

RECORDATI REPORTS EXCELLENT RESULTS IN THE FIRST HALF 2014. SALES +6.3%, OPERATING INCOME +18.8% AND NET INCOME +18.1%.

- Consolidated revenue € 507.6 million, + 6.3%.
- EBITDA⁽¹⁾ € 141.9 million, + 18.2%
- Operating income € 121.8 million, + 18.8%.
- Net income € 83.0 million, + 18.1%.
- Net financial position⁽²⁾: net debt of € 211.0 million.
- Vitaros®, an innovative product for the treatment of erectile dysfunction licensed in from Apricus Biosciences.
- Acquisition of a further 23% of the share capital of Opalia Pharma S.A. in Tunisia.
- Subsequent events: Orphan drug designation granted to Carbaglu® for the treatment of organic acidemias in the U.S.A..

Milan, 29 July 2014 – The Board of Directors of Recordati S.p.A. approved the Group's consolidated results for the first half 2014 prepared in accordance with International Accounting Standards and International Financial Reporting Standards (IAS/IFRS) and in particular as per IAS 34 requirements for interim reporting. These financial statements will be available today at the company's offices and on the company's website: http://www.recordati.com/rec_en/investors/reports/ and can also be viewed on the authorized storage system 1Info (www.1Info.it). The independent auditors' report on the consolidated condensed half-year financial statements will be available within the legal deadline at the company's offices and on the company's website www.recordati.it.

Financial highlights

- **Consolidated revenue** in the first half 2014 is € 507.6 million, up by 6.3% compared to the same period of the preceding year. International sales grow by 8.6%.
- **EBITDA⁽¹⁾**, at 27.9% of sales, is € 141.9 million, an increase of 18.2% over the same period of the preceding year.
- **Operating income**, at 24.0% of sales, is € 121.8 million, an increase of 18.8%.
- **Net income**, at 16.4% of sales, is € 83.0 million, an increase of 18.1% over the first half of 2013.
- **Net financial position⁽²⁾** at 30 June 2014 records a net debt of € 211.0 million. **Shareholders' equity** increases to € 772.1 million.

⁽¹⁾ Earnings before interest, taxes, depreciation and amortization.

⁽²⁾ Cash and short-term financial investments less bank overdrafts and medium/long-term loans which include the measurement at fair value of hedging derivatives (fair value hedge).

Business development news

In February an exclusive license agreement was entered into with Apricus Biosciences Inc., a pharmaceutical company based in San Diego, U.S.A., for the marketing and sales of Vitaros® (alprostadil), an innovative topical product for the treatment of erectile dysfunction, in certain W. RECORDATI INDUSTRIA CHIMICA E FARMACEUTICA S.p.A.

European countries including, among others, Spain, EU member countries in Central and Eastern Europe, Russia, Ukraine and the Commonwealth of Independent States (C.I.S.), Turkey and certain African countries. Vitaros[®] is approved for the treatment of erectile dysfunction by a number of European health authorities and by Health Canada. Vitaros[®] is a topically-applied cream formulation of alprostadil, a vasodilator, which directly increases blood flow to the penis, causing an erection. Alprostadil is an alternative to the PDE-5 inhibitors for difficult to treat patients and Vitaros[®] offers a patient-friendly form versus other alprostadil dosage forms.

In May the acquisition of a further 23% of the share capital of Opalia Pharma S.A., a Tunisian pharmaceutical company with headquarters in Ariana, near Tunis, was successfully concluded. This second tranche consists of share capital held by Tunisian shareholders. In October 2013, following permission received from the Tunisian anti-trust authorities, 67% of the share capital of Opalia Pharma S.A. held by non-Tunisian shareholders was acquired. An amount of € 22.6 million were paid at the closing. In May 2014, following permission granted by the *Commission Supérieure des Investissements* in Tunisia, a further 23% of the share capital of Opalia Pharma S.A. was acquired. The price of this portion of shares is of around € 5.9 million of which € 4.3 million already paid. Consequently, as of today Recordati holds 90% of the share capital of Opalia Pharma S.A., while the remaining 10% is held by Mrs. Alya El Hedda, one of the founders of Opalia Pharma S.A. and current General Manager of the company.

