

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

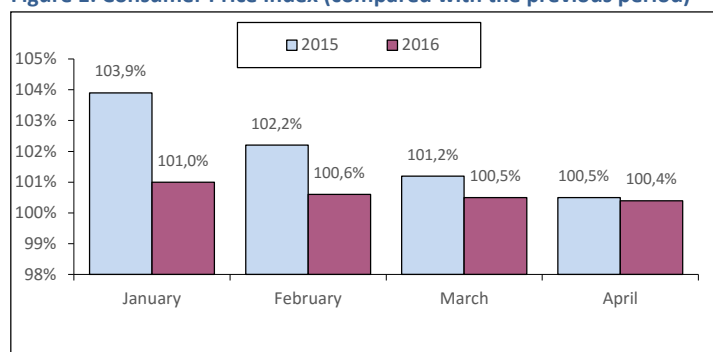
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in April 2016, the Consumer Price Index was estimated at 100.4% compared to the previous month, and 102.5% since the beginning of the year.

In April this year, Industrial Producer Price Index (for goods intended for sale on the domestic market) was 102.6%, whereas in the month-earlier period it had amounted to 103.1%. The index accounted for 102.7% against December of the previous year.

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



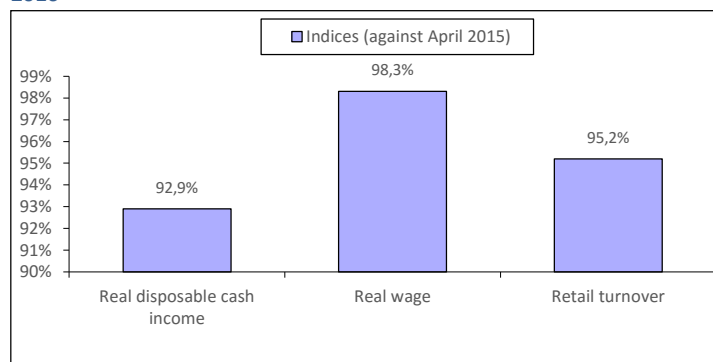
Living standard

According to preliminary Federal State Statistics Service's data, in April 2016 a gross monthly average wage per worker reached RUB 36,210 (USD 543.04) which accounted for 102% compared to the previous month and 105.4% compared to April 2015. The real wage in April 2016 accounted for 98.3% compared to April in 2015. In April 2016, the real value of disposable cash incomes accounted for 92.9% compared to the same period of 2015 (Fig. 2).

Retail turnover

In April 2016, the retail turnover was estimated at RUB 2,212.0 bil., which in comparable prices accounted for 95.2% compared to the same period a year ago, in January-April 2016 - RUB 8,685.6 bil. or 94.8% (Fig. 2).

Figure 2. Real values of cash incomes, salary and retail turnover in April 2016



Industrial Production

According to Federal State Statistics Service's data, in April 2016 Industrial Production Index accounted for 100.5% compared to the same period in 2014, and in January-April 2016 - 99.9%.

According to Federal State Statistics Service's data, Industrial Production Index in April 2016 accounted for 140.6% compared to the relevant period of the previous year, and 138.7% compared to the previous month.

Domestic production

The top 10 domestic pharmaceutical manufacturers according to their volumes of sales in all segments of the market based on the results for March 2016 is shown in Table 1.

Table 1. The top ten Russian chemical and pharmaceutical manufacturers by sales volume in April 2016

Rank	Manufacturer	RUB mil.
1	Otcpharm	1,472
2	Pharmstandart	982
3	Stada	832
4	Valenta	739
5	Servier	732
6	Sotex	625
7	Biocard	546
8	Veropharm	495
9	Ozon	492
10	Pharm-Center	431

Source - Remedium according to IMS Health's data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In March 2016 compared to February, the positive growth in pharmacy sales (in terms of roubles) was observed in eight regions. The highest sales rates were observed in Moscow and St. Petersburg (+16% each), the lowest one in Rostov Region (+1%). Reduction in sales was recorded in Novosibirsk Region (-1%) and Krasnoyarsk Krai (-4%).

Table 2. Pharmacy sales in the regions, 2015-2016

Region	Pharmacy sales, \$mil. (wholesale prices)			Growth gain, % (roubles)		
	January 2016	February 2016	March 2016	January 16/ December 15	February/ January 16	March / February 16
Moscow	109.7	103.1	131.0	-14%	-5%	16%
St. Petersburg	41.9	38.8	49.4	-8%	-6%	16%
Krasnodar Krai	31.0	23.9	28.8	-3%	-22%	10%
Novosibirsk Region	19.1	17.2	18.6	5%	-9%	-1%
Tatarstan	15.2	15.8	17.9	-12%	5%	4%
Krasnoyarsk Krai	14.3	15.9	16.7	-25%	13%	-4%
Rostov Region	15.7	14.6	16.1	-10%	-6%	1%
Voronezh Region	11.8	10.4	12.1	-6%	-11%	6%
Perm	6.0	5.8	6.9	-20%	-2%	9%
Tyumen	4.2	4.0	4.7	-17%	-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. Top five advertisers in mass media in April 2016

Rank	Company*	Quantity of broadcasts
1	Otcpharm	14,824
2	Bayer AG	10,116
3	GSK Consumer Healthcare	9,236
4	Actavis	8,131
5	Berlin-Chemie Menarini Group	6,789

Source - Remedium according to TNS Russia's data

Table 4. Top five brand names in mass media in April, 2016

Rank	Brand*	Quantity of broadcasts
1	Evalar	2,980
2	Linex	2,560
3	Otrivin	2,367
4	Acipol	2,352
5	Exoderil	2,090

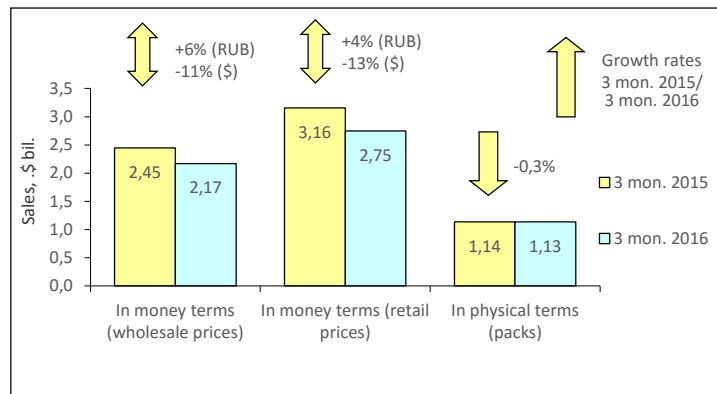
Source - Remedium according to TNS Russia's data

* Only products registered with State Register of Medicines were considered

RUSSIAN PHARMACY OTC DRUG MARKET: 2016 FIRST 3 MONTHS RESULTS

According to the results of the Retail Audit of Finished Pharma Products (FPP) in the Russian Federation™, at the end of the first three months of 2016 the sales of drugs in physical terms in the pharmacies of Russia saw a 0.3% decrease to 1.134 bil. packs. In money terms, the market saw a 6% increase in terms of roubles, whereas it showed a negative decline (-11%) in terms of dollars. The market reached RUB 161.993 bil. (USD 2.172 bil.) at wholesale prices (Fig.1). The average cost of an OTC pack reduced as compared to a year earlier period (USD 2.78) and reached USD 2.42 at retail prices. Consumer spending for drugs in Russia averaged to USD 18.76 for the first quarter of 2016, whereas during the same period a year ago it averaged to USD 21.59.

Figure 1. Russian pharmacy market for 3 months of 2015 – 3 months of 2016



Summarizing the results for the first three months of 2016, the drug manufacturers SANOFI-AVENTIS (+1%¹) and BAYER (+12%) remained the leaders of the Russian retail market (Table 1). The Russia-based OTCPHARM (+25%) showed the highest sales rates among the leaders and moved up to rank three from six. Apart from the leader, another four drug manufacturers managed to rise in the ranks. SERVIER (+6%), GLAXOSMITHKLINE (+0.3%) and MENARINI (+2%) moved up one rank, coming in at numbers 4, 6 and 8 respectively. The newcomer STADA (+9%) broke into the ranks of the top ten, moving up to rank nine. In contrast, the drug manufacturers NYCOMED/TAKEDA (-6%), SANDOZ (-12%) and TEVA (-1%) reduced their sales and moved down to the lower ranks five, seven and ten, respectively. The total share of the top 10 drug manufacturers declined by almost 1 p.p. to 33.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank	Manufacturer*		Share in total pharmacy sales, %	
	3 mon. 2016	3 mon. 2015	3 mon. 2016	3 mon. 2015
1	1	SANOFI-AVENTIS	4.6	4.8
2	2	BAYER HEALTHCARE	4.5	4.2
3	6	OTCPHARM	3.7	3.1
4	5	SERVIER	3.4	3.4
5	4	NYCOMED/TAKEDA	3.0	3.4
6	7	GLAXOSMITHKLINE	2.9	3.1
7	3	SANDOZ GROUP	2.9	3.5
8	9	MENARINI	2.7	2.8
9	12	STADA	2.7	2.6
10	8	TEVA	2.7	2.9
Total			33.0	33.9

*AIPM members are in bold

Due to almost two-fold growth in sales, antiviral drug INGAVIRIN took the lead in the top ten brand names ranking, moving up to rank one from four (Table 2). At the same time, antiviral drug KAGOCEL (+15%) and hepatoprotector ESSENTIALE N (-7%) which had taken the lead earlier moved down one rank. The products ARBIDOL (+26%) and ERGOFERON (+68%) moved up to ranks four and five from the lower ones, at the same time, the latter became one of the newcomers of the top ten. In addition, the other two brand names broke into the ranks of the top ten ranking. The drugs AMIXIN (+52%) and DETRALEX (+38%) moved up to ranks eight and ten, respectively. MEXIDOL (+10%) improved its position by one rank, moving up to rank nine. ACTOVEGIN (-15%) and CARDIOMAGNYL (-5%) showing negative growth rates moved down to ranks six and seven, respectively. The total share of the top 10 brand names expanded from 6.7% to 7.8%.

