

PHARMACY CHAIN



HEALTHY, FIT & STRONG



ALFA-BANK RUSSIAN CONSUMER MARKET CONFERENCE
NEW YORK, 13 JUNE 2005

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3 36.6 AT GLANCE

210
million

sales in 2004. EBITDA was about 9% in 2004

~ **172**
million

current market capitalization

20% of shares were placed at IPO in 2003 at \$9 per share

43%

top-line annual growth: 64% in retail, 15% - in manufacturing

287
pharmacies

under management in 13 Russian regions

25
million

purchases in 2004; 0,6 mln. purchases per week

300
products

in the modern and well-managed generic portfolio of Veropharm

6000
employees

skilled personnel and experienced management team

4 STRATEGIC GOALS

We strive to be Russia's leading health & beauty retailer and to become the preferred source of medicines and health & beauty products for Russian consumers

- ❑ Pursuing industry and internal growth
- ❑ Creating a unique customer value proposition
- ❑ Expanding into rapidly growing regions
- ❑ Developing and sustaining a profitable business model
- ❑ Introducing best standards of corporate governance

5 HEALTHCARE MARKET GROWTH

CAGR'04-09

Pharmaceuticals
8.8-13.2%

Dietary supplements
15,8%

Cosmetics and Toiletries
12-15%

Other non-pharmaceuticals
18%

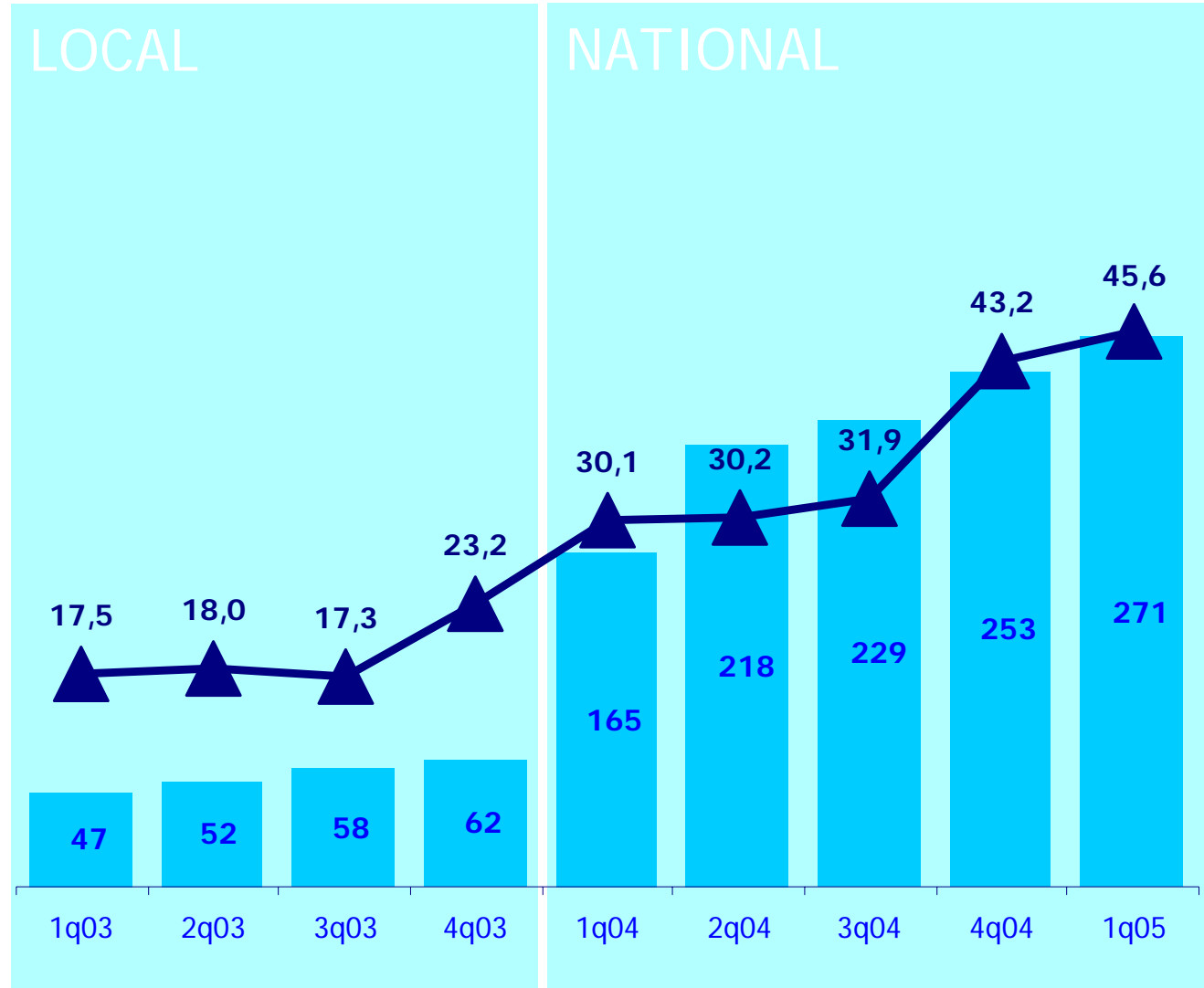
Market size forecast



6 STORES GROWTH

NET SALES,
USD millions

NUMBER OF
STORES,
eop



7 CUSTOMER VALUE PROPOSITION

We elaborate the retail technology, we introduce innovative products, we create unique customer's shopping experience

- Convenient locations
- Reliable quality products
- Wide assortment
- Competitive prices

