OTCPharm FY/Q4 2014 sales results

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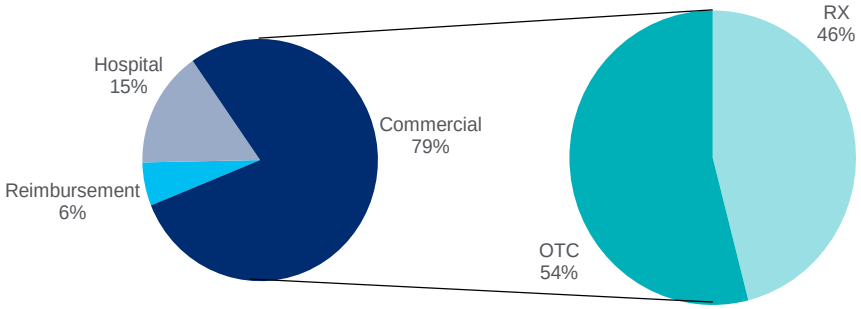
Russia Pharma Market Update

In 2014, Russian commercial OTC market grew by 9.5% y-o-y reaching RUB366.4bn (US$5.6bn).

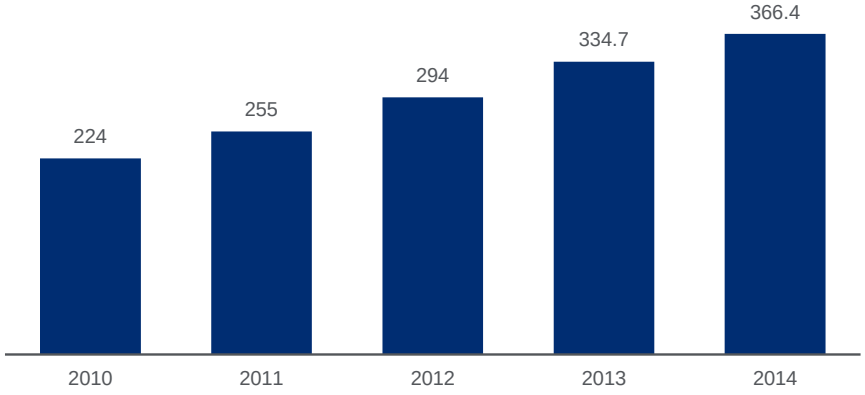
Market Overview

- Commercial OTC market grew by 9.5% y-o-y in ruble terms in 2014 outpacing the growth of the overall market
- The average retail pack price in the commercial segment has increased by 11.1% in RUB terms to RUB112
  - The structure of the market is shifting towards more expensive and more effective drugs, while the share of cheaper drugs (less than RUB50 per pack) continues to decline

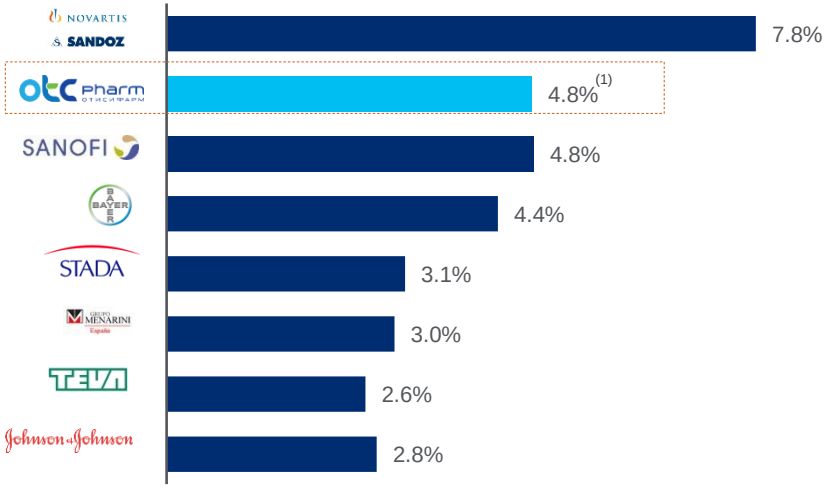
Russian Pharmaceutical Market Structure (by value, 2013)



