

SOPHARMA GROUP
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ended 30 June 2012

	Attachments	2012 BGN'000	2011 BGN'000
Revenue	3	345,554	315,714
Other operating income/(losses), net	4	4,081	157
Changes in inventories of finished goods and work in progress		207	545
Expenses on materials	5	(45,762)	(39,916)
Hired services expense	6	(27,414)	(27,163)
Employee benefits expense	7	(34,699)	(31,631)
Depreciation and amortisation expense	14, 15	(9,372)	(8,605)
Carrying amount of goods sold	8	(196,193)	(181,163)
Other operating expenses	9, 10	(4,175)	(3,265)
Profit from operations		32,227	24,673
Finance income	11	2,783	3,620
Finance costs	12	(3,906)	(4,954)
Finance (costs)/income, net		(1,123)	(1,334)
Profit/(loss) from net monetary position recalculated under hyper inflation	2.33.4	(2,731)	-
Profit/(loss) from acquisition/sale of subsidiaries, net		(622)	15
Profit/(loss) from associated companies		-	36
Profit before income tax		27,751	23,390
Income tax expense		(2,307)	(2,004)
Net profit for the period		25,444	21,386
Other comprehensive income:	13		
Net change in fair value of available-for-sale financial assets		2	178
Exchange differences on translating foreign operations		980	(1,194)
Other comprehensive income for the period, net of tax		982	(1,016)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		26,426	20,370
Net Profit attributable to:			
Equity holders of the parent		24,589	21,684
Non-controlling interest		855	(298)
Total comprehensive income attributable to:			
Equity holders of the parent		25,085	20,668
Non-controlling interest		1,341	109

The accompanying notes on pages 5 to 96 form an integral part of the consolidated interim financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova

SOPHARMA GROUP**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

as at 31 March 2012

	Attachments	31 march 2012 BGN'000	31 december 2011 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	258,727	236,338
Intangible assets	15	28,657	27,979
Investment property	16	6,559	6,555
Available-for-sale investments	17	22,534	19,972
Investments in associated companies		283	-
Loans granted to related parties	18	743	729
Deferred tax assets		2,936	1,709
Other non-current assets	19	996	848
		321,435	294,130
Current assets			
Inventories	20	116,693	126,022
Trade receivables	21	163,763	136,756
Receivables from related parties	22	72,814	63,113
Other receivables and prepayments	23	24,142	24,332
Cash and cash equivalents	24	31,423	32,235
		408,835	382,458
TOTAL ASSETS		730,270	676,588
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		132,000	132,000
Reserves		36,785	33,534
Retained earnings		165,945	154,465
		334,730	319,999
Non-controlling interest		45,348	45,813
TOTAL EQUITY	25	380,078	365,812
LIABILITIES			
Non-current liabilities			
Long-term bank loans	26	56,812	23,280
Deferred tax liabilities		6,945	6,531
Retirement benefit obligations	27	2,418	2,389
Finance lease liabilities	28	1,655	1,534
Other non-current liabilities	29	2,879	1,368
		70,709	35,102
Current liabilities			
Short-term loans from banks	30	164,108	151,765
Current portion of long-term bank loans	26	35,672	42,650
Trade payables	31	50,248	66,134
Payables to related parties	32	7,358	3,360
Payables to personnel and for social security	33	7,764	5,487
Tax payables	34	4,488	3,046
Other current liabilities	35	9,845	3,232
		279,483	275,674
TOTAL LIABILITIES		350,192	310,776
TOTAL EQUITY AND LIABILITIES		730,270	676,588

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SOPHARMA GROUP
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2012

