

**RECORDATI: POSITIVE PRELIMINARY 2011 RESULTS. SALES +4.7%, EBIT +5.6%, NET INCOME +7.2%.**

- Consolidated revenue € 762.0 million, + 4.7%.
- Operating income € 163.5 million, + 5.6%.
- Net income € 116.4 million, + 7.2%.
- Net financial position\*: net debt of € 55.7 million.
- Procto-Glyvenol® acquired from Novartis Consumer Health
- Initial launches in Europe of Livazo® (pitavastatin)
- Extension of the use of Carbaglu® (carglumic acid) to treat hyperammonaemia due to one of the three main organic acidemias approved in Europe
- Acquisition of the Turkish pharmaceutical company Frik İlaç
- 2012 targets announced.

Milan, 9 February 2012 – The Board of Directors of Recordati S.p.A. examined the preliminary consolidated results for 2011. The company's annual financial reports will be submitted to the Board for approval on 8 March 2012.

**Financial highlights**

- **Consolidated revenue** in 2011 is € 762.0 million, up by 4.7% compared to the preceding year. Pharmaceutical sales are € 733.6 million, an increase of 4.5% while pharmaceutical chemicals sales are € 28.4 million, an increase of 9.9%.
- **Operating income**, at 21.5% of sales, is € 163.5 million, an increase of 5.6% over the preceding year.
- **Net income** at 15.3% of sales is € 116.4 million, an increase of 7.2%, higher than that recorded by operating income thanks to lower financial expenses and a lower tax rate.
- **Net financial position\*** at 31 December 2011 records a net debt of € 55.7 million following the acquisition of the Turkish company Frik İlaç and of the new product Procto-Glyvenol® in addition to the payment of dividends for a total of € 93.1 million.

\* Cash and short-term financial investments net of bank overdrafts and medium/long-term loans which include the measurement at fair value of hedging derivatives (fair value hedge).

**Management comments**

“During the year just ended important results were obtained to support the growth and further internationalization of the group”, declared Giovanni Recordati, Chairman and CEO. “The acquisition of Dr. F. Frik İlaç A.Ş., a Turkish pharmaceutical company with headquarters in Istanbul, was successfully concluded. This is the second acquisition Recordati has made in Turkey, where it acquired Yeni İlaç in December 2008. The full rights to the product Procto-Glyvenol®, indicated for the localized treatment of hemorrhoids, were acquired from Novartis Consumer Health for a number of countries, mainly in

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Central and Eastern Europe. The European roll-out of Livazo® (pitavastatin), a novel statin indicated for the reduction of elevated levels of cholesterol, started with its launches in Spain and in Portugal. Orphan Europe, Recordati's subsidiary dedicated to treatments for rare diseases, received European approval to extend the use of Carbaglu® (carglumic acid) to treat hyperammonaemia due to either of the three main organic acidaemias. For 2012, taking into account the overall slow-down of the economy in Europe and the difficulty in estimating the impact of the new pharmaceutical cost containment measures under discussion, our targets are to achieve sales of between € 810 and € 830 million, operating income of between € 160 and € 170 million and net income of between € 115 and € 120 million."

### **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.

### **Conference call**

Recordati will be hosting a *conference call* **today 9 February 2012** at 4.00 pm Italian time (3.00 pm London time, 10.00 am New York time). The dial-in numbers are:

Italy	+39 02 8058811, toll free 800 089 737
UK	+44 1 212818003, toll free +44 80802389561
USA	+1 718 7058794, toll free 866 63 203 28
France	+33 170918703, toll free +33 808 510
Germany	+49 69 22221528

Callers are invited to dial-in 10 minutes before conference time. If conference operator assistance is required during the connection please digit \* followed by 0 or call +39 02 8061371. A recording of the conference call will be placed on the website [www.recordati.com](http://www.recordati.com).

A set of slides which will be referred to during the call will be available on our website [www.recordati.com](http://www.recordati.com) under Investors/Company Presentations.

*Recordati, established in 1926, is a European pharmaceutical group, listed on the Italian Stock Exchange (Reuters RECI.MI, Bloomberg REC IM, ISIN IT 0003828271), with a total staff of over 2,800, dedicated to the research, development, manufacturing and marketing of pharmaceuticals. It has headquarters in Milan, Italy, operations in the main European countries, and a growing presence in the new markets of Central and Eastern Europe. A European field force of around 1,400 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's current and growing coverage of the European pharmaceutical market makes it a partner of choice for new product licenses from companies which do not have European marketing organizations. Recordati is committed to the research and development of new drug entities within the cardiovascular and urogenital therapeutic areas and of treatments for rare diseases. Consolidated revenue for 2010 was € 728.1 million, operating income was € 154.8 million and net income was € 108.6 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.*