8 SAFETY & EXCITEMENT



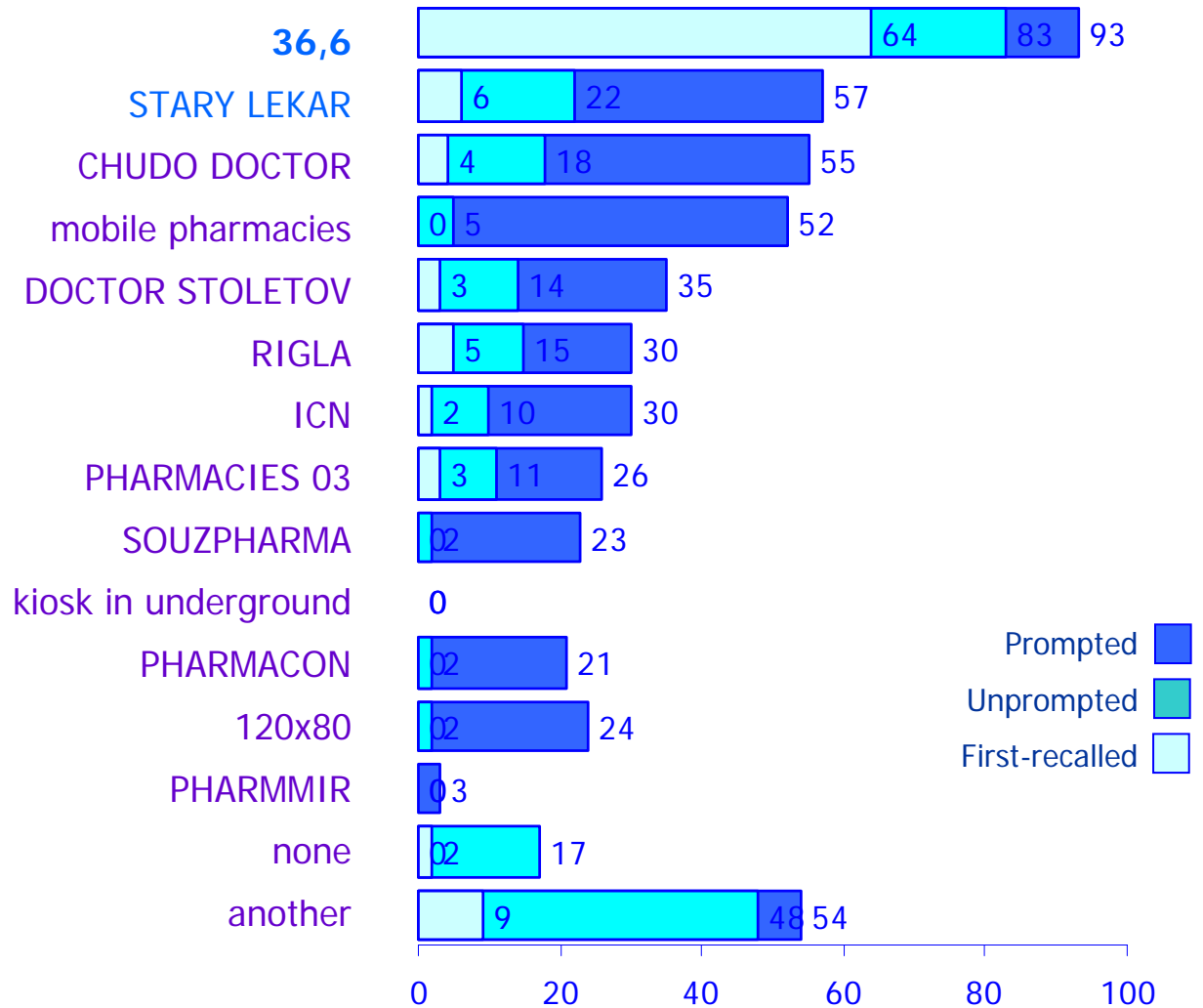
9

BRAND AWARENESS

According to
Gallup Media Survey'03

36,6 brand
awareness was

72,4% amongst
all the Moscow non-
food retailers



* ARMI-marketing data,
December, 2004

10 REGIONAL EXPANSION

MURMANSK	30
S.PETERSBURG	7
MOSCOW	113
N.NOVGOROD	42
CENTRAL	7
POVOLJIE	15
URALS	73
SOUTH	1



currently operating
287 pharmacies
in 13 regions,

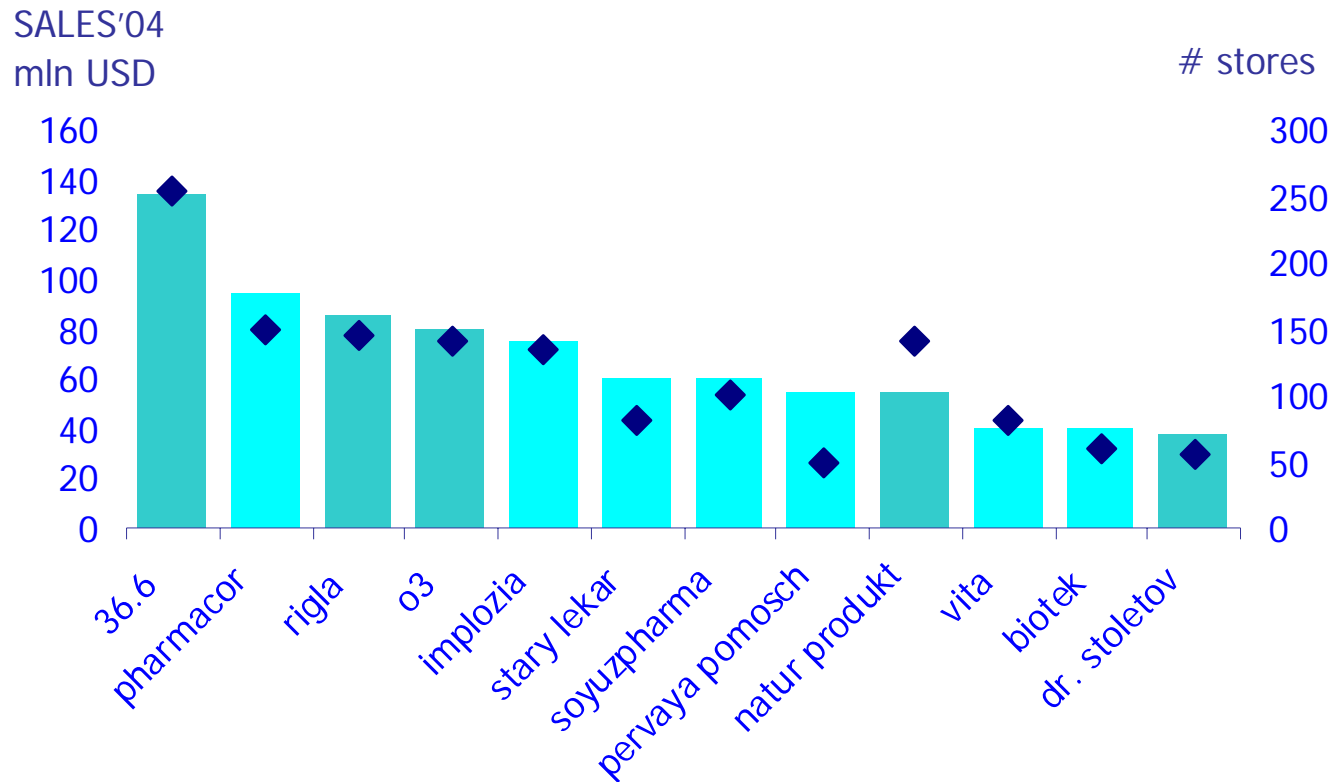
the Company reaches out to every Russian city with a population from 500 to 1000 thnd people to enjoy 10-20% of their pharmacy retail market

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36,6 – THE CONSOLIDATOR OF CHOICE

Regional penetration will be achieved both through organic openings and acquisitions of the regional chains

This is subject to successful competition with a few other chains developing nationwide



12 AGING PHARMACIES PERFORMANCE

Same store sales were up 7% yoy in the 1st quarter of 2005

GROSS MARGIN

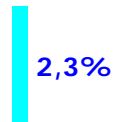
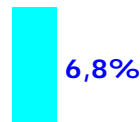
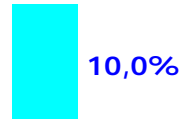
EBITDA MARGIN

EBIT MARGIN

NET INCOME
MARGIN*

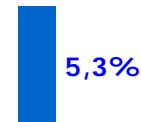
ALL PHARMACIES

Moscow only



OLD PHARMACIES

70 Moscow pharmacies at least 9 months old as of 01Jan05



** Administrative costs, interest and tax expenses are allocated proportionately to sales*

13 KEY PERFORMANCE INDICATORS

OF PURCHASES
millions

1Q03	2Q03	3Q03	4Q04	1Q04	2Q04	3Q04	4Q04
------	------	------	------	------	------	------	------

3,3	3,2	2,9	3,6	3,8	6,5	6,2	7,3
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AVG. PURCHASE
USD

