

PHARMACY CHAIN

36·6



HEALTHY, FIT & STRONG



STRATEGIC GOALS

36·6

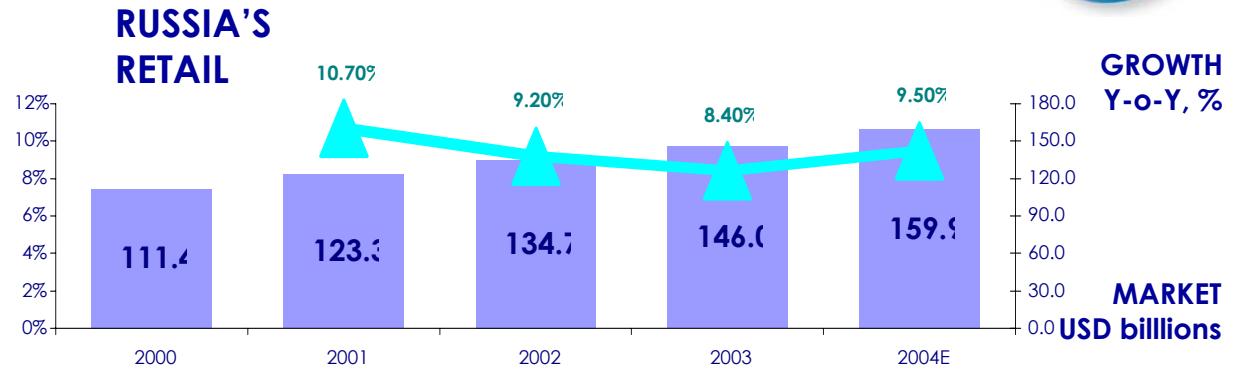
We strive to be Russia's leading health & beauty retailer and to become the preferred source of medicines and health & beauty products for Russian consumers.

- 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

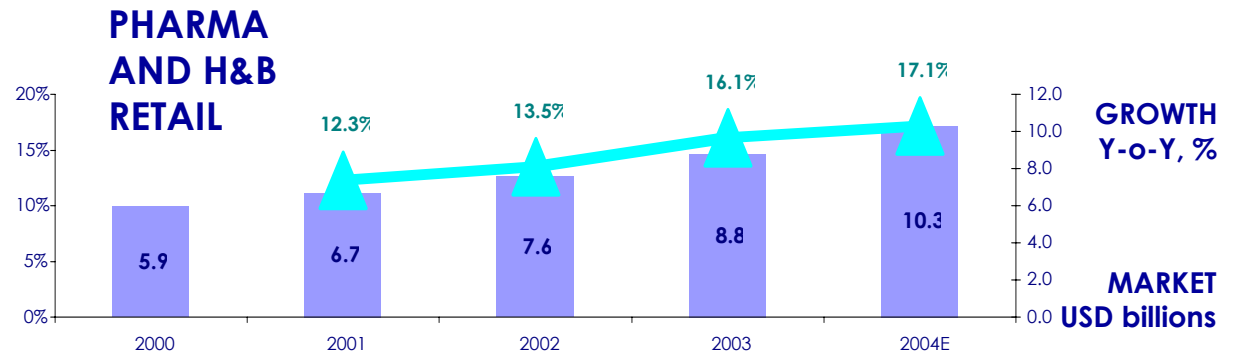
RUSSIA'S RETAIL MARKET IS BOOMING



Russia is the No. 1 destination for retail expansion (A.T.Kearney research)



Russia is among the top-10 world retail economies (UFG Research)



36,6 AT A GLANCE



147,8
million

sales in 2003. EBITDA was 9,3% in 2003.

104,8
million

current market capitalization. 20% of shares were placed through IPO in 2003 at 9\$ per share

25%

top-line annual growth: 30% in retail, 20% - in manufacturing

230
pharmacies

under management in 6 Russian regions

13
million

purchases in 2003

285
products

in the modern and well-managed generic portfolio of Veropharm

6000
employees

of highly advanced personnel and experienced management team

CUSTOMER VALUE PROPOSITION



We strive to increase the value of the company by providing our customers with a reason to come back.

- Competitive prices
- Convenient locations
- Excellent shopping experience
- Reliable quality products
- Wide assortment

