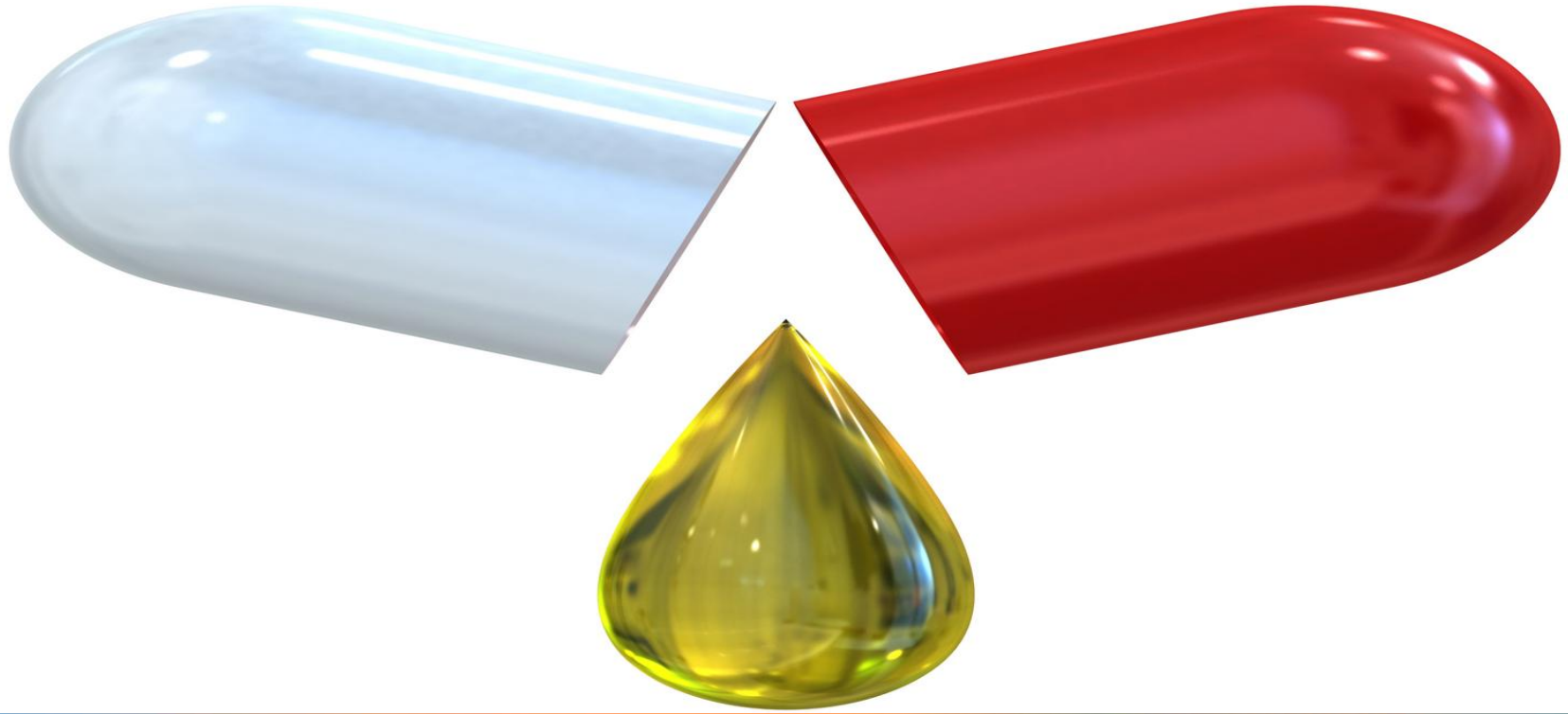


2Q11 EARNINGS



Kursad Duman
Head of Investor Relations and Capital Markets

Contents

- Financial Review
- Operational Review
- A New Scope: Toiletries
- Ownership
- Appendices



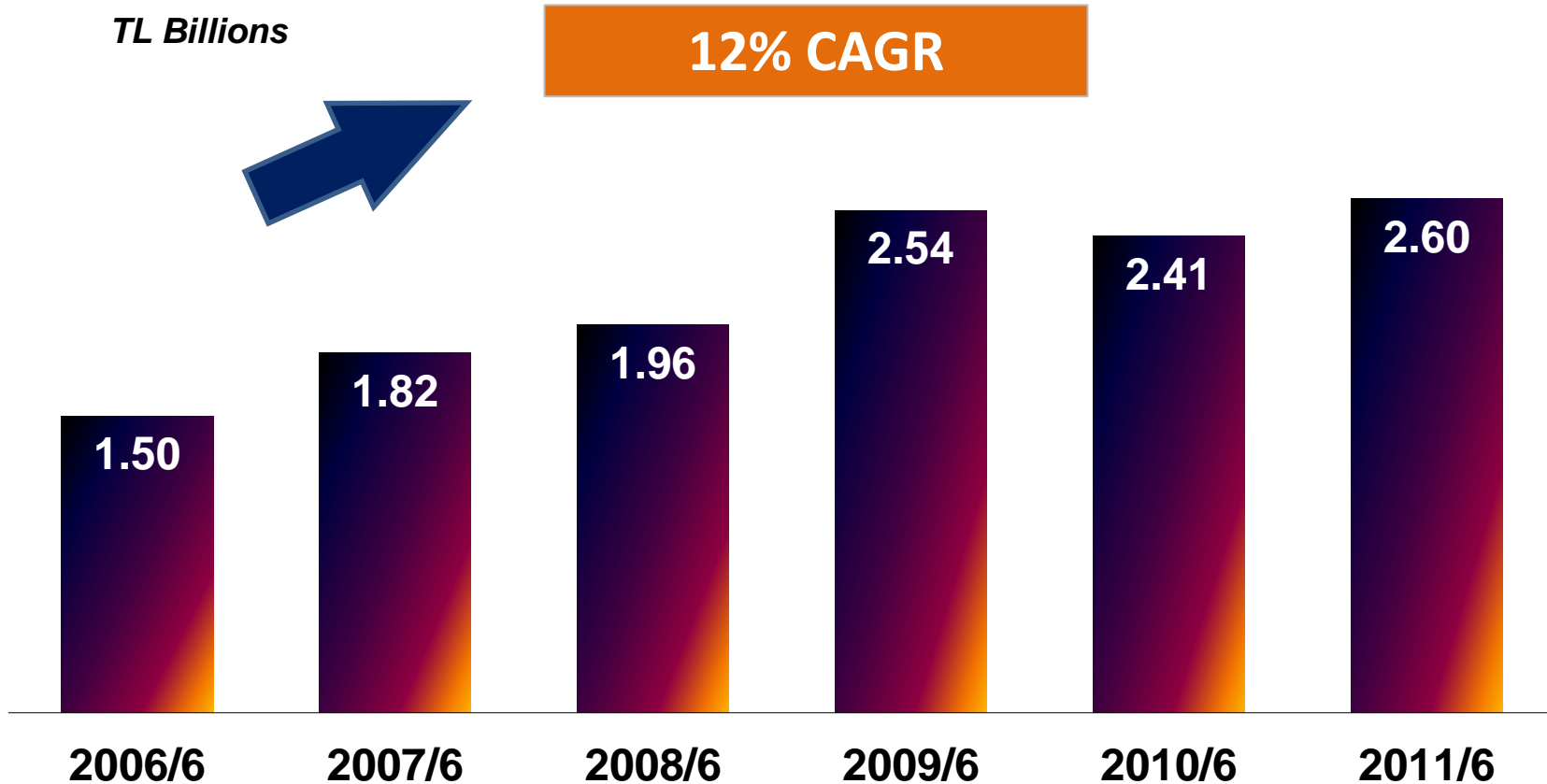
Growth Continues at Topline in 2011...



