

**Lebedyansky Consolidated PL 1Q2007 vs 1Q2006**


	26,30	28,08		6,3%
	Q1 2007	Q1 2006	(B/W)	%
(000 USD)	Actual	Actual		
<b>Sales volume</b>	<b>261 770</b>	<b>206 007</b>	<b>55 763</b>	<b>27%</b>
Juices	233 290	187 463	45 828	24%
Baby Food	14 491	11 807	2 685	23%
Mineral Water	13 988	6 737	7 251	108%
<b>Sales</b>	<b>210 002</b>	<b>151 013</b>	<b>58 989</b>	<b>39%</b>
Juices	183 182	132 725	50 457	38%
Baby Food	24 161	17 562	6 599	38%
Mineral Water	2 659	726	1 933	266%
<b>Cost of sales</b>	<b>(121 086)</b>	<b>(87 577)</b>	<b>(33 509)</b>	<b>(38%)</b>
materials & components used	(108 130)	(79 236)	(28 894)	(36%)
labour costs	(4 380)	(3 360)	(1 020)	(30%)
production overheads	(3 480)	(2 286)	(1 194)	(52%)
depreciation	(5 096)	(2 695)	(2 401)	(89%)
<b>Gross profit</b>	<b>88 916</b>	<b>63 436</b>	<b>25 480</b>	<b>40%</b>
%	<b>42,3%</b>	<b>42,0%</b>		
<b>Selling and distribution costs</b>	<b>(40 867)</b>	<b>(24 269)</b>	<b>(16 599)</b>	<b>(68%)</b>
advertising	(8 633)	(5 911)	(2 722)	(46%)
freight & delivery	(12 195)	(7 097)	(5 098)	(72%)
labour costs	(10 798)	(7 273)	(3 525)	(48%)
warehousing	(7 550)	(2 805)	(4 745)	(169%)
other	(1 691)	(1 182)	(509)	(43%)
%	<b>19,5%</b>	<b>16,1%</b>		
<b>General and administrative expenses</b>	<b>(12 866)</b>	<b>(7 154)</b>	<b>(5 712)</b>	<b>(80%)</b>
labour costs	(6 455)	(4 151)	(2 304)	(55%)
office rent	(972)	(614)	(359)	(58%)
property tax	(445)	(176)	(269)	(153%)
Provision for impairment of receivables	(442)	454	(896)	197%
depreciation	(1 609)	(729)	(880)	(121%)
other	(2 942)	(1 938)	(1 004)	(52%)
%	<b>6,1%</b>	<b>4,7%</b>		
<b>Other operating expenses – net</b>	<b>(416)</b>	<b>84</b>	<b>(500)</b>	<b>597%</b>
%	<b>0,2%</b>	<b>-0,1%</b>		
<b>Operating income</b>	<b>34 767</b>	<b>32 097</b>	<b>2 670</b>	<b>8%</b>
%	<b>16,6%</b>	<b>21,3%</b>		
Finance expense – net	(2 534)	(78)	(2 456)	
Net foreign exchange gains	199	677	(477)	(71%)
<b>Income before taxation</b>	<b>32 433</b>	<b>32 696</b>	<b>(263)</b>	<b>-1%</b>
%	<b>15,4%</b>	<b>21,7%</b>		
Income tax expense	(8 254)	(8 535)	280	3%
<b>Net Income</b>	<b>24 178</b>	<b>24 161</b>	<b>17</b>	<b>0%</b>
%	<b>11,5%</b>	<b>16,0%</b>		
<b>Attributable to :</b>				
Equity holders of the Company	24 020	23 797	222	1%
Minority interest	159	364	(205)	56%
<b>EBITDA</b>	<b>41 471</b>	<b>35 521</b>	<b>5 951</b>	<b>17%</b>
%	<b>19,7%</b>	<b>23,5%</b>		
<b>Price</b>	<b>0,80</b>	<b>0,73</b>	<b>0,07</b>	<b>9%</b>
Juices	0,79	0,71	0,08	11%
Baby Food	1,67	1,49	0,18	12%
Mineral Water	0,19	0,11		
<b>COS</b>	<b>(0,46)</b>	<b>(0,43)</b>	<b>(0,04)</b>	<b>(9%)</b>
materials & components used	(0,41)	(0,38)	(0,03)	(7%)
labour costs	(0,02)	(0,02)	(0,00)	(3%)
production overheads	(0,01)	(0,01)	(0,00)	(20%)
depreciation	(0,02)	(0,01)	(0,01)	(49%)
<b>Selling and distribution costs</b>	<b>(19,5%)</b>	<b>(16,1%)</b>		<b>(3,4%)</b>
advertising	(4,1%)	(3,9%)		(0,2%)
freight & delivery	(5,8%)	(4,7%)		(1,1%)
labour costs	(5,1%)	(4,8%)		(0,3%)
warehousing	(3,6%)	(1,9%)		(1,7%)
other	(0,8%)	(0,8%)		(0,0%)
<b>General and administrative expenses</b>	<b>(6%)</b>	<b>(5%)</b>		<b>(1,4%)</b>
labour costs	(3,1%)	(2,7%)		(0,3%)
office rent	(0,5%)	(0,4%)		(0,1%)
property tax	(0,2%)	(0,1%)		(0,1%)
Provision for impairment of receivables	(0,2%)	0,3%		(0,5%)
depreciation	(0,8%)	(0,5%)		(0,3%)
other	(1,4%)	(1,3%)		(0,1%)
<b>Total SGA</b>	<b>(25,6%)</b>	<b>(20,8%)</b>		<b>(4,8%)</b>