Russian Commercial OTC Market Dynamics (RUB'bn)



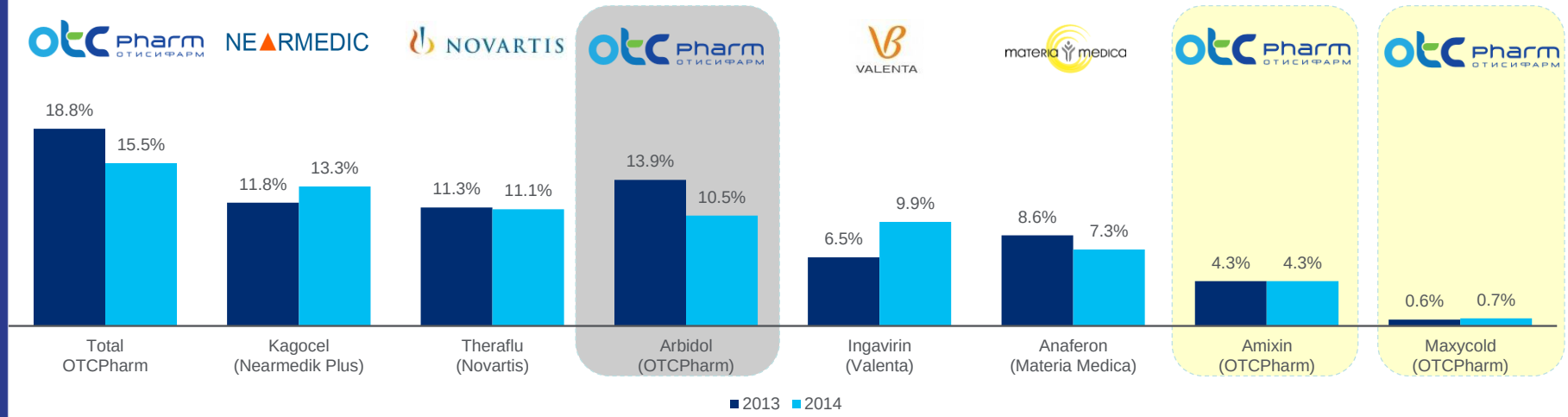
OTCPharm Leadership Position on Russian OTC Market (by value, 2014)



