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

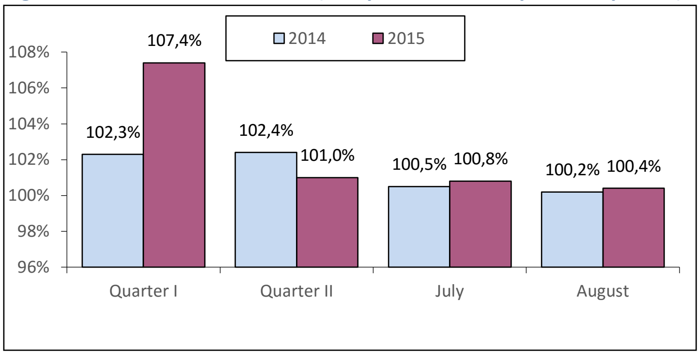
## MACROECONOMIC INDICES

### Inflation

According to Federal State Statistics Service's data, in August 2015, the Consumer Price Index was estimated at 100.4% compared to the previous month, and 109.8% since the beginning of the year.

In August this year, Industrial Producer Price Index was 100.1%, whereas in the month-earlier period it had amounted to 101.5%.

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



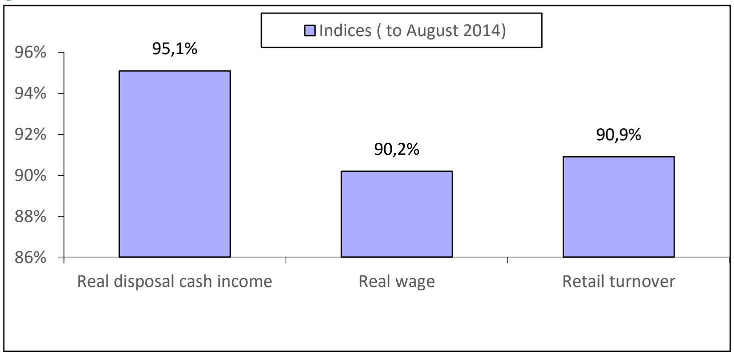

### Living standard

According to preliminary Federal State Statistics Service's data, in August 2015 a gross monthly average salary per worker reached RUB 31,870 (USD 489.18) which accounted for 94% compared to the previous month and 104.4% compared to August 2014. The real wage in August 2015 accounted for 90.2% as compared with the same period in 2014. In August 2015, the real value of disposable cash incomes accounted for 95.1% as compared with the same period of the previous year (Fig. 2).

### Retail turnover

In August 2015, the retail turnover was equal to RUB 2,389.6 bln, which in comparable prices accounted for 90.9% compared to the same period a year ago, in January-August 2015 - RUB 17637.4 bln and 91.8% (Fig. 2).

**Figure 2. Real values of cash incomes, wages and retail turnover in August 2015**




### Industrial Production

According to Federal State Statistics Service's data, in August 2015 Industrial Production Index accounted for 95.7% compared to the same period in 2014, and in January - August of 2015 - 96.8%).

According to Federal State Statistics Service's data, Industrial Production Index in August 2015 accounted for 111% compared to the relevant period in 2014, and 86.4% to the previous month.

### Domestic production

The top 10 domestic pharmaceutical manufacturers according to their shares of total sales in all segments of the market based on the results for August 2015 is shown in Table 1.

**Table 1. Top ten Russian chemical and pharmaceutical manufacturers by sales in August 2015**

| Rank | Manufacturer | % of sales |
|---|---|---|
| 1 | Microgen | 8.12% |
| 2 | Otcpharm | 6.24% |
| 3 | Pharmstandart | 4.92% |
| 4 | Stada | 4.68% |
| 5 | Ozon | 3.81% |
| 6 | Valenta | 3.33% |
| 7 | Pharm-sintez | 3.29% |
| 8 | KRKA | 2.89% |
| 9 | Veropharm | 2.85% |
| 10 | Pharm-Center | 2.72% |

Source - Remedium according to IMS Health's data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In July 2015, pharmacy sales slump (in terms of roubles) was observed in half of the regions compared to June. The deepest slump was observed in Tyumen (-7%), the smallest one in Moscow (-2%). The highest positive growth rates were observed in Krasnodarsky Krai (+18%).

**Table 2. Pharmacy sales in the regions, 2015**

| Region | Pharmacy sales, $mln (wholesale prices) | | | Growth gain, % (roubles) | | |
|---|---|---|---|---|---|---|
| | May 2015 | June 2015 | July 2015 | May/ April 2015 | June/ May 2015 | July/ June 2015 |
| Moscow | 127.0 | 114.1 | 106.3 | -19% | -3% | -2% |
| St. Petersburg | 35.6 | 32.0 | 33.1 | -13% | -3% | 8% |
| Krasnodar Krai | 25.2 | 23.8 | 27.0 | -8% | 2% | 18% |
| Novosibirsk Region | 14.7 | 13.7 | 12.7 | -14% | 0.3% | -3% |
| Tatarstan | 19.9 | 15.8 | 14.1 | -1% | -14% | -6% |
| Krasnoyarsk Krai | 16.0 | 14.6 | 14.6 | 14% | -2% | 5% |
| Rostov Region | 18.5 | 18.4 | 18.3 | -13% | 7% | 4% |
| Voronezh Region | 11.1 | 10.8 | 9.9 | -10% | 5% | -4% |
| Perm | 3.9 | 3.4 | 3.5 | -29% | -6% | 9% |
| Tyumen | 4.5 | 4.4 | 3.9 | -18% | 4% | -7% |

### Advertising

The largest advertisers and pharmaceutical brand names highly publicized in mass media (TV, radio, press, outdoor advertising) are shown in Tables 3 & 4.

**Table 3. The top five advertisers in mass media in August 2015**

| Rank | Company* | Quantity of broadcasts |
|---|---|---|
| 1 | Novartis | 11,528 |
| 2 | Otcpharm | 8,926 |
| 3 | Bayer AG | 7,343 |
| 4 | Teva | 5,110 |
| 5 | Berlin-Chemie Menarini Group | 4,202 |

Source - Remedium according to TNS Russia's data

**Table 4. The top five brand names in mass media in August, 2015**

| Rank | Brand* | Quantity of broadcasts |
|---|---|---|
| 1 | Filtrum | 3,279 |
| 2 | Exoderil | 2,716 |
| 3 | Grippferon | 2,142 |
| 4 | Apisarthron | 1,980 |
| 5 | Teva | 1,911 |

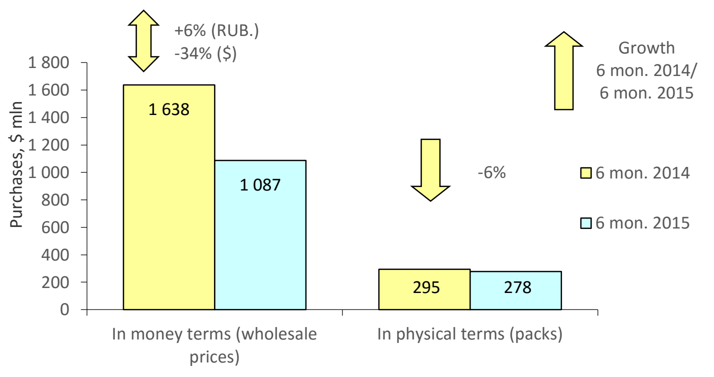
Source - Remedium according to TNS Russia's data

* Only products registered with State Register of Medicines were considered

## RUSSIAN FEDERATION HOSPITAL MARKET: 2015 FIRST 6 MONTHS RESULTS

According to the results of the Retail Audit of Hospital Purchases in Russia™, in the first half of 2015 the Russian hospital market in physical terms reduced by 6% to 278.169 million packs. In money terms, the market showed positive growth rates in terms of roubles (+6%) and negative growth rates (-34%) in terms of dollars, and reached RUB 60.878 bln (USD 1.087 bln) in wholesale prices. Based on the results of the first six months of 2015, the average cost of OTC pack in the hospital sector was USD 3.91, whereas in the year-earlier period its cost was USD 5.55.

**Figure 1. Russian hospital market for 6 months of 2013 – 6 months of 2014**




Following the results of the first half of 2015, the drug manufacturer SANOFI-AVENTIS retained its leading position in the Russian hospital market, despite the reduction in purchases by 8%[1] and significant drop in the market share (Table 1). Note that another four manufacturers showed negative growth rates: GLAXOSMITHKLINE (-10%), ASTRAZENECA (-6%), NYCOMED/TAKEDA (-14%) and BAYER (-5%) moved down to the lowest ranks of the top ten. The first one and the third from the above manufacturers fell in the ranks, whereas the other two held their own in the ranking. Almost all of the remaining top ten manufacturers showed outperformance rates. Among them were the most dynamic manufacturer ABBVIE (+41%), as well as MERCK SHARP DOHME (+7%) and JOHNSON & JOHNSON (+37%) placed at ranks four through six, respectively. Only ROCHE (+4%) lagged so far behind the other manufacturers in the market average rates that it resulted in the shrinkage of its market share. The total share accumulated by the top ten drug manufacturers reduced from 32.1% to 31.2%.

**Table 1. The top 10 drug manufacturers by hospital purchases**

| Rank in the top ten | | Manufacturer* | Share in total hospital purchases, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | **SANOFI-AVENTIS** | 4.1 | 4.9 |
| 2 | 4 | UNIDENTIFIED MANUF | 4.0 | 3.6 |
| 3 | 2 | **ROCHE** | 3.7 | 3.9 |
| 4 | 7 | **ABBVIE** | 3.6 | 2.8 |
| 5 | 3 | **MERCK SHARP DOHME** | 3.5 | 3.6 |
| 6 | 9 | **JOHNSON & JOHNSON** | 3.2 | 2.6 |
| 7 | 6 | **GLAXOSMITHKLINE** | 2.4 | 2.9 |
| 8 | 8 | **ASTRAZENECA** | 2.3 | 2.7 |
| 9 | 5 | **NYCOMED/TAKEDA** | 2.3 | 2.9 |
| 10 | 10 | **BAYER HEALTHCARE** | 2.1 | 2.4 |
| Total | | | 31.2 | 32.1 |

*AIPM members are in bold

The top ten brand names ranking, unlike the above rankings, changed in composition (Table 2. Two antiviral drugs, REYATAZ, which purchased increased 2.6 times, and PREZISTA (+72%), broke into the ranks of the top ten, coming in at ranks four and five, respectively. Apart from them, another four brands from the top ten developed their markets at a fast pace. The products NATRIUM CHLORIDUM (+28%) and KALETRA (+68%) held and reinforced their top two ranks in the ranking, and HERCEPTIN (+21%) and MEROPENEM (+51%) moved up to the higher ranks three and six. The brand names CUROSURF (+6%), ULTRAVIST (+3%) and CEFTRIAXONE (+6%), which showed relatively low growth rates, and CLEXAN, which reduced its purchases by one fourth, moved down to the bottom ranks of the top ten ranking. The cumulative share of the top ten brand names increased by almost 2.4 p.p. and achieved 14.3%.

**Table 2. The top 10 brand names by hospital purchases**

| Rank in the top ten | | Brand | Share in total hospital purchases, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | NATRIUM CHLORIDUM | 3.5 | 3.0 |
| 2 | 2 | KALETRA | 2.4 | 1.6 |
| 3 | 4 | HERCEPTIN | 1.3 | 1.1 |
| 4 | 28 | REYATAZ | 1.1 | 0.5 |
| 5 | 14 | PREZISTA | 1.1 | 0.7 |
| 6 | 10 | MEROPENEM | 1.0 | 0.8 |
| 7 | 5 | CUROSURF | 1.0 | 1.0 |
| 8 | 3 | CLEXAN | 1.0 | 1.4 |
| 9 | 6 | ULTRAVIST | 0.9 | 1.0 |
| 10 | 7 | CEFTRIAXONE | 0.9 | 0.9 |
| Total | | | 14.3 | 11.9 |

[1] Hereinafter, unless otherwise stated, growth gains are stated in the rouble equivalent or national currency.

