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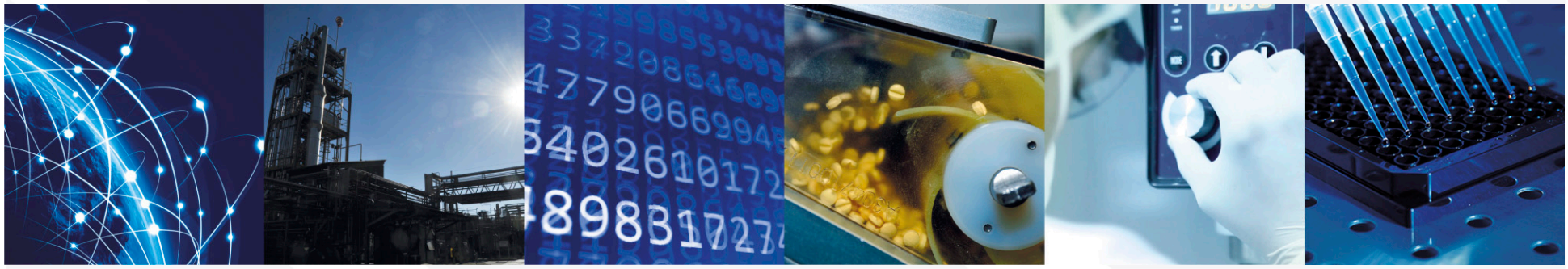
RECORDATI 1926 2016

A Specialty Pharmaceutical Group



JEFFERIES 2016 LONDON HEALTHCARE CONFERENCE

A strategy of growth and geographical expansion

Profile

- An international specialty pharmaceutical group (€ 1,047.7 m sales in 2015 and 4,000 employees).
- Marketing operations in the main European markets, in Russia, Poland and other Central and Eastern European countries, in Turkey, in the U.S.A., in Latin America and in North Africa
- Drugs for the treatment of rare diseases marketed worldwide
- Proprietary drugs sold worldwide through licensees
- R&D in specialty care and in treatments for rare diseases

Strategy

- Expand through organic development and through acquisitions
- Develop product portfolio by enhancing product pipeline and new product acquisitions. Prioritize special care.
- Increase presence in new markets with high potential
- Treatments for rare diseases: develop a global presence

