

OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**CONSOLIDATED INCOME STATEMENT****AS OF MARCH 31, 2007***(in US dollars and in thousands, except for income per share data)*

	<u>3m2007</u>	<u>3m2006</u>
Revenue	185 147	99 219
Cost of sales	-124 548	-63 484
Gross profit	<u>60 599</u>	<u>35 735</u>
Selling, general and administrative expenses	-56 589	-32 369
Operating profit	4 010	3 366
Finance costs	-5 805	-4 309
Other income/(loss)	-6	-
Foreign currency exchange gain (loss)	62	1 680
Income before taxation and minority interest	<u>-1 739</u>	<u>2 915</u>
Share of loss of associate	-	-185
Income tax expense	-1 310	-1 793
Minority interest	-2 698	-646
Net income	<u><u>-5 747</u></u>	<u><u>291</u></u>

OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2007
(in US dollars and in thousands)

	<u>3m2007</u>	<u>2006</u>
ASSETS		
NON-CURRENT ASSETS:		
Intangible assets, net	9 506	8 305
Goodwill	164 018	162 065
Property, plant & equipment, net	118 293	116 249
Total non-current assets	<u>291 817</u>	<u>286 619</u>
CURRENT ASSETS:		
Inventories	116 492	112 985
Accounts receivable (net of bad debt provision)	79 213	73 750
Other receivables and prepaid expenses	43 524	39 014
Cash&Cash equivalents	63 233	12 969
Total current assets	<u>302 462</u>	<u>238 718</u>
TOTAL ASSETS	<u>594 279</u>	<u>525 337</u>
 SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY:		
Share capital	159	159
Additional paid-in capital	13 514	13 514
Other reserves	10 065	9 260
Retained earnings	59 677	65 424
Total shareholders' equity	<u>83 416</u>	<u>88 357</u>
MINORITY INTEREST	107 135	44 046
LONG-TERM LIABILITIES:		
Long-term debt	198 503	186 696
Deferred taxation	4 410	8 118
Total long-term liabilities	<u>202 913</u>	<u>194 814</u>
CURRENT LIABILITIES:		
Accounts payable	114 252	112 211
Other payables and accrued expenses	25 862	19 551
Current portion of long-term debt	60 701	66 359
Total current liabilities	<u>200 815</u>	<u>198 121</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<u>594 279</u>	<u>525 337</u>

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

	<u>3m2007</u>	<u>3m2006</u>
OPERATING ACTIVITIES:		
Income before taxation and minority interests	-1 739	2 915
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:		
Effect of depreciation and amortization	4 281	2 077
Effect of loss on disposal of property, plant and equipment	-	-2 268
Foreign exchange (gain) loss on financing and investing activities	-62	-1 680
Interest expense	5 805	4 309
Operating cash flow before working capital changes	<u>8 285</u>	<u>5 353</u>
Changes in operating assets and liabilities		
Accounts receivable	-5 463	-2 463
Other receivables and prepaids	-4 510	-1 168
Accounts payable	2 041	4 696
Other payables and accruals	-196	322
Inventories	-3 506	-10 084
Cash flow from operations	<u>-3 349</u>	<u>-3 344</u>
Income taxes paid	-1 310	-960
Interest paid	-2 946	-2 287
Net cash outflow from operating activities	<u>-7 604</u>	<u>-6 591</u>
INVESTING ACTIVITIES:		
Acquisitions of businesses, net of cash acquired	-274	-2 054
Purchase of property, plant, equipment	-4 895	-6 104
Proceeds on disposal of property, plant, equipment	-	6 205
Net cash outflow from investing activities	<u>-5 169</u>	<u>-1 952</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings, net	3 037	6 083
Proceeds from subsidiary (consortium of investors)	60 000	-
Net cash inflow from financing activities	<u>63 037</u>	<u>6 083</u>
Net increase (decrease) on cash flows	<u>50 264</u>	<u>-2 460</u>
CASH, beginning of period	12 969	7 863
CASH, end of period	63 233	5 403