Lebedyansky Group Consolidated Statement of Income for 3 months ended 31.03.2006 (unaudited) (all items are measured in Russian Roubles and presented in thousands of US Dollars)



Sales volumes, min litres 206,0 164,8 41,2 25% Juices 187,5 155,8 31,7 20% Baby Food 11,8 9,0 2,9 32% Mineral water 6,7 0,0 6,7 100% Sales 151 013 116 751 34 262 29% Juices 132 725 105 828 26 897 25% Baby Food 17 562 10 923 6639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42.0% 43.8% 34.8% 34.8% Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 882) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 <t< th=""><th></th><th>31 March 2006</th><th>31 March 2005</th><th>Diff</th><th>%</th></t<>		31 March 2006	31 March 2005	Diff	%
Baby Food 11,8 9,0 2,9 32% Mineral water 6,7 0,0 6,7 100% Sales 151 013 116 751 34 262 29% Juices 132 725 105 828 26 897 25% Baby Food 17 562 10 923 6639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 43,8% Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 24,9% 10% Finance expense – net (78) (25,3%	Sales volumes, mln litres	206,0	164,8	41,2	25%
Mineral water 6,7 0,0 6,7 100% Sales 151 013 116 751 34 262 29% Juices 132 775 105 828 26 897 25% Baby Food 17 562 10 923 6639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 43,8% 43,8% 51 135 12 301 24% % 42,0% 43,8	Juices	187,5	155,8	31,7	20%
Sales 151 013 116 751 34 262 29% Juices 132 725 105 828 26 897 25% Baby Food 17 562 10 923 639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42.0% 43.8% 7871) 48%) Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% Finance expense – net (78) (238) Net foreign exchange gains 677 651 Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 1 Income tax expense (8 535) (7 527) 2 20 10 2 151 10% % 16,0% 18,9% Attributable to:	Baby Food	11,8	9,0	2,9	32%
Juices 132 725 105 828 26 897 25% Baby Food 17 562 10 923 6 639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% %	Mineral water	6,7	0,0	6,7	100%
Baby Food 17 562 10 923 6 639 61% Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 7871) (48%) Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 21 24,9% 21 24,9% 115 10% 10% 10% 10% 11% <td< td=""><td>Sales</td><td>151 013</td><td>116 751</td><td>34 262</td><td>29%</td></td<>	Sales	151 013	116 751	34 262	29%
Mineral water 726 0 726 100% Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 7871 (48%) Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 (28%) Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 24,9% 21,3% 24,9% 24,9% 21,7% 25,3% 3 159 11% Income before taxation 32 696 29 537 3 159 11% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% 24,0% <t< td=""><td>Juices</td><td>132 725</td><td>105 828</td><td>26 897</td><td>25%</td></t<>	Juices	132 725	105 828	26 897	25%
Cost of sales (87 577) (65 616) (21 961) (33%) Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 7871) (48%) Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 24,9% 10% Finance expense – net (78) (238) 10% 10% Net foreign exchange gains 677 651 651 11% Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 11% Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% 18,9% 18,9% 18,9% 18,9% 18,9%	Baby Food	17 562	10 923	6 639	61%
Gross profit 63 436 51 135 12 301 24% % 42,0% 43,8% 43,8% 58 56 56 56 56 56 56 56 56 56 56 56 56 56	Mineral water	726	0	726	100%
No. No.	Cost of sales	(87 577)	(65 616)	(21 961)	(33%)
Selling and distribution costs (24 269) (16 398) (7 871) (48%) General and administrative expenses (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 5 10% 24,9% 10%	Gross profit	63 436	51 13 5	12 301	24%
Common	%	42,0%	43,8%		
Other operating expenses – net (7 154) (5 582) (1 572) (28%) Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 24,9% 24,9% 24,9% 24,9% 28,238 28,238 28,238 28,238 28,238 28,238 28,238 28,238 28,238 28,238 28,238 29,237 3 159 11% 28,238 28,238 28,238 29,237 3 159 11% 28,238	_	(24 269)	(16 398)	(7 871)	(48%)
Other operating expenses – net 84 (32) 115 Operating income 32 097 29 124 2 973 10% % 21,3% 24,9% 24,9% Finance expense – net (78) (238) Net foreign exchange gains 677 651 Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 11% Income tax expense (8 535) (7 527) 2 151 10% Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% 36 36 4 36 36% Equity holders of the Company 23 797 21 742 2 055 9% Minority interest 364 268 96 36%	Concrui unu uummistuu ve empenses	(7 154)	(5 582)	(1 572)	(28%)
Septembro Sept	Other operating expenses – net			` /	(2 / 3)
% 21,3% 24,9% Finance expense – net (78) (238) Net foreign exchange gains 677 651 Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 11% Income tax expense (8 535) (7 527) 21 10% Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% Attributable to: 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Operating income	32 097	29 124	2 973	10%
Finance expense – net (78) (238) Net foreign exchange gains 677 651 Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 10 <td< td=""><td></td><td>21,3%</td><td>24,9%</td><td></td><td></td></td<>		21,3%	24,9%		
Net foreign exchange gains 677 651 Income before taxation 32 696 29 537 3 159 11% % 21,7% 25,3% 100 <td>Finance expense – net</td> <td>(78)</td> <td>(238)</td> <td></td> <td></td>	Finance expense – net	(78)	(238)		
% 21,7% 25,3% Income tax expense (8 535) (7 527) Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% Attributable to: Equity holders of the Company 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Net foreign exchange gains				
% 21,7% 25,3% Income tax expense (8 535) (7 527) Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% Attributable to: 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Income before taxation	32 696	29 537	3 159	11%
Profit for the period 24 161 22 010 2 151 10% % 16,0% 18,9% Attributable to: Equity holders of the Company 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	%	21,7%	25,3%		
16,0% 18,9% Attributable to: Equity holders of the Company 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Income tax expense	(8 535)	(7 527)		
Attributable to: Equity holders of the Company 23 797 21 742 2 055 9% Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Profit for the period	24 161	22 010	2 151	10%
Equity holders of the Company Minority interest 23 797 21 742 2 055 9% 268 96 36% EBITDA 35 521 31 870 3 650 11%	%	16,0%	18,9%		
Minority interest 364 268 96 36% EBITDA 35 521 31 870 3 650 11%	Attributable to:				
EBITDA 35 521 31 870 3 650 11%	Equity holders of the Company	23 797	21 742	2 055	9%
	Minority interest	364	268	96	36%
	FRITDA	35 521	31.870	3 650	11%
	%	23,5%	27,3%	3 030	11/0

