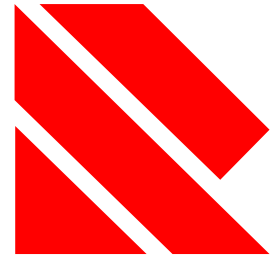


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2004
1st Half and 2nd Qtr Financials

Conference Call, 28 July 2004



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Operational highlights first half 2004

- **Pharmaceutical sales up 5.7%, or 9.0% excluding Sophartex**
- **International pharmaceutical sales up 15.7%**
- **Lercanidipine sales up 31.7%**
- **EBIT up 16.4% and net income up 38.2%**
- **Sophartex sold**
- **A new project for the development of a modified release version of lercanidipine in place**

Composition of sales

(million euro)	1H 2003	1H 2004	Change %
PHARMACEUTICALS	213.9 86.5%	226.0 89.5%	5.7%
PHARMACEUTICAL CHEMICALS	33.3 13.5%	26.4 10.5%	(20.8)%
TOTAL	247.2 100.0%	252.4 100.0%	2.1%
ITALY	112.1 45.4%	114.4 45.3%	2.0%
INTERNATIONAL	135.1 54.6%	138.0 54.7%	2.2%



Sources of growth

(% change, first half 2004 over first half 2003)

	Volume	Price	Exchange	Total
PHARMACEUTICALS excluding Sophartex	10.1 %	(0.7) %	(0.4) %	9.0 %
SOPHARTEX	(46.1) %	-	-	(46.1) %
PHARMACEUTICAL CHEMICALS	(17.2) %	(0.4) %	(3.2) %	(20.8) %
TOTAL CHANGE	3.6 %	(0.7) %	(0.8) %	2.1 %