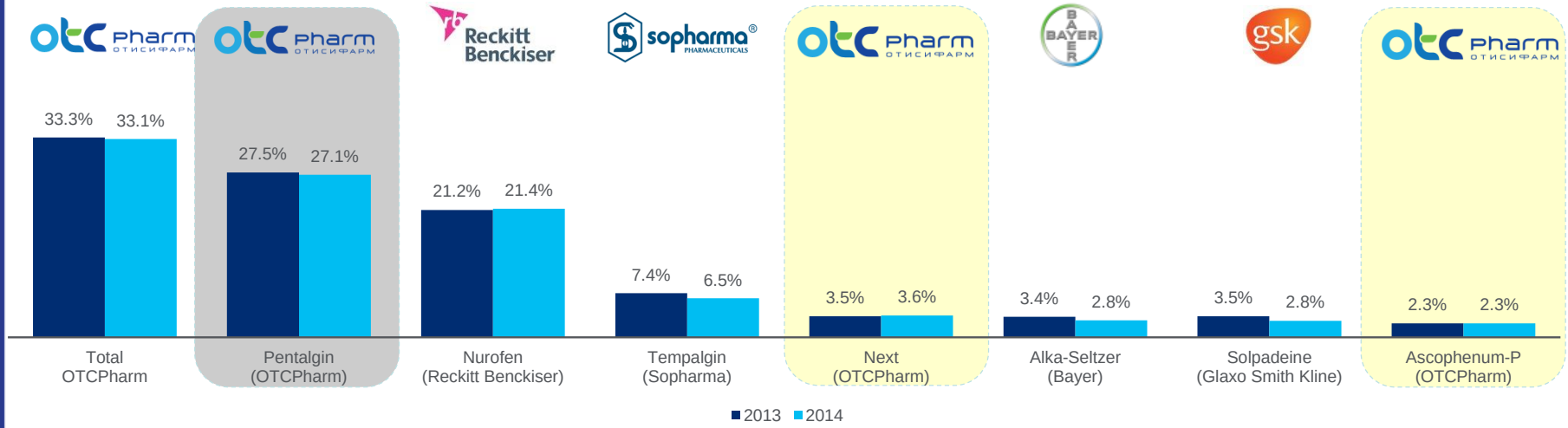
OTCPharm Market Share Overview

OTCPharm preserves leadership position across key segments of Russian pharma market, even though Arbidol performance in 1Q 2014 had been affected by the lack of cold season (as compared to 1Q 2013).

Anti-cold and Flu Segment



Analgesics Segment



Source: IMS Health, Company data, public sources.

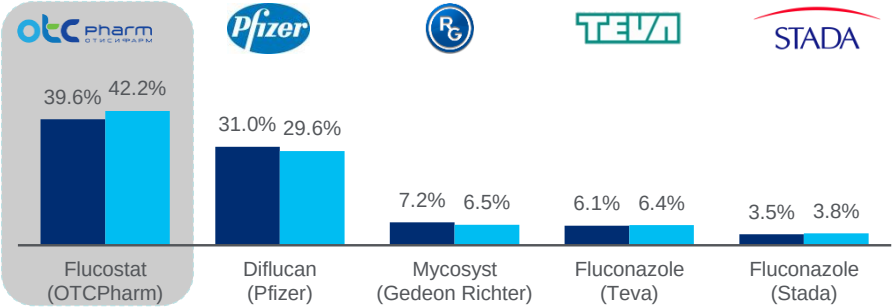
Leadership Brand

High-growth Brand

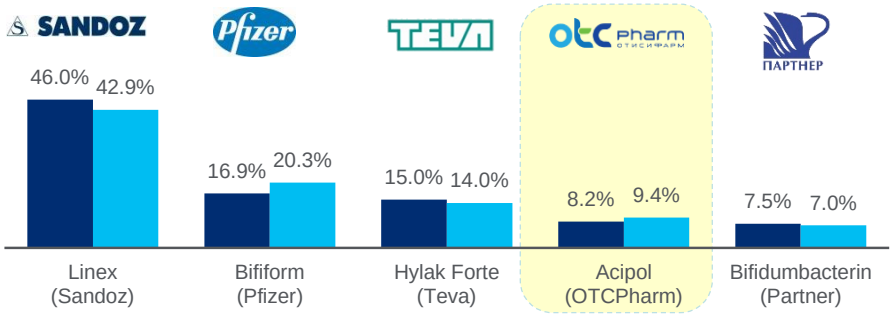
OTCPharm Market Share Overview

OTCPharm preserves leadership position across key segments of Russian pharma market

