

RECORDATI SHAREHOLDERS APPROVE THE 2017 ACCOUNTS. DIVIDEND € 0.85 PER SHARE (+21.4% vs 2016).

- *Shareholders approve the 2017 results: consolidated revenues € 1,288.1 million (+11.6% vs 2016), operating income € 406.5 million (+24.1%), net income € 288.8 million (+21.6%).*
- *Dividend for 2017 € 0.85 per share (+21.4% vs 2016), of which € 0.42 already paid in November 2017.*
- *Remuneration policy approved.*
- *New 2018-2022 stock option plan approved.*
- *Authorization to buy-back and dispose of Recordati shares renewed.*
- *First quarter 2018 consolidated revenues € 366.5 million (+7.2% vs the first quarter of 2017).*

Milan, 18 April 2018 – Today the Annual Meeting of Recordati S.p.A. Shareholders was held.

Recordati S.p.A.'s Annual Shareholders' Meeting approved the company's 2017 financial accounts, which were prepared according to IAS/IFRS. In addition, the Group's consolidated statements, which were also prepared according to IAS/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 2017 financial statements which were commented in the press release issued on 15 March 2018. In 2017 consolidated revenues were € 1,288.1 million (+11.6%), operating income (EBIT) was € 406.5 million (+24.1%), and net income was € 288.8 million (+21.6%). International sales account for 79.9% of total sales.

As proposed by the Board of Directors, the shareholders approved a dividend of € 0.43 per share, in full balance of the interim 2017 dividend of € 0.42, to be paid to all shares outstanding at ex-dividend date, excluding those in treasury stock, as from 25 April 2018 (record date 24 April 2018), with ex-dividend on 23 April 2018 (against presentation of coupon no. 21). The full 2017 dividend is therefore of € 0.85 per share (€ 0.70 per share in 2016).

Further shareholder resolutions*Remuneration policy*

The Shareholders' Meeting also approved the remuneration policies for the year 2018 in accordance with article 123^{ter} of Legislative Decree No. 58 of 24 February 1998 which is the object of the Board's explanatory report on the second item of the agenda of the Shareholders' Meeting and 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.

New 2018-2022 stock option plan

Furthermore, the Shareholders' Meeting approved a new stock option plan covering the five year 2018-2022 period, the details of which have already been published and communicated to the public and are available in the relative explanatory document as required by law. The explanatory document, which is the object of the Board's explanatory report on the third item of the agenda of the Shareholders' Meeting, can be found on the company's website under Shareholders Meetings in the Investors section.

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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 2018 financial statements. The objective of the proposal is, as in previous years, to grant the Board the possibility: of using shares for equity acquisitions or as consideration for strategic agreements; of allowing the company to invest in its own shares; and of constituting a stock of own shares to service current and future stock option plans. The company would be allowed to purchase up to 10,000,000 Recordati existing ordinary (common) shares, which includes those shares held in Treasury stock at any given time, for a maximum cash outlay of € 300,000,000. 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 on regulated markets and must comply with article 132 of Legislative Decree 58/1998 and with article 144-bis, paragraph 1.b) of the Issuers' Regulations as approved by CONSOB's resolution 11971/1999 and with market practice allowed and recognized by CONSOB. At 17 April 2018 the company has 6,543,071 shares in Treasury stock which amounts to 3.129% of the current share capital.

First quarter 2018

Revenue performance in the first quarter 2018 is positive. Group sales are € 366.5 million, an increase of 7.2% 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 in the main European countries, in Russia, other Central and Eastern European countries, Turkey, North Africa, the United States of America, Canada, Mexico and in some South American countries. 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 was € 1,288.1 million, operating income was € 406.5 million and net income was € 288.8 million.