(TRL in millions except EPS)

	As of June 30,		
	2011	2010	Chg
Revenues	2,594.91	2,408.49	7.74%
Gross Income	182.75	193.35	-5.48%
Gross Margin	7.04%	8.03%	-0.99 pts
EBITDA	71.83	96.63	-25.66%
EBITDA Margin	2.77%	4.01%	-1.24 pts
Net Income	72.02	97.61	-26.22%
Net Income Margin	2.78%	4.05%	-1.27 pts
EPS	0.116	0.157	-26.11%

We have a track record of strong revenue growth...

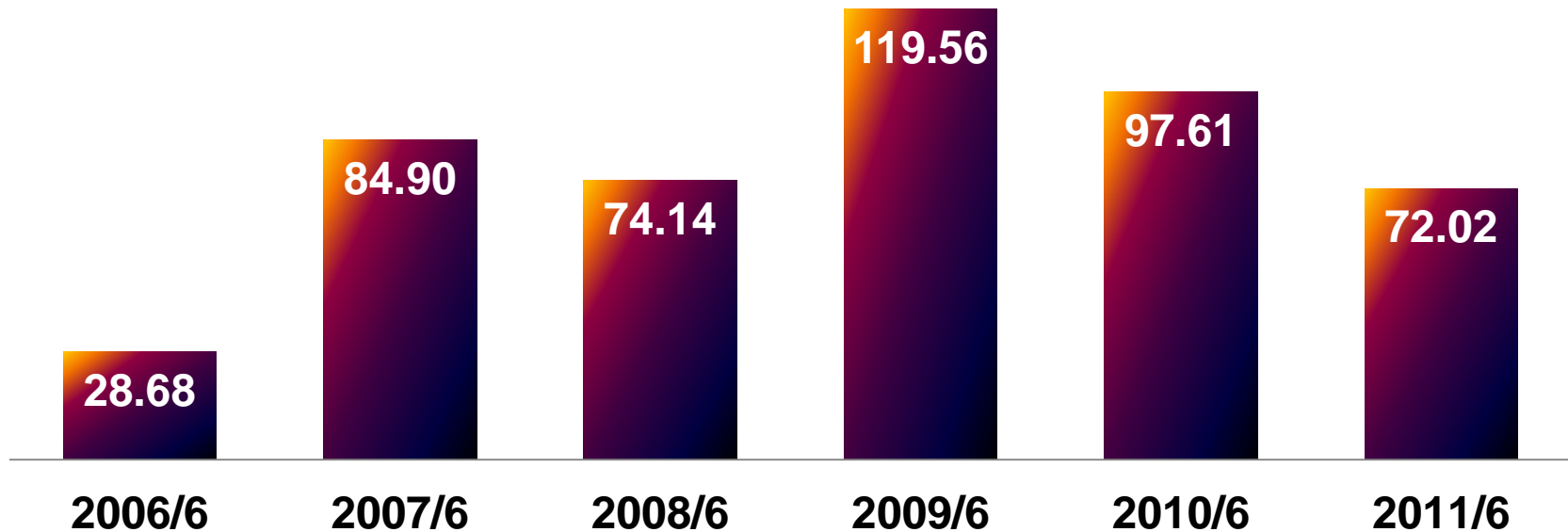


...That We Have Leveraged into higher Income

TL millions



20% CAGR



Working Capital Developments



	FY05	FY06	FY07	FY08	FY09	FY10	1H11
A/R	1,064	1,209	1,303	1,502	1,538	1,538	1,587
Inventories	300	346	387	469	404	545	549
A/P	876	929	1,043	1,234	1,228	1,362	1,397
WC	488	626	647	737	714	721	739
WC/Sales	17.70%	19.88%	17.83%	18.21%	14.20%	14.70%	14.52%

OpEx Improvement



	FY05	FY06	FY07	FY08	FY09	FY10	1H11
Revenue	2,756	3,151	3,628	4,047	5,029	4,902	2,595
# of WHs	91	98	100	100	107	114	116
# of Employees	4,926	4,694	4,554	4,600	4,893	5,162	5,293
OpEx / Sales	4.85%	4.84%	4.49%	4.57%	3.93%	4.28%	4.57%
Personnel / Sales	2.76%	2.86%	2.69%	2.64%	2.39%	2.66%	2.77%
Employee per WH	54	48	46	46	46	45	46
Revenue per Employee (TL)	559,539	671,241	796,743	879,676	1,027,748	949,678	961,393