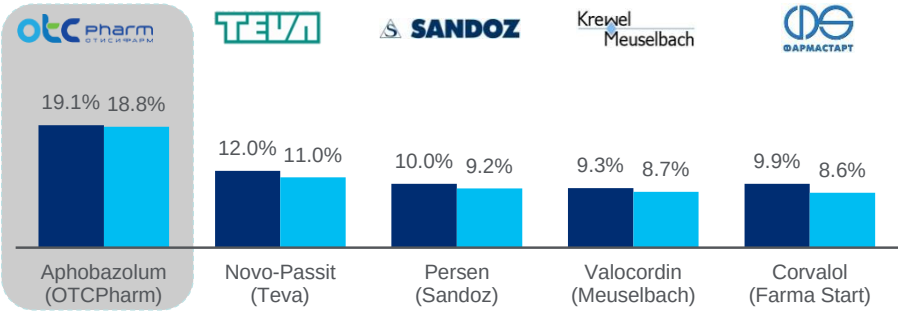
Fungal Infections Segment



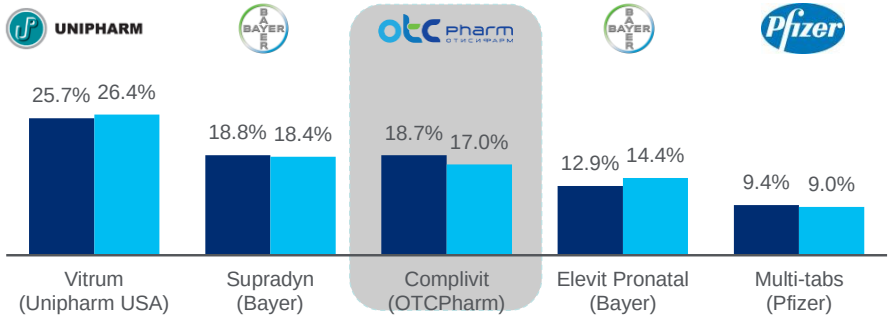
Antidiarrheal Micro-Organisms Segment



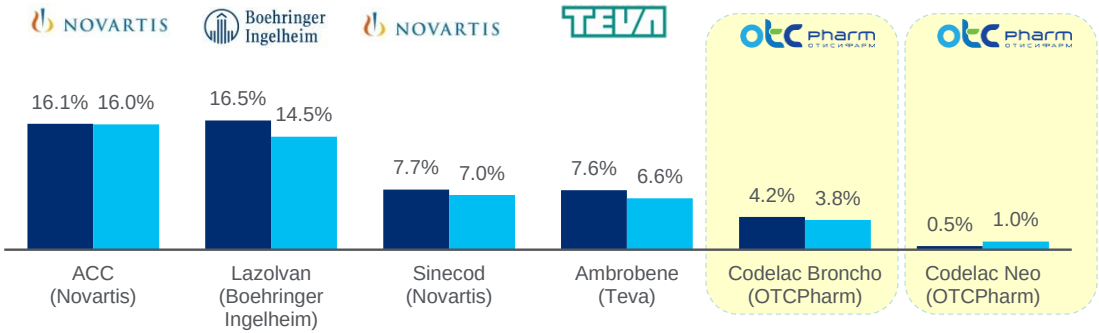
Tranquillisers, Hypnotic / Sedatives Segment



