

2018 First quarter results



First quarter 2018 highlights

- Revenue € 366.5 million, up 7.2%
- EBITDA € 134.4 million or 36.7% of sales, up 14.2%
- Operating income (EBIT) € 120.5 million or 32.9% of sales, up 12.4%
- Net income € 86.6 million or 23.6% of sales, up 10.3%
- Net debt € 484.6 million, an increase of € 102.3 million as compared to year-end 2017, after share buy-back for an overall disbursement of € 169.8 million.
- Acquisition of the European and other market rights to Cystagon® from Mylan in April.

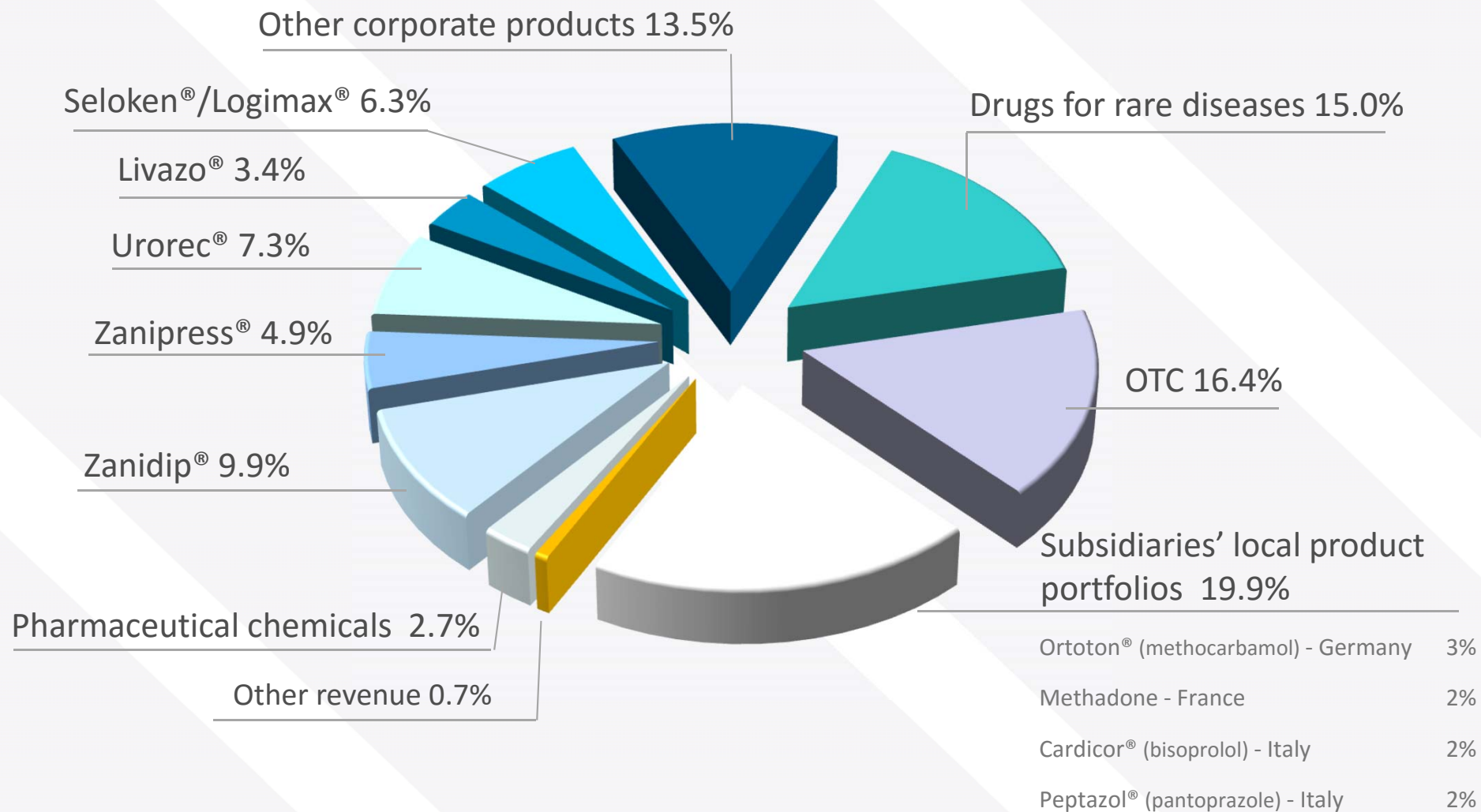
Main product sales

Corporate products including drugs for rare diseases account for 68.1% of revenue

(million Euro)	1Q 2018	1Q 2017	Change %
Zanidip [®] (lercanidipine)	36.5	36.9	(1.1)
Zanipress [®] (lercanidipine+enalapril)	17.9	19.1	(6.1)
Urorec [®] (silodosin)	26.7	23.8	12.0
Livazo [®] (pitavastatin)	12.4	9.6	29.3
Seloken [®] /Seloken [®] ZOK/Logimax [®] (metoprolol/metoprolol+felodipine)	23.3	-	n.s.
Other corporate products*	78.0	81.0	(3.7)
Drugs for rare diseases	54.8	52.1	5.2

* Include the OTC corporate products for an amount of € 28.5 million in 2018 and € 29.8 million in 2017 (-4.1%).

