

**OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES****CONSOLIDATED PROFIT AND LOSS STATEMENT  
Q4 2009 ENDING 31 DECEMBER 2010 (mln. rubles)**

	<b>Q4 2010</b>	<b>Q4 2009</b>
<b>Revenue</b>	<b>5 764,2</b>	<b>5 025,6</b>
Cost of sales	(3 306,8)	(2 917,7)
<b>Gross profit</b>	<b>2 457,4</b>	<b>2 107,9</b>
Selling, general and administrative expenses	(1 932,5)	(1 774,2)
Impairment of goodwill	-	(60,4)
<b>Operating income/loss</b>	<b>524,8</b>	<b>273,3</b>
Finance costs	(387,3)	(286,3)
Foreign currency exchange gain (loss)	(3,7)	17,9
Gain on minority interest restructuring	-	556,9
Other income (loss)	14,0	(51,0)
<b>Income/(loss) before tax and investment activity</b>	<b>147,8</b>	<b>510,8</b>
Disposal of discounted operations	-	-
Income tax expense	(160,0)	28,2
<b>Loss for the period</b>	<b>(12,2)</b>	<b>539,1</b>
<b>Attributable to:</b>		
Equity holders of the parent	(153,6)	471,4
Minority interest	141,4	67,7
<b>Profit/(loss) for the period excluding gain on minority interest restructuring in 2009</b>	<b>(12.2)</b>	<b>(17.8)</b>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES****CONSOLIDATED PROFIT AND LOSS STATEMENT**FY 2010 ENDING 31 DECEMBER 2010 *(mln. rubles)*

	<b>FY 2010</b>	<b>FY 2009</b>
<b>Revenue</b>	<b>20 381,1</b>	<b>21 061,5</b>
Cost of sales	(11 973,9)	(12 760,0)
<b>Gross profit</b>	<b>8 407,2</b>	<b>8 301,5</b>
Selling, general and administrative expenses	(7 145,8)	(7 361,0)
Impairment of goodwill	-	(60,4)
<b>Operating income/loss</b>	<b>1 261,4</b>	<b>880,1</b>
Finance costs	(1 261,6)	(1 174,0)
Foreign currency exchange gain (loss)	(54,1)	(34,6)
Gain on minority interest restructuring	-	556,9
Other income (loss)	15,2	(73,5)
<b>Income/(loss) before tax and investment activity</b>	<b>(39,1)</b>	<b>154,9</b>
Disposal of discounted operations	-	-
Income tax expense	(393,4)	(129,3)
<b>Loss for the period</b>	<b>(432,6)</b>	<b>25,6</b>
<b>Attributable to:</b>		
Equity holders of the parent	(929,6)	(359,4)
Minority interest	497,0	385,1
<b>Profit/(loss) for the period excluding gain on minority interest restructuring in 2009</b>	<b>(432.2)</b>	<b>(531.2)</b>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
**AT 31 DECEMBER 2010 (mln. rubles)**

	<b>FY 2010</b>	<b>FY 2009</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS:</b>		
Property, plant & equipment	2 858,6	3 009,1
Goodwill	4 875,5	4 875,5
Intangible assets	319,2	285,6
Other assets	21,2	28,7
Total non-current assets	<b>8 270,7</b>	<b>8 377,4</b>
<b>CURRENT ASSETS:</b>		
Inventories	4 008,9	3 454,9
Accounts receivable	3 863,8	3 176,0
Other receivables and prepaid expenses	1 614,5	1 271,7
Cash and bank balances	1 021,2	737,6
Total current assets	<b>10 508,4</b>	<b>8 890,3</b>
<b>TOTAL ASSETS</b>	<b>18 779,1</b>	<b>17 267,7</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Share capital	6,7	6,1
Additional paid-in capital	6 260,0	5 339,6
Translation reserve	-	-
Retained earnings	(4 168,1)	(3 169,3)
<b>Total shareholders' equity</b>	<b>2 159,0</b>	<b>2 231,1</b>
Equity of the parent	2 159,0	2 231,1
MINORITY INTERESTS IN EQUITY OF SUBSIDIARIES	2 657,6	2 308,0
<b>LONG-TERM LIABILITIES:</b>		
Borrowings	5 780,7	4 631,7
Deferred tax liabilities	192,6	147,5
Long-term lease payable	8,6	17,1
Total long-term liabilities	<b>5 982,0</b>	<b>4 796,2</b>
<b>CURRENT LIABILITIES:</b>		
Accounts payable	3 313,2	3 838,6
Borrowings	3 554,2	2 809,5
Other payables and accrued expenses	664,1	866,6
Taxes payable	436,1	402,0
Current portion of share-based payments liability	13,0	15,8
Current portion of lease payable	3 313,2	3 838,6
Total current liabilities	<b>7 980,6</b>	<b>7 932,4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>18 779,1</b>	<b>17 267,7</b>