Table 2. The top ten brand names by pharmacy sales

Rank	Brand		Share in total pharmacy sales, %	
	3 mon. 2016	3 mon. 2015	3 mon. 2016	3 mon. 2015
1	4	INGAVIRIN	1.4	0.8
2	1	KAGOCEL	1.2	1.1
3	2	ESSENTIALE N	0.9	1.0
4	6	ARBIDOL	0.7	0.6
5	13	ERGOFERON	0.7	0.4
6	3	ACTOVEGIN	0.7	0.8

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

Rank		Brand	Share in total pharmacy sales, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
7	5	CARDIOMAGNYL	0.6	0.7
8	17	AMIXIN	0.6	0.4
9	10	MEXIDOL	0.5	0.5
10	19	DETRALEX	0.5	0.4
Total			7.8	6.7

Four INNs from the top ten INNs and group names held their own in the ranking (Table 3). XYLOMETAZOLINE (-3%) maintained its rank number one, and PANCREATIN (+3%), BISOPROLOL (+5%) and NIMESULIDE (+3%) retained their ranks four, five and seven, respectively. Three INNs of the top ten that showed a pronounced growth in sales rose in the ranks. IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (+97%) moved up to rank two from ten, and the newcomers of the top 10 TILORONE (+59%) and UMIFENOVIR (+36%) moved up to ranks nine and ten, respectively. At the same time, despite the high growth in sales rates KAGOCEL (+15%) moved down one rank, whereas PHOSPHOLIPIDS (-9%) and IBUPROFEN (-0.3%) reduced their sales much considerably, moving down to ranks six and eight from three and six. The cumulative share of the top 10 under review increased from 9.8% to 10.6%.

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

Rank		INNs/Group Names	Share in total pharmacy sales, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
1	1	XYLOMETAZOLINE	1.6	1.7
2	10	IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID	1.4	0.8
3	2	KAGOCEL	1.2	1.1
4	4	PANCREATIN	1.0	1.0
5	5	BISOPROLOL	0.9	1.0
6	3	PHOSPHOLIPIDS	0.9	1.1
7	7	NIMESULIDE	0.9	0.9
8	6	IBUPROFEN	0.9	0.9
9	19	TILORONE	0.9	0.6
10	14	UMIFENOVIR	0.9	0.7
Total			10.6	9.8

At the end of the first quarter of this year, J05 Antivirals for systemic use (+48%) showed the highest growth rates among the top ten ATC groups and became the best-selling group of the Russian pharmacy market (Table 4). At the same time, the former leader of the top ten M01 Anti-inflammatory and antirheumatic products (+1%) moved down to rank two. C09 Agents acting on the renin-angiotensin system (+12%) moved up to rank three from seven in the top ten ranking. J01 Antibacterials for systemic use (-6%), R01 Nasal preparations (+3%), A11 Vitamins (+14%) and G03 Sex hormones (+6%) held their previous ranks four and five, eight and nine. Due to reduction in sales, R05 Cough and cold preparations (-15%) and N02 Analgesics (-5%) moved down to ranks six and seven from the higher ranks. The only newcomer the group L03 Immunostimulants (+16%) broke into the ranks of the top ten, coming in at number ten. In total, based on the results for three months of 2016 the top ten ATC groups accumulated 39.7% of the Russian market, which was 0.2 p.p. more than in the year-earlier period.

Table 4. The top ten ATC Groups by pharmacy sales

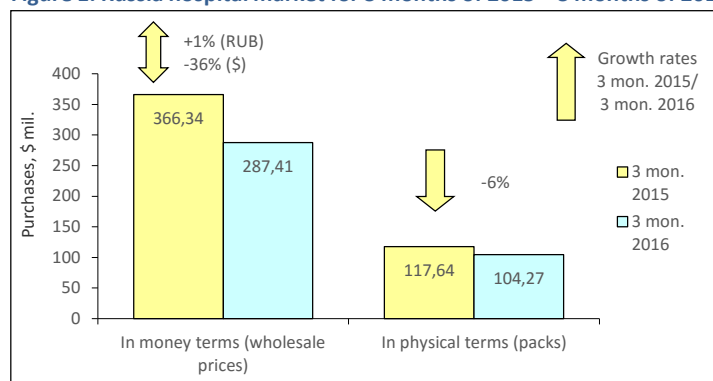
Rank		ATC code	ATC group	Share in total pharmacy sales, %	
3 mon. 2016	3 mon. 2015			3 mon. 2016	3 mon. 2015
1	2	J05	ANTIVIRALS FOR SYSTEMIC USE	6.3	4.6
2	1	M01	ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS	4.5	4.8
3	7	C09	AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM	4.1	3.9
4	4	J01	ANTIBACTERIALS FOR SYST USE	3.9	4.5
5	5	R01	NASAL PREPARATIONS	3.9	4.0
6	3	R05	COUGH AND COLD PREPARATIONS	3.6	4.5
7	6	N02	ANALGESICS	3.6	4.0
8	8	A11	VITAMINS	3.5	3.3
9	9	G03	SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM	3.2	3.2
10	11	L03	IMMUNOSTIMULANTS	3.1	2.8
Total				39.7	39.5

Conclusion. On the basis of the results for the first quarter of 2016, the pharmacy market of the Russian Federation brought in RUB 205.104 bil. (USD 2.750 bil.). This is 4% more in terms of roubles and 13% less in terms of dollars than during the same period in 2015. In pack terms, the market showed slightly negative growth rates (-0.3%) and brought in 1.134 bil. packs. Based on the results for three months of 2016, the average cost of an FPP pack in the national pharmacies was USD 2.42, whereas in 2015 it was USD 2.78. The average expenses of Russian residents for the purchase of OTC drugs in pharmacies also reduced (USD 18.76 vs. USD 21.59).

RUSSIAN FEDERATION HOSPITAL MARKET: 2016 FIRST 3 MONTHS RESULTS

According to the results of the Budget Audit of FPPs in the Russian Federation (without DLO and regional benefit)TM, in three months of 2016 the national hospital market reduced by 11% in physical terms and amounted to 104.266 mil. packs. In money terms, the market showed negative growth rates both in terms of roubles (-6%) and in terms of dollars (-22%) and reached RUB 21.756 bil. (USD 287.412 mil.) in wholesale prices. Based on the results for the first quarter of 2016, the average cost of an FPP pack in the hospital sector of the Russian Federation was USD 2.76, whereas in the year-earlier period its cost was USD 3.11.

Figure 1. Russia hospital market for 3 months of 2015 – 3 months of 2016



In the first quarter of 2016, the top-10 manufacturers on the hospital market changed more considerably than on the retail market (table 1). The top ten changed its leader - the drug manufacturer ROCHE (+16%) moved up to rank number one, whereas its former leader SANOFI-AVENTIS reduced purchases by 26% and moved down to rank two. A newcomer ABBVIE (+58%) broke into the ranks of the top ten, coming in at number three. Another newcomer, the Russia-based VEROPHARM (+17%) move up to rank eight. One more domestic manufacturer PHARM-CENTER (+7%) also showed high growth rates, moving up from rank ten to seven. The other drug manufacturers of the top ten showed negative growth rates. On top of that, three of them fell in the ranks. The manufacturers MERCK SHARP DOHME (-10%), PFIZER (-8%) and NY-COMED/TAKEDA (-14%) moved down to ranks four, nine and ten, respectively. However, despite 3% reduction in sales the manufacturer JOHNSON & JOHNSON improved its position, moving up to rank six. ASTRAZENECA (-7%) kept its previous rank five. The total share accumulated by the top 10 drug manufacturers increased by almost 2 p.p. and amounted to 29%.