A diversified product portfolio



Data: First quarter 2018
Total revenue € 366.5 m

Composition of revenue by geography

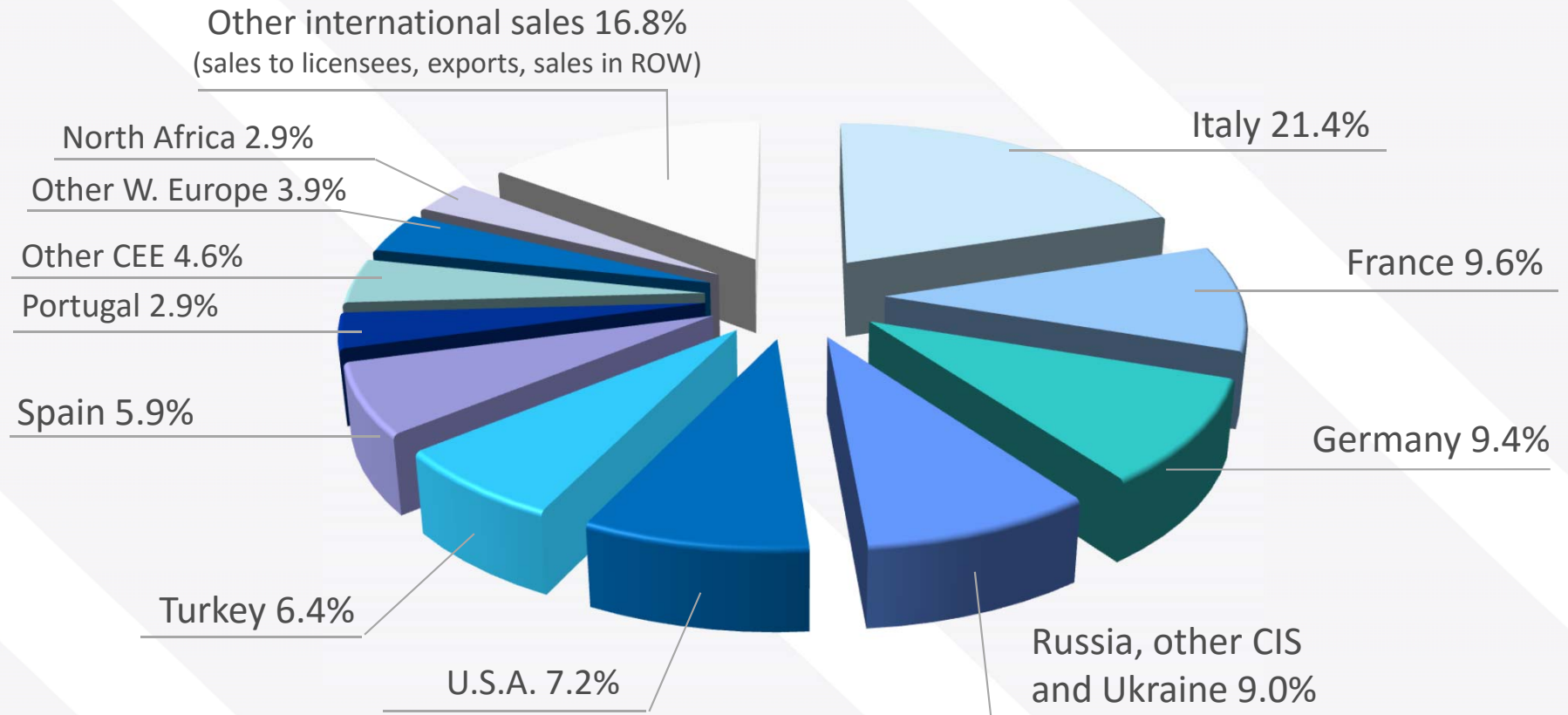
Continued growth

(million Euro)	1Q 2018	1Q 2017	Change %
Italy	76.4	74.8	2.3
France	34.1	29.9	14.1
Germany	33.4	27.7	20.5
Russia, other CIS countries and Ukraine	32.1	33.7	(4.7)
U.S.A.	25.6	28.0	(8.6)
Turkey	22.8	22.7	0.4
Spain	21.2	19.8	7.3
Portugal	10.2	10.0	2.5
Other CEE countries	16.4	7.7	112.2
Other W. Europe countries	13.9	12.8	8.8
North Africa	10.3	13.8	(25.5)
Other international sales	60.0	49.4	21.5
TOTAL PHARMACEUTICALS	356.6	330.3	8.0
PHARMACEUTICAL CHEMICALS	9.9	11.6	(15.1)