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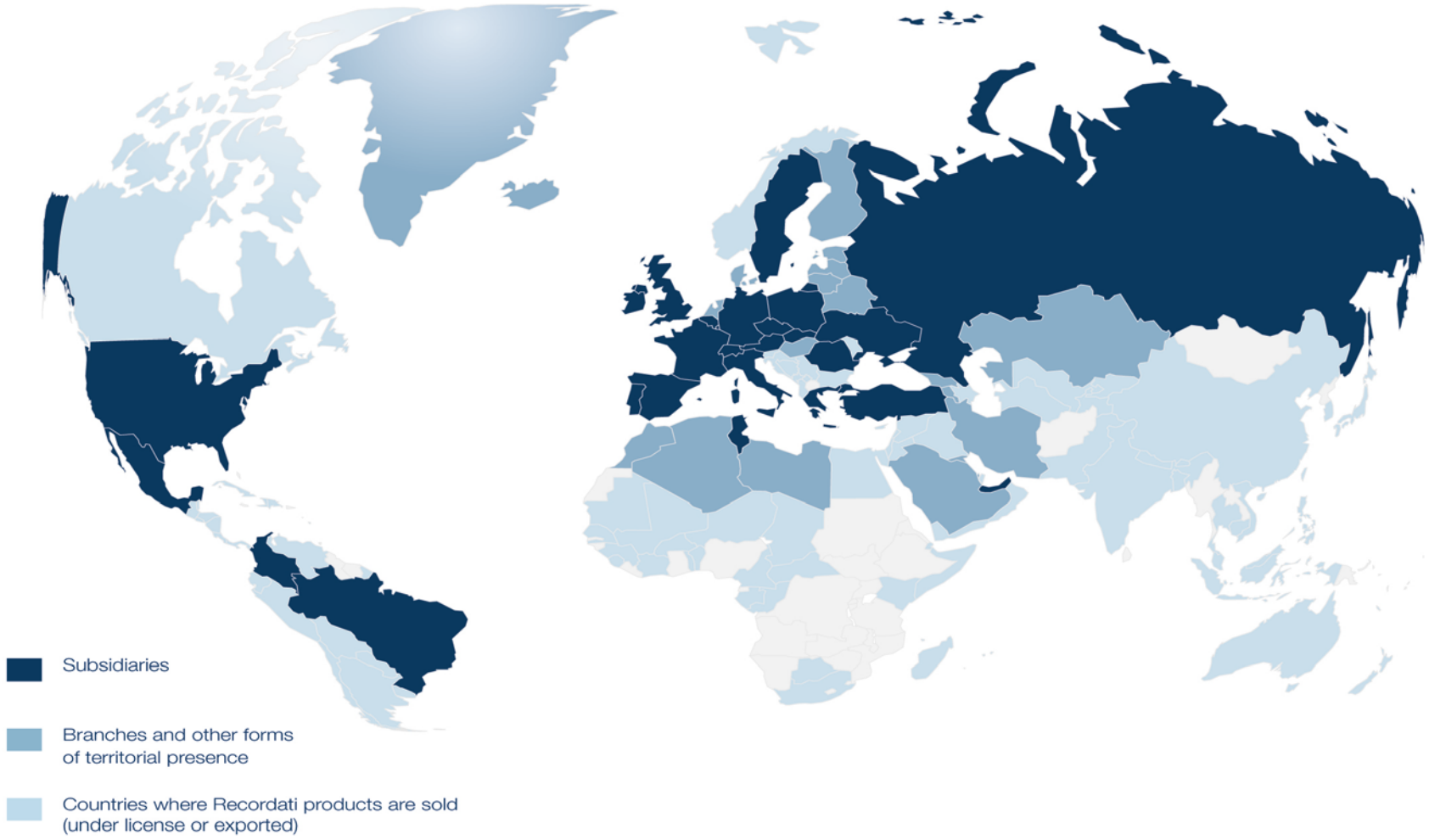
Extensive geographical footprint