Table 1. The top 10 drug manufacturers by hospital purchases

Rank in the top ten		Manufacturer*	Share in total hospital purchases, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
1	2	ROCHE	4.8	3.9
2	1	SANOFI-AVENTIS	3.7	4.7
3	11	ABBVIE	3.4	2.1
4	3	MERCK SHARP DOHME	2.9	3.0
5	5	ASTRAZENECA	2.4	2.4
6	8	JOHNSON & JOHNSON	2.4	2.3
7	10	PHARM-CENTER	2.4	2.1
8	12	VEROPHARM	2.4	1.9
9	6	PFIZER	2.3	2.4
10	4	NYCOMED/TAKEDA	2.3	2.5
Total			29.0	27.2

*AIPM members are in bold

The traditional hospital drug NATRIUM CHLORIDUM (+12%) kept and reinforced its leading position in the top ten brand names ranking (Table 2). Due to 2.5-fold growth in sales, one of the top ten newcomers KALETRA moved up to rank two from 15. Another two newcomers SEVORAN (+12%) and ACTILYSE (-2%) moved up to ranks seven and ten, respectively. Due to one-third growth in purchases, the drug AVASTIN moved up to rank four from eight. The brand market of HERCEPTIN (+38%), which held its previous rank three, also developed at a fast pace. FPP CUROSURF (+1%) held its own in the ranking, keeping its previous rank five. Three brand names with pronounced negative growth rates: CEFTRIAXONE (-16%), ULTRAVIST (-14%) and CLEXAN (-36%) fell in the ranks, moving down to ranks six, eight and nine, respectively. The cumulative share of the top ten brand names increased by almost 2.7 p.p. and achieved 15.8%.

Table 2. The top 10 brand names by hospital purchases

Rank in the top ten		Brand	Share in total hospital purchases, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
1	1	NATRIUM CHLORIDUM	4.6	3.9
2	15	KALETRA	1.9	0.7
3	3	HERCEPTIN	1.9	1.3
4	8	AVASTIN	1.4	1.0
5	5	CUROSURF	1.3	1.2
6	4	CEFTRIAXONE	1.1	1.2
7	11	SEVORAN	1.0	0.8

Rank in the top ten		Brand	Share in total hospital purchases, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
8	7	ULTRAVIST	0.9	1.0
9	6	CLEXAN	0.8	1.2
10	13	ACTILYSE	0.8	0.8
Total			15.8	13.1

Following the respective brand name, the leader of the top-10 INN and group names ranking didn't change either – INN SODIUM (+12%) maintained and reinforced its rank number one (Table 3). The composition LOPINAVIR*RI-TOXAVIR, which increased its purchases 2.5 times, moved up to rank two from 21. The newcomers BEVACIZUMAB (+35%) and VACCINE, TICK BORNE ENCEPHALITIS (2.2-fold growth in purchases) broke into the ranks of the top ten, moving up to ranks five and seven, respectively. Apart from them, only another one INN managed to rise in the ranks. TRASTUZUMAB (+38%) moved up from rank six to three. In contrast, CEFTRIAXONE (-12%), ENOXAPARIN SODIUM (-17%), MEROPENEM (-41%) and DOCETAXEL (-17%) showed negative growth rates and moved down to the lower ranks four, six, nine and ten respectively. INN PORACTANT ALFA (+1%) held its previous rank eight. The total share of the top 10 INNs increased by almost 2.8 p.p. and accounted for 18%.

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

Rank		INNs/Group Names	Share in total hospital purchases, %	
3 mon. 2016	3 mon. 2015		3 mon. 2016	3 mon. 2015
1	1	SODIUM	4.7	3.9
2	21	LOPINAVIR*RI-TOXAVIR	1.9	0.7
3	6	TRASTUZUMAB	1.9	1.3
4	2	CEFTRIAXONE	1.8	2.0
5	11	BEVACIZUMAB	1.4	1.0
6	4	ENOXAPARIN SODIUM	1.4	1.6
7	31	VACCINE, TICK BORNE ENCEPHALITIS	1.3	0.6
8	8	PORACTANT ALFA	1.3	1.2
9	3	MEROPENEM	1.1	1.8
10	7	DOCETAXEL	1.1	1.2
Total			18.0	15.2

Based on the results for the first quarter of the current year, L01 Antineoplastic agents (+1%) became the leader of the top ten ATC groups ranking (Table 4). The former leader of the top ten J01 Antibacterials for systemic use (-23%) showed strong negative growth rates and moved down to rank two. B05 Blood substitutes and perfusion solutions (-9%) held its previous rank three. V08 Contrast media (-16%) also held their own in the ranking. At the same time, the groups J05 Antivirals for systemic use (+57%) and J07 Vaccines (+31%) showing high growth sales improved their positions, moving up to ranks four and seven, respectively. Note that the latter became the only newcomer of the top-10 ranking. At the same time, the less dynamic N01 Anaesthetics (+0.2%) and N05 Psychoanaleptics (+0.1%), and the groups, which reduced their purchases, B01 Antithrombotic agents (-10%) and L04 Immunosuppressants (-6%) lost one rank each. The total share of top ten increased by over 2 p.p. and accounted for 62.7%.

Table 4. The top ten ATC groups by hospital purchases

Rank		ATC code	ATC group	Share in total hospital purchases, %	
3 mon. 2016	3 mon. 2015			3 mon. 2016	3 mon. 2015
1	2	L01	ANTINEOPLASTIC AGENTS	14.5	13.4
2	1	J01	ANTIBACTERIALS FOR SYST USE	11.0	13.4
3	3	B05	PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS	8.7	9.0
4	5	J05	ANTIVIRALS FOR SYSTEMIC USE	8.3	5.0
5	4	B01	ANTITHROMBOTIC AGENTS	5.8	6.1
6	6	V08	CONTRAST MEDIA	3.3	3.7
7	11	J07	VACCINES	3.1	2.2
8	7	N01	ANESTHETICS	2.8	2.6
9	8	N05	PSYCHOLEPTICS	2.7	2.5
10	9	L04	IMMUNOSUPPRESSANTS	2.5	2.5
Total				62.7	60.4

Conclusion. At the end of the first three months of 2016, the Russian hospital market reduced both in rouble terms (1%) and more considerably - in dollar terms (-22%) and brought in RUB 21.756 bil. (USD 287.412 mil.). In physical terms, the market reduced by 11% and amounted to 104.266 mil. packs. At the end of the first three months of 2016, the average cost of a finished pharma product (FPP) pack in the Russia hospital sector was USD 2.76 vs. USD 3.11 in the year earlier period.

PHARMACEUTICAL MARKET OF THE CENTRAL FEDERAL DISTRICT (CFD) IN THE FIRST QUARTER OF 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in CFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		99.3
Retail turnover, RUB bil.	2,211.1	93.9
Monthly average accrued wage per one worker (nominal), RUB	42,521	109.9
real		99.4

Note: CFD TOGS data

Table 2. CFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	121,016.9	13.6%

Note: RF Health Ministry data

Table 3. Inflation rates in the CFD, March 2016

	March 2016 against December 2015
CPI	102.4
CPI for non-food products	102.4

Indicators of the dynamics and structure of the market²

Figure 1. CFD pharmaceutical market in Q, 2015 – Q 1, 2016

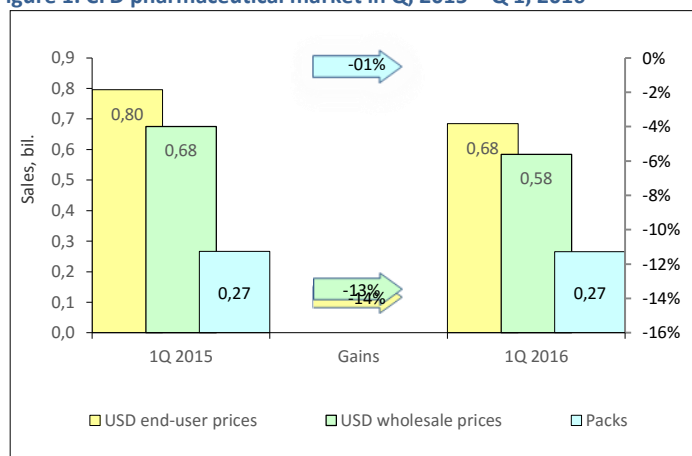


Figure 2. Structure of CFD pharmaceutical market by major segments in Q 1, 2015 – Q 1, 2016