OpEx Breakdown



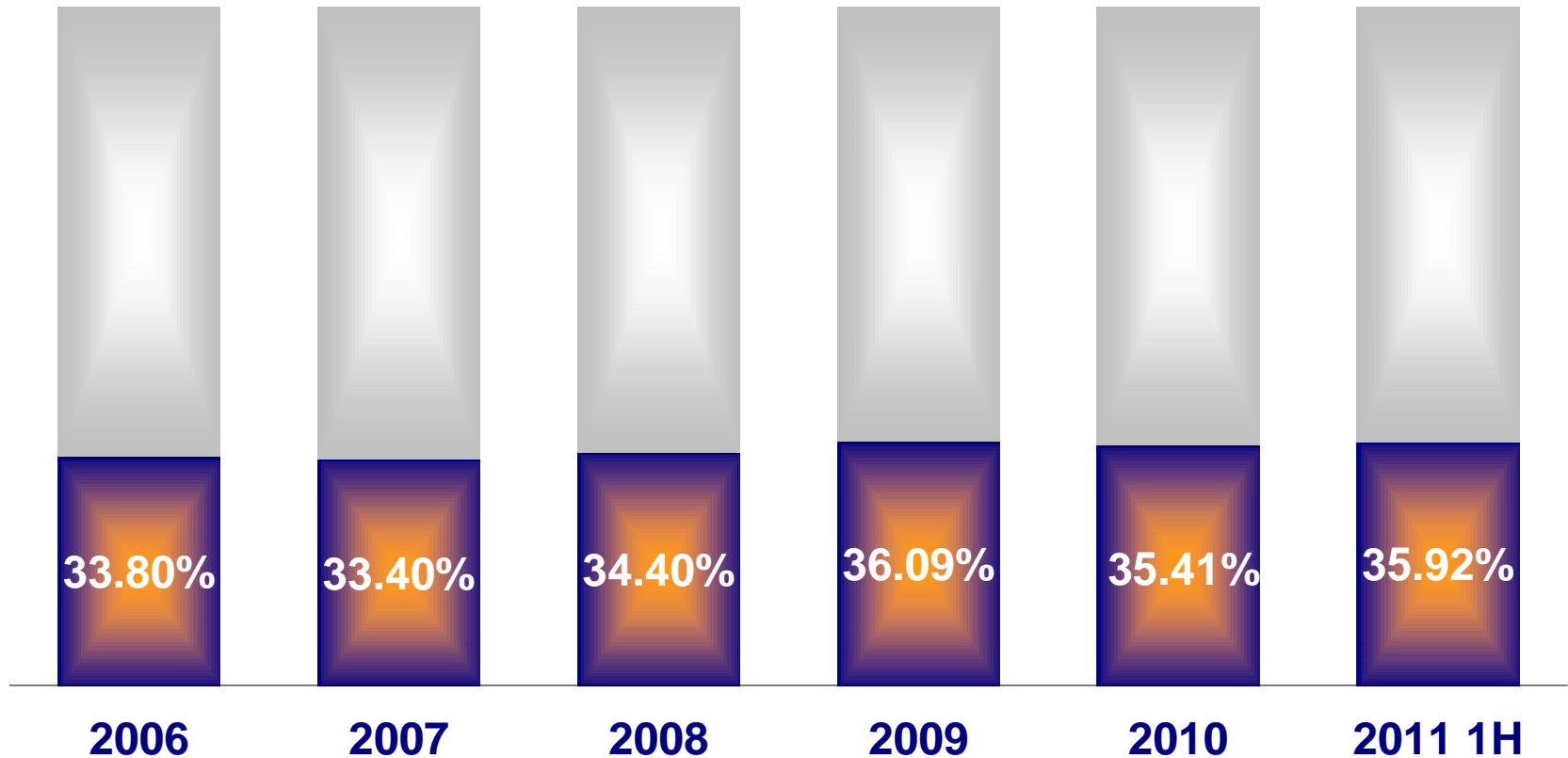
OPERATIONAL EXPENSES	2011	%	2010	%	2011 vs. 2010
Personnel expense	71,997,775	60.65%	63,807,288	61.86%	12.84%
Fuel expense	9,695,040	8.17%	8,115,900	7.87%	19.46%
Outsourcing expense	5,797,528	4.88%	5,138,327	4.98%	12.83%
Transportation expense	5,642,836	4.75%	4,696,403	4.55%	20.15%
Depreciation expense	4,454,836	3.75%	3,672,991	3.56%	21.29%
Other	3,379,649	2.85%	3,646,645	3.54%	-7.32%
Rent expense	3,024,801	2.55%	2,697,701	2.62%	12.13%
Repair and maintenance expense of motor vehicles	3,004,419	2.53%	2,900,748	2.81%	3.57%
Promotion expenses	2,654,276	2.24%	493,345	0.48%	438.02%
Communication expense	2,599,212	2.19%	2,266,870	2.20%	14.66%
Insurance expense	2,217,850	1.87%	1,757,103	1.70%	26.22%
Representation and host expenses	1,477,959	1.25%	879,418	0.85%	68.06%
Stationery expense	1,197,560	1.01%	1,154,289	1.12%	3.75%
Tax expense	902,760	0.76%	768,434	0.74%	17.48%
Advisory and audit fees	348,863	0.29%	359,682	0.35%	-3.01%
Donations and aids	237,939	0.20%	509,579	0.49%	-53.31%
Employment termination benefit expense	75,076	0.06%	289,646	0.28%	-74.08%
Total	118,708,379		103,154,369		15.08%



