

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED INCOME STATEMENT**  
**AS OF JUNE 30, 2006**  
*(in US dollars and in thousands)*

	<u>6m2006</u>	<u>6m2005</u>
Net sales	217 626	135 171
Cost of sales	-138 821	-83 969
Gross profit	<u>78 805</u>	<u>51 202</u>
Selling, general and administrative expenses	-74 628	-45 799
Non-recurring expenses	-	-992
Operating income	<u>4 177</u>	<u>4 411</u>
Interest expense	-6 446	-5 452
Non-operating income (net)	2 184	56
Foreign currency exchange gain (loss)	<u>2 627</u>	<u>-27</u>
Income before taxation and minority interest	2 542	-1 012
Loss from investment activity	-860	-
Income tax expense	-2 869	-1 486
Result from sale of investment	53 102	-
Minority interest	-2 437	-19
Net income	<u><u>49 478</u></u>	<u><u>-2 518</u></u>

**OA0 PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF JUNE 30, 2006**  
*(in US dollars and in thousands)*

	<b>6m2006</b>	<b>FY2005</b>
<b>ASSETS</b>		
NON-CURRENT ASSETS:		
Intangible assets. net	59 997	36 431
Property. plant & equipment. net	91 789	84 638
Other long-term assets	8 306	4 194
Total non-current assets	<u>160 092</u>	<u>125 264</u>
CURRENT ASSETS:		
Inventories	73 483	49 680
Accounts receivable (net of bad debt provision)	52 753	38 195
Other receivables and prepaid expenses	30 381	23 653
Cash&Cash equivalents	32 924	7 863
Total current assets	<u>189 541</u>	<u>119 391</u>
<b>TOTAL ASSETS</b>	<u><u>349 633</u></u>	<u><u>244 655</u></u>
 <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
SHAREHOLDERS' EQUITY:		
Share capital	187	178
Additional paid-in capital	15 729	14 953
Retained earnings	84 687	33 221
Total shareholders' equity	<u>100 603</u>	<u>48 351</u>
MINORITY INTEREST	37 981	14 808
LONG-TERM LIABILITIES:		
Long-term debt	55 994	82 019
Deferred taxation	7 112	7 178
Long-term portion of the finance leases payable	429	275
Total long-term liabilities	<u>63 535</u>	<u>89 472</u>
CURRENT LIABILITIES:		
Accounts payable	75 154	52 579
Other payables and accrued expenses	13 216	11 613
Short-term debt	59 144	27 832
Total current liabilities	<u>147 514</u>	<u>92 024</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<u><u>349 633</u></u>	<u><u>244 655</u></u>

**OAO PHARMACY CHAIN 36.6 AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT CASH FLOWS**  
**AS OF JUNE 30, 2006**  
*(in US dollars and in thousands)*

	<b>6m2006</b>	<b>6m2005</b>
<b>OPERATING ACTIVITIES:</b>		
Income before taxation and minority interests	2 540	-990
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:		
Effect of depreciation and amortization	4 979	3 707
Effect of loss on disposal of property, plant and equipment	-2 325	99
Effect of loss on disposal of other receivables	-	946
Effect of gain on disposal of debt	-	-108
Effect of provision for doubtful receivables	644	54
Foreign exchange (gain) loss on financing and investing activities	-2 627	26
Interest expense	6 447	5 464
Operating cash flow before working capital changes	<u>9 658</u>	<u>9 198</u>
Changes in operating assets and liabilities		
Accounts receivable	-14 968	-5 684
Other receivables and prepaids	-4 911	-5 404
Accounts payable	16 072	4 770
Other payables and accruals	3 474	-693
Inventories	-21 803	-1 615
Cash flow from operations	-12 478	572
Income taxes paid	-2 489	-1 342
Interest paid	-6 386	-5 477
Net cash outflow from operating activities	<u>-21 353</u>	<u>-6 247</u>
<b>INVESTING ACTIVITIES:</b>		
Acquisitions of businesses, net of cash acquired	-22 810	-842
Purchase of property, plant, equipment	-16 773	-9 753
Purchase of financial instruments	-3 000	-
Proceeds on disposal of property, plant, equipment	6 205	-
Purchase of equity interest in subsidiaries	-	-1 007
Proceeds from sale of investments, net of transactions amount	74 506	-
Net cash outflow from investing activities	<u>38 128</u>	<u>-11 602</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowings, net	4 574	19 891
Net cash inflow from financing activities	<u>4 574</u>	<u>19 891</u>
Effect of translation on cash flows	3 711	-1 151
Net increase (decrease) on cash flows	<u>25 061</u>	<u>891</u>
CASH, beginning of period	7 863	1 662
CASH, end of period	32 924	2 553