

PHARMACY CHAIN 36.6 OJSC AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF OPERATIONS FOR 3 MONTHS ENDED
31 MARCH, 2004**

(in US dollars and in thousands)

	3 months ended March 31, 2004	3 months ended March 31, 2003
	(Unaudited)	(Unaudited)
NET SALES	46,366	31,026
COST OF SALES	<u>(28,562)</u>	<u>(20,113)</u>
GROSS PROFIT	17,803	10,913
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	(15,466)	(12,025)
OTHER OPERATING INCOME, NET	289	-
	<u>2,626</u>	<u>1,112</u>
OPERATING INCOME		
NON-OPERATING INCOME (EXPENSES):		
Interest expense	(1,799)	(1,645)
Net gain on monetary position	-	-
Other non-operating expenses, net	(127)	14
Foreign currency exchange loss	<u>222</u>	<u>(55)</u>
INCOME BEFORE TAX EXPENSE	922	(2,798)
Income tax expense	<u>(234)</u>	<u>(178)</u>
Minority interests	(14)	-
NET INCOME	<u><u>674</u></u>	<u><u>(2,976)</u></u>

PHARMACY CHAIN 36.6 OJSC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET AT MARCH 31, 2004

(in US dollars and in thousands)

	3 months ended March 31, 2004 (Unaudited)	2003 (audited)
ASSETS		
NON-CURRENT ASSETS:		
Intangible assets, net	15,898	11,563
Property, plant & equipment, net	53,169	47,653
Other long-term assets	955	903
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Total non-current assets	70,021	60,119
CURRENT ASSETS:		
Inventories	23,064	20,483
Accounts receivable (net of bad debt provisions)	22,890	21,160
Other receivables and prepaid expenses	12,046	11,363
Available-for-sale investments		
Cash & cash equivalents	1,321	1,722
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Total current assets	59,321	54,728
TOTAL ASSETS	<hr/> 129,342	<hr/> 114,847
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY:		
Share capital	182	176
Additional paid-in capital	15,111	14,613
Other reserves	-	-
Retained earnings	26,938	25,400
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Total shareholders' equity	42,231	40,190
MINORITY INTERESTS	<hr/> 2,710	<hr/> 2,623
LONG-TERM LIABILITIES:		
Long-term debt	2,878	2,917
Deferred income tax payable	5,047	4,737
Long term lease payable	81	190
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Total long-term liabilities	8,006	7,844
COMMITMENTS AND CONTINGENCIES	<hr/> 52,947	<hr/> 50,656
CURRENT LIABILITIES:		
Accounts payable	18,205	18,851
Other payables and accrued expenses	4,634	5,047
Current portion of long-term debt	53,502	40,152
Current portion of lease payable	54	141
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Total current liabilities	76,395	64,191
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<hr/> 129,342	<hr/> 114,847