

International pharmaceutical group Recordati announces manufacturing investment in Turkey for domestic and regional markets

Istanbul, February 24, 2014 - Italy's Recordati S.p.A., a leading name in the European pharmaceuticals industry offering a wide range of medicinal products, has announced a manufacturing investment in Turkey of USD 50 million in cooperation with the Investment Support and Promotion Agency of Turkey (ISPAT).

The plant to be built at Cerkezkoy Organized Industrial Zone in the Tekirdag province of northwestern Turkey will supply drugs for various therapeutic purposes at a rate of 80 million packs a year, creating 130 new jobs in the process.

Construction is scheduled to begin in the first quarter of 2014. The complex will spread across an indoor area of 18,000 m² and, once operational by 2017, will comprise office spaces, manufacturing, storage & shipment areas, a power plant, and liquid & solid waste treatment and related technical facilities.

The investment will significantly upgrade Recordati's manufacturing presence in Turkey to meet growing demand and enable the company to better supply markets in Central Asia, the Caucasus and the surrounding region.

Turkey's Minister of Health Dr. Mehmet Müezzinoğlu welcomed Recordati's announcement and said: "The Turkish government considers the pharmaceutical industry 'strategic' and is fully committed to encourage and support further development of the sector. Investment and transfer of know-how in this critical field have our full backing. As a country that has implemented comprehensive healthcare reform ensuring the availability of easily accessible healthcare for its entire population, Turkey welcomes Recordati's investment as a significant contribution to the local pharmaceutical industry and hopes to see more industry leaders following Recordati's footsteps into our country. I am confident of its positive impact on our country and people, and I wish success to this high-tech endeavor."

ISPAT President İlker Aycı noted the close cooperation between ISPAT and Recordati in the realization of the investment Project and said: "The Agency is proud to have supported this Project, which stands out by virtue of its production capacity, potential and high added-value. It is a step toward Turkey's goals for 2023; to be among the world's top 10 economies and achieve an export volume of USD 500 billion. ISPAT takes pride in assisting this investment in our vitally-important pharmaceutical industry."

Andrea Recordati, Chief Operating Officer and Recordati Group Board of Directors Member said: “The Recordati Group is very satisfied with its presence in Turkey after acquiring Yeni İlaç in 2008 and Dr. F. Frik İlaç in 2011. In this country where we have found a strong industrial vocation, competent and professional authorities and an extremely dedicated and qualified workforce. We believe our Turkish subsidiary will be one of the key development drivers for the Group in years to come, and the industrial investment in the new Cerkezkoy plant is a further demonstration of how important we consider the Turkish market in the overall growth strategy of the Recordati Group.”

Praising ISPAT’s efforts to make Turkey a key location for pharmaceutical production, Recordati Turkey General Manager Ismail Yormaz said: “I am fully aware of ISPAT’s hard work to develop local pharmaceutical production capability and am indebted to all ISPAT personnel engaged in this project. Recordati will do its part through this manufacturing investment to offset the import-export imbalance in Turkey’s current account deficit.”

Recordati Group Industrial Director Antonio Magni said: “The complex activities related to a green-field facility project, such as engineering, procurement, manufacturing, technology transfer, validation, law and financial matters, will be carried out through the joint efforts of Turkish and Italian teams. We are grateful to ISPAT for all their kind assistance and support, from the site selection phase to the present day.”

Recordati Group Engineering Manager Giuseppe Ravizzini said: “Designed to be flexible, lean and compact for easy transfer of materials, the Cerkezkoy plant will house both new and relocated equipment from our existing plant. The buildings will be built adjacent to a backbone corridor, connecting the manufacturing area to the warehouse. The plant layout is also designed to facilitate further expansion.”

Italy-based Recordati is a growing pharmaceutical group active mainly in Europe, Turkey and the emerging markets of Central and Eastern Europe, offering specialty medicinal products for a wide range of therapeutic areas including rare diseases.

Marketing products in 135 countries worldwide, Recordati was first established in Turkey in 2008 with the acquisition of Turkish pharmaceutical company Yeni İlaç. In 2011 Recordati expanded its presence in the country by taking over another local company, Dr. F. Frik.

Recordati Turkey employs a total of 657 people in its head office in Esenyurt, Istanbul and a production facility that occupies an area of 11,200 m2., The company is on a strong growth track with 49 products in the Turkish market in 86 forms able to supply 32 million packs per year.

About Recordati

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 the United States of America and in North Africa. 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 drug entities within the cardiovascular and urogenital therapeutic areas 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.

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About ISPAT

The Republic of Turkey Prime Ministry Investment Support and Promotion Agency (ISPAT) is the official organization for promoting Turkey's investment opportunities to the global business community and providing assistance to investors before, during and after their entry into Turkey. ISPAT serves as a reference point for international investors and as a point of contact for all institutions engaged in promoting and attracting investments at national, regional and local levels.



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