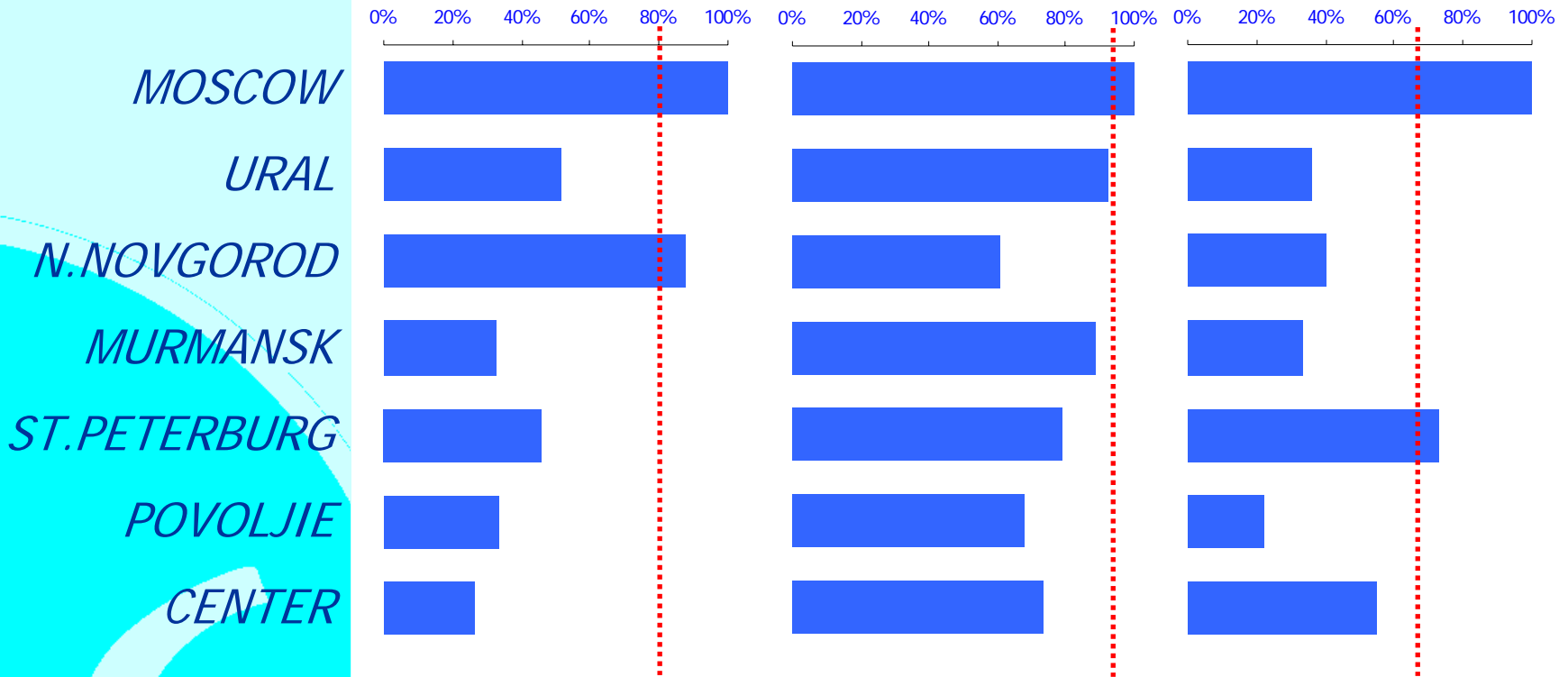
5,33	5,60	5,87	6,40	7,25	7,40	5,49	5,99
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SALES PER M2
USD

2 237	2 214	2 063	2 594	2 503	2 293	1 751	2076
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regional
impact