The leader of the top-10 INN and group names ranking did not change either – INN SODIUM (+27%) managed to maintain rank number one (table 3. The composition LOPINAVIR*RITONAVIR (+68%) moved up to rank two from three. displacing CEFTRIAXONE (-8%) down one rank. The other five INNs came in at yet higher ranks. Among them were INNs MEROPENEM (+11%), TRASTUZUMAB and DOCETAXEL (+21% each) which moved to ranks six and seven, as well as the newcomers of the top ten ATAZANAVIR (2.6-fold increase in purchases) and DARUNAVIR (+72%), which moved up to ranks eight and nine, respectively. ENOXAPARIN SODIUM (-5%) and IMMUNOGLOBULIN BASE (-13%) which showed negative growth rates, moved down to the lower ranks, five and ten, respectively. The total share of the top 10 INNs increased by almost 2 p.p. and accounted for 16.1%.

**Table 3. The top 10 INNs and Group Names by hospital purchases**

| Rank | | INNs/Group Names | Share in total hospital purchases, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | SODIUM | 3.5 | 3.0 |
| 2 | 3 | LOPINAVIR*RITONAVIR | 2.4 | 1.6 |
| 3 | 2 | CEFTRIAXONE | 1.6 | 1.9 |
| 4 | 6 | MEROPENEM | 1.4 | 1.4 |
| 5 | 4 | ENOXAPARIN SODIUM | 1.3 | 1.5 |
| 6 | 7 | TRASTUZUMAB | 1.3 | 1.1 |
| 7 | 8 | DOCETAXEL | 1.2 | 1.0 |
| 8 | 41 | ATAZANAVIR | 1.1 | 0.5 |
| 9 | 22 | DARUNAVIR | 1.1 | 0.7 |
| 10 | 5 | IMMUNOGLOBULIN BASE | 1.1 | 1.4 |
| Total | | | 16.1 | 14.1 |

In contrast to the previous top 10s, the top ten ATC groups ranking on the Russian hospital market changed its leader (table 4. Due to low growth rates, J01 Antibacterials for systemic use which had been placed at rank number one, moved down to rank three, giving way to the more dynamic L01 Antineoplastic agents (+30%) and J05 Antivirals for systemic use (+54%). The same shifts took place in the lower part of the top ten. After showing 12% growth in purchases, K01 Intravenous solutions moved up one rank, to number 4, displacing the less dynamic B01 Antithrombotic agents (+3%) down to rank five. Due to 11% reduction in purchases, J07 Vaccines moved down one rank, giving way to Group T01. A10 Drugs Used in Diabetes also showed strongly negative growth rates, moving down to the bottom rank in the top ten ranking. At the same time, N01 Aesthetics (+15%) and N05 Psycholeptics (+10%) moved up to ranks 8 and 9. On top of that, the latter became the only newcomer of the top 10 ranking. The total share of the top 10 increased from 56.8% to 60.1%.

**Table 4. The top ten ATC groups by hospital purchases**

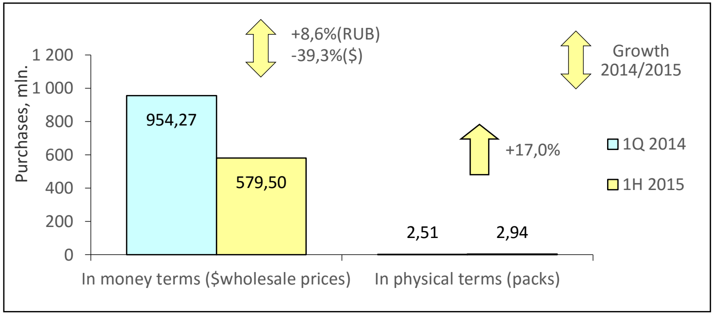
| Rank | | ATC code | ATC group | Share in total hospital purchases, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | L01 | ANTINEOPLASTICS | 12.2 | 10.2 |
| 2 | 3 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 12.2 | 8.6 |
| 3 | 1 | J01 | SYSTEMIC ANTIBACTERIAL | 11.4 | 12.1 |
| 4 | 5 | K01 | INTRAVENOUS SOLUTIONS | 5.6 | 5.4 |
| 5 | 4 | B01 | ANTITHROMBOTIC AGENTS | 5.5 | 5.8 |
| 6 | 7 | T01 | DIAGNOSTIC IMAGING | 3.2 | 3.4 |
| 7 | 6 | J07 | VACCINES | 2.9 | 3.6 |
| 8 | 9 | N01 | ANAESTHETICS | 2.7 | 2.5 |
| 9 | 11 | N05 | PSYCHOLEPTICS | 2.4 | 2.3 |
| 10 | 8 | A10 | DRUGS USED IN DIABETES | 2.0 | 2.8 |
| Total | | | | 60.1 | 56.8 |

**Conclusion.** At the end of the first half of 2015, the Russian hospital market increased in rouble terms (+6%), but reduced in dollar terms (-34%) and brought in RUB 60.878 bln (USD 1.087 mln). In pack terms, the market also showed negative growth rates (-6%) and achieved 278.169 mln packs. At the first half-end 2015, the average cost of finished pharma product (FPP) pack in the Russian hospital sector was USD 3.91 vs. USD 5.55 in the year earlier period.

## COST DEMANDING NOSOLOGIES PROGRAM: 6 mon. 2015

In the first half of 2015, supplies under the Cost Demanding Nosologies Program grew by 8.6% in terms of roubles and reduced by 39.3% in terms of dollars as compared to the same period a year ago (Fig. 1). In terms of packs, the growth accounted for over 17%. In absolute terms the supplies were estimated at RUB 35.0 bln or USD 579.5 mln.

**Figure 1. Growth in supplies under the CDN Program for 6 mon. 2014 - 2015**




The increase in purchases of drugs to treat hemophilia and multiple sclerosis (26.4% and 16.7% respectively) resulted in the total growth in supplies in terms of roubles. The drugs to treat hemophilia and immunosuppressant agents used in the transplantology (28.2%-fold growth of each) made a main contribution to the total positive growth in supplies in physical terms. The share of drugs to treat hemophilia in the CDN supplies grew and accounted for 26.5% in terms of roubles (Table 1) and 43.2% in terms of packs. INN Factor Von Willebrand +Factor YIII (+142%) was the main drive that determined the positive growth rates inside the group, where in addition to Immunate (Baxter Int) (+107.4%) the generic product Fanhdi (Grifols S.A.) emerged in the supplies pattern for the first time. The share of such INN in the hemophilia treatment segment grew from 8% to 15%. The group supplies also grew due to INN Factor YIII (+20.9% in terms of roubles), and primarily due to the product Octanate (Octapharma) (+46.2%), and the group of INN Octocog alfa (+28.7%) which is represented by Recombinate (Baxter Int) (+15.9%) and newly authorized Adnate brand. The other INN groups, except for Eptacog alfa (Activated) (-6.4%) also showed positive growth rates. The product Octofactor (INN Moroctocog Alfa) of the Russia-based company Generium was purchased for the first time in the second quarter.

**Table 1. Supplies structure under the CDN Program**

| Nosologies | INN | Share in total CDN supplies, % | |
|---|---|---|---|
| | | 6 mon. 2015 | 6 mon. 2014 |
| **Myeloleukemia** | | **39.82%** | **44.36%** |
| | BORTEZOMIB | 18.37% | 19.37% |
| | RITUXIMAB | 14.84% | 21.61% |
| | IMATINIB | 5.97% | 2.65% |
| | FLUDARABINE | 0.64% | 0.74% |
| **Haemophilia** | | **26.54%** | **22.81%** |
| | FACTOR VIII | 9.79% | 8.17% |
| | EPTACOG ALFA (ACTIVATED) | 5.26% | 6.11% |
| | OCTOCOG ALFA | 4.80% | 4.05% |
| | FACTOR VIII*FACTOR VON WILLEBRAND | 4.00% | 1.79% |
| | FACTOR IX | 2.64% | 2.69% |
| | MOROCTOCOG ALFA | 0.05% | 0.00% |
| **Sclerosis Multiplex** | | **22.89%** | **21.29%** |
| | INTERFERON BETA-1A | 9.85% | 10.17% |
| | GLATIRAMER ACETATE | 9.69% | 8.00% |
| | INTERFERON BETA-1B | 3.34% | 3.12% |
| **Transplantology** | | **4.12%** | **4.40%** |
| | TACROLIMUS | 2.27% | 2.07% |
| | MYCOPHENOLIC ACID | 1.22% | 1.49% |
| | CICLOSPORIN | 0.41% | 0.42% |
| | MYCOPHENOLATE MOFETIL | 0.22% | 0.41% |
| **Mucoviscidosis** | | **3.37%** | **3.37%** |
| | DORNASE ALFA | 3.37% | 3.37% |
| **Gaucher disease** | | **2.89%** | **3.26%** |
| | IMIGLUCERASE | 2.79% | 3.26% |
| | VELAGLUCERASE ALFA | 0.10% | 0.00% |
| **Pituitary dwarfism** | | **0.38%** | **0.51%** |
| | SOMATROPIN | 0.38% | 0.51% |
| Total | | 100.00% | 100.00% |

In addition to the hemophilia segment, the drugs to treat multiple sclerosis (+16.7%) also showed a share growth in the CDN supplies structure (table 1. The supplies of INN Glatiramer Acetate (Copaxone Teva) (+31.6%) and INN Interferon beta-1b (+16.4%) grew considerably within this pharmacotherapeutic group, in which the drug Infibeta (Generium) (+61.2%) moved up to the leading positions. The purchases of INN Interferon beta-1a showed relatively low growth rates (+5.1%). Genfaxon (Laboratorio Tuteur) (+48.7%) continued to augment positions in the above INN group.

In addition to the hemophilia and multiple sclerosis segment, the growth in purchases in terms of roubles also affected the group of drugs to treat cystic fibrosis (+8.5%) which was represented by the product Pulmozyme (INN Dornase Alfa, Roche). Immunosuppressants used in the transplantology (+1.8%) also showed low positive growth rates. The positive growth of supplies of such drugs was determined first of all by the purchases of INN Tacrolimus (+18.9%) (the leaders were Tacrocel (Novartis) and Prograf (Astellas Pharma)), and partly by INN Ciclosporin (the leader was Panimun Bioral, Panacea Biotec) (+5.2%). The purchases of other antidepressant INNs were reduced. The purchases of drugs to treat pituitary dwarfism (INN Somatropin, Pharmstandart) (-20.5%) and Gaucher's disease (-3.8%) were reduced in terms of value, but were not accompanied by the reduction in supplies in physical volumes. In addition to the drug Cerezyme (INN Imiglucerase, Sanofi-Aventis) (-7.1%) to treat Gaucher's disease, VPRIV (Velaglucerase alfa, Shire Human) was also purchased for the first time. The purchases of drugs to treat myeloleukemia were also reduced by 2.5% in terms of value, their share in the CDN structure reduced from 44 to 40% (Table 1). In contrast, the supplies in terms of packs grew by 12.2%. The negative growth rates in terms of roubles were determined first of all by the reduction in purchases of INN Rituximab (by 25.4% in terms of roubles and by 17% in terms of packs). In this segment, the Russian biosimilar Acellbia (Biocard) pushed out the original product and accounted for 78% of the total segment. In contrast, the purchases of INN Imatinib grew considerably, as compared to the same period of the previous year (by 144.8% in terms of roubles and by 45.4% in terms of packs). On top of that, the Russian product Filahromin Fs (F-Sintez) accounted for 82% of all supplies INN Bortezomib showed low positive growth rates (+3%), and INN Fludarabine showed negative growth (-6%). In the first INN group, the Russian biosimilar Boramilan Fs (F-Sintez) considerably displaced the original product and accounted for 71% of all supplies. In the Fludarabine INN group, Flutotera (Laboratorio Tuteur) accounted for 2/3 of all purchases and Fludara (Sanofi-Aventis) accounted for 1/3 of purchases.

