

News Release



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Merger Update

The Boards of Boots Group PLC and Alliance UniChem Plc welcome the decision announced today by the Office of Fair Trading ("OFT") not to refer the proposed merger between the two companies to the Competition Commission provided that satisfactory undertakings are given under section 73 of the Enterprise Act 2002.

The two companies will now work closely with the OFT to reach agreement on appropriate undertakings to address the concerns of the OFT relating to the prospect of the substantial lessening of competition in around 100 local areas.

A further announcement will be made when appropriate.

- 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the date on which the relevant offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the relevant 'offer period' otherwise ends.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.