

OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
AS OF DECEMBER 31, 2007
(in US dollars and in thousands)

	2007	2006
Revenue	871 081	528 878
Cost of sales	-593 603	-345 440
Gross profit	277 478	183 438
SGA	-302 695	-170 363
Operating profit	-29 105	12 530
Finance costs	-36 888	-16 856
Other income / (loss)	-3 782	1 910
Foreign currency exchange gain (loss)	-4 258	1 808
Income before tax and investment activity	-74 033	-609
Share of loss of associate	-	-816
Gain on sale of investment	-	53 045
Income tax expense	-12 122	-9 796
Minority interest	-13 203	-7 327
Profit	-99 358	34 498

OAo PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS OF DECEMBER 31, 2007
(in US dollars and in thousands)

	2007	2006
NON-CURRENT ASSETS:		
Property, plant & equipment	187 894	116 249
Goodwill	246 839	162 065
Intangible assets	12 111	8 305
Other assets	1 752	-
Investment in associate	-	-
Total non-current assets	<u>448 596</u>	<u>286 618</u>
CURRENT ASSETS:		
Inventories	175 639	112 985
Accounts receivable	105 319	73 750
Other receivables and prepaid expenses	69 812	39 014
Cash and bank balances	32 887	12 969
Total current assets	<u>383 657</u>	<u>238 718</u>
TOTAL ASSETS	<u>832 253</u>	<u>525 337</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Issued capital	198	159
Additional paid-in capital	120 103	13 514
Translation reserve	12 298	9 260
Retained earnings	- 33 934	65 424
Total shareholders' equity	<u>98 665</u>	<u>88 357</u>
MINORITY INTERESTS IN EQUITY OF SUBSIDIARIES	150 712	44 046
NON-CURRENT LIABILITIES		
Borrowings	20 604	186 696
Share-based payment liability	963	-
Deferred taxation liabilities	5 946	8 118
Long term lease payable	982	-
Total long-term liabilities	<u>28 495</u>	<u>194 814</u>
COMMITMENTS AND CONTINGENCIES	<u>277 872</u>	<u>327 217</u>
CURRENT LIABILITIES:		
Accounts payable	200 887	112 211
Borrowings	271 381	66 359
Other payables and accrued expenses	49 583	8 479
Taxes payable	29 460	11 072
Current portion of share-based payments liability	1 313	-
Current portion of lease payable	1 757	-
Total current liabilities	<u>554 381</u>	<u>198 120</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>832 253</u>	<u>525 336</u>

OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED STATEMENT CASH FLOWS
AS OF DECEMBER 31, 2007
(in US dollars and in thousands)

	2007	2006
OPERATING ACTIVITIES:		
Income/(loss) before taxation and minority interest	-74 033	51 621
Adjustments to reconcile net income to net cash used in operating activities:		
Gain sale of investment	-	-53 045
Depreciation and amortization	20 369	12 932
Loss on sale of securities	775	-
Loss on disposal of property, plant and equipment	1 165	-1 968
Profit on disposal of subsidiary	-32	-
Impairment recognized (reversed) on accounts receivables	849	2 195
Unused vacation provision	4 669	369
Inventory provision	4 917	107
Loss of associates	-	816
Impairment of goodwill	1 704	-
Share based payments expenses	2 184	-
Foreign exchange loss/(gain) on financing and investing activities	4 258	-1 808
Finance costs	36 888	16 856
Operating cash flow before working capital changes	3 713	28 075
Increase in inventories	-47 937	-46 700
Increase in accounts receivable	-29 961	-30 660
Increase in other receivables and prepaids	-22 206	-10 555
Increase in accounts payable	73 829	37 350
Increase in other payables and accruals	22 597	1 113
Cash flows from operations	9 044	-21 377
Income taxes paid	-11 436	-6 071
Finance cost paid	-30 572	-16 315
Net cash outflow operating activities	-32 964	-43 763
INVESTING ACTIVITIES:		
Net cash outflow on acquisition of subsidiaries	-87 630	-127 499
Purchase of property, plant, equipment	-33 566	-31 113
Purchase of intangible assets	-6 076	-5 458
Proceed on disposal of property, plant, equipment	694	6 529
Proceeds from sale of investment, net	-	72 775
Net cash outflow from investing activities	-126 578	-84 766
FINANCING ACTIVITIES:		
Proceeds from new borrowings	281 948	500 843
Repayments of borrowings	-295 521	-372 582
Proceeds from SPO, net	106 628	
Proceeds from subsidiary (consortium of investors)	85 000	-
Net cash inflow from financing activities	178 055	128 261
Effect of translation to presentation currency	1 404	5 374
NET INCREASE (DECREASE) IN CASH	19 917	5 106
CASH, beginning of year	12 969	7 863
CASH, end of year	32 886	12 969