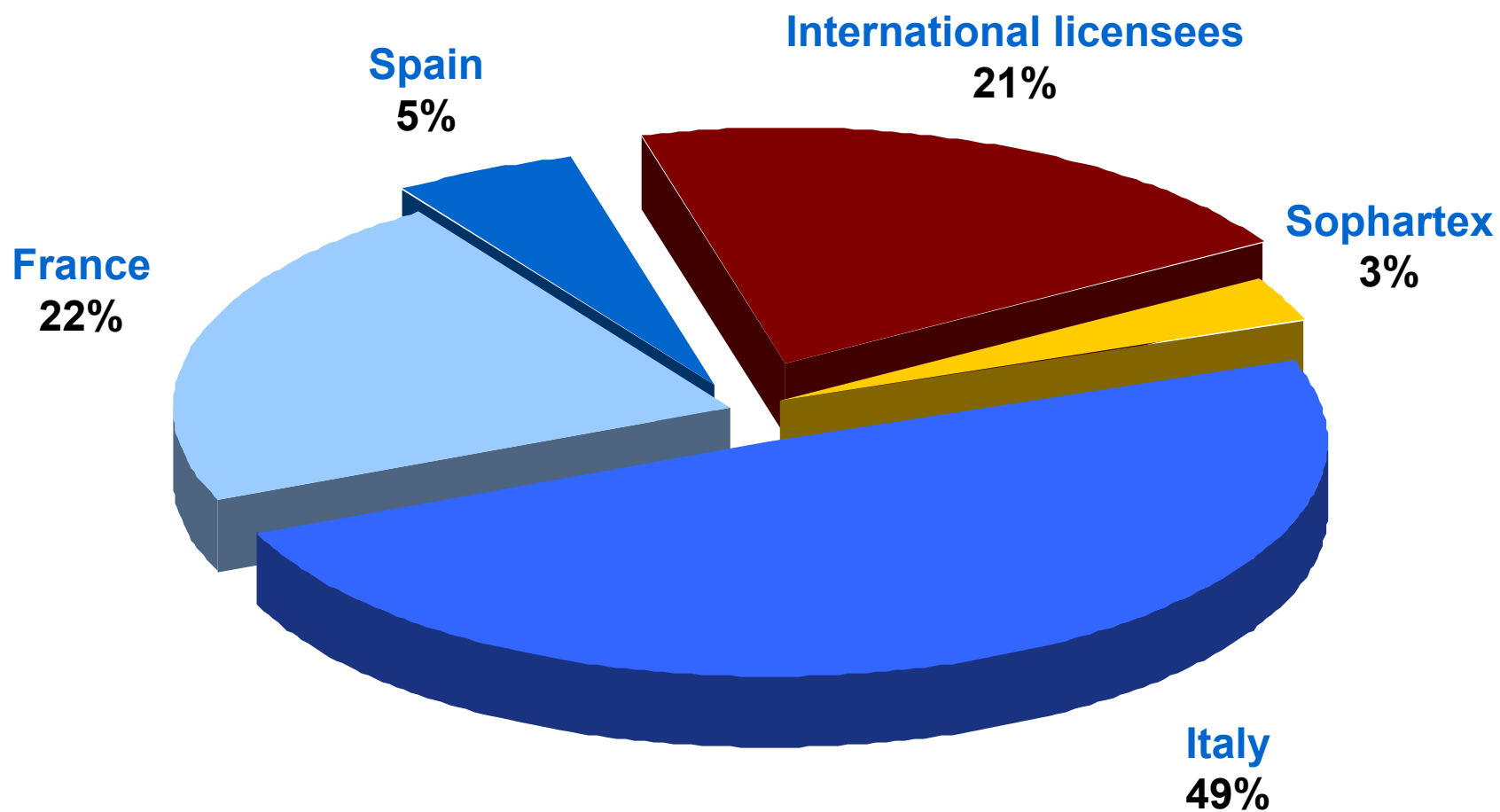


Composition of pharmaceutical sales

(million euro)	1H 2003	1H 2004	Change %
Pharmaceuticals Italy	107.5	110.8	3.1%
Pharmaceuticals France	43.9	49.7	13.1%
Pharmaceuticals Spain	10.8	11.8	9.5%
International licensees	38.9	46.8	20.4%
Sophartex *	12.8	6.9	(46.1)%
TOTAL PHARMACEUTICALS	213.9	226.0	5.7%
<i>Excluding Sophartex</i>	<i>201.1</i>	<i>219.1</i>	<i>9.0%</i>



Breakdown of first half 2004 pharmaceutical sales



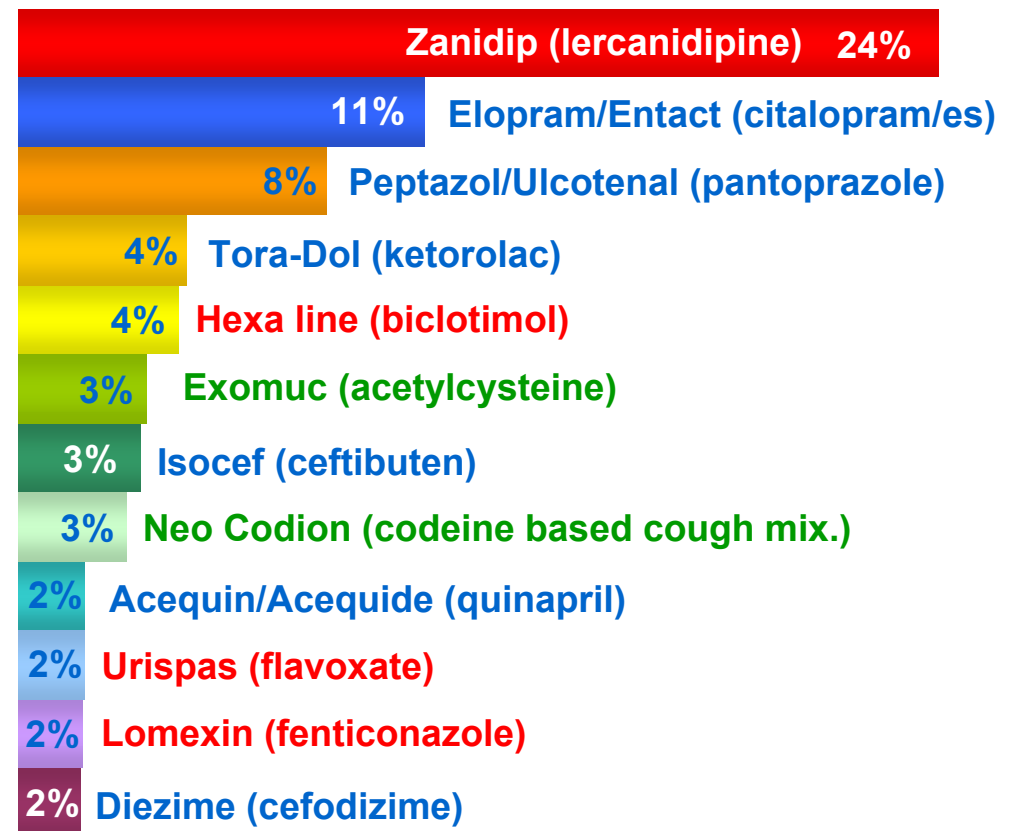
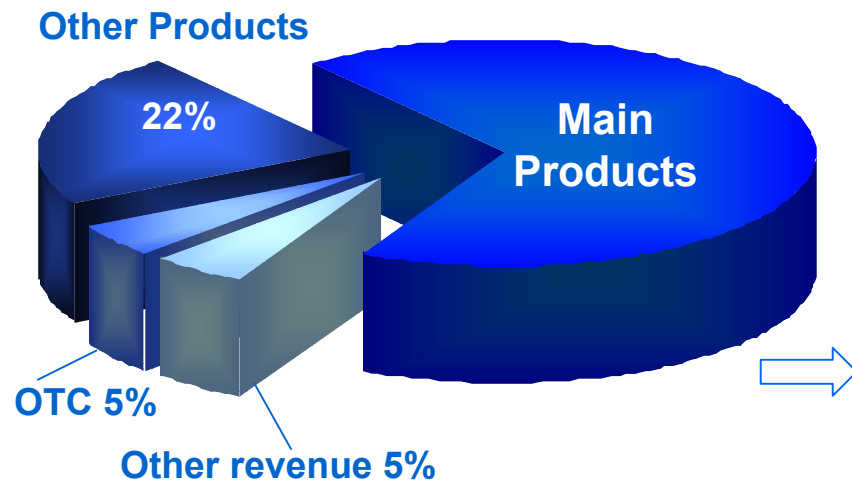
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Lercanidipine sales

