

Healthcare and Pharmaceuticals Industry in Turkey



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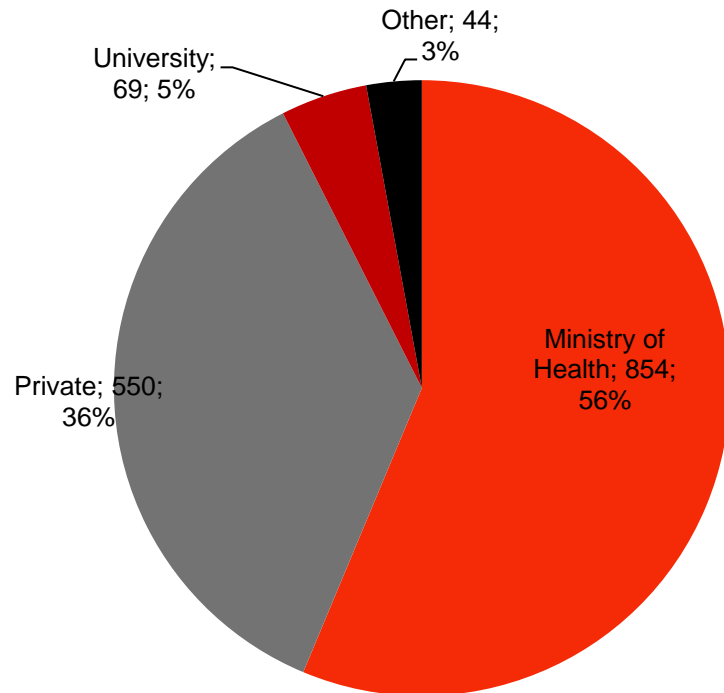


A. Healthcare Services

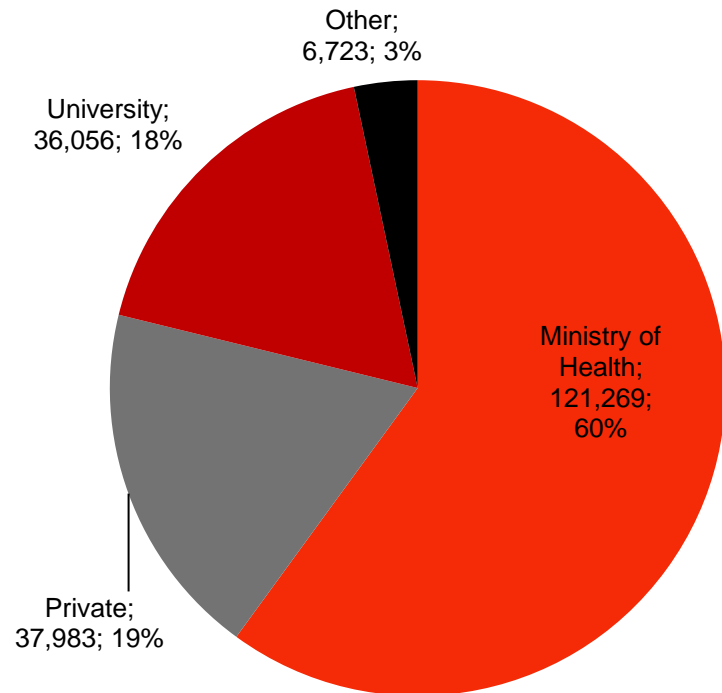
▶ Number of Hospitals & Beds

- **1,517** hospitals
- **202,031** hospital beds
- **15%** of the total number of hospitals, **29%** of the private hospitals are located in Istanbul.

Number of Hospitals by Sectors, 2013



Number of Hospital Beds by Sectors, 2013





A. Healthcare Services

▶ Number of Healthcare Personnel

Number of Healthcare Personnel, 2013	Ministry of Health	University	Private Sector	Other	Total
Physicians	75,496	28,312	28,466	1,501	133,775
Dentists	7,997	967	13,151	180	22,295
Pharmacists	2,067	291	24,589	65	27,012
Nurses	93,700	21,302	21,841	2,701	139,544
Other*	331,302	23,681	51,886	5,664	412,533
Total	510,562	74,553	139,933	10,111	735,159

