

Recordati S.p.A

“Second Quarter & First Half 2012 Results Conference Call”

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MODERATORS: MR. FRITZ SQUINDO, CHIEF FINANCIAL OFFICER
MS. MARIANNE TATSCHKE, HEAD OF INVESTOR RELATIONS

OPERATOR: Good afternoon. This is the Chorus Call Conference Operator. Welcome and thank you for joining the Recordati Second Quarter and First Half 2012 Results Conference Call. After the presentation, there will be an opportunity to ask questions.

At this time, I would like to turn the conference over to Ms. Marianne Tatschke, Head of Investor Relations of Recordati. Please go ahead, madam.

MARIANNE TATSCHKE: Good morning and good afternoon to everybody and thank you for attending the Recordati conference call today. Fritz Squindo, our CFO will be presenting and commenting upon our 2012 first half results. For a better understanding of his presentation, please access the set of slides available on our website www.recordati.com (Ph) under the investor relations section and presentations tab. At the end of the presentation, we will answer any questions you may have. Please go ahead, sir.

FRITZ SQUINDO: Okay. Good afternoon or good morning to everybody. We are pleased to announce our first half 2012 results, which are in line with our guidance for the full year 2012. Consolidated revenue is €419.9 million, up by 4.7%, operating income at 21.5% of sales is €90.2 million, an increase...here increase of 2.3%, and net income at 15.1% of sales is €63.3 million, an increase of 1.5 over the first half of 2011. These are the financial results.

Other important event during the first half, one was the start of activity relating to the Phase III clinical trials for REC 0482, the innovative BPH treatment license from Nymox. Actual patient enrollment should begin during the last quarter of this year.

In April, we acquired 6 OTC products from two companies belonging to the Johnson & Johnson Group in Germany. These well-known brands will help our German subsidiary, Recordati Pharma to further develop its OTC business.

We are also pleased to point out, that Urorec Silodosin is now available in 15 countries. And the overall market share achieved in the second quarter...in the first quarter is 7.5%, and then we are increasing our market share in sales of Silodosin.

Let me move on Slide #3, in which we are presenting the performance of our main corporate products. First of all, the reduction of Lercanidipine sales is due mainly to lower volumes sold as a result of generic competition. Direct sales in Italy are down by 11.7% and in France by 19.6%. Sales to licensees which represent 45.7% of the total Lercanidipine sales are also down by 10.9%.

As expected, a further erosion of our sales of Lercanidipine due to generic competition. On the other hand, as I said, also as expected, Zanipress, our combination of Lercanidipine and enalapril is now successfully marketed directly by Recordati and by its licensees in 20 countries, and it's growing accordingly to our expectation.

In the first quarter, sales booked by Recordati for the combination was €24.2 million. Urorec, another important corporate product of Recordati is currently as I said, available in 15 countries, with sales of €14.5 million in the first half 2012. In the first quarter, the overall market share considering both direct sales and the license sales is 7.5, as I said previously.

The roll-out of Livazo Pitavastatin started in 2011, with the launches in Spain and in Portugal and sales during the first half of this year is €7.0 million. Here again, we are doing well, we continue to have a good performance in sales of Livazo, but for the time-being, Livazo is being launched only in Spain and in Portugal.

Let's now move on our orphan drug business. Our specialties indicated for the treatment of rare and orphan diseases, marketed directly throughout Europe, in the Middle East and the US and few partners in the other part of the world generated sales of €38.6 million, in the first half of this year. And here, we have an increase of 9.8%, which are due mainly to the strong growth of Carbaglu and Cystadane, two of our eight (Ph) products in this area.

Slide #4, here the graph shows the breakdown of our revenues by type of product. And you can see that our portfolio of corporate products is becoming progressive and more diversified. In composition of our revenue by geography and here we are on Slide #5. Let's start with our performance in Italy.

Sales of pharmaceutical in Italy are down by 5.7% compared to the same period of the preceding year. We wish to underline that in Italy the basis of comparison includes in 2011, upfront payment in the second quarter of 2011 of €4.6 million received from our licensees following the launch of Lercanidipine and enalapril, fixed combination in April. And then, this down payment is an important part of revenue...which is a part of revenue in Italy, are not recurrent in 2012.

Furthermore, we wish also to point out that the stocking and destocking dynamics in the distribution channel in the first half of 2012 has not been

uniform throughout these first six months, and we had noticed a marked destocking effect in the second quarter.