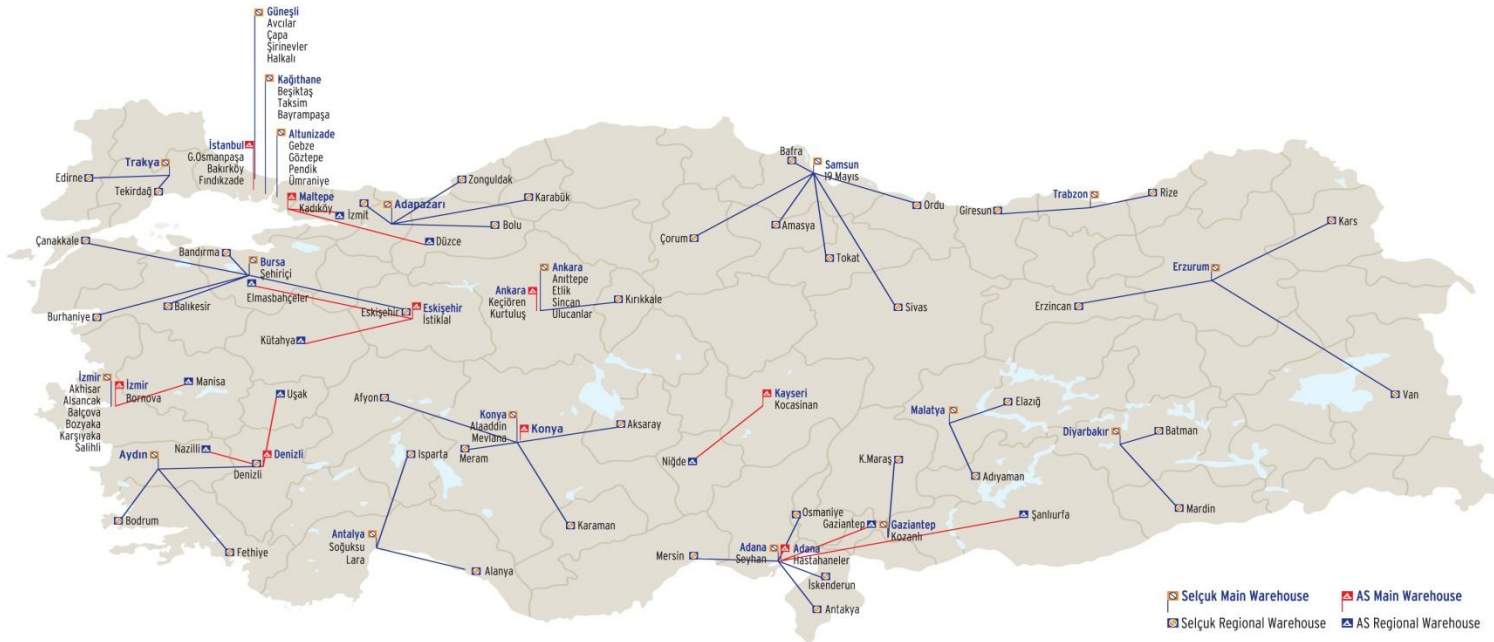
Sustainable growth to Market Leader Position...



Market Share (%)



A progressive network across the Country by over 100 warehouses

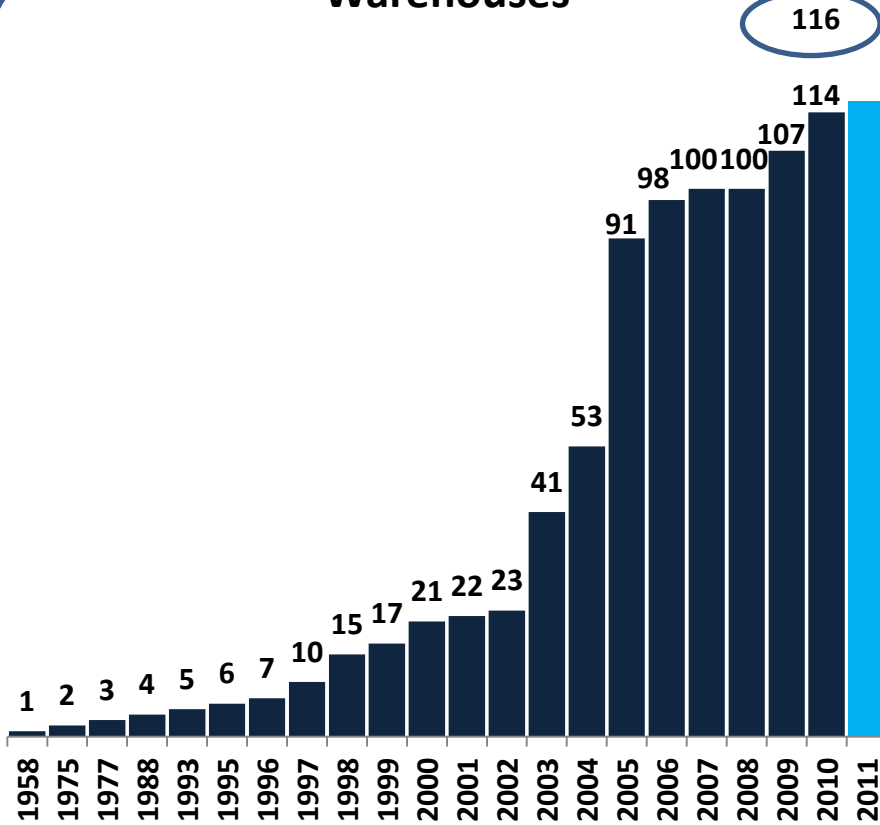


■ Selçuk Main Warehouse ■ AS Main Warehouse
■ Selçuk Regional Warehouse ■ AS Regional Warehouse

