A Joint Publication of the Association of International Pharmaceutical Manufacturers in Russia and Group of Companies Remedium

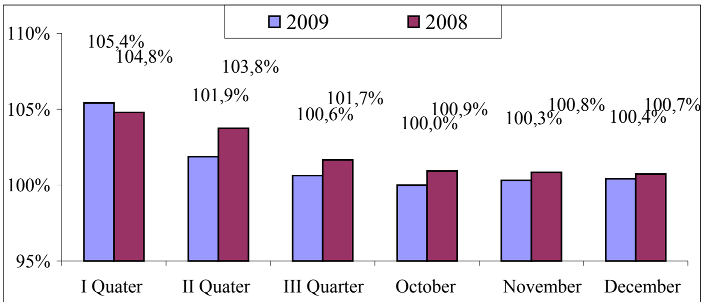
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, Consumer Price Index was estimated as 100.4%. For the period from start of the year, it escalated to 108.8% (in January-December 2008 – 113.3%).

In December, Industrial Producer Price Index was 100.5%, whereas a month ago it had amounted to 99.5%. For the period from start of the year, it escalated to 113.9% (for the same period in 2008 – 93%).

Figure 1. Consumer Price Index (compared with the previous period)



Source: Rosstat

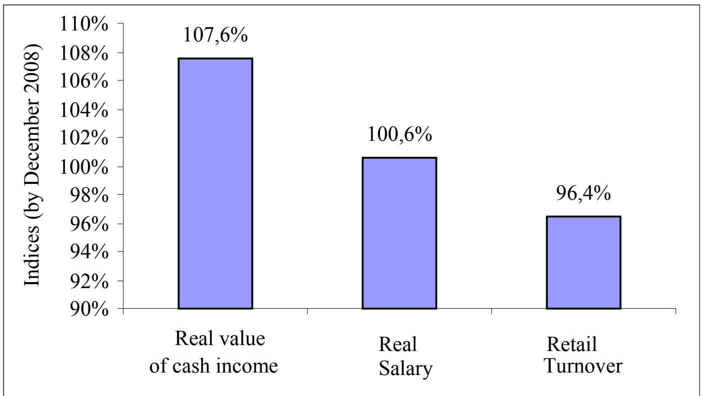
Living standard

According to preliminary Federal State Statistics Service's data, in December 2009 a gross monthly average salary per worker reached 23,827 roubles - USD787.9). The real salary in December 2009 amounted to 100.6% as compared with the same period in 2008. As compared with the same period of 2008, the real value of cash incomes increased by 7.6%, for 2009 it increased in comparison with 2008 – by 1.9%) (Fig. 2).

Retail turnover

Retail turnover in December 2009 was equal to 1,518.4 bn roubles, which in stock amounts to 96.4% compared to the same period a year ago (Fig. 2). Annual turnover amounted to 14,516.9 bn rubles.

Figure 2. Real value of cash incomes, real salary and retail turnover in December 2009



Source: Rosstat

Manufacture of industrial products

According to Federal State Statistics Service's data, Industrial Production Index in December 2009 amounted to 102.7% compared to the same period in 2008, to the previous month – 105.0%. For 2009, Index amounted to 89.2% (in 2008 – 102.1%).

Domestic production

According to Ministry of Industry and Trade's data, in January – December 2009 Pharmaceutical Production Index was equal to 91.7% compared to January - December 2008. In December 2009 it escalated to 110.3% compared to December in 2008 and 110.1% compared to November 2009.

Production volume of pharmaceutical products in 2009 amounted to 95.6 bn roubles.

The top ten domestic manufacturers by production volume resulted in December 2009 are shown in Table 1. The total production volume by top ten manufacturers was estimated as USD268.1 mn.

Table 1. Top ten chemical and pharmaceutical manufacturers by production volume in December 2009

Rating position	Manufacturer	Production volume, $mn
1	Pharmstandard	93,5
2	Valenta	33,8
3	Veropharm	28,8
4	Microgen	24,8
5	Nizhpharm	23,9
6	Materia Medica	20,3
7	Pharm-Center	15,2
8	Akrihin	10,1
9	Biosintez	8,9
10	Moskhimpharmpreparaty	8,8

Table 2 provides pharmacy sales data in 10 regions of Russian Federation. In November 2009 the pharmacy sales growth was registered in all analyzed regions. The highest growth was observed in Tumen (+28%), the least – in St. Petersburg (+7%).

Table 2. Pharmacy sales in regions, 2009

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	September 2009	October 2009	November 2009	September/ August 2009	October/ September 2009	November/ October 2009
Moscow	100,4	125,5	138,3	19%	21%	12%
St Petersburg	34,3	43,6	45,5	28%	23%	7%
Krasnodar Territory	20,6	21,9	23,6	-6%	3%	10%
Novosibirsk Region	17,9	19,4	24,0	18%	5%	21%
Tatarstan	15,9	19,2	21,4	16%	17%	12%
Krasnoyarsk Territory	12,3	13,5	16,3	19%	6%	19%
Rostov Region	15,2	17,0	18,1	7%	8%	9%
Voronezh Region	10,3	11,7	14,5	11%	10%	21%
Perm	5,9	7,1	8,7	50%	17%	21%
Tumen	4,4	4,8	6,5	-8%	6%	28%

Advertising

The top advertisers and the trade names of pharmaceutical products highly publicized in mass media (TV, radio, press, outdoor advertising) are shown in Tables 3 and 4.

Table 3. Top five advertisers in mass media in December, 2009

Rating position	Company*	Quantity of broadcasts
1	Berlin-Chemie Menarini Group	8 082
2	Novartis	3 158
3	Reckitt Benckiser	3 051
4	Sanofi-Aventis	2 678
5	Actavis	2 107

Source – TNS Gallup AdFact

Table 4. Top five trade names in mass media in December, 2009

Rating position	Trade name*	Quantity of broadcasts
1	Nurophen	1 636
2	Evalar	1 628
3	Prostamol Uno	1 463
4	Spasmalgon	1 394
5	Espumisan	1 326

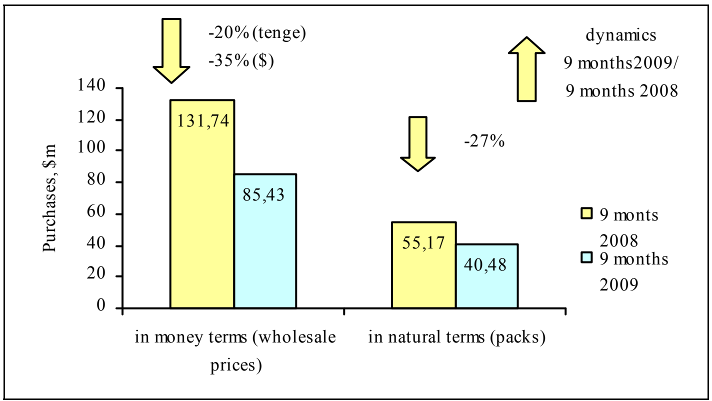
Source – TNS Gallup AdFact

* Only products registered with State Register of Medicines were considered

KAZAKHSTAN HOSPITAL MARKET: 2009 FIRST 9 MONTHS RESULTS

According to the results of the Retail Audit of Hospital Purchases in Kazakhstan™, for the first three quarters of 2009 the domestic pharmaceutical market in natural terms reduced by 27% and made up 40.48 million packs. The sales in money terms also decreased (in tenges - reduced by 20%, in USD – by 35%) and achieved 12.65 billion tenges (85.43 million dollars) in wholesale prices. The average cost of a FPP pack in hospital sector was USD 2.11. - this is a bit lower than in the same period last year (USD 2.39).

Figure 1. Kazakhstan hospital market for 9 months of 2008 – 9 months 2009



Domestic drugs (15%) make up the most significant share in the domestic hospital market, which increased as compared with the same period 2008. (11%). Market shares of FPP made in Denmark (13%), Germany (11%) and Great Britain (8%) are also high. FPP made in Russia occupy 4.5% of hospital market.

The rating of the ten top manufacturers by hospital purchases for nine months 2009 suffered significant changes (table 1). However, it should be noted that four companies managed to retain their previous positions. They are Top-10 leaders Nycomed and Khimpharm and Janssen-Cilag (-27%) and Gedeon Richter (-21%) taking 5th and 9th positions. Significant negative performance and reduction of shares resulted in the fact that GlaxoSmithKline (-38%) and Novartis (-58%) lost their positions – they moved down to 4th and 8th positions respectively. In this connection three companies improved their rating positions. A newcomer of Top-10 Ebewe Pharma (+17%) taking the last rating position also showed a rating progress. It should be pointed out that among leaders only Ebewe Pharma and Kazakh Khimpharm showed a positive performance. The total share accumulated by the top manufacturers increased nearly 2.5 p.p. and escalated to 49.4%.

Table 1. The top ten manufacturers by hospital purchases

Rating position		Manufacturer*	Share in total hospital purchases, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	**Nycomed**	10,9	10,4
2	2	Chimpharm	10,7	6,7
3	4	**Sanofi-Aventis**	5,5	5,7
4	3	**GlaxoSmithKline**	5,0	6,4
5	5	**Janssen-Cilag AG**	4,5	5,0
6	7	**Berlin-Chemie/ Menarini Pharma GmbH**	3,2	2,8
7	8	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	2,5	2,5
8	6	**Novartis (inc. Sandoz-Lek)**	2,5	4,5
9	9	**Gedeon Richter**	2,4	2,4
10	15	**Ebewe Pharma**	2,0	1,4
Total			49,4	47,8

*AIPM members are in bold

Actovegin (-26%), Sodium Chloride (+2%) and Curosurf (-4%) remain the most in-demand drugs on the hospital market of Kazakhstan. However, purchases of the former FPP considerably dropped which resulted in reduction of its market share. Six of the seven remaining trade names including newcomers improved their rating positions. Cephalosporin Cef IV (+22%), anticoagulant Clexan (-8%) and antifungal Orungal (+1%) moved upwards from 19th, 11th and 16th positions to 7th, 8th and 9th respectively. At the same time three drugs with high negative performance dropped out of the rating including Rispolept which took 4th position (-80%). In this connection Cefazoline (-16%), Glucose (-23%) and Fortum (-36%) which took 5-7th positions moved up the row. The total share of Top-10 increased more than 10 p.p. and escalated to 23.8%.