(million euro)	1H 2003	1H 2004	Change %
Italy	16.8	19.6	16.8%
France	6.5	10.9	66.2%
Spain	2.4	2.4	3.2%
DIRECT SALES	25.7 56.4%	32.9 54.8%	28.1%
SALES TO LICENSEES	19.9 43.6%	27.1 45.2%	36.4%
TOTAL LERCANIDIPINE SALES	45.6 100.0%	60.0 100.0%	31.7%

Main products

Breakdown of 12 months pharmaceutical sales at June 2004 (€ 436 m)



First half results

(million euro)	1H 2003	1H 2004	Change %
Net Sales	247.2	252.4	2.1%
Gross Profit as % of sales	144.6 58.5%	158.5 62.8%	9.6%
Selling Expenses as % of sales	77.4 31.3%	84.4 33.4%	9.1%
R&D Expenses as % of sales	17.1 6.9%	18.1 7.2%	6.0%
EBITDA as % of sales	51.1 20.7%	54.5 21.6%	6.8%
EBIT as % of sales	37.1 15.0%	43.2 17.1%	16.4%
Net Income as % of sales	19.9 8.0%	27.4 10.9%	38.2%

EBIT by business area

(million euro)	1H 2003	1H 2004	Change %
PHARMACEUTICALS as % of sales	38.9 18.2%	42.1 18.6%	8.3%
PHARMACEUTICAL CHEMICALS as % of sales*	(1.8) (4.7)%	1.1 3.1%	n.s.
TOTAL EBIT as % of sales	37.1 15.0%	43.2 17.1%	16.4%

* Including inter-company sales

Second quarter results

(million euro)	2Q 2003	2Q 2004	Change %
Net Sales	120.2	123.9	3.0%
Gross Profit as % of sales	71.2 59.2%	79.0 63.8%	11.1%
Selling Expenses as % of sales	37.8 31.4%	41.4 33.4%	9.6%
R&D Expenses as % of sales	8.2 6.8%	8.7 7.0%	6.4%
EBITDA as % of sales	25.8 21.5%	28.3 22.8%	9.4%
EBIT as % of sales	18.9 15.7%	23.1 18.7%	22.1%
Net Income as % of sales	10.0 8.3%	14.8 11.9%	47.9%



