

OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES**CONSOLIDATED INCOME STATEMENT****AS OF JUNE 30, 2005***(in US dollars and in thousands, with the exception of income per share data)*

	<u>6m2005</u>	<u>6m2004</u>	
Net sales	135 171	95 589	
Cost of sales	-83 969	-57 646	
Gross profit	<u>51 202</u>	<u>37 943</u>	
Selling, general and administrative expenses	-45 799	-31 989	
Other operating income, net	<u>0</u>	<u>647</u>	
Operating income	5 403	6 601	
Interest expense	-5 452	-3 588	
Non-operating expenses (net)	-937	-78	
Foreign currency exchange loss/gain	-27	106	
Income before taxation and minority interest	<u>-1 012</u>	<u>3 041</u>	
Income tax expense	-1 486	-940	
Minority interest	-19	-38	
Net income	<u><u>-2 518</u></u>	<u><u>2 063</u></u>	
Earnings per share:			
Net income per share	USD	-0,31	0,26
Weighted average number of shares (in thousands)		8 000	8 000

OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2005
(in US dollars and in thousands)

	6m2005	3m2005	FY2004
ASSETS			
NON-CURRENT ASSETS:			
Intangible assets, net	24 218	25 031	24 905
Property, plant & equipment, net	79 055	76 527	74 816
Other long-term assets	1 141	0	36
Total non-current assets	<u>104 414</u>	<u>101 558</u>	<u>99 757</u>
CURRENT ASSETS:			
Inventories	31 897	31 353	30 283
Accounts receivable (net of bad debt provision)	29 582	25 835	23 848
Other receivables and prepaid expenses	21 028	17 266	16 727
Cash&Cash equivalents	2 553	4 341	1 662
Total current assets	<u>85 061</u>	<u>78 795</u>	<u>72 520</u>
TOTAL ASSETS	<u><u>189 475</u></u>	<u><u>180 353</u></u>	<u><u>172 277</u></u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY:			
Share capital	181	184	185
Additional paid-in capital	15 010	15 469	15 512
Other reserves	3	0	0
Retained earnings	24 380	26 753	27 765
Total shareholders' equity	<u>39 574</u>	<u>42 406</u>	<u>43 462</u>
MINORITY INTEREST	2 430	2 527	2 492
LONG-TERM LIABILITIES:			
Long-term debt	8 022	11 737	7 208
Deferred taxation	7 326	7 736	8 318
Long-term portion of the finance leases payable	39	0	28
Total long-term liabilities	<u>15 387</u>	<u>19 473</u>	<u>15 554</u>
CURRENT LIABILITIES:			
Accounts payable	34 324	32 176	29 551
Other payables and accrued expenses	8 106	8 957	7 926
Current portion of long-term debt	89 570	74 728	73 215
Current portion of lease payable	84	87	77
Total current liabilities	<u>132 084</u>	<u>115 947</u>	<u>110 769</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<u><u>189 475</u></u>	<u><u>180 353</u></u>	<u><u>172 277</u></u>

OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES
CONSOLIDATED STATEMENT CASH FLOWS
AS OF JUNE 30, 2005
(in US dollars and in thousands)

	6m2005	3m2005	FY2004
OPERATING ACTIVITIES:			
Income before taxation and minority interests	-990	-906	3 545
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:			
Effect of depreciation and amortization	3 707	1 794	7 008
Effect of loss on disposal of property, plant and equipment	99	60	157
Effect of loss on disposal of other receivables	946	0	0
Effect of provision for doubtful receivables	54	0	852
Effect of gain on disposal of debt	-108	0	0
Foreign exchange (gain) loss on financing and investing activities	27	-3	-149
Interest expense	5 464	2 591	7 968
Operating cash flow before working capital changes	9 198	-1 646	19 381
Changes in operating assets and liabilities			
Accounts receivable	-5 684	-2 211	-3 946
Other receivables and prepaids	-5 404	-646	-3 130
Accounts payable	4 770	2 616	7 683
Other payables and accruals	-693	4 354	966
Inventories	-1 615	-1 070	-4 928
Cash flow from operations	572	1 398	16 026
Income taxes paid	-1 342	-282	-1 669
Interest paid	-5 477	-2 292	-8 392
Net cash outflow from operating activities	-6 247	-1 176	5 965
INVESTING ACTIVITIES:			
Acquisitions of businesses, net of cash acquired	-842	0	-27 625
Purchase of property, plant, equipment	-9 753	-2 764	-12 767
Proceeds on disposal of property, plant, equipment	0	0	99
Purchase of equity interest in subsidiaries	-1 007	0	-236
Net cash outflow from investing activities	-11 602	-2 764	-40 529
FINANCING ACTIVITIES:			
Proceeds from borrowings, net	19 891	6 266	32 857
Net cash inflow from financing activities	19 891	6 266	32 857
Effect of translation on cash flows	-1 164	353	1 647
Net increase (decrease) on cash flows	891	2 678	-60
CASH, beginning of period	1 662	1 662	1 722
CASH, end of period	2 553	4 341	1 662