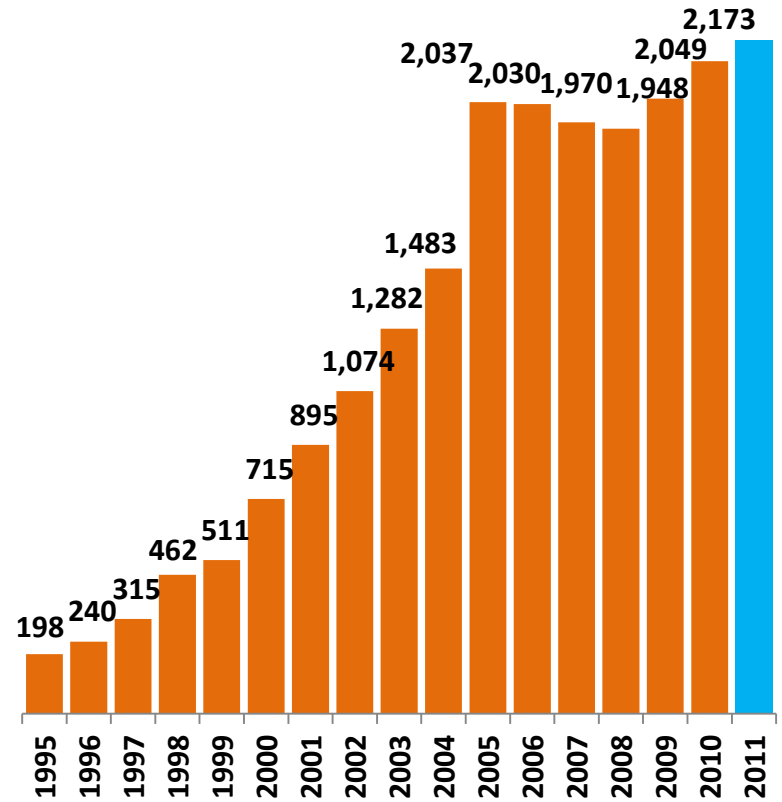
	Main Warehouses	Regional Warehouses	Total
Selçuk Ecza	18	69	87
As Ecza	9	20	29
Group Total	27	89	116