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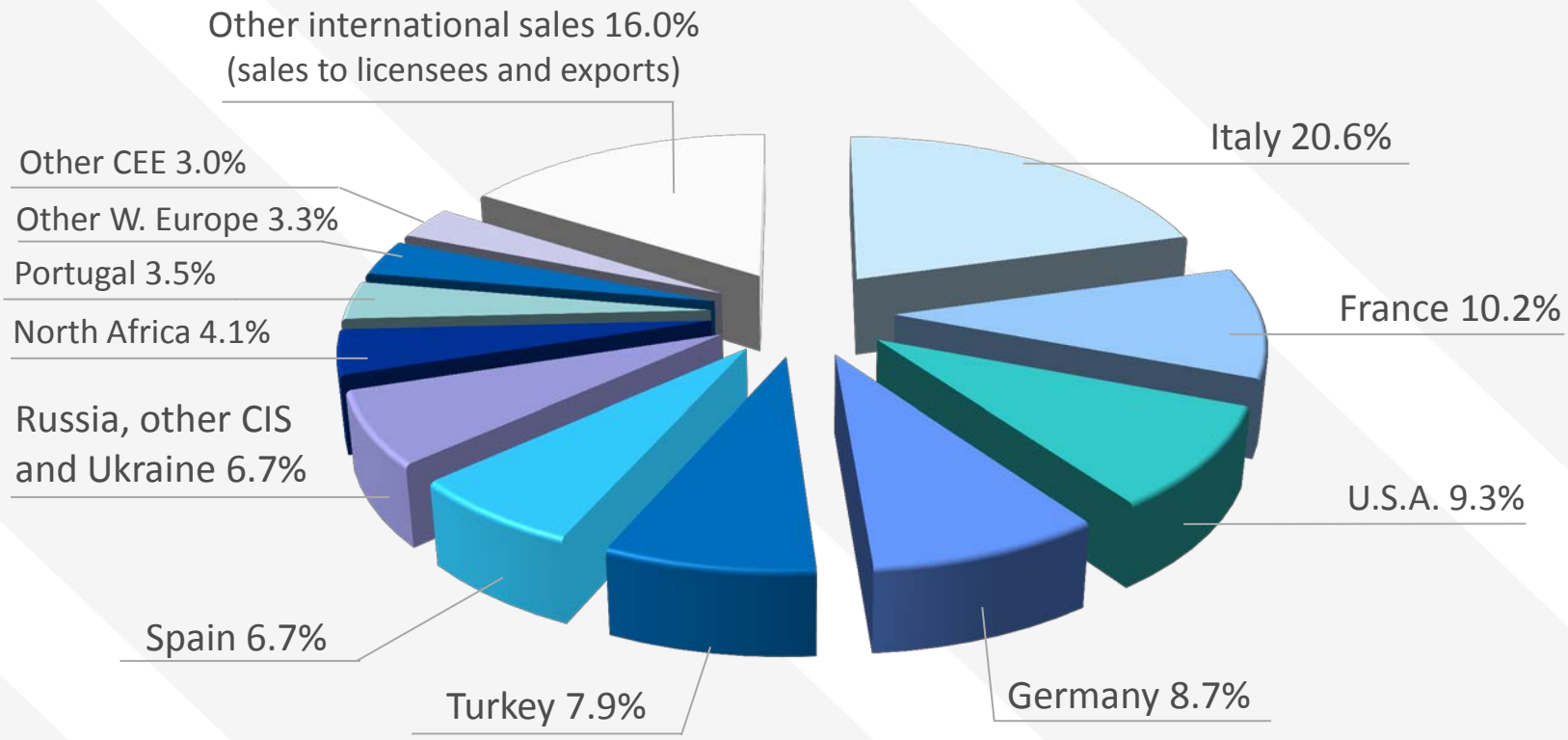
Geographical breakdown of pharmaceutical revenue



Data: First nine months 2016
Pharmaceutical revenue € 832.5 m

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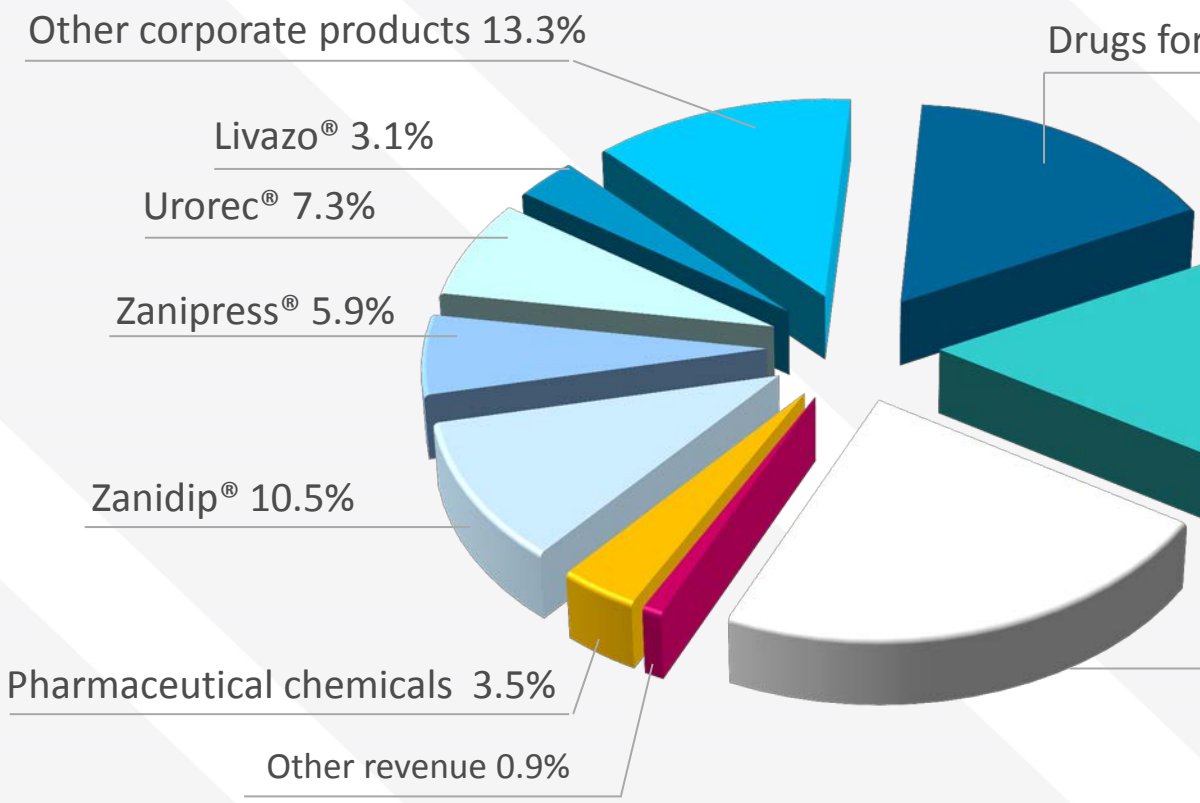
A diversified product portfolio



