

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE 1H 2013**

(in millions of Russian Roubles, unless otherwise stated)

	6m 2013	6m2012
Revenue	9 389	10 896
Cost of sales	(5 556)	(6 304)
Gross profit	3 833	4 592
Selling, general and administrative expenses	(3 678)	(3 864)
Operating profit	155	728
Finance costs, net	(861)	(788)
Loss on early repayment of borrowings		
Foreign currency exchange gain/(loss), net	(113)	(15)
Other income, net	(3)	(24)
Profit/ (loss) before tax	(822)	(99)
Income tax expense	(104)	(231)
Profit/ (Loss) from ongoing operations	(926)	(331)
Attributable to:		
Equity holders of the parent	(1 104)	(667)
Non-controlling interests	178	336

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2013 (in millions of Russian Roubles)

	6M 2013	12M 2012	12M 2011
ASSETS			
Non-current assets			
Property, plant and equipment	4 811	3 775	3 295
Goodwill	4 876	4 876	4 876
Other intangible assets	810	422	348
Loans receivable from related parties	-	228	224
Deferred tax assets	-	30	94
Other assets	1	1	14
Total non-current assets	10 498	9 332	8 851
Current assets			
Inventories	2 793	3 398	3 292
Trade accounts receivable	4 348	4 257	4 532
Other receivables and prepaid expenses	3 894	4 416	4 023
Short-term investments	-	-	280
Cash and cash equivalents	719	838	889
Total current assets	11 754	12 909	13 016
TOTAL ASSETS	22 252	22 241	21 867
EQUITY AND LIABILITIES			
Equity			
Share capital	67	67	67
Additional paid-in capital	6 632	6 632	6 632
Accumulated deficit	(7 589)	(6 485)	(5 504)
Equity attributable to equity holders of the parent	(890)	214	1 195
Non-controlling interests	3 638	3 460	3 003
Total equity	2 748	3 674	4 198
Non-current liabilities			
Borrowings	5 341	2 514	1 567
Long-term portion of finance leases payable	5	9	7
Deferred tax liabilities	263	207	247
Total non-current liabilities	5 609	2 730	1 821
Current liabilities			
Borrowings	6 005	7 238	7 985
Trade accounts payable	5 993	5 888	5 369
Factoring Accounts Payable	800	1 140	424
Other payables and accrued expenses	529	1 184	1 476
Other taxes payable	545	360	500
Income tax payable	15	18	83
Current portion of finance leases payable	8	9	11
Total current liabilities	13 895	15 837	15 848
Total liabilities	19 504	18 567	17 669
TOTAL EQUITY AND LIABILITIES	22 252	22 241	21 867

OPEN JOINT STOCK COMPANY PHARMACY CHAIN 36.6 AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR 1H 2013 (in millions of Russian Roubles)

OPERATING ACTIVITIES	6M 2013	6M 2012
(Loss)/profit before tax	(822)	(99)
Finance costs, net	861	788
Depreciation and amortisation	184	204
Foreign currency exchange (gain)/loss, net	113	14
Inventory written off	74	83
Other non-cash items, net	18	231
Operating cash flow before working capital changes	428	1 221
Increase in inventories	605	(380)
Increase in trade accounts receivable	(91)	(417)
Increase in other receivables and prepaid expenses	521	(202)
Increase/(decrease) in trade accounts payable	105	1 129
Increase/(decrease) in trade accounts payable	(340)	
Increase/(decrease) in other payables, accrued expenses and taxes payable (other than income tax)	(144)	(176)
Cash used in operations	1084	1 175
Income taxes paid	(37)	(163)
Cash outflow on early repayment of borrowings	19	
Interest received	(524)	(743)
Interest paid	(3)	-
Net cash used in operating activities	539	269
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1 216)	(346)
Purchase of intangible assets	(436)	(43)
Loans provided	(169)	
Proceeds from disposal of short-term investments		(265)
Proceeds from disposal of property, plant and equipment	98	6
Net cash used in investing activities	(1 723)	(648)
FINANCING ACTIVITIES		
Proceeds from borrowings	3 946	140
Repayments of borrowings	(2 905)	(53)
Acquisition of non-controlling interests	105	
Distributions paid to non-controlling interests	(81)	
Net cash generated by financing activities	1 065	87
Net increase in cash and cash equivalents	(119)	(292)
Cash and cash equivalents at beginning of the year	838	889
Cash and cash equivalents at end of the year	719	597