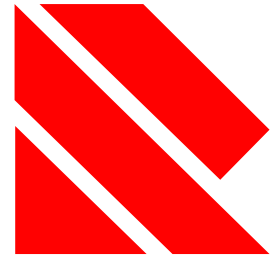


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**Preliminary 2005 financials
2006 Outlook**

Conference Call, 9 February 2006



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Fourth quarter 2005 highlights

- Revenue up 23.1%, or 11.5% on a like-for-like basis
- Pharmaceutical sales up 25.0%, or 12.3% on a like-for-like basis
- Pharmaceutical chemicals business reorganized
- Opera and Murcia plants disposed of resulting in discontinued operations of negative € 3.7 million in the quarter
- Operating income (before goodwill amortization) up 12.6%
Provisions of € 2.0 million booked. Excluding provision operating income up 20.8%, in line with previous quarters.
- Net income up 20.6% before discontinued operations

Full year 2005 highlights

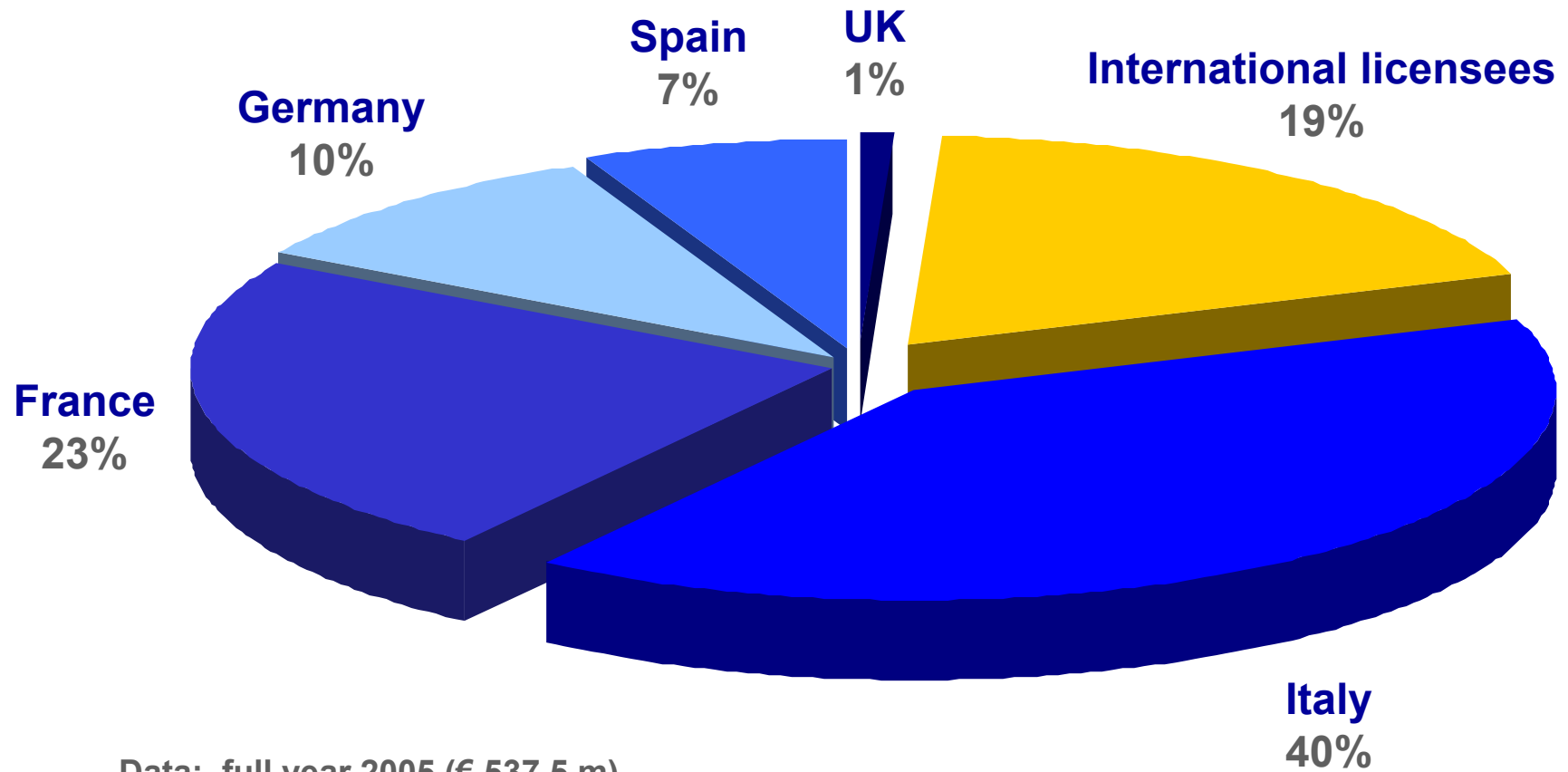
- Revenue up 20.2%, or 10.5% on a like-for-like basis
- Pharmaceutical sales up 22.5%, or 11.8% on a like-for-like basis
- International pharmaceutical sales up 42.1%
- Lercanidipine sales up 23.4%
- Operating income up 21.3% (before goodwill amortization)
- Net income up 21.5%, or 24.9% before discontinued operations (negative € 4.0 million)
- Recordati enters the German and British pharmaceutical markets and starts up in Greece
- Pharmachemical plants in Milan and Murcia (Spain) sold

