



PRESS RELEASE

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**MARCH 6, 2008**

**PHARMACY CHAIN 36.6 TRADE UPDATE FOR 2007**

MARCH 6, 2008, MOSCOW – Pharmacy Chain 36.6 [MICEX: RU14APTK1007; RTS: APTK] is announcing its preliminary sales and operational results for 2007 according to management reports.

**Sales**

- Consolidated sales in 2007 totaled USD 871.9 million, which is 64.9% more than in the previous year\*.
- Sales in the pharmacy retail chain totaled USD 673.6 million, representing a 74.4% growth as compared with 2006.
- In 2007, Veropharm sales grew 39.1% year on year and reached USD 139.8 million.
- Sales in the medical services sector totaled USD 25.9 million, which is a 20.5% year on year growth.

<i>Million USD</i>	<b>Consolidated</b>	<b>Retail</b>	<b>Veropharm</b>	<b>EMC</b>
<b>Q4 2007</b>	280.0	213.5	47.7	7.2
<b>Q4 2006</b>	177.9	136.1	29.8	5.9
<i>change y-o-y</i>	57.4%	56.9%	60.1%	22.0%
<b>2007</b>	871.9	673.6	139.8	25.9
<b>2006</b>	528.9	386.2	100.5	21.5**
<i>change y-o-y</i>	64.9%	74.4%	39.1%	20.5%

**Store Count**

- By the end of 2007, Pharmacy Chain 36.6 included 1,224 pharmacies located in 29 Russian regions.

- In 2007, Pharmacy Chain 36.6 acquired 26 pharmacy chains with a total of 293 pharmacies. The pro-forma revenues of the acquired pharmacy chains totaled USD 177.2 million. The coefficient of the consolidated sales of the acquired chains in the Company's 2007 reporting is 0.55.
- Throughout 2007 the Company organically opened 166 pharmacies, re-branded 45 pharmacies and closed 73 pharmacies.
- As of the end of 2007, Pharmacy Chain 36.6 managed 12 separate eyewear stores and 28 eyewear kiosks located inside the Company's pharmacies.
- In 2007, four Early Learning Center (ELC) stores were opened in Moscow.

Business Unit	No. of Pharmacies	2007	
		Share of Sales	Ave. Floor Space per Pharmacy, sq.m.
Moscow	400	42.4%	72.3
Urals	391	27.2%	54.5
Volga	136	10.3%	61.6
South	200	14.5%	50.6
Northwest	30	2.9%	69.8
Western Siberia	67	2.7%	53.2
<i>Company Total:</i>	1,224	100%	60.8

### Operational Results

- The acquisition of regional pharmacy chains reduced the average retail space of the Company's pharmacies in 2007 by 4.8% to 60.8 square meters.
- The sales per square meter of floor space in the pharmacies that have been operating for more than one year totaled USD 10.8 thousand, which represents a 21.5% year on year growth; the sales per square meter in Moscow grew 9.7% to USD 11.1 thousand; the sales per square meter in regional pharmacies grew by 39.3% to USD 10.3 thousand.
- Throughout 2007 a total of 94.7 million purchases were made at the Company's pharmacies. This represents a 48.8% year on year growth. The average receipt at the pharmacies that have been operating for over one year grew by 23.7% to USD 8.3; the average receipt at the Company's Moscow pharmacies grew by 18.2% to USD 11.0, whereas the average receipt at the Company's regional pharmacies grew to USD 6.4, up 35.3%.
- The sales growth of pharmacies opened or acquired before January 1, 2006 amounted to 20.2%.

Pharmacy operational results by opening/acquisition date:

	No. of Pharmacies	Share of Sales	Ave. Receipt, USD
Opened/acquired before 01.01.06	381	51.0%	8.5
Opened/acquired after 01.01.06	843	49.0%	5.6
<i>Company Total:</i>	1,224	100%	6.8

### Investments and Debt

- The total investments in the pharmacy business in 2007 amounted to USD 163 million.
- The consolidated net debt of Pharmacy Chain 36.6 as of the end of 2007 was USD 271 million. In 2007 Veropharm's debt amounted to USD 20.2 million.

The 2007 results of Pharmacy Chain 36.6 according to International Financial Reporting Standards are planned to be published at the end of H1 2008, upon completion of an independent audit of the Company.

*\* Hereinafter – these financial indicators may have significant variations from the consolidated data prepared in accordance with IFRS.*

*\*\* The acquisition of European Medical Center (EMC) group was completed in July 2006. The EMC sales totaled USD 21.5 million, of which USD 10.6 million was consolidated in the Company's 2006 annual report.*

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*Notes to the editor:*

*Pharmacy Chain 36.6 is the first public national health and beauty retailer listed on the "B" list on the RTS (ticker: APTK) and off-list on the MICEX. The Company's market capitalization as of March 05, 2008 totaled USD 532 million (according to RTS). As of December 31, 2007 Pharmacy Chain 36.6 operated 1,224 stores in 29 regions and 90 cities in Russia.*

*OAO Veropharm, the company's generics subsidiary, is one of Russia's top five manufacturers (according to Pharmexpert research). Veropharm's shares are traded in the "B" list on the RTS (ticker: VRPH) and off-list on MICEX (ticker: VRFM). OAO Veropharm's market capitalization as of March 05, 2008 was USD 562 million (according to RTS).*

*ZAO Apteki 36.6 is one of the founding members of the Russian Association of Pharmacy Chains (RAPC). Pharmacy Chain 36.6 is a participating member of the international retailers' organizations - NRF and NACDS. Pharmacy Chain 36.6 and its subsidiaries employ over 12,000 people.*

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