Furthermore, recent IMS data, which are in-market sales, show that despite a decrease in pharmaceutical market in Italy, Recordati is growing between 3% and 4%. Then to summarize, a decrease in the internal sales due to basis of comparison and destocking in the channel, but good performance at IMS data.

Regarding product, Cardicor is performing well and even more important sales of Urorec and the two brands of the combination of Zanipril and Lercaprel both launched in the second quarter of 2011 are developing positively.

Let's move in France, Pharmaceutical sales in France are down by 5.8%, and this is mainly due to the further erosion in our sales of Zanidip, due to the generic competition, as I said previously. Here again, good performance of internal sales of Zanextra, the combination...this is the brand in France for our combination of Urorec of methadone, as well as the OTC line of product indicated for the treatment of ENT disorder.

In Germany, sales are up by 1.8%. This is thanks to the sales growth of Zanipress and of the main product in the portfolio. It's important for Germany to underline that as from the second quarter 2012, the German product portfolio includes the six OTC products acquired from the German...of the Johnson & Johnson Group. And then, we would see in the second half, initial effects from these sales coming from the new products acquired.

Let's move on Turkey, sales in Turkey almost doubled following the acquisition in the last quarter of 2011 of the Turkish pharmaceutical Company, Frik İlaç.

Let's now comment the performance of the two companies, we have in this market. Yeni Recordati, the previous one generated sales in the first half 2012 of 30.8 million Turkish Lira, we prefer to comment the performance in business in the local currency. In Turkish Lira, Recordati...Yeni Recordati has an increase of 11.8% compared over the same period of the preceding year, net of the compulsory contribution to the Turkish Healthcare System.

In term of products, we are performing very well with all our corporate products Lercanidipine, Flavoxate and Lomexin and fenticonazole. Sales generated by the newly acquired Company, Frik İlaç are 43.6 million Turkish Lira and the consolidated sales of both companies, net of inter-company production revenue, we had inter-company agreement for production between Yeni Recordati and Frik İlaç at 69.2 million Turkish Lira. Then we are developing our business in Turkey due to both organic developments of the existing one and contribution coming from the new acquired Turkish company acquired at the end of 2011.

In Spain, sales increased by 7.9, thanks to the growth of the new corporate products, particularly Urorec, Zanipress and Livazo. Sales in Portugal are down by 1.8%, and this is mainly due to overall contraction of the pharmaceutical market in Portugal, but it's important on the other hand, to underline that we are not completely, but partially offset these contraction in the pharmaceutical markets, with good performance and increasing sales coming from the new corporate products. Here again, we had the combination of Silodosin, Urorec as well as Livazo, launched during 2011, all these products are performing very well.

Of all the other markets, we wish to underline here the performance in Russia. Revenue generated in Russia and the other CIS market is 22 million, up by 14.9% over the same period of the preceding year, thanks to the strong growth of the main product in the portfolio. And also to the initial sales of Lomexin, Urorec, Zanidip, which has been launched at the end of 2011, and of Coripren, the brand of the combination launched during the second quarter 2012. And then here, we have good performance from both existing portfolio plus the new launches of our corporate products.

Other international sales grew by 12.9% and here, as usual comprise sales to our licensees for our corporate products Bouchara Recordati's export sales and the Orphan Europe's exports worldwide sales including the US sales.

Regarding sales of our corporate products, the reduction in Lercanidipine sales offsetting here we had some effects coming due to the generic competition was more than offset by sales of the combination Fenticonazole, Silodosin, Flavoxate and Pitavastatin to our licensees.

Bouchara Recordati's export sales grew by 21.5%, and good performance of this export business of our subsidiary in France, and sales of the products for the treatment of rare disease grew by 48.8%, here this is mainly due to the sales of Carbaglu in the US.

Let's now move on Slide #6, the graph here shows the graphical breakdown of our pharmaceutical revenue. I would like to underline that now Turkey represents 7.8% of our sales and Russia and other Central and Eastern European markets 8%. And we are growing in the business in the

market in which we are targeted as a market for the development of Recordati sales.

First half 2012 results, Slide #7, these are our P&L results for the first half. Sales has been already commented upon, now move onto gross profit. Gross profit is €272.4 million, with a margin of 64.9% on sales. This is down and in line with the trend of...also and that we had in the first quarter, compared to that of the previous period in 2011. And this is due to the lower proportion of Lercanidipine sales to the total product sales.