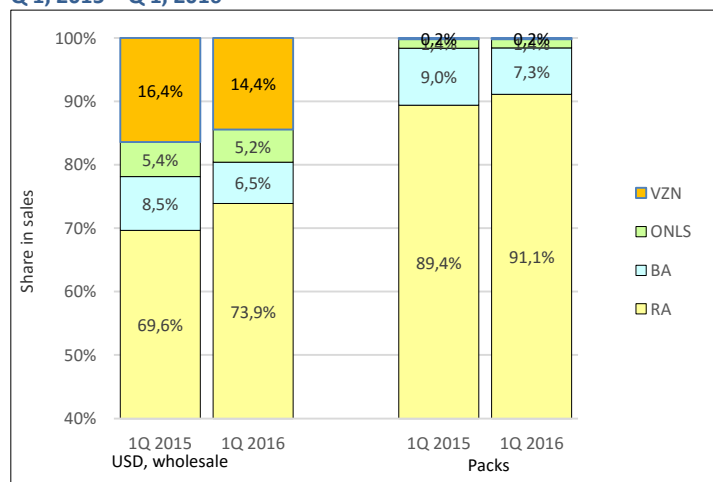


Figure 3. Structure of the retail segment of CFD market in Q 1, 2015 – Q 1, 2016

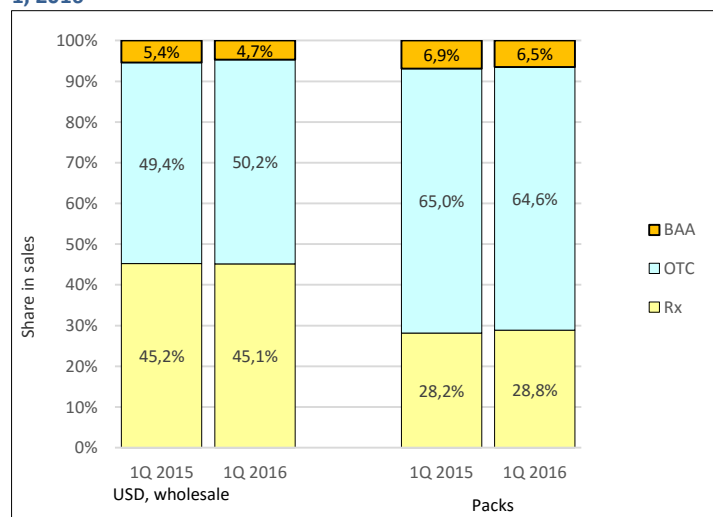
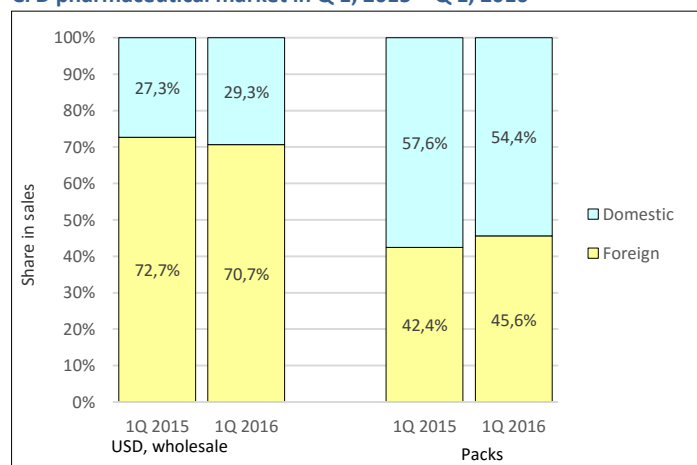


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of CFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

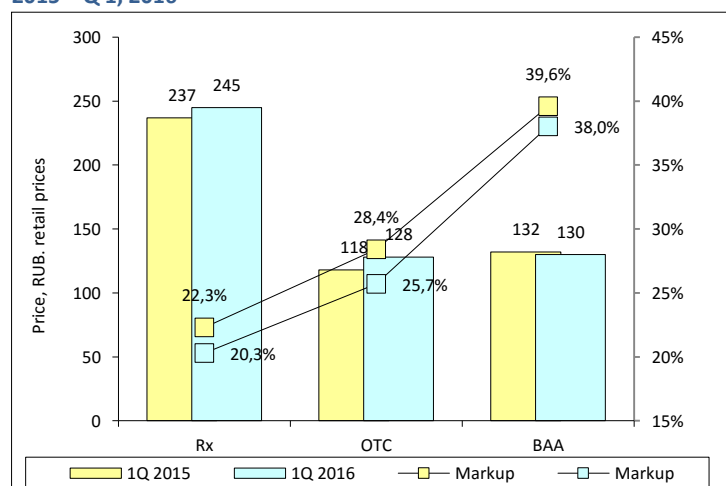


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in CFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0,1	0,6	0,4
Up to RUB 50	0,7		
From RUB 50 to 500	0,0		
Over RUB 500	0,0		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 – Q 1, 2016



² Exclusive of Moscow

PHARMACEUTICAL MARKET OF THE NORTH-WESTERN FEDERAL DISTRICT (NWFD) IN Q 1, 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in NWFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		100.2
Retail turnover, RUB bil.	640.1	96.8
Monthly average accrued wage per one worker (nominal), RUB	38,640	108.7
real		100.4

Note: NWFD TOGS data

Table 2. CFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	49,181.4	16.5%

Note: RF Health Ministry data

Table 3. Inflation rates in the NWFD, March 2016

	March 2016 against December 2015
CPI	102.4
CPI for non-food products	102.4

Indicators of the dynamics and structure of the market

Figure 1. NWFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

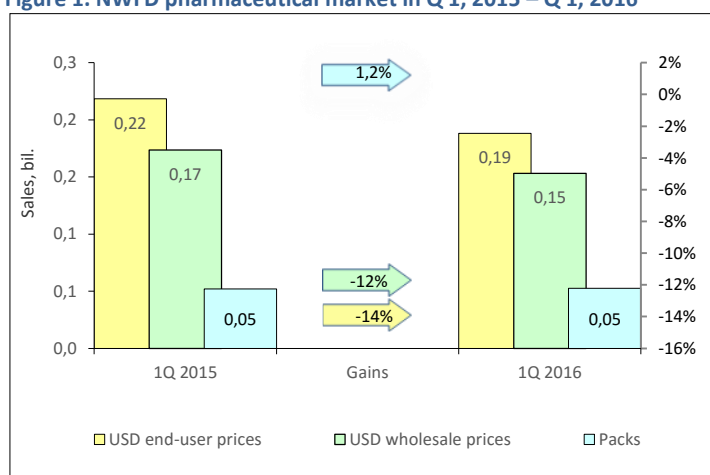


Figure 2. Structure of NWFD pharmaceutical market by major segments in Q 1, 2015 – Q 1, 2016

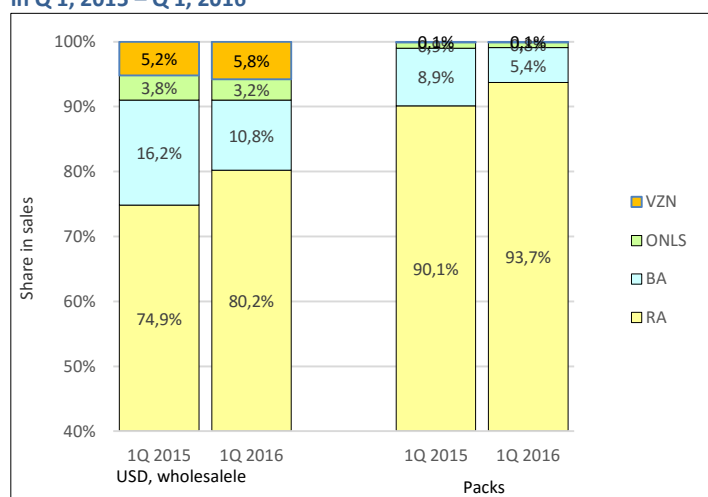


Figure 3. Structure of the retail segment of NWFD pharmaceutical market in Q 1-4, 2015 – Q 1, 2016

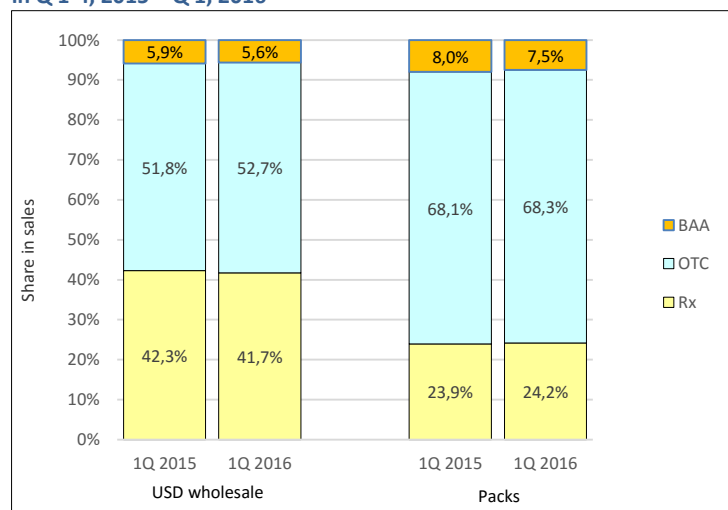
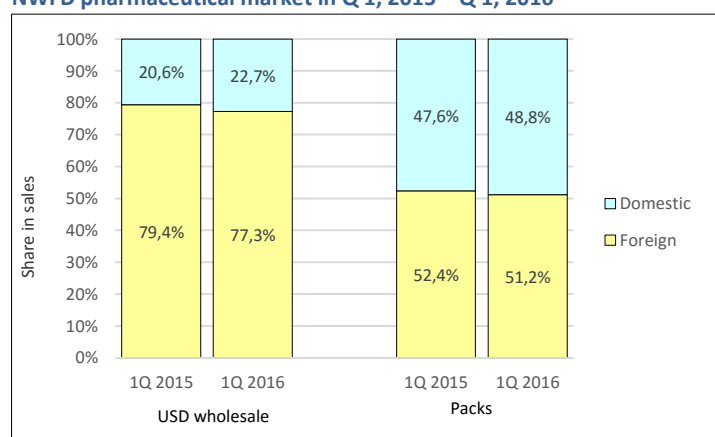