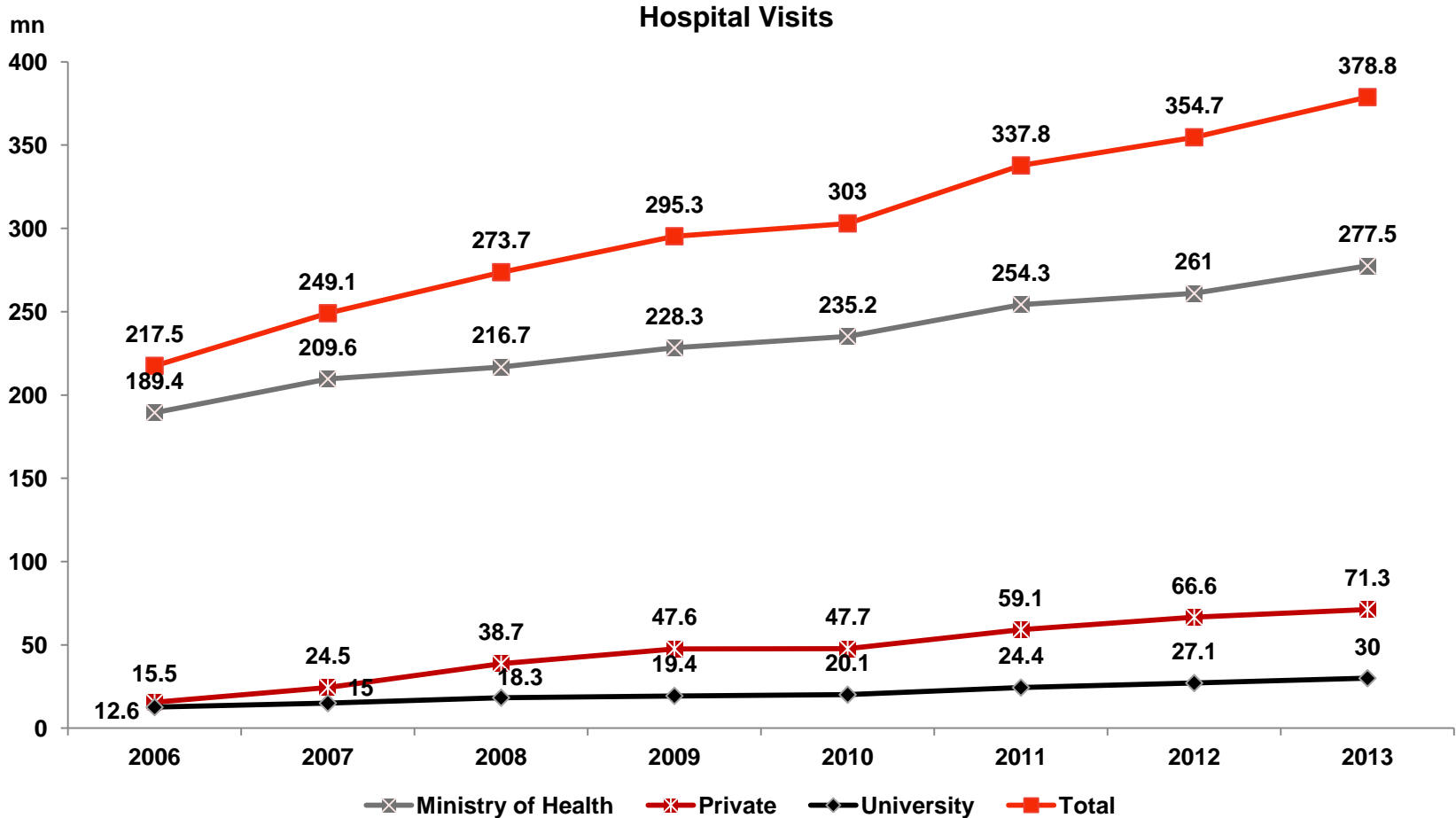
*Incl. Midwives, other healthcare personnel and outsourced staff
Source: Ministry of Health of Turkey, 2014



A. Healthcare Services

▶ Number of Hospital Visits

- CAGR in **total** hospital visit (2006-2013): **8.2%**
- CAGR in **private** hospital visits (2006-2013): **24.4%**



