

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS STATEMENT
9M 2011 ENDING 30 SEPTEMBER 2011 (mln. rubles)

	9M 2011	9M 2010
Revenue	15 693	14 617
Cost of sales	(8 830)	(8 667)
Gross profit	6 863	5 950
Selling, general and administrative expenses	(5 900)	(5 213)
Impairment of goodwill	-	-
Operating income/loss	963	737
Finance costs	(1 066)	(874)
Other income (loss)	(488)	-
Foreign currency exchange gain (loss)	1	1
Income/(loss) before tax and investment activity	208	(51)
	(382)	(187)
Disposal of discounted operations	-	-
Income tax expense	(170)	(233)
Loss for the period	(552)	(420)
Attributable to:		
Equity holders of the parent	(1 074)	(776)
Minority interest	522	356

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AT 30 SEPTEMBER 2011 (mln. rubles)

	9M 2011	12M 2010
ASSETS		
NON-CURRENT ASSETS:		
Property, plant & equipment	2 938	2 859
Goodwill	4 876	4 876
Intangible assets	340	319
Other assets	35	35
	<u>234</u>	<u>217</u>
Total non-current assets	234	217
CURRENT ASSETS:		
Inventories	3 996	3 431
Accounts receivable	4 515	4 002
Other receivables and prepaid expenses	1 998	1 728
Cash and bank balances	751	567
Total current assets	11 260	9 728
TOTAL ASSETS	19 515	18 001
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Share capital	67	67
Additional paid-in capital	6 260	6 262
Translation reserve	-	-
Retained earnings	(4 859)	(3 774)
Equity of the parent	1 468	2 555
MINORITY INTERESTS IN EQUITY OF SUBSIDIARIES	2 952	2 617
Total shareholders' equity	4 420	5 172
LONG-TERM LIABILITIES:		
Borrowings	6 245	5 797
Share-based liabilities	-	-
Deferred tax liabilities	185	97
Long-term lease payable	9	12
Total long-term liabilities	6 439	5 906
CURRENT LIABILITIES:		
Accounts payable	3 582	3 794
Borrowings	3 970	2 100
Other payables and accrued expenses	679	577
Taxes payable	413	440
Current portion of lease payable	12	12
Total current liabilities	8 656	6 923
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	19 515	18 001

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FORH1 ENDING 30 JUNE 2011 (mln. rubles)

	H1 2011	H1 2010
OPERATING ACTIVITIES:		
Income/(loss) before taxation and minority interest	(182)	(89)
Gain sale of investment		
Depreciation and amortization	220	220
Loss on sale of securities	-	-
Loss on disposal of property, plant and equipment and unrealized investments	-	-
Impairment recognized (reversed) on accounts receivables	(102)	(5)
Inventory provision and write-off	33	(18)
Other non-cash operations	34	(5)
Impairment of goodwill	-	-
Share-based payments expenses	-	-
Foreign exchange loss/(gain) on financing and investing activities	(222)	147
Finance costs	1 191	580
Operating cash flow before working capital changes	972	830
Increase in inventories	(20)	42
Increase in accounts receivable	(549)	(821)
Increase in other receivables and prepaids	(383)	(456)
Increase in accounts payable	269	(44)
Increase in other payables and accruals	91	(184)
Cash flows from operations	380	(633)
Income taxes paid	(379)	(104)
Interest paid	(489)	-
Early loan repayment	(711)	(655)
Net cash outflow operating activities	(1 199)	(1 392)
INVESTING ACTIVITIES:		
Net cash outflow on acquisition of subsidiaries		
Purchase of property, plant, equipment	-	-
Purchase of intangible assets	(146)	(73)
Purchase of short-term investments	(31)	(40)
Proceed on disposal of property, plant, equipment	1	-
Loans to related parties	-	-
Net cash outflow from investing activities	-	200
	(176)	87
FINANCING ACTIVITIES:		
Proceeds from new borrowings, net		
Repayments of borrowings	1 107	209
Distributions paid to minority shareholders	-	-
Proceeds from SPO, net	-	-
Acquisition of non- controlling intersts	-	929
Net cash inflow from financing activities	-	-
Effect of translation to presentation currency	1 107	1 138
NET INCREASE (DECREASE) IN CASH	-	-
CASH, beginning of year	(268)	(167)
CASH, end of year	836	738