Data: First nine months 2016
Total revenue € 862.4 m

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Zanipress® (lercanidipine+enalapril)
Zanidip® (lercanidipine)

- Lercanidipine is a proprietary latest generation calcium channel blocker indicated for the treatment of hypertension. Enalapril is an ACE inhibitor indicated for the treatment of hypertension.
- Sales of Zanidip® (lercanidipine) have eroded (CAGR -9.8%) following its patent expiry at the beginning of 2010.
- Zanipress® (lercanidipine+enalapril) launched in 28 markets and growing steadily
- Zanipress® prices will come under pressure due to generic competition
- Sales of the Zanidip®/ Zanipress® franchise expected to be stable in 2016

Urorec® (silodosin)

- Highly selective α_{1A} receptor antagonist indicated for the treatment of symptoms associated with benign prostatic hyperplasia (BPH).
- Fast onset of action. High efficacy. Very good cardiovascular safety.
- Launched in 32 markets: Armenia, Azerbaijan, Belarus, Belgium/Luxembourg, Bosnia/Herzegovina, Bulgaria, Croatia, Cyprus, Czech Rep., France, Georgia, Germany, Greece, Ireland, Italy, Kuwait, Lebanon, Moldavia, the Netherlands, Poland, Portugal, Qatar, Romania, Russia, Serbia, Slovakia, Spain, South Africa, Tunisia, Turkey, Ukraine and the United Arab Emirates. Further launches to take place.
- License and co-marketing agreements in place with important players
- BPH market in 17 main countries approx. € 0.9 billion

Livazo® (pitavastatin)

- Highly effective HMG-CoA reductase inhibitor indicated for the treatment of hypercholesterolaemia.
- Thanks to its unique chemical structure Livazo® is a potent LDL-lowering drug with a consistent and progressive HDL-raising effect. *(Atherosclerosis Supplements 2010; 11:15-22)*
- Livazo®, unlike most statins, is only minimally metabolized through a CYP pathway thereby reducing the risk of drug-drug interactions and providing a clear benefit in patients receiving polypharmacy. *(Atherosclerosis Supplements 2010; 11:15-22)*
- Launched in Spain, Portugal, Switzerland, Ukraine and Greece, further launches to take place.
- Statins market in the 11 key countries covered by the agreement is of around € 2.1 billion.

Drugs for rare diseases

A worldwide business

Huge market potential: > 6,000 rare diseases identified for which treatments exist for only around 300.

Progressive country introduction of rare disease plans and access to diagnostic tests will stimulate the market for orphan drugs.