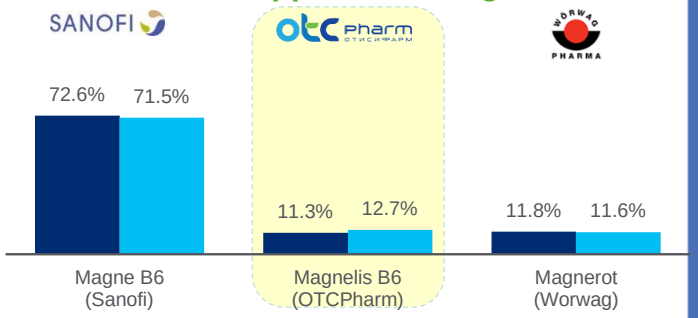
Multivitamins Segment



Expectorants Segment



Other Mineral Supplements Segment

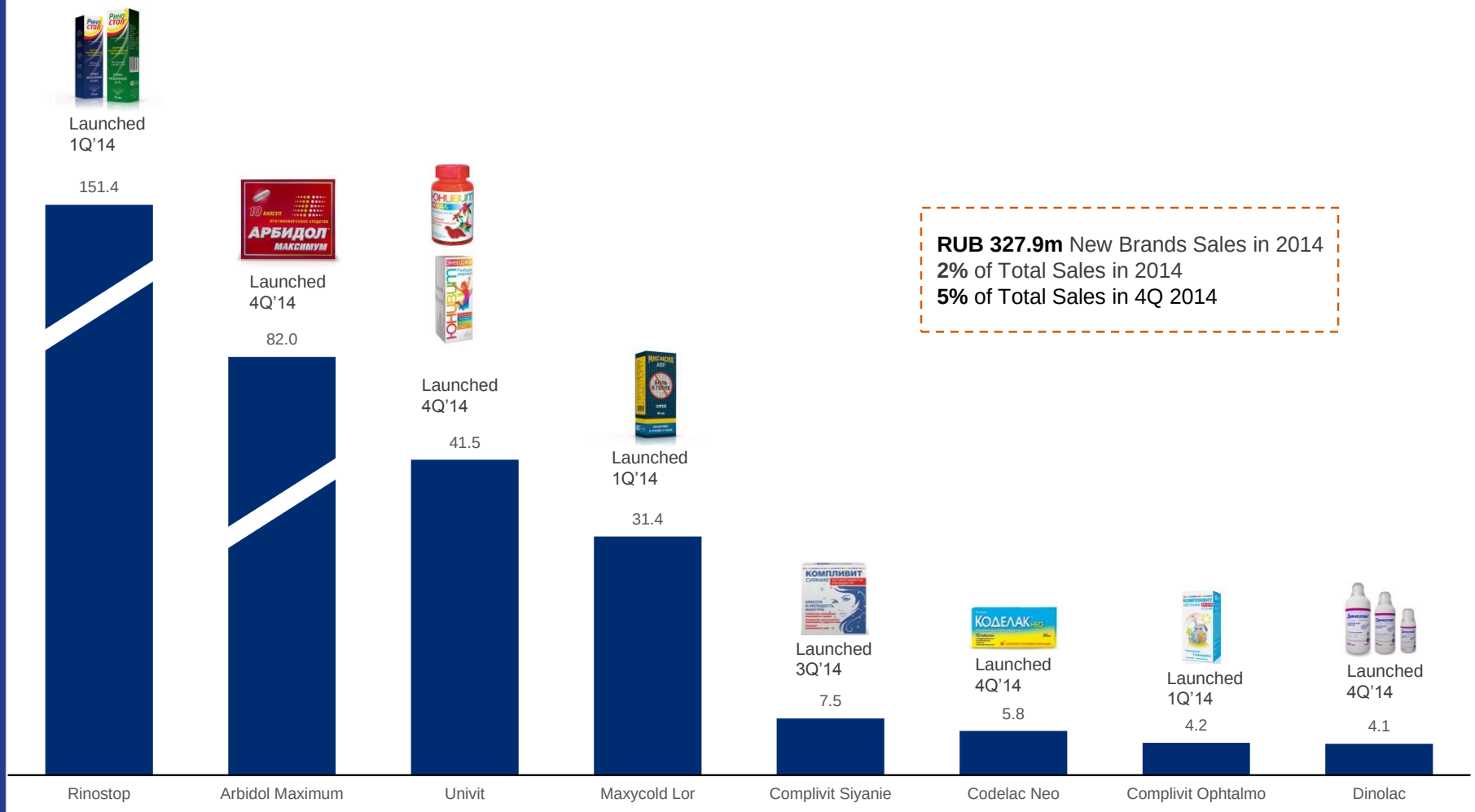


Source: IMS Health, Company data, public sources.

2013 2014 Leadership Brand High-growth Brand

Launch of New Brands

In 2014 OTCPharm has successfully launched 3 new brands and 5 new sub-brands (16 SKUs in total) that accounted for 2% of company's total sales.



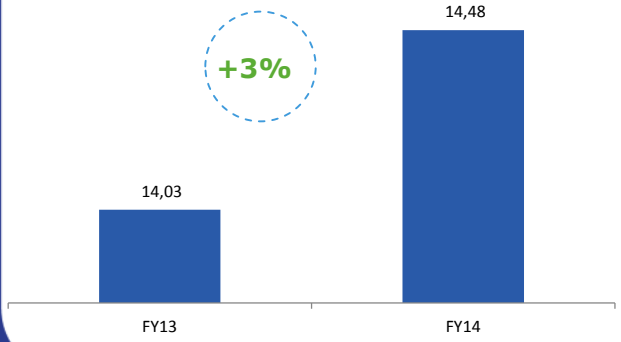
RUB 327.9m New Brands Sales in 2014
2% of Total Sales in 2014
5% of Total Sales in 4Q 2014