36.6 IS THE MOST RECOGNIZABLE BRAND



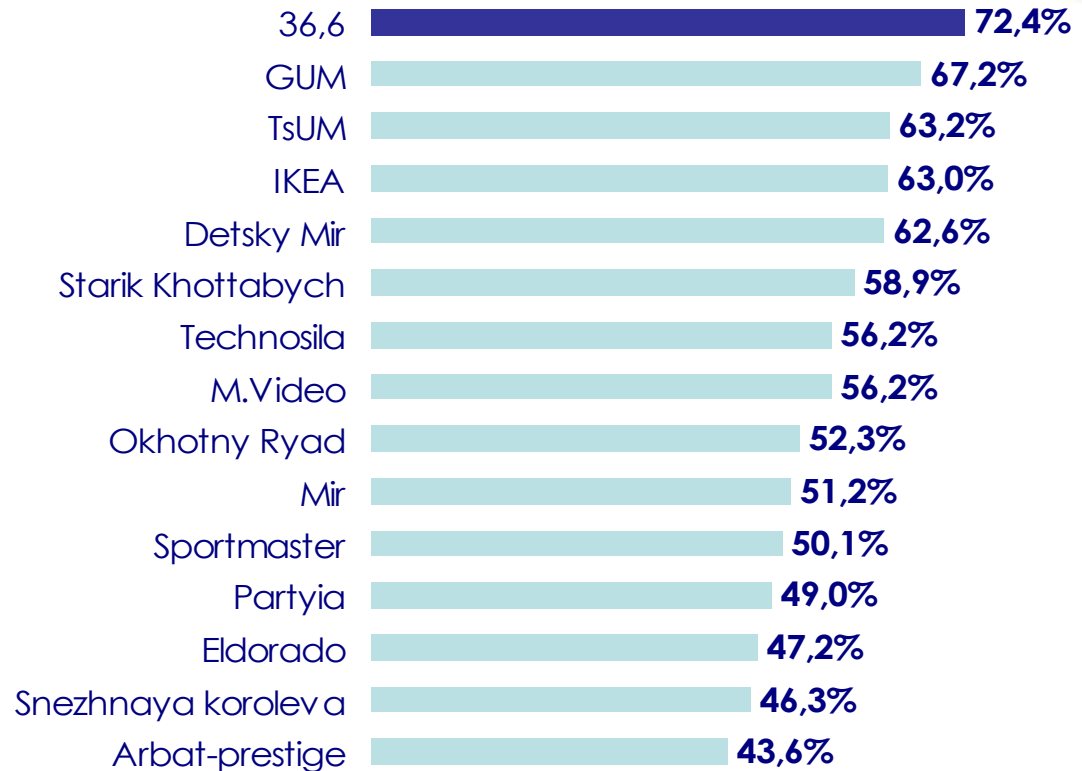
also leading by:

attendance 49%

next ranked
Ramstore 39,6%

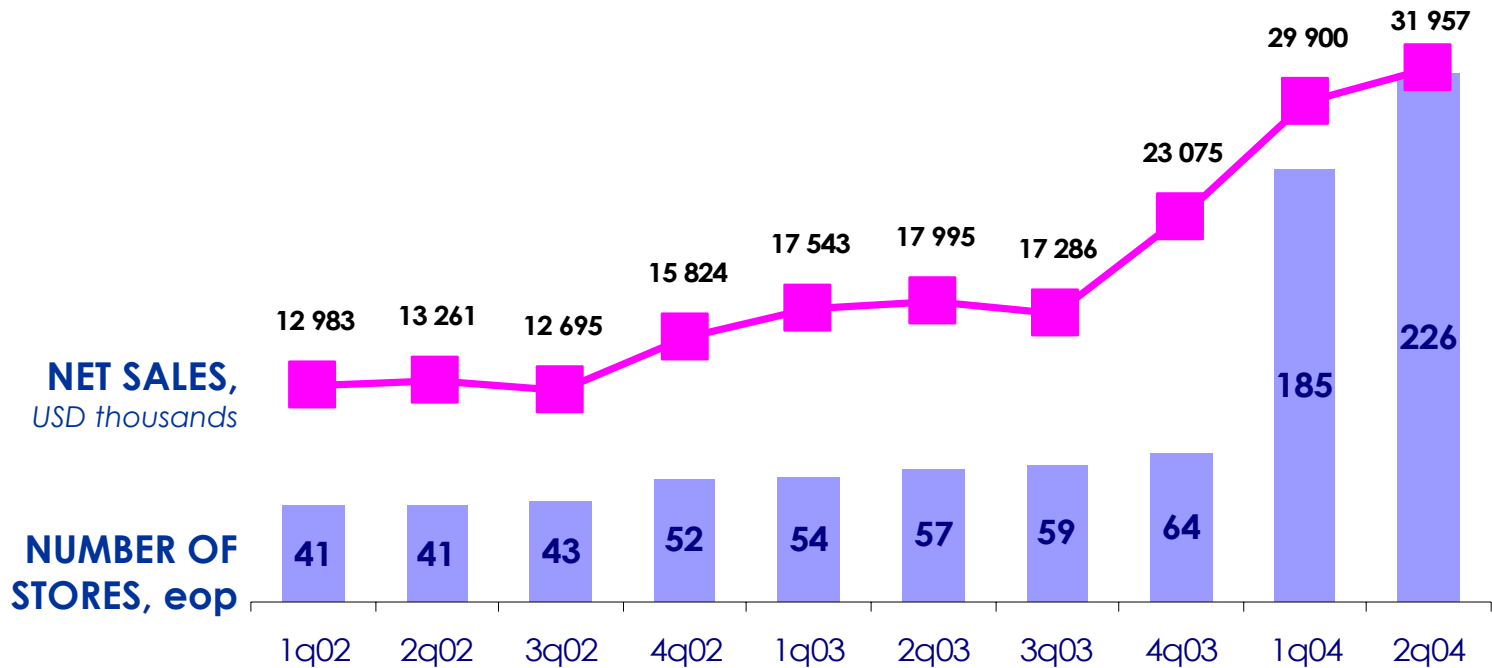
making purchases 40%

next ranked
Ramstore 30,3%



Source: Gallup Media Survey, 2003

STORES GROWTH

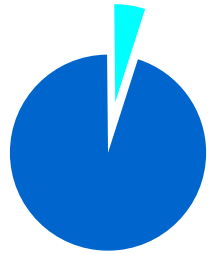


Starting from 2004 the Company includes pharmacies in its core business, which used to be accounted for as auxiliary segment

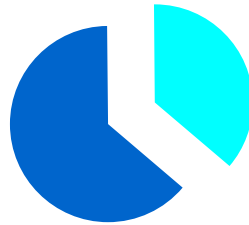
THE RETAIL MARKETPLACE IS STILL FRAGMENTED

36.6

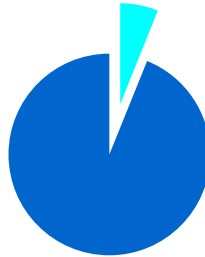
TOP-5 PLAYERS MARKET SHARE



5%
FOOD



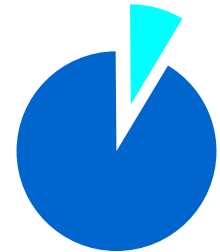
36%
ELECTRONICS



6%
PHARMACEUTICALS



9%
H&B



9%
DIY

 Top-5 players



Source: UFG Research

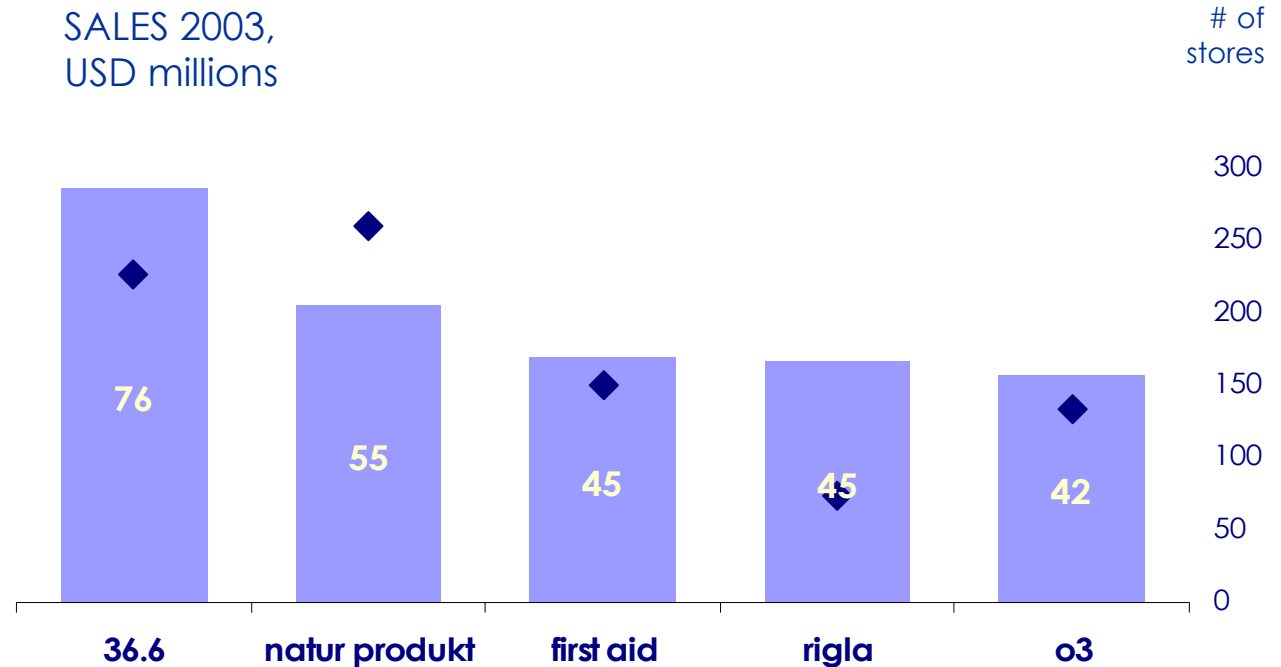
36.6 IS THE CONSOLIDATOR OF CHOICE IN PHARMACY RETAIL