- Acquisition of Orphan Europe end 2007. Establishment of Recordati Rare Diseases in the U.S.A. in 2013 following the acquisition of a U.S. portfolio of rare disease treatments.
- Present throughout Europe, Middle East , the U.S. and Latin America. Sales coverage of new territories, either directly or through partnerships, ongoing.
- R&D in rare diseases:
  - Carbaglu®, indication in organic acidemias in the U.S.A., phase III. New formulations for acute hyperammonaemia.
  - Cystadrops®, ocular cystinosis, filed in the EU
  - Graspa®, partnership with Erytech, indication in Acute Lymphoblastic Leukemia (ALL) filed, development of indication in Acute Myeloid Leukemia (AML), phase II b
  - Partnership with AP-HP (Assistance Publique – Hopitaux de Paris), development of innovative treatment for acute decompensation episodes in MSUD (Maple Syrup Urine Disease.
- Sales of drugs for rare diseases in 2015 total € 153.1 million. CAGR of 19.5% over the past seven years.

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Treatments for rare diseases

NORMOSANG® (EU-RoW) /PANHEMATIN® (US) (human haemin), used to treat acute attacks of hepatic porphyria

CARBAGLU® (carglumic acid), indicated in the treatment of hyperammonaemia due to NAGS deficiency and to the main organic acidemias

COSMEGEN® (dactinomycin), used mainly in the treatment of three rare cancers, Wilms' tumor, childhood rhabdomyosarcoma and choriocarcinoma.

PEDEA® (EU-RoW)/NEOPROFEN® (US) (ibuprofen I.V.), indicated in the treatment of patent *ductus arteriosus*

CYSTADANE® (betaine anhydrous), indicated in the treatment of homocystinuria

CYSTAGON® (mercaptamine bitartrate), indicated in the treatment of nephropathic cystinosis

CYSTADROPS® (mercaptamine), indicated in the treatment of corneal cysteine deposits in cystinosis

VEDROP® (water soluble vitamin E), indicated in the treatment of vitamin E deficiency in pediatric patients suffering from congenital chronic cholestasis

WILZIN® (zinc acetate), indicated in the treatment of Wilson's disease

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A well balanced product pipeline

NAME	ORIGINATOR	INDICATION	DEVELOPMENT STATUS
VITAROS®	Apricus	Erectile dysfunction	Approved by a number of health authorities in Europe
FORTACIN™	Plethora Solutions	Premature ejaculation	Variation of EU approval completed
CYSTADROPS®	Recordati	Corneal cysteine crystal deposits in patients with cystinosis	Filed in EU, CHMP positive opinion
GRASPA®	Erytech	Acute lymphoblastic leukemia (ALL) in patients with first recurrence of Philadelphia chromosome negative ALL Acute myeloid leukemia (AML) in patients >65 unfit for chemotherapy	Filed in EU Phase II b
REAGILA®	Gedeon Richter	Schizophrenia	Filed in EU
methadone		Treatment of cancer-related pain in cases of resistance or intolerance to opioids	Filed in France
CARBAGLU®	Recordati	Organic acidemias	Approved in EU Phase III in U.S.A.
CARBAGLU®	Recordati	Hyperammonaemia	New formulations
REC 0438	Recordati/UFPeptides	Overactive bladder (OAB) in patients with spinal lesions	Phase I/II in EU
Un-named	AP-HP/Recordati	Acute decompensation episodes in MSUD	Phase II in EU

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A well balanced R&D pipeline (cont'd)

- VITAROS® (alprostadil) is a topically applied cream formulation of alprostadil for the treatment of erectile dysfunction. A patient-friendly form of alprostadil as an alternative to PDE-5 inhibitors for difficult to treat patients.

- FORTACIN™ (lidocaine+prilocaine) is an easy-to-use fast acting topical spray formulation of lidocaine and prilocaine for the treatment of premature ejaculation.

- CYSTADROPS® (mercaptamine) are eye drops developed for "ocular manifestations of cystinosis" which cannot be controlled by orally administered mercaptamine, specially formulated in a patient-friendly gel form.

- GRASPA® is L-asparaginase encapsulated in homologous human red blood cells. L-asparaginase has been shown to possess a powerful antitumor activity, but this enzyme is highly toxic and a large part of the patient population presents with a hypersensitivity and does not tolerate well the current treatment protocols. This population represents a large currently unmet medical need. Graspa® avoids toxicity and hypersensitivity issues associated with L-asparaginase treatments while maintaining its antitumor activity.