TOP-15 best selling organic brands

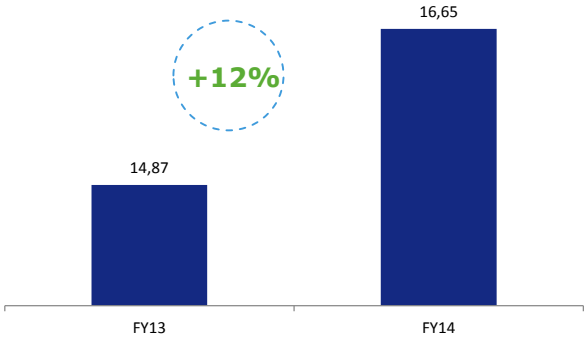
FY2014

Brand	FY2014 Volume (mln packs)	FY2014 Sales (RURm)	FY2014 % of total sales	FY2013 Volume (mln packs)	FY2013 Sales (RURm)	FY2013 % of total sales	Change (mln RUR)	%
Arbidol®	13,37	2 889,8	17%	15,13	3 822,4	26%	-932,6	-24%
Pentalgin®	32,25	2 758,5	17%	20,84	2 242,3	15%	516,3	23%
Complivit®	13,84	1 532,3	9%	1,98	1 669,4	11%	-137,2	-8%
Aphobasolum®	6,94	1 425,8	9%	4,51	1 269,1	9%	156,8	12%
Amixin®	2,70	1 341,6	8%	10,92	1 205,4	8%	136,2	11%
Flukostat®	5,55	839,5	5%	5,01	848,4	6%	-8,8	-1%
Acipol®	3,80	747,9	4%	2,39	611,9	4%	136,0	22%
Codelac ®	7,42	679,1	4%	5,27	627,2	4%	51,9	8%
Rinostop ®	17,80	395,0	2%	8,88	191,3	1%	203,7	106%
Magnelis®	1,64	358,7	2%	1,09	318,2	2%	40,5	13%
Next®	2,31	213,4	1%	1,47	168,5	1%	44,9	27%
Ascophenum-P®	20,86	191,7	1%	16,04	148,1	1%	43,6	29%
Selmevit®	1,18	165,6	1%	0,95	150,3	1%	15,3	10%
Termicon®	0,93	164,8	1%	0,95	182,5	1%	-17,8	-10%
Maxycold®	1,53	160,0	1%	0,77	105,5	1%	54,5	52%
Top 15 total	***132,12***	***13 863,7***	***83%***	***96,2***	***13 560,5***	***91%***	***303,3***	***2%***
Other organic brands	***16,62***	***612,30***	***4%***	***53,95***	***470,70***	***3%***	***141,50***	***0,30***
Total organic sales	**148,74**	**14 476,00**	**87%**	**150,15**	**14 031,20**	**94%**	**444,80**	**3%**
Total sales	**168,38**	**16 646,50**	**100%**	**157,77**	**14 873,55**	**100%**	**1 772,95**	**12%**