In the first half of 2015, the top ten brand names considerably changed as compared to the same period in the previous year (Table 2. The new Russian generic drugs Boramilan Fs (F-Sintez) and Acellbia (Biocard) moved up to ranks 1 and 2 in the ranking. One more domestic generic product to treat myeloleukemia Filahromin Fs (F-Sintez) moved up from rank 17 to 7 in the ranking. The drug Immunate (Factor Viii*Factor Von Willebrand) produced by Baxter Int also broke into the ranks of the top ten ranking. What stands out in the report is the considerable increase of the top ten's share in the total structure of the supplies (from 48% to 68%).

**Table 2. The top 10 brand names by hospital purchases**

| Rank | | Brand | Share in total CDD supplies, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | N/A | BORAMILAN FS | 13.0% | 0.0% |
| 2 | N/A | ACELLBIA | 11.5% | 0.0% |
| 3 | 3 | COPAXONE TEVA | 9.7% | 8.0% |
| 4 | 5 | GENFAXON | 6.3% | 4.6% |
| 5 | 2 | VELCADE | 5.4% | 19.4% |
| 6 | 4 | COAGIL-VII | 5.1% | 6.0% |
| 7 | 17 | FILAHROMIN FS | 4.9% | 1.3% |
| 8 | 10 | OCTANATE | 4.3% | 3.2% |
| 9 | 6 | RECOMBINATE | 4.2% | 3.9% |
| 10 | 12 | IMMUNATE | 3.4% | 1.8% |
| Total | | | 67.8% | 48.2% |

For the first time, the domestic manufacturers F-Sintez and Biocad that accounted for 17.8% and 12.5% of all supplies under the CDN Program moved up to the leading positions in the top ten manufacturers ranking for the first time (Table 3. The Generium's share (+7.2%) didn't virtually change. The foreign manufacturers Baxter Int (+38%), Teva (+19%), Laboratorio Tuteur (+24%), Octapharma (+24%) also showed increase in sales in terms of roubles. Considerable reduction in purchases as compared to the first half of the previous year affected the manufacturers Roche (-71%) and Johnson & Johnson (-70%) which moved down from the leading positions in the ranking to ranks 7 and 8, respectively. Sanofi-Aventis (-11%) also fell in the ranks. The share of the top ten manufacturers didn't virtually change, accounting for 87% of all supplies under the CDN Program.

**Table 3. The top 10 manufacturers by supplies under the CDN Program**

| Rank in the top ten | | Manufacturer* | Share in total CDN supplies, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 14 | F-SYNTEZ | 17.8% | 1.3% |
| 2 | 12 | BIOCAD RF | 12.5% | 1.5% |
| 3 | 3 | **BAXTER INT** | 11.9% | 9.4% |
| 4 | 4 | **TEVA*** | 9.8% | 8.9% |
| 5 | 5 | GENERIUM ZAO RF | 7.5% | 7.6% |
| 6 | 6 | LABORATORIO TUTEUR | 6.8% | 6.0% |
| 7 | 1 | **ROCHE*** | 6.7% | 25.0% |
| 8 | 2 | **JOHNSON & JOHNSON*** | 5.4% | 19.4% |
| 9 | 7 | OCTAPHARMA | 5.1% | 4.5% |
| 10 | 9 | **SANOFI-AVENTIS** | 3.0% | 3.7% |
| Total | | | 86.6% | 87.2% |

*AIPM members are in bold

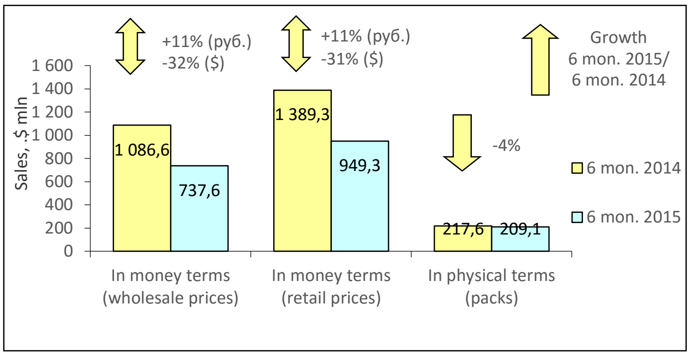
**Conclusion.** In the first half of the year, the results of the drug procurement under the CDN Program showed a significant strengthening of the positions of domestic manufacturers, whose share in terms of roubles increased from 11% to 38% as compared to the same period of the previous year. The market launch of new domestic generics for the treatment of myeloleukemia affected the growth rates of the supplies. The share of Russian drugs in the myeloleukemia segment grew from 3% to 7% as compared to the same period in the year-earlier period in terms of value.

## MOSCOW CITY PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 Moscow's estimated population was 12.198 mln, which accounted for 8.3% of the total Russian Federation population and 31.3% of Central FO (CFO). According to Federal State Statistics Service's data, based on the results for six months of 2015 the average wage in the city was RUB 62.334 (USD 1085.58), which was 88% higher than the average wage in Russia (RUB 33.124).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first six months of 2015 the sales of drugs in natural terms in Moscow saw a 4% decrease to 209.090 mln packs. In money terms, the market saw a 11% increase in terms of roubles, whereas it showed a negative decline (-32%) in terms of dollars. The market reached RUB 42.166 bln (USD 737.570 mln) in wholesale prices (Fig.1). The city market share accounted for 16.2% of the Russian pharmacy sales. The average cost of an OTC pack reduced as compared to a year earlier period (USD 6.38) and reached USD 4.54 at retail prices. At half I-end 2015, the average amount spent by residents of Moscow for medicinal drugs in pharmacies amounted to USD 77.82.

### Figure 1. Moscow city pharmacy market for 6 months of 2013 – 6 months of 2015




Based on the results for the first half of 2015, SANOFI-AVENTIS (+2%), BAYER and NOVARTIS (+6% each) remained the leaders of the top ten pharmaceutical manufacturers in the metropolitan pharmacy market (table 1. Another two manufacturers ABBOTT (+3%) and PFIZER (-0.3%) placed at ranks six and seven also held their previous-year positions. The other five manufacturers of the top 10 shifted their positions. Due to outperformance rates, the manufacturers SANDOZ (+16%), NYCOMED/TAKEDA (+12%) and MENARINI (+13%) moved up one rank, to numbers four, eight and ten, respectively. On top of that, the latter broke into the ranks of the top ten for the first time. At the same time, SERVIER (+3%) and TEVA (+1%) moved down one rank, coming in at numbers five and nine, respectively. The cumulative share of the top 10 manufacturers reduced from 38.6% to 36.9%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | **SANOFI-AVENTIS** | 5.7 | 6.2 |
| 2 | 2 | **BAYER HEALTHCARE** | 5.5 | 5.7 |
| 3 | 3 | **NOVARTIS** | 4.1 | 4.3 |
| 4 | 5 | **SANDOZ GROUP** | 3.6 | 3.4 |
| 5 | 4 | **SERVIER** | 3.5 | 3.7 |
| 6 | 6 | **ABBOTT** | 3.2 | 3.4 |
| 7 | 7 | **PFIZER** | 3.1 | 3.4 |
| 8 | 9 | **NYCOMED/TAKEDA** | 2.9 | 2.8 |
| 9 | 8 | TEVA | 2.8 | 3.1 |
| 10 | 11 | **MENARINI** | 2.6 | 2.5 |
| Total | | | 36.9 | 38.6 |

*AIPM members are in bold

Hepatoprotective product ESSENTIALE N (-9%) and venoprotector DETRALEX (+13%) remained the bestselling brands on the regional market (table 2. One of the most dynamic products of the top 10 – KAGOCEL (+29%) moved up to rank three, displacing LINEX (+5%) down one rank. The market of the only newcomer, product MIRAMISTIN (+41%) placed at rank nine, developed at a faster pace. CRESTOR (+14%), EXODERIL (+18%) and INGAVIRIN (+13%) also showed outperformance rates. On top of that, the first held its previous rank five, and the second moved up from rank ten to six, and the third moved down two ranks, coming in at number 8. The brands CIALIS (+6%) and ACTOVEGIN (+3%), which showed low growth rates, moved down to the lower ranks, seven and ten, respectively. The total share of the top ten brand names reduced by 0.2 p.p. and accounted for 6.7%.

### Table 2. The top ten brand names by pharmacy sales

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | ESSENTIALE N | 0.9 | 1.2 |
| 2 | 2 | DETRALEX | 0.7 | 0.8 |
| 3 | 7 | KAGOCEL | 0.7 | 0.6 |
| 4 | 3 | LINEX | 0.7 | 0.7 |
| 5 | 5 | CRESTOR | 0.6 | 0.6 |
| 6 | 10 | EXODERIL | 0.6 | 0.6 |
| 7 | 4 | CIALIS | 0.6 | 0.6 |
| 8 | 6 | INGAVIRIN | 0.6 | 0.6 |
| 9 | 15 | MIRAMISTIN | 0.6 | 0.5 |
| 10 | 8 | ACTOVEGIN | 0.6 | 0.6 |
| Total | | | 6.7 | 6.9 |

The top six of the top ten INNs and group names held their own in the ranking (table 3). INNs XYLOMETAZOLINE (+20%), PHOSPHOLIPIDS (-9%), PANCREATIN (+11%), HYALURONIC ACID (+7%) and the composition DIOSMIN + HESPERIDIN (+17%) and INN ROSUVASTATIN (+24%) as before held their top six ranks in the top ten ranking. Shifts took part in the bottom part of the top ten. At the same time, three INNs of the top ten rose in the ranks. IBUPROFEN (+30%) moved up from rank nine to seven, displacing BISOPROLOL (+11%) down one rank. Due to 29% growth, the newcomers NIMESULIDE and KAGOCEL broke into the ranks of the top ten, coming in at numbers nine and ten. The total share of the top ten increased by 0.4 p.p. and achieved 9.4%.

### Table 3. The top 10 INNs and group names by pharmacy sales

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | XYLOMETAZOLINE | 1.7 | 1.6 |
| 2 | 2 | PHOSPHOLIPIDS | 1.0 | 1.2 |
| 3 | 3 | PANCREATIN | 1.0 | 1.0 |
| 4 | 4 | HYALURONIC ACID | 0.9 | 0.9 |
| 5 | 5 | DIOSMIN + HESPERIDIN | 0.9 | 0.8 |
| 6 | 6 | ROSUVASTATIN | 0.9 | 0.8 |
| 7 | 9 | IBUPROFEN | 0.8 | 0.7 |
| 8 | 7 | BISOPROLOL | 0.8 | 0.8 |
| 9 | 20 | NIMESULIDE | 0.7 | 0.6 |
| 10 | 17 | KAGOCEL | 0.7 | 0.6 |
| Total | | | 9.4 | 9.0 |

In the top ten ATC groups, just as in the above ranking, six ATC groups held their own in the ranking (Table 4). The top ten leader R01 Nasal preparations (+12%) maintained its previous rank number one, as well as the groups C09 Agents acting on the rennin-angiotensin system and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+11% each), and G03 Sex hormones (+8%), A11 Vitamins (+10%) and N06 Psychoanaleptics (+14%) kept their ranks five through nine, respectively. Two groups rose in the ranks. M01 Anti-inflammatory and antirheumatic products (+19%) moved up to rank two from four, displacing J05 Antivirals for systemic use (+13%) and J01 Antibacterials for systemic use (+14%) down one rank, to numbers three and four, respectively. The newcomer B01 Antithrombotic agents (+29%) broke into the ranks of the top ten, coming in at number ten. In total, based on the results for the first half of 2015 the top ten ATC groups accumulated 35.2% of the regional market, which was almost 1 p.p. more than in the year-earlier period.