- REAGILA® (cariprazine) is an orally active and potent dopamine D_3/D_2 receptor partial agonist with preferential binding to D_3 receptors and partial agonist at serotonin 5-HT_{1A} receptors developed by Richter in the EU for the treatment of schizophrenia.

A well balanced R&D pipeline (cont'd)

- Methadone, currently used in France, where it is distributed by Bouchara Recordati, as replacement therapy for major opioid drugs dependence. In 2012 Recordati started, in France, an open, multicenter, randomized, national Phase III b clinical study on methadone for the treatment of cancer-related pain inadequately relieved by opioids.

- CARBAGLU® (carglumic acid), currently approved for the treatment of hyperammonaemia due to NAGS deficiency, approved in Europe and in phase III clinical development in the USA for additional indications in organic acidemias (orphan drug designation granted). New iv formulation developed for use in acute hyperammonaemia.

- REC 0438 represents a structurally different class of compounds and is being studied for the treatment of OAB in patients with spinal lesions

- Partnership with AP-HP (Assistance Publique – Hopitaux de Paris), development of innovative product for the treatment of acute decompensation episodes in patients with MSUD (Maple Syrup Urine Disease)

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First nine months 2016 highlights

- Revenue € 862,4 million, up 9.9%
- EBITDA € 280,0 million or 32.5% of sales, up 16,4%
- Operating income (EBIT) € 252,4 million or 29.3% of sales, up 18,5%
- Net income € 182,3 million or 21,1% of sales, up 19,5%
- Net debt € 100,2 million, an increase of € 11,4 million as compared to year-end 2015 following the acquisition of Italchimici S.p.A., Pro Farma AG and payment of the remaining 2015 dividend
- Acquisition of the Italian pharmaceutical company Italchimici S.p.A.
- Acquisition of the Swiss pharmaceutical company Pro Farma AG
- Agreement with Gedeon Richter for the commercialization of cariprazine
- Agreement with French public hospital (Assistance Publique - Hopitaux de Paris) for the development and commercialization of a treatment for MSUD

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Main product sales

Corporate products including drugs for rare diseases account for 61.7% of revenue

(million Euro)	Jan-Sep 2016	Jan-Sep 2015	Change %
Zanidip® (lercanidipine)	**90.0**	89.9	0.1
Zanipress® (lercanidipine+enalapril)	**50.8**	49.8	2.0
Urorec® (silodosin)	**63.3**	50.7	24.9
Livazo® (pitavastatin)	**27.0**	21.2	27.1
Other corporate products*	**160.6**	148.9	7.9
Drugs for rare diseases	**140.6**	112.1	25.5

* Include the OTC corporate products for an amount of € 45.8 million in 2016 and € 40.2 million in 2015 (up 14.2%).

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Composition of revenue by geography

Sustained growth

(million Euro)	Jan-Sep 2016	Jan-Sep 2015	Change %
Italy	**171.2**	157.4	8.8
France	**84.7**	81.6	3.8
U.S.A.	**77.4**	60.0	28.9
Germany	**72.7**	68.6	6.0
Turkey	**65.8**	56.3	17.0
Spain	**55.8**	53.1	5.2
Russia, other CIS countries and Ukraine	**56.1**	52.0	7.8
North Africa	**34.3**	31.6	8.7
Portugal	**29.5**	28.9	2.0
Other W. Europe countries	**27.5**	20.2	36.0
Other CEE countries	**24.6**	23.6	4.3
Other international sales	**132.8**	125.0	6.2
TOTAL PHARMACEUTICALS	**832.5**	758.2	9.8
PHARMACEUTICAL CHEMICALS	**29.9**	26.2	14.1

(In local currency, millions)	Jan-Sep 2016	Jan-Sep 2015	Change %
Russia (RUB)	**3,586.4**	2,899.1	23.7
Turkey (TRY)	**200.6**	157.7	27.2
U.S.A. (USD)	**86.4**	66.9	29.1