**Lebedyansky Group**

**Consolidated Statement of Income for 3 months ended 31.03.2007 (unaudited)**

( all items are measured in Russian Roubles and presented in thousands of US Dollars)

	31 March 2007	31 March 2006
<b>Sales volumes, mln litres</b>	<b>261,8</b>	<b>206,0</b>
Juices	233,3	187,5
Baby Food	14,5	11,8
Mineral water	14,0	6,7
Sales	210 002	151 013
<i>Juices</i>	183 182	132 725
<i>Baby Food</i>	24 161	17 562
<i>Mineral water</i>	2 659	726
Cost of sales	(121 086)	(87 577)
<b>Gross profit</b>	<b>88 916</b>	<b>63 436</b>
%	42,3%	42,0%
Selling and distribution costs	(40 867)	(24 269)
General and administrative expenses	(12 866)	(7 154)
Other operating expenses – net	(416)	84
<b>Operating income</b>	<b>34 767</b>	<b>32 097</b>
%	16,6%	21,3%
Finance expense – net	(2 534)	(78)
Net foreign exchange gains	199	677
<b>Income before taxation</b>	<b>32 433</b>	<b>32 696</b>
%	15,4%	21,7%
Income tax expense	(8 254)	(8 535)
<b>Profit for the period</b>	<b>24 178</b>	<b>24 161</b>
%	11,5%	16,0%
<b>Attributable to:</b>		
Equity holders of the Company	24 020	23 797
Minority interest	159	364
<b>EBITDA</b>	<b>41 471</b>	<b>35 521</b>
%	19,7%	23,5%
<b>EBIT</b>	<b>34 767</b>	<b>32 097</b>
	16,6%	21,3%

**Lebedyansky****Consolidated Statement of Cash Flows for 3 months ended 31.03.2007 (unaudited)***( all items are measured in Russian Roubles and presented in thousands of US Dollars)*