14 KEY PERFORMANCE INDICATORS

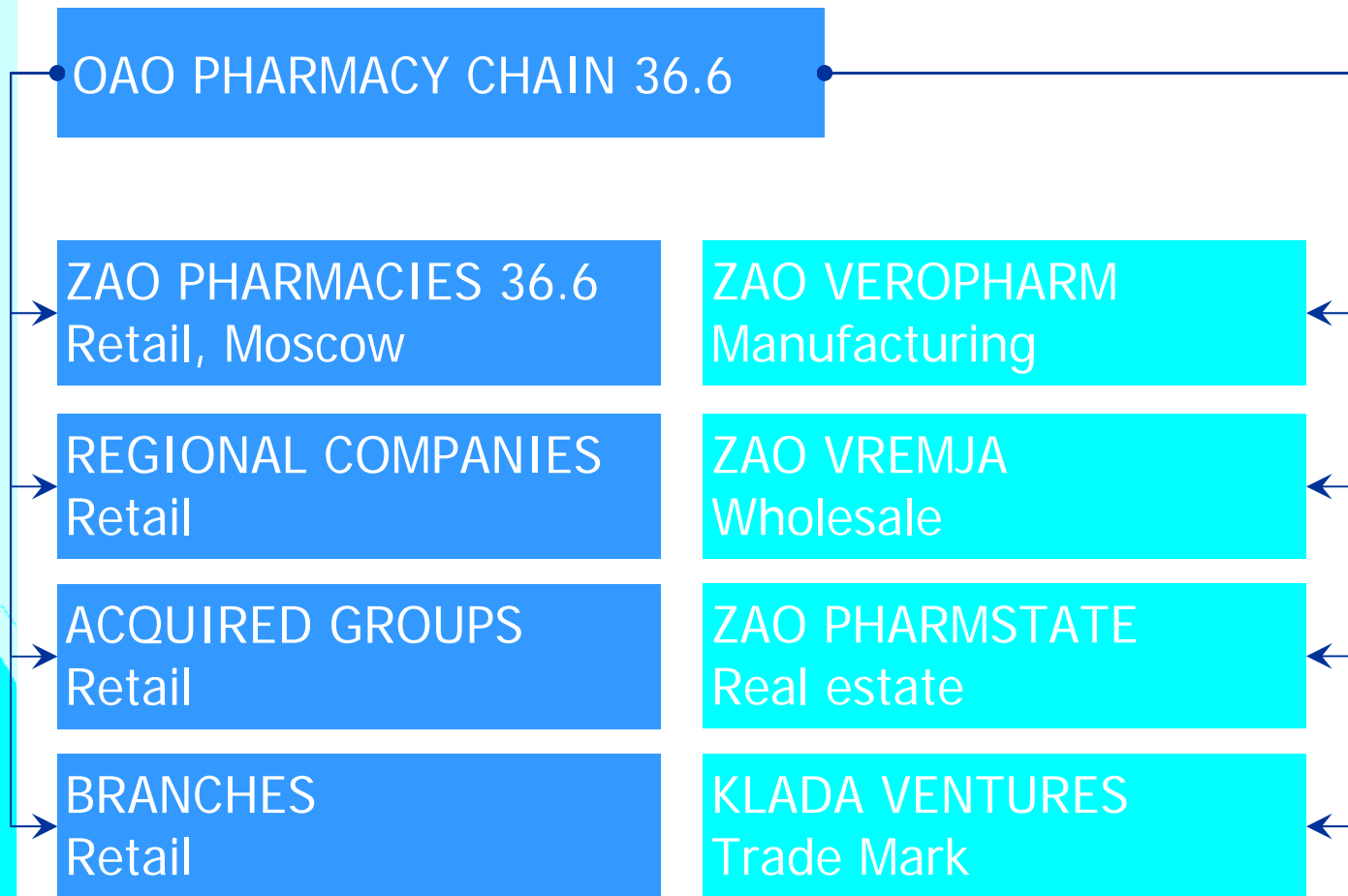


Sales per sq. meter
Index
Moscow=100

Gross margin
Index
Moscow=100

Average ticket
Index
Moscow=100

15 ORGANIZATION CHART



** Pharmacy chain 36,6 directly or indirectly controls 100% of the mentioned above companies shares*

Decision making is ensured by the balanced opinion of both strategic shareholders and that of independent directors

Sergey KRIVOSHEEV
Chairman

Artem BEKTEMIROV

Michael OBERMAYER

Vasily RUDOMINO

Andrey AZAROV

Planning and operational controls are performed across the regional business units and product categories

Brand integrity and management as well as strategic business development and expansion are corporate major priorities