Table 2. The top ten trade names by hospital purchases

Rating position		Trade name	Share in total hospital purchases, %	
9 months 2009	9 months 2009		9 months 2009	9 months 2009
1	1	Actovegin	5,6	6,1
2	2	Sodium Chloride	3,5	2,7
3	3	Curosurf	2,9	2,4
4	5	Cefazoline	2,4	2,3
5	6	Glucose	2,1	2,2
6	7	Fortum	1,6	2,0
7	19	Cef IV	1,5	1,0
8	11	Clexan	1,5	1,3
9	16	Orungal	1,4	1,1
10	9	Geptral	1,3	1,5
Total			23,8	22,6

The bottom part of the Top INN and generic names rating didn't change as opposed to the Top-10 considered a bit earlier (table 3). Sodium Chloride (+2%) which due to the sales gains became a leader moved upwards from 4th to 1st position. Only one more trade name - a newcomer Cefepime showed a positive performance (+6%). Whereas the other eight drugs of the rating had a negative performance, four of them expanded their positions against the background of general reduction in the hospital market. The total share of the Top 10 has increased as well - from 22.6% to 24.2%.

Table 3. The top ten INN and generic names by hospital purchases

Rating position		INN/Generic names	Share in total hospital purchases, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	4	Sodium Chloride	3,5	2,7
2	6	Poractant alfa	2,9	2,4
3	5	Cefazoline	2,8	2,5
4	1	Ceftriaxon	2,7	3,4
5	3	Ceftazidime	2,6	2,7
6	11	Cefepim	2,2	1,6
7	7	Dextrose	2,1	2,2
8	8	Hydroxiethyl starch	2,1	1,7
9	9	Cefuroxim	1,8	1,7
10	10	Aprotinin	1,6	1,6
Total			24,2	22,6

Six drug groups of Top-10 ATC groups retained their positions (table4). Three leaders are listed among them: J01 Antivirals for systemic use (-18%), B05 Blood substitutes and perfusion solutions (-8%) and B06 Other Hematological Agents (-25%). N05 Psycholeptics which used to take 4th position decreased their performance by more than 33% and took 6th position. Therefore, L01 Antineoplastic agents (-32%) and B02 Antihemorrhagics (-22%) despite of reduction of market share moved up the row. The only one newcomer took the last position in the Top-10 – N01 Anesthetics (-18%). The total share of Top -10 ATC groups rating increased by 1.6 p.p. and achieved 64.1%.

Table 4. The top ten ATC groups by hospital purchases

Rating position		ATC code	ATC group	Share in total hospital purchases, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	1	J01	Antivirals for systemic use	20,3	19,6
2	2	B05	Blood substitutes and perfusion solutions	11,6	10,0
3	3	B06	Other Hematological Agents	5,8	6,2
4	5	L01	Antineoplastic agents	4,7	5,5
5	6	B02	Antihemorrhagics	4,6	4,7
6	4	N05	Psycholeptics	4,4	5,6
7	7	B01	Antithrombotic agents	4,0	3,7
8	8	N06	Psychoanaleptics	3,6	2,6
9	9	R07	Other respiratory system products	2,9	2,5
10	12	N01	Anesthetics	2,2	2,2
Total				64,1	62,5

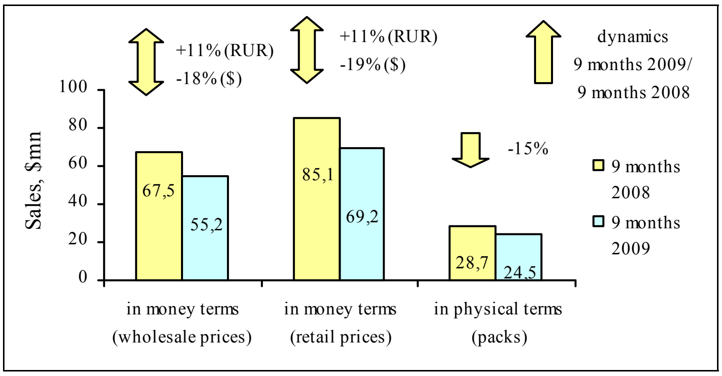
Conclusion. Following the results of 9 months of 2009, Kazakhstan hospital market considerably dropped in natural terms (-27%) and in money terms (in tenges – by 20%, in dollars – by 35%) and totaled to USD85.4m. However, market reduction rates came down as compared with the first half 2009. Purchase reduction involved essential structural changes, however, the rating leaders mostly retained their positions.

NIZHNY NOVGOROD PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service's data, Nizhny Novgorod population as of January 1, 2009 was estimated as 1.27 mn, which makes 0.9% of the total Russian Federation population and 4.2% of the Central Federal District (CFD). According to Federal State Statistics Service's data, in January-September 2009 the average salary in the Nizhny Novgorod Region was 13,883.3 RUR (USD445.3), which is lower by 24%, than the average salary in Russia (18,171.5 RUR).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, for the first nine months of 2009 the sales of over-the-counter drugs in pharmacies of Nizhy Novgorod in physical terms reduced by 15% and made up 24.5 mn packs. The regional OTC drug market increased by 11% in money terms and reached 1.8 bn roubles in wholesale prices. In terms of USD it, on the contrary, dropped by 18% up to 55.2 mn dollars (Fig.1). The regional market share amounts to 1% of the Russian pharmacy market. The average cost of a FPP pack was USD2.82. (in 2008 - USD2.96). At an average, the retail margin was 25%, which is a bit less than the last year margin (26%). The average sum spent by residents of the Nizhny Novgorod region for purchase of medicines amounted to USD 54.4.

Figure 1. Russian OTC drug market for 9 months of 2008 – 9 months 2009



The share of domestic FPP in the analyzed period was twenty per cent of regional OTC drug market. Among the foreign companies, FPP made in Germany (16%) and France (8%) made up the highest share of the pharmaceutical market. American drugs' share was six per cent of the market; drugs from Slovenia, Denmark and Great Britain made 5% of market each.

Following the results of nine months of 2009, slight shifts occurred in the rating of the ten top manufacturers by over-the-counter drugs sales in Nizhny Novgorod (table 1). Outstripping growth rates allowed Nycomed Corporation (+24%) to move up the row and take the 5th position, having put competitive pressure on the less dynamic Bayer Healthcare (+5%) that moved down to the 6th position. Merck Sharp & Dohme Idea (+12%) also took the lower 9th position. Its previous position was taken by the most dynamic among top companies – Israel Teva (+30%). The only one newcomer took the last position in the Top-10 Gedeon Richter (+17%). Novartis Corporation (+0.3%) continues to retain its leading position in the regional pharmacy market, though its sales haven't practically changed, but its market share has significantly reduced. However, the total share of Top ten manufacturers rating increased by 1 p.p. and achieved 40.2%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	**Novartis (inc. Lek-Sandoz)**	6,6	7,3
2	2	**Sanofi-Aventis**	5,6	5,4
3	3	**Servier/Egis**	5,0	4,7
4	4	Pharmstandard	4,1	3,8
5	6	**Nycomed**	4,1	3,6
6	5	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	3,5	3,7
7	7	**Berlin-Chemie/ Menarini Pharma GmbH**	3,4	3,2
8	9	**Teva**	2,9	2,4
9	8	**Merck Sharp & Dohme Idea.**	2,8	2,7
10	11	**Gedeon Richter**	2,4	2,3
Total			40,2	39,2

*AIPM members are in bold

Antiviral Arbidol (+29%) remains the best-selling over-the-counter drug in the regional market. It not only reserved but strengthened its positions due to its significant sales growth (Table 2) The only other market which developed by higher rates was beta-adrenoblocker Concor (+41%) which moved up from the 5th to 2nd position. Actovegin (+17%), Essentiale N (-7%) and Viagra (-4%) moved down the row and took the 3rd and 5th positions respectively. Contraceptive Yarina (+4%) reserved its 6th position. Apart from the above Concor, the other three drugs (Linex, Mezim forte and No-spa) improved their rating positions and took the 7th, 8th and 9th position, the latter has become the only newcomer of Top-ten. Ketonal (-3%) moved down from the 7th position to the last one. The total share of the Top 10 remained practically unchanged and amounted to 8.3%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,4	1,2
2	5	Concor	1,1	0,8
3	2	Actovegin	1,0	1,0
4	3	Essentiale N	0,8	0,9
5	4	Viagra	0,7	0,9
6	6	Yarina	0,7	0,8
7	8	Linex	0,7	0,7
8	10	Mezym forte	0,7	0,7
9	13	No-Spa	0,6	0,6
10	7	Ketonal	0,6	0,7
Total			8,3	8,2

Polyvitamin+Multimineral (+14%) and Methylphenylthiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester (+29%) continue to retain their leading positions in the Ten-top INN and Generic Names rating (Table 3). Among the remaining participant only three drugs (Pancreatin, Ketoprophen and Fluconasol) moved down to the lower positions, whereas the other five showed a rating progress. Among them there is a newcomer that entered the Top-10 -Azithromycin (+14%) which took the last position instead of the 15th. The total share of Top-ten increased from 11.1% up to 11.7%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Polyvitamin+Multimineral	1,7	1,7
2	2	Methylphenylthiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester	1,4	1,2
3	5	Xylometazoline	1,4	1,1
4	6	Bisoprolol	1,3	1,1
5	3	Pancreatin	1,3	1,2
6	8	Enalapril	1,1	1,0
7	4	Ketoprophen	1,0	1,2
8	9	Amoxicillin+ Clavulanic acid	0,9	0,9
9	7	Fluconasol	0,9	1,0
10	15	Azithromycin	0,8	0,8
Total			11,7	11,1

Half of Top-10 ATC groups retained their previous positions (table 4). Among them there is a leading group J01 Antivirals for systemic use (+2%). C09 Agents acting on the rennin-angiotenzin system (+35%), one of the most dynamic groups of the Top-ten rating, took the second position instead of the 5th one. It pressed N01 Analgesics (-1%), L03 Immunostimulants (+18%) and M01 Anti-inflammatory and antirheumatic products (+9%) down the row to the 3rd, 4th and 5th positions respectively. The only newcomer of Top-ten was R01 Nazal preparations (+23%) that moved up to the 8th position from the 11th one. The consolidated share of the top-ten groups increased by almost 1 p.p. and totaled to 40.1%.