Operational Stats I

Warehouses

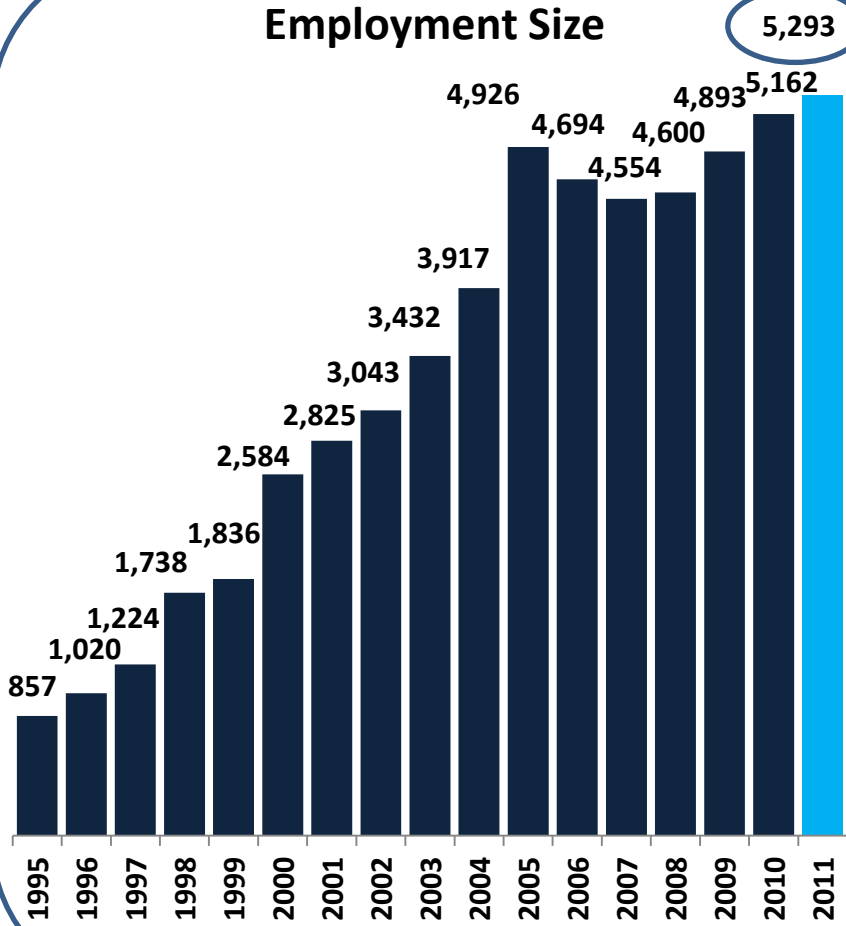


Vehicle Fleet

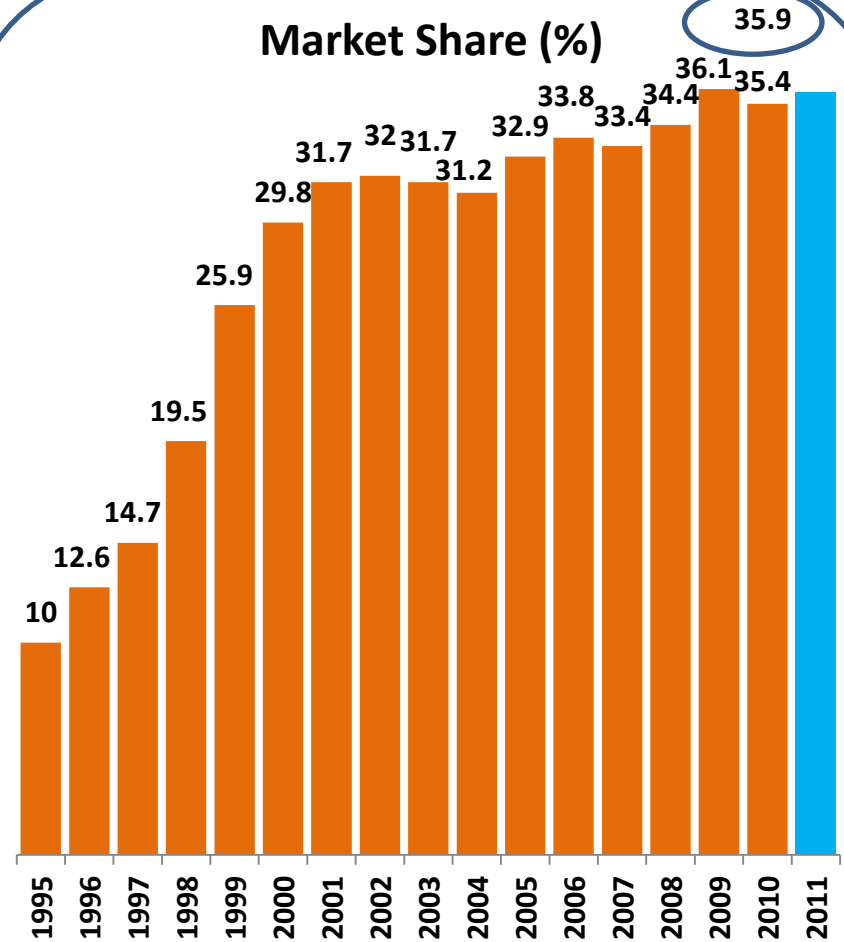


Operational Stats II

Employment Size



Market Share (%)



A New Scope: Toiletry Products

✂ Selcuk Ecza has started to sell/distribute toiletry products (personal care products, cosmetics etc.) by June 1, 2009 and expanded it to all of its warehouses

✂ The market size in Turkey for toiletry products is approximately as of US\$7.5 bn. And almost US\$700-800 mn. of it is pharmacies' share

✂ Selcuk Ecza estimates an additional turnover of 4-5% for 2011 for this segment amounting to 250 mn. TRL. while medium term target is around 500 mn TRL

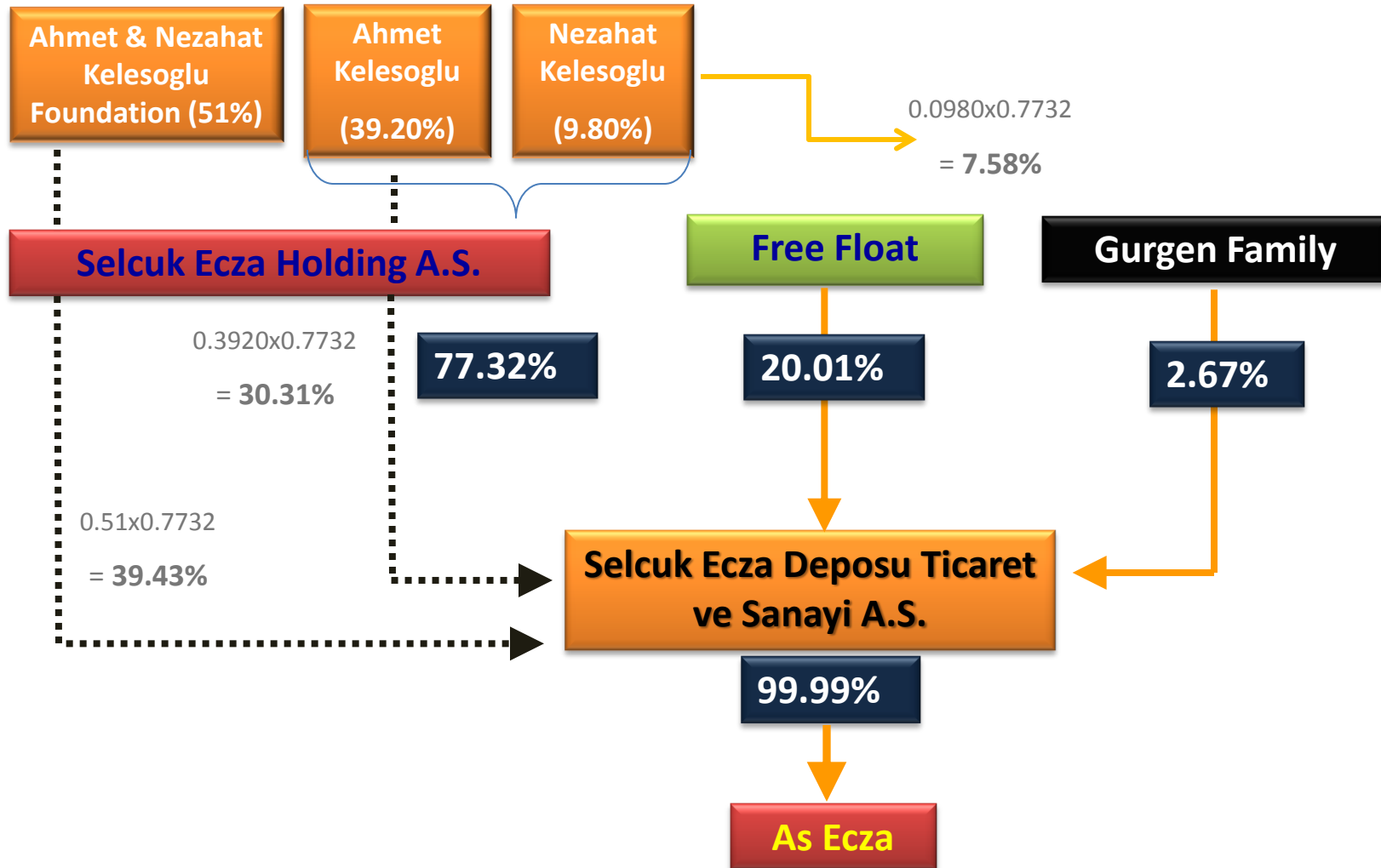
✂ Using the same distribution network, while by using the available spare capacity in warehouses lead to an insignificant increase in CAPEX

✂ Higher gross margin around 15% compared to 7-8% from pharma segment

✂ Strategy to expand business to all clients throughout Turkey by promoting this segment aggressively



Ownership



Selcuk Ecza: A precious link to sustainable value creation



✦ **Attractive markets**

- ✦ Demographics drive long-term demand
- ✦ Public policy agenda supports greater access and improved efficiency

✦ **Well-positioned businesses**

- ✦ Solid operating profit and cash flow strength from distribution segment
- ✦ Nationwide network built over mutual commercial interests