Let's move on to cost side, selling expenses as a percentage of sales decreased compared to the same period of the preceding year. R&D expenses are €28.8 million below those of the same period of the preceding year. Let me underline, that we expect in the second half to increase our R&D expenses due to the start of the clinical development of the new BPH product and G&A expenses are up by 2.6%. And this is mainly due to the cost related to the acquisition of...to the new...to the new company in Turkey.

Other expenses, net of other income are €1.9 million and it also includes the payback due to AIFA, the Italian Medicines Agency, in substitution of...for the 5% price reduction on selected products. We continue to prefer to add this payback for growing products in our Italian portfolio.

Let's move to operating income; operating income at 21.5% of sales is €90.2 million, an increase of 2.3%. Let me underline, that this increase is impacted by the negative comparison effect due to the €4.6 million upfront payments received in the second quarter 2011 in Italy.

To receive upfront payments is common in our business...in our international business. To add this amount of down payments, upfront payment in a local business is something that is not common, and has an impact in the comparison analysis.

Net financial charges are €2.4 million, €2.3 million in the same period of 2011. Here we have an increase mainly due to the costs associated with the loan in the newly acquired Turkish company.

The effective tax rate, during the period is 27.9%, partially in line with that of the same period of the preceding year. And net income at 15.1% of sales, is €63.3, an increase of 1.5% over the same period of the preceding year.

And good performer, let's say that in both operating income and net income, the result in the first quarter is in line with our guidance, let me say, even better because it's more than half of the...our expectation for the full year of 2012.

Financial position, we maintain a very solid financial position. At the end of June of this year, the net financial position shows a net debt of €66.6 million. During the first half, €21 million were paid for the acquisition, as I said, of six OTC products in Germany, and dividends were distributed for a total amount of €21.3 million.

During the period, we had also an increase in the net working capital. Net working capital increased by €36.2 million and this is due to higher net trade receivable, as a result of growth in sales. This is only due to result in growth in sales, if we compare the last quarter 2011 and the second quarter of 2012, because average day sales outstanding remains unchanged at 72.

Another reason for the increase of the net working capital is to higher inventories, which is due to seasonality effect. And the increase is also due to the introduction of different payment condition to supplier in some countries, in particular in Turkey.

Let's now finish my presentation regarding our financial projection for the full year, and regarding our expectation for the full year. We confirm our target of sales at between €810 and €830 million, EBIT at €160 and €170 million and net income at between €115 and €120 million.

Tatschke, I finished my presentation and as usual we are available for any questions you have.

MARIANNE TATSCHKE: Please, can you open the question and answer session. Thank you.

Q&A

OPERATOR: Excuse me. This is the Chorus Call conference operator. We will now begin the question and answer session.

The first question is from Eleanor Fung of Goldman Sachs. Please go ahead, madam.

ELEANOR FUNG: Hi, this is Eleanor Fung from Goldman Sachs, a couple of questions please. First, could you comment on your expectations for full year guidance based on the recent Italian victory (Ph)? And in the first quarter you guided us to the top end of the range; do you think that you still maintain this view with the recent Italian impact? Secondly, in Turkey you just commented on difficult operating conditions, can you comment on how your volume growth has been progressing, and if you are still tracking relative to your full year target of 140 to 150 million Turkish

Lira? And finally, if I've done my math correctly, it looks like from a Q2 versus Q1, 2012 comparison, it looks like your Russian sales have gone from €18 million to €14 million, can you comment on what this was due to. Thanks.

FRITZ SQUINDO: Okay. Let's start with the expectation for the full year 2012. We confirm our target, as I said, during the conference call. And I'd like to point out that as per our ongoing strategy, we are actively working to obtain, this is part of our strategy, new products that we announced in our pipeline. On this head (Ph) we have...there is...there are some project on the table, which could result in the need to make upfront payments, I mean sometime to have rights for new products we have to pay upfront payments. And depending on the stage of the development, we can...or capitalize or to charge to P&L.

If we have to charge to the P&L, it's difficult to evaluate precisely this amount. And if we exclude from our ongoing...in the second half of the...in the second half of the year, these down payment or saying in another way, unless these down payment materialize, we are relatively confident including also the impact of the new rules in Italy that we could be able to achieve the higher end of the range.

Then we are confident based on the good results, based on our projection for the second half of the year, that on an ongoing strategy, we could achieve the higher end of the range. This is regarding our expectation. We've been...I can confirm what I said at the end of the first quarter of this year.