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of NWFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

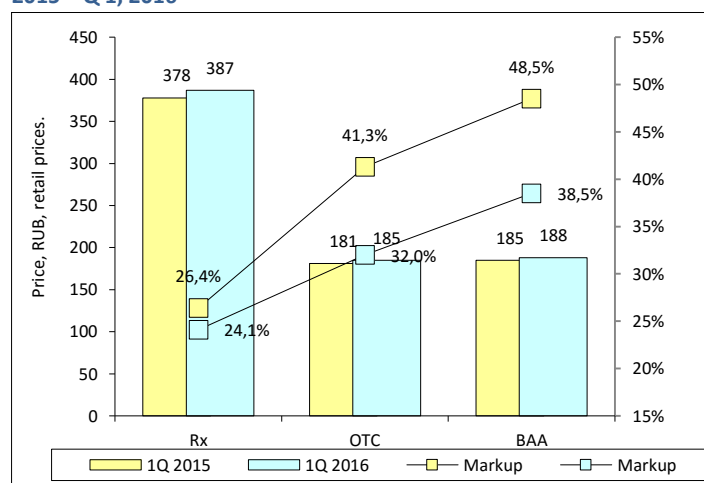


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in NWFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	-0.1	-0.2	0.1
Up to RUB 50	0.0		
From RUB 50 to 500	0.0		
Over RUB 500	-0.2		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 – Q 1, 2016



PHARMACEUTICAL MARKET OF THE VOLGA FEDERAL DISTRICT (VFD) IN THE FIRST QUARTER OF 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in VFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		97.8
Retail turnover, RUB bil.	1,137.6	97.1
Monthly average accrued wage per one worker (nominal), RUB	25,167	105.9
real		99.0

Note: VFD TOGS data

Table 2: VFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	65,277.6	15.3%

Note: RF Health Ministry data

Table 3: Inflation rates in the VFD, March 2016

	March 2016 against December 2015
CPI	101.6
CPI for non-food products	101.9

Indicators of the dynamics and structure of the market

Figure 1. VFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

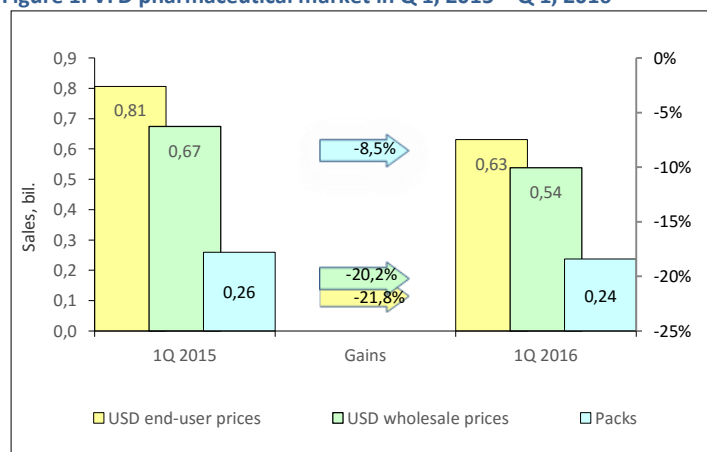


Figure 2. Structure of the pharmaceutical market of VFD by major segments in 2013-2014

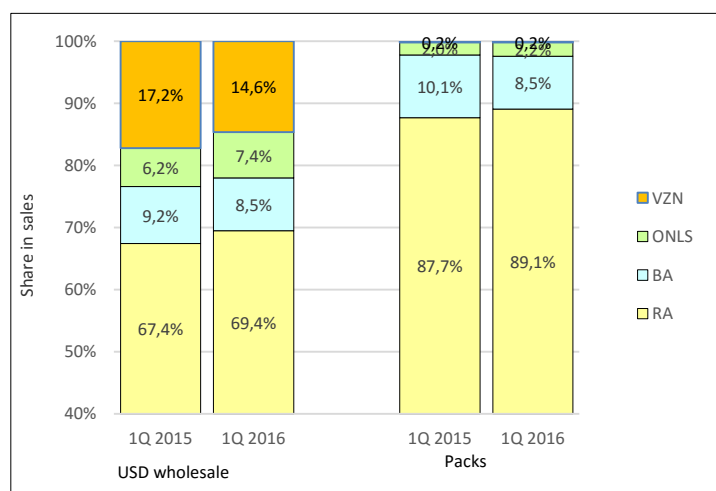


Figure 3. Structure of the retail segment of CFD market in Q 1, 2015 – Q 1, 2016

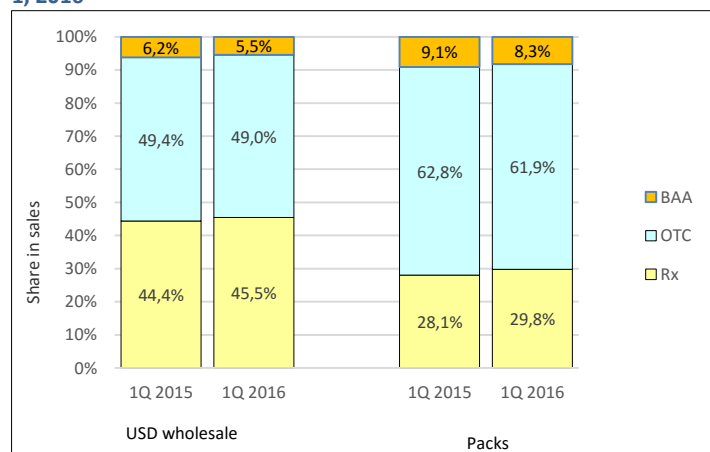
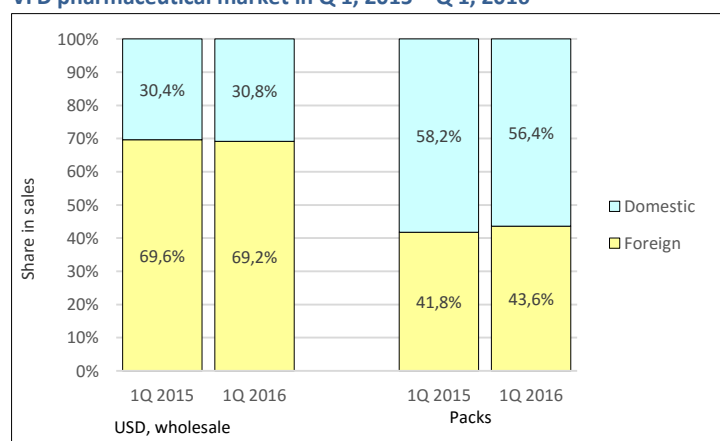


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of VFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

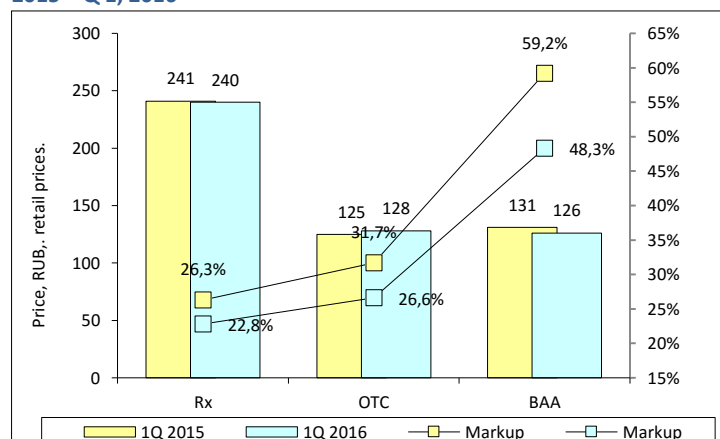


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in VFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0.4	0.3	0.6
Up to RUB 50	0.9		
From RUB 50 to 500	0.1		
Over RUB 500	-0.1		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 – Q 1, 2016



PHARMACEUTICAL MARKET OF THE URAL FEDERAL DISTRICT (UFD) IN Q 1, 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in UrFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		103.8
Retail turnover, RUB bil.	585.0	92.4
Monthly average accrued wage per one worker (nominal), RUB	38,765	106.3
real		97.7