Lebedyansky Consolidated Statement of Cash Flows for 3 months ended 31.03.2006 (unaudited) (all items are measured in Russian Roubles and presented in thousands of US Dollars)



Cash flows from perating activities	31 March 2006	31 March 2005
Income before taxation and minority interest	32 696	29 537
Adjustments for:		
Options	247	-
Depreciation	3 383	2 719
Amortisation	40	27
Provision for impairment of receivables	(454)	56
Allowance for obsolete inventory	-	0
Deffered Income	(540)	(544)
Loss on disposal of property, plant and equipment	2	(1)
Interest expense / income	252	222
Provision for impairment of promissory notes and		
available for sale investments	-	-
Gain on forgiveness of interest payable		
Forex on non-operating balances	(738)	(671)
		24.24
Operating cash flows before working capital changes	34 887	31 344
Decrease (increase) in trade receivables	(3 725)	(5 146)
Decrease (increase) in other receivables and prepayments	(4 387)	(6 927)
Decrease (increase) in VAT & other taxes receivable	(3 030)	(476)
Decrease (increase) in inventories	(1 461)	(266)
Decrease (mercase) in inventories	(1 401)	(200)
Increase (decrease) in accounts payable and accrued		
expenses	(4 063)	(6 127)
Increase (decrease) in taxes payable	(94)	(132)
Cash provided from operations	18 127	12 269
Income taxes paid	(4 853)	(4 573)
Interest paid	(248)	(349)
Net cashprovided from operating activities	13 027	7 348
Cash flows from investing activities:		
Purchase of property, plant and equipment	(24 204)	(4 422)
X X 3/X X X	` ′	· /
Proceeds from the sale of property, plant and equipment	534	-
Loan provided	(40)	(127)
Repayment of loans given	565	52
Interest received	26	-
Acquisition of subsidiaries	<u> </u>	-
Net cash used in investig activities:	(23 118)	(4 497)
Cash flows from financing activities:		
Proceeds from borrowings	15 400	19 186
Repayment of borrowings	(1 619)	(19 436)
Repayment of finance lease liability	(1 153)	(1 731)
Change in promissory notes	(21)	250
Dividends paid (net tax)		
Acquisition of own ordinary shares		
Net cash used in financing activities	12 607	(1 731)
Net decrease in cash and cash equivalents	2 515	1 120
Cash and cash e uivalents at the beginning of the		
period	4 777	1 351
Not decrease in each and each activities	2 515	4 400
Net decrease in cash and cash equivalents		1 120
Effect of translation	210	91
Cash and cash equivalents at the end of the period	7 502	2 562
oasii anu casii equivalents at the enu oi the penou	1 302	∠ 30∠



Lebedyansky Group Consolidated balance sheet for 3 months ended 31.03.2006 (unaudited)

(all items are measured in Russian Roubles and presented in thousands of US Dollars) 31 March 2006 31 March 2005 Current assets: Cash and cash equivalents 7 502 2 562 Available for sale investments 477 354 Trade Receivables 51 658 38 222 Other receivable and prepayments 42 027 29 854 Inventories 60 511 42 232 Total current assets 162 052 113 346 Non-current assets: Property, plant and equipment (incl prepayments) 141 376 90 362 Intangible assets & goodwill 3 119 1 036 Total non-current assets 144 495 91 399 Total assets 306 547 204 745 LIABILITIES & SHAREHOLDERS' EQUITY Current liabilities: 35 048 Accounts payable and accrued expenses 24 177 Tax payable $4\,416$ 3 740 3 706 Finance lease payable 2 853 Short-term borrowings 5 127 6 052 Other current liabilities 2 185 2 180 Total current liabilities 49 629 39 855 Non-current liabilities: 7 790 Finance lease payable 9 125 Long-term borrowings 21 294 6 390 Government grants 52 72 Deferred tax liability 5 306 6 613 Other non-current liabilities 1 639 3 815 Total non-current liabilities 38 723 23 373 Total liabilities 88 352 63 228 Minority interest 4 282 3 220 Shareholders' equity: 447 Share capital 448 Share premium 34 34 Treasury shares (4510)

Share options

Retained earnings

Presentation currency adjustment

Total liabilities and shareholders' equity

Total shareholders' equity

10 094

127 722

138 296

204 745

996

11 987

204 959

213 914

306 547

0