Table 4. The top ten ATC groups by pharmacy sales

Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	1	J01	Antibacterials for systemic use	5,2	5,6
2	5	C09	Agents acting on the rennin-angiotenzin system	4,9	4,0
3	2	N02	Analgesics	4,6	5,2
4	3	L03	Immunostimulants	4,3	4,1
5	4	M01	Anti-inflammatory and antirheumatic products	4,0	4,0
6	6	A11	Vitamins	3,9	3,8
7	7	G03	Sex hormones	3,9	3,7
8	11	R01	Nazal preparations	3,2	2,9
9	9	R05	Cough and cold preparations	3,1	3,0
10	10	A07	Antidiarrheals	3,1	2,9
Total				40,1	39,3

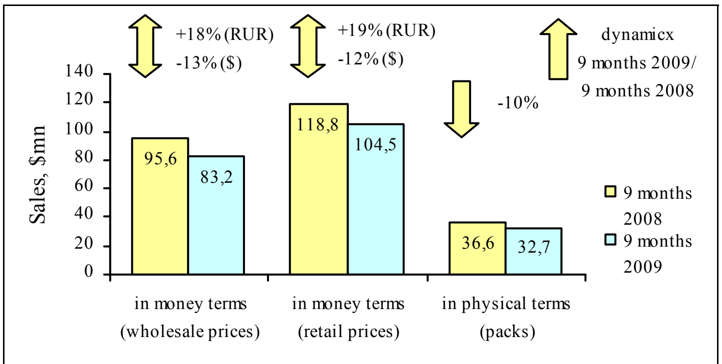
Conclusion. The OTC drug market of Nizhny Novgorod in the nine months of 2009 brought in 2.264 billion roubles (69.2 bn dollars). In comparison with the previous year it saw sales increase 11% in roubles, whereas in terms of dollars it saw reduction 19%. In physical terms the market reduced as well (by 15%). In comparison with the average values throughout Russia, the negative dynamics of the regional retail market turned out to be higher (the Russian market dynamic: -9% - in packs and – 14% in terms of USD). The average cost of an over-the-counter drug pack continues to be higher than the average cost of it in Russia (USD2.82 vs. USD2.69) at a bit lower retail margin (25% vs.31%). The medicine expenses of Nizhny Novgorod residents exceeded the average expenses throughout Russia (USD54.38 vs. USD49.89).

SAMARA PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

(As of January 1, 2009) Samara population was estimated as 1.135 million – which makes 0.8% of the total Russian Federation population and 3.8% of Central Federal District (CFD). According to Federal State Statistics Service's data, in January-September 2009 the average salary in the Samara Region was 14,665.4 RUR (USD470.95), which is lower by 19%, than the average salary in Russia (18,171.5 RUR).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, for the first nine months of 2009 the volume of city pharmaceutical market in physical terms reduced by almost 10% and made up 32.7 million packs. The sales volume in terms of roubles increased by 18% (in USD - reduced by 13%) and made up 2.7 bn roubles (83.2 million dollars) in wholesale prices (exclusive of Additional Pharmacological Support). The city share in the total volume of Russia pharmacy market is 1.5%. The average cost of a FPP pack was USD3.19. (in 2008 - USD3.25). The average pharmacy margin has increased as compared with the previous year from 24% to 26%.

Figure 1. Samara pharmacy market for 9 months of 2008 – 9 months 2009



Domestic drugs (19%) make up the highest percentage of FPP sold in Samara pharmacies. The share of FPP made in Germany is seventeen per cent; the share of FPP made in USA is 8% and those made in France is 8%. The share of products made in Great Britain and Switzerland is 5% each.

Following the results of three quarters of 2009, the ten top manufacturers rating showed high stability—only one shift occurred (table 1). Being one of the most dynamic leaders of Top ten, the French Corporation Sanofi-Aventis (+27%) moved upwards to the second position from the third one, pressing the less dynamic Servier/Egis (+21%) down the row. Gedeon Richter (+34%) on the last position in the Top-ten showed the most considerable sales growth for the analyzed period. Despite of slower growth rates and reduction of a market share, Novartis (+12%) was 1.2 points clear at the top of the table. The total share accumulated by the Ten top manufacturers amounted to 42.3%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	**Novartis (inc. Lek-Sandoz)**	6,8	7,2
2	3	**Sanofi-Aventis**	5,6	5,2
3	2	**Servier/Egis**	5,6	5,5
4	4	Pharmstandard	4,7	4,9
5	5	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	4,0	4,1
6	6	**Merck Sharp & Dohme Idea.**	3,4	3,4
7	7	**Nycomed**	3,2	3,2
8	8	**Solvay Pharmaceuticals**	3,1	3,2
9	9	**Berlin-Chemie/ Menarini Pharma GmbH**	3,0	2,9
10	10	**Gedeon Richter**	2,7	2,4
Total			42,3	42,1

*AIPM members are in bold

Only two top trading names kept their positions in the rating of top trade names (table 2). They are the leaders of Top ten: antiviral Arbidol (+36%) and hepatoprotector Geptral (+20%). The remaining Top-10 participants shifted their rating positions. Four trade names with slower growth in sales: Actovegin (+6%), Viagra (+4%), Preductal (+1%) and Linex (+6%) worsened their positions. In its turn, four FPP moved up to the higher positions. A newcomer of Top-10 – antispasmodic agent No-spa (+33%) showed the most significant rating progress moving up from the 16th position to the 8th. The second newcomer of Top-10 was Detralex (+13%), which took the 10th position instead of the 11th one. The total Top ten share amounted to 8.6%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,6	1,4
2	2	Geptral	1,0	1,0
3	6	Essentiale N	1,0	0,7
4	3	Actovegin	0,8	0,9
5	4	Viagra	0,8	0,9
6	7	Mezim forte	0,7	0,7
7	5	Preductal	0,7	0,8
8	16	No-Spa	0,6	0,6
9	8	Linex	0,6	0,7
10	11	Detralex	0,6	0,6
Total			8,6	8,5

The top INN and generic names rating leaders managed to keep their positions (table 3). They are Polyvitamin+Multimineral (+18%) and Methylphenilti-omethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester (+36%). Xylometazoline (+21%) moved up to the 3rd position from the 4th one, whereas Pancreatin (+16%) moved down the row. Apart from the above drugs, the other three trade names (Fluconasol, Trimethazidine and Sildenafil) moved down to the lower positions. At the same time, the other three drugs took the higher positions. Among them there is a newcomer that entered the Top-10 –Phospholipids (+52%) which took the l6t position instead of the 14th. The total share of Top-ten amounted to 11.5%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Polyvitamin+Multimineral	1,7	1,7
2	2	Methylphenylthiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester	1,6	1,4
3	4	Xylometazoline	1,4	1,3
4	3	Pancreatin	1,3	1,4
5	6	Ademethionine	1,0	1,0
6	14	Phospholipids	1,0	0,7
7	5	Fluconasol	0,9	1,1
8	10	Enalapril	0,9	0,8
9	8	Trimethazidine	0,8	0,9
10	7	Sildenafil	0,8	0,9
Total			11,5	11,3

The Top ten ATC groups rating changed its leader compared to the previous Top-10 ATC ratings (table 4). J01 Antibacterials for systemic use (+12%) took the first position, whereas the previous leader N02 Analgesics (+5%) moved down the row. L03 Immunostimulants (+14%) and M01 Anti-inflammatory and antirheumatic products (+18%) retained their 3rd and 4th positions. G03 Sex hormones (+22%) moved up to the 5th position from the 6th one, moving A11 Vitamins (+20%) down the row. The most dynamic group of To-ten - C09 Agents acting on the rennin-angiotenzin system (+33%) has considerably improved its rating position by moving to the 7th position from the 10th one. Note that most groups in the rating reduced their shares which resulted in the reduction of the total share by 1p.p. – up to 39.4%.