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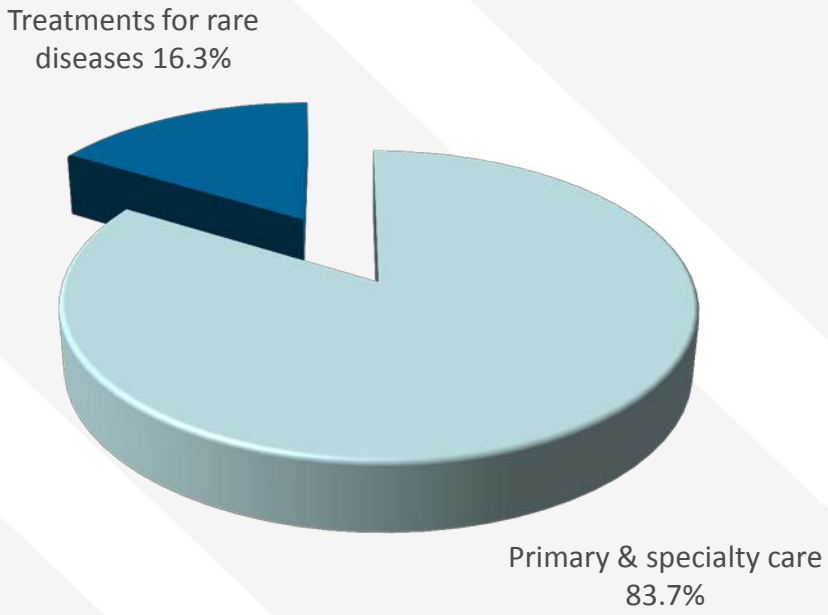
Further margin growth

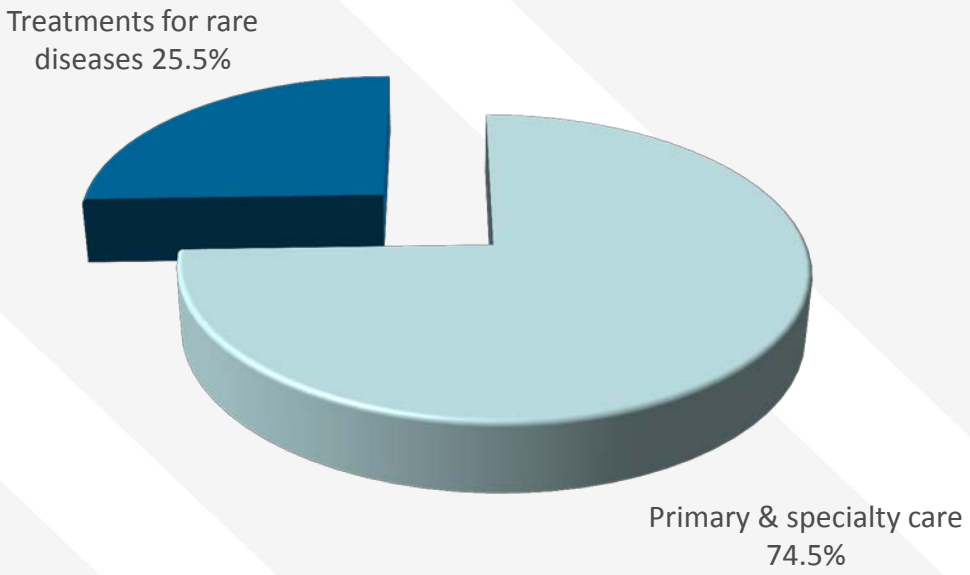
(million Euro)	**Jan-Sep 2016**	Jan-Sep 2015	Change %
Revenue	**862.4**	**784.4**	**9.9**
Gross Profit	595.1	532.8	11.7
as % of revenue	69.0	67.9	
SG&A Expenses	273.5	262.5	4.2
as % of revenue	31.7	33.5	
R&D Expenses	60.2	55.2	9.0
as % of revenue	7.0	7.0	
Other Income (Expense), net	(9.0)	(2.0)	n.s.
as % of revenue	(1.0)	(0.3)	
Operating Income	**252.4**	**213.0**	**18.5**
as % of revenue	29.3	27.2	
Net Income	**182.3**	**152.5**	**19.5**
as % of revenue	21.1	19.4	

