

**Lebedyansky Consolidated PL 1Q2008 vs 1Q2007 (unaudited)**
*( all items are measured in Russian Roubles and presented in thousands of US Dollars)*


	24,23	26,30	8%	
	Q1 2008	Q1 2007	(B/W)	%
(000 USD)	Actual	Actual		
<b>Sales volume</b>	<b>270 083</b>	<b>261 768</b>	<b>8 315</b>	<b>3%</b>
Juices	230 254	232 528	(2 273)	(1%)
Baby Food	19 356	15 257	4 099	27%
Mineral Water	20 473	13 984	6 489	46%
<b>Sales</b>	<b>245 340</b>	<b>210 002</b>	<b>35 338</b>	<b>17%</b>
Juices	202 842	182 282	20 560	11%
Baby Food	37 681	25 043	12 638	50%
Mineral Water	4 817	2 677	2 140	80%
<b>Cost of sales</b>	<b>(153 674)</b>	<b>(121 086)</b>	<b>(32 588)</b>	<b>(27%)</b>
materials & components used	(133 409)	(108 130)	(25 279)	(23%)
<b>labour costs</b>	<b>(6 723)</b>	<b>(4 380)</b>	<b>(2 343)</b>	<b>(53%)</b>
production overheads	(5 769)	(3 480)	(2 289)	(66%)
depreciation	(7 773)	(5 096)	(2 678)	(53%)
<b>Gross profit</b>	<b>91 666</b>	<b>88 916</b>	<b>2 750</b>	<b>3%</b>
%	37,4%	42,3%		
<b>Selling and distribution costs</b>	<b>(65 794)</b>	<b>(40 867)</b>	<b>(24 927)</b>	<b>(61%)</b>
advertising	(16 707)	(8 633)	(8 074)	(94%)
freight & delivery	(24 455)	(12 195)	(12 261)	(101%)
labour costs	(14 941)	(10 798)	(4 143)	(38%)
warehousing	(7 345)	(7 550)	205	3%
other	(2 345)	(1 691)	(654)	(39%)
%	26,8%	19,5%		
<b>General and administrative expenses</b>	<b>(19 240)</b>	<b>(12 866)</b>	<b>(6 374)</b>	<b>(50%)</b>
labour costs	(8 086)	(6 455)	(1 631)	(25%)
office rent	(1 560)	(972)	(588)	(60%)
property tax	(873)	(445)	(428)	(96%)
Provision for impairment of receivables	(951)	(442)	(509)	(115%)
depreciation	(2 638)	(1 609)	(1 029)	(64%)
other	(5 131)	(2 942)	(2 190)	(74%)
%	7,8%	6,1%		
<b>Other operating expenses – net</b>	<b>(1 126)</b>	<b>(416)</b>	<b>(710)</b>	<b>(170%)</b>
%	0,5%	0,2%		
<b>Operating income</b>	<b>5 506</b>	<b>34 767</b>	<b>(29 261)</b>	<b>-84%</b>
%	2,2%	16,6%		
Finance expense – net	(5 200)	(2 534)	(2 666)	
Net foreign exchange gains	(3 250)	199	(3 450)	(1730%)
<b>Income before taxation</b>	<b>(2 944)</b>	<b>32 433</b>	<b>(35 377)</b>	<b>(109%)</b>
%	-1,2%	15,4%		
Income tax expense	(2 424)	(8 254)	5 831	71%
<b>Net Income</b>	<b>(5 368)</b>	<b>24 178</b>	<b>(29 546)</b>	<b>(122%)</b>
%	-2,2%	11,5%		
<b>Attributable to :</b>				
Equity holders of the Company	(5 368)	24 020	(29 388)	(122%)
Minority interest		159	(159)	100%
<b>EBITDA</b>	<b>15 917</b>	<b>41 472</b>	<b>(25 554)</b>	<b>(62%)</b>
%	6,5%	19,7%		
<b>Price</b>	<b>0,91</b>	<b>0,80</b>	<b>0,11</b>	<b>13%</b>
Juices	0,88	0,78	0,10	12%
Baby Food	1,95	1,64	0,31	19%
Mineral Water	0,24	0,19	0,04	23%
<b>COS</b>	<b>(0,57)</b>	<b>(0,46)</b>	<b>(0,11)</b>	<b>(23%)</b>
materials & components used	(0,49)	(0,41)	(0,08)	(20%)
labour costs	(0,02)	(0,02)	(0,01)	(49%)
production overheads	(0,02)	(0,01)	(0,01)	(61%)
depreciation	(0,03)	(0,02)	(0,01)	(48%)
<b>Selling and distribution costs</b>	<b>(26,8%)</b>	<b>(19,5%)</b>	<b>(7,4%)</b>	<b>(7,4%)</b>
advertising	(6,8%)	(4,1%)	(2,7%)	(2,7%)
freight & delivery	(10,0%)	(5,8%)	(4,2%)	(4,2%)
labour costs	(6,1%)	(5,1%)	(0,9%)	(0,9%)
warehousing	(3,0%)	(3,6%)	0,6%	0,6%
other	(1,0%)	(0,8%)	(0,2%)	(0,2%)
<b>General and administrative expenses</b>	<b>(8%)</b>	<b>(6%)</b>	<b>(1,7%)</b>	<b>(1,7%)</b>
labour costs	(3,3%)	(3,1%)	(0,2%)	(0,2%)
office rent	(0,6%)	(0,5%)	(0,2%)	(0,2%)
property tax	(0,4%)	(0,2%)	(0,1%)	(0,1%)
Provision for impairment of receivables	(0,4%)	(0,2%)	(0,2%)	(0,2%)
depreciation	(1,1%)	(0,8%)	(0,3%)	(0,3%)
other	(2,1%)	(1,4%)	(0,7%)	(0,7%)
<b>Total SGA</b>	<b>(35,1%)</b>	<b>(25,8%)</b>	<b>(9,3%)</b>	<b>(9,3%)</b>

