

News Release



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Merger Update

The Boards of Boots Group PLC and Alliance UniChem Plc welcome the judgment of the Competition Appeal Tribunal to dismiss Celesio's application for review of the Office of Fair Trading's decision published on 22 February 2006 to accept undertakings in lieu of a reference of the proposed merger of Boots and Alliance UniChem to the Competition Commission.

Boots and Alliance UniChem expect to agree the final details of undertakings with the Office of Fair Trading in the near future. Preparations for the proposed merger are well advanced and the parties intend to commence the formal process for effecting the merger shortly after the preliminary announcement on 18 May of Boots results for the year ended 31 March 2006. Both Boards expect that all outstanding pre-conditions and conditions will be satisfied to enable the merger to become effective on 31 July 2006.

- Ends -

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Dealing disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, 'interested' (directly or indirectly) in 1% or more of any class of 'relevant securities' of Boots Group PLC or of Alliance UniChem Plc, all 'dealings' in any 'relevant securities' of that company (including by means of an option in respect of, or a derivative referenced to, any

such 'relevant securities') must be publicly disclosed by no later than 3.30pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the relevant offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the relevant 'offer period' otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an 'interest' in 'relevant securities' of Boots Group PLC or of Alliance UniChem Plc, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all 'dealings' in 'relevant securities' of Boots Group PLC or of Alliance UniChem Plc by Boots Group PLC or Alliance UniChem Plc, or by any of their respective 'associates', must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table giving details of the companies in whose 'relevant securities' 'dealings' should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at www.thetakeoverpanel.org.uk.

'Interests in securities' arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a 'dealing' under Rule 8, you should consult the Panel.