Table 4. The top ten ATC groups by pharmacy sales

Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	2	J01	Antibacterials for systemic use	5,1	5,4
2	1	N02	Analgesics	5,0	5,6
3	3	L03	Immunostimulants	4,2	4,4
4	4	M01	Anti-inflammatory and antirheumatic products	4,0	4,0
5	6	G03	Sex hormones	4,0	3,8
6	5	A11	Vitamins	3,9	3,8
7	10	C09	Agents acting on the rennin-angiotenzin system	3,6	3,1
8	7	R05	Cough and cold preparations	3,3	3,7
9	8	A07	Antidiarrheals	3,2	3,5
10	9	R01	Nazal preparations	3,2	3,3
Total				39,4	40,6

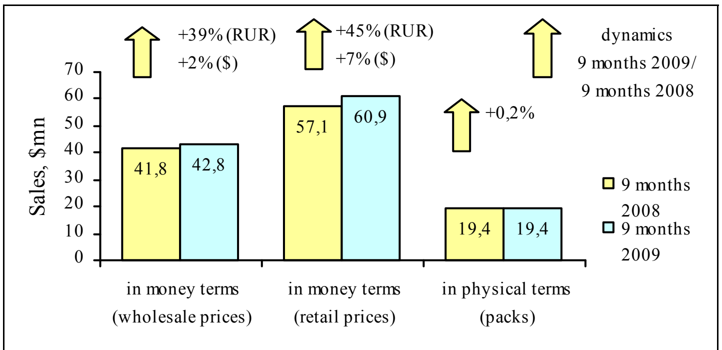
Conclusion. The Samara pharmacy market in the nine months to end September 2009 brought in 3.41 billion roubles (USD104.5 million) in final consumption prices. The regional retail market growth rates in terms of money proved to be a bit higher than all-Russia rates (in terms of roubles the sales gain amounted to 19% vs. 17%). In physical terms its growth rate was practically equal to the rates throughout Russia in whole (-10% and -9%). The average cost of a FPP pack, USD3.19, and the average sum spent by residents of the region for the purchase of FPP (USD92.06) were higher than the average cost of it throughout Russia (USD2.69 and USD49.89). The retail margin (26%) proved to be lower than the average margin throughout Russia (31%).

TOLYATTI PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service's data, as of January 1, 2009, Tolyatti population was estimated as 720.3 thousand, which makes 0.5% of the total Russian Federation population and 2.4% of the Central Federal District (CFD). According to FSSS's data, in January-September 2009 the average salary in the Tolyatti Region was 14,665.4 RUR (USD470.95) which is lower by 19% than the average salary in Russia (18,171.5 RUR).

According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, for the first three quarters of 2009 the Tolyatti pharmacy market volume in physical terms didn't practically change in comparison with the same period of the previous year (+0.2%) and made up 19.398 million packs (in 2008 - 19.358 mn). In terms of wholesale prices the pharmacy market saw sales increase +39% and +2% (both in roubles and in dollars) and reached 1.4 bn roubles (USD42.8 million) (Fig. 1). Based on the results of the analyzed period, the average cost of a pack in pharmacies of the region was USD3.14 (in the same period of 2008 - USD2.95). The average pharmacy retail margin was 42% vs. 36% in the year-earlier period.

Figure 1. Tolyatti pharmacy market for 9 months of 2008 – 9 months 2009



Products made in Russia (20%) made up the twenty per cent of FPP sold in Tolyatti pharmacies. The share of German FPP is sixteen per cent. The share of products made in France and USA is 8% each, and those made in Great Britain and Denmark is 5% each. The rating of the ten top manufacturers suffered significant changes based on the result of nine months 2009 (table 1). The rating was headed by Sanofi-Aventis the sales of which grew 1.5 times. Last year Novartis (+24%) sales growth was high enough, however it was behind the regional market growth rates, which resulted in the reduction of its market share and loss of its position. Russian company Pharmstandard (+27%) kept its third position, though its share reduced as well. It should be noted that the remaining seven companies of the Top-10 showed growth of their shares in the market, and four companies improved their rating positions. Among them there is an only newcomer of the rating – Hungarian company Gedeon Richter (+47%), which moved up to the 10th position instead of the 11th. The consolidated share of the top-ten manufacturers increased by over 1 p.p. and totalled to 41.4%

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	2	**Sanofi-Aventis**	5,9	5,4
2	1	**Novartis (inc. Sandoz-Lek)**	5,1	5,7
3	3	Pharmstandard	4,8	5,3
4	5	**Nycomed**	4,7	4,0
5	4	**Servier/Egis**	4,7	4,4
6	6	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	4,3	3,9
7	8	**Merck Sharp & Dohme Idea.**	3,4	3,1
8	7	**Berlin-Chemie/ Menarini Pharma GmbH**	3,2	3,3
9	10	**Solvay Pharmaceuticals**	2,7	2,6
10	11	**Gedeon Richter**	2,6	2,4
Total			41,4	40,1

*AIPM members are in bold

Three drug newcomers entered the rating of the top trade names (table 2). Due to high sales growth, Tetralgin (sales increased 15 times), Yarina (2 times) and Detralex (2 times) showed the considerable rating progress and took the 1st, 7th and 9th positions respectively. Apart from them, the other two trade names improved their rating positions: thanks to two-fold sales growth, beta-adrenoblocker Concor moved up to the 4th position from the 6th one, and Mezym forte - to the 8th position from the 9th one. Only Viagra (+13%) moved down to the lower sixth position. The total share of Top ten manufacturers increased by 3 p.p. and achieved 10.8%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	135	Tetralgin	2,0	0,2
2	2	Arbidol	1,5	1,4
3	3	Actovegin	1,4	1,3
4	6	Concor	1,1	0,8
5	5	Essentiale N	1,0	0,8
6	4	Viagra	1,0	1,2
7	19	Yarina	0,8	0,4
8	9	Geptral	0,7	0,6
9	15	Detralex	0,6	0,5
10	10	Linex	0,6	0,6
Total			10,8	7,8

As noted above, the considerable sales growth of Tetralgin made it possible for the respective INN Coffeine+Codeine+Metamizole sodium+Phenobarbital enter the rating for the first time and take the lead (table3). The last year leader Polivitamin+Multimineral (+27%) moved down to the second position. Methylpheniltiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester (+53%) takes the third position. It is the only product of the rating which kept its position. Among the remaining seven trade names, three of them (Xylometazoline, Sildenafil and Pancreatin) worsened their rating positions and four of them improved ones. Among them there is a second newcomer of the rating (the first one was the above leader) – Ethinylestradiol+Drospirenone moved up to the 10th position from the 38th one (sales growth 2.6 times). It should be noted that owing in large part to two newcomers of Top-10, the total share of the top ten increased by over 2.5 p.p. and escalated to 12.7%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	146	Coffeine+Codeine+Metamizole sodium+Phenobarbital	2,0	0,2
2	1	Polyvitamin+Multimineral	1,8	2,0
3	3	Methylpheniltiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester	1,5	1,4
4	9	Bisoprolol	1,3	0,9
5	7	Enalapril	1,1	1,0
6	5	Xylometazoline	1,0	1,1
7	10	Phospholipids	1,0	0,8
8	4	Sildenafil	1,0	1,2
9	6	Pancreatin	1,0	1,0
10	38	Ethinylestradiol+Drospirenone	0,8	0,4
Total			12,7	10,1

No newcomers entered the Top ten ATC groups rating compared to the previous Top-10 (table 4). N02 Analgesics (+58%) and J01 Antibacterials for systemic use (+25%) continue to remain the best selling drugs in the regional market. The other two groups also kept their positions unchanged: A11 Vitamins (+35%) and L03 Immunostimulants (+31%) on the 4th and 5th positions. The most dynamic group of Top -10 G03 Sex hormones (+70%) moved up to the 3rd position from the 7th one. C09 Agents acting on the rennin-angiotenzin system (+66%) showed outstripping growth rates and expansion of its market share which allowed it to move to the 6th position from the 9th one. Yet another group – N06 Psychoanaleptics (+39%) showed a rating progress despite of the slight reduction of the market share. It should be noted that six from ten groups of Top-10 rating showed reduction of their shares in the market which resulted in the reduction of Top-ten concentration ratio from 42% to 41.4%.

Table 4. The top ten ATC groups by pharmacy sales

Место в рейтинге		АТС код	АТС группа	Доля в общем объеме аптечных продаж, %	
9 мес. 2009г.	9 мес. 2008г.			9 мес. 2009г.	9 мес. 2008г.
1	1	N02	Analgesics	6,6	5,7
2	2	J01	Antibacterials for systemic use	5,0	5,5
3	7	G03	Sex hormones	4,9	4,0
4	4	A11	Vitamins	4,2	4,4
5	5	L03	Immunostimulants	4,1	4,3
6	9	C09	Agents acting on the rennin-angiotenzin system	3,9	3,2
7	6	M01	Anti-inflammatory and antirheumatic products	3,7	4,0
8	3	R05	Cough and cold preparations	3,1	4,4
9	10	N06	Psychoanaleptics	3,1	3,2
10	8	G04	Urologicals	2,8	3,2
Total				41,4	42,0

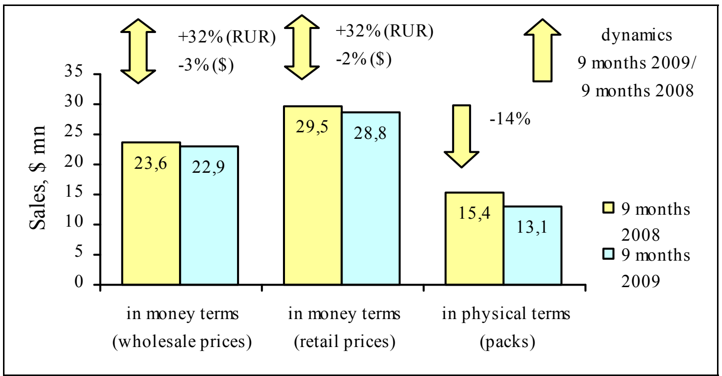
Conclusion. The Tolyatti region pharmacy market in the first nine months to end September 2009 brought in 1.99 billion roubles (USD60.9 million) in final consumption prices. It should be noted that in contrast to the all-Russia and most regional markets, Tolyatti is noted for the positive sales growth both in terms of roubles (+45%) and in terms of dollars (+7%). Sales gain in physical terms amounted to +0.2%. The average cost of a FPP pack (USD3.14) and the average chemistry retail margin (42%) and the average medicine expenses per capita (USD84.6) exceeded the similar values throughout Russia (USD2.69, 31% and USD49.89).

