

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES**CONSOLIDATED INCOME STATEMENT****FOR THE PERIOD ENDED MARCH 31, 2005***(in US dollars and in thousands, except for income per share data)*

	<u>1Q 2005</u>	<u>1Q 2004</u>
Net sales	65 211	46 366
Cost of sales	-40 829	-28 562
Gross profit	24 382	17 804
Selling, general and administrative expenses	-22 754	-15 466
Other operating income, net	0	289
Operating income	1 628	2 627
Interest expense	-2 591	-1 799
Net gain on monetary position	60	-127
Foreign currency exchange gain (loss)	-3	222
Income before taxation and minority interest	-906	923
Income tax expense	-148	-234
Income before minority interest	-1 054	689
Minority interest	-42	-14
Net income	-1 096	675
Earnings per share:		
Net income per share	USD -0,14	0,08
Weighted average number of shares (in thousands)	8 000	8 000

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
FOR THE PERIOD ENDED MARCH 31, 2005
(in US dollars and in thousands)

	<u>1Q 2005</u>	<u>2004</u>
ASSETS		
NON-CURRENT ASSETS:		
Property, plant & equipment, net	76 527	74 816
Intangible assets, net	25 031	24 905
Other long-term assets	0	36
Total non-current assets	<u>101 558</u>	<u>99 757</u>
CURRENT ASSETS:		
Inventories	31 353	30 283
Accounts receivable (net of bad debt provision)	25 835	23 848
Other receivables and prepaid expenses	17 266	16 727
Cash&Cash equivalents	4 341	1 662
Total current assets	<u>78 795</u>	<u>72 520</u>
TOTAL ASSETS	<u><u>180 353</u></u>	<u><u>172 277</u></u>
 SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY:		
Share capital	184	185
Additional paid-in capital	15 469	15 512
Other reserves	0	0
Retained earnings	26 753	27 765
Total shareholders' equity	<u>42 406</u>	<u>43 462</u>
MINORITY INTEREST	2 527	2 492
LONG-TERM LIABILITIES:		
Long-term debt	11 737	7 208
Deferred taxation	7 736	8 318
Long-term portion of the finance leases payable	0	28
Total long-term liabilities	<u>19 473</u>	<u>15 554</u>
CURRENT LIABILITIES:		
Short-term borrowings and current portion of long-term debt	74 728	73 215
Trade accounts payable	32 176	29 551
Other payables and accrued expenses	8 957	7 926
Current portion of the finance leases payable	87	77
Total current liabilities	<u>115 947</u>	<u>110 769</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<u><u>180 353</u></u>	<u><u>172 277</u></u>

OJSC PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED STATEMENT CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2005
(in US dollars and in thousands)

	1Q 2005	1Q 2004
OPERATING ACTIVITIES:		
Income before taxation and minority interests	-906	922
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:		
Effect of depreciation and amortization	1 794	1 451
Effect of loss on disposal of property, plant and equipment	60	-
Foreign exchange (gain) loss on financing and investing activities	-3	222
Interest expense	2 591	1 799
Operating cash flow before working capital changes	3 537	4 394
Changes in operating assets and liabilities		
Accounts receivable	-2 211	-2 100
Other receivables and prepaids	-646	-186
Accounts payable	1896	-511
Other payables and accruals	-107	4 064
Inventories	-1 070	-2 581
Cash flow from operations	1 399	-518
Income taxes paid	-282	-218
Interest paid	-2 292	-1 799
Net cash outflow from operating activities	-1 175	-2 535
INVESTING ACTIVITIES:		
Acquisitions of businesses, net of cash acquired	-	-6 900
Purchase of property, plant, equipment	-2 638	-2 839
Purchase of intangible assets	-126	-
Net cash outflow from investing activities	-2 764	-9 739
FINANCING ACTIVITIES:		
Proceeds from borrowings, net	6 266	11 861
Net cash inflow from financing activities	6 266	11 861
Effect of translation on cash flows	351	
Net increase (decrease) on cash flows	2 678	-413
CASH, beginning of period	1 662	1 723
CASH, end of period	4 340	1 310