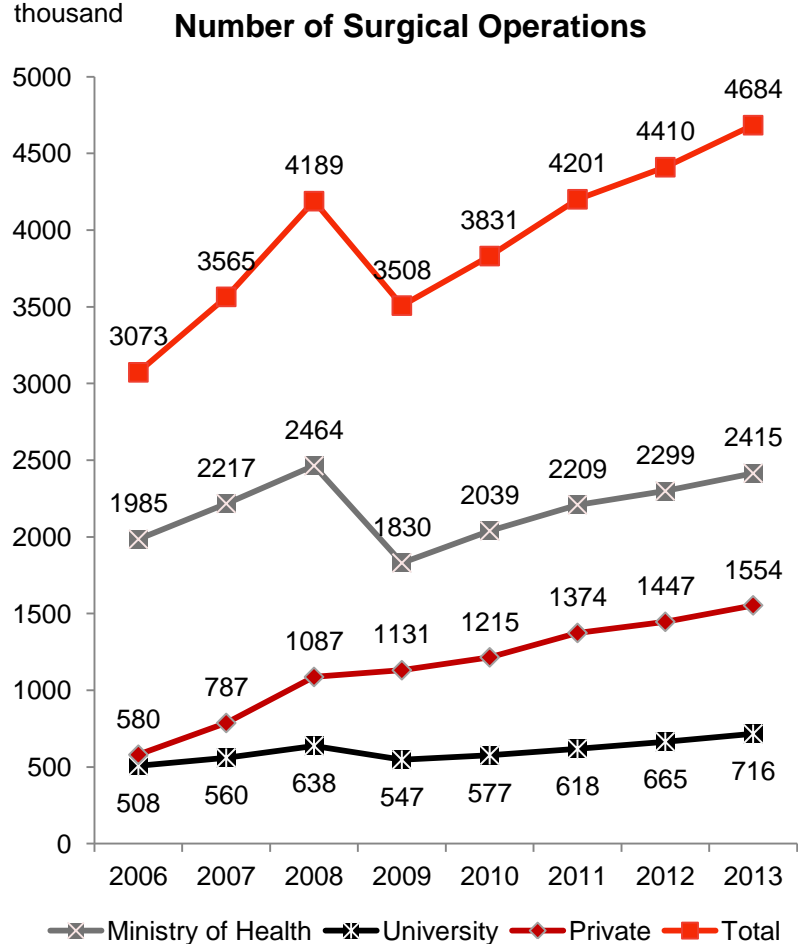
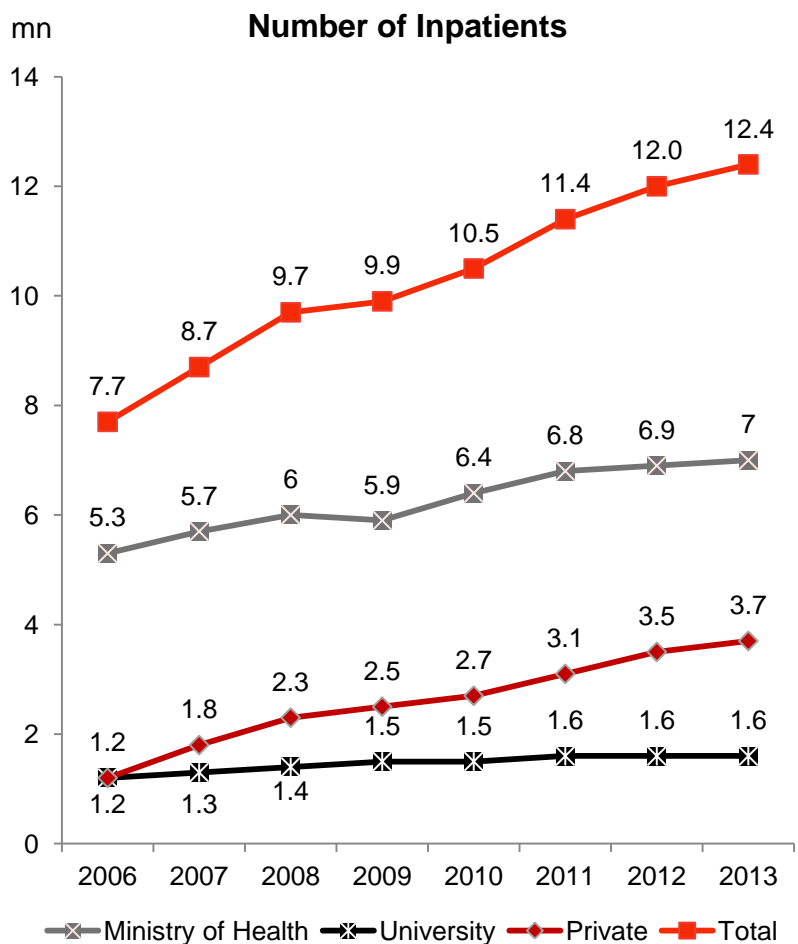
Source: Ministry of Health of Turkey, 2014



A. Healthcare Services

▶ Number of Inpatients & Surgical Operations

- CAGR (2006-2013): 7.0% in total inpatients; in total surgical op. 6.2%
- CAGR (2006-2013): 17.5% in private inpatients; in private surgical op. 15.1%