SARATOV PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

As of January 1, 2009, Saratov population amounted to 804.0 thousand people – which makes 0.6% of the total Russian Federation population and 2.8% of Privolzhsky Federal District (PFD). According to Federal State Statistics Service's data, in January-September 2009 the average salary in the Saratov Region was 12 685.2 RUR (USD407.4), which is 30% lower than the average salary in Russia.

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, for the first 9 months of 2009 the volume of city pharmacy market in physical terms reduced by 25% and made up 22.6 million packs. The sales increased in terms of roubles (+40%) and in terms of dollars (+3%) and brought in 1.247 bn roubles (USD38.2 million) in wholesale prices (exclusive of Additional Pharmacological Support). The city share in the total volume of all-Russia pharmacy market amounts to 0.7%. The average cost of a FPP pack in the city pharmacies is USD2.34 (in 2008 - USD2.12). The average pharmacy retail margin has increased from 36% - in last year to 38% this year.

Figure 1. Saratov pharmacy market for 9 months of 2008 – -9 months 2009



The fourth part of FPP sold in the city pharmacies is made in Russia. FPP produced in Germany constituted a considerable market share (16%). American and French drugs' shares made 7% of market each, drugs from Hungary and India made 5% of market each.

In the first nine months of 2009 the rating of the ten top manufacturers by pharmacy sales showed a high stability (table 1). Only two top positions have been shifted: the higher sales growth rates allowed Novartis (+37%) to move the last year leader Pharmstandard (+25%) down to the second position. The remaining manufacturers of Top-10 kept their previous positions and expanded their market shares to various extents. That resulted in the growth of the total top ten share by over 1 p.p. up to 39.5%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	2	**Novartis (inc. Lek-Sandoz)**	5,8	5,9
2	1	Pharmstandard	5,6	6,4
3	3	**Sanofi-Aventis**	5,5	5,2
4	4	**Servier/Egis**	4,6	4,5
5	5	**Berlin-Chemie/ Menarini Pharma GmbH**	3,8	3,4
6	6	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	3,7	3,2
7	7	**Nycomed**	3,1	3,0
8	8	**Gedeon Richter**	2,9	2,7
9	9	**Solvay Pharmaceuticals**	2,3	2,0
10	10	**Teva**	2,1	1,9
Total			39,5	38,2

*AIPM members are in bold

Three newcomers entered the rating of the top ten trade names (table 2). They are Mezym forte (+51%), Enalapril (+54%) and Concor (+47%) which took the 6th, 8th and 10th positions instead of the 11th, 13th and 12th respectively. Apart from that, the other four drugs improved their rating positions. The three of them (Actovegin, Essentiale N and Viagra) moved up the row and took the 2nd, the 3rd and 4th positions respectively. Movalis (+52%) took the 5th position instead of the 7th. Only Terpincod (-23%) and Heptral (+42%) moved to the lower 7th and 9th positions. Antiviral Arbidol (+29%) continues to remain the leader of rating. Top ten trade names accumulated 7.7% of the regional market.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,2	1,3
2	3	Actovegin	1,0	1,1
3	4	Essentiale N	1,0	0,8
4	5	Viagra	0,7	0,7
5	7	Movalis	0,7	0,6
6	11	Mezym forte	0,6	0,6
7	2	Terpincod	0,6	1,1
8	13	Enalapril	0,6	0,6
9	8	Heptral	0,6	0,6
10	12	Concor	0,6	0,6
Total			7,7	7,9

The top INN and generic names rating leaders didn't change (table 3). Outstripping growth rates allowed Polyvitamin+Multimineral (+45%) and Pancreatin to keep and strengthen their positions. The other two drugs - Coffeine+Codeine+Naproxen+Metamizole sodium+Phenobarbital (+38%) and Bisoprolol (+56%) didn't change their rating positions either. From the remaining drugs four showed a rating progress: Enalapril (+41%) moved up to the 3rd position from the 4th, Phospholipids (+78%) – to the 5th position from the 10th, Xylometazoline (+58%) - to the 7th position from the 8th one and Nimesulide (+68%) - to the 10th position from the 13th. Only two drugs moved down to the lower positions. The total share increased by 0.6 p.p. and made up 10.9%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Polyvitamin+ Multimineral	1,6	1,6
2	2	Pancreatin	1,5	1,3
3	4	Enalapril	1,2	1,2
4	3	Methylpheniltiomethyl-dimethylaminomethyl-hydroxy-bromindol carbonic acid ethyl ester	1,2	1,3
5	10	Phospholipids	1,0	0,8
6	6	Coffeine+Codeine+Naproxen+Metamizole sodium+Phenobarbital	1,0	1,0
7	8	Xylometazoline	0,9	0,8
8	7	Fluconasol	0,9	0,9
9	9	Bisoprolol	0,9	0,8
10	13	Nimesulide	0,9	0,7
Total			10,9	10,3

The leading four groups didn't change in the top ten ATC group rating (table 4). N02 Analgesics (+36%), J01 Antibacterials for systemic use (+30%), M01 Anti-inflammatory and antirheumatic products (+50%) and L03 Immunostimulants (+42%) continue to remain the best selling groups in the regional market. C09 Agents acting on the rennin-angiotenzin system (+52%) and G03 Sex hormones (+73%) moved up to the 5th and 6th positions from the lower ones due to outstripping sales growth rates. A05 Bile and live therapy (+67%), the only newcomer of the rating, showed the high sales growth rates which allowed them to expand their share by 0.5 p.p. and move up to the 10th position from the 13th one. The total share of the Top 10 has reduced from 40.4% to 41.2%.

Table 4. The top ten ATC groups by pharmacy sales

Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	1	N02	Analgesics	6,4	6,5
2	2	J01	Antibacterials for systemic use	5,4	5,8
3	3	M01	Anti-inflammatory and antirheumatic products	4,8	4,4
4	4	L03	Immunostimulants	4,1	4,1
5	6	C09	Agents acting on the rennin-angiotenzin system	3,8	3,5
6	9	G03	Sex hormones	3,7	3,0
7	7	A11	Vitamins	3,6	3,4
8	5	R05	Cough and cold preparations	3,4	3,9
9	8	N06	Psychoanaleptics	3,2	3,3
10	13	A05	Bile and live therapy	2,9	2,4
Total				41,2	40,4

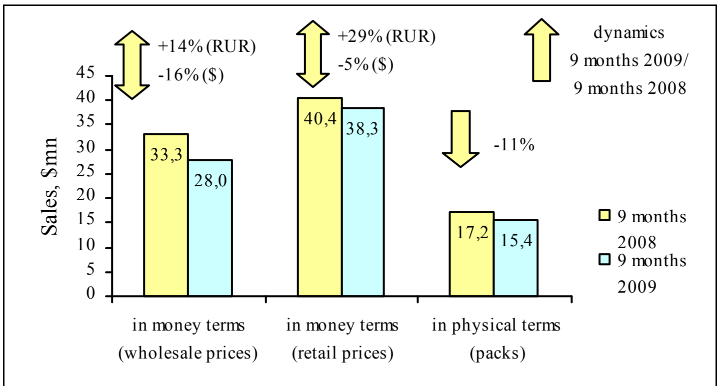
Conclusion. The Saratov pharmacy market in the nine months to end September 2009 saw sales increase 42% in terms of roubles and 5% in terms of dollars to 1.724 bn roubles (USD52.8 million) in retail prices as opposed to the All-Russia market. In physical terms the market dropped by 5%, whereas the all-Russian pharmacy market - by -9%. The average cost of a FPP pack in the region (USD2.34) was lower, than the average cost of it throughout Russia (USD2.69). At the same time the average retail margin (+38%) and the average FPP consumption level per capita (USD63.51) proved to be notably higher than the respective values (31% and USD49.89).

ULYANOVSK PHARMACY MARKET BASED ON THE RESULTS OF 9 MONTHS OF 2009

According to Federal State Statistics Service's data, as of January 1, 2009, Ulyanovsk population was estimated as 603.8 thousand, which makes 0.4% of the total Russian Federation population and 2.0% of the Privolzhsky Federal District (PFD). According to Federal State Statistics Service's data, in January-September 2009 the average salary in the Ulyanovsk Region was 11,382.6 RUR (USD365.5), which is 37% lower than the average salary throughout Russia for the same period.

According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, for the first 9 months of 2009, city pharmacies sold 15.4 mn FPP packs, which is by 11% less than the sales for the same period of last year (Fig.1). In terms of roubles the pharmacy market saw sales increase 14% (in dollars it reduced by 16%) to 915.2 million roubles (USD28.0 million) in wholesale prices (exclusive of Additional pharmacological support). The regional market share amounts to 0.5% of the all-Russia market. The average cost of FPP pack is USD2.49, whereas last year its cost was USD2.35. The average pharmacy retail margin has eased from 22% to 37%.

Figure 1. Ulyanovsk pharmacy market for 9 months of 2008 – -9 months 2009



Domestic FPP (23%) remain the best-selling drugs in Ulyanovsk pharmacies, German drugs (15%) take the second position. The share of FPP made in Hungary is 7% of pharmacy sales. Products made in Great Britain, France, India and USA accumulated 6% of market each. The share of FPP made in Denmark is five percent.

