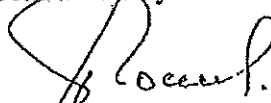



Condensed Consolidated Interim Statement of Financial Position

In million RUR	30 June 2009	31 December 2008
ASSETS		
Non-current assets		
Property, plant and equipment	11,428	12,840
Intangible assets	27,312	27,455
Investments in equity accounted investees	3,445	3,522
Other investments	1,066	169
Deferred tax assets	77	71
Total non-current assets	43,328	44,057
Current assets		
Inventories	73,288	76,251
Other investments	1,241	4,223
Income tax receivable	448	519
Trade and other receivables	13,650	14,124
Cash and cash equivalents	370	3,153
Assets classified as held for sale	3,370	-
Total current assets	92,367	98,270
Total assets	135,695	142,327
EQUITY AND LIABILITIES		
Equity		
Share capital	30,843	30,843
Additional paid-in capital	20,082	20,082
Treasury shares	(2,428)	(2,428)
Reserve resulting from additional share issue	(28,506)	(28,506)
Retained earnings	(7,343)	(1,011)
Total equity attributable to equity holders of the Company	12,648	18,980
Minority interest	815	978
Total equity	13,463	19,958
Non-current liabilities		
Loans and borrowings	61	8,393
Trade and other payables	865	1,527
Provisions	-	46
Deferred tax liabilities	5,661	6,135
Total non-current liabilities	6,587	16,101
Current liabilities		
Loans and borrowings	44,797	31,742
Trade and other payables	69,094	73,506
Provisions	958	894
Income tax payable	219	126
Liabilities classified as held for sale	577	-
Total current liabilities	115,645	106,268
Total liabilities	122,232	122,369
Total equity and liabilities	135,695	142,327

These condensed consolidated interim financial statements were approved by Management on 9 October 2009 by:



 Pavel A. Poselenov
 President



 Anna A. Kolonchina
 Vice-President, Economics and Finance

Condensed Consolidated Interim Statement of Comprehensive Income

In million RUR	Six-month period ended 30 June 2009	Six-month period ended 30 June 2008
Revenue	11,983	20,579
Cost of sales	(9,541)	(12,918)
Gross profit	2,442	7,661
Distribution expenses	(305)	(978)
Administrative expenses	(2,201)	(2,168)
Impairment losses and reversal of impairment loss, net	285	-
Other expenses	(365)	(268)
Finance income	243	235
Finance expenses	(6,502)	(975)
Share of (loss)/income of equity accounted investees, net of income tax	(61)	40
(Loss)/profit before income tax	(6,464)	3,547
Income tax credit/(expense)	317	(1,320)
(Loss)/profit and total comprehensive income for the period	(6,147)	2,227
<i>Attributable to:</i>		
Owners of the Company	(6,031)	2,302
Minority interest	(116)	(75)
Total comprehensive (loss)/income for the period	(6,147)	2,227
Basic and diluted (loss)/earnings per share	(12.7) RUR	4.54 RUR

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to equity holders of the Company						Minority interest	Total equity
	Share capital	Additional paid-in capital	Reserve resulting from additional share issue	Treasury shares	Retained earnings	Subtotal		
In million RUR								
At 1 January 2008	30,843	19,401	(28,506)	-	27,335	49,073	1,266	50,339
Profit/(loss) and total comprehensive income for the period	-	-	-	-	2,302	2,302	(75)	2,227
Transactions with owners, recorded directly in equity	-	681	-	-	-	681	-	681
Contributions by and distributions to owners	-	-	-	(2,428)	-	(2,428)	-	(2,428)
Acquisition of treasury shares	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	681	-	(2,428)	-	(1,747)	-	(1,747)
Acquisition of non-controlling interest in subsidiaries	-	-	-	-	-	-	(77)	(77)
Total transactions with owners	-	681	-	(2,428)	-	(1,747)	(77)	(1,824)
At 30 June 2008	30,843	20,082	(28,506)	(2,428)	29,637	49,628	1,114	50,742

	Attributable to equity holders of the Company					Minority interest	Total equity
	Share capital	Additional paid-in capital	Reserve resulting from additional share issue	Treasury shares	Retained earnings	Subtotal	
In million RUR							
At 1 January 2009	30,843	20,082	(28,506)	(2,428)	(1,011)	18,980	19,958
Loss and total comprehensive loss for the period	-	-	-	-	(6,031)	(6,031)	(6,133)
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Loss on change in terms of the loan receivable from owners of the Company	-	-	-	-	(301)	(301)	(301)
<i>Changes in ownership interests in subsidiaries that do not result in a loss of control</i>							
Acquisition of non-controlling interest in subsidiaries	-	-	-	-	-	-	(61)
Total transactions with owners	-	-	-	-	(301)	(301)	(362)
At 30 June 2009	30,843	20,082	(28,506)	(2,428)	(7,343)	12,648	13,463

In million RUR

At 1 January 2009

Loss and total comprehensive loss for the period
Transactions with owners, recorded directly in equity

Contributions by and distributions to owners

Loss on change in terms of the loan receivable from owners of the Company

Changes in ownership interests in subsidiaries that do not result in a loss of control

Acquisition of non-controlling interest in subsidiaries

Total transactions with owners

At 30 June 2009

Condensed Consolidated Interim Statement of Cash Flows

In million RUR	Six months ended 30 June 2009	Six months ended 30 June 2008
OPERATING ACTIVITIES		
(Loss)/profit for the period	(6,147)	2,227
<i>Adjustments for:</i>		
Depreciation and amortisation	517	549
Foreign exchange loss, net	1,301	36
Loss on disposal of property, plant and equipment	(16)	56
Impairment loss on non-current assets	(285)	-
Share of loss/(income) of equity accounted investees	61	(40)
Impairment of financial assets	323	-
Interest expense, including penalties payable	4,378	901
Interest income	(243)	(235)
Income tax (credit)/expense	(317)	1,320
Operating (loss)/profit before changes in working capital and provisions	(428)	4,814
Decrease/(increase) in inventories	2,293	(13,288)
Decrease/(increase) in trade and other receivables	376	(1,703)
(Decrease)/increase in trade and other payables	(2,287)	14,009
Decreased/(increase) in provisions	106	(10)
Cash flows from operations before income taxes and interest paid	60	3,822
Income taxes paid	(40)	(561)
Interest paid	(1,447)	(1,374)
Cash flows (utilised in)/from operating activities	(1,427)	1,887
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	19	9
Interest received	231	175
Acquisition of property, plant and equipment	(176)	(2,355)
Acquisition of development rights and other intangible assets	(249)	(11,631)
Acquisition of equity accounted investees	(2,208)	(9)
Acquisition of non-controlling interests	(61)	(193)
Proceeds from sale of non-controlling interests and development rights	-	1,047
Loans advanced	(168)	(920)
Repayment of loans advanced	-	1,326
Loans advanced to individuals	-	(1,540)
Repayment of loans advanced to individuals	338	437
Cash flows utilised by investing activities	(2,274)	(13,654)
FINANCING ACTIVITIES		
Proceeds from borrowings	4,528	18,470
Repayment of borrowings	(3,225)	(15,754)
Consideration paid for treasury shares	-	(2,428)
Transactions with shareholders	(385)	681
Cash flows from financing activities	918	969
Net decrease in cash and cash equivalents	(2,783)	(10,798)
Effect of exchange rate fluctuations on cash and cash equivalents	-	(76)
Cash and cash equivalents at beginning of period, net of overdrafts	3,153	17,046
Cash and cash equivalents at end of period, net of overdrafts	370	6,172