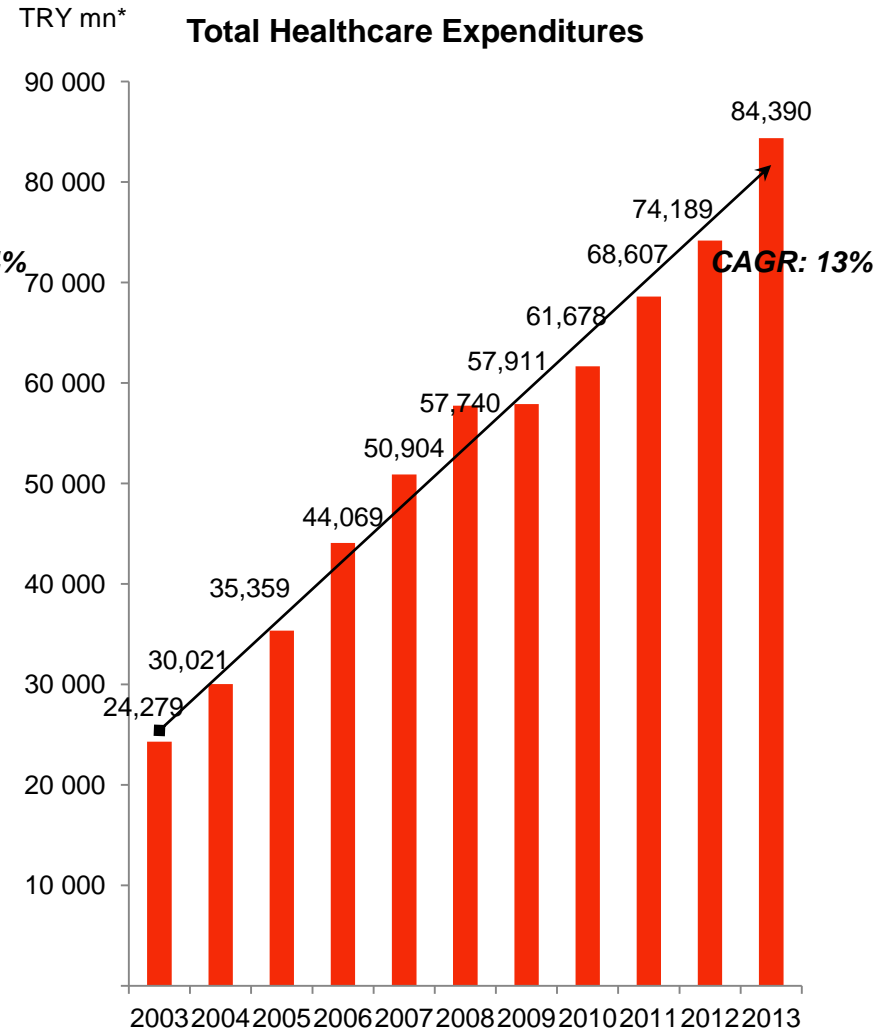
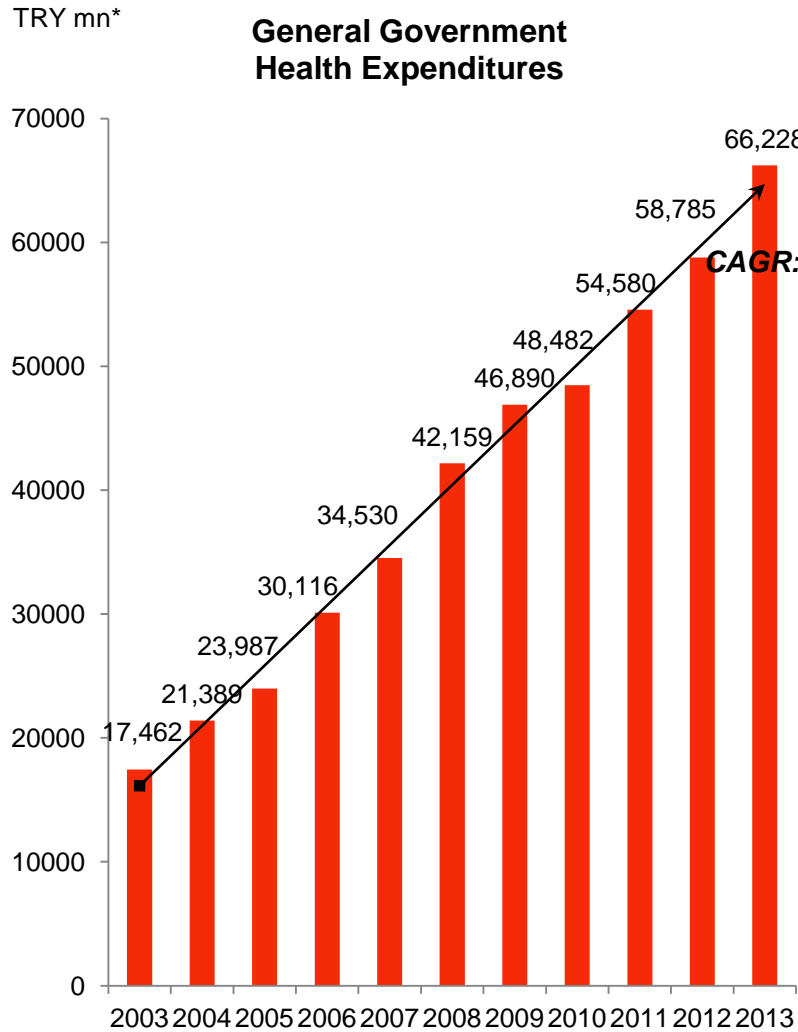