**Lebedyansky**  
**Consolidated Statement of Cash Flows for 3 months ended 31.03.2008 (unaudited)**  
*( all items are measured in Russian Roubles and presented in thousands of US Dollars)*



Cash flows from operating activities	31 March 2007	31 March 2007
Income before taxation and minority interest	(2 944)	32 433
Adjustments for:		
Options	247	264
Depreciation	10 273	6 650
Amortisation	138	55
Provision for impairment of receivables	951	442
Allowance for obsolete inventory	-	(112)
Deferred Income	-	(577)
Loss on disposal of property, plant and equipment	243	25
Interest expense / income	5 200	2 297
Forex on non-operating balances	2 182	(307)
<b>Operating cash flows before working capital changes</b>	<b>16 289</b>	<b>41 170</b>
Decrease (increase) in trade receivables	896	(5 534)
Decrease (increase) in other receivables and prepayments	(1 234)	(6 233)
Decrease (increase) in VAT & other taxes receivable	(2 758)	(5 570)
Decrease (increase) in inventories	(7 126)	(9 635)
Increase (decrease) in accounts payable and accrued expenses	(9 618)	9 828
Increase (decrease) in taxes payable	(980)	(464)
<b>Cash provided from operations</b>	<b>(4 426)</b>	<b>23 561</b>
Income taxes paid	(6 393)	(4 242)
Interest paid	(5 526)	(2 397)
<b>Net cash provided from operating activities</b>	<b>(16 344)</b>	<b>16 922</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(42 084)	(17 865)
Proceeds from the sale of property, plant and equipment	96	216
Loan provided	-	-
Repayment of loans given	-	6
Interest received	11	19
Acquisition of subsidiaries	-	-
<b>Net cash used in investing activities:</b>	<b>(41 977)</b>	<b>(17 624)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	250 974	25 845
Repayment of borrowings	(191 066)	(78 717)
Repayment of finance lease liability	(1 886)	(1 307)
Change in promissory notes	25	32
Dividends paid (net tax)	-	-
Bonds issue	-	57 026
<b>Net cash used in financing activities</b>	<b>58 046</b>	<b>2 879</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(275)</b>	<b>2 176</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>9 372</b>	<b>4 328</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(275)</b>	<b>2 176</b>
<b>Effect of translation</b>	<b>402</b>	<b>78</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>9 499</b>	<b>6 582</b>

**Lebedyansky Group**  
**Consolidated balance sheet for 3 months ended 31.03.2008 (unaudited)**  
*( all items are measured in Russian Roubles and presented in thousands of US Dollars)*



31 March 2008 31 March 2007

**ASSETS**

**Current assets:**

Cash and cash equivalents	9 499	6 582
Available for sale investments		212
Trade Receivables	117 385	81 043
Other receivable and prepayments	71 958	59 673
Inventories	129 529	101 093

**Total current assets 328 372 248 603**

**Non-current assets:**

Property, plant and equipment	414 387	235 216
FA Prepayments	20 634	13 127
Intangible assets & Goodwill	22 584	19 298

**Total non-current assets 457 605 267 641**

**Total assets 785 977 516 244**

**LIABILITIES & SHAREHOLDERS' EQUITY**

**Current liabilities:**

Accounts payable and accrued expenses	60 744	57 420
FA Liability	17 680	3 804
Tax payable	6 028	5 968
Finance lease payable	8 766	4 407
Short-term borrowings	153 740	22 270
Other current liabilities	0	1 749

**Total current liabilities 246 957 95 619**

**Non-current liabilities:**

Finance lease payable	49 841	30 739
Long-term borrowings	90 711	48 115
Government grants		38
Deferred tax liability	7 625	12 773
Bonds	63 787	57 949

**Total non-current liabilities 211 965 149 615**

**Total liabilities 458 922 245 234**

**Minority interest 6 022**

**Shareholders' equity:**

Share capital	530	479
Share premium	327	296
Treasury shares	(2 086)	(4 460)
Share options		2 132
Presentation currency adjustment	58 045	28 185
Retained earnings	270 238	238 357

**Total shareholders' equity 327 054 264 988**

**Total liabilities and shareholders' equity 785 977 516 244**