

EASTPHARMA LTD.

London, 12 May 2014 - EastPharma (EAST LD), a company active in the manufacturing and marketing of pharmaceutical products in Turkey and in other regional markets, announces its Q1 2014 sales performance and a review of its main subsidiary DEVA Holding's 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.eastpharmaltd.com on 13 May 2014.

A conference call to review the Q1 2014 sales performance will be hosted by the management of EastPharma at 4:00pm London time on **13 May 2014** (11:00am New York time / 5:00pm Zurich time / 6:00pm Istanbul time). The dial-in details are provided below.

Conference call:

Participant Std International Dial-In:

United Kingdom: +44 (0) 14 5255 5566
United States: +1 631 510 7498

Participant Local Dial-In:

Switzerland, Baden: 0565800007
Germany, Frankfurt: 06922224918

Conference ID: 40395638

For further information, please contact:

Investor Relations:

email: ir@eastpharmaltd.com

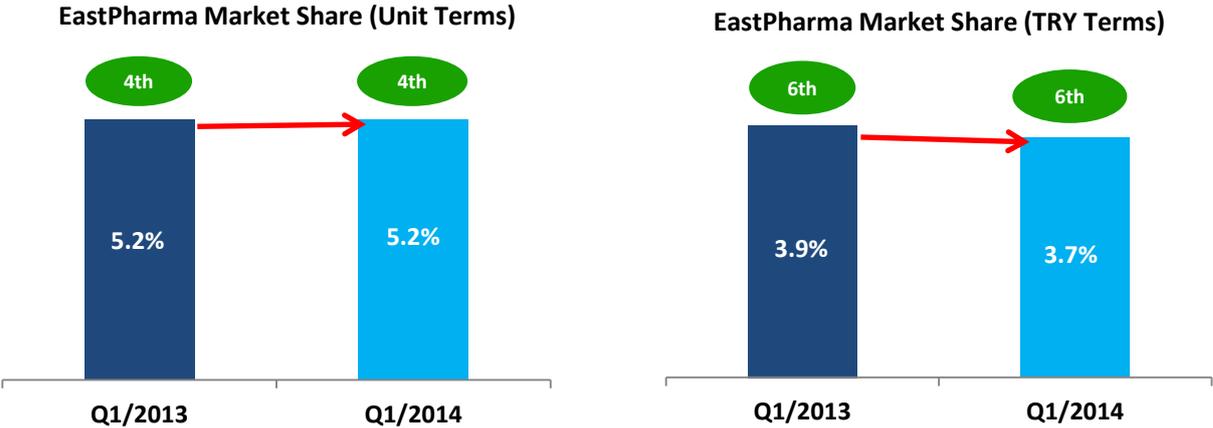
SALES UPDATE AND MANAGEMENT REVIEW

EASTPHARMA’S PERFORMANCE (According to IMS data) COMPARED TO TURKEY’S OVERALL Q1 2014 MARKET PERFORMANCE

According to IMS Health data, a total of 483.86mn units of drugs, worth TRY 4.25bn, were sold in the Turkish Pharmaceutical market in Q1 2014 (Q1 2013; 461.98mn units of drugs, worth TRY 3.87bn).

EastPharma maintained its 5.2% market share in unit terms and the company maintained its 4th place ranking in the Turkish pharmaceutical market.

EastPharma’s market share by value decreased to 3.7% in Q1 2014 from 3.9% in Q1 2013 in the Turkish pharmaceutical market and the company maintained its 6th place in the national ranking.



MANAGEMENT COMMENTS ON EASTPHARMA's SALES PERFORMANCE IN Q1 2014 (IFRS):

According to IFRS results, revenue in Q1 2014 was USD 50mn, down 20.9% from the same period in 2013 (USD 63.2mn). In Turkish Lira terms, revenue decreased by 1.6% in the same period (Net sales in Q1 2014 were TRY 110.7mn vs TRY 112.5mn net sales in Q1 2013).

The average US dollar exchange rate strengthened by 24.4% against the Turkish Lira to 2.2146 in Q1 2014, which compares with an average rate of 1.7800 in Q1 2013. The USD/TRY exchange rate was 2.1343 on 31 December 2013, while it was 2.1889 on 31 March 2014, which corresponds to an increase of 2.6%.

EastPharma's sales decrease was mainly due to decreased volumes in Deva's Human Pharma Products businesses and due to the strengthening of the USD against the Turkish Lira. In Q1 2014 versus Q1 2013, Human Pharma revenues in US dollar terms decreased by 26.3% (from USD 59.7mn to USD 44mn).

MANAGEMENT COMMENTS ON CAPITAL MARKET BOARD (CMB) FINANCIAL PERFORMANCE FOR DEVA Q1 2014:

Deva's Capital Markets Board (CMB) results show revenue in Q1 2014 was TRY 112.1mn, down 1.8% from the same period in 2013 (TRY 114.2mn).

Deva's sales decrease was mainly due to decreased volumes in Deva's Human Pharma products businesses. In Q1 2014 versus Q1 2013, Human Pharma revenue decreased by 8.4% (from TRY 107.9mn to TRY 98.8mn). Veterinary business revenue increased by 83% compared to the Q1 2013. (from TRY 6.3mn to TRY 11.5mn)

Deva's gross profit in Q1 2014 was TRY 38.5mn, down from TRY 45.4mn in Q1 2013. The gross profit margin in Q1 2014 was 34% vs 40% in Q1 2013.

EBITDA in Q1 2014 was TRY 16.8mn vs TRY 23.6mn in Q1 2013 representing an EBITDA margin of 15.0% vs 20.7% in Q1 2013.

Operating expenses in Q1 2014 decreased by 1.1%, from TRY 27.6mn to TRY 27.3mn. The ratio of operating expenses to revenues increased to 24.3% from 24.1% compared to Q1 2013. Sales and marketing expenses in Q1 2014 were 17.2% of revenues; general administrative expenses were 6.6% of revenues. These expenses were 17.5% and 6.3% in Q1 2013, respectively.

Finance expenses increased by TRY 7mn, from TRY 5.9mn to TRY 12.9mn in Q1 2014 compared to Q1 2013. This was primarily due to interest cost on borrowings and bonds issued interest and expenses: Total interest related expenses increased by TRY 6.5mn compared to Q1 2013.

Receivable days at 31 March 2014 were 125 days, compared to 134 days as at 31 December 2013.

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

“Operationally, we are very pleased with the first quarter result. Sales exceed budgets slightly and costs were contained. However, the devaluation of the Turkish Lira has presented us with two negative influences. One is the marked decrease in net sales when expressed in US Dollars. The other negative influence was on our margins, given that almost all raw materials are imported and priced in hard currencies. Our organization was well positioned for this crisis with the majority of our debt in Turkish Lira, thereby ensuring that the impact of the devaluation on our financials was

minimal. Nevertheless, as a direct consequence of the devaluation, interest rates in Turkish Lira increased and therefore we did face higher financial costs.

Given that the industry will not get a price increase to compensate for the lower Turkish Lira and even if it did, only a small one, we expect the operating environment to continue to be extremely difficult. We are well placed to confront the challenges with many new product introductions in the pipeline. A stabilization of the Turkish Lira would be very welcome.”