### Table 4. The top ten ATC Groups by pharmacy sales

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | R01 | NASAL PREPARATIONS | 4.1 | 4.0 |
| 2 | 4 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 3.9 | 3.6 |
| 3 | 2 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.8 | 3.8 |
| 4 | 3 | J01 | ANTIBACTERIALS FOR SYST USE | 3.7 | 3.6 |
| 5 | 5 | C09 | AG ACT RENIN-ANGIOTENS SYST | 3.6 | 3.6 |
| 6 | 6 | A07 | INTESTINAL ANTIINFECTIVES | 3.5 | 3.5 |
| 7 | 7 | G03 | SEX HORM&MODULAT GENITAL SYS | 3.3 | 3.4 |
| 8 | 8 | A11 | VITAMINS | 3.3 | 3.3 |
| 9 | 9 | N06 | PSYCHOANALEPTICS | 3.1 | 3.0 |
| 10 | 16 | B01 | ANTITHROMBOTIC AGENTS | 2.9 | 2.5 |
| Total | | | | 35.2 | 34.4 |

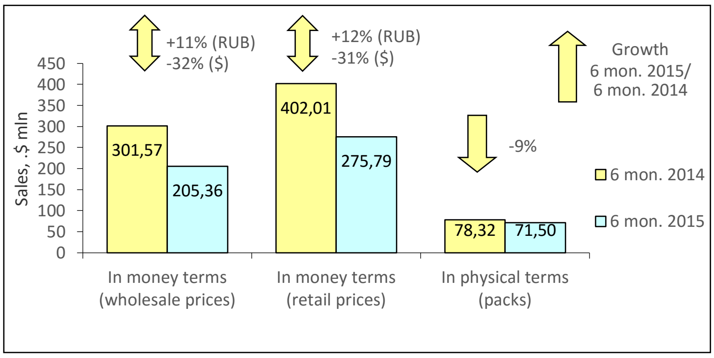
**Conclusion.** On the basis of the results for the first six months of 2015, the retail pharmacy market of Moscow reached RUB 54.265 bln (USD 949.272 mln). It was 11% more in terms of roubles and 32% less in terms of dollars than during the same period in 2014. In natural terms, the market showed the negative growth rates (-4%) and brought in 209.090 mln packs. The average cost of FPP pack in the metropolitan pharmacies based on the results for the first half of 2015 was USD 4.54 which was lower than in 2014 (USD 6.38), but notably higher than the national average (USD 3.04). The average expenses of Moscow residents for purchase of drugs in pharmacies were also higher than the national average (USD 77.82 vs. USD 40.05).

## SAINT PETERSBURG PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 St. Petersburg's estimated population was 5.19 mln, which accounted for 3.5% of the total Russian Federation population and 37.5% of North West FO (NWFO). According to Federal State Statistics Service's data, based on the results for 6 months of 2015 the average salary in the city was RUB 42,377 (USD 738.02), which was 28% higher than the average wage in Russia (RUB 33.124).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first six months of 2015 the sales of OTC drugs in natural terms in pharmacies of St. Petersburg saw a 9% decrease to 71.503 mln packs. In money terms, the market showed positive growth rates (+11%) in rouble terms, while in dollar terms it reduced (-32%) and reached RUB 11.763 bln (USD 205.360 mln) in wholesale prices (Fig. 1). The regional market share accounted for 4.7% of all Russian pharmacy sales. The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.13) and reached USD 3.86 at retail prices. For 6 months of 2015, the average amount spent by residents of St. Petersburg for drugs amounted to USD 53.12.

### Figure 1. St. Petersburg pharmacy market for 6 months of 2013 – 6 months of 2015




Based on the results for the first half of 2015, BAYER (+13%) took the lead in the top ten manufacturers ranking on the St. Petersburg market (table 1). The previous year leader SANOFI-AVENTIS reduced its sale volumes by 9% and moved down to rank two. Another shift took place in the bottom part of the ranking: the more dynamic manufacturer TEVA (+10%) moved up one rank, to number seven, displacing PFIZER (+1%) down to rank eight. SANDOZ (+16%), NOVARTIS (+12%), SERVIER (-2%) and ABBOTT (+5%) held their own ranks three through six, respectively. The Russian manufacturer OTCPHARM (+16%) also held its previous rank nine. The only newcomer of the top ten drug manufacturers JOHNSON & JOHNSON (+16%) moved up to number ten. The total share of the top 10 drug manufacturers decreased by over 1.5 p.p. to 37.5%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | **BAYER HEALTHCARE** | 5.6 | 5.5 |
| 2 | 1 | **SANOFI-AVENTIS** | 4.9 | 6.0 |
| 3 | 3 | **SANDOZ GROUP** | 4.5 | 4.4 |
| 4 | 4 | **NOVARTIS** | 4.2 | 4.2 |
| 5 | 5 | **SERVIER** | 3.5 | 3.9 |
| 6 | 6 | **ABBOTT** | 3.2 | 3.4 |
| 7 | 8 | TEVA | 3.0 | 3.1 |
| 8 | 7 | **PFIZER** | 3.0 | 3.3 |
| 9 | 9 | OTCPHARM | 2.9 | 2.9 |
| 10 | 11 | **JOHNSON & JOHNSON** | 2.6 | 2.5 |
| Total | | | 37.5 | 39.1 |

*AIPM members are in bold

Two newcomers broke into the ranks of the top ten trade names ranking (table 2. ACC (+65%) and AMOKSIKLAV (+43%) moved up to ranks eight and nine, respectively. Apart from them, only another two brand names managed to rise in the ranks. KAGOCEL (+67%) moved up to rank one from three, and INGAVIRIN (+56%) moved up to rank three from 9. At the same time, the other six of the top ten brand names fell in the ranks. The previous year's leader ESSENTIALE N (-25%) moved to rank two and LINEX (-1%), EXODERIL (-0,2%), VIAGRA (-10%), ARBIDOL (+1%) and DETRALEX (-3%) moved to ranks 4 through 7, and the bottom rank, respectively. The total share of the top 10 FPP remained unchanged and accounted for 7.1%.

### Table 2. The top ten brand names by pharmacy sales

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 3 | KAGOCEL | 1.1 | 0.8 |
| 2 | 1 | ESSENTIALE N | 0.8 | 1.2 |
| 3 | 9 | INGAVIRIN | 0.8 | 0.6 |
| 4 | 2 | LINEX | 0.7 | 0.8 |
| 5 | 4 | EXODERIL | 0.7 | 0.8 |
| 6 | 5 | VIAGRA | 0.6 | 0.7 |
| 7 | 6 | ARBIDOL | 0.6 | 0.7 |
| 8 | 30 | ACC | 0.6 | 0.4 |
| 9 | 21 | AMOKSIKLAV | 0.6 | 0.4 |
| 10 | 8 | DETRALEX | 0.6 | 0.6 |
| Total | | | 7.1 | 7.1 |

In contrast to the above rankings, the leader of the top ten INNs and grouping names ranking didn't change: INN XYLOMETAZOLINE (+31%) held and strengthened its leadership due to high growth rates (table 3). The markets of the other six INNs of the top ten also developed at a fast pace. KAGOCEL (+67%) and IBUPROFEN (+50%) moved up to rank two and three, the composition AMOXICILLIN + CLAVULANIC ACID (+21%) held its previous rank seven, and the newcomers NIMESULIDE (+30%), IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+55%) and AZITHROMYCIN (+19%) broke into the ranks of the top ten, coming in at numbers 6, 8 and 10, respectively. At the same time, PANCREATIN (+10%) and SILDENAFIL (+0.1%), which showed relatively low growth rates, and INN PHOSPHOLIPIDS (-24%), which reduced its sales, moved down to ranks four, eight and five, respectively. The total share of the top ten INNs increased by almost 1 p.p. and reached 10.3%.

### Table 3. The top 10 INNs and group names by pharmacy sales

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | XYLOMETAZOLINE | 2.1 | 1.8 |
| 2 | 9 | KAGOCEL | 1.1 | 0.8 |
| 3 | 5 | IBUPROFEN | 1.1 | 0.8 |
| 4 | 3 | PANCREATIN | 0.9 | 0.9 |
| 5 | 2 | PHOSPHOLIPIDS | 0.9 | 1.3 |
| 6 | 11 | NIMESULIDE | 0.9 | 0.7 |
| 7 | 7 | AMOXICILLIN + CLAVULANIC ACID | 0.8 | 0.8 |
| 8 | 20 | IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID | 0.8 | 0.6 |
| 9 | 4 | SILDENAFIL | 0.8 | 0.9 |
| 10 | 14 | AZITHROMYCIN | 0.8 | 0.7 |
| Total | | | 10.3 | 9.4 |

The top ten ATC-groups ranking retained its leader - R01 Nasal preparations (+25%) kept and reinforced its leadership (Table4). In addition, the group G03 Sex hormones (+13%) rounding out the top ten also managed to hold its previous rank. Note that almost all the other ATC groups from the top ten ranking also showed outperformance rates and expanded their market shares. At the same time, five of them rose in the ranks. R05 Cough and cold preparations (+35%) and J05 Antivirals for systemic use (+36%) moved up to ranks two and three, displacing the less dynamic M01 Anti-inflammatory and antirheumatic products (+16%) and J01 Antibacterials for systemic use (+19) down to ranks 4 and 5. A11 Vitamins (+14%), N02 Analgesics (+22%) and A07 Antidiarrheals, intestinal anti-inflammatory / antiinfective agents (+15%) moved up one rank, to numbers 6 through 8, respectively. In contrast, the group C09 Agents acting on the rennin-angiotensin system (+2%) showed low growth in sales and moved down four ranks, coming in at number 9. The consolidated share of the top 10 under review increased from 37.5% to 40.3%.

### Table 4. The top ten ATC Groups by pharmacy sales

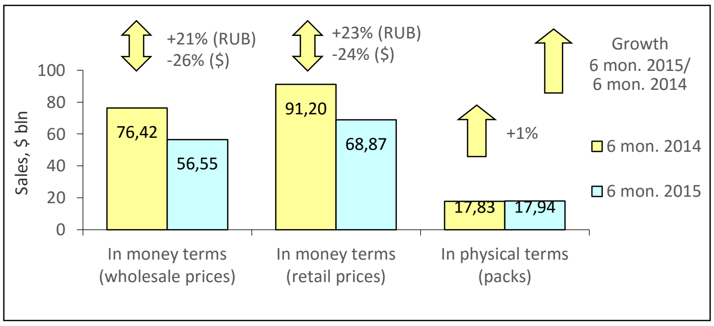
| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | R01 | NASAL PREPARATIONS | 5.0 | 4.5 |
| 2 | 3 | R05 | COUGH AND COLD PREPARATIONS | 4.5 | 3.8 |
| 3 | 6 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 4.4 | 3.7 |
| 4 | 2 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 4.3 | 4.1 |
| 5 | 4 | J01 | ANTIBACTERIALS FOR SYST USE | 4.0 | 3.8 |
| 6 | 7 | A11 | VITAMINS | 3.8 | 3.7 |
| 7 | 8 | N02 | ANALGESICS | 3.8 | 3.5 |
| 8 | 9 | A07 | INTESTINAL ANTIINFECTIVES | 3.6 | 3.5 |
| 9 | 5 | C09 | AG ACT RENIN-ANGIOTENS SYST | 3.4 | 3.7 |
| 10 | 10 | G03 | SEX HORM&MODULAT GENITAL SYS | 3.3 | 3.2 |
| Итого | | | | 40.3 | 37.5 |

**Conclusion.** On the basis of the results for the first 6 months of 2015, the retail pharmacy market of St. Petersburg reached RUB 15.805 bln (USD 275.789 mln) in retail prices. The sales saw a 12% increase in terms of roubles, and a 31% decrease in terms of dollars. In natural terms, the market showed negative growth rates (-9%) and amounted to 71.503 mln packs. According to the results for the first half of 2015, the average cost of FPP pack in the city pharmacies was USD 3.86 which was lower than the 2014 figures (USD 5.13), but higher than the national average in the country (USD 3.04). The average expenses of the St. Petersburg residents for medications in the pharmacies also exceeded the national average (USD 53.12 vs. USD 40.05).

## ROSTOV-ON-DON PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Rostov-on-Don was estimated as 1.11 mln, which accounted for 0.8% of the total Russian Federation population and 8.0% of Southern FO (SFO). According to Federal State Statistics Service's data, in the first half of 2015 the average wages in the Rostov Region amounted to RUB 23,812 (USD 414.7), which was 28% lower than the national average wage in Russia (RUB 33,124). According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at half I-end 2015 the sales of drugs in physical terms in the pharmacies of Rostov-On-Don saw a 1% increase to 17.942 mln packs. In money terms, the drugs market increased by in rouble terms (+21%) and reduced in dollar terms (-26%), reaching RUB 3.240 bln (USD 56.550 mln) in wholesale prices (Fig. 1). The city's share reached 1.2% of the all-Russia sales in retail prices. The average cost of an OTC pack reduced as compared to a year earlier and reached USD 3.84 (vs. USD 5.12). For 6 months of 2015, the average amount spent by residents of Rostov-On-Don for drugs in the pharmacies amounted to USD 61.77.

