

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENT**  
**AS OF JUNE 30, 2007**  
*(in US dollars and in thousands)*

	<u>6m2007</u>	<u>6m2006</u>
Revenue	390 451	218 585
Cost of sales	-259 556	-139 782
Gross profit	<u>130 894</u>	<u>78 803</u>
Selling, general and administrative expenses	-124 380	-74 631
Operating profit	6 515	4 172
Finance costs	-11 894	-6 446
Other income/(loss)	-529	2 185
Foreign currency exchange gain (loss)	-210	2 627
Income before taxation and minority interest	<u>-6 118</u>	<u>2 538</u>
Share of loss of associate	-	-860
Gain on sale of investment	-	53 102
Income tax expense	-5 411	-2 869
Minority interest	-5 326	-2 437
Profit	<u><u>-16 855</u></u>	<u><u>49 474</u></u>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF JUNE 30, 2007**  
*(in US dollars and in thousands)*

	<u>6m2007</u>	<u>2006</u>
<b>ASSETS</b>		
NON-CURRENT ASSETS:		
Intangible assets, net	10 228	8 305
Goodwill	183 492	162 065
Property, plant & equipment, net	127 302	116 249
Other long-term assets	4 130	-
Total non-current assets	<u>325 152</u>	<u>286 619</u>
CURRENT ASSETS:		
Inventories	123 745	112 985
Accounts receivable	81 381	73 750
Other receivables and prepaid expenses	50 020	39 014
Cash&Cash equivalents	40 145	12 969
Total current assets	<u>295 291</u>	<u>238 718</u>
<b>TOTAL ASSETS</b>	<u>620 443</u>	<u>525 337</u>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
SHAREHOLDERS' EQUITY:		
Share capital	159	159
Additional paid-in capital	13 514	13 514
Other reserves	9 288	9 260
Retained earnings	48 570	65 424
Total shareholders' equity	<u>71 531</u>	<u>88 357</u>
MINORITY INTEREST	110 704	44 046
LONG-TERM LIABILITIES:		
Long-term debt	138 212	186 696
Deferred taxation	7 037	8 118
Long-term portion of the finance leases payable	185	-
Total long-term liabilities	<u>145 435</u>	<u>194 814</u>
CURRENT LIABILITIES:		
Accounts payable	115 301	112 211
Other payables and accrued expenses	27 566	19 551
Current portion of long-term debt	149 082	66 359
Current portion of lease payable	825	-
Total current liabilities	<u>292 772</u>	<u>198 120</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<u>620 443</u>	<u>525 336</u>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT CASH FLOWS**  
**AS OF JUNE 30, 2007**  
*(in US dollars and in thousands)*

	<u>6m2007</u>	<u>6m2006</u>
<b>OPERATING ACTIVITIES:</b>		
Income before taxation and minority interests	-6 118	54 782
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:		
Gain on sale of investment	-	-53 102
Depreciation and amortization	8 478	4 979
Effect of loss on disposal of property, plant and equipment	290	-2 325
Effect of (gain) loss of associate		860
Effect of provision for doubtful receivables	115	644
Foreign exchange (gain) loss on financing and investing activities	210	-2 627
Interest expense	11 894	6 447
Operating cash flow before working capital changes	<u>14 869</u>	<u>9 658</u>
Changes in operating assets and liabilities		
Accounts receivable	-7 746	-14 968
Other receivables and prepaids	-11 005	-4 911
Accounts payable	3 090	16 072
Other payables and accruals	1 962	3 474
Inventories	-10 761	-21 803
Cash flow from operations	-9 590	-12 478
Income taxes paid	-6 611	-2 489
Interest paid	-6 223	-6 386
Net cash outflow from operating activities	<u>-22 424</u>	<u>-21 353</u>
<b>INVESTING ACTIVITIES:</b>		
Acquisitions of businesses, net of cash acquired	-23 493	-22 810
Purchase of property, plant, equipment	-17 503	-16 773
Purchase of financial instruments	-	-3 000
Proceeds on disposal of property, plant, equipment	-	6 205
Proceeds from sale of investments, net of transactions amount	-	74 506
Net cash outflow from investing activities	<u>-40 996</u>	<u>38 128</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowings, net	29 192	4 574
Proceeds from subsidiary (consortium of investors)	60 000	-
Net cash inflow from financing activities	<u>89 192</u>	<u>4 574</u>
Effect of translation on cash flows	1 404	3 711
Net increase (decrease) on cash flows	<u>27 176</u>	<u>25 061</u>
CASH, beginning of period	12 969	7 863
CASH, end of period	40 145	32 924