Note: VFD TOGS data

Table 2: UrFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	43,306.1	15.8%

Note: RF Health Ministry data

Table 3: Inflation rates in the UrFD, March 2016

	March 2016 against December 2015
CPI	102.3
CPI for non-food products	102.5

Indicators of the dynamics and structure of the market

Figure 1. UrFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

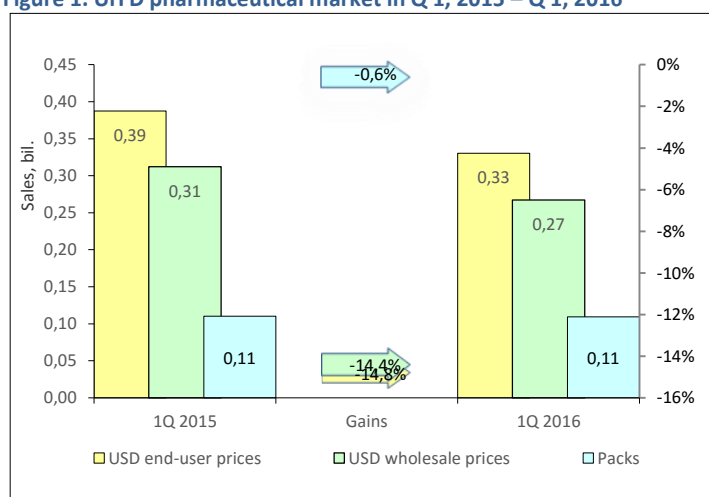


Figure 2. Structure of UrFD pharmaceutical market by major segments in Q 1, 2015 – Q 1, 2016

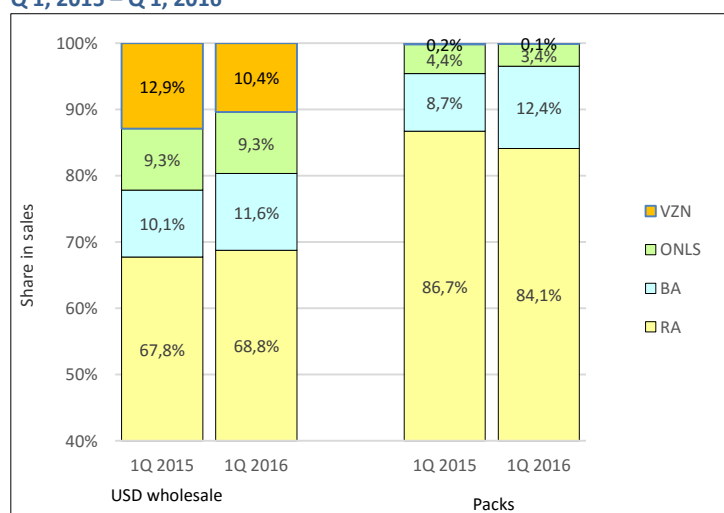


Figure 3. Structure of the retail segment of UrFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

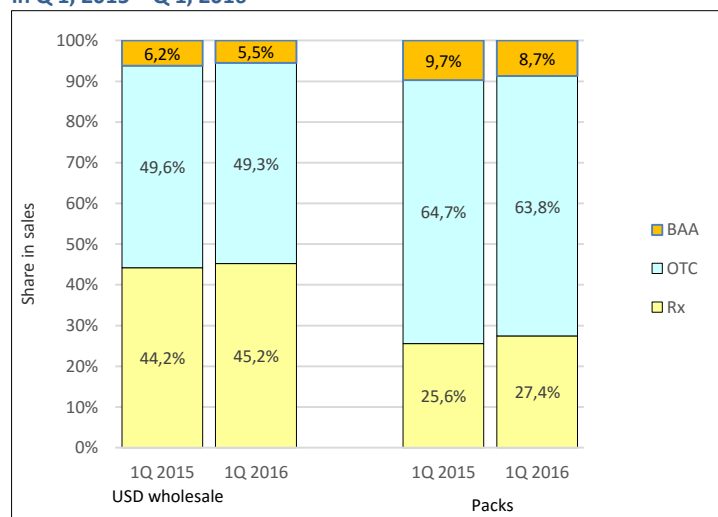
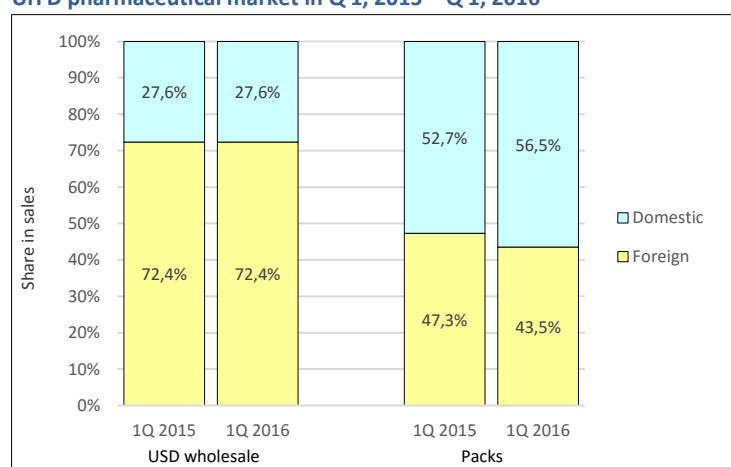


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of UrFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

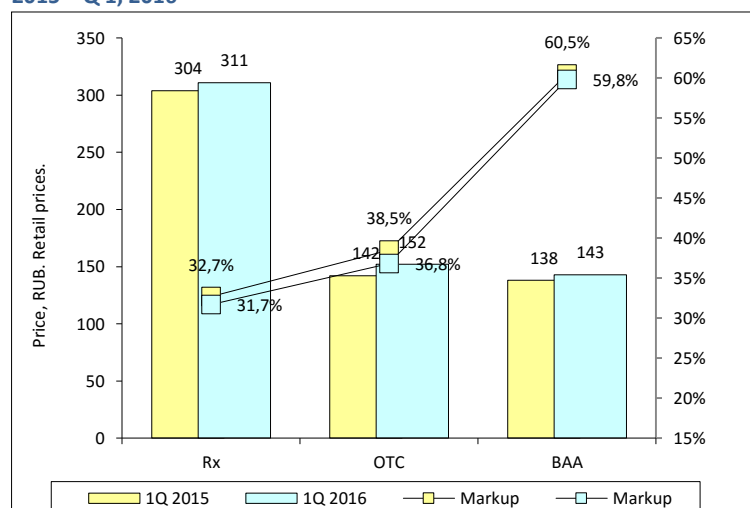


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in UFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0.2	0.3	0.7
Up to RUB 50	0.5		
From RUB 50 to 500	0.0		
Over RUB 500	-0.5		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 – Q 1, 2016



PHARMACEUTICAL MARKET OF THE SIBERIA FEDERAL DISTRICT (SFD) IN THE FIRST QUARTER OF 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in SFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		99.2
Retail turnover, RUB bil.	626.8	91.9
Monthly average accrued wage per one worker (nominal), RUB	29,058	105.1
real		97.6

Note: SFD TOGS data

Table 2: SFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	52,669.9	16.3%

Note: RF Health Ministry data

Table 3: Inflation rates in the SFD, March 2016

	March 2016 against December 2015
CPI	101.9
CPI for non-food products	102.3

Indicators of the dynamics and structure of the market

Figure 1. SFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

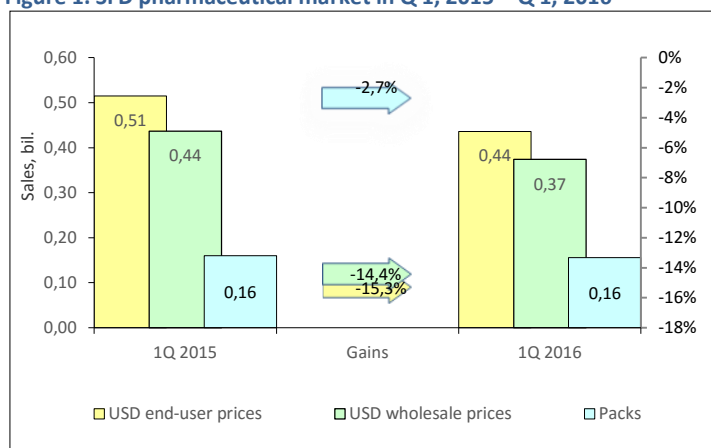


Figure 2. Structure of SFD pharmaceutical market by major segments in Q 1, 2015 – Q 1, 2016