### Figure 1. Rostov-On-Don pharmacy market for 6 months of 2013 – 6 months of 2015




One newcomer broke into the ranks of the top ten manufacturers ranking on the Rostov-on-Don market based on the results for the first half of 2015 (Table 1. The Russia-based manufacturer OTCPHARM that due to sales growth by one fourth moved up to rank nine from 12. The manufacturers placed at the top four ranks also showed high growth rates: BAYER (2.1-fold increase in sales), NYCOMED/TAKEDA (+49%), SERVIER (+52%) and GEDEON RICHTER (+45%). On top of that, the first of them held its own in the ranking, whereas three other manufacturers rose in the ranks. In addition, one more manufacturer ABBOTT (+12%) which had been placed at rank eight managed to move up one rank. The manufacturers NOVARTIS (+5%) and MENARINI (+12%) maintained their previous ranks, while SANOFI-AVENTIS (+20%) and TEVA (+5%) moved down to ranks 5 and 6, respectively. The total share of the top 10 manufacturers increased from 36.1% to 41.3%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | **BAYER HEALTHCARE** | 9.0 | 5.1 |
| 2 | 3 | **NYCOMED/TAKEDA** | 5.1 | 4.1 |
| 3 | 6 | **SERVIER** | 4.4 | 3.5 |
| 4 | 5 | GEDEON RICHTER | 4.4 | 3.6 |
| 5 | 2 | **SANOFI-AVENTIS** | 4.2 | 4.2 |
| 6 | 4 | TEVA | 3.5 | 4.0 |
| 7 | 7 | **NOVARTIS** | 3.0 | 3.4 |
| 8 | 9 | **ABBOTT** | 2.8 | 3.0 |
| 9 | 12 | OTCPHARM | 2.6 | 2.5 |
| 10 | 10 | **MENARINI** | 2.5 | 2.7 |
| Total | | | 41.3 | 36.1 |

*AIPM members are in bold

Almost each from the top 10 brand names showed outperformance in sales and five of them rose in the ranks (Table 2. The newcomers THERAFLEX (3.8-fold growth in sales), ELEVIT PRONATAL (3-fold growth), THERAFLEX ADVANCE (4.6-fold growth) moved up to ranks 2 through 4, respectively. One more newcomer, INGAVIRIN (2.1-fold growth in sales) broke into the ranks of the top ten, moving up to rank seven. ALFLUTOP (+74%) moved up to rank eight from 9. Due to high growth rates, the product ACTOVEGIN (+26%) maintained and strengthened its leading positions. At the same time, two brand names CORTEXIN and NIMESIL moved down to ranks nine and ten, despite 40% growth in sales. LYRICA (+1%), which showed low growth rates, and ESSENTIALE N (-17%), which reduced its sales, fell in the ranks. The total share of the top ten increased by 2.6 p.p. and achieved 9.4%.

### Table 2. The top ten brand names by pharmacy sales

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | ACTOVEGIN | 1.5 | 1.4 |
| 2 | 21 | THERAFLEX | 1.4 | 0.4 |
| 3 | 13 | ELEVIT PRONATAL | 1.2 | 0.5 |
| 4 | 50 | THERAFLEX ADVANCE | 1.0 | 0.3 |
| 5 | 3 | LYRICA | 0.8 | 1.0 |
| 6 | 2 | ESSENTIALE N | 0.8 | 1.1 |
| 7 | 12 | INGAVIRIN | 0.8 | 0.5 |
| 8 | 10 | ALFLUTOP | 0.7 | 0.5 |
| 9 | 8 | CORTEXIN | 0.7 | 0.6 |
| 10 | 7 | NIMESIL | 0.6 | 0.6 |
| Total | | | 9.4 | 6.8 |

The leader of the top-ten INN and group names ranking changed: due to 2.8-fold growth in sales, the composition CHONDROITINSULFURIC ACID + GLUCOSAMINE moved up to rank number one from 12 (table 3). The former leader of the top ten, but not so dynamic INN BLOOD (+24%) moved down to rank two. In addition to the leader, another five drug manufacturers from the top ten ranking showed growth in sales. XYLOMETAZOLINE (+42%) moved up to rank three from 5, while the newcomers ERGOCALCIFEROL+RETINOL+BIOTIN+CALCIUM+PHOSPHORUS +ASCORBIC ACID +MAGNESIUM +IRON FERROUS + NICOTINAMIDE +VITAMIN E + PANTOTHENIC ACID +ZINC (3-fold growth in sales), INN IBUPROFEN (2.2-fold growth), as well as GLUCOSAMINE + CHONDROITINSULFURIC ACID + IBUPROFEN (4.6-fold growth) and INTERFERON ALFA-2B (+53%) moved up to ranks five, six, eight and nine. The less dynamic INN NIMESULIDE (+16%) and PREGABALIN (-5%) which reduced its sales moved down to ranks 4 and10. The brand name BISOPROLOL (+45%) held its previous rank seven. The cumulative share of the top 10 under review increased 3.2 p.p. to 12%.

### Table 3. The top 10 INNs and group names by pharmacy sales

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 12 | CHONDROITINSULFURIC ACID + GLUCOSAMINE | 1.7 | 0.7 |
| 2 | 1 | BLOOD | 1.6 | 1.6 |
| 3 | 5 | XYLOMETAZOLINE | 1.3 | 1.1 |
| 4 | 2 | NIMESULIDE | 1.2 | 1.3 |
| 5 | 26 | ERGOCALCIFEROL +RETINOL +BIOTIN + CALCIUM +PHOSPHORUS +ASCORBIC ACID +MAGNESIUM +IRON FERROUS + NICOTINAMIDE +VITAMIN E + PANTOTHENIC ACID +ZINC | 1.2 | 0.5 |
| 6 | 15 | IBUPROFEN | 1.1 | 0.6 |
| 7 | 7 | BISOPROLOL | 1.1 | 0.9 |
| 8 | 71 | GLUCOSAMINE +CHONDROITINSULFURIC ACID + IBUPROFEN | 1.0 | 0.3 |
| 9 | 11 | INTERFERON ALFA-2B | 0.9 | 0.8 |
| 10 | 4 | PREGABALIN | 0.9 | 1.2 |
| Total | | | 12.0 | 8.9 |

As before, M01 Anti-inflammatory and antirheumatic products (+81%) and N06 Psychoanaleptics (+19%) held the top two ranks in the top ten ATC groups ranking (Table 4). In addition, C09 Agents acting on the rennin-angiotensin system (+25%) as before held its previous rank 8. The other top 10 ATC groups changed their ranks; moreover, five of ATC groups improved them. The groups G03 Sex hormones (+36%), A11 Vitamins (+42%) and J05 Antivirals for systemic use (+44%) moved up one rank, to numbers 3 through 5, respectively. R01 Nasal preparations (+30%) moved up to rank 7 from the bottom one and the only newcomer of the top ten N02 Analgesics (+38%) moved up to rank 9. Due to lagging behind the growth rates, the groups J01 Antibacterials for systemic use (+7%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+11%) fell in the ranks. The total share of the analysed ranking and the one of the above rankings increased, in this case, from 35.1% to 39%.

### Table 4. The top ten ATC Groups by pharmacy sales

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 7.5 | 5.0 |
| 2 | 2 | N06 | PSYCHOANALEPTICS | 4.2 | 4.3 |
| 3 | 4 | G03 | SEX HORM&MODULAT GENITAL SYS | 4.1 | 3.6 |
| 4 | 5 | A11 | VITAMINS | 3.8 | 3.3 |
| 5 | 6 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.8 | 3.3 |
| 6 | 3 | J01 | ANTIBACTERIALS FOR SYST USE | 3.4 | 4.0 |
| 7 | 10 | R01 | NASAL PREPARATIONS | 3.2 | 3.0 |
| 8 | 8 | C09 | AG ACT RENIN-ANGIOTENS SYST | 3.2 | 3.1 |
| 9 | 13 | N02 | ANALGESICS | 3.0 | 2.6 |
| 10 | 7 | A07 | INTESTINAL ANTIINFECTIVES | 2.9 | 3.1 |
| Total | | | | 39.0 | 35.1 |

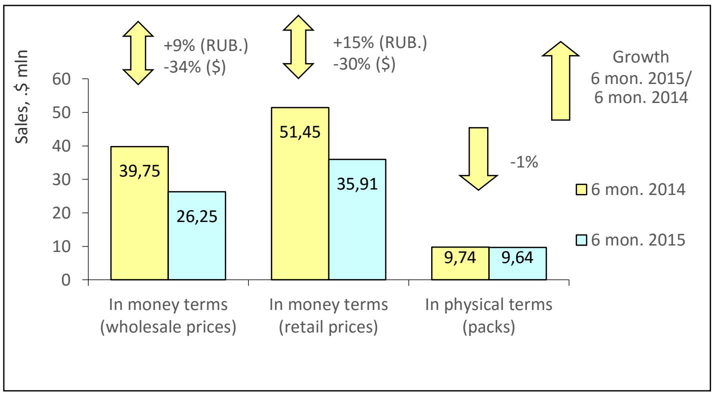
Conclusion. On the basis of the results for the first half of 2015, the retail pharmacy market of Rostov-on-Don brought in RUB 3.944 bln (USD 68.865 mln). It was 23% more in terms of roubles and 24% less in terms of dollars than during the same period in 2014. In natural terms, the market showed the positive growth rates (+1%) and brought in 17.942 mln packs. The average cost of OTC-pack in the Rostov-On-Don pharmacies was USD 3.84 based on the results for 6 months of 2015 (in a year-earlier period - USD 5.12), it was more than the national average (USD 3.04). The average expenses of Rostov-On-Don residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 61.77 vs. USD 40.05).

## KHABAROVSK PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 Khabarovsk's estimated population was 607.2 thd, which accounted for 0.4% of the total Russian Federation population and 9.8% of Far Eastern FO (FFO). According to Federal State Statistics Service's data, in the first half of 2015 the average salary in the Khabarovsk Krai amounted to RUR 36.854 (USD 641.83), which was 11% higher than the average wage in Russia (RUB 33.124).

According to the results of the Retail Audit of Finished Pharma Products (FPP) in Russian Federation™, at the end of the first six months of 2015 the sales of drugs in natural terms in Moscow saw a 1% decrease to 9.643 mln packs. In money terms, the sales in the city pharmacy market (exclusive of State Reimbursement Program) saw a +9% increase in terms of roubles and a 34% decrease in terms of dollars compared to the same period a year ago and reached RUB 1.511 bln (USD 26.248 mln) in wholesale prices (Fig.1). The city share in the total volume of all-Russia pharmacy market accounted for 0.6%. In the first half of 2015, the average cost of a FPP pack in the Khabarovsk pharmacies was USD 3.72 which was notably lower than in the year-earlier period (USD 5.28). For six months of 2015, the average amount spent by residents of Khabarovsk for drugs amounted to USD 59.14.

