

DIRECTORS' REPORT ON THE PROPOSALS ON THE AGENDA OF THE ORDINARY GENERAL MEETING OF THE SHAREHOLDERS

(19TH APRIL 2012 SINGLE MEETING)

Report on item 1 on the agenda and the relative resolution submitted

1. Board of Directors' Review of Operations; Report of the Board of Statutory Auditors; Financial Statements as at 31st December 2011; relative and consequent resolutions.

To Our Shareholders,

We propose that you approve the following resolutions:

"The ordinary general meeting of the shareholders of Recordati S.p.A.,

- having read the Board of Directors Operational Reviews and the Report of the Board of Statutory Auditors;
- having acknowledged the certification reports of the firm of auditors, one of which relating to the separate company annual report and the other to the consolidated annual report;

resolves

- to approve the Board of Directors' Operational Review;
- to approve the separate annual financial statements as at 31.12.2011;
- to distribute to shareholders a dividend of € 0.10 on each ordinary share, calculated on the basis of a unit dividend, that will be applied to the number of ordinary shares outstanding on the ex dividend date and therefore excluding treasury stock held in portfolio by the Company on that date, as the balance on the interim dividend paid for 2011 of € 0.20. The total dividend per share for 2011 will therefore be € 0.30;
- to allocate the remaining net income to the extraordinary reserve;
- to grant a mandate to the Chairman of the Board of Directors to ascertain, in due time, the amount of the net income distributed and the net income allocated to the extraordinary reserve, in relation to the final number of shares on which a dividend is paid;
- to pay the dividend from 26th April 2012 on coupon No. 9 with ex dividend date of 23rd April 2012. "

Milan, 7th March 2012

On behalf of the Board of Directors
the Chairman and Chief Executive Officer
Giovanni Recordati