Stock options granted

As per article 84-bis of Consob Regulation 11971/99 ("Issuers' Regulations") we furthermore inform that the Board of Directors, as proposed by the Remuneration Committee in its meeting of 23 July 2014, resolved to grant 6,095,000 stock options under the 2014-2018 Stock Option Plan approved by the Shareholders' Meeting of 17 April 2014, to 142 employees of Recordati S.p.A. and its subsidiaries (see table attached). The options may be exercised only if certain consolidated net income objectives are reached. The strike price, calculated by averaging the market price of the share over the period between the date of grant and the same day of the preceding month, is fixed at € 12.29. The characteristics of the plan are described in the information document comprising the object of the fifth point of the Board's explanatory report on the 17 April 2014 Shareholder Meeting's Agenda and are available on the company's website:

http://www.recordati.it/investors/shareholders_meetings/2014sm.aspx?sc_lang=en

Conference call

Recordati will be hosting a *conference call* **today 29 July 2014** 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 800 213 858
UK	+44 1 212818003, toll free 800 0156384
USA	+1 718 7058794, toll free 855 2656959
France	+33 170918703
Germany	+49 65 255114451

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.

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

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 around 4,000, 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 North Africa and in the United States of America. 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 within the urogenital therapeutic area and of treatments for rare diseases. Consolidated revenue for 2013 was € 941.6 million, operating income was € 195.4 million and net income was € 133.7 million.

For further information:

Recordati website: www.recordati.com

Investor Relations

Marianne Tatschke

(39)0248787393

e-mail: inver@recordati.it

Media Relations

Studio Noris Morano

(39)0276004736, (39)0276004745

e-mail: norismorano@studionorismorano.com

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	First half 2014	First half 2013	Change %
REVENUE	507,621	477,734	6.3
Cost of sales	(171,038)	(165,660)	3.2
GROSS PROFIT	336,583	312,074	7.9
Selling expenses	(145,558)	(143,055)	1.7
Research and development expenses	(40,698)	(37,949)	7.2
General & administrative expenses	(28,065)	(26,629)	5.4
Other income (expenses), net	(466)	(1,885)	(75.3)
OPERATING INCOME	121,796	102,556	18.8
Financial income (expenses), net	(8,772)	(6,853)	28.0
PRE-TAX INCOME	113,024	95,703	18.1
Provision for income taxes	(29,979)	(25,408)	18.0
NET INCOME	83,045	70,295	18.1
Attributable to:			
Equity holders of the parent	83,042	70,287	18.1
Minority interests	3	8	(62.5)

EARNINGS PER SHARE	First half 2014	First half 2013	Change %
Basic	€ 0.409	€ 0.350	16.9
Diluted	€ 0.393	€ 0.331	18.7

Earnings per share (EPS) are based on average shares outstanding during each year, 202.930.868 in 2014 and 201.053.272 in 2013, net of average treasury stock which amounted to 6.194.288 shares in 2014 and to 8.071.884 shares in 2013.

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

COMPOSITION OF REVENUE	First half 2014	First half 2013	Change %
Total revenue	507,621	477,734	6.3
Italy	123,066	123,562	(0.4)
International	384,555	354,172	8.6

Pending the completion of independent audit.