### Figure 1. Khabarovsk pharmacy market for 6 months of 2013 – 6 months of 2015




The pharmaceutical manufacturer BAYER (+10%) remained a leader of the regional top ten ranking based on the results for the first half of 2015 (Table 1). The manufacturers which had improved their ranks moved up to numbers two through five. SANOFI-AVENTIS (+31%), SERVIER (+22%), GEDEON RICHTER (+61%) and NYCOMED/TAKEDA (+30%) showed high growth rates. In addition, STADA (+14%) became the only newcomer of the top ten and moved up three ranks, coming in at number eight. The manufacturers NOVARTIS (-4%), SANDOZ (-41%) and MENARINI (-1%) showed negative growth rates, moving down to ranks 6, 9 and 10, respectively. The drug maker TEVA (+3%) held its previous rank seven.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank in the top ten | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | **BAYER HEALTHCARE** | 5.4 | 5.3 |
| 2 | 3 | **SANOFI-AVENTIS** | 5.2 | 4.3 |
| 3 | 5 | **SERVIER** | 4.6 | 4.0 |
| 4 | 9 | GEDEON RICHTER | 4.5 | 3.0 |
| 5 | 8 | **NYCOMED/TAKEDA** | 3.8 | 3.1 |
| 6 | 4 | **NOVARTIS** | 3.6 | 4.1 |
| 7 | 7 | TEVA | 3.0 | 3.2 |
| 8 | 11 | **STADA** | 3.0 | 2.8 |
| 9 | 2 | **SANDOZ GROUP** | 2.8 | 5.2 |
| 10 | 10 | **MENARINI** | 2.7 | 3.0 |
| Total | | | 38.4 | 38.0 |

*AIPM members are in bold

The top ten brand names ranking was updated much more notably: seven newcomers broke into the ranks of the top ten ranking (Table 2). The products ALFLUTOP (2.6-fold growth in sales), ACTOVEGIN (+90%), MIDOCALM (2.2-fold growth in sales) and NISE (+93%) rounded out the top ten, and CONCOR COR (+88%), SUMAMED (+21%) and CYCLOFERON (+90%) moved up to ranks 2 through 5, respectively. Hepatoprotector ESSENTIALE N (+93%), which moved up to rank number one, and antiviral drug INGAVIRIN (-10%) which moved up to rank seven, improved their positions. In contrast, another antiviral drug CAGOCEL (-5%) lost one rank, and moved down to rank 6. The total share of the top ten increased from 4.9% to 7.3%.

### Table 2. The top ten brand names by pharmacy sales

| Rank in the top ten | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 10 | ESSENTIALE N | 1.2 | 0.7 |
| 2 | 34 | ALFLUTOP | 1.0 | 0.4 |
| 3 | 14 | ACTOVEGIN | 1.0 | 0.5 |
| 4 | 42 | MYDOCALM | 0.7 | 0.3 |
| 5 | 36 | NISE | 0.7 | 0.4 |
| 6 | 5 | KAGOCEL | 0.6 | 0.7 |
| 7 | 8 | INGAVIRIN | 0.6 | 0.7 |
| 8 | 46 | CONCOR | 0.6 | 0.3 |
| 9 | 16 | SUMAMED | 0.5 | 0.5 |
| 10 | 47 | CYCLOFERON | 0.5 | 0.3 |
| Total | | | 7.3 | 4.9 |

Despite the strongly negative growth rates and noticeable reduction in market share XYLOMETAZOLINE (-20%) managed to keep the leading positions in the top ten INN and group names ranking (table 3. The other nine INNs of the top ten rose in the ranks. Among them, there were six newcomers of the top-10. INNs PHOSPHOLIPIDS (+81%), NIMESULIDE (+71%), BLOOD (+80%), FISH (2.6-fold growth in sales), BISOPROLOL (+74%) and the composition CHONDROITINSULFURIC ACID + GLUCOSAMINE (3-fold growth) moved up to ranks two through four, as well as six, seven and ten. In addition, IBUPROFEN (+22%) moved up to rank five from eight, and INNs AZITHROMYCIN (+8%) and PANCREATIN (+3%) improved their positions by one rank, moving up to numbers 8 and 9, respectively. The cumulative share of the top-ten increased by 2 p.p. and achieved 10.5%.

### Table 3. The top 10 INNs and group names by pharmacy sales

| Rank in the top ten | | Brand name | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | XYLOMETAZOLINE | 1.8 | 2.5 |
| 2 | 13 | PHOSPHOLIPIDS | 1.2 | 0.7 |
| 3 | 16 | NIMESULIDE | 1.1 | 0.7 |
| 4 | 23 | BLOOD | 1.0 | 0.6 |
| 5 | 8 | IBUPROFEN | 1.0 | 0.9 |
| 6 | 49 | FISH | 1.0 | 0.4 |
| 7 | 24 | BISOPROLOL | 1.0 | 0.6 |
| 8 | 9 | AZITHROMYCIN | 0.8 | 0.9 |
| 9 | 10 | PANCREATIN | 0.8 | 0.9 |
| 10 | 68 | CHONDROITINSULFURIC ACID + GLUCOSAMINE | 0.7 | 0.3 |
| Total | | | 10.5 | 8.5 |

M01 Anti-inflammatory and antirheumatic products (+40%) became the best-selling group in the regional market and moved up to rank number one from six (Table 4). G03 Sex hormones (+25%) moved up to number two from 8. The previous year leader R01 Nasal preparations reduced its sales by 26% and moved down to rank three. Note, that apart from it, other four groups showed negative growth rates and as a result fell in the ranks. J01 Antibacterials for systemic use (-15%) moved down from rank three to 5, R05 Cough and cold preparations (-30%) moved down from rank 2 to 6 and J05 Antivirals for systemic use (-11%) moved down to rank 5 to 8 and N02 Analgesics (-22%) moved down from rank 4 to 10. In contrast, the other three ATC groups rose in the ranks. A11 Vitamins (+22%) moved up to rank four from 9, and the newcomers C09 Agents acting on the rennin-angiotensin system (+61%) and N06 Psychoanaleptics (+69%) moved up to ranks 7 and 9. The cumulative share of the top ten ATC groups reduced by over 3 p.p. and achieved 42.3%.

### Table 4. The top ten ATC Groups by pharmacy sales

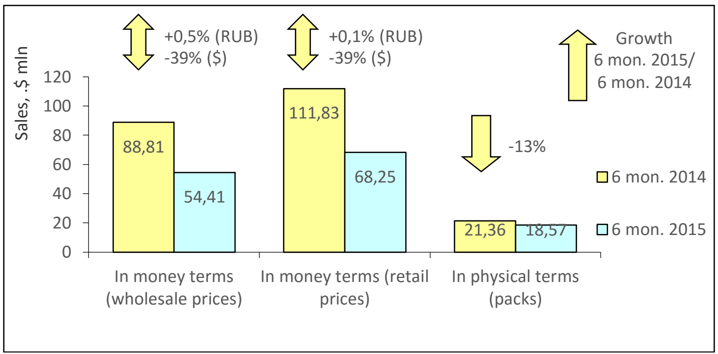
| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 6 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 5.4 | 4.2 |
| 2 | 8 | G03 | SEX HORM&MODULAT GENITAL SYS | 4.5 | 3.9 |
| 3 | 1 | R01 | NASAL PREPARATIONS | 4.3 | 6.4 |
| 4 | 9 | A11 | VITAMINS | 3.9 | 3.5 |
| 5 | 3 | J01 | ANTIBACTERIALS FOR SYST USE | 3.8 | 4.9 |
| 6 | 2 | R05 | COUGH AND COLD PREPARATIONS | 3.7 | 5.9 |
| 7 | 12 | C09 | AG ACT RENIN-ANGIOTENS SYST | 3.7 | 2.5 |
| 8 | 5 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.4 | 4.3 |
| 9 | 14 | N06 | PSYCHOANALEPTICS | 3.3 | 2.1 |
| 10 | 4 | N02 | ANALGESICS | 3.1 | 4.4 |
| Total | | | | 39.3 | 42.2 |

**Conclusion.** On the basis of the results for six months of 2015, the retail pharmacy market of Khabarovsk brought in RUB 2.068 bln (USD 35.911 mln). At the same time, the market showed the positive growth rates in terms of roubles (+15%) and negative growth rates (-30%) in terms of dollars. In physical terms, the sales decreased by 1% to 9.643 mln packs. The average cost of an OTC pack in the region pharmacies reduced as compared to the previous year (USD 3.72 vs. USD 5.28), but was higher than the national average in Russia (USD 3.04). Per capita expenses of Khabarovsk residents for purchase of medicines in the pharmacies amounted to USD 59.14 which was higher than on the average in the country (USD 40.05).

## NOVOSIBIRSK PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015, the population of Novosibirsk was estimated at 1.57 mln, which accounted for 1.1% of the total Russian Federation population and 8.1% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for six months of 2015 the average salary in the Novosibirsk Region was RUB 27,328 (USD 475.93), which was 17% lower than the national average wage in Russia (RUB 33,124). According to the results of the Retail Audit of FPP drugs in Russian Federation™, in the first six months of 2015 the Novosibirsk pharmacy market volume reduced by 13% in physical terms and amounted to 18.567 mln packs (Fig. 1) In wholesale prices, the market showed the low positive performance in terms of roubles (+0.5%) and the negative performance in terms of dollars (-39%) and reached RUB 3.125 bln (USD 54.407 mln). The region's share accounted for 1.2% of the total pharmacy sales in the Russian pharmacy market pattern. The average cost of a FPP pack in the Novosibirsk pharmacies was USD 3.68 according to the results for the first half of 2015 (during the same period in 2014 - USD 5.23). At the end of six months of 2015, per capita expenses of the city residents for purchase of medicines in pharmacies amounted to USD 43.55.

### Figure 1. Novosibirsk pharmacy market for 6 months of 2013 – 6 months of 2015




The manufacturer BAYER (-5%) became the leader of the top ten manufacturers on the pharmacy market of Novosibirsk based on the results of the six month of 2015, despite the negative growth rates (Table 1). The former top ten leader SANOFI-AVENTIS (-16%) showed the stronger reduction in sales and moved down to rank two. The same shifts took place in the lower part of the top ten. The manufacturers SANDOZ (+4%) and NYCOMED/TAKEDA (+5%) showed positive growth rates and moved up one rank, coming in at numbers four and seven, respectively. At the same time, ABBOTT (-4%) and SERVIER (-9%) moved down one rank, coming in at numbers five and eight. The only newcomer OTCPHARM (+1%) broke into the ranks of the top ten ranking, coming in at number ten. The other three manufacturers of the top 10 held their own in the ranking. NOVARTIS (-5%) held its previous rank three, and the manufacturers TEVA (-1%) and MERCK SHARP DOHME (-17%) maintained their ranks six and nine. The total share of the top ten manufacturers decreased by over 2 p.p. and accounted for 34%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | **BAYER HEALTHCARE** | 5.3 | 5.6 |
| 2 | 1 | **SANOFI-AVENTIS** | 4.8 | 5.7 |
| 3 | 3 | **NOVARTIS** | 3.7 | 3.9 |
| 4 | 5 | **SANDOZ GROUP** | 3.5 | 3.4 |
| 5 | 4 | **ABBOTT** | 3.2 | 3.4 |
| 6 | 6 | TEVA | 3.1 | 3.1 |
| 7 | 8 | **NYCOMED/TAKEDA** | 3.0 | 2.9 |
| 8 | 7 | **SERVIER** | 2.8 | 3.1 |
| 9 | 9 | **MERCK SHARP DOHME** | 2.3 | 2.7 |
| 10 | 11 | OTCPHARM | 2.3 | 2.3 |
| Total | | | 34.0 | 36.1 |

*AIPM members are in bold

One newcomer broke into the ranks of the top ten brand names on the regional market - CONCOR (-2%) moved up to rank ten from 13 (Table 2). Apart from the above mentioned, the other four brand names moved up to the higher ranks. KAGOCEL (+12%) moved up to rank number one from two, displacing the previous year leader ESSENTIALE N (-40%). CARDIOMAGNIL moved up to rank three from six (+16%), ACTOVEGIN (+0.4%) and NISE (-2%) moved up to ranks six and seven from 10 and 8. HEPTRAL (-17%) showed significant reduction in sales and moved down from rank three to eight. CRESTOR (-3%), DUPHASTON (+5%) and EXODERIL (-10%) held their own in the ranking. In total, the top ten brand names accumulated 6% of sales, which was 0.5 p.p. less than in the year-earlier period.

