

**RECORDATI SHAREHOLDERS APPROVE THE 2018 ACCOUNTS. DIVIDEND € 0.92 PER SHARE (+8.2% vs 2017).**

- *Shareholders approve the 2018 results: consolidated revenues € 1,352.2 million (+5.0% vs 2017), operating income € 442.2 million (+8.8%), net income € 312.4 million (+8.2%).*
- *Dividend for 2018 € 0.92 per share (+8.2% vs 2017), of which € 0.45 already paid in November 2018.*
- *Remuneration policy approved.*
- *Amendments to the 2018-2022 stock option plan approved.*
- *Authorization to buy-back and dispose of Recordati shares renewed.*
- *First quarter 2019 consolidated revenues € 383 million (+4.5% vs the first quarter of 2018).*

*Milan, 11 April 2019* – Today the Annual Meeting of Recordati S.p.A. Shareholders was held.

Recordati S.p.A.'s Annual Shareholders' Meeting approved the company's 2018 financial accounts, which were prepared according to IFRS. In addition, the Group's consolidated statements, which were also prepared according to IFRS, and the consolidated non financial information disclosure pursuant to Legislative Decree n. 254 dated 30 December 2016, were presented. The tables attached contain a summary of the 2018 financial statements which were commented in the press release issued on 28 February 2019. In 2018 consolidated revenues were € 1,352.2 million (+5.0%), operating income (EBIT) was € 442.2 million (+8.8%), and net income was € 312.4 million (+8.2%). International sales account for 79.8% of total sales.

As proposed by the Board of Directors, the shareholders approved a dividend of € 0.47 per share, in full balance of the interim 2018 dividend of € 0.45, to be paid to all shares outstanding at ex-dividend date, excluding those in treasury stock, as from 25 April 2019 (record date 24 April 2019), with ex-dividend on 23 April 2019 (against presentation of coupon no. 23). The full 2018 dividend is therefore of € 0.92 per share (€ 0.85 per share in 2017).

**Further shareholder resolutions***Remuneration policy*

The Shareholders' Meeting also expressed a favourable vote on the remuneration policies for the year 2019, in accordance with article 123<sup>ter</sup> of Legislative Decree No. 58 of 24 February 1998, which can be found on the company's website under Shareholders Meetings in the Investors section as well as under Remuneration Reports in the Corporate Governance section.

*Amendments to the 2018-2022 stock option plan*

The Shareholders' Meeting approved the amendments to the 2018-2022 Stock Option Plan (the "Plan") intended to include within the Beneficiaries category of the Plan the Chief Executive Officer of the Company - already participating in the Plan by virtue of the employee relationship previously in existence with Recordati - who, as a result of the changes in the articulation of top

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CODICE FISCALE/P. IVA 00748210150  
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Società Soggetta all'attività di Direzione e Coordinamento di Rossini Luxembourg S.à.r.l

management figures that occurred after Recordati's change of control, is no longer linked to the Company by an employment relationship.

*Authorization to buy-back and dispose of Recordati shares*

The Shareholders' Meeting authorized the buyback and disposal of Recordati shares until the Annual Shareholders' Meeting which will approve the 2019 financial statements. The objective of the proposal is, as in previous years, to grant the Board the possibility of:

- (i) fulfilling the obligations arising from the stock option plans already adopted by the Company and other stock option plans which might be approved in future;
- (ii) carrying out industrial initiatives, since the authorization to purchase treasury stock will allow transactions such as the sale, contribution and exchange of treasury stock in order to acquire stakes in companies and/or to reach agreements with strategic partners within the Group's expansion objectives;
- (iii) supporting the Recordati shares' liquidity, in order to promote the regular course of the shares' negotiations and avoid price fluctuations inconsistent with the market trend.

The company would be allowed to purchase up to 7,500,000 Recordati existing ordinary (common) shares, which includes those shares held in Treasury stock at any given time, for a maximum cash outlay of € 280,000,000. The purchase price must be at least equal to the shares' nominal value (€ 0.125) and must not exceed the average official Stock Exchange price recorded over the 5 trading days prior to the transaction, plus 5%. Possible purchases will be made, if carried out for liquidity purposes, or to comply with stock options plans obligations, in compliance with (i) the market practice approved by Consob according to art. 13 Reg. EU 596/2014, and (ii) art. 5 of such Regulation, as well as second Chapter of Reg. EU 1052/2016B.

At 10 April 2019 the company has 4,693,071 shares in Treasury stock which amounts to 2.244% of the current share capital.

**First quarter 2019**

Revenue performance in the first quarter 2019 is in line with expectations. Group sales are € 383 million, an increase of 4.5% over those in the first quarter of the preceding year.

