK	+44 1 212818003, toll free 800 0156384
USA	+1 718 7058794, toll free 855 2656959
France	+33 170918703
Germany	+49 69 255114451

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.

A set of slides which will be referred to during the call will be available on our website 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 2015 was € 1,047.7 million, operating income was € 278.5 million and net income was € 198.8 million.

For further information:

Recordati website: www.recordati.com

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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 2016	First Quarter 2015	Change %
REVENUE	302,247	275,746	9.6
Cost of sales	(93,701)	(88,293)	6.1
GROSS PROFIT	208,546	187,453	11.3
Selling expenses	(79,565)	(77,978)	2.0
Research and development expenses	(22,276)	(19,892)	12.0
General & administrative expenses	(16,040)	(15,351)	4.5
Other income (expenses), net	(510)	(761)	(33.0)
OPERATING INCOME	90,155	73,471	22.7
Financial income (expenses), net	(2,524)	(3,728)	(32.3)
PRE-TAX INCOME	87,631	69,743	25.6
Provision for income taxes	(22,153)	(17,775)	24.6
NET INCOME	65,478	51,968	26.0
Attributable to:			
Equity holders of the parent	65,471	51,964	26.0
Minority interests	7	4	75.0

EARNINGS PER SHARE	First Quarter 2016	First Quarter 2015	Change %
Basic	€ 0.319	€ 0.254	25.6
Diluted	€ 0.313	€ 0.248	26.2

Earnings per share (EPS) are based on average shares outstanding during each year, 205,253,629 in 2016 and 204,537,493 in 2015, net of average treasury stock which amounted to 3,871,527 shares in 2016 and to 4,587,663 shares in 2015. Diluted earnings per share is calculated taking into account stock options granted to employees.

COMPOSITION OF REVENUE	First Quarter 2016	First Quarter 2015	Change %
Total revenue	302,247	275,746	9.6
Italy	63,760	61,883	3.0
International	238,487	213,863	11.5

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(thousands of €)

ASSETS	31.3.2016	31.12.2015
Property, plant and equipment	110,113	108,987
Intangible assets	239,024	246,450
Goodwill	452,339	453,285
Equity investments	29,288	32,444
Non-current receivables	4,460	4,549
Deferred tax assets	30,376	30,500
TOTAL NON-CURRENT ASSETS	865,600	876,215
Inventories	138,627	143,093
Trade receivables	222,498	177,219
Other receivables	24,016	28,883
Other current assets	7,643	5,280
Fair value of hedging derivatives (cash flow hedge)	8,854	12,671
Short-term financial investments, cash and cash equivalents	270,518	225,525
TOTAL CURRENT ASSETS	672,156	592,671
TOTAL ASSETS	1,537,756	1,468,886
EQUITY AND LIABILITIES	31.3.2016	31.12.2015
Share capital	26,141	26,141
Capital in excess of par value	83,719	83,719
Treasury stock	(45,843)	(35,061)
Hedging reserve	(4,231)	(3,290)
Translation reserve	(72,273)	(66,918)
Other reserves	40,733	42,543
Retained earnings	884,329	685,587
Net income for the period	65,471	198,792
Interim dividend	(61,606)	(61,606)
GROUP SHAREHOLDERS' EQUITY	916,440	869,907
Minority interest	92	85
SHAREHOLDERS' EQUITY	916,532	869,992
Loans due after one year	265,647	282,615
Employees' termination pay	19,057	18,895
Deferred tax liabilities	21,705	22,360
Other non-current liabilities	2,517	2,517
TOTAL NON-CURRENT LIABILITIES	308,926	326,387
Trade payables	115,351	106,597
Other payables	78,107	72,351
Tax liabilities	27,599	14,592
Other current liabilities	1,183	959
Provisions	29,450	29,400
Fair value of hedging derivatives (cash flow hedge)	4,784	4,290
Loans due within one year	39,123	34,469
Bank overdrafts	16,701	9,849
TOTAL CURRENT LIABILITIES	312,298	272,507
TOTAL EQUITY AND LIABILITIES	1,537,756	1,468,886

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.