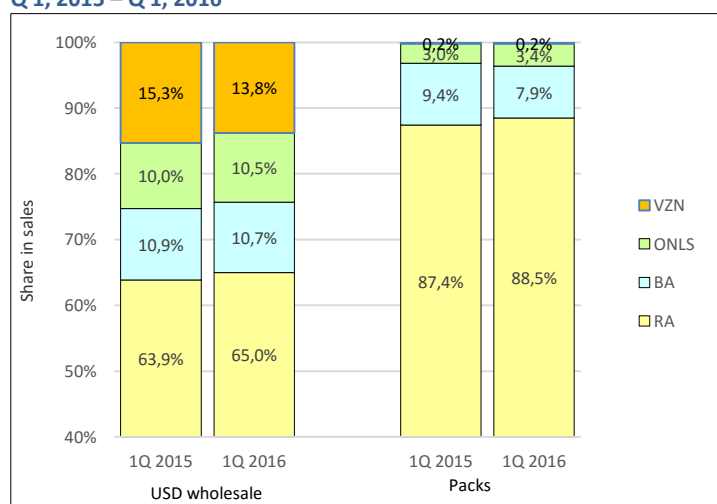


Figure 3. Structure of the retail segment of SFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

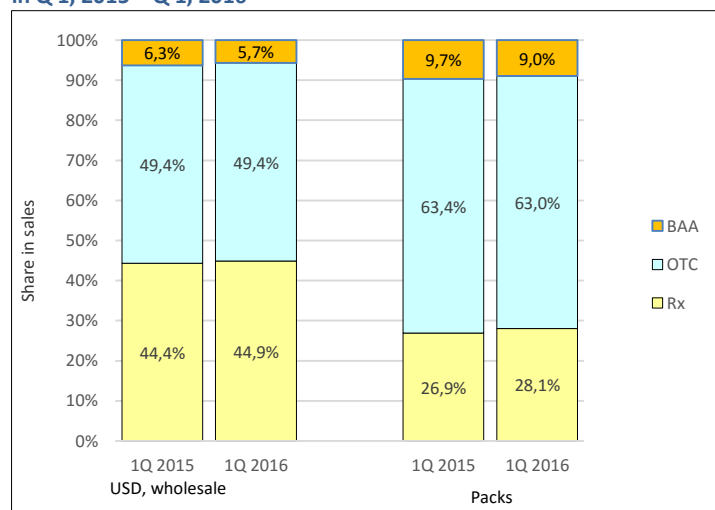
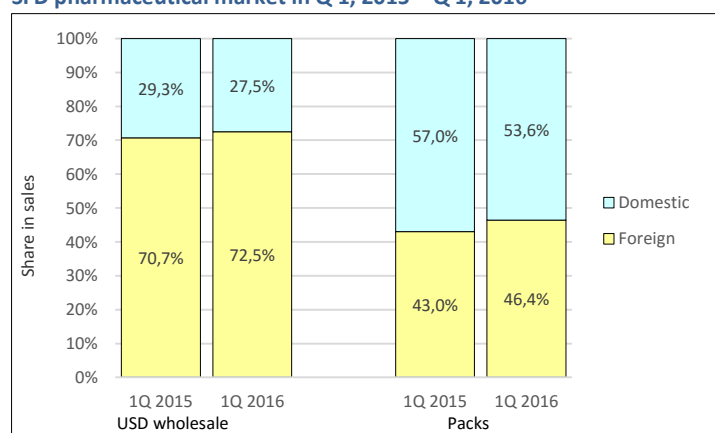


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of SFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

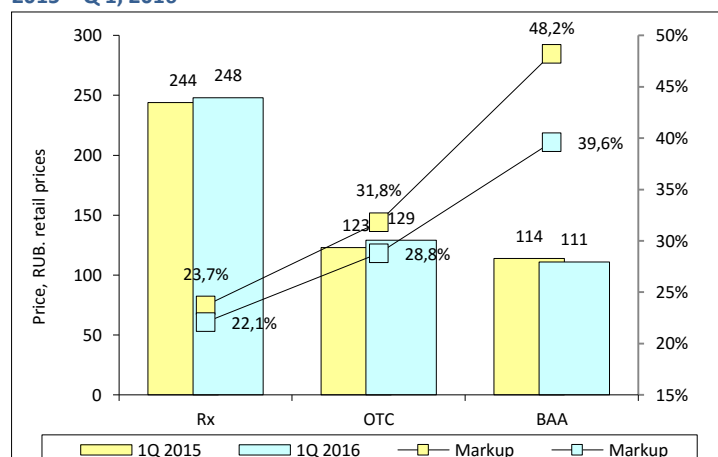


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in SFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0.3	0.4	0.4
Up to RUB 50	0.8		
From RUB 50 to 500	0.2		
Over RUB 500	-0.1		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 – Q 1, 2016



PHARMACEUTICAL MARKET OF THE SOUTHERN FEDERAL DISTRICT (SFD) IN THE FIRST QUARTER OF 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in SFD

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		102.0
Retail turnover, RUB bil.	609.5	96.7
Monthly average accrued wage per one worker (nominal), RUB	24,767	105.0
real		97.3

Note: SFD TOGS data

Table 2: SFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	29,510.6	16.8%

Note: RF Health Ministry data

Table 3: Inflation rates in the SFD, March 2016

	March 2016 against December 2015
CPI	102.1
CPI for non-food products	102.7

Indicators of the dynamics and structure of the market

Figure 1. SFD pharmaceutical market in Q 1, 2015 – Q 1, 2016

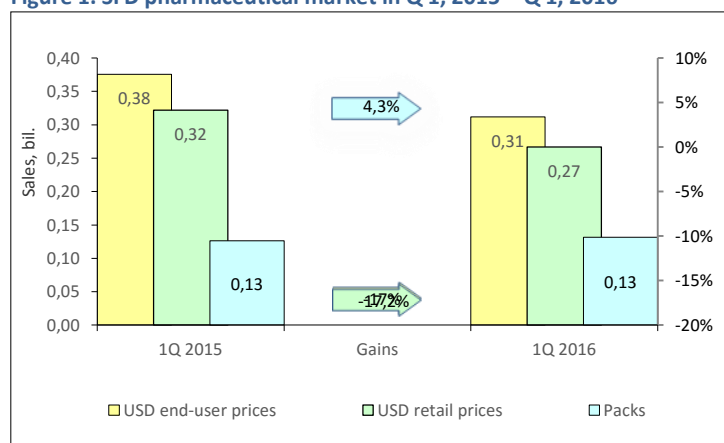


Figure 2. Structure of SFD pharmaceutical market by major segments in Q 1, 2015 – Q 1, 2016

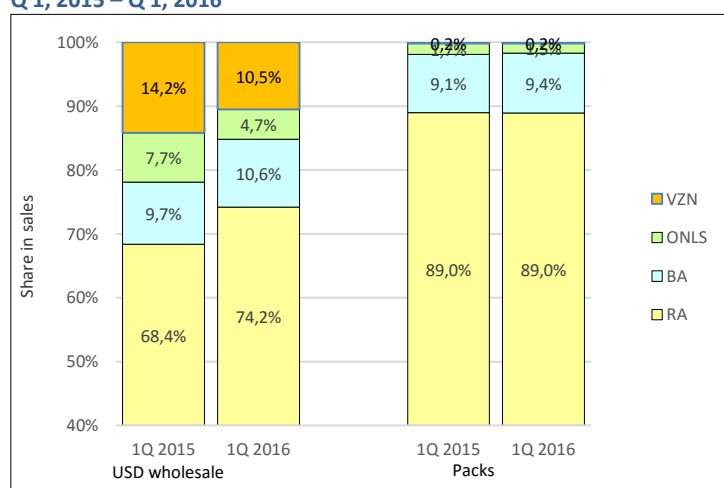


Figure 3. Structure of the retail segment of SFD pharmaceutical market in Q 1, 2015 - Q 1, 2016

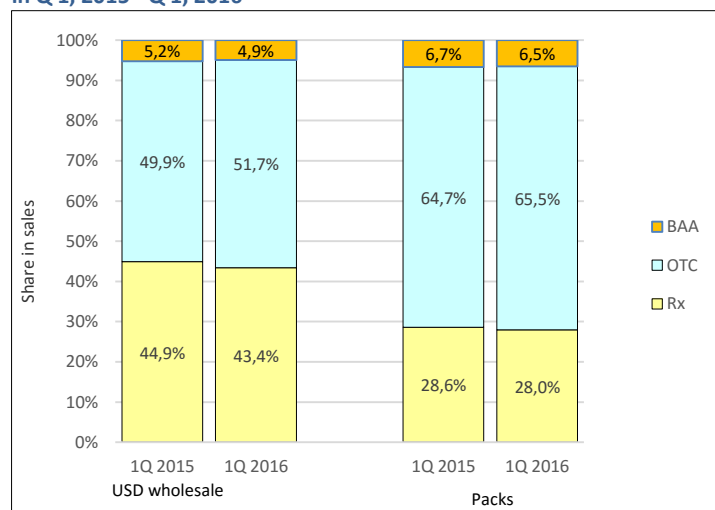
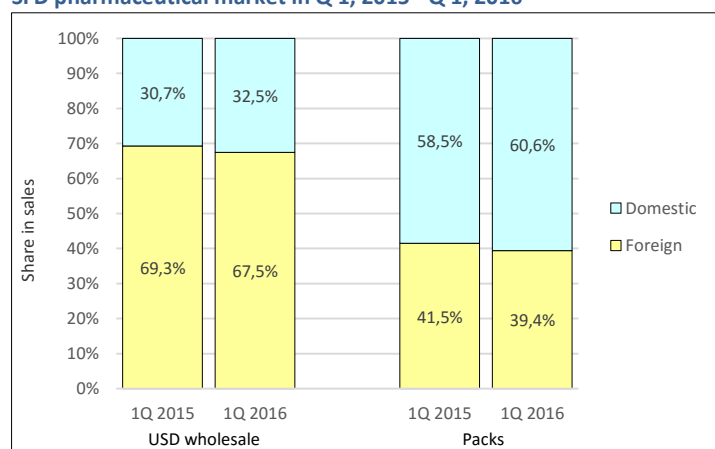


