

EASTPHARMA LTD.

London, 4 May 2017 - EastPharma (EAST LI) announces that it will be releasing its Q1 2017 sales performance and a review of its main subsidiary DEVA Holding's unaudited financial statements for the related period.

Management comment on the sales performance of EastPharma is provided in the attachment, and a presentation of the results will be available on the EastPharma website www.eastpharma.com on 5 May 2017.

A conference call to review the Q1 2017 sales performance will be hosted by the management of EastPharma at 12:00-noon London time on **5 May 2017** (07:00am New York time / 01:00-pm Zurich time / 02:00pm Istanbul time). The dial-in details are provided below.

Conference call:

Dial-in Number (UK): + 44 (0)20 7162 0077

Dial-in Number (US): + 1 646 851 2407

Dial-in Number (Switzerland): + 41 (0)434 5692 61

Dial-in Number (Germany): + 49 (0)695 8999 0507

Conference ID: 961814

For further information, please contact:

Investor Relations:

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MANAGEMENT COMMENTS ON EASTPHARMA'S SALES PERFORMANCE IN Q1 2017 (IFRS):

According to IFRS results, revenue in Q1 2017 was USD 58.6mn, down 8.0% from the same period in 2016 (USD 63.7mn). In Turkish Lira terms, revenue increased by 15.5% in the same period (net sales in Q1 2017 were TRY 216.4mn vs TRY 187.4mn net sales in Q1 2016).

The average US Dollar exchange rate strengthened by 25.6% against the Turkish Lira to 3.6928 in Q1 2017, which compares with an average rate of 2.9409 in Q1 2016. The USD/TRY exchange rate was 3.6386 on 31 March 2017, while it was 3.5192 on 31 December 2016, which corresponds to an increase of 3.4%.

EastPharma's sales decrease in US dollar terms was mainly due to depreciation of Turkish Lira against hard currencies. In Q1 2017 versus Q1 2016, Human Pharma revenues in US dollar terms decreased by 7.2% (from USD 58.2mn to USD 54.0mn). In TRY terms, increased by 16.5% (from TRY 171.2mn to TRY 199.4mn). Veterinary products revenues in US dollar terms decreased by 7.4% (from USD 4.71mn to USD 4.36mn). In TRY terms, increased by 16.1% (from TRY 13.86mn to TRY 16.09mn).

MANAGEMENT COMMENTS ON CAPITAL MARKET BOARD (CMB) FINANCIAL PERFORMANCE FOR DEVA Q1 2017:

Deva's Capital Markets Board (CMB) results show revenue in Q1 2017 was TRY 219.2mn, up 14.9% from the same period in 2016 (TRY 190.8mn).

Deva's sales increase was mainly achieved by both increased volumes at human pharma businesses and price increase which was effective as of 20 February 2017. In Q1 2017 versus Q1 2016, Human Pharma revenue increased by 15.7% (from TRY 174.7mn to TRY 202.1mn). Veterinary business revenue increased by 16.1% compared to the Q1 2016 (from TRY 13.86mn to TRY 16.09mn).

Deva's gross profit in Q1 2017 was TRY 94.7mn, up from TRY 79.0mn in Q1 2016. The gross profit margin in Q1 2017 was 43% vs 41% in Q1 2016.

EBITDA in Q1 2017 was TRY 44.7mn vs TRY 41.3mn in Q1 2016 representing an EBITDA margin of 20.4% vs 21.7% in Q1 2016.

Operating expenses in Q1 2017 increased by 24.2%, from TRY 45.1mn to TRY 56.0mn. The ratio of operating expenses to revenues increased to 25.6% from 23.7% compared to Q1 2016. Sales and marketing expenses in Q1 2017 were 13.4% of revenues; general administrative expenses were 8.2% of revenues; research and development expenses were 3.9% of revenues. These expenses were 13.1%, 6.5% and 4.1% in Q1 2016, respectively.

Finance expenses increased by TRY 1.97mn, from TRY 13.06mn to TRY 15.03mn in Q1 2017 compared to Q1 2016. Foreign exchange losses and loss on derivatives increased by TRY 1.78mn, bank loan and bond issued interests increased by TRY 0.1mn and other finance expenses increased by TRY 0.09mn. Average TRY interest rate decreased to 11.2% in Q1 2017 from 13.2% in Q1 2016.

Receivable days at 31 March 2017 were 100 days, compared to 109 days as at 31 December 2016.

Philipp Haas, EastPharma's Chairman and CEO, stated;

‘The first quarter of this year proved to be very challenging in terms of market dynamics. In the period up to around 10% price increase, the chain, pharmacies and wholesalers, used the old, lower prices to stock up and after the price increase, demand was very sluggish. The main impact on our results, however, was again the currency, especially when we compare to the first quarter of 2016. Through careful cost management, we were able to slightly increase our gross profit margin, even though sales decreased in USD terms, as stronger sales in Turkish Lira terms show our real, underlying operating improvements.’

EastPharma Ltd - a company active in the manufacturing and marketing of pharmaceutical products in Turkey and in other regional markets; for further information please visit www.eastpharma.com