We strive:

to reach sales over \$800 million by 2008

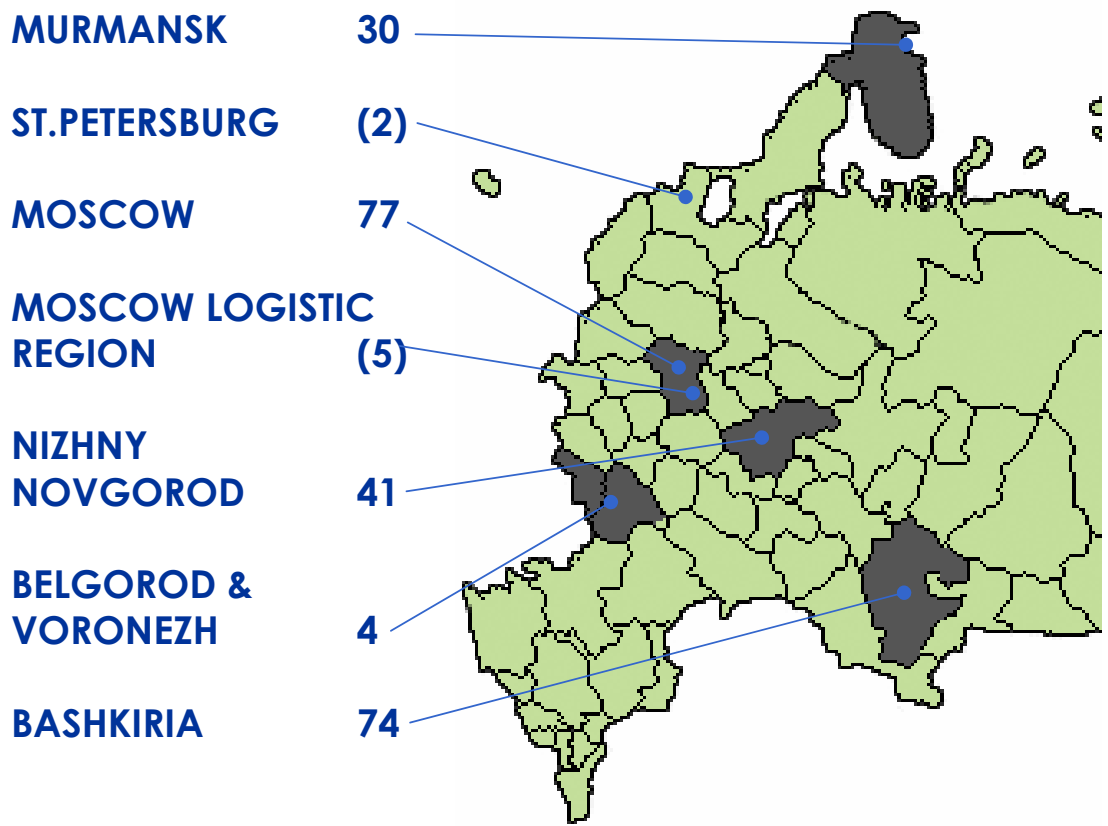
to enjoy 10% of the Russian pharmacy retail market





REGIONAL EXPANSION

with 230 pharmacies in 6 regions the Company reaches out to 30 million consumers, and will strive to deliver its value proposition to 60 million consumers by 2008



