

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

	<u>9m2006</u>	<u>9m2005</u>
Net sales	346 926	210 712
Cost of sales	-225 101	-129 019
Gross profit	<u>121 825</u>	<u>81 693</u>
Selling, general and administrative expenses	-117 884	-72 560
Non-recurring expenses	-	-1 455
Operating income	<u>3 941</u>	<u>7 678</u>
Interest expense	-11 578	-9 320
Non-operating income (net)	2 289	141
Foreign currency exchange gain (loss)	3 007	77
Income before taxation and minority interest	<u>-2 341</u>	<u>-1 424</u>
Loss from investment activity	-869	-252
Income tax expense	-4 273	-3 145
Result from sale of investment	53 267	-
Minority interest	-4 267	20
Net income	<u>41 516</u>	<u>-4 801</u>
Earnings per share:		
Net income per share	USD 5.19	-0.60
Weighted average number of shares (in thousands)	8 000	8 000

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

	<b>9m2006</b>	<b>FY2005</b>
<b>ASSETS</b>		
NON-CURRENT ASSETS:		
Intangible assets, net	137 316	36 431
Property, plant & equipment, net	103 634	84 638
Other long-term assets	6 755	4 194
Total non-current assets	<u>247 706</u>	<u>125 264</u>
CURRENT ASSETS:		
Inventories	86 666	49 680
Accounts receivable (net of bad debt provision)	60 168	38 195
Other receivables and prepaid expenses	34 367	23 653
Cash&Cash equivalents	9 353	7 863
Total current assets	<u>190 555</u>	<u>119 391</u>
<b>TOTAL ASSETS</b>	<u><u>438 261</u></u>	<u><u>244 655</u></u>
 <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
SHAREHOLDERS' EQUITY:		
Share capital	189	178
Additional paid-in capital	15 903	14 953
Retained earnings	76 120	33 221
Total shareholders' equity	<u>92 212</u>	<u>48 351</u>
MINORITY INTEREST	40 246	14 808
LONG-TERM LIABILITIES:		
Long-term debt	147 433	82 019
Deferred taxation	6 982	7 178
Long-term portion of the finance leases payable	524	275
Total long-term liabilities	<u>154 939</u>	<u>89 472</u>
CURRENT LIABILITIES:		
Accounts payable	87 914	52 579
Other payables and accrued expenses	14 333	11 613
Short-term debt	48 617	27 832
Total current liabilities	<u>150 864</u>	<u>92 024</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<u><u>438 261</u></u>	<u><u>244 655</u></u>

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

	<b>9m2006</b>	<b>9m2005</b>
<b>OPERATING ACTIVITIES:</b>		
Income before taxation and minority interests	-2 332	-1 424
Adjustments to reconcile income before taxation and minority interest to net cash used in operating activities:		
Effect of depreciation and amortization	8 384	5 834
Effect of loss on disposal of property, plant and equipment	-2 327	-52
Effect of loss on disposal of other receivables	70	1 095
Effect of gain on disposal of debt	-	-106
Effect of provision for doubtful receivables	1 317	-
Foreign exchange (gain) loss on financing and investing activities	-3 007	-28
Interest expense	11 151	9 431
Operating cash flow before working capital changes	<u>13 257</u>	<u>14 750</u>
Changes in operating assets and liabilities		
Accounts receivable	-15 895	-9 528
Other receivables and prepaids	-5 034	-7 842
Accounts payable	25 122	6 410
Other payables and accruals	-185	-1 660
Inventories	-43 525	-8 508
Cash flow from operations	-26 260	-6 378
Income taxes paid	-3 850	-2 616
Interest paid	-8 374	-8 760
Net cash outflow from operating activities	<u>-38 484</u>	<u>-17 754</u>
<b>INVESTING ACTIVITIES:</b>		
Acquisitions of businesses, net of cash acquired	-103 055	-4 349
Purchase of property, plant, equipment	-24 217	-15 114
Purchase of financial instruments	-4 500	-
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>-51 061</u>	<u>-20 470</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowings, net	89 200	40 229
Net cash inflow from financing activities	<u>89 200</u>	<u>40 229</u>
Effect of translation on cash flows	801	-1 114
Net increase (decrease) on cash flows	<u>457</u>	<u>891</u>
CASH, beginning of period	8 896	1 662
CASH, end of period	9 353	2 553