

Board of Directors: Ognian Donev, PhD
Vessela Stoeva
Alexander Chaushev
Unipharm AD represented by Ognian Palaveev
Andrey Breshkov

Executive Director: Ognian Donev, PhD

Finance Director: Boris Borisov

Chief Accountant: Yordanka Petkova

Head of Legal Department: Galina Angelova

Address of Management: Sofia
16, Iliensko Shousse Str.

Lawyers: Adriana Baleva
Venelin Gachev
Ventsislav Stoev
Lyubimka Georgieva
Stefan Yovkov

Servicing Banks: Raiffeisenbank (Bulgaria) EAD
DSK Bank EAD
Eurobank and EFG Bulgaria AD
Piraeus Bank AD
UniCredit Bulbank AD
BNP Paribas Bulgaria EAD
Citibank N.A.
MKB Unionbank

Auditors: AFA OOD

SOPHARMA GROUP
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 September 2011

	Notes	2011 BGN'000	2010 BGN'000
Revenue	3	466 501	434 583
Other operating income/(losses), net	4	2 574	3 392
Changes in inventories of finished goods and work in progress		3 026	(189)
Expenses on materials	5, 9	(61 451)	(51 458)
Hired services expense	6	(41 826)	(43 456)
Employee benefits expense	7	(47 175)	(36 993)
Depreciation and amortisation expense	14, 15	(13 048)	(10 971)
Carrying amount of goods sold	10	(267 621)	(244 998)
Other operating expenses	8, 9	(5 239)	(4 463)
Profit from operations		35 741	45 447
Finance income	11	3 956	2 818
Finance costs	12	(6 886)	(6 977)
Finance (costs)/income, net		(2 930)	(4 159)
Profit/(loss) from acquisition / sale of daughter companies, net		25	1 785
Profit/(loss) from associated companies		10	(295)
Profit before income tax		32 846	42 778
Income tax expense		(3 825)	(4 968)
Net profit for the period		29 021	37 810
Other comprehensive income:	13		
Net change in fair value of available-for-sale financial assets		156	21
Profit/(loss) from revaluation of property, plant and equipment		-	56
Exchange differences on translating foreign operations		(707)	(297)
Other comprehensive income for the period, net of tax		(551)	(220)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		28 470	37 590
Profit attributable to:			
Equity holders of the parent		29 435	36 359
Non-controlling interest		(414)	1 451
Total comprehensive income attributable to:			
Equity holders of the parent		28 423	36 132
Non-controlling interest		47	1 458

The accompanying notes on pages 5 to 56 form an integral part of the consolidated interim condensed 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 30 June 2011

	Notes	30 септември 2011 BGN'000	31 декември 2010 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	227,380	208,550
Intangible assets	15	25,561	24,357
Investment property	16	6,641	6,821
Investments in associates	17	774	-
Available-for-sale investments	18	21,530	20,927
Loans granted to related parties	19	-	3,195
Other non-current assets	20	536	601
		282,422	264,451
Current assets			
Inventories	21	114,755	111,685
Trade receivables	22	139,245	145,523
Receivables from related parties	23	67,735	45,822
Other receivables and prepayments	24	22,301	12,640
Cash and cash equivalents	25	31,874	45,069
		375,910	360,739
TOTAL ASSETS		658,332	625,190
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		132,000	132,000
Reserves		32,911	34,631
Retained earnings		145,063	131,601
		309,974	298,232
Non-controlling interest		47,713	49,047
TOTAL EQUITY	26	357,687	347,279
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	23,174	31,182
Deferred tax liabilities		6,174	6,433
Retirement benefit obligations	28	2,543	2,610
Finance lease liabilities	29	899	415
Other non-current liabilities		797	798
		33,587	41,438
Current liabilities			
Short-term loans from banks and third parties	30	160,922	114,465
Current portion of long-term bank loans	27	24,597	50,795
Trade payables	31	54,462	59,326
Payables to related parties	32	11,017	2,605
Payables to personnel and for social security	33	5,336	3,950
Tax payables	34	3,048	3,200
Other current liabilities	35	7,676	2,132
		267,058	236,473
TOTAL LIABILITIES		300,645	277,911
TOTAL EQUITY AND LIABILITIES		658,332	625,190

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SOPHARMA GROUP
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
for the period ending September 30, 2011