Sanofi-Aventis (+15%) headed the rating of the ten top manufacturers by pharmacy sales in the region based on results of three quarters 2009 (table 1). The less dynamic Pharmstandard (+4%) and Novartis (+5%) moved down the row and took the 2nd and 3rd positions respectively. Another shift took place in the middle of the rating: the high sales growth rates allowed Gedeon Richter (+26%) to move up to the 6th position from the 7th, having pressed Berlin-Chemie (+13%) to the 7th position. The total share didn't practically change and amounted to 40.0%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	3	**Sanofi-Aventis**	5,3	5,3
2	1	Pharmstandard	5,3	5,8
3	2	**Novartis (inc. Lek-Sandoz)**	4,9	5,3
4	4	**Servier/Egis**	4,4	4,6
5	5	**Nycomed**	4,3	3,8
6	7	**Gedeon Richter**	4,1	3,7
7	6	**Berlin-Chemie/ Menarini Pharma GmbH**	3,7	3,8
8	8	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	2,9	3,1
9	9	**Solvay Pharmaceuticals**	2,6	2,5
10	10	**Dr.Reddy's Laboratories Ltd**	2,4	2,2
Total			40,0	40,1

*AIPM members are in bold

Four newcomers entered the rating of top ten trade names (table 2). They are Nurophen plus which sales increased 3 times, as well as Concor (+30%), Enalapril (+44%) and Movalis (+19%) which took the 2nd, 8th, 9th and 10th positions respectively. The remaining trade names kept their positions unchanged, including the leader of Top-10 - Arbidol (+39%). Due to newcomers in the rating, the total share of the Top 10 has increased from 8.7% to 10.1%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,7	1,4
2	18	Nurophen plus	1,4	0,5
3	3	Actovegin	1,2	1,2
4	4	Viagra	1,0	1,0
5	5	Essentiale N	0,9	1,0
6	6	Diroton	0,9	0,8
7	7	Heptral	0,8	0,7
8	12	Concor	0,8	0,7
9	17	Enalapril	0,7	0,6
10	13	Movalis	0,7	0,7
Total			10,1	8,7

High sales growth rates of Arbidol allowed the respective INN Methylpheniltiomethyl- dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester (+39%) to shift the leader of the previous year Polyvitamin+Multimineral (+15%) and take the first position (table 3). Codeine+Ibuprophen (sales saw increase 3 times) moved up to the 3rd position from the 32nd one. Enalapril (+22%) and Pancreatin (+4%) moved down the row and took the 4th and 5th positions respectively. Nimesulide (+34%) became a newcomer of the rating having moved from the 11th position to the 9th one. The other two trade names showed the rating progress. Bisoprolol (+46%) moved up from 9th to 6th position and Xylometazoline (+36%) moved up from the 8th to 7th position. It should be noted that seven representatives of Top-10 showed expansion of their shares in the market which resulted in the increase of Top-ten concentration ratio from 10.7% to 12.4%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	2	Methylpheniltiomethyl- dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester	1,7	1,4
2	1	Polyvitamin+Multimineral	1,6	1,6
3	32	Codeine+Ibuprophen	1,4	0,5
4	3	Enalapril	1,4	1,3
5	4	Pancreatin	1,1	1,3
6	9	Bisoprolol	1,1	0,9
7	8	Xylometazoline	1,1	0,9
8	6	Sildenafil	1,0	1,0
9	11	Nimesulid	1,0	0,8
10	10	Lisinopril	0,9	0,8
Total			12,4	10,7

Half of Top-10 ATC groups retained their previous positions (table 4). Among them there is a leader- N02 Analgesics (+28%) which due to its outstripping sales growth rates expanded its market share and strengthened its position. M01 Anti-inflammatory and antirheumatic products (+22%) moved up to the second position of Top-ten and J01 Antibacterials for systemic use (+13%), on the contrary, moved down to the 3rd place. Shifts occurred on the fourth position of the rating as well - C09 Agents acting on the rennin-angiotenzin system (+33%), one of the most dynamic groups of the rating, moved to that position from the 8th one. R05 Cough and cold preparations (+2%) which used to take this position moved down to the six position and G03 Sex hormones (+9%) – from the 6th to the 8th. The total share of Top ten increased and reached 41.5%.

Table 4. The top ten ATC groups by pharmacy sales

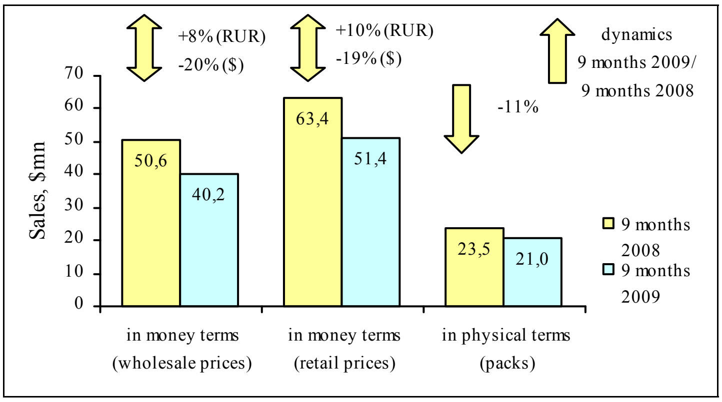
Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	1	N02	Analgesics	6,7	6,0
2	3	M01	Anti-inflammatory and antirheumatic products	4,9	4,6
3	2	J01	Antibacterials for systemic use	4,8	4,9
4	8	C09	Agents acting on the rennin-angiotenzin system	4,2	3,6
5	5	L03	Immunostimulants	3,9	3,7
6	4	R05	Cough and cold preparations	3,8	4,3
7	7	A11	Vitamins	3,7	3,6
8	6	G03	Sex hormones	3,5	3,7
9	9	N06	Psychoanaleptics	3,2	3,4
10	10	A07	Antidiarrheals	2,8	3,1
Total				41,5	40,8

Conclusion. The Ulyanovsk pharmacy market in the nine months to end September 2009 saw sales increase 29% in terms of roubles (in dollars it reduced by 5%) to 1.252 bn roubles (USD38.3 million) in retail prices. In comparison with the general sales growth of Russia pharmacy market, regional sales gain in terms of roubles proved to be notably higher (29% vs. 17%). However, sales reduction in physical terms proved to be more considerable as well (-11% vs. -9%). The average cost of a FPP pack was lower (USD2.49 vs. USD2.69). At the same time the average retail margin (37%) and the average FPP consumption level per capita (USD63.49) proved to be notably higher than the respective all-Russia values (31% and USD49.89).

VOLGOGRAD PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service's data, as of January 1, 2009, Volgograd population was estimated as 981.9 thousand, which makes 0.7% of the total Russian Federation population and 4.3% of the Southern Federal District (SFD). According to Federal State Statistics Service's data, in January-September 2009 the average salary in the Volgograd Region was 12,493.5 RUR (USD401.2), which is 31% lower than the average salary throughout Russia for the same period. According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, for the first three quarters of 2009 the volume of city pharmaceutical market in physical terms reduced by almost 25% and made up 21.0 million packs. The sales volume in terms of roubles saw increase 8% (in USD - reduction 20%) to 1.3 bn roubles (USD40.2 million) in wholesale prices (exclusive of Additional Pharmacological Support). The city share in the total all-Russia pharmaceutical market amounted to 0.7%. The average cost of a FPP pack was USD2.45. (in the same period of 2008 - USD2.7). The average pharmacy retail margin was 28% (last year - 25%).

Figure 1. Volgograd pharmacy market for 9 months of 2008 – 9 months 2009



Domestic drugs (22%) made up the highest percentage of FPP sold in Volgograd pharmacies. The share of drugs made in Germany was fifteen percent. The share of FPP made in USA and France was estimated as 10% of the regional market. The share of FPP made in Hungary was 6% of pharmacy sales, the share of FPP made in India - 5%. Only one newcomer entered the top ten manufacturers rating by pharmacy sales in Volgograd based on the results of the first three quarters of 2009 (Table 1). It was KRKA (+9%) which moved up to the 10th position from the 11th one. Low sales performance of Solvay Pharmaceuticals (+3%) resulted in the reduction of its share and falling out of the Top-10 rating. Novartis (-3%) and Pharmstandard (+12%) continue to retain their leading positions in the analyzed rating though the former reduced its sales and market share. Sanofi-Aventis (+17%) took the third position forcing the less dynamic Servier/Egis (+4%) out of that position to the 4th one. Another shift took place in the middle of the rating: Gedeon Richter (+14%) moved up to the 5th position from the 6th, and Bayer Healthcare (+6%), on the contrary, moved down the row to the 6th position. Israel Teva (+20%) showed the highest among the leaders sales growth rates, which allowed it to expand its market share and take the 9th position instead of the 10th. The total share of Top-ten increased from 40,4% to 40,7%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	**Novartis (inc. Lek-Sandoz)**	6,5	7,2
2	2	Pharmstandard	5,2	5,1
3	4	**Sanofi-Aventis**	4,9	4,5
4	3	**Servier/Egis**	4,7	4,9
5	6	**Gedeon Richter**	4,1	3,9
6	5	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	4,1	4,2
7	7	**Berlin-Chemie/ Menarini Pharma GmbH**	3,8	3,7
8	8	**Nycomed**	3,2	3,1
9	10	**Teva**	2,3	2,0
10	11	KRKA D.D.	2,0	2,0
Total			40,7	40,4

*AIPM members are in bold

Only two top trading names kept their positions in the rating of top trade names (table 2). They are the rating leaders: an antiviral drug Arbidol (+17%) and a potent regulator Viagra (+4%). The rest of the top ten rating changed their rating positions, and only two trading names (Yarina and Linex) worsened it. The rest FPP moved up to the higher positions. The drugs which for the first time entered the Top-10 showed the most significant rating progress. They are Concor (+20%) and Enalapril (+33%) that moved up from the 15th and 25th positions to the 9th and 10th respectively. The cumulative share of the Top ten trade names escalated to 8.2%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,5	1,4
2	2	Viagra	1,1	1,1
3	4	Actovegin	0,9	0,9
4	3	Yarina	0,9	1,0
5	8	Mezym forte	0,8	0,7
6	9	Essentiale N	0,7	0,7
7	10	Pentalgin N	0,6	0,7
8	5	Linex	0,6	0,7
9	15	Concor	0,6	0,5
10	25	Enalapril	0,5	0,4
Total			8,2	8,1