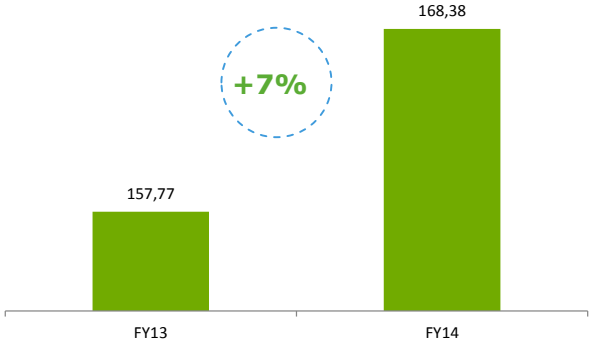
Organic sales, RUR



Total sales, RUR



Total sales, packs



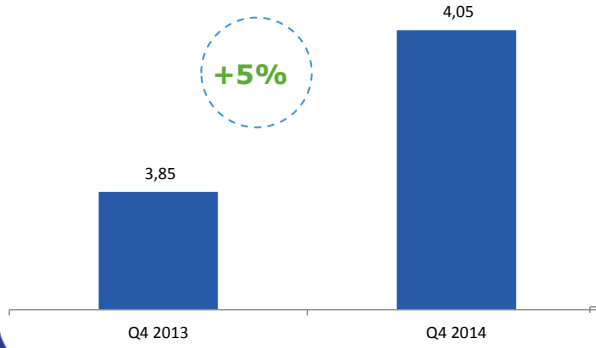
Source: Company data

TOP-15 best selling organic brands

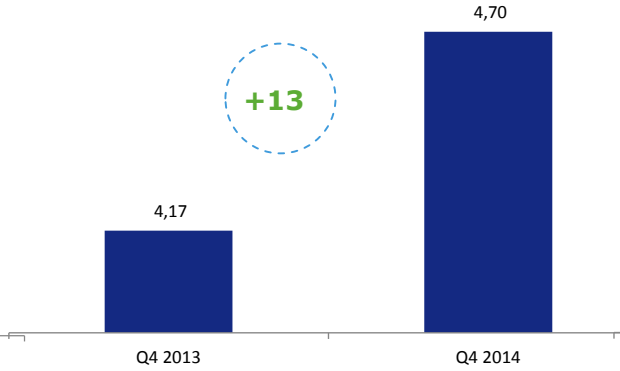
Q4 2014

Brand	Q4 2014 Volume (mln packs)	Q4 2014 Sales (RURm)	Q4 2014 % of total sales	Q4 2013 Volume (mln packs)	Q4 2013 Sales (RURm)	Q4 2013 % of total sales	Change (mln RUR)	%
Pentalgin®	7,91	713,1	15%	8,58	624,8	15%	88,3	14%
Arbidol®	2,53	618,1	13%	3,98	784,9	19%	-166,8	-21%
Complivit®	4,71	541,0	12%	5,91	581,6	14%	-40,5	-7%
Aphobasolum®	2,08	432,6	9%	2,51	450,6	11%	-18,0	-4%
Amixin®	0,64	323,3	7%	0,61	283,4	7%	39,9	14%
Codelac®	2,60	243,4	5%	2,36	197,2	5%	46,2	23%
Acipol®	1,23	242,5	5%	1,19	202,3	5%	40,3	20%
Flukostat®	1,16	184,1	4%	1,48	210,0	5%	-25,9	-12%
Rinostop®	5,97	148,5	3%	3,57	59,1	1%	89,4	151%
Magnelis®	0,50	114,2	2%	0,55	108,8	3%	5,4	5%
Noopept®	0,28	61,2	1%	0,24	48,5	1%	12,7	26%
Ascophenum-P®	5,35	59,8	1%	5,02	38,3	1%	21,5	56%
Next®	0,58	54,1	1%	0,54	46,2	1%	7,9	17%
Asvitol®	4,90	54,0	1%	4,24	34,3	1%	19,7	57%
Maxycold®	0,50	50,9	1%	0,30	29,4	1%	21,5	73%
Top 15 total	***40,94***	***3 840,8***	***82%***	***41,08***	***3 699,4***	***89%***	***141,4***	***4%***
Other organic brands	***1,6***	***211,7***	***5%***	***1,5***	***149,1***	***4%***	***62,6***	***4%***
Total organic sales	**42,6**	**4 052,5**	**86%**	**42,5**	**3 848,5**	**92%**	**204,0**	**4%**
Total sales	***47,82***	***4 695,80***	***100%***	***45,42***	***4 170,35***	***100%***	***525,45***	***13%***