RECORDATI GROUP

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

ASSETS	30.06.2014	31.12.2013
Property, plant and equipment	82,724	81,288
Intangible assets	283,646	295,498
Goodwill	469,740	468,807
Equity investments	7,625	5,939
Non-current receivables	4,160	4,256
Deferred tax assets	27,274	25,205
TOTAL NON-CURRENT ASSETS	875,169	880,993
Inventories	136,137	140,430
Trade receivables	192,322	179,775
Other receivables	23,402	24,979
Other current assets	7,516	5,363
Short-term financial investments, cash and cash equivalents	117,194	52,271
TOTAL CURRENT ASSETS	476,571	402,818
TOTAL ASSETS	1,351,740	1,283,811

EQUITY AND LIABILITIES	30.06.2014	31.12.2013
Share capital	26,141	26,141
Capital in excess of par value	83,719	83,719
Treasury stock	(29,555)	(37,791)
Hedging reserve	(3,781)	(2,270)
Translation reserve	(41,363)	(42,853)
Other reserves	26,527	25,776
Retained earnings	627,348	559,878
Net income for the period	83,042	133,678
Interim dividend	0	(44,526)
GROUP SHAREHOLDERS' EQUITY	772,078	701,752
Minority interest	71	68
SHAREHOLDERS' EQUITY	772,149	701,820
Loans due after one year	213,101	196,788
Employees' termination pay	16,778	16,698
Deferred tax liabilities	20,257	21,072
Other non-current liabilities	4,820	4,040
TOTAL NON-CURRENT LIABILITIES	254,956	238,598
Trade payables	106,837	107,156
Other payables	58,687	71,193
Tax liabilities	13,709	15,951
Other current liabilities	683	855
Provisions	25,837	29,454
Fair value of hedging derivatives (cash flow hedge)	3,781	2,270
Fair value of hedging derivatives (fair value hedge)	3,018	2,210
Loans due within one year	85,152	80,280
Bank overdrafts	26,931	34,024
TOTAL CURRENT LIABILITIES	324,635	343,393
TOTAL EQUITY AND LIABILITIES	1,351,740	1,283,811

Pending the completion of independent audit.

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.

TABLE No.1 of outline 7 of Annex 3 A of Regulation No. 11971/1999

NAME OR CATEGORY	POSITION	FRAME 2							
		Stock Options							
		SECTION 1							
		Options relating to currently valid plans, approved on the basis of previous shareholders' resolutions							
		Date of the shareholders' resolution	Description of instrument	Options held as at 27 th July 2014	Options exercised since beginning of the plan until 27 July 2014****	Date of grant by BoD	Exercise price €	Market price of the underlying financial instruments on the grant date (official price) €	Exercise period (from to) ***
Giovanni Recordati	Chairman, CEO and General Manager *	06/04/2006	Options on Recordati S.p.A shares with physical delivery	75,000	2006-2009 Plan: 225,000 2010-2013 Plan: 180,000	27/10/2009	4.87	5.1138	9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	180,000		09/02/2011	6.7505	6.77	2015** - 31.12.2019 (3 th tranche) 2016** - 31.12.2019 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	360,000		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche) 2017** - 31.12.2020 (4 th tranche)
Alberto Recordati	Vice Chairman *	06/04/2006	Options on Recordati S.p.A shares with physical delivery	112,500	2006-2009 Plan: 37,500 2010-2013 Plan: 0	27/10/2009	4.87	5.1138	9.05.2012 - 31.12.2014 (2 nd tranche) 9.05.2013 - 31.12.2014 (3 rd tranche) 9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	180,000		09/02/2011	6.7505	6.77	2013** - 31.12.2019 (1 st tranche) 2014** - 31.12.2019 (2 nd tranche) 2015** - 31.12.2019 (3 rd tranche) 2016** - 31.12.2019 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	180,000		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche) 2017** - 31.12.2020 (4 th tranche)
Andrea Recordati	Director and COO*	06/04/2006	Options on Recordati S.p.A shares with physical delivery	25,000	2006-2009 Plan: 75,000 2010-2013 Plan: 0	27/10/2009	4.87	5.1138	9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	130,000		09/02/2011	6.7505	6.77	2013** - 31.12.2019 (1 st tranche) 2014** - 31.12.2019 (2 nd tranche) 2015** - 31.12.2019 (3 rd tranche) 2016** - 31.12.2019 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	130,000		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche)