The top INN and generic names rating leader changed (table 3). Outstripping sales growth rates of Arbidol allowed the respective INN Methylpheniltiomethyl- dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester (+17%) to shift the leader of the previous year Polyvitamin+Multimineral (+3%) and take the first position. Trade names Pancreatin (+14%), Xylometazoline (+21%) and Azithromycin (+6%) retained their 3rd, 4th and 10th positions. From the remaining five drugs of the rating, three of them improved their positions. Among them there is a new most dynamic among leaders drug Bisoprolol (+29%). The cumulative share of the Top ten trade names escalated to 11.5%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	2	Methylpheniltiomethyl-dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester	1,5	1,4
2	1	Polyvitamin+Multimineral	1,5	1,6
3	3	Pancreatin	1,4	1,4
4	4	Xylometazoline	1,4	1,2
5	6	Sildenafil	1,1	1,1
6	9	Enalapril	1,0	0,9
7	13	Bisoprolol	0,9	0,8
8	7	Ethinylestradiol+drospirenone	0,9	1,0
9	5	Fluconasol	0,9	1,1
10	10	Azithromycin	0,9	0,9
Total			11,5	11,4

The Top ten ATC groups rating changed its leader (table 4). N02 Analgesics (+10%) took the first position, whereas the last year leader J01 Antibacterials for systemic use (-3%) reduced its market share and moved down the row. L03 Immunostimulants (+8%) moved down from the 4th position to the 6th giving place to the more dynamic groups M01 Anti-inflammatory and antirheumatic products (+10%) and C09 Agents acting on the rennin-angiotenzin system (+15%). The higher sales gain made it possible for R05 Cough and cold preparations (+14%) to move up from the 10th position to the 8th forcing A11 Vitamins and A07 Antidiarrheals to move down the row. The cumulative share of the Top ten groups escalated to 40.7%.

Table 4. The top ten ATC groups by pharmacy sales

Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	2	N02	Analgesics	5,6	5,5
2	1	J01	Antibacterials for systemic use	5,3	5,9
3	3	G03	Sex hormones	4,5	4,7
4	5	M01	Anti-inflammatory and antirheumatic products	4,1	4,0
5	6	C09	Agents acting on the rennin-angiotenzin system	4,1	3,8
6	4	L03	Immunostimulants	4,0	4,1
7	7	R01	Nazal preparations	3,7	3,4
8	10	R05	Cough and cold preparations	3,2	3,1
9	8	A11	Vitamins	3,2	3,2
10	9	A07	Antidiarrheals	3,0	3,2
Total				40,7	40,8

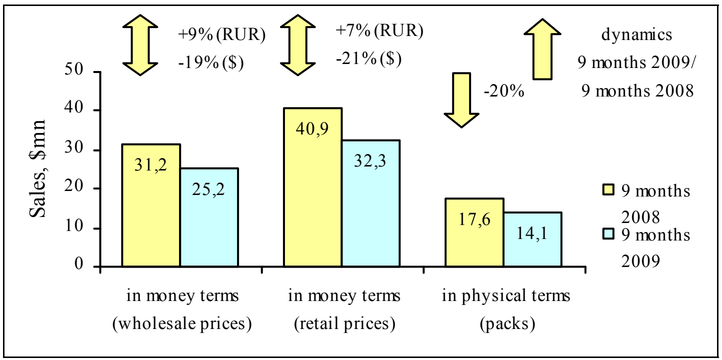
Conclusion. The Volgograd pharmacy market in the nine months to end September 2009 brought in 1.676 billion roubles (USD51.4 million) in final consumption prices. The positive regional retail market growth in terms of roubles proved to be lower than all-Russia values (10% vs. 17% in USD). In physical terms the market dropped by 11%, whereas the all-Russian pharmacy market - by 9%. The average cost of a FPP pack in the region (USD2.45) and the retail margin were lower, than throughout Russia (USD2.69 and 31%). However, the average sum spent by residents of the region for purchase of FPP (USD52.37) was higher than the average sum throughout Russia (USD49.89).

LIPETSK PHARMACY MARKET: 2009 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service's data, as of January 1, 2009, Lipetsk population was estimated as - 502.5 thousand, which makes 0.4% of the total Russian Federation population and 1.4% of the Central Federal District (CFD). The average salary in the Lipetsk region for January-September amounted to 13,544.2 roubles (USD434.95), which is 25% lower than the average salary throughout Russia for the same period (18,171.5RUR).

According to the results of the Retail Audit of Finished Pharma Product (FPP) in Russian Federation™, for the first three quarters of 2009, Lipetsk pharmacies sold 14.1 mn packs which is 20% less than for the same period last year. In terms of money the city pharmacy market saw sales increase 9% in terms of roubles to 821.7 mn roubles (USD25.2 mn) in wholesale prices (exclusive of Additional pharmacological support). In terms of dollars the city market reduced by 19%. The city share in the total volume of all-Russia retail market is 0.5%. The average cost of FPP pack is USD2.30. (in the same period of 2008 - USD2.32). The average pharmacy retail margin was 28%, whereas in 2008 - 31%.

Figure 1. Lipetsk pharmacy market for 9 months of 2008 – -9 months 2009



Domestic FPP are the best selling drugs in the Lipetsk pharmacy market – their share escalated to 21% of all sales. The share of drugs made in Germany is seventeen percent. American and French FPP accumulate 7% of regional market each, Indian and Hungarian make 5% each.

Only one newcomer entered the Top ten manufacturers rating by pharmacy sales in the region for the first three quarters of 2009 (Table 1). This is Solvay Pharmaceuticals (+26%) which moved up to the 9th position from the 12th. The other two companies (Sanofi-Aventis and Pharmstandard) improved their positions due to their outstripping sales growth rates, whereas Berlin-Chemie and Servier/Egis worsened their positions. The rest Top-10 participants didn't change their rating positions. Among them are there is a rating leader - Novartis (+12%). It should be noted that Bayer Healthcare (+43%) showed the highest sales gain in Top-10, which resulted in the expansion of its market share by 1 p.p. and made it possible to retain the 6th position. The total share of the Top ten manufacturers increased by 2 p.p. and achieved 39.5%.

Table 1. The top ten manufacturers by pharmacy sales

Rating position		Manufacturer*	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	**Novartis (inc. Lek-Sandoz)**	5,6	5,4
2	3	**Sanofi-Aventis**	5,1	4,9
3	2	**Berlin-Chemie/ Menarini Pharma GmbH**	4,9	5,0
4	5	Pharmstandard	4,7	4,4
5	4	**Servier/Egis**	4,6	4,5
6	6	**Bayer Healthcare (inc. Bayer Schering Pharma AG)**	4,1	3,1
7	7	**Gedeon Richter**	3,1	3,1
8	8	**Nycomed**	3,1	2,9
9	12	**Solvay Pharmaceuticals**	2,3	2,0
10	9	**Teva**	2,1	2,2
Total			39,5	37,5

*AIPM members are in bold

The Top ten trade names rating by pharmacy sales suffered considerable shifts (Table 2). Only its leaders Actovegin (+6%) and Arbidol (+8%) and Mexidol (-11%) taking the 4th position retained their positions. Four new drugs came up in the Top-10 rating. They are Yarina, which due to its sales growth 2.4 times moved up to the 5th place from the 47th, and Wobenzym (+50%), Detralex (+36%) and Xenical (+74%) which took the 7th, 8th and 10th positions instead of the 21st, 18th and 40th respectively. One more trade name - Essentiale N (+41%) showed a rating progress moving up to the 3rd position from the 6th. Only two participants of Top-10 moved down to the lower positions. The cumulative share of the Top ten trade names escalated to 7.4%.

Table 2. The top ten trade names by pharmacy sales

Rating position		Trade name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Arbidol	1,3	1,3
2	2	Actovegin	1,0	1,1
3	6	Essentiale N	0,9	0,7
4	4	Mexidol	0,7	0,9
5	47	Yarina	0,7	0,3
6	5	Mezym forte	0,7	0,7
7	21	Wobenzym	0,6	0,4
8	18	Detralex	0,6	0,5
9	3	Chondrolon	0,6	0,9
10	40	Xenical	0,5	0,3
Total			7,4	7,0

Three newcomers entered the Top INN and generic names rating (table 3). Phospholipids (+41%), Nimesulide (+15%) and Enalapril (+19%) took the sixth, seventh and tenth positions respectively. The higher positions were taken by Xylometazoline (+21%) which moved to the 3rd position from the 5th and Coffein+Codeine+Paracetamol+Metamizole sodium+Phenobarbital (+20%) – from the 9th position to the 5th. Polyvitamin+Multimineral (+19%) and Methylpheniltiomethyl- dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester (+8%) continue to retain their leading positions in the rating. The total share of Top-ten increased by 0.5 p.p. and achieved 10.8%.

Table 3. The top ten INN and generic names by pharmacy sales

Rating position		INN/Generic name	Share in total pharmacy sales, %	
9 months 2009	9 months 2008		9 months 2009	9 months 2008
1	1	Polyvitamin+Multimineral	2,1	1,9
2	2	Methylpheniltiomethyl- dimethylaminomethyl- hydroxy-bromindol carbonic acid ethyl ester	1,3	1,3
3	5	Xylometazoline	1,2	1,1
4	3	Pancreatin	1,2	1,2
5	9	Coffein+Codeine+Paracetamol+Metamizole sodium+Phenobarbital	0,9	0,8
6	16	Phospholipids	0,9	0,7
7	12	Nimesulide	0,8	0,8
8	8	Fluconasol	0,8	0,8
9	6	Polyvitamins+other drugs	0,8	0,9
10	14	Enalapril	0,8	0,7
Total			10,8	10,3

Despite of sales reduction by 1% N02 Analgesics continue to top the rating of the top ATC groups in the regional market (Table 4). J01 Antibacterials for systemic use (+9%) moved up to the second position from the 3rd, whereas M01 Anti-inflammatory and antirheumatic products (+1%) which used to take that position moved down the row due to its low sales growth. R05 Cough and cold preparations (-1%) and N06 Psychoanaleptics (+4%) moved down to the bottom positions of Top-10 from the 6th and 7th positions. At the same time three participants of Top-10 showed a rating progress. G03 Sex hormones (+41%) moved up to the 6th position from the 8th, C09 Agents acting on the rennin-angiotenzin system (+23%) moved from the 11th position to the 7th and R01 Nazal preparations (+10%) moved from the 9th to the 8th position. The cumulative share of Top-10 didn't change and makes 39.8%.