Second quarter EBIT by business area

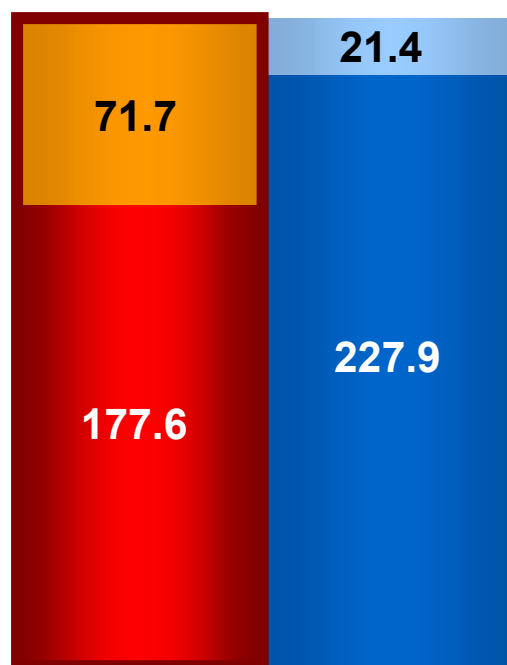
(million euro)	2Q 2003	2Q 2004	Change %
PHARMACEUTICALS as % of sales	20.3 19.5%	22.0 20.0%	8.3%
PHARMACEUTICAL CHEMICALS as % of sales*	(1.4) (7.7)%	1.1 6.1%	n.s.
TOTAL EBIT as % of sales	18.9 15.7%	23.1 18.7%	22.1%

* Including inter-company sales

Capital employed

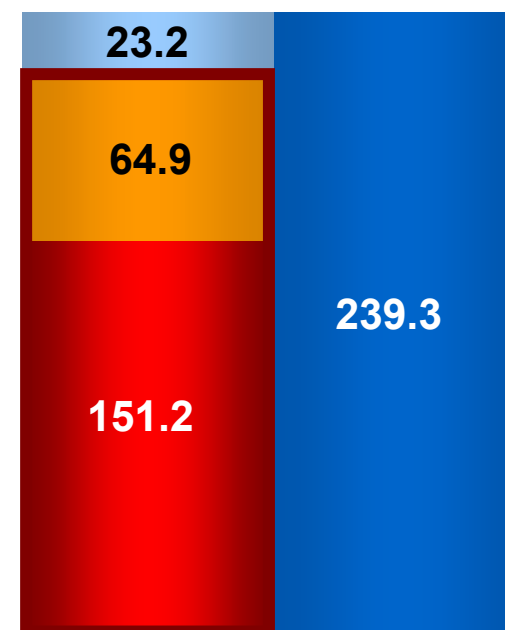
(million euro)

31 December 2003



Capital employed: **249.3**

30 June 2004



Capital employed: **216.1**

Cash flow

(million euro)

	1H 2003	1H 2004
Net income	19.9	27.4
Depreciation of fixed assets	8.3	4.9
Amortization of intangible assets	5.6	6.5
Cash Flow from Operations	33.8	38.8
Change in working capital	13.7	4.8
Changes in non-current items	(0.7)	(6.9)
Net investments in fixed assets	(8.9)	8.6
Net investments in intangible assets	(3.4)	(3.1)
Free Cash Flow	34.5	42.2
Dividend paid	(18.3)	(18.4)
Purchase of treasury stock	(2.9)	-



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.

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Recordati, established in 1926, is a European pharmaceutical group, listed on the Italian Stock Exchange (Reuters RECI.MI, Bloomberg REC IM, ISIN IT 0003074447), dedicated to the research, development, manufacturing and marketing of pharmaceuticals and pharmaceutical chemicals, with headquarters in Milan, Italy and operating subsidiaries in France, Ireland, Portugal, Spain, Switzerland and the United States.

Contact Information

Offices:

Recordati S.p.A.
Via M. Civitali 1
20148 Milano
Italy

Investor Relations:

Marianne Tatschke
+39 02 48787 393
tatschke.m@recordati.it

Website:

www.recordati.com