									2017** - 31.12.2020 (4 th tranche)
Fritz Squindo	Director *	06/04/2006	Options on Recordati S.p.A shares with physical delivery	50,000	2006-2009 Plan: 100,000 2010-2013 Plan: 0	27/10/2009	4.87	5.1138	9.05.2013 - 31.12.2014 (3 rd tranche) 9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	180,000		09/02/2011	6.7505	6.77	2013** - 31.12.2019 (1 st tranche) 2014** - 31.12.2019 (2 nd tranche) 2015** - 31.12.2019 (3 rd tranche) 2016** - 31.12.2019 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	180,000		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche) 2017** - 31.12.2020 (4 th tranche)

* This person is a beneficiary of Stock Option Plans not as a member of Board of Directors of Recordati S.p.A., but as a member of the management personnel of the Company.

** Thirty days following the shareholders meeting held to approve the annual report of the previous year.

*** Tranches of options which have already vested and which have not yet been exercised subsequent to vesting may be exercised before and not later than the end of the fifth (2006-2009 Plan) /eighth (2010-2013 Plan) financial year following that in which the Board of Directors granted the options. Furthermore, each tranche consists of 25% of the options granted to the Participant.

**** Options of exercised granting are excluded.

TABLE No.1 of outline 7 of Annex 3A of Regulation No. 11971/1999

NAME OR CATEGORY	POSITION	FRAME 2							
		OPTIONS (option grant)							
		SECTION 1							
		Options relating to currently valid plans, approved on the basis of previous shareholders' resolutions							
		Date of the shareholders' resolution	Description of instrument	Options held as at 27 th July 2014	Options exercised since beginning of the plan until 27 th July 2014***	Date of grant by BoD	Exercise price €	Market price of underlying financial instruments on the grant date (official price.) €	Exercise period (from to) *
N. 2 Key management personnel		06/04/2006	Options on Recordati S.p.A shares with physical delivery	30,000	2006-2009 Plan: 90,000	27/10/2009	4.87	5.1138	9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	112,500	2010-2013 Plan: 37,500	09/02/2011	6.7505	6.77	2014** - 31.12.2019 (2 nd tranche) 2015** -31.12.2019 (3 rd tranche) 2016** - 31.12.2019 (4 th tranche)

		13/04/2010	Options on Recordati S.p.A shares with physical delivery	270,000		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche) 2017** - 31.12.2020 (4 th tranche)
Other senior managers		06/04/2006	Options on Recordati S.p.A shares with physical delivery	303,750	2006-2009 Plan: 2,446,250 2010-2013 Plan: 1,482,500	27/10/2009	4.87	5.1138	9.05.2012 - 31.12.2014 (2 nd tranche) 9.05.2013 - 31.12.2014 (3 rd tranche) 9.05.2014 - 31.12.2014 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	1,622,500		09/02/2011	6.7505	6.77	2013** - 31.12.2019 (1 st tranche) 2014** - 31.12.2019 (2 nd tranche) 2015** - 31.12.2019 (3 rd tranche) 2016** - 31.12.2019 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	2,627,500		08/05/2012	5.307	5.1824	2014** - 31.12.2020 (1 st tranche) 2015** - 31.12.2020 (2 nd tranche) 2016** - 31.12.2020 (3 rd tranche) 2017** - 31.12.2020 (4 th tranche)
		13/04/2010****	Options on Recordati S.p.A shares with physical delivery	210,000		17/04/2013	7.16	7.35	2015** - 31.12.2021 (1 st tranche) 2016** - 31.12.2021 (2 nd tranche) 2017** - 31.12.2021 (3 rd tranche) 2018** - 31.12.2021 (4 th tranche)
		13/04/2010	Options on Recordati S.p.A shares with physical delivery	360,000		30/10/2013	8.93	9.4005	2015** - 31.12.2021 (1 st tranche) 2016** - 31.12.2021 (2 nd tranche) 2017** - 31.12.2021 (3 rd tranche) 2018** - 31.12.2021 (4 th tranche)