	Attachments	2012 BGN'000	2011 BGN'000 <i>Unaudited, Reviewed under ISRE</i>
Cash flows from operating activities			
Cash receipts from customers		372,961	377,368
Cash paid to suppliers		(316,780)	(290,393)
Cash paid to employees and for social security		(31,182)	(28,114)
Taxes paid (except income taxes)		(20,439)	(20,814)
Taxes refunded (except income taxes)		6,168	4,660
Income taxes paid		(3,433)	(3,875)
Interest and bank charges paid on working capital loans		(4,019)	(4,328)
Foreign currency exchange, net		(574)	(431)
Other proceeds/(payments), net		(969)	(532)
Net cash flows from operating activities		1,733	33,541
Cash flows from investing activities			
Purchases of property, plant and equipment		(30,281)	(16,445)
Proceeds from sales of property, plant and equipment		124	215
Purchases of intangible assets		(938)	(897)
Purchases of available-for-sale investments		(2,787)	(542)
Proceeds from sales of available-for-sale investments		6	649
Consideration paid on acquisition of associates		-	(1,419)
Cash received / (paid) on acquisition of subsidiaries, net		-	(4,387)
(Payments)/proceeds on transactions with non-controlling interest, net		(47)	515
Loans granted to related parties		(10,306)	(36,811)
Loan repayments by related parties		1,287	26,533
Loans granted to third parties		(198)	(197)
Loan repayments by third parties		409	1,308
Interest received on loans granted		2,166	2,233
Interest received on investment purpose term deposits		153	51
Net cash flows used in investing activities		(40,412)	(29,194)
Cash flows from financing activities			
Proceeds from short-term bank loans		818,495	51,573
Repayment of short-term bank loans		(828,476)	(59,555)
Proceeds from long-term bank loans		53,241	24,099
Repayment of long-term bank loans		(3,946)	(9,045)
Interest and charges paid under investment purpose loans		(303)	(490)
Payment of finance lease liabilities		(789)	(570)
Purchases of treasury shares		(1,324)	(4,426)
Received donations from public companies		1,824	-
Dividends paid		(590)	(511)
Other proceeds/(payments), net		(29)	18
Net cash flows (used in) / from financing activities		38,103	1,093
Effect from recalculated under hyper inflation		(236)	-
Net (decrease) / increase in cash and cash equivalents		(812)	5,440
Cash and cash equivalents at 1 January		32,235	45,069
Cash and cash equivalents at 30 June	24	31,423	50,509

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SOPHARMA GROUP
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS EQUITY

for the six-month period ended 30 June 2012

		Attributable to equity holders of the parent						Non-controlling interest	Total owners equity		
		Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Translation of foreign operations reserve	Retained earnings	Total		
Attachments		BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	
	Balance at 1 January 2011	132,000	(4,643)	17,788	24,267	(354)	(2,427)	131,601	298,232	49,047	347,279
Changes in equity for 2011											
	Effect of treasury shares acquisition	-	(6,820)	-	-	-	-	75	(6,745)	-	(6,745)
	Distribution of profit for:										
	* reserves	-	-	4,067	-	-	-	(4,067)	-	-	-
	* dividends	-	-	-	-	-	-	(11,081)	(11,081)	-	(11,081)
	Effects assumed by non-controlling interest on:	-	-	-	-	-	-	(573)	(573)	(5,635)	(6,208)
	* acquisition of subsidiaries	-	-	-	-	-	-	-	-	(2,896)	(2,896)
	* distribution of dividends	-	-	-	-	-	-	(278)	(278)	(2,558)	(2,836)
	* increase in participation in subsidiaries	-	-	-	-	-	-	(341)	(341)	(925)	(1,266)
	* decrease in participation in subsidiaries	-	-	-	-	-	-	46	46	744	790
								-			
	Total comprehensive income for the year	-	-	-	2,501	289	(1,028)	38,404	40,166	2,401	42,567
	Transfer to retained earnings	-	-	-	(106)	-	-	106	-	-	-
	Balance at 31 December 2011	132,000	(11,463)	21,855	26,662	(65)	(3,455)	154,465	319,999	45,813	365,812
Changes in owners equity for 2012											
	Effect of treasury shares acquisition	-	(1,324)	-	-	-	-		(1,324)	-	(1,324)
	Distribution of profit for:			4,079				(13,099)	(9,020)		
	* reserves	-	-	4,079	-	-	-	(4,079)	-	-	-
	* dividends	-	-	-	-	-	-	(9,020)	(9,020)	-	(9,020)
	Effects assumed by non-controlling interest on	-	-	-	-	-	-	(10)	(10)	(1,806)	(1,816)
	* acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-
	* distribution of dividends	-	-	-	-	-	-	-	-	(1,762)	(1,762)
	* increase in participation in subsidiaries	-	-	-	-	-	-	(6)	(6)	(56)	(62)
	* decrease in participation in subsidiaries	-	-	-	-	-	-	(4)	(4)	12	8
	Total comprehensive income for the year	-	-	-		2	494	24,589	25,085	1,341	26,426
	Balance at 30 June 2012	132,000	(12,787)	25,934	26,662	(63)	(2,961)	165,945	334,730	45,348	380,078

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