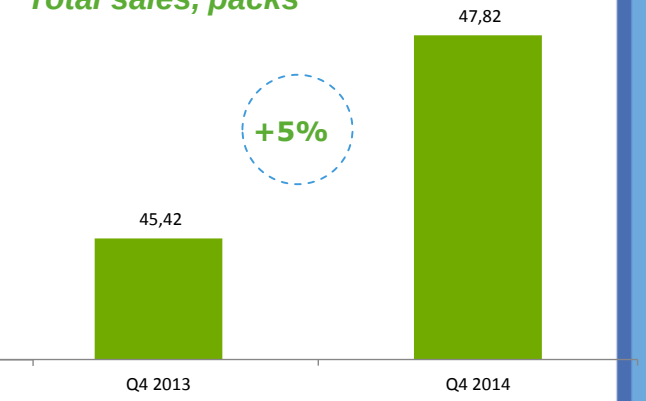
Organic sales, RUR



Total sales, RUR



Total sales, packs



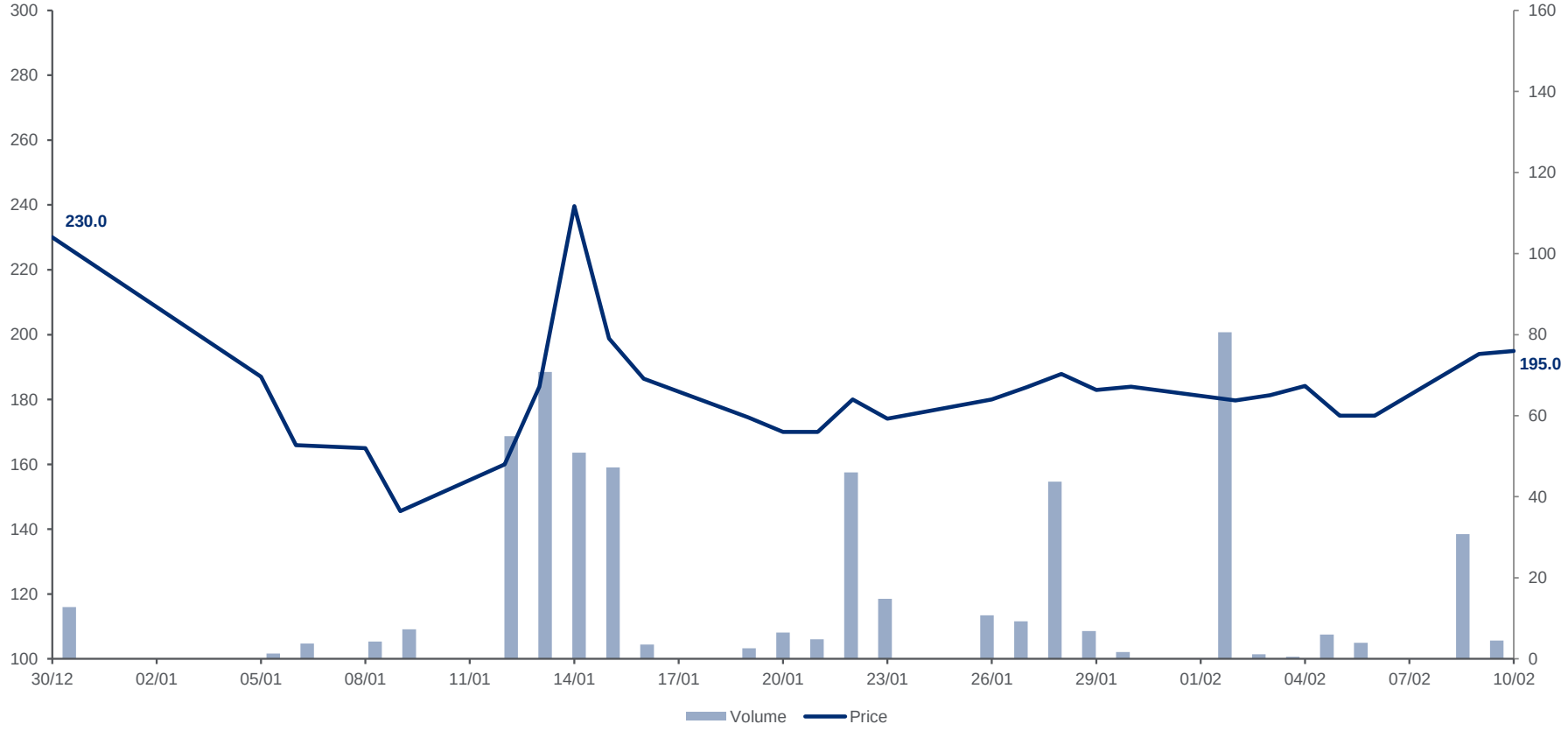
Source: Company data.

TOP-15 best selling organic brands

OTCPharm trading commenced on 30 December 2014 with the price of RUB165/share which subsequently increased to RUB230/share as at closing representing 39.3% growth. OTCPharm current market cap is US$501m

OTCPharm Share Performance

RUB per share



Source: Finam as at 10 February 2015

Contacts

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