* Tranches of options which have already vested and which have not yet been exercised subsequent to vesting may be exercised before and not later than the end of the fifth (2006-2009 Plan) /eighth (2010-2013 Plan) financial year following that in which the Board of Directors granted the options. Furthermore, each tranche consists of 25% of the options granted to the Participant.

** Thirty days following the shareholders meeting held to approve the annual report of the previous year.

*** Options of exercised granting are excluded.

**** Options granted only in favor of the personnel of the American subsidiary Recordati Rare Diseases Inc.

TABLE No.1 of outline 7 of Annex 3A of Regulation No. 11971/1999

NAME OR CATEGORY	POSITION	FRAME 2						
		OPTIONS (option grant)						
		SECTION 2						
		Newly assigned Options on the basis of a decision of the Board of Directors to implement the shareholders' resolution, as recommended by the Remuneration Committee						
Date of shareholder resolution	Description of the instrument	Number of option	Date of grant by the BoD	Exercise price (€)	Market price of the financial instruments on the grant date (official price) ****	Exercise price (***)		
Giovanni Recordati	Chairman, CEO and General Manager *	17/04/2014	Options on Recordati S.p.A shares with physical delivery	360,000	29/7/2014 (BoD) 23/7/2014 (Remuneration Committee)	12.29	11.917	2016** - 31.12.2022 (1 st tranche) 2017** - 31.12.2022 (2 nd tranche) 2018** - 31.12.2022 (3 rd tranche) 2019** - 31.12.2022 (4 th tranche)
Alberto Recordati	Vice Chairman *	17/04/2014	Options on Recordati S.p.A shares with physical delivery	180,000	29/7/2014 (BoD) 23/7/2014 (Remuneration Committee)	12.29	11.917	2016** - 31.12.2022 (1 st tranche) 2017** - 31.12.2022 (2 nd tranche) 2018** - 31.12.2022 (3 rd tranche) 2019** - 31.12.2022 (4 th tranche)
Andrea Recordati	Director and COO *	17/04/2014	Options on Recordati S.p.A shares with physical delivery	180,000	29/7/2014 (BoD) 23/7/2014 (Remuneration Committee)	12.29	11.917	2016** - 31.12.2022 (1 st tranche) 2017** - 31.12.2022 (2 nd tranche) 2018** - 31.12.2022 (3 rd tranche) 2019** - 31.12.2022 (4 th tranche)
N. 2 Key management personnel		17/04/2014	Options on Recordati S.p.A shares with physical delivery	275,000	29/7/2014 (BoD) 23/7/2014 (Remuneration Committee)	12.29	11.917	2016** - 31.12.2022 (1 st tranche) 2017** - 31.12.2022 (2 nd tranche) 2018** - 31.12.2022 (3 rd tranche) 2019** - 31.12.2022 (4 th tranche)
Other senior managers (137)		17/04/2014	Options on Recordati S.p.A shares with physical delivery	5,100,000	29/7/2014 (BoD) 23/7/2014 (Remuneration Committee)	12.29	11.917	2016** - 31.12.2022 (1 st tranche) 2017** - 31.12.2022 (2 nd tranche) 2018** - 31.12.2022 (3 rd tranche) 2019** - 31.12.2022 (4 th tranche)

* This person is a beneficiary of Stock Option Plans not as a member of Board of Directors of Recordati S.p.A., but as a member of the management personnel of the Company.
 ** Thirty days following the shareholders meeting held to approve the annual report of the previous year.
 *** Each tranche consists of 25% of the Options granted to the Participant.
 **** Official price on the day before the grant date (28th July 2014)