Second point, Turkey, let's say that to compare in term of unit, our performance is difficult in Turkey, because as I said, we have two different companies, one we acquired at the end of 2000...in the second

quarter of 2011, and then here there is only a contribution...a new contribution from the company in the first half.

Let me underline again, that in terms of both value and volume, our existing business, the Yeni Recordati business increased by 11.8%. We...even if we had for our corporate product or and for our existing portfolio, important price reduction. Then in term of volume, we are growing then more than 12% in the existing business.

Russia, then in the first quarter result, we had an extraordinary performance in sales in Russia, but also here again, during the conference call, I underlined that there was a stock impact because we supply to the importers and where seller and sometime there is some impact due to the stock made by the wholesaler. This is the reason why in the second quarter our sales in Russia are below the same period of 2011.

But let's say that, now we can consider this increase as a normal increase without stocking impact. But this was already clear in the first half...the first quarter results, in which we stated, then part of this development in the first quarter was due to stocking in their channel.

OPERATOR: The next question is from Martino De Ambroggi of Equita SIM. Please go ahead.

MARTINO DE AMBROGGI: Yeah, good afternoon everybody. I have...the first question is on the Italian reform, if you could remind us what is the impact expected in the second half of this year, first question. The second is a follow-up on your previous answer. It's not clear to me, your elaboration about the impact of down payments. So all other things being equal, so without any additional new product, your high-end is confirmed. And the second part is what could be the impact of the down payment because on the P&L,

there shouldn't be any impact, but may be I am wrong? Third and the last question is on R&D costs, because you reminded during the conference that they will grow in the second half. In my note, I have a full year 8% on sales as a weight (Ph) for R&D costs, if it's confirmed.

FRITZ SQUINDO: Okay.

MARTINO DE AMBROGGI: Thank you.

FRITZ SQUINDO: Let's start with the Italian reform. Okay, to summarize, the recently approved austerity measure in Italy included the increase of the compulsory contribution to the National Healthcare System from 1.83 (Ph) to 6.5% of the price of the prescription of the drug. We estimate this impact in the second half of the year to be approximately €4.5 million. This is the impact that we expect in the second half.

Let me add something that is new, because, however, today it has been announced that the Budget Senate Committee has filed an amendment, which cancel this increase of the compulsory contribution. Then, let's say that, this...this was only an amendment, all amendments must however, be approved by the Parliament, but the 6.5% reduction is under discussion. What is not under discussion is the total healthcare expenditure allowed for the full year of 2012, which is...which has been reduced from 13.3% to 13.1%.

In any case, we are as a pharmaceutical Company, to remain in this healthcare expenditure. The compulsory contribution to 6.5 is under discussion. I cannot say that has been cancelled, but let me add that there is some discussion in and there is a particular amendment today in discussion. And...but in any case, we could estimate some impact due to the fact, that we have to maintain good (Ph) healthcare expenditure in this

13.1%. And we are not able today to say if we have...we are in this direction or the market is increasing.

Another important point is that, in the first half of the year, the Italian market is decreasing by 5%, 6%. And then, it's also possible that due to generic competition, price reduction and so on, we could in any case to remain in the target reduced by the government.

On the other high-end (Ph) market, we are now discussing on the target for the full year 2012. The question was, can you confirm that you can be...you can achieve the higher end of the range because for sure, we are sure that we could...we are able to achieve our target, which needs to stay in the range. We...to confirm that we are able to achieve the higher end of the range, I would like to exclude some down payment that we could have to pay if we are able and we hope to be able because we want to enhance our portfolio. We have to pay for the rights for some products.

I would like to remind you, that in the last quarter of 2010, we paid €10 million for the rights of the BPH products. We are not talking of €10 million, but we could have to pay some down payments. And then for the time being, our expectation is, we could achieve this higher end of the range if we exclude the down payment, including the down payment in this case could be difficult to be in the higher end of the range. But in any case, we confirm that for sure, we will be in our range.

MARTINO DE AMBROGGI: Okay, that's helpful.

FRITZ SQUINDO: And this is also something that we can comment on the R&D level, R&D level which are below our normal, that is 28 points or something million, we have €0.8 million, we expect for sure, to increase our R&D cost based on the starting of the clinical development of the new BPH product, and

also could be due to some new product for which we could have the rights, and we are able to have the rights for the future. Is it now clear or I having to comment again.

