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KATZ GROUP CANADA LTD.

For Immediate Release -*Herbies Drug to make way for a new Pharma Plus Drugmart concept store and Health Centre (London, ON) - January 3, 2005.*

Katz Group Canada Ltd. announced today that its Herbies Drug at Oxford and Wonderland Road in London, ON, will be converting to make way for a new concept Pharma Plus Drugmart and a new 10,000 sq. ft. Medical Health Centre. The new concept Pharma Plus Drugmart will open in Spring 2005, joining eight other Pharma Plus Drugmarts servicing the City of London. Herbies Drug at Wonderland Road will remain open and operating during the transition period and there will be no disruption for patients and customers wanting to fill their prescriptions or shop for their health and beauty care needs. The other Herbies Drug in London, located at 1551 Dundas St. East, will continue to operate in its current format. This was the right decision to make from a business and customer perspective. The demands, needs and demographics in the community are changing," said **Andy Giancamilli, CEO, Katz Group Canada Ltd.** "We are very excited to be opening our new concept store in London and are additionally excited about the new large Health Centre that will open and the positive impact to area residents." Katz Group Canada's new Pharma Plus Drugmart concept design was developed to enhance the customer's shopping and pharmacy experience. Aisles have been widened, innovative merchandising displays enable the customer to view products more easily and there are extensive product offerings in health and wellness, beauty, cosmetics, general convenience and nutrition. Katz Group Canada Ltd. is Canada's largest integrated retail pharmacy network. Pharmacy banners include Rexall Drug Stores, Pharma Plus Drugmarts, Medicine Shoppe, Guardian, I.D.A., and Herbies/Payless in Canada. For more information on Katz Group Canada, visit pharmassist.ca.

Media Contact: Michelle Lee
Katz Group Canada Ltd.
905-943-4500 ext. 3137
mslee@pharmassist.ca