Source: Ministry of Health of Turkey, 2014



A. Healthcare Services

▶ Health Expenditures



*EUR 1 = TRY 2.528 in 2013
Source: Turkish Statistical Institute, 2014



A. Healthcare Services

▶ Health Transformation Program (2003)

- All **public** hospitals were transferred to the Ministry of Health.
- Each citizen has a **family-specific physician** whom they may visit at any time and consult on the phone whenever they want without paying any charge.
- All the citizens receive primary health care services **free-of-charge**.
- All the citizens receive service from **private** hospitals and medical centers through their health insurances.
- Hospitals provide all medications and medical materials for inpatients as **free-of-charge**.
- Emergency and intensive care treatments **free-of-charge** in all public and private hospitals.
- Decrease in the rate of people paying medicine and treatment expenditures **out-of-pocket**: **32.1%** in 2003; **11.7%** in 2010.
- Satisfaction rate in public health services: **39.5%** in 2003; **74.7%** in 2013.



A. Healthcare Services

▶ Main Private Hospitals

Hospital Name	Number of Hospitals
Medical Park	21
Acibadem	15
Medicana	11 (incl. 2 dental)
Memorial	7
Florence Nightingale	5
Bayindir	3
Medipol	2
American Hospital	1
Anadolu Health Center	1
Ankara Guven	1
Hisar Intercontinental	1
Kent Hospital	1
Yeditepe University	1

Source: Company web sites, 2015



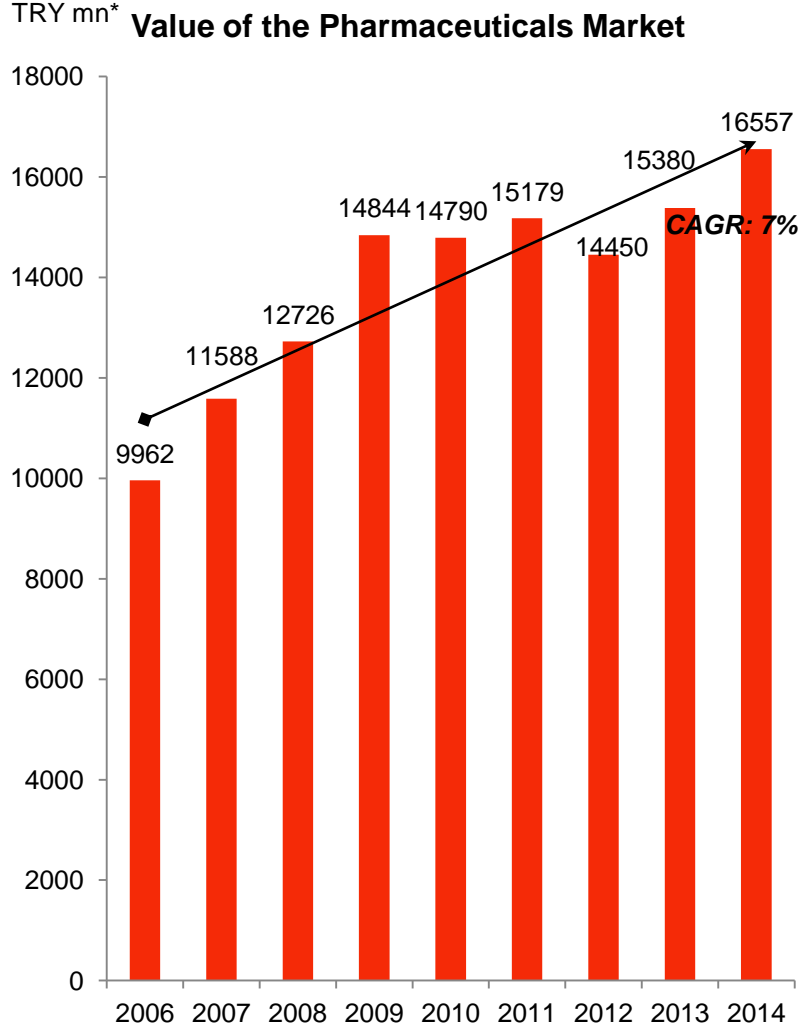
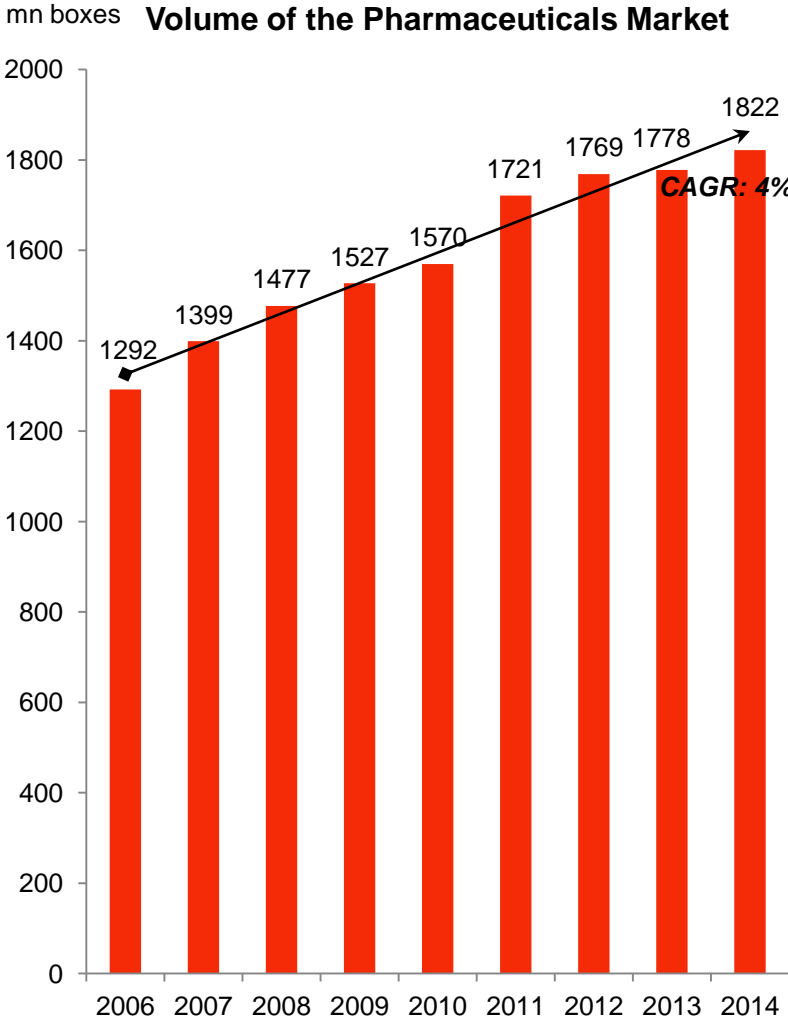
► Overview

