



OJSC "VEROPHARM"
CONSOLIDATED INCOME STATEMENT
FOR THE FIRST QUARTER OF 2012
(in millions of Russian Roubles)

	<u>3m2012</u>	<u>3m2011</u>
REVENUE	1,633	1,383
COST OF SALES	(516)	(424)
GROSS PROFIT	1,117	959
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	(659)	(582)
OPERATING PROFIT	458	377
INTEREST EXPENSE	4	0
FOREIGN CURRENCY EXCHANGE GAIN/(LOSS)	152	(12)
PROFIT BEFORE INCOME TAX	614	365
INCOME TAX EXPENSE	(120)	(26)
PROFIT FOR THE YEAR	494	338



OJSC “VEROPHARM”
 CONSOLIDATED BALANCE SHEET
 AT 31 MARCH 2012

(in millions of Russian Roubles)

	<u>31.03.2012</u>	<u>31.03.2011</u>
ASSETS		
NON-CURRENT ASSETS:		
Property, plant & equipment	1,490	859
Goodwill	287	287
Other intangible assets	86	69
Deferred tax assets, net	91	-
Total non-current assets	<u>1,954</u>	<u>1,215</u>
CURRENT ASSETS:		
Inventories	885	1,322
Trade receivables	5,465	4,630
Other receivables and prepaid expenses	2,682	441
Loans receivable	4	115
Cash and cash equivalents	26	109
Total current assets	<u>9,062</u>	<u>6,618</u>
TOTAL ASSETS	<u>11,016</u>	<u>7,833</u>
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	10	10
Reserves	1	1
Retained earnings	7,815	6,574
Total equity	<u>7,826</u>	<u>6,584</u>
NON-CURRENT LIABILITIES:		
Long-term borrowings	216	365
Deferred tax liabilities, net	-	(96)
Long-term portion of obligations under finance leases	19	4
Total non-current liabilities	<u>216</u>	<u>273</u>
CURRENT LIABILITIES:		
Short-term borrowings	489	76
Trade payables	982	310
Other payables and accrued expenses	1,110	286
Short-term portion of obligations under finance leases	4	8
Taxes payable	391	296
Total current liabilities	<u>2,974</u>	<u>976</u>
TOTAL LIABILITIES	<u>3,190</u>	<u>1,249</u>
TOTAL EQUITY AND LIABILITIES	<u>11,016</u>	<u>7,833</u>



OJSC "VEROPHARM"

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2012

(in millions of Russian Roubles)

	<u>3m 2012</u>	<u>3m 2011</u>
OPERATING ACTIVITIES:		
Profit for the year	494	338
Adjustments to profit for the year:		
Income tax	120	26
Interest expense	9	13
Interest income	(13)	(13)
Depreciation and amortization	41	39
Loss on disposal of other intangible assets and property, plant and equipment	(1)	0
Change in allowance for doubtful debts	7	0
Change in inventory obsolescence allowance	6	31
Foreign currency exchange (gain)/loss, net	(152)	12
Unused employment benefits	102	-
Profit before movements in working capital	613	446
Movements in working capital:		
Increase in inventories	201	(105)
Increase in trade receivables	(303)	(165)
Decrease/(Increase) in other receivables and prepaid expenses	312	(53)
Decrease/(Increase) in trade payables	(672)	34
Increase in other payables and taxes payable	118	35
Cash generated from operations	(133)	192
Interest paid	(21)	(12)
Interest received	-	2
Income taxes paid	(3)	(79)
Net cash generated by operating activities	(156)	102
INVESTING ACTIVITIES:		
Purchase of property, plant, equipment	(137)	(47)
Proceeds from disposal of property, plant, equipment	1	1
Purchase of intangible assets	(7)	1
Loans given to related parties	24	-
Proceeds from repayment of loans given	-	60
Net cash used in investing activities	(119)	12
FINANCING ACTIVITIES:		
Dividends payment	-	-
Proceeds from borrowings	570	253
Repayment of borrowings and obligations under finance leases	(348)	(277)
Net cash used in financing activities	222	(24)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(53)	90
Effect of exchanges in balance of cash held in foreign currencies	-	-
CASH AND CASH EQUIVALENTS, beginning of period	80	19
CASH AND CASH EQUIVALENTS, end of period	26	109