ARTEM BEKTEMIROV
CEO

ANTON PARKANSKY
Managing Director

DMITRY GODUNOV
Operations
1st Deputy MD

REGIONAL
BUSINESS UNITS

CATEGORY
DIRECTORS

SVEIN AAGE OLSEN
CFO

OLGA ALTUNINA
Human Resources

BORIS RYABOV
Business Technology
Development

VICTOR VASILIEV
Legal Council

OLEG ANIKIN
Strategy

ANDREI SLIVCHENKO
Corporate Finance
& Investor Relations

18 SHARE PRICE

MICEX: RU14APTK1007

RTS: APTK

*IPO in February
2003*

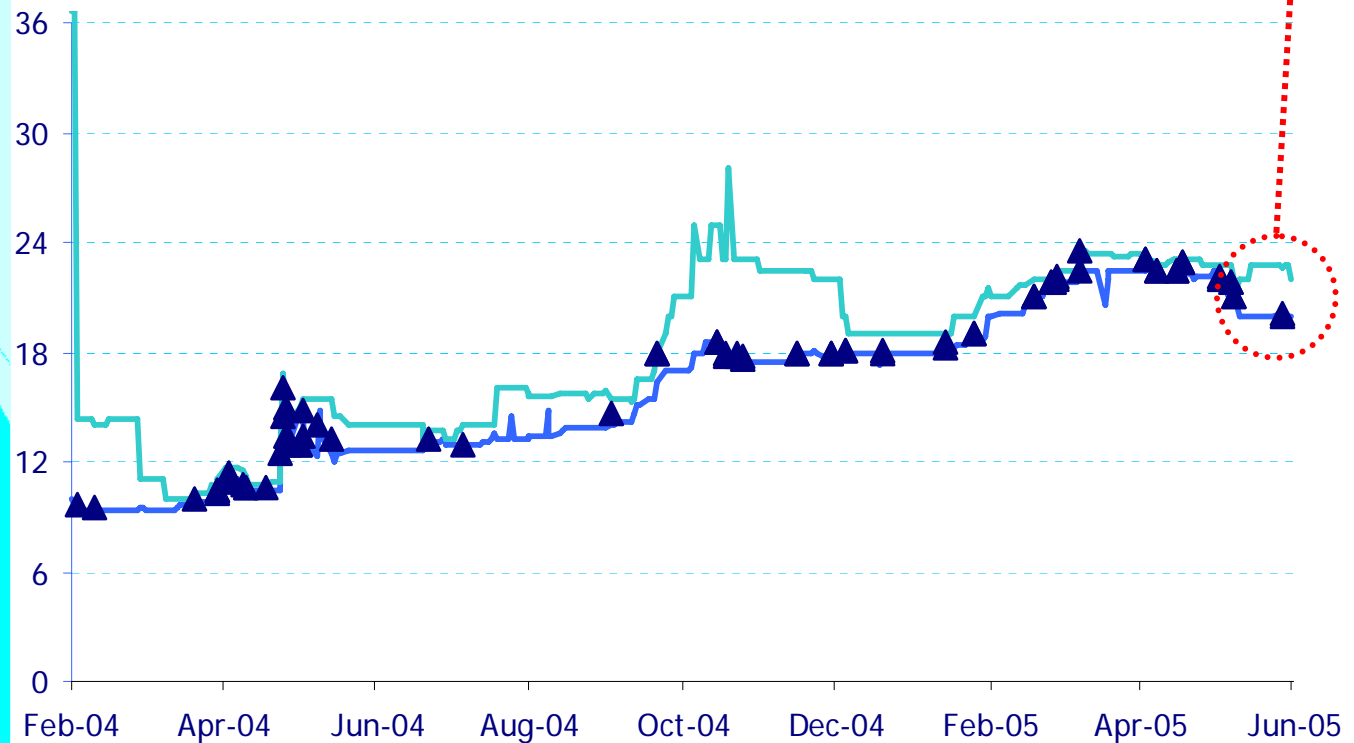
*Shares placed at
MICEX at \$9 per
share*