### Table 2. The top ten brand names by pharmacy sales

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | KAGOCEL | 1.1 | 1.0 |
| 2 | 1 | ESSENTIALE N | 0.7 | 1.1 |
| 3 | 6 | CARDIOMAGNIL | 0.6 | 0.5 |
| 4 | 4 | CRESTOR | 0.6 | 0.6 |
| 5 | 5 | DUPHASTON | 0.6 | 0.5 |
| 6 | 10 | ACTOVEGIN | 0.5 | 0.5 |
| 7 | 8 | NISE | 0.5 | 0.5 |
| 8 | 3 | HEPTRAL | 0.5 | 0.6 |
| 9 | 9 | EXODERIL | 0.5 | 0.5 |
| 10 | 13 | CONCOR | 0.5 | 0.5 |
| Total | | | 6.0 | 6.5 |

The leader of the top ten INN and group names held its own in the ranking (table 3) INN XYLOMETAZOLINE (+3%) held its previous rank number one (table 3. INNs KAGOCEL (+12%) and URSODEOXYCHOLIC ACID (+2%) moved up one rank to numbers two and three. INNs also rose in the ranks, moving up to numbers four through six, respectively. These INNs were IBUPROFEN (+9%), NIMESULIDE (+4%) and ROSUVASTATIN (+9%). PANCREATIN (+3%) and BISOPROLOL (0%) held their previous ranks seven and eight. Due to reduction in sales, INTERFERON ALFA-2B (-2%) and PHOSPHOLIPIDS (-36%) moved down to the bottom ranks of the top ten ranking. The total share of the top 10 decreased from 9.6% to 9.4%.

### Table 3. The top 10 INNs and group names by pharmacy sales

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | XYLOMETAZOLINE | 1.6 | 1.6 |
| 2 | 3 | KAGOCEL | 1.1 | 1.0 |
| 3 | 4 | URSODEOXYCHOLIC ACID | 0.9 | 0.9 |
| 4 | 9 | IBUPROFEN | 0.9 | 0.8 |
| 5 | 6 | NIMESULIDE | 0.9 | 0.8 |
| 6 | 10 | ROSUVASTATIN | 0.8 | 0.8 |
| 7 | 7 | PANCREATIN | 0.8 | 0.8 |
| 8 | 8 | BISOPROLOL | 0.8 | 0.8 |
| 9 | 5 | INTERFERON ALFA-2B | 0.8 | 0.8 |
| 10 | 2 | PHOSPHOLIPIDS | 0.8 | 1.2 |
| Total | | | 9.4 | 9.6 |

The top ten ATC groups showed high stability on the regional market - seven ATC groups held their positions unchanged (Table 4). The top five ATC groups G03 Sex hormones (+2%), M01 Anti-inflammatory and antirheumatic products (+7%), R01 Nasal preparations (0%), J01 Antibacterials for systemic use (+2%) and C09 Agents acting on the rennin-angiotensin system (-1%) held their own in the ranking, and A11 Vitamins (-3%) and N02 Analgesics (-1%) maintained their previous ranks 7 and 8. Three ATC groups of the top 10 rose in the ranks. J05 Antivirals for systemic use (+6%) moved up to rank six from nine, and R05 Cough and cold preparations (+5%) moved down from rank nine to ten. Its only newcomer N06 Psychoanaleptics (0%) took up the bottom rank in the top 10 ranking. The total share of the top ten ranking increased by 0.3 p.p. and achieved 37.1%.

### Table 4. The top ten ATC Groups by pharmacy sales

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | G03 | SEX HORM&MODULAT GENITAL SYS | 4.9 | 4.9 |
| 2 | 2 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 4.4 | 4.2 |
| 3 | 3 | R01 | NASAL PREPARATIONS | 4.0 | 4.0 |
| 4 | 4 | J01 | ANTIBACTERIALS FOR SYST USE | 3.9 | 3.9 |
| 5 | 5 | C09 | AG ACT RENIN-ANGIOTENS SYST | 3.7 | 3.7 |
| 6 | 9 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.4 | 3.3 |
| 7 | 7 | A11 | VITAMINS | 3.3 | 3.5 |
| 8 | 8 | N02 | ANALGESICS | 3.3 | 3.4 |
| 9 | 10 | R05 | COUGH AND COLD PREPARATIONS | 3.1 | 3.1 |
| 10 | 12 | N06 | PSYCHOANALEPTICS | 3.0 | 3.0 |
| Total | | | | 37.1 | 36.8 |

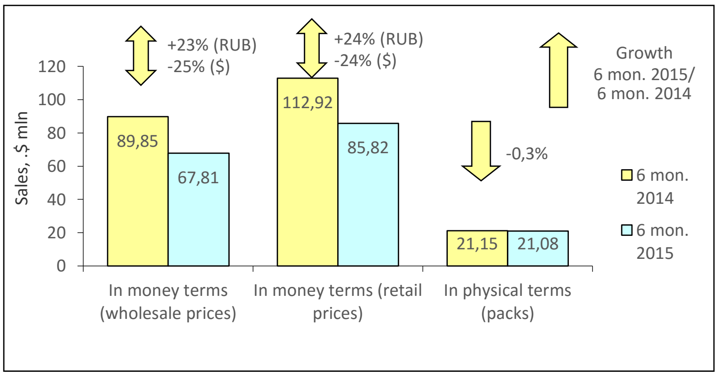
**Conclusion.** In the first half of 2015, the pharmacy market in Novosibirsk was estimated at RUB 3.922 bln (USD 68.251 mln) in final consumer prices. At the same time, the market performance was not high, but positive in rouble terms (+0.1%), whereas in dollar terms the regional market reduced by 39%. In natural terms, the sales decreased by 13% to 18.567 mln packs. The average cost of a FPP pack (USD 3.68) reduced as compared to a year earlier (USD 5.23), but was higher than the national average-drug cost in Russia (USD 3.04). Per capita expenses of Novosibirsk residents for purchase of medicines in the city pharmacies also exceeded the national average figures (USD 43.55 vs. USD 40.05).

## YEKATERINBURG PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Yekaterinburg was estimated as 1.43 mln, which accounted for 1% of the total Russian Federation population and 11.6% of Ural FO (UFO). According to Federal State Statistics Service's data, in the first half of 2015 the average wage in the Yekaterinburg Region amounted to RUB 30,458 (USD 530.44), which was 8% lower than the national average wage in Russia (RUB 33,124).

According to the results of the Retail Audit of Finished Pharma Products (FPP) Drugs in Russian Federation™, at the first half of 2015 the sales of drugs in physical terms in the pharmacies of Yekaterinburg saw a 0.3% decrease to 21,077 mln packs. In value terms, the market showed positive growth rates (+23%) in rouble terms, but it reduced (25%) in dollar terms and reached RUB 3.886 bln (USD 67,814 mln) in wholesale prices (Fig. 1). The regional market share accounted for 1.5% of the total pharmacy sales in Russia. The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.34) and reached USD 4.07 at retail prices. For 6 months of 2015, the average amount spent by residents of Yekaterinburg for drugs amounted to USD 60.10.

**Figure 1. Yekaterinburg pharmacy market for 6 months of 2013 – 6 months of 2015**




The top ten pharmaceutical manufacturers ranking based on the results for six month of 2015 was headed by the manufacturer BAYER (+22%) (Table 1). At the same time, the last year leader SANOFI-AVENTIS (+15%) moved down to rank two. Apart from the leader, the other three drug manufacturers from the top ten moved up to yet higher ranks. GEDEON RICHTER (+35%) moved up to rank four from six, displacing NOVARTIS (+17%) and SERVIER (+24%) down one rank. The drug manufacturers NYCOMED/TAKEDA (+37%) and the newcomer SERVIER (+36%) moved up one rank, to numbers nine and ten. ABBOTT (+13%), TEVA (+12%) and SANDOZ (+16%) maintained their previous ranks three, seven and eight. The total share of the top 10 drug manufacturers reduced by 0.5 p.p. and accounted for 34.9%.

**Table 1. The top ten drug manufacturers by pharmacy sales**

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | **BAYER HEALTHCARE** | 5.4 | 5.4 |
| 2 | 1 | **SANOFI-AVENTIS** | 5.3 | 5.8 |
| 3 | 3 | **ABBOTT** | 3.4 | 3.7 |
| 4 | 6 | GEDEON RICHTER | 3.4 | 3.1 |
| 5 | 4 | **NOVARTIS** | 3.3 | 3.4 |
| 6 | 5 | **SERVIER** | 3.2 | 3.2 |
| 7 | 7 | TEVA | 2.8 | 3.1 |
| 8 | 8 | **SANDOZ GROUP** | 2.8 | 3.0 |
| 9 | 10 | **NYCOMED/TAKEDA** | 2.7 | 2.4 |
| 10 | 11 | **STADA** | 2.6 | 2.4 |
| Total | | | 34.9 | 35.4 |

*AIPM members are in bold

Two newcomers broke into the ranks of the top ten trade names ranking (table 2. SALOFALK increased its sales by 2.5 times, moving up to rank 4, and anticoagulant product XARELTO (+59%) moved up to rank ten. The other four brand names showed outperformance growth rates and rose in the ranks. ALFLUTOP (+38%), DETRALEX (+36%), KAGOCEL (+49%) and ACTOVEGIN (+33%) moved up to ranks two, three, five and six, respectively. The less dynamic URSOSAN (+17%), HEPTRAL (+2%) and REDUKSIN (+13%) moved down to ranks seven through nine, respectively. ESSENTIALE N (+14%) kept its leading rank number one in the top ten. The total share of the top 10 brand names increased to 6.5%.

**Table 2. The top ten brand names by pharmacy sales**

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | ESSENTIALE N | 0.9 | 1.0 |
| 2 | 3 | ALFLUTOP | 0.7 | 0.6 |
| 3 | 6 | DETRALEX | 0.7 | 0.6 |
| 4 | 38 | SALOFALK | 0.7 | 0.3 |
| 5 | 10 | KAGOCEL | 0.6 | 0.5 |
| 6 | 9 | ACTOVEGIN | 0.6 | 0.6 |
| 7 | 4 | URSOSAN | 0.6 | 0.6 |
| 8 | 2 | HEPTRAL | 0.6 | 0.7 |
| 9 | 5 | REDUKSIN | 0.6 | 0.6 |
| 10 | 22 | XARELTO | 0.5 | 0.4 |
| Total | | | 6.5 | 6.0 |

The top ten INN and group names leader managed to hold its own in the ranking. URSODEOXYCHOLIC ACID (+18%) maintained its previous rank number one (table 3). Placed at rank two, INN XYLOMETAZOLINE (+2%) moved down to rank four due to low growth rates, giving way to PANCREATIN (+12%) and PHOSPHOLIPIDS (+14%). INNs with high growth rates moved up to numbers five through nine, respectively. They were ROSUVASTATIN (+40%), CHONDROITINSULFURIC ACID + GLUCOSAMINE (+49%), DIOSMIN + HESPERIDIN (+50%), MESALAZINE (2.6-fold growth in sales) and FISH (+38%). Note that the latter three became the newcomers of the top ten. ADEMETIONINE (+8%) moved down to rank ten from 8. The cumulative share of the top10 increased from 8.5% to 8.8%.

**Table 3. The top 10 INNs and group names by pharmacy sales**

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | URSODEOXYCHOLIC ACID | 1.1 | 1.1 |
| 2 | 3 | PANCREATIN | 1.0 | 1.1 |
| 3 | 4 | PHOSPHOLIPIDS | 0.9 | 1.0 |
| 4 | 2 | XYLOMETAZOLINE | 0.9 | 1.1 |
| 5 | 6 | ROSUVASTATIN | 0.9 | 0.8 |
| 6 | 10 | CHONDROITINSULFURIC ACID + GLUCOSAMINE | 0.9 | 0.7 |
| 7 | 12 | DIOSMIN + HESPERIDIN | 0.8 | 0.7 |
| 8 | 46 | MESALAZINE | 0.8 | 0.4 |
| 9 | 16 | FISH | 0.7 | 0.6 |
| 10 | 5 | ADEMETIONINE | 0.7 | 0.8 |
| Total | | | 8.8 | 8.5 |

G03 Sex hormones (+23%) became the best-selling group in the regional market (Table 4). J05 Antivirals for systemic use (+15%), which had been placed at rank number one, moved down to rank two. Apart from the leader, another four ATC groups of the top ten managed to rise in the ranks. M01 Anti-inflammatory and antirheumatic products (+29%) and N06 Psychoanaleptics (+35%) moved up to ranks 3 and 4, and the groups A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+26%) and A05 Bile and liver therapy (+19%) moved up one rank, to numbers seven and nine, respectively. At the same time, the groups A11 Vitamins (+30%), C09 Agents acting on the renninangiotensin system (+24%), J01 Antibacterials for systemic use (+17%) and R01 Nasal preparations (+11%) moved down to the lower ranks. The total share of the analysed top 10 remained unchanged and accounted for 37.6%.