For further information:

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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 Accounting Standards and International Financial Reporting Standards (IAS/IFRS)
(thousands of €)

INCOME STATEMENT	2017	2016	Change %
REVENUE	1,288,123	1,153,942	11.6
Cost of sales	(382,754)	(360,959)	6.0
GROSS PROFIT	905,369	792,983	14.2
Selling expenses	(330,793)	(304,435)	8.7
Research and development expenses	(100,256)	(83,710)	19.8
General & administrative expenses	(65,582)	(64,784)	1.2
Other income (expenses), net	(2,246)	(12,631)	(82.2)
OPERATING INCOME	406,492	327,423	24.1
Financial income (expenses), net	(17,377)	(10,141)	71.4
PRE-TAX INCOME	389,115	317,282	22.6
Provision for income taxes	(100,316)	(79,851)	25.6
NET INCOME	288,799	237,431	21.6
Attributable to:			
Equity holders of the parent	288,762	237,406	21.6
Minority interests	37	25	48.0

EARNINGS PER SHARE	2017	2016	Change %
Basic	€ 1.395	€ 1.152	21.1
Diluted	€ 1.381	€ 1.135	21.7

Earnings per share (EPS) are based on average shares outstanding during each year, 207,030,319 in 2017 and 206,117,418 in 2016, net of average treasury stock which amounted to 2,094,837 shares in 2017 and 3,007,738 shares in 2016. Diluted earnings per share is calculated taking into account stock options granted to company personnel.

COMPOSITION OF REVENUE	2017	2016	Change %
Total revenue	1,288,123	1,153,942	11.6
Italy	258,551	237,615	8.8
International	1,029,572	916,327	12.4

RECORDATI GROUP

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(thousands of €)

ASSETS	31.12.2017	31.12.2016
Property, plant and equipment	103,009	110,202
Intangible assets	540,565	279,884
Goodwill	539,871	556,566
Equity investments	24,171	19,199
Non-current receivables	5,944	5,428
Deferred tax assets	69,162	37,231
TOTAL NON-CURRENT ASSETS	1,282,722	1,008,510
Inventories	179,100	158,800
Trade receivables	244,117	205,988
Other receivables	39,730	30,974
Other current assets	4,836	5,481
Fair value of hedging derivatives (cash flow hedge)	3,825	12,497
Short-term financial investments, cash and cash equivalents	302,077	138,493
TOTAL CURRENT ASSETS	773,685	552,233
TOTAL ASSETS	2,056,407	1,560,743
EQUITY AND LIABILITIES	31.12.2017	31.12.2016
Share capital	26,141	26,141
Capital in excess of par value	83,719	83,719
Treasury stock	(17,029)	(76,761)
Hedging reserve	(5,867)	(7,420)
Translation reserve	(124,004)	(78,309)
Other reserves	40,684	35,295
Retained earnings	822,154	756,004
Net income for the period	288,762	237,406
Interim dividend	(87,470)	(72,245)
GROUP SHAREHOLDERS' EQUITY	1,027,090	903,830
Minority interest	147	110
SHAREHOLDERS' EQUITY	1,027,237	903,940
Loans due after one year	612,462	293,644
Employees' termination pay	21,093	21,675
Deferred tax liabilities	17,554	27,659
Other non-current liabilities	2,515	2,515
TOTAL NON-CURRENT LIABILITIES	653,624	345,493
Trade payables	141,740	124,644
Other payables	82,779	77,957
Tax liabilities	24,373	20,432
Other current liabilities	486	562
Provisions	48,322	27,977
Fair value of hedging derivatives (cash flow hedge)	9,559	3,621
Loans due within one year	51,710	40,428
Bank overdrafts	16,577	15,689
TOTAL CURRENT LIABILITIES	375,546	311,310
TOTAL EQUITY AND LIABILITIES	2,056,407	1,560,743

RECORDATI S.P.A.

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

	2017	2016	Change %
Revenue	373,041	323,113	15.5
Operating income	101,462	74,596	36.0
Pre-tax income	249,700	133,590	86.9
Net income	212,506	110,102	93.0

	31.12.2017	31.12.2016
Non-current assets	1,098,171	711,629
Current assets	430,776	338,310
TOTAL ASSETS	1,528,947	1,049,939
Shareholders' equity	444,499	316,717
Non-current liabilities	616,087	287,949
Current liabilities	468,361	445,273
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,528,947	1,049,939

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.