**OAo PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR Q4 ENDING 31 DECEMBER 2010 (mln. rubles)**

	<b>Q4 2010</b>	<b>Q4 2009</b>
<b>OPERATING ACTIVITIES:</b>		
<b>Income/(loss) before taxation and minority interest</b>	<b>147</b>	<b>511</b>
Gain sale of investment	0	0
Depreciation and amortization	153	114
Loss on sale of securities	-	-
Loss on disposal of property, plant and equipment and unrealized investments	-	-
Profit on disposal of subsidiary	-	-
Gain on restructuring of arrangement with consortium of investors	-	(557)
Impairment recognized (reversed) on accounts receivables	(198)	(141)
Unused vacation provision	-	-
Inventory provision and write-off	130	123
Other non-cash operations	(6)	24
Impairment of goodwill	-	60
Share-based payments expenses	-	-
Foreign exchange loss/(gain) on financing and investing activities	4	(18)
Finance costs	387	286
<b>Operating cash flow before working capital changes</b>	<b>616</b>	<b>402</b>
Increase in inventories	(378)	(547)
Increase in accounts receivable	(53)	627
Increase in other receivables and prepaids	455	137
Increase in accounts payable	(47)	(1 783)
Increase in other payables and accruals	(144)	(49)
Cash flows from operations	450	(1 213)
Income taxes paid	(157)	(121)
Finance cost paid	(95)	(363)
<b>Net cash outflow operating activities</b>	<b>198</b>	<b>(1 697)</b>
<b>INVESTING ACTIVITIES:</b>		
Net cash outflow on acquisition of subsidiaries	-	-
Purchase of property, plant, equipment	(176)	(40)
Purchase of intangible assets	(27)	(30)
Proceed on disposal of property, plant, equipment	24	42
Purchase of short-term investments	(185)	(200)
Net cash inflow on disposal of discontinued operation	-	-
Net cash inflow on sale of investment	50	-
Loans to related parties	-	-
<b>Net cash outflow from investing activities</b>	<b>(314)</b>	<b>(228)</b>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from new borrowings, net	(23)	(201)
Repayments of borrowings	-	-
Distributions paid to minority shareholders	(135)	(17)
Proceeds from SPO, net	(896)	2 330
Acquisition of non- controlling interests	(316)	-
Net cash inflow from financing activities	(159)	2 112
Effect of translation to presentation currency	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(275)</b>	<b>188</b>
CASH, beginning of year	1 111	550
<b>CASH, end of year</b>	<b>836</b>	<b>738</b>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR FY 2009 ENDING 31 DECEMBER 2009 (mln. rubles)**

	FY 2010	FY 2009
<b>OPERATING ACTIVITIES:</b>		
<b>Income/(loss) before taxation and minority interest</b>	<b>(40)</b>	<b>155</b>
Gain sale of investment	-	-
Depreciation and amortization	477	481
Loss on sale of securities	-	-
Loss on disposal of property, plant and equipment and unrealized investments	-	-
Profit on disposal of subsidiary	-	-
Gain on restructuring of arrangement with consortium of investors	-	(557)
Impairment recognized (reversed) on accounts receivables	(195)	(11)
Unused vacation provision	-	-
Inventory provision and write-off	86	139
Other non-cash operations	(15)	31
Impairment of goodwill	-	60
Share-based payments expenses	-	-
Gain on disposal of subsidiaries	-	-
Gain on partial disposal of subsidiaries	-	-
Foreign exchange loss/(gain) on financing and investing activities	54	35
Finance costs	1 262	1 174
<b>Operating cash flow before working capital changes</b>	<b>1 629</b>	<b>1 507</b>
Increase in inventories	(640)	(281)
Increase in accounts receivable	(688)	(161)
Increase in other receivables and prepaids	(166)	125
Increase in accounts payable	(531)	(2 264)
Increase in other payables and accruals	(204)	(263)
Cash flows from operations	(600)	(1 337)
Income taxes paid	(341)	(197)
Finance cost paid	(988)	(843)
<b>Net cash outflow operating activities</b>	<b>(1 929)</b>	<b>(2 377)</b>
<b>INVESTING ACTIVITIES:</b>		
Net cash outflow on acquisition of subsidiaries	-	-
Purchase of property, plant, equipment	(304)	(156)
Purchase of intangible assets	(87)	(53)
Proceed on disposal of property, plant, equipment	24	42
Purchase of short-term investments	(185)	(200)
Net cash inflow on disposal of discontinued operation	-	-
Net cash inflow on sale of investment	250	-
Loans to related parties	-	-
<b>Net cash outflow from investing activities</b>	<b>(302)</b>	<b>(367)</b>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from new borrowings, net	6 510	1 932
Repayments of borrowings	(4 900)	(1 465)
Proceeds from SPO, net	926	2 330
Distributions paid to minority shareholders	(135)	(17)
Acquisition of non-controlling interests	(71)	-
<b>Net cash inflow from financing activities</b>	<b>2 330</b>	<b>2 780</b>
Effect of translation to presentation currency	-	-
NET INCREASE (DECREASE) IN CASH	99	36
CASH, beginning of year	738	702
<b>CASH, end of year</b>	<b>836</b>	<b>738</b>