- Turkey is the world's **18th** largest and Europe's **7th** largest pharmaceuticals market in 2013. (Source: AIFD and IMS Health, 2014)
- **68** pharmaceuticals manufacturing facilities in Turkey, **15** of them belong to foreign capital firms. (Source: Ministry of Science, Industry and Technology, 2013)
- **12** raw material manufacturing facilities, **6** of them belong to foreign capital firms. (Source: Ministry of Science, Industry and Technology, 2013)
- **30,000** employees. (Source: Ministry of Science, Industry and Technology, 2013)
- Main segments (2014 market share-value): Oncologics (**11.2%**), Antibiotics (**8.5%**), antirheumatismal (**6.3%**), antidiabetics (**6.3%**), cardiovasculars (**5.8%**), blood-related medicines (**5.8%**) (Source: IMS, IEIS, 2015)



B. Pharmaceuticals

▶ Domestic Market

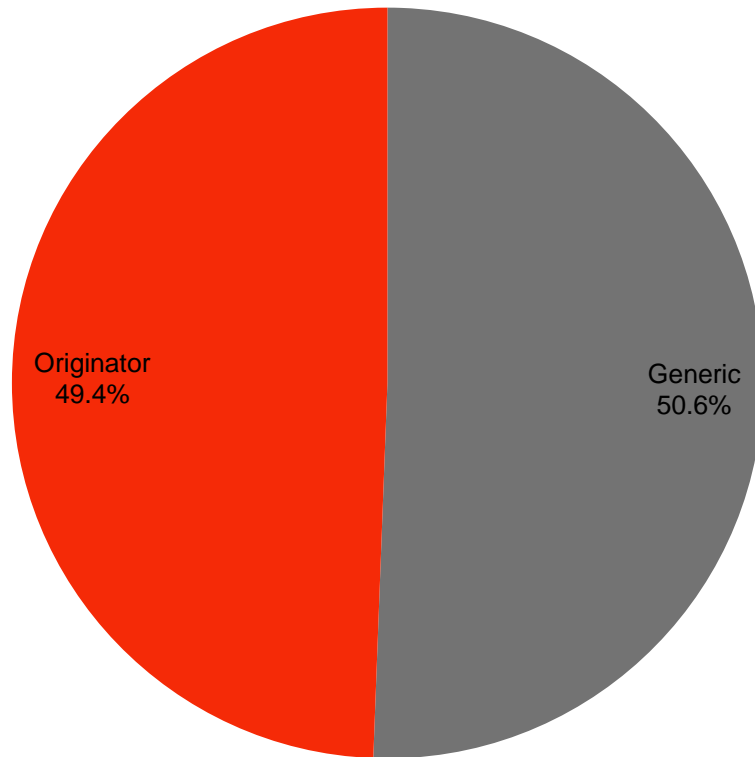


*EUR 1 = TRY 2.909 in 2014
Source: IMS, AIFD, 2015

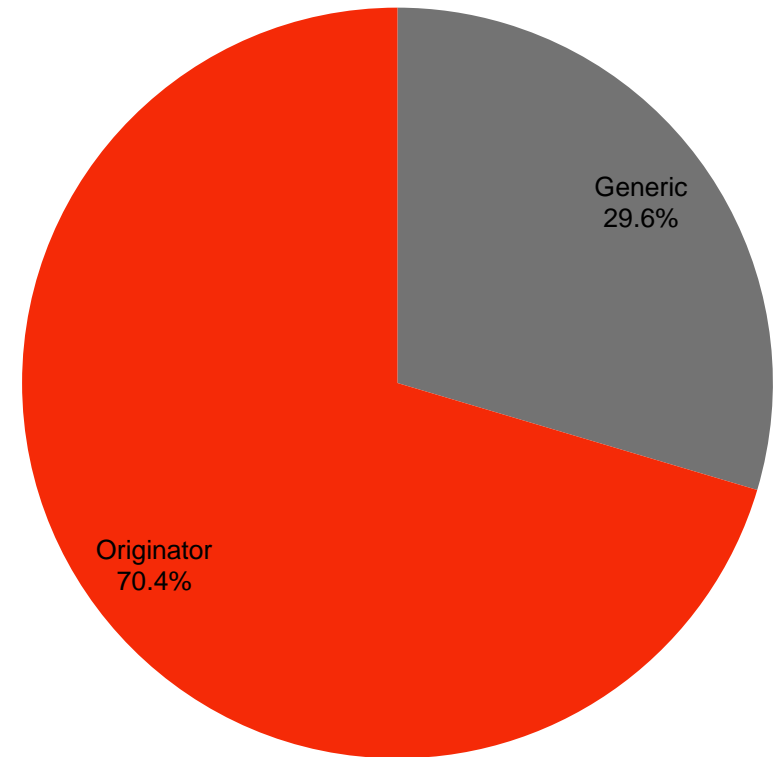


▶ Domestic Market

Breakdown of the Pharmaceuticals Market, 2014, Volume



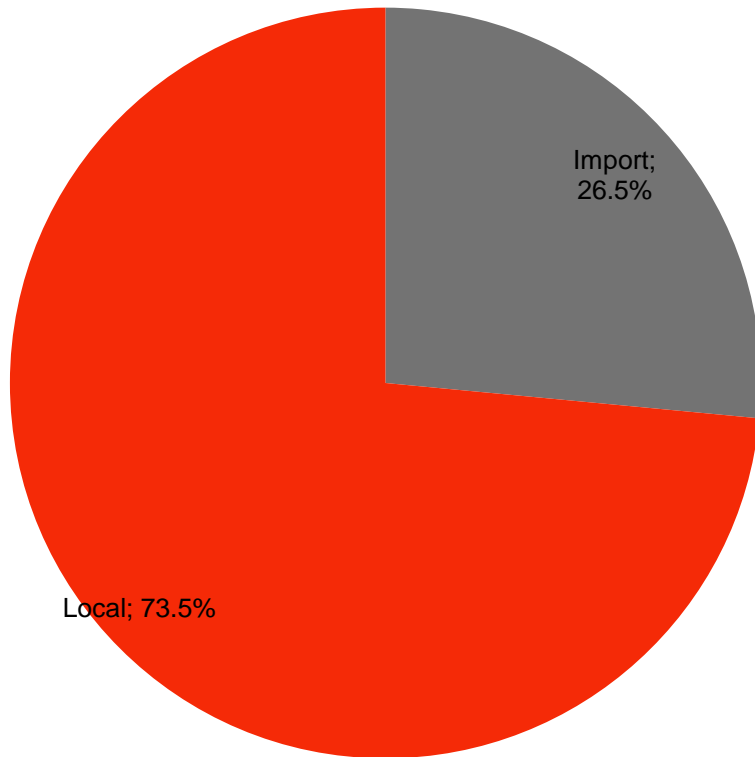
Breakdown of the Pharmaceuticals Market, 2014, Value