*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 more than 4,100, dedicated to the research, development, manufacturing and marketing of pharmaceuticals. Headquartered in Milan, Italy, Recordati has operations throughout the whole of Europe, including Russia, Turkey, North Africa, the United States of America, Canada, Mexico, some South American countries, Japan and Australia. 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 with a focus on treatments for rare diseases. Consolidated revenue for 2018 was € 1,352.2 million, operating income was € 442.2 million and net income was € 312.4 million.*

For further information:

Recordati website: [www.recordati.com](http://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 Financial Reporting Standards (IFRS)  
(thousands of €)

<b>INCOME STATEMENT</b>	<b>2018</b>	<b>2017</b>	<b>Change %</b>
REVENUE	1,352,235	1,288,123	5.0
Cost of sales	(395,569)	(382,754)	3.3
<b>GROSS PROFIT</b>	<b>956,666</b>	<b>905,369</b>	<b>5.7</b>
Selling expenses	(333,497)	(330,793)	0.8
Research and development expenses	(109,693)	(100,256)	9.4
General & administrative expenses	(67,722)	(65,582)	3.3
Other income (expenses), net	(3,535)	(2,246)	57.4
<b>OPERATING INCOME</b>	<b>442,219</b>	<b>406,492</b>	<b>8.8</b>
Financial income (expenses), net	(24,284)	(17,377)	39.7
<b>PRE-TAX INCOME</b>	<b>417,935</b>	<b>389,115</b>	<b>7.4</b>
Provision for income taxes	(105,513)	(100,316)	5.2
<b>NET INCOME</b>	<b>312,422</b>	<b>288,799</b>	<b>8.2</b>
Attributable to:			
Equity holders of the parent	312,376	288,762	8.2
Minority interests	46	37	24.3

<b>EARNINGS PER SHARE</b>	<b>2018</b>	<b>2017</b>	<b>Change %</b>
Basic	€ 1.529	€ 1.395	9.6
Diluted	€ 1.494	€ 1.381	8.2

Earnings per share (EPS) are based on average shares outstanding during each year, 204,379,165 in 2018 and 207,030,319 in 2017, net of average treasury stock which amounted to 4,745,991 shares in 2018 and 2,094,837 shares in 2017.

Diluted earnings per share is calculated taking into account stock options granted to company personnel.

<b>COMPOSITION OF REVENUE</b>	<b>2018</b>	<b>2017</b>	<b>Change %</b>
Total revenue	1,352,235	1,288,123	5.0
Italy	273,197	258,551	5.7
International	1,079,038	1,029,572	4.8

**RECORDATI GROUP**

Summary of consolidated results prepared in accordance with the International Financial Reporting Standards (IFRS)  
(thousands of €)

<b>ASSETS</b>	31.12.2018	31.12.2017
Property, plant and equipment	103,582	103,009
Intangible assets	672,462	540,565
Goodwill	579,557	539,871
Equity investments	20,773	24,171
Non-current receivables	5,860	5,944
Deferred tax assets	81,267	69,162
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,463,501</b>	<b>1,282,722</b>
Inventories	206,084	179,100
Trade receivables	245,742	244,117
Other receivables	38,462	39,730
Other current assets	5,193	4,836
Fair value of hedging derivatives (cash flow hedge)	6,414	3,825
Short-term financial investments, cash and cash equivalents	198,036	302,077
<b>TOTAL CURRENT ASSETS</b>	<b>699,931</b>	<b>773,685</b>
<b>TOTAL ASSETS</b>	<b>2,163,432</b>	<b>2,056,407</b>
<b>EQUITY AND LIABILITIES</b>	31.12.2018	31.12.2017
Share capital	26,141	26,141
Capital in excess of par value	83,719	83,719
Treasury stock	(145,608)	(17,029)
Hedging reserve	(8,399)	(5,867)
Translation reserve	(154,146)	(124,004)
Other reserves	43,081	40,684
Retained earnings	897,990	822,154
Net income for the period	312,376	288,762
Interim dividend	(91,761)	(87,470)
<b>GROUP SHAREHOLDERS' EQUITY</b>	<b>963,393</b>	<b>1,027,090</b>
Minority interest	193	147
<b>SHAREHOLDERS' EQUITY</b>	<b>963,586</b>	<b>1,027,237</b>
Loans due after one year	640,647	612,462
Employees' termination pay	19,547	21,093
Deferred tax liabilities	45,653	17,554
Other non-current liabilities	3,257	2,515
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>709,104</b>	<b>653,624</b>
Trade payables	165,020	141,740
Other payables	85,534	82,779
Tax liabilities	42,149	24,373
Other current liabilities	19,359	486
Provisions	21,446	48,322
Fair value of hedging derivatives (cash flow hedge)	9,746	9,559
Loans due within one year	130,583	51,710
Bank overdrafts	16,905	16,577
<b>TOTAL CURRENT LIABILITIES</b>	<b>490,742</b>	<b>375,546</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,163,432</b>	<b>2,056,407</b>

**RECORDATI S.P.A.**

Summary of consolidated results prepared in accordance with the International Accounting

Standards and International Financial Reporting Standards (IFRS)  
(thousands of €)

	<b>2018</b>	<b>2017</b>	Change %
Revenue	450,741	373,041	20.8
Operating income	152,175	101,462	50.0
Pre-tax income	263,896	249,700	5.7
Net income	217,330	212,506	2.3

	<b>31.12.2018</b>	<b>31.12.2017</b>
Non-current assets	1,253,889	1,098,171
Current assets	310,340	430,776
<b>TOTAL ASSETS</b>	<b>1,564,229</b>	<b>1,528,947</b>
Shareholders' equity	336,058	444,499
Non-current liabilities	707,431	616,087
Current liabilities	520,740	468,361
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,564,229</b>	<b>1,528,947</b>

Pending completion of independent and statutory audits.

**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.