**Table 4. The top ten ATC Groups by pharmacy sales**

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 2 | G03 | SEX HORM&MODULAT GENITAL SYS | 4.6 | 4.3 |
| 2 | 1 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 4.2 | 4.6 |
| 3 | 5 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 4.0 | 3.8 |
| 4 | 6 | N06 | PSYCHOANALEPTICS | 4.0 | 3.7 |
| 5 | 4 | A11 | VITAMINS | 4.0 | 3.8 |
| 6 | 3 | C09 | AG ACT RENIN-ANGIOTENS SYST | 4.0 | 3.9 |
| 7 | 8 | A07 | INTESTINAL ANTIINFECTIVES | 3.5 | 3.4 |
| 8 | 7 | J01 | ANTIBACTERIALS FOR SYST USE | 3.2 | 3.4 |
| 9 | 10 | A05 | BILE AND LIVER THERAPY | 3.2 | 3.3 |
| 10 | 9 | R01 | NASAL PREPARATIONS | 2.9 | 3.3 |
| Total | | | | 37.6 | 37.5 |

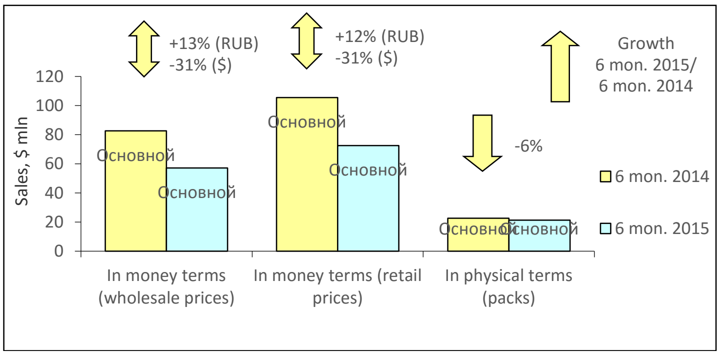
**Conclusion.** On the basis of the results for the first half of 2015, the pharmacy market of Yekaterinburg brought in RUB 4.918 bln (USD 85.823 mln) in retail prices. The sales saw a 24% increase in terms of roubles, and a 24% decrease in terms of dollars. In natural terms, the market showed slightly negative growth rates (-0.3%) and achieved 21.077 mln packs. According to the results for 6 months of 2015, the average cost of an OTC pack in the Yekaterinburg pharmacies was USD 4.07 which was lower than the last year figures (USD 5.34), but higher than average figures in the country (USD 3.04). The average expenses of city residents for medications in the pharmacies also exceeded the national average (USD 60.10 vs. USD 40.05).

## NIZHNY NOVGOROD PHARMACY MARKET: 2015 FIRST 6 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2015 the population of Nizhny Novgorod was estimated as 1.27 mln, which accounted for 0.9% of the total Russian Federation population and 4.3% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, in the first half of 2015 the average wage in the Yekaterinburg Region amounted to RUB 26,033 (USD 453.38), which was 21% lower than the national average wage in Russia (RUB 33,124).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in the first half of 2015 the Nizhny Novgorod pharmacy market volume in physical terms reduced by 6% to 21,271 mln packs (Fig. 1) In wholesale prices, the market showed the positive performance in terms of roubles (+13%) and negative in terms of dollars (-31%) and reached RUB 3.257 bln (USD 57.148 mln). A region's share in the total pharmacy sales in Russia accounted for 1.2%. The average cost of a FPP pack in the Nizhny Novgorod pharmacies was USD 3.41 according to the results for 2015 (during the same period in 2014 - USD 4.67). At the first six month-end of 2015, the average per capita expenses for purchase of drugs in the pharmacies were estimated at USD 57.28.

**Figure 1. Nizhny Novgorod pharmacy market for 6 months of 2013 – 6 months of 2015**




Based on the results for the first half of 2015, one newcomer broke into the ranks of the top ten drug manufacturers in the retail market of Nizhny Novgorod - the manufacturer MENARINI (+15%) moved up from rank 11 to ten. Apart from them, another three drug manufacturers managed to rise in the ranks. The drug manufacturer SERVIER (+23%) moved up to rank two from four, NYCOMED/TAKEDA (+24%) moved up to rank four from 7, ABBOTT (+10%) moved up to rank seven from 8. At the same time, BAYER (+3%), SANDOZ (-6%) and TEVA (-9%) also moved down to the lower ranks, coming in at numbers three, six and eight, respectively. Three drug manufacturers: SANOFI-AVENTIS (+5%), NOVARTIS (+11%) and OTCPHARM (+3%) held their own in the ranking. On top of that, the former continued to top the top ten ranking, despite the reduction of sales and decrease in the market share. The total share of the top 10 drug manufacturers also reduced and achieved 36.4%.

**Table 1. The top ten drug manufacturers by pharmacy sales**

| Rank | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | **SANOFI-AVENTIS** | 6.2 | 6.6 |
| 2 | 4 | **SERVIER** | 4.2 | 3.9 |
| 3 | 2 | **BAYER HEALTHCARE** | 3.8 | 4.2 |
| 4 | 7 | **NYCOMED/TAKEDA** | 3.8 | 3.4 |
| 5 | 5 | **NOVARTIS** | 3.7 | 3.7 |
| 6 | 3 | **SANDOZ GROUP** | 3.4 | 4.0 |
| 7 | 8 | **ABBOTT** | 3.3 | 3.4 |
| 8 | 6 | TEVA | 3.1 | 3.6 |
| 9 | 9 | OTCPHARM | 2.5 | 2.8 |
| 10 | 11 | **MENARINI** | 2.5 | 2.5 |
| Total | | | 36.4 | 38.0 |

*AIPM members are in bold

The leader of top 10 brand names did not change either, the hepatoprotective product ESSENTIALE N (+3%) held its rank number one (table 2). CONCOR (+40%) and ACTOVEGIN (+21%) moved up to ranks two and three. The markets of the other six brand names also developed at a fast pace. DETRALEX (+21%) moved up to rank six and the newcomers URSOSAN (+34%), MEXIDOL (+46%) and CARDIOMAGNIL (+68%) broke into the ranks of the top ten, coming in at numbers seven, eight and ten, respectively. In contrast, two brand names with negative growth rates, INGAVIRIN (-31%) and EXODERIL (-16%) moved down to ranks five and nine, respectively. KAGOCEL (+2%) maintained its previous rank four. The total share of the analysed top 10 trade names virtually remained unchanged and accounted for 7.2%.

**Table 2. The top ten brand names by pharmacy sales**

| Rank | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | ESSENTIALE N | 1.2 | 1.3 |
| 2 | 3 | CONCOR | 1.1 | 0.9 |
| 3 | 5 | ACTOVEGIN | 0.8 | 0.8 |
| 4 | 4 | KAGOCEL | 0.7 | 0.8 |
| 5 | 2 | INGAVIRIN | 0.6 | 1.1 |
| 6 | 10 | DETRALEX | 0.6 | 0.5 |
| 7 | 16 | URSOSAN | 0.5 | 0.5 |
| 8 | 26 | MEXIDOL | 0.5 | 0.4 |
| 9 | 7 | EXODERIL | 0.5 | 0.7 |
| 10 | 39 | CARDIOMAGNIL | 0.5 | 0.3 |
| Total | | | 7.2 | 7.2 |

The top-ten INN and group names ranking leader changed: BISOPROLOL (+37%) moved up to rank number one from three (table 3. At the same time, INNs XYLOMETAZOLINE (+7%) and PHOSPHOLIPIDS (+4%) moved down one rank. INN BLOOD (+21%) and the newcomers of the top ten ranking ATORVASTATIN (+42%), URSODEOXYCHOLIC ACID and the composition DIOSMIN + HESPERIDIN (+30% each) also moved up to the higher positions, coming in at numbers five, six, eight and ten, respectively. KETOPROFEN (5%) reduced its sales and moved down one rank, to number seven. INN PANCREATIN (+16%) and KAGOCEL (+2%) retained their ranks four and nine. The cumulative share of the top ten INNs escalated to 10.2%.

**Table 3. The top 10 INNs and group names by pharmacy sales**

| Rank | | INNs/Group Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 3 | BISOPROLOL | 1.6 | 1.3 |
| 2 | 1 | XYLOMETAZOLINE | 1.4 | 1.5 |
| 3 | 2 | PHOSPHOLIPIDS | 1.3 | 1.4 |
| 4 | 4 | PANCREATIN | 1.1 | 1.1 |
| 5 | 8 | BLOOD | 0.9 | 0.8 |
| 6 | 17 | ATORVASTATIN | 0.8 | 0.6 |
| 7 | 6 | KETOPROFEN | 0.8 | 0.9 |
| 8 | 16 | URSODEOXYCHOLIC ACID | 0.7 | 0.6 |
| 9 | 9 | KAGOCEL | 0.7 | 0.8 |
| 10 | 20 | DIOSMIN + HESPERIDIN | 0.7 | 0.6 |
| Total | | | 10.2 | 9.8 |

C09 Agents acting on the rennin-angiotensin system (+32%) and M01 Anti-inflammatory and antirheumatic products (+18%) held and strengthened their previous leading ranks one and two in the top ten ATC groups ranking (Table 4). Apart from them, the markets of another two new ATC groups showed outperformance rates. N06 Psychoanaleptics (+31%) and G03 Sex hormones (+15%) moved up to ranks five and seven, respectively. However, another two ATC groups managed to improve their positions. R01 Nasal preparations (+3%) moved up from rank 5 to three, and A05 Bile and liver therapy (+8%) moved up from rank 6 to 9. At the same time, N02 Analgesics (-7%), A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+0.3%) and J05 Antivirals for systemic use (-14%) moved down to ranks eight, nine and ten, respectively. The group J01 Antibacterials for systemic use (-5%) maintained its rank four. In total, the top ten ATC groups accumulated 35% of sales, which was 1.5 p.p. less than in the year-earlier period (36.5%).

**Table 4. The top ten ATC Groups by pharmacy sales**

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 6 mon. 2015 | 6 mon. 2014 | | | 6 mon. 2015 | 6 mon. 2014 |
| 1 | 1 | C09 | AG ACT RENIN-ANGIOTENS SYST | 5.4 | 4.5 |
| 2 | 2 | M01 | ANTIINFLAM & ANTIRHEUM PROD | 4.6 | 4.4 |
| 3 | 5 | R01 | NASAL PREPARATIONS | 3.5 | 3.8 |
| 4 | 4 | J01 | ANTIBACTERIALS FOR SYST USE | 3.3 | 3.9 |
| 5 | 12 | N06 | PSYCHOANALEPTICS | 3.2 | 2.7 |
| 6 | 9 | A05 | BILE AND LIVER THERAPY | 3.1 | 3.2 |
| 7 | 11 | G03 | SEX HORM&MODULAT GENITAL SYS | 3.1 | 3.0 |
| 8 | 6 | N02 | ANALGESICS | 3.0 | 3.7 |
| 9 | 8 | A07 | INTESTINAL ANTIINFECTIVES | 3.0 | 3.4 |
| 10 | 3 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 2.9 | 3.9 |
| Total | | | | 35.0 | 36.5 |

**Conclusion.** In the first six months of 2015, the pharmacy market in Nizhny Novgorod was estimated at RUB 4.137 mln (USD 72.623 mln) in final consumer prices. At the same time, the market behaviour was positive in rouble (+12%) terms and negative in dollar (-31%) terms. In natural terms, the sales decreased by 6% to 21.271 mln packs. The average cost of an OTC pack (USD 3.41) in the pharmacies reduced as compared to a year earlier (USD 4.67), but was higher than the average value in Russia (USD 3.04). The average expenses of Nizhny Novgorod residents for purchase of OTC drugs in the pharmacies also were considerably higher than the average expenses of Russia residents (USD 57.28 vs. USD 40.05).