MARTINO DE AMBROGGI: No, it's okay, but 8% was mentioned in the previous conference call, is it confirmed?

FRITZ SQUINDO: 8%.

MARTINO DE AMBROGGI: 8% of sales is R&D cost. So this is in my notes, but...

FRITZ SQUINDO: As usual, I can say that we expect to start the enrollment. I cannot say that there is something that is more linked to program, and then we will...we think that we could close to 8%, but I cannot confirm that we will be 8%.

MARTINO DE AMBROGGI: Okay, and then a very last brief clarification on the down payments you mentioned for the high end of the guidance. When you told us that the high end was achievable, following the Q1 results, did you include in your mind down payments or a brand new...something brand new that has to be taken into account?

MARIANNE TATSCHKE: No, it was nothing...

FRITZ SQUINDO: Could you repeat...

MARIANNE TATSCHKE: At the end of the first quarter.

FRITZ SQUINDO: No, no there was not...we were not so close to some deal then it was...then substantially we are in the same condition in line with the first quarter result, I would like just to add. Because I want to take some commitment which needs to be able to achieve the higher end of the range

and we try to achieve this objective. But we must be clear, that if we had to pay some upfront payment, this will be in some way not to be considered for this commitment.

MARTINO DE AMBROGGI: Okay perfect.

FRITZ SQUINDO: It's difficult also today to have a precise evaluation of this.

MARTINO DE AMBROGGI: Okay perfect. Thank you.

FRITZ SQUINDO: Okay, thanks.

OPERATOR: The next question is from James Vane-Tempest of Jefferies. Please go ahead.

JAMES VANE-TEMPEST: Thanks very much for taking my questions, and I just have three questions, please. And firstly, I saw the growth in Spain was 7.9%, which you mentioned. I was just wondering how much of that...what would that growth be excluding new launches, just to get a sense of how your existing portfolio is doing in Spain? The second point is just or second question is just a general question about the business. If the environment in Europe does continue to get tougher, how much flexibility for instance (Ph) you have in your cost base particularly in the SG&A level, you know, to weather any pricing impact you may have at the gross margins? And then the third question, and if I can just go back to what you were saying earlier about the new Italian reforms, I think you said, if this new laws was going to come in, there will be a €4.5 million impact in the second half of the year. Is that...in terms of details of that, would that mean on a full year basis, there would be a €9 million impact in 2013 or is this literally just a new proposal for what could happen in 2012, and there is no decision yet

for 2013. And when could we...I'd like to hear more on that, and if you can just remind me sorry, how that will be calculated. Thank you.

FRITZ SQUINDO: Okay. Let's start with Spain. Let's say that now Zanipress, Urorec and Pitavastatin are part of our portfolio from 2010 and...2011. That means that, then for sure, the growth is linked to the new products, and but this is not something that is not part of our portfolio, these products are part of our portfolio and then it's difficult to say what is the other part declining to give you a number. But we are pleased that in a so difficult environment as the Spanish one, we increase our sales, and we are absolutely sure that the drivers are the new corporate products. But this is part of our strategy. We need...also because if we invest our detailing activity on the new corporate products, for sure we have to accept some reduction in the existing one. Then it's difficult to divide the old one by the new one, because we have only one sales force which now is promoting the new corporate products.

Regarding flexibility, we believe that we continue to have some flexibility, for sure, if this kind of intervention will continue, the flexibility will be reducing. But we continue to have as a strategy to adopt our SG&A and hear in particular, our selling organization to the portfolio, and then it's linked to both price controlling measure, austerity measure, but also opportunity to launch a new product. And then, the Spanish...Spain is a clear example, that even in a decreasing environment, if you have new products to be launched, you can offset this environment, you can offset this cost controlling through the launch of the new products.

Italian new austerity measure, the €4.5 million is the estimation for this exceptional 6.5% price...6.5% payback that we...has been introduced for the second half 2012. For 2013, this compulsory contribution will go back to the previous one, which is 1.83%. And the way in which the national

budget for pharmaceutical expenditure will be controlled in 2013 is through the target, which is...has been reduced by the 13.1% in 2012 to 11.5% of the total...of the total healthcare budget...for healthcare expenditure in 2015.

These reduction could appear very important, but there is also a different mechanism...in the 2013 mechanism will be also deduct, the contribution paid directly by the patient, and which means that we will have in 2013, a compulsory contribution which will be again 1.83. But we have a pharmaceutical environment to remain in this 11.5% as cap for the healthcare expenditure. And this will be also through for 2014.