REGIONAL ACQUISITIONS

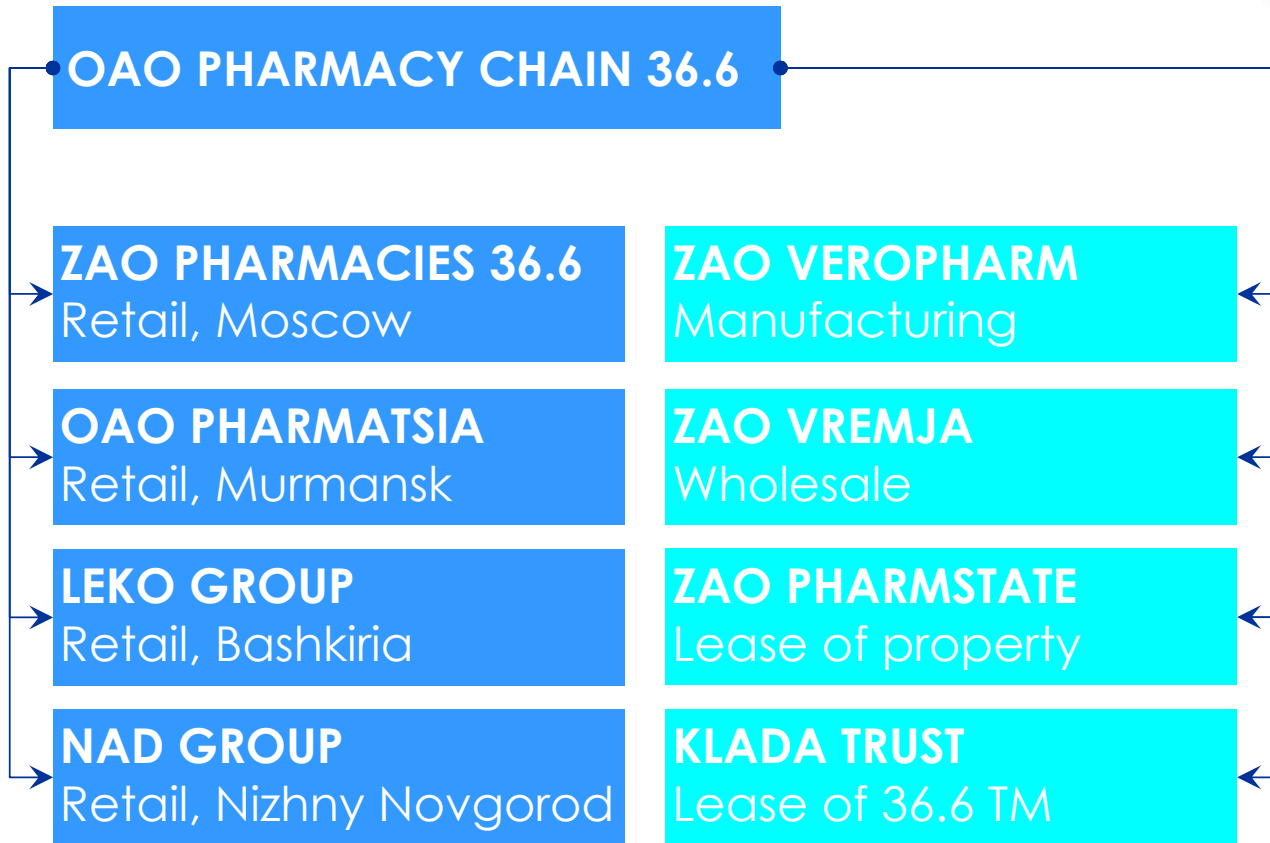


	pharmacies* (own)	sales'03 USD millions	mrkt. share	sales'04E USD millions
LEKO, Bashkortostan	74 (34)	13,5	25%	17,0
NAD, Nizhny Novgorod	41 (31)	7,3	19%	12,0



At time when purchased

ORGANIZATION CHART



BOARD OF DIRECTORS



Sergey KRIVOSHEEV
Chairman

Artem BEKTEMIROV

Michael OBERMAYER

Vasily RUDOMINO

Andrey AZAROV

MANAGEMENT STRUCTURE



Artem BEKTEMIROV
CEO

**Dmitry
GODUNOV**
Development
& Regions

**Julia
REZVINA**
Operations

**Victor
VASILIEV**
General Counsel
& Corporate Secretary

**Svein Aage
OLSEN**
Finance

**Oleg
ANIKIN**
Strategy &
Marketing

**Andrei
SLIVCHENKO**
Corporate
finance & IR

**Dmitry
KOZOREZOV**
Commerce

**Boris
RYABOV**
Business &
Technology

VEROPHARM

**Herman
INOZEMTSEV**
Marketing

**Anton
PARKANSKY**
Managing Director
VEROPHARM

**Marina
PEN'KOVA**
Finance

36.6 STOCK



MARKET CAP:	US\$ 110* MILLION
NUMBER OF SHARES:	8 MILLION
FREE FLOAT	20%
IAS REPORTING	since 2002
AUDITOR	DELOITTE
TRADING	MICEX since JAN'03 (RU14APTK1007) RTS since FEB'04 (aptk)



APPENDIX

(FINANCIALS & ANALYSIS)

NB!

** financials for the latest period are IAS unaudited*

*** data by segments are before adjustments*

CONSOLIDATED INCOME STATEMENT



	1H04	2003	2002	03/02,%
NET SALES	95,6	147,8	118,7	24,5%
GROSS PROFIT	37,9	59,8	46,0	30%
EBITDA	9,7	13,8	15,1	-8,6%
	10,2%	9,3%	12,7%	
OPERATING INCOME	6,6	8,4	10,4	-19,2%
NET INCOME	2,1	1,0	3,3	-69,7%
	2,2%	0,7%	2,8%	