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of SFD pharmaceutical market in Q 1, 2015 - Q 1, 2016

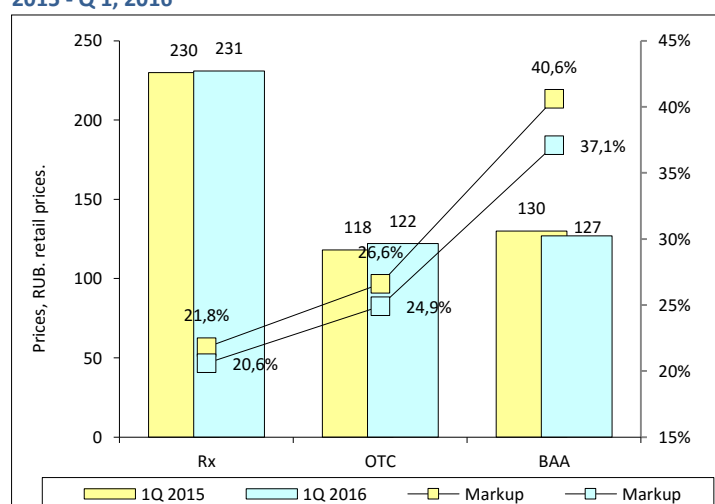


Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in SFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0.0	0.7	0.5
Up to RUB 50	0.4		
From RUB 50 to 500	-0.3		
Over RUB 500	0.5		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 - Q 1, 2016



PHARMACEUTICAL MARKET OF THE FAR EASTERN FEDERAL DISTRICT (FEFD) IN THE FIRST QUARTER OF 2016 KEY PERFORMANCE INDICATORS

Macroeconomic indices

Table 1: Recent statistical data on socio - economic situation in Khabarovsk Krai

Value	January-March 2016	January-March 2016 in % against January-March 2015
Industrial production index		103.0
Retail turnover, RUB bil.	283.7	100.0
Monthly average accrued wage per one worker (nominal), RUB	42,494	106.1
real		97.9

Note: FEFD TOGS data

Table 2: FEFD consolidated budget expenditures on health care in January - April 2016

	January-April 2016	Share in all budget expenditures
Consolidated budget expenditures on health care, RUB mil.	27,743.1	13.1%

Note: RF Health Ministry data

Table 3: Inflation rates in the FEFD, March 2016

	March 2016 against December 2015
CPI	102.0
CPI for non-food products	102.2

Indicators of the dynamics and structure of the market

Figure 1. FEFD pharmaceutical market in Q 1, 2015 - Q 1, 2016

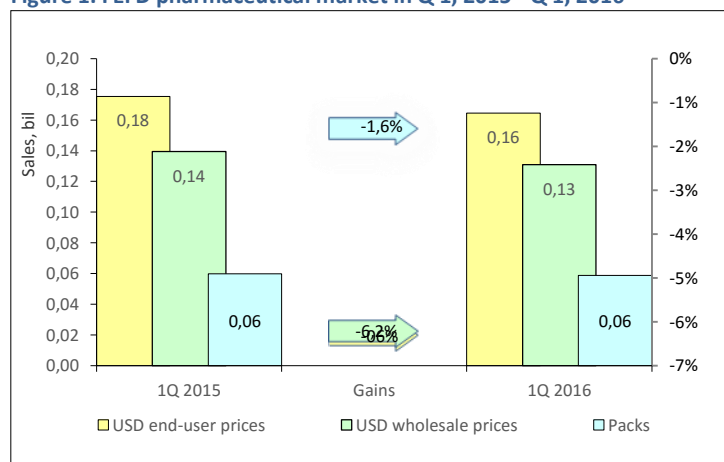


Figure 2. Structure of FEFD pharmaceutical market by major segments in Q 1, 2015 - Q 1, 2016

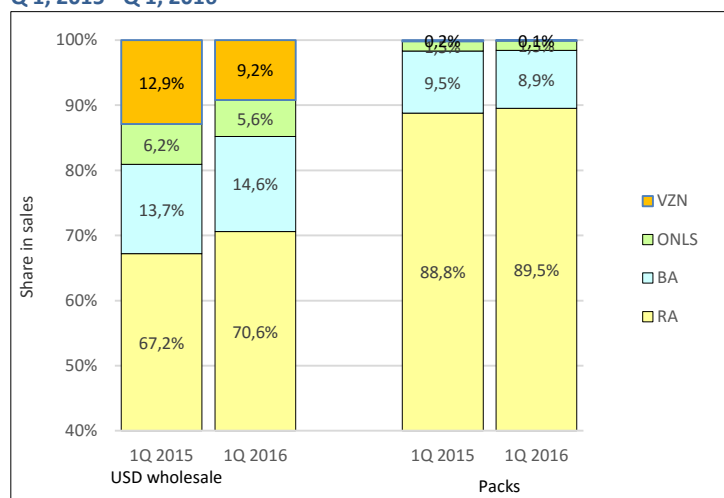


Figure 3. Structure of the retail segment of FEFD pharmaceutical market in Q 1, 2015 - Q 1, 2016

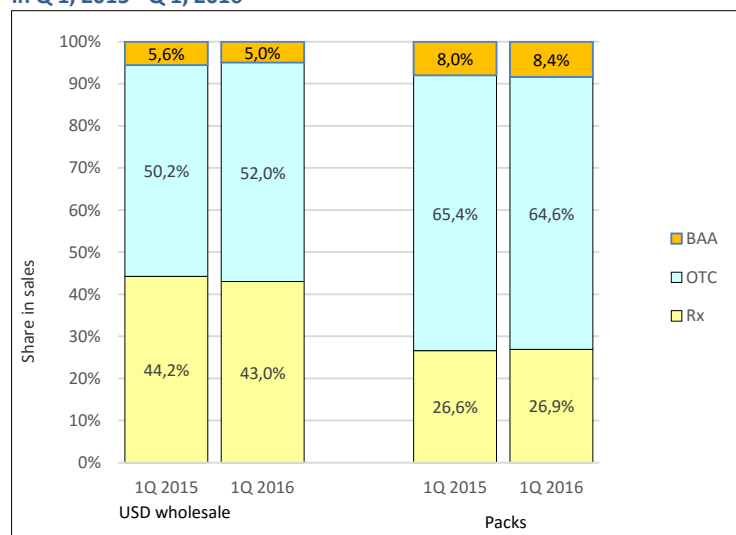
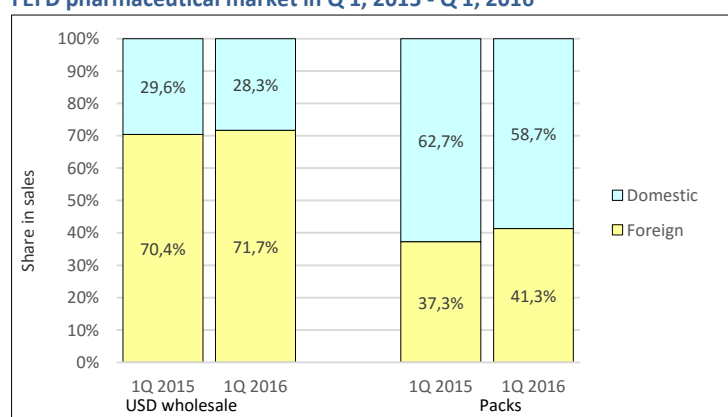


Figure 4. Dynamics of the Russian/ foreign drugs share in the structure of FEFD pharmaceutical market in Q 1, 2015 - Q 1, 2016



Indicators of price dynamics and retail margins

Table 4. Results of the VED price monitoring conducted by Roszdravnadzor in FEFD

	Price dynamics in April 2016 against December 2015 (%)		
	Retail prices	Wholesale prices	Manufacturers' prices
VED total	0.7	0.5	0.6
Up to RUB 50	1.0		
From RUB 50 to 500	0.7		
Over RUB 500	0.0		

Figure 5. Dynamics of weighted average prices and retail margins in Q 1, 2015 - Q 1, 2016