(In local currency, millions)	1Q 2018	1Q 2017	Change %
Russia (RUB)	1,802.7	1,808.5	(0.3)
Turkey (TRY)	100.1	84.4	18.5
U.S.A. (USD)	32.4	30.4	6.5

Net revenues in local currency in Russia and in Turkey exclude sales of products for rare diseases.

Geographical breakdown of pharmaceutical revenue



Data: First quarter 2018
Pharmaceutical revenue € 356.6 m

First quarter 2018 results

Further margin growth

(million Euro)	1Q 2018	1Q 2017	Change %
Revenue	366.5	341.9	7.2
Gross Profit as % of revenue	257.2 70.2	236.1 69.1	8.9
SG&A Expenses as % of revenue	108.1 29.5	105.8 30.9	2.2
R&D Expenses as % of revenue	27.7 7.5	23.2 6.8	19.4
Other Income (Expense), net as % of revenue	(1.0) (0.3)	0.1 0.0	n.s.
Operating Income as % of revenue	120.5 32.9	107.3 31.4	12.4
Net Income as % of revenue	86.6 23.6	78.5 23.0	10.3
EBITDA as % of revenue	134.4 36.7	117.7 34.4	14.2

First quarter 2018 results

Operating segments

Revenue

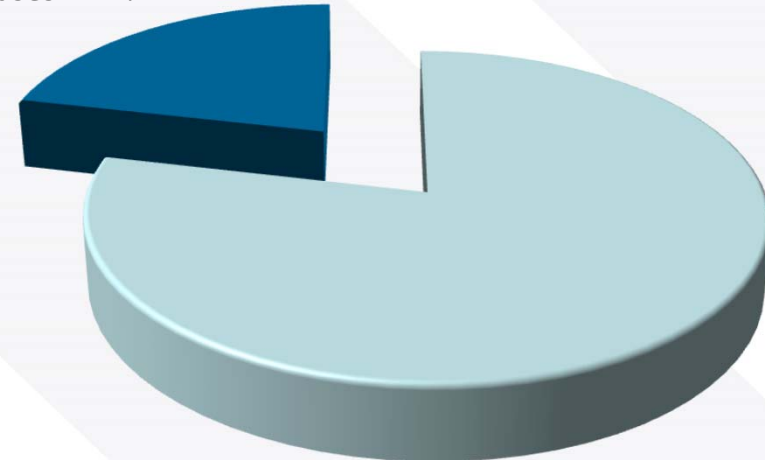
Treatments for rare diseases 15.0%



Primary & specialty care 85.0%

EBIT

Treatments for rare diseases 21.4%



Primary & specialty care 78.6%

EBIT margin on sales:

Treatments for rare diseases, 47.0%

Primary & Specialty care, 30.4%

Net financial position

(million Euro)	31 Mar 2018	31 Dec 2017	Change
Cash and short-term financial investments	198.8	302.1	(103.3)
Bank overdrafts and short-term loans	(26.6)	(16.6)	(10.0)
Loans – due within one year	(50.3)	(51.7)	1.4
Loans – due after one year	(606.5)	(615.6)	9.1
NET FINANCIAL POSITION	(484.6)	(381.8)	(102.8)

Financial projections

2018 targets - Margins to continue to improve
EBITDA 36%, EBIT 32%, Net income 23%

(million Euro)	2017 Actual	2018 Targets
Revenue	1,288.1	1,350 - 1,370
EBITDA	454.7	490 - 500
Operating income (EBIT)	406.5	430 - 440
Net Income	288.8	310 - 315

No acquisitions included in 2018 targets

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 more than 4,100, 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 and development of new specialties with a focus on treatments for rare diseases. Consolidated revenue for 2017 is € 1,288.1 million, operating income is € 406.5 million and net income is € 288.8 million.

Contact Information

Offices:

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

Investor Relations:

**Marianne Tatschke
+39 02 48787393
tatschke.m@recordati.it**

Website:

www.recordati.com