CONSOLIDATED INCOME STATEMENT, 1H04

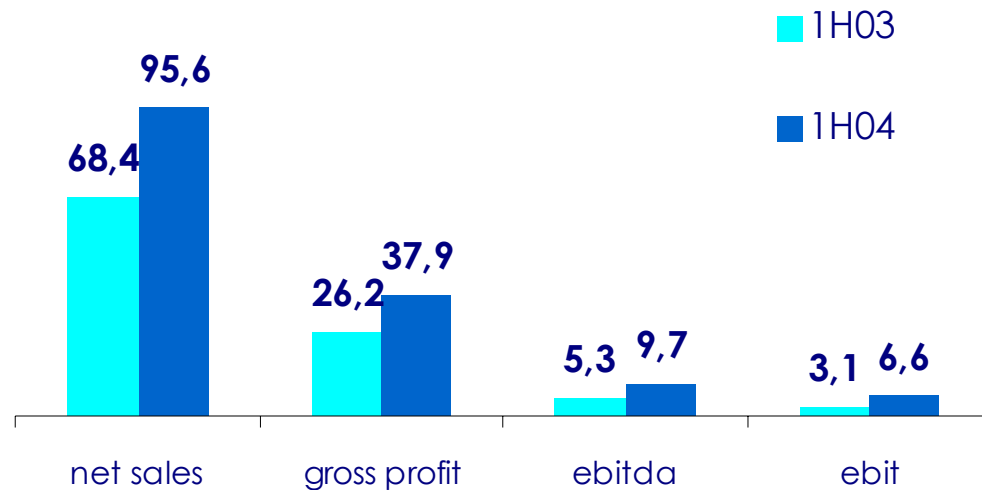


NET SALES up 40%

**GROSS
PROFIT** 39,7%
up from 38,3%

EBITDA 10,2%
up from 7,8%

EBIT 6,9%
up from 4,5%



CONSOLIDATED BALANCE SHEET

(major items)



	1H04	2003	2002	03/02
N-CURRENT ASSETS	76,9	60,1	45,9	14,2
CURRENT ASSETS	62,0	54,7	38,8	15,9
TOTAL ASSETS	138,9	114,8	84,7	30,1
EQUITY	42,8	40,2	24,4	15,8
TOTAL DEBT	60,4	43,1	36,3	6,8
CURRENT LIABILITIES*	27,4	24,0	17,7	6,3

PHARMACIES 36,6: INCOME STATEMENT



	1H04	2003	2002	03/02,%
NET SALES	60,4	76,3	58,8	29,8%
GROSS PROFIT	39,7	24,4	19,2	27,1%
GROSS MARGIN	34%	32%	33%	
EBITDA	4,9	1,2	2,6	-53,8%
	8,1%	1,5%	4,4%	
D&A	1,7	2,0	1,7	n/a
OPERATING INCOME	3,1	-0,9	0,9	n/a

PHARMACIES 36.6

BALANCE SHEET

(major items)



	1H04	2003	2002	03/02
N-CURRENT ASSETS	38,4	21,3	15,7	5,6
CURRENT ASSETS	19,5	13,8	13,1	0,7
TOTAL ASSETS	57,9	35,2	28,8	6,4
CURRENT LIABILITIES	21,1	17,2	10,9	6,3