Composition of revenue

(million euro)	2005	2004	Change %
Italy	217.4	213.5	1.8%
France	126.4	106.7	18.4%
Germany	54.3	-	n.a.
Spain	34.8	26.3	32.2%
United Kingdom	5.1	-	n.a.
International licensees	99.5	85.4	16.5%
Sophartex *	-	6.9	(100.0)%
TOTAL PHARMACEUTICALS	537.5	438.9	22.5%
PHARMACEUTICAL CHEMICALS **	38.6	40.3	(4.1)%



Breakdown of pharmaceutical revenue



Data: full year 2005 (€ 537.5 m)

Lercanidipine sales

(million euro)	2005	2004	Change %
Italy	43.6	39.5	10.5%
France	30.0	23.4	28.4%
Spain	6.0	4.9	20.9%
United Kingdom	5.1	-	n.a.
DIRECT SALES	84.7 59.8%	67.8 59.1%	24.9%
SALES TO LICENSEES	56.9 40.2%	46.9 40.9%	21.3%
TOTAL LERCANIDIPINE SALES	141.6 100.0%	114.7 100.0%	23.4%



Full year results

(million euro)	2005	2004*	Change %
Revenue	576.1	479.2	20.2%
Gross Profit as % of revenue	375.5 65.2%	308.7 64.4%	21.6%
SG&A Expenses as % of revenue	217.6 37.8%	178.3 37.2%	22.1%
R&D Expenses as % of revenue	45.0 7.8%	37.3 7.8%	20.6%
Operating Income before goodwill amortization as % of revenue	111.1 19.3%	91.6 19.1%	21.3%
Net Income from continuing operations as % of revenue	68.6 11.9%	54.9 11.5%	24.9%
Discontinued operations	(4.0)	(1.8)	
Net Income	64.5	53.1	21.5%

* Restated for comparison purposes following introduction of new IAS/IFRS and discontinued operations

Net financial position

(million euro)	31 Dec 2005	31 Dec 2004	Change
Cash and short term financial investments	162.8	232.2	(69.5)
Bank overdrafts	(6.0)	(3.5)	(2.5)
Loans – due within one year	(22.7)	(25.2)	2.4
Loans – due after one year	(107.9)	(131.4)	23.6
NET FINANCIAL POSITION	26.2	72.1	(46.0)

EU healthcare reforms - 2006 assumptions

- **Italy** - 4.4% price cut + 1% extra discount on reimbursed specialties (in substitution of 2004-2005 6.8% mandatory discount and selective price reduction)
- **France** - delisting of Hexa line of products and Exomuc as from March. OTC new reference market.
- **Germany** - jumbo class to apply also to calcium channel blockers
- **Spain** - 2% price cut



Outlook for 2006

(million euro)

	2005	2006
REVENUE	576.1	>600
OPERATING INCOME	111.1	>120
NET INCOME	64.5	>75

Assumptions: Not considering any future acquisitions

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Statements contained in this presentation, 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, established in 1926, is a European pharmaceutical group, listed on the Italian Stock Exchange (Reuters RECI.MI, Bloomberg REC IM, ISIN IT 0003828271), dedicated to the research, development, manufacturing and marketing of pharmaceuticals, with headquarters in Milan, Italy, operations in the main European countries, and a total staff of over 2,000. A European field force of over 1,000 medical representatives promotes a wide range of innovative pharmaceuticals, both proprietary and under license, in a number of therapeutic areas. Recordati’s current and growing coverage of the European pharmaceutical market makes it a partner of choice for new product licenses from companies which do not have European marketing organizations. Recordati is committed to the research of new drug entities within the cardiovascular and urogenital therapeutic areas in which its research team has proven scientific competence and a track record of discovery and development of original drugs, the most recent of which, lercanidipine, a latest generation calcium channel blocker for the treatment of hypertension, is the company’s leading product. Consolidated revenue for 2005 was € 576.1 million, operating income was € 111.1million and net income was € 64.5 million

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