Table 4. The top ten ATC groups by pharmacy sales

Rating position		ATC code	ATC group	Share in total pharmacy sales, %	
9 months 2009	9 months 2008			9 months 2009	9 months 2008
1	1	N02	Analgesics	5,1	5,7
2	3	J01	Antibacterials for systemic use	4,9	4,9
3	2	M01	Anti-inflammatory and antirheumatic products	4,7	5,1
4	4	L03	Immunostimulants	4,5	4,6
5	5	A11	Vitamins	4,2	4,0
6	8	G03	Sex hormones	4,0	3,1
7	11	C09	Agents acting on the rennin-angiotenzin system	3,1	2,8
8	9	R01	Nazal preparations	3,0	3,0
9	6	R05	Cough and cold preparations	3,0	3,3
10	7	N06	Psychoanaleptics	3,0	3,2
Total				39,8	39,8

Conclusion. The Lipetsk pharmacy market in the nine months to end September 2009 brought in 1.053 billion roubles (USD32.3 million) in retail prices. The city market growth rates were lower than the growth rates of the entire Russian market and saw sales increase +7% in terms of roubles and -21% in terms of dollars (the average rates throughout Russia +17% and -14% respectively). In physical terms the market dropped by 20%, whereas the all-Russian pharmacy market - by 9%. The average cost of a FPP pack in the city pharmacies (USD2.3) was lower, than the average cost of it throughout Russia, whereas the retail margin was lower (28%). The medicine expenses of Lipetsk residents exceeded the average expenses throughout Russia (USD64.35 vs. USD49.89).

REGIONAL DIGEST

Additional Pharmacological Support/Procurement of Necessary Drugs, Government Control

10/01/2010, PRIME-TACC

Russian Federation Government allowed sale of vitally important medicines without state registration of maximum release prices until April 1

The term allowed for sale by pharmaceutical wholesale companies and pharmacies of vitally important and most essential medicines, the producer's maximum release prices for which were not registered in compliance with the procedure established by Clause 19 of Regulation for socialized pricing of vitally important and most essential medicines, was extended by the RF Government until April 1, 2010. by RF Government Order No. 1116 dated 30 December 2009 the text of which is provided on the government website.

12/01/2010, RIA News

Fixing prices for medicines from the list of VIMEM may result in rise in prices for other medicines

Preparations which are included into the list of vitally important and most essential medicines (VIMEM) are likely to be registered in compliance with the new rules in Russia without problems, but manufacturers may wish to compensate their potential financial losses through preparations which are not included into the list, believes Vyacheslav Reshetnik, Vice-president of Association of Russian Pharmaceutical Manufacturers (ARPM)

"Economic laws will surely force them to seek other survival tears and the most clear-cut path to the future is through preparations which are not included into the VIMEM list", said

Vladimir Shipkov, Executive Director of Association of Russian Pharmaceutical Manufacturers. He believes that both pharmaceutical manufacturers and state bodies providing registration of prices for VIMEM are directly motivated to register prices before April 1 and prevent deficit of medicines on the market.

14/01/2010, Vedomosty

Passing the draft law “On Circulation of Medicines" will delay administration of new medicines in Russia

In December RF Government submitted to State Duma the draft law “On circulation of Medicines”. It will replace the acting law “On Medicines”. Today, if the pharmaceutical company didn’t conduct clinical trials of its drug in Russia it is sufficient to provide data from the foreign clinic. The draft law will change the procedure. Pursuant to the draft law, obtaining of the permission for clinical trials is one of the mandatory stage of registration. Trials conducted in compliance with International Standards are accepted by all developed countries whether they were conducted in the accepting country or not, said Svetlana Zavidova, Director of Association of Clinical Trials Organizations. “On the average, the clinic trials for one preparation takes 5-7 years, and the number of patients may run into thousands", she said.

14/01/2010, Moscovskiy Komsomolets

The draft law “On Circulation of Medicines” will give up on providing the free pharmacological support for Russia citizens, experts believe

The draft law was developed to address the proper functioning of pharmaceutical market. But in fact it may terminate the free pharmacological support for Russia citizens, believe patient advocates and pharmaceutical experts. “What prices for VIMEM we are talking about? They must be free!” said Alexander Saversky, Chairman of Patients Rights Advocacy Project attached to the Roszdravnadzor. This being said, if the state registers the release price, it will be impossible to cut it down, which conflicts with the market laws. According to Pavel Vorobyov, Deputy Chairman of Formulary Committee of Russian Academy of Medical Sciences, President of Pharmacological Researches Association, neither country registers release prices for medicines, they are either paid by the state or released for symbolic prices within the frames of insurance medicine.

21/01/2010, Gazette

Tatyana Golikova believes that Russian pharmaceutical manufacturers must adopt GMP standards by 2012

Minister said that the revised draft law "On Circulation of Medicines" "doesn't determine the deadlines for adoption of GMP Standards by our manufacturers”. “We knew that we shall discuss this issue in the second reading, the government didn’t determine such deadlines in the draft law deliberately, she said, it is State Duma Committee – co-developer of legislative initiative - who must submit proposals”. “We expect that it will take max two years - by 2012”, said the Minister.

21/01/2010, ITAR-TACC

United Russia proposes to introduce a mandatory marking for medicines to authenticate medicines

Tatyana Yakovleva, First Deputy of Head of United Russia, said in the State Duma that “the existing forms of state control such as products certification, licensing during the production and sale of drugs do not provide proper results”. “That is why it is necessary to introduce additional actions for protection of medicines from fraud”, she concluded. “So that the customer could be made sure that the medicine is of proper quality and he/she has bought a licensed not expired preparation”.

In this connection the Deputy said that by the second reading of the draft law “we prepare amendments regarding usage of technical facilities to authenticate the quality and safety of medicines as well as additional protection marking to be put on the primary package of medicines".

27/01/2010, RBK

The list of attractive projects pertaining to pharmacy and medical equipment includes 170 projects to the total sum of 230 bn roubles

According to Victor Khristenko, Head of Ministry of Industry and Trade of RF, 36 bn roubles have been invested into these projects. Also, V. Khristenko said that provisions for the development of pharmaceutical industry are made to the amount of 177 bn roubles, a part of which would be funded by the government. Apart from that, such entities as the Russian venture company, Rosnano, Vnesheconombank, etc will be engaged in the implementation of projects. At the present moment the work on the Federal Target Program with the planning horizon 2011-2020 is being completed. V. Khristenko believes that the taken and planned actions will result in essential transformation of the domestic pharmaceutical market to the benefit of home manufacturers starting from 2010. According to him, the Ministry of Public Health and Social Development has analyzed diseases which cause most sufferings and deaths of people. As a result, 57 most efficient preparations have been selected Now our aim is to proceed with the development and production of these preparations by our domestic manufacturers.

NEWS FROM COMPANIES

11/01/2010, Vedomosty

Pharmstandard failed to win a tender for supply of anticancer drug Bortezomib

For the whole last year Bortezomib was supplied by the biggest Russian pharmaceutical manufacturer Pharmstandard. In November the same manufacturer won the tender for supply of drug in January and February of this year (1.3 bn roubles). The company didn’t produce Bortezomib on the independent basis, but distributed the drug produced by the Belgian and Swiss company Janssen-Cilag (trademark – Velcade). Pharmstandard failed to win the contract for 10 months of this year: Irvin-2 became the winner of the tender. Irvin-2 will also supply Velcade produced by Janssen-Cilag. Irvin-2 won the tender because it agreed to supply the drug at the lower price - 3.52 bn roubles for 10 months vs. 3.538 bn offered by Pharmstandard.

13/01/2010, Commersant

SIA International has acquired 25% stake of Pharmacy Chain 36.6 as a result of follow-on offering of retailer

At the end of December, Pharmacy Chain 36.6, OJSC follow-on-offering amounted to 2.334 bn roubles. Investors were offered 85.5 mn shares 72% of which had been bought out within the scope of the pre-emptive right (increased registered capital totalled to 95 mn shares with par value of 0.64 RUR per share). According to the yesterday’s disclosure by Pharmacy Chain 36.6 OJSC, 25% of its stock is owned by Cyprus Company Akada Establishment Limited starting from December 30, 2009. Source "Ъ", which is abreast of the results of offering, explained that the offshore company belongs to the distribution company SIA International Ltd. owned by Igor Rudinsky.

13/01/2010, Progorod33.ru

Lecco Company has won a tender for supply of blood coagulation factor

Pharmaceutical company Lecco (settlement of Volginskiy, Petushinskiy District) will provide our domestic health care facilities with Coagil VII. It is produced according to the gene engineering technology and is one of the key elements of Medical Import Substitution Program developed under the instruction of Dmitry Medvedev. Coagil VII is used for treatment and recovery in surgery, genecology, traumatology, etc. Before, Russia had to purchase such preparations abroad. .

28/01/2010, Vedomosty

Protech came back to its plans to conduct IPO

Protech Group (which consists of the same name pharmaceutical distributor, manufacturer Sotex and pharmacy chain Rigla) proceeded with its preparation to IPO, said an officer of the Russian Invest-bank. The company planned IPO about two years ago. In August 2008 it appointed UBS and Renaissance Capital to arrange the process. "Protech IPO is back”, confirmed the source close to Renaissance, but refused to give any data.

Source of information – IMS Health

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