Operating segments

Revenue



EBIT



EBIT margin on sales:
Treatments for rare diseases, 45.7%
Primary & Specialty care, 26.1% (or 27,2% excluding non-recurring expenses of € 8.6 million resulting from the acquisitions of Italchimici S.p.A. and Pro Farma AG)

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Financial position and Shareholders' equity

(million Euro)	**30 Sep 2016**	31 Dec 2015	Change
Cash and short-term financial investments	**191.1**	225.5	(34.4)
Bank overdrafts and short-term loans	**(13.3)**	(9.8)	(3.5)
Loans – due within one year	**(40.7)**	(34.5)	(6.2)
Loans – due after one year	**(237.3)**	(269.9)	32.6
NET FINANCIAL POSITION	**(100.2)**	(88.7)	(11.5)
SHAREHOLDERS' EQUITY	**988.3**	870.0	118.3

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2016 targets

(million Euro)	2015 Actual	2016 Targets
Revenue	1,047.7	± 1,140
Operating income (EBIT)	278.5	± 325
Net Income	198.8	± 230

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The Recordati share

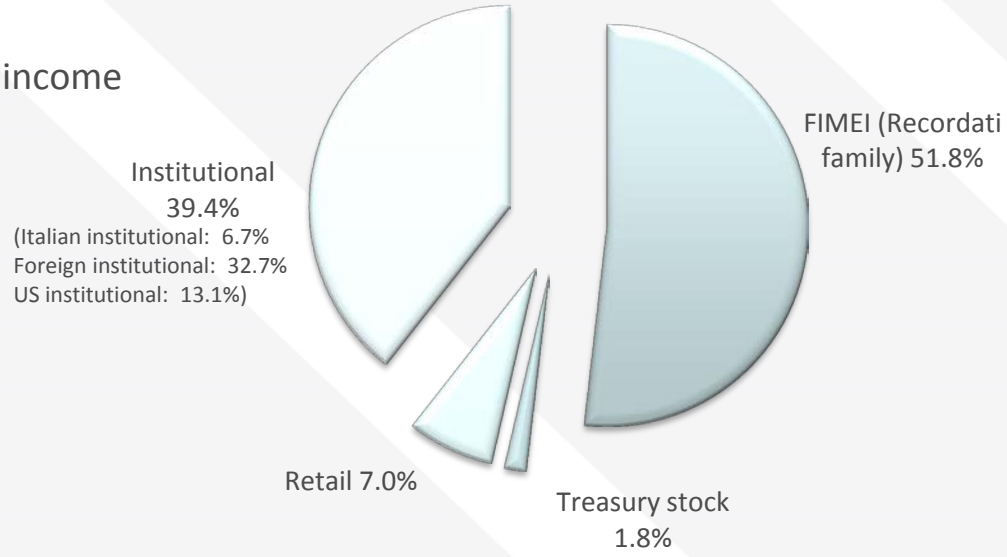
The Recordati share (ticker REC, Reuters RECI.MI, Bloomberg REC IM, ISIN IT 0003828271) has been listed on the Italian Stock Exchange since 1984. It belongs to the FTSE IT Mid Cap, the FTSE IT Health Care and the STOXX Europe 600 Health Care indexes.

Share capital consists of 209,125,156 ordinary (common) shares with a par value of € 0.125 each.

2014 EPS (diluted): € 0.771
2015 EPS (diluted): € 0.951

2015 dividend per share: € 0.60
Dividend pay-out ratio: ±60% of group net income

Ownership:



Company declarations, disclaimers and profile

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 presentation corresponds to the document results, books and accounting records.

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 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 the United States of America and in North Africa. 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 of new drug entities within the cardiovascular and urogenital therapeutic areas and of treatments for rare diseases. Consolidated revenue for 2015 is € 1,047.7 million, operating income is € 278.5 million and net income is € 198.8 million.

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