PHARMACIES 36.6: INCOME STATEMENT 1H04

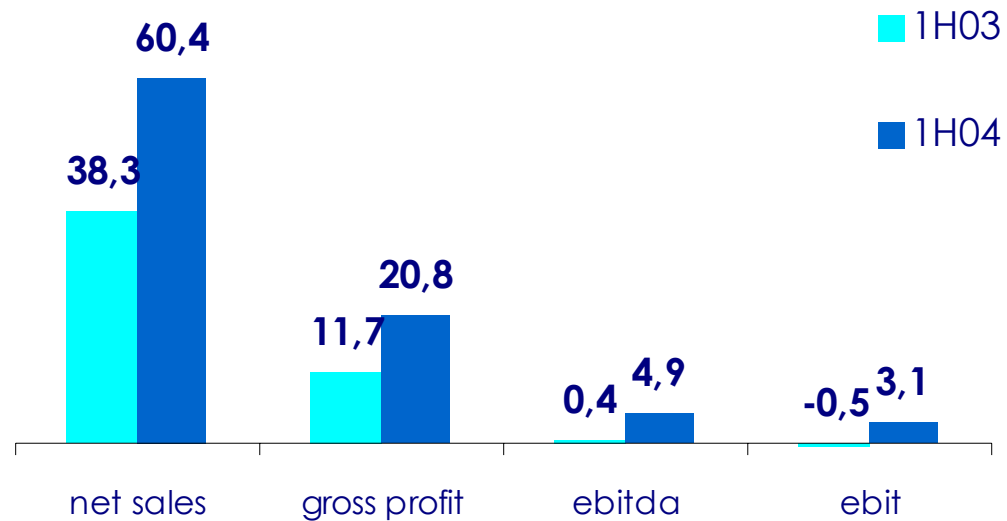


NET SALES up 58%

GROSS PROFIT 34,4%
up from 30,6%

EBITDA 8,1%
up from 0,9%

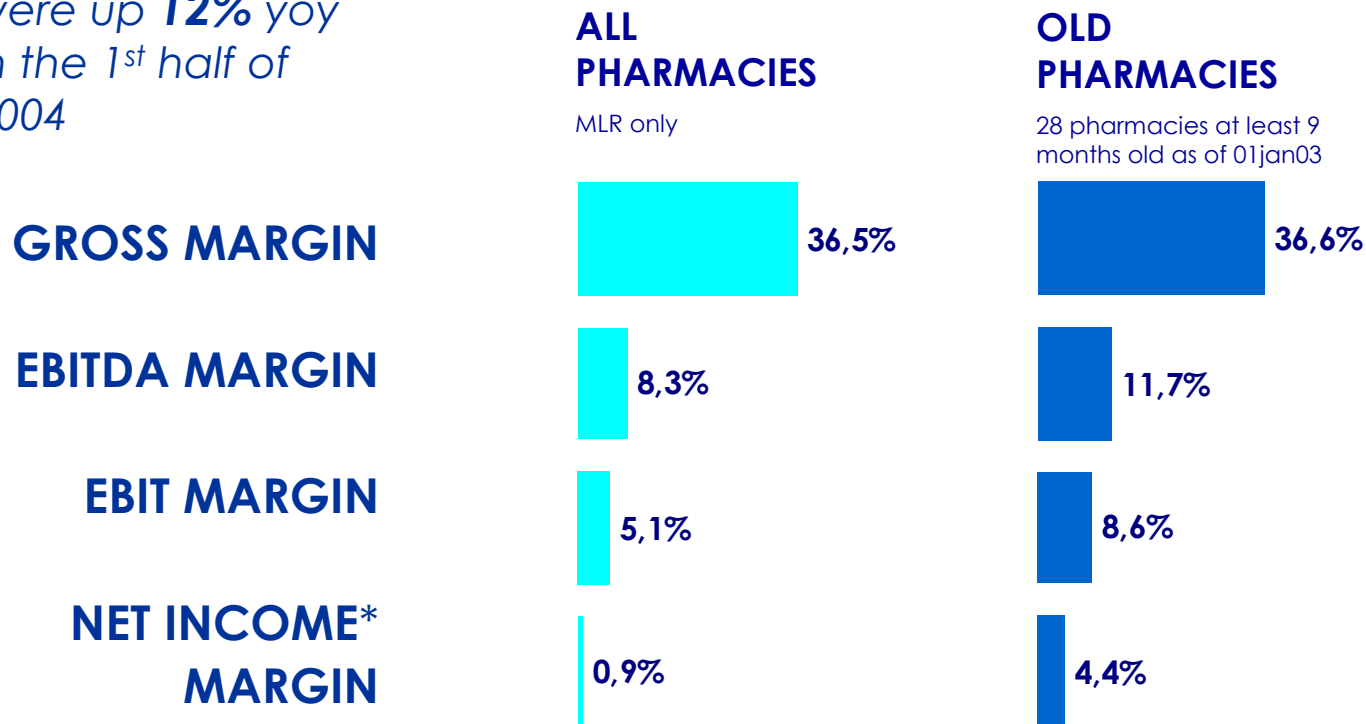
EBIT 5,2%
up from -1,2%





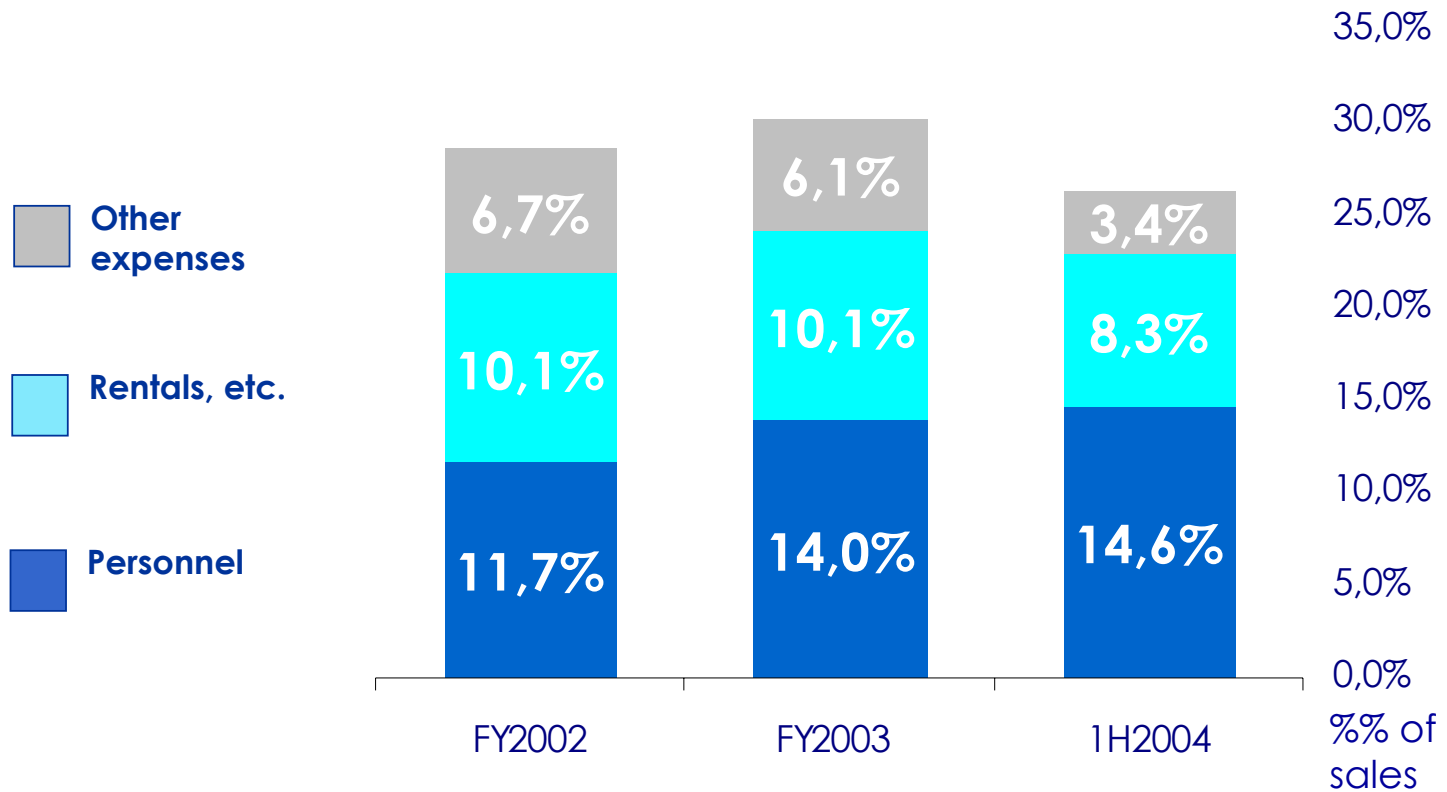
PHARMACIES 36.6: OLD VS ALL STORES, 1H04