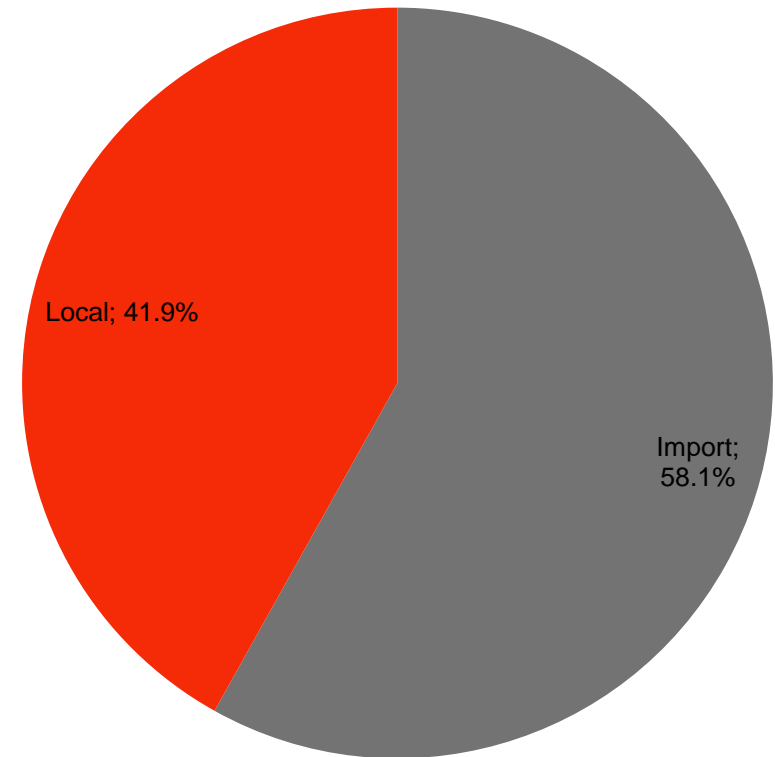


▶ Domestic Market

Breakdown of the Pharmaceuticals Market, 2014, Volume



Breakdown of the Pharmaceuticals Market, 2014, Value





▶ Foreign Trade

- Main destinations of **exports: Iran, Iraq, Germany, Switzerland and USA.** (Source: Ministry of Economy, 2014)
- Main sources of **imports: Germany, USA, France, Switzerland and Italy.** (Source: Ministry of Economy, 2014)

Foreign Trade of Pharmaceuticals	2013	2014	2014/2013 Change %
Exports, USD mn	818	856	4.6%
Imports, USD mn	4,498	4,743	5.4%

Source: IEIS, 2015



▶ Main Manufacturers

Company	Production-Based Net Sales (2014, TRY mn)*
Abdi Ibrahim Ilac	618.7
Bilim Ilac	568.4**
Bayer Turk Kimya	514.5
Deva Holding	405.2
Nobel Ilac	341.3
Kocak Farma Ilac ve Kimya	326.7
Santa Farma Ilac	204.9
Ali Raif Ilac	143.2
I. E. Ulagay Ilac	139.9
Adeka Ilaç	101.0
Biofarma Ilac	99.5

*EUR 1 = TRY 2.909 in 2014

** 2013 figure

Source: Istanbul Chamber of Industry, 2015



▶ Market Shares

Company	Market Share, 2012
Abdi Ibrahim	7.5%
Novartis	7.0%
Sanofi	5.8%
Bilim	4.9%
Pfizer	4.3%
Bayer	4.3%
Eastpharma	3.8%
Glaxo	3.7%
Roche	3.4%
Astra Zeneca	3.0%

Source: AIFD and Investment Support and Promotion Agency of Turkey, 2014



▶ Government Targets for Healthcare Indicators

Criteria	2010-actual	2023-target
Maternal Mortality Rate (per 100,000)	16.4	6
Infant Mortality Rate (per 1,000)	10.1	5
Number of Physicians	120,000	200,000
Number of Midwife Nurses	163,000	400,000
Family Physicians	1 F.P. per 3,600 people	1 F.P. per 2,000 people
Per Capita Health Expenditures	USD 556*	USD 2,000

*Source: Turkish Statistical Institute and FMConsulting calculations, 2014

Source: Ministry of Health of Turkey, 2011



▶ 2023 Targets

- Domestic production of **USD 23.3 bn** (Domestic production in 2011: USD 5 bn)
- Foreign trade surplus of **USD 1.3 bn** (Foreign trade deficit in 2011: USD -4.1 bn)
- Becoming a net exporter with an export volume of **USD 8.1 bn** (Export volume in 2011: USD 587 mn)
- Market share of domestically manufactured products: **70%** (48% in 2012).
- R&D investments of **USD 1.7 bn** (R&D investments in 2010: USD 60 mn)
- Becoming one of the **top 20** countries in innovation capacity
- Becoming a regional **management center** and exporting **management services**

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