<b>Cash flows from operating activities</b>	<b>31 March 2007</b>	<b>31 March 2006</b>
Income before taxation and minority interest	32 433	32 696
Adjustments for:		
Options	264	247
Depreciation	6 650	3 383
Amortisation	55	40
Provision for impairment of receivables	442	(454)
Allowance for obsolete inventory	(112)	-
Deffered Income	(577)	(540)
Loss on disposal of property, plant and equipment	25	2
Interest expense / income	2 297	252
Granted Treasury shares	-	-
Forex on non-operating balances	(307)	(738)
<b>Operating cash flows before working capital changes</b>	<b>41 169</b>	<b>34 887</b>
Decrease (increase) in trade receivables	(5 534)	(3 725)
Decrease (increase) in other receivables and prepayments	(6 233)	(4 387)
Decrease (increase) in VAT & other taxes receivable	(5 570)	(3 030)
Decrease (increase) in inventories	(9 635)	(1 461)
Increase (decrease) in accounts payable and accrued expenses	9 828	(4 063)
Increase (decrease) in taxes payable	(464)	(94)
<b>Cash provided from operations</b>	<b>23 560</b>	<b>18 127</b>
Income taxes paid	(4 242)	(4 853)
Interest paid	(2 397)	(248)
<b>Net cash provided from operating activities</b>	<b>16 921</b>	<b>13 027</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(17 865)	(24 204)
Proceeds from the sale of property, plant and equipment	216	534
Loan provided	-	(40)
Repayment of loans given	6	565
Interest received	19	26
Acquisition of subsidiaries	-	-
<b>Net cash used in investing activities:</b>	<b>(17 624)</b>	<b>(23 118)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	25 845	15 400
Repayment of borrowings	(78 717)	(1 619)
Repayment of finance lease liability	(1 307)	(1 153)
Change in promissory notes	32	(21)
Dividends paid (net tax)	-	-
Bonds issue	57 026	-
<b>Net cash used in financing activities</b>	<b>2 879</b>	<b>12 607</b>
<b>Net decrease in cash and cash equivalents</b>	<b>2 176</b>	<b>2 515</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>4 328</b>	<b>4 777</b>
<b>Net decrease in cash and cash equivalents</b>	<b>2 176</b>	<b>2 515</b>
<b>Effect of translation</b>	<b>78</b>	<b>210</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>6 582</b>	<b>7 502</b>

**Lebedyansky Group**

**Consolidated balance sheet for 3 months ended 31.03.2007 (unaudited,**  
*( all items are measured in Russian Roubles and presented in thousands of US Dollars)*



31 March 2007                      31 March 2006

<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	6 582	7 502
Available for sale investments	212	354
Trade Receivables	81 043	51 658
Other receivable and prepayments	59 673	42 027
Inventories	101 093	60 511
<b>Total current assets</b>	<b>248 603</b>	<b>162 052</b>
<b>Non-current assets:</b>		
Property, plant and equipment	248 343	141 376
Intangible assets	19 298	3 119
<b>Total non-current assets</b>	<b>267 641</b>	<b>144 495</b>
<b>Total assets</b>	<b>516 244</b>	<b>306 547</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	61 224	35 048
Tax payable	5 968	4 416
Finance lease payable	4 407	2 853
Short-term borrowings	22 270	5 127
Other current liabilities	1 749	2 185
<b>Total current liabilities</b>	<b>95 619</b>	<b>49 629</b>
<b>Non-current liabilities:</b>		
Finance lease payable	30 739	9 125
Long-term borrowings	48 115	21 294
Government grants	38	52
Deferred tax liability	12 773	6 613
Bonds	57 949	0
Other non-current liabilities	0	1 639
<b>Total non-current liabilities</b>	<b>149 615</b>	<b>38 723</b>
<b>Total liabilities</b>	<b>245 234</b>	<b>88 352</b>
<b>Minority interest</b>	<b>6 022</b>	<b>4 282</b>
<b>Shareholders' equity:</b>		
Share capital	479	448
Share premium	296	34
Treasury shares	(4 460)	(4 510)
Share options	2 132	996
Presentation currency adjustment	28 185	11 987
Retained earnings	238 357	204 959
<b>Total shareholders' equity</b>	<b>264 988</b>	<b>213 914</b>
<b>Total liabilities and shareholders' equity</b>	<b>516 244</b>	<b>306 547</b>

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