✦ **Steady track record of delivering results and a balanced approach to capital deployment**

✦ **Strong balance sheet and solid liquidity position**

✦ **Experienced and tenured management team**



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- ✦ Appendix-2: Reference Pricing Scheme
- ✦ Appendix-3: The New Regulation
- ✦ Appendix-4: Summary Financials:
Income Statement & Balance Sheet

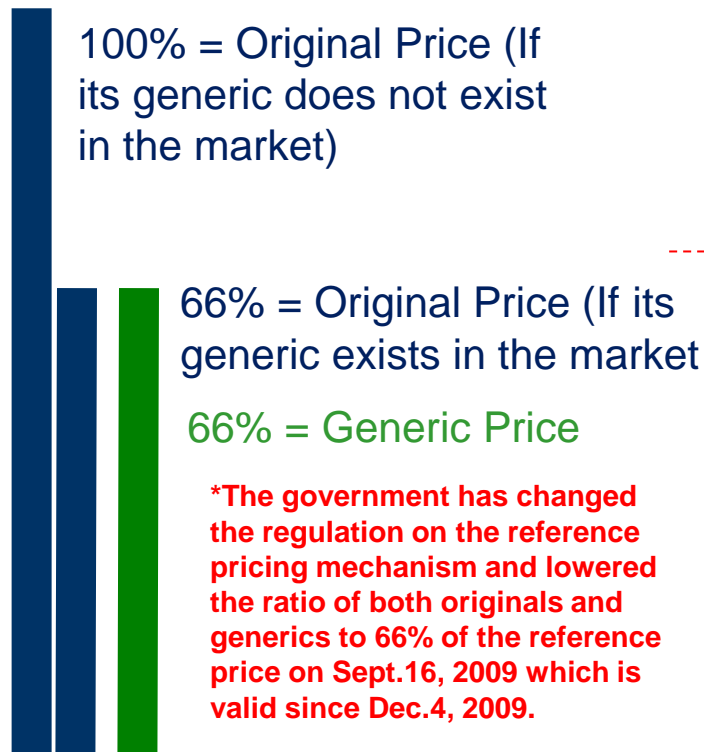


REIMBURSEMENT to PHARMACIES by THE SSI

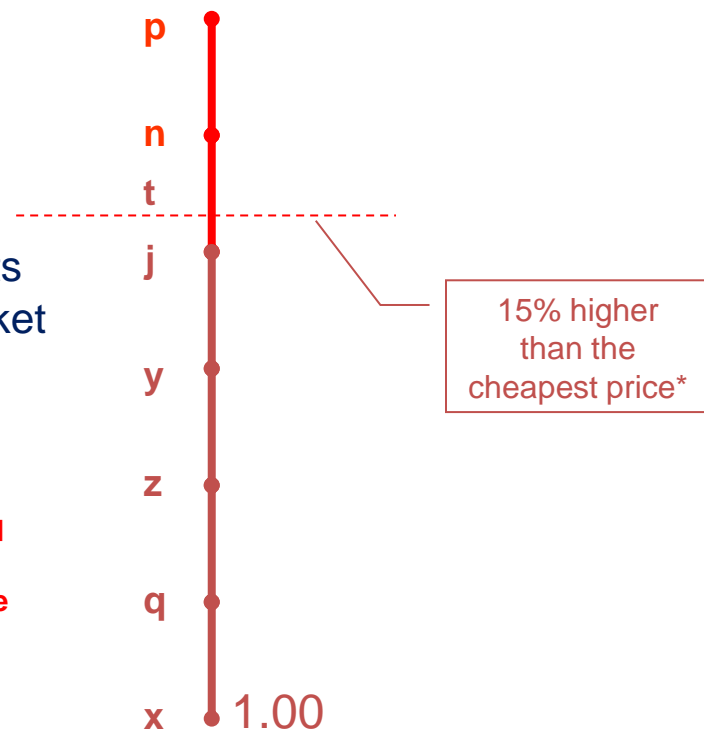


Appendix-2: Reference Pricing Scheme

Reference Countries
 France
 Italy
 Spain
 Portugal
 Greece



REIMBURSEMENT Generic Drugs in the Same Bioequivalence Group



p & n NOT reimbursed

**** The government recently lowered the price ceiling from 22% to 15% for the reimbursement price of generic drugs (which is applied over the lowest price of the generic product in the market; the lower 15% limit came into force from August 1, 2009).**



Appendix-3: The Last Amendment: Major Regulation Changes



- 📌 The price ceiling for original drugs has been reduced to 66% of the reference price, which is determined according to lowest price in the five reference EU member countries (France, Italy, Spain, Portugal, Greece), if the original drug has a generic substitute in the market, although the price ceiling remained at 100% for original drugs that do not have generic substitutes.
- 📌 The price ceiling for generics has also been lowered from 80% to 66% of the reference price.
- 📌 The drugs which stay on the market more than 20 years and with a price lower than TL6.79, all drugs with prices lower than TL3.56, OTC drugs (without prescription), blood products, infant food, radiopharmaceutical products, enteral feeding products, and all other products that are not stated in public reimbursement list will not be priced according to this new regulation.
- 📌 The exchange rate mechanism used to determine drug prices has also been changed. According to the new mechanism, the exchange rate may only be revised if the 90-day moving average of EUR/TRL exchange rate exceeds/falls below the periodic EURO value band by +/-5%; while the upper end of this band is estimated as 10% higher of the EUR/TRL exchange rate in effect for calculation of drug prices. (The official EUR/TRL rate is 1.9595 since April 2009)
- 📌 The Notice period for amending the “Reference Countries List” by the MoH has been reduced from 4 months to 2 months.