Same store sales were up **12%** yoy in the 1st half of 2004



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

PHARMACIES 36.6: SG&A BREAKDOWN, 1H04



KEY PERFORMANCE INDICATORS



3Q02 4Q02 1Q03 2Q03 3Q03 4Q04 1Q04 2Q04

**NUMBER
OF PURCHASES**
thousands

2 568 3 005 3 288 3 213 2 945 3 604 3 245 3 168

**AVERAGE
PURCHASE**
USD

4,94 5,27 5,33 5,60 5,87 6,40 7,25 7,40

**SALES
PER M2**
USD

1 943 2 197 2 237 2 214 2 063 2 594 2 503 2 293

VEROPHARM: INCOME STATEMENT



	1H04	2003	2002	03/02,%
NET SALES	27,5	52,8	43,9	20,4%
GROSS PROFIT	11,6	31,3	23,4	33,6%
GROSS MARGIN	58,0%	59,2%	53,3%	
EBITDA	7,1	15,5	13,5	14,2%
	25,8%	29,3%	30,9%	
D&A	1,3	2,9	3,1	n/a
OPERATING INCOME	5,8	12,5	10,5	n/a

VEROPHARM BALANCE SHEET

(major items)



	1H04	2003	2002	03/02
N-CURRENT ASSETS	34,4	34,4	31,2	3,2
CURRENT ASSETS	37,4	34,2	23,4	10,8
TOTAL ASSETS	71,8	68,5	54,5	14,0
CURRENT LIABILITIES	7,1	7,1	6,5	0,6

VEROPHARM: INCOME STATEMENT, 1Q04

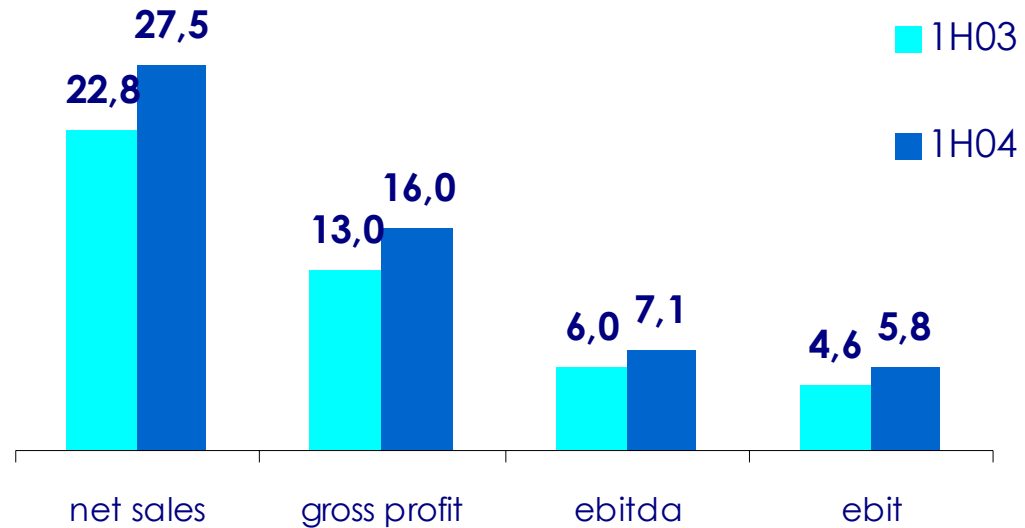


NET SALES up 20%

GROSS PROFIT 58,0%
up from 56,8%

EBITDA 25,8%
down from 26,2%

EBIT 21,2%
up from 20,3%



DISCLAIMER



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 Securities Commission. 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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