And then, what we could expect in 2013, we have to understand to estimate the development of the...of healthcare expenditure, the pharmacy part, because now there is also a clear picture. One is for the primary care pharmacy expenditure, and another one is for hospital pharmaceutical spending. And now, there is two different cap to different target. One, for the primary care and the other is for hospitals pharmaceutical expense. And then to estimate, what could be the impact in 2013 is very difficult to be evaluated, but for sure, it's not two times €4.5 million. We would see it's strictly linked to the general development of the pharmaceutical expenditure and for us based on our portfolio it's mainly due to development of the pharmacy healthcare expenditure.

JAMES VANE-TEMPEST: That's great, thanks. So the €4.5 million would be, in terms of presentation on the account. It wouldn't be I suppose low sales, it would be in your other operating...

FRITZ SQUINDO: No, it's not a direct reduction in sales, it's something that we have to pay to region in Italy, and it's something that is fixed by the region, each

region ask us the payment of this 6.5 or 1.83, depending what will be the real contribution at the end of the year.

JAMES VANE-TEMPEST: So, when that's going to be part of your other operating expenses if you were spared.

MARIANNE TATSCHKE: Selling expenses.

FRITZ SQUINDO: It is part of our selling expenses.

JAMES VANE-TEMPEST: Selling expenses. Okay, thank you.

FRITZ SQUINDO: Okay.

OPERATOR: The next question is from Riccardo Rovere (Ph) of Credit Suisse. Please go ahead.

RICCARDO ROVERE: Yeah, hi good afternoon and thanks for taking my questions. The first one would be, is there a risk that this discount you are paying now in Italy would be used elsewhere in Europe as a reference for...as a reference price, this would be the first question? And my second question is, if following the acquisition of six OTC products in Germany in April this year, I mean you seem to have reached the critical mass in Germany or shall we look at more asset acquisition in the...in your OTC business, let's say in Germany or elsewhere in Europe. Thank you.

FRITZ SQUINDO: Okay, regarding the contribution...compulsory contribution in Italy, this is a contribution in Italy there is no pro forma price reduction, and then therefore there is no impact as a reference price in the other European market. Then there is no impact...there is an important impact in Italy but

without a impact spread out in the other pharmaceutical markets in Europe.

Regarding the six OTC products, yes, now with this new...with this acquisition we have...adding these six products to the existing OTC business, now we have a critical mass. And based on this critical mass in this business, we are building our OTC sales organization, dedicated to the OTC product. And then, we have now enough sales to have a profitable business in Germany. But if there are other opportunities in increasing this OTC portfolio, we will look at and if we consider it interesting in term of price product and so on, we can go ahead.

Then we have decided to increase our OTC presence in Germany. Now, we have enough OTC sales to justify a specific specialized sales organization, and we could also, if there are the good conditions to increase our presence there in the OTC. And this is not only a strategy. In Germany, we are looking in our acquisition strategy regarding particular products; we are looking for OTC products also in other European markets, not only in the Western, but also in the Eastern European business.

OPERATOR: The next question is from Elisa Corgi of Intermonte. Please go ahead.

ELISA CORGHI: Can you hear me?

MARIANNE TATSCHKE: Yes.

FRITZ SQUINDO: Yes.

ELISA CORGHI: Yes, okay, and thank you for taking my question, which is quite simple. Can you please share with us the EBIT of Orphan Europe, and the market

share of Pitavastatin in Spain and Portugal? Also, I would like to know the market share of Silodosin in Spain. Thanks.

FRITZ SQUINDO: Okay. EBIT of Orphan Europe, in the first half 2011 was...2012 was €14.700...€14 million.

ELISA CORGHI: Thanks

FRITZ SQUINDO: So, you won't get the real...the exact number, around €15 million in the first half. Okay.

ELISA CORGHI: Yeah.

FRITZ SQUINDO: Regarding Pitavastatin, we have noted today the market share, but let's say that the internal sales are growing when we expect the market share to grow. We had in the first...at the end of 2011 around 6%, and we expect this market share to grow, and the third question was...

ELISA CORGHI: The market share of Silodosin in Spain?

FRITZ SQUINDO: It's more than 10%.

ELISA CORGHI: Okay. Thank you.

FRITZ SQUINDO: Okay.

ELISA CORGHI: Yeah.

OPERATOR: Ms. Tatschke and Mr. Squindo, there are no more questions registered at this time.