Appendix-4: Summary Financials: Income Statement-Consolidated

Income Statement

TL Million	Jun. 30, 2011	Jun. 30, 2010	2011 vs. 2010
Volume			
Net Sales	2,594.91	2,408.49	7.74%
Cost of sales (-)	(2,412.16)	(2,215.14)	8.89%
GROSS PROFIT	182.75	193.35	-5.48%
OPEX	(118.71)	(103.15)	15.08%
Other operating income/Exp.(Net)	3.34	2.76	21.05%
EBIT	67.38	92.95	-27.52%
EBIT (exc.other)	64.04	90.20	-29.00%
Finance income /Exp.(Net)	23.83	29.36	-18.84%
Income before minority Int.& Tax	91.21	122.32	-25.43%
Minority interest	(0.00)	(0.00)	-27.77%
Income tax expense	(19.19)	(24.71)	-22.35%
Net Income / (Loss)	72.02	97.61	-26.22%
EBITDA	71.83	96.63	-25.66%
EBITDA (exc.other)	68.49	93.87	-27.03%
Gross Margin	7.04%	8.03%	
EBIT Margin	2.60%	3.86%	
EBIT Margin (exc.other)	2.47%	3.74%	
EBITDA Margin	2.77%	4.01%	
EBITDA Margin (exc.other)	2.64%	3.90%	

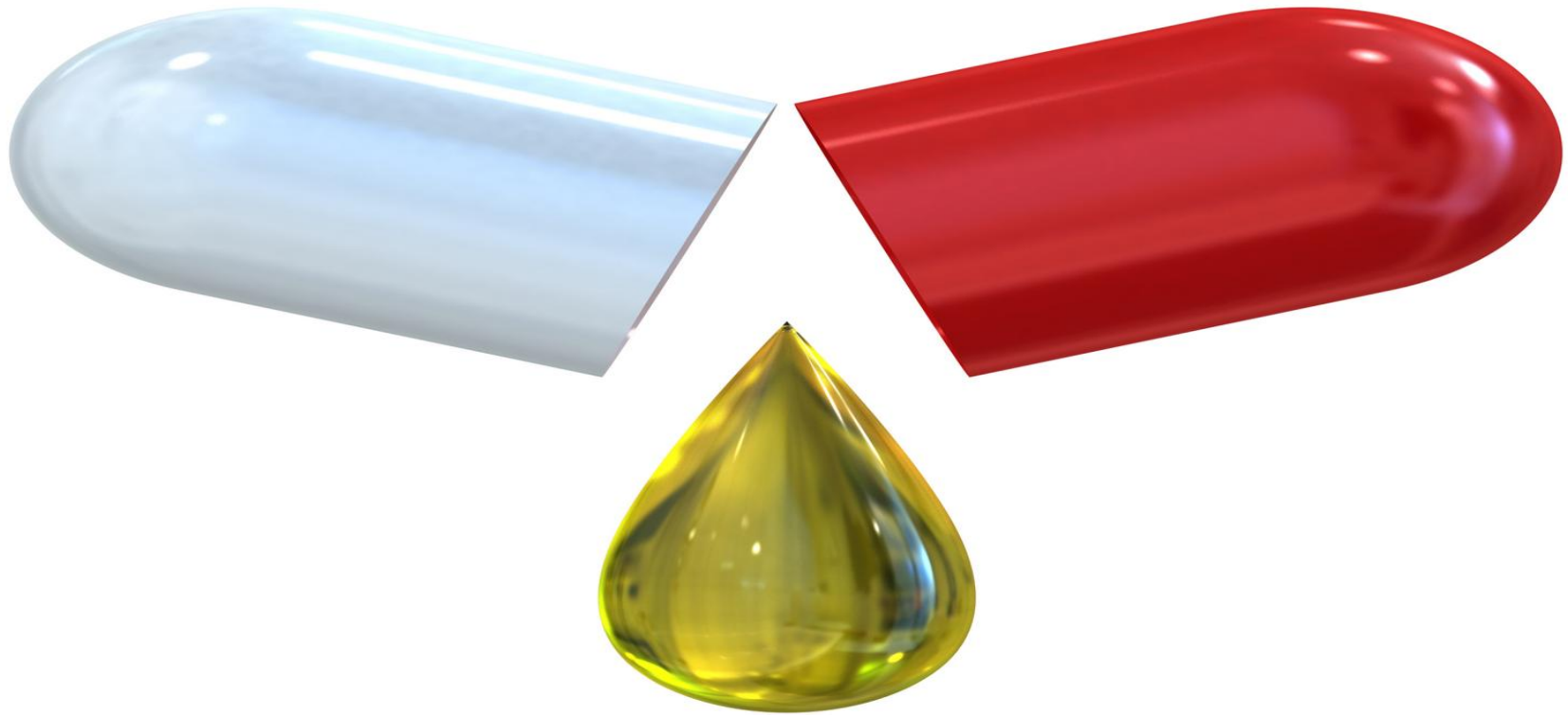
Appendix-4: Summary Financials: Balance Sheet



Balance Sheet

(TL million)					
Assets			Liabilities & Equity		
	Jun. 30, 2011	Dec. 31, 2010		Jun. 30, 2011	Dec. 31, 2010
Cash and cash equivalents	980.31	1,839.23	Short-term debt	775.66	1,641.03
Accounts rec.& due from related parties	1,586.77	1,538.07	Accounts payable & due to related parties	1,396.92	1,361.93
Inventories	548.87	544.73	Provisions & other current liabilities	29.38	36.27
Other current assets	60.54	74.67	Total Current Liabilities	2,201.96	3,039.23
Total Current Assets	3,176.48	3,996.69	Long-term debt	0.00	0.00
PP&E	140.62	124.18	Provision for Employee Benefits & Other Liabilities	8.35	8.10
Intangible Assets(Including Goodwill)	31.61	31.59	Deferred tax liability	20.49	12.58
Other non-current assets	5.23	5.23	Other liabilities	0.00	0.00
Deferred tax assets	23.68	14.32	Total Non-Current Liabilities	28.84	20.69
Total Non-Current Assets	201.16	175.32	Shareholder's equity & minority interest	1,146.84	1,112.08
Total Assets	3,377.64	4,172.01	Total Liabilities & Equity	3,377.64	4,172.00

2Q11 EARNINGS



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