*About 25% are
currently in the free
float*

M.CAP \$172 MLN

AS AT 1 JUNE '05

AS PER RTS



APPENDIX

FINANCIALS & ANALYSIS

Please note:
reporting under IAS since 2002
auditor Deloitte
financials for the latest period are IAS
unaudited
data by segments are before adjustments

20 INCOME STATEMENT

CONSOLIDATED

	9M04	2003	2002	03/02%
NET SALES	145,0	147,8	118,7	24,5%
GROSS PROFIT	55,5	59,8	46,0	30%
EBITDA	12,3	13,8	15,1	-8,6%
	8,5%	9,3%	12,7%	
OPERATING INCOME	7,4	8,4	10,4	-19,2%
NET INCOME	0,4	1,0	3,3	-69,7%
	0,3%	0,7%	2,8%	

BALANCE SHEET

CONSOLIDATED

	9M04	2003	2002	03/02
N-CURRENT ASSETS	83,2	60,1	45,9	14,2
CURRENT ASSETS	66,4	54,7	38,8	15,9
TOTAL ASSETS	149,6	114,8	84,7	30,1
EQUITY	41,0	40,2	24,4	15,8
TOTAL DEBT	69,3	43,1	36,3	6,8
C-NT LIABILITIES	30,3	24,0	17,7	6,3

**Hereinafter Current Liabilities are non-interest bearing liabilities*

22 INCOME STATEMENT

RETAIL

	9M04	2003	2002	03/02%
NET SALES	92,1	76,3	58,8	29,8%
GROSS PROFIT	31,9	24,4	19,2	27,1%
GROSS MARGIN	35%	32%	33%	
EBITDA	5,5	1,2	2,6	-53,8%
	6,0%	1,5%	4,4%	
D&A	2,8	2,0	1,7	17,6
OPERATING INCOME	2,8	-0,9	0,9	n/a

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BALANCE SHEET

RETAIL

	9M04	2003	2002	03/02
N-CURRENT ASSETS	44,8	21,9	15,7	6,2
CURRENT ASSETS	22,0	15,6	13,1	2,5
TOTAL ASSETS	66,8	37,5	28,8	8,7
C-NT LIABILITIES	20,9	17,7	10,9	6,8

24 INCOME STATEMENT

VEROPHARM

	9M04	2003	2002	03/02%
NET SALES	41,4	52,8	43,9	20,4%
GROSS PROFIT	21,7	31,3	23,4	33,6%
GROSS MARGIN	52,5%	59,2%	53,3%	
EBITDA	9,3	15,5	13,5	14,2%
	22,5%	29,3%	30,9%	
D&A	2,0	2,9	3,1	n/a
OPERATING INCOME	7,3	12,5	10,5	n/a

VEROPHARM

	9M04	2003	2002	03/02
N-CURRENT ASSETS	34,3	34,4	31,2	3,2
CURRENT ASSETS	38,8	34,2	23,4	10,8
TOTAL ASSETS	73,1	68,5	54,5	14,0
C-NT LIABILITIES	10,5	7,1	6,5	0,6

26 DISCLAIMER

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Some of the information contained herein may contain projections or other forward-looking statements regarding future events or the future financial performance of OAO Pharmacy Chain 36.6, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995.

We wish to caution you that these statements are only predictions and, those actual events or results may differ materially. We do not intend to update these statements to conform them to actual results.

We refer you to the documents OAO Pharmacy Chain 36.6 files from time to time with the Russian Federal Commission for Securities Markets (FCSM). These documents contain and identify important factors. These factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, potential fluctuations in quarterly results, and risks associated with our competitive environment, acquisition strategy, ability to develop new products or maintain market share, brand and company image, operating in Russia, volatility of stock price, financial risk management, and future growth.

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