



PRESS RELEASE

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**JANUARY 16, 2007**

### **Q4 2006 ACQUISITIONS ANNOUNCEMENT**

JANUARY 16, 2007, MOSCOW – Pharmacy Chain 36.6 [MICEX: RU14APTK1007; RTS: APTK] announces the completion of 8 acquisitions in Q4 2006 of regional pharmacy chains. As a result of these acquisitions Pharmacy Chain 36.6 has expanded by 88 pharmacies situated in 7 cities and 6 regions of the Russian Federation.

The total turnover of the acquired chains is estimated to have reached approximately \$42 million in 2006.

The financial terms of the deals are not being disclosed.

#### **Urals Business-Unit**

Pharmacy Chain 36.6 has signed a partnership agreement on acquiring and co-managing the pharmacy chain Atoll Pharm, which includes 38 pharmacies in Yekaterinburg and 5 pharmacies in Tyumen. In addition, Pharmacy Chain 36.6 has acquired the wholesale business of the company and plans to use this business as a regional base for developing its own logistics system. According to the conditions of the agreement, the owners of Atoll Pharm retain their rights to the pharmacy chain's real estate, which will be leased out on a long-term basis to Pharmacy Chain 36.6. The average floor space of the pharmacies is approximately 100 square meters. We estimate the market share of Atoll Pharm in Yekaterinburg at 6%. The integration and rebranding of the majority of the pharmacies acquired by the Company will take place in 2007.

#### **Volga Business Unit**

Pharmacy Chain 36.6 has acquired the InterLek pharmacy chain. Interlek comprises 6 pharmacies situated in Samara. The average area of the pharmacies is around 70 square meters.

#### **South Business Unit**

Pharmacy Chain 36.6 acquired the MEGG pharmacy chain. This chain includes 10 pharmacies located throughout the city of Sochi. The average area of each pharmacy is approximately 68 square meters.

Pharmacy Chain 36.6 also acquired the pharmacy chains Novaya Apteka – Spasatel (5 pharmacies) and SPAS (9 pharmacies) in Krasnodar. The average area of the pharmacies is approximately 56 square meters.

Pharmacy Chain 36.6 acquired the Verbena pharmacy chain, which includes 3 pharmacies in Volgograd. The average area of these pharmacies is approximately 90 square meters.

Pharmacy Chain 36.6 acquired the Pskovskaya pharmacy chain, which comprises 5 pharmacies in the city of Astrakhan. The average area of these pharmacies is approximately 63 square meters.

### **West Siberia Business Unit**

Pharmacy Chain 36.6 acquired the STPK pharmacy chain with its 7 pharmacies in Novosibirsk. The average area of the pharmacies is approximately 95 square meters.

The number of pharmacies of Pharmacy Chain 36.6 as of December 31, 2006:

36.6 Business Unit	Number of pharmacies as of October 1, 2006	Number of pharmacies acquired in Q4 2006	Total*
Moscow	269	-	269
Urals	177	43	220
Volga Region	163	6	169
South	77	32	109
North-West	46	-	46
West Siberia	25	7	32
<b>Total*:</b>	<b>757</b>	<b>88</b>	<b>845</b>

\* The information on the number of pharmacies does not include the organic growth of Pharmacy Chain 36.6 in Q4 2006.

### **Comment:**

***Sergey KRIVOSHEEV, Chairman of the Board of Directors, Pharmacy Chain 36.6:***

“In 2006 we acquired 19 pharmacy chains with a total of 352 pharmacies, which is an absolute record on the Russian pharmaceuticals market. Already today we can say that during 2007 we will be able to fulfill our goals in terms of entering the regions via acquisitions of pharmacy chains, and management is fully focusing its efforts on further advancing growth in key cities as well as on improving the financial indicators of the Company's business.”

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*www.pharmacychain366.com*

*Notes to the Editor:*

*Pharmacy Chain 36.6 is the first public national health and beauty retailer listed in the "B"-list on RTS (ticker: APTK). Market capitalisation as of 01.01.07 was USD 448 million based on RTS share prices.*

*As of October 1, 2006 Company operates 757 stores in 23 regions and 70 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 on RTS (ticker: VRPH). Market capitalisation as of 01.01.07 was USD 315 million based on RTS share prices.*

*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 employs over 8.000 people.*

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