

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED 31 DECEMBER 2011
(in millions of Russian Roubles, unless otherwise stated)**

	2011	2010 (restated)
Revenue	21,594	20,381
Cost of sales	(11,920)	(11,921)
Gross profit	9,674	8,460
Selling, general and administrative expenses	(7,893)	(7,146)
Operating profit	1,781	1,314
Finance costs, net	(1,559)	(1,262)
Loss on early repayment of borrowings	(489)	—
Foreign currency exchange gain/(loss), net	239	(54)
Other income, net	5	15
(Loss)/profit before tax	(23)	13
Income tax expense	(265)	(404)
Loss for the year, being		
Total comprehensive loss for the year	(288)	(391)
Attributable to:		
Equity holders of the parent	(1,034)	(908)
Non-controlling interests	746	517
	(288)	(391)
Loss per share attributable to equity holders of the parent, basic and diluted (thousands of Russian Roubles per share)	(9.8)	(9.1)

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2011
(in millions of Russian Roubles)

	At 31 December		
	2011	2010 (restated)	2009 (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3,295	2,859	3,009
Goodwill	4,876	4,876	4,876
Other intangible assets	348	319	286
Loans receivable from related parties	224	196	178
Deferred tax assets	94	120	99
Other assets	14	21	29
Total non-current assets	8,851	8,391	8,477
Current assets			
Inventories	3,292	3,379	2,772
Trade accounts receivable	4,532	3,864	3,176
Other receivables and prepaid expenses	4,023	1,615	1,272
Short-term investments	280	185	250
Cash and cash equivalents	889	836	738
Total current assets	13,016	9,879	8,208
TOTAL ASSETS	21,867	18,270	16,685
EQUITY AND LIABILITIES			
Equity			
Share capital	67	67	61
Additional paid-in capital	6,632	6,260	5,340
Accumulated deficit	(5,504)	(4,430)	(3,453)
Equity attributable to equity holders of the parent	1,195	1,897	1,948
Non-controlling interests	3,003	2,416	2,046
Total equity	4,198	4,313	3,994
Non-current liabilities			
Borrowings	1,567	5,762	4,632
Long-term portion of finance leases payable	7	9	17
Deferred tax liabilities	247	188	109
Total non-current liabilities	1,821	5,959	4,758
Current liabilities			
Borrowings	7,985	3,573	2,809
Trade accounts payable	5,793	3,313	3,839
Other payables and accrued expenses	1,476	664	867
Other taxes payable	500	301	319
Income tax payable	83	135	83
Current portion of finance leases payable	11	12	16
Total current liabilities	15,848	7,998	7,933
Total liabilities	17,669	13,957	12,691
TOTAL EQUITY AND LIABILITIES	21,867	18,270	16,685

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011 (in millions of Russian Roubles)

	2011	2010 (restated)
OPERATING ACTIVITIES		
(Loss)/profit before tax	(23)	13
Adjustments for:		
Finance costs, net	1,559	1,262
Depreciation and amortisation	457	477
Foreign currency exchange (gain)/loss, net	(239)	54
Inventory written off	100	86
Change in allowance for doubtful debts	(44)	(195)
Other non-cash items, net	(9)	(16)
Operating cash flow before working capital changes	1,801	1,681
Increase in inventories	(29)	(693)
Increase in trade accounts receivable	(662)	(688)
Increase in other receivables and prepaid expenses	(2,392)	(166)
Increase/(decrease) in trade accounts payable	2,504	(531)
Increase/(decrease) in other payables, accrued expenses and taxes payable (other than income tax)	825	(204)
Cash used in operations	2,047	(601)
Income taxes paid	(232)	(341)
Interest received	50	60
Interest paid	(1,866)	(1,048)
Net cash used in operating activities	(1)	(1,930)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(804)	(304)
Purchase of intangible assets	(92)	(87)
Purchase of short-term investments	(95)	(185)
Loans provided	(28)	—
Loans repaid	29	—
Proceeds from disposal of short-term investments	—	250
Proceeds from disposal of property, plant and equipment	5	24
Cash disposed with sale of subsidiaries	(6)	—
Net cash used in investing activities	(991)	(302)
FINANCING ACTIVITIES		
Proceeds from borrowings	13,026	6,510
Repayments of borrowings	(11,293)	(4,900)
Cash outflow on early repayment of borrowings	(489)	—
Proceeds from issuance of ordinary shares, net	—	926
Acquisition of non-controlling interests	(42)	(71)
Distributions paid to non-controlling interests	(157)	(135)
Net cash generated by financing activities	1,045	2,330
Net increase in cash and cash equivalents	53	98
Cash and cash equivalents at beginning of the year	836	738
Cash and cash equivalents at end of the year	889	836