	Notes	2011 BGN'000	2010 BGN'000
Cash flows from operating activities			
Cash receipts from customers		544,024	490,711
Cash paid to suppliers		(422,044)	(375,526)
Cash paid to employees and for social security		(44,296)	(36,204)
Taxes paid (except income taxes)		(29,352)	(25,794)
Taxes refunded (except income taxes)		7,028	2,913
Income taxes paid		(5,501)	(6,029)
Interest and bank charges paid on working capital loans		(6,292)	(6,670)
Foreign currency exchange gains/(losses), net		(586)	(1,008)
Other proceeds/(payments), net		(15,601)	(2,131)
Net cash flows from operating activities		<u>27,380</u>	<u>40,262</u>
Cash flows from investing activities			
Purchases of property, plant and equipment		(24,392)	(4,193)
Proceeds from sales of property, plant and equipment		475	96
Purchases of intangible assets		(1,021)	(326)
Consideration paid on acquisition of associates		(1,418)	-
Purchases of available-for-sale investments		(951)	(2,772)
Proceeds from sales of available-for-sale investments		662	742
Cash received / (paid) on acquisition of subsidiaries, net		(343)	1,162
Consideration paid on acquisition of subsidiaries		(4,418)	-
Loans granted to related parties		(46,447)	(17,335)
Loan repayments by related parties		28,022	3,341
Loans granted to third parties		(360)	(10)
Loan repayments by third parties		1,571	1,005
Interest received on loans granted		3,222	1,146
Interest received on investment purpose term deposits		64	345
Proceeds from dividend		198	106
Net cash flows used in investing activities		<u>(45,136)</u>	<u>(16,693)</u>
Cash flows from financing activities			
Proceeds from short-term bank loans		129,267	71,744
Repayment of short-term bank loans		(125,988)	(70,243)
Proceeds from long-term bank loans		31,309	9,082
Repayment of long-term bank loans		(22,172)	(35,308)
Proceeds from issued capital		20	-
Bought-back shares		(5,732)	(921)
Proceed from sales of bought-back shares		921	-
Interest and fees on investment loans		(835)	(257)
Paid dividend		(1,787)	(920)
Financial leasing payments		(442)	(347)
Net cash flows (used in) / from financing activities		<u>4,561</u>	<u>(27,170)</u>
Net (decrease) / increase in cash and cash equivalents		<u>(13,195)</u>	<u>(3,601)</u>
Cash and cash equivalents at 1 January		45,069	16,843
Cash and cash equivalents at 30 September	25	<u><u>31,874</u></u>	<u><u>13,242</u></u>

The accompanying notes on pages 5 to 56 form an integral part of the consolidated interim condensed financial statements

Executive Director:

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Yordanka Petkova

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the period ending September 30, 2011

	Notes	Attributable to equity holders of the parent						Неконтролиращо участие	Общо собствен капитал		
		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		
		BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	
Balance at 31 December 2009 (Audited)		132,000	(26)	14,428	24,339	(4,621)	(2,195)	93,618	257,543	28,078	285,621
Changes in equity for 2010											
Effect of treasury shares acquisition		-	(4,617)	-	-	-	-	-	(4,617)	-	(4,617)
Distribution of profit:											
* statutory reserves		-	-	3,360	-	-	-	(3,360)	-	-	-
Effects assumed by non-controlling interest on:											
* increase in participation in subsidiaries		-	-	-	-	-	-	(743)	(743)	20,714	19,971
* distribution of dividends		-	-	-	-	-	-	-	-	19,798	19,798
* increase in participation in subsidiaries		-	-	-	-	-	-	(349)	(349)	(672)	(1,021)
* decrease in participation in subsidiaries		-	-	-	-	-	-	(84)	(84)	(403)	(487)
* decrease in participation in subsidiaries		-	-	-	-	-	-	(310)	(310)	1,991	1,681
Total comprehensive income for the year		-	-	-	56	4,267	(232)	41,958	46,049	255	46,304
Transfer to retained earnings		-	-	-	(128)	-	-	128	-	-	-
Balance at 31 December 2010 (Audited)	26	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		-	(4,773)	-	-	-	-	97	(4,676)	-	(4,676)
Distribution of profit:											
* statutory reserves		-	-	4,067	-	-	-	(4,067)	-	-	-
* distribution of dividends		-	-	-	-	-	-	(11,220)	(11,220)	-	(11,220)
Effects assumed by non-controlling interest on:											
* increase in participation in subsidiaries		-	-	-	-	-	-	(785)	(785)	(1,381)	(2,166)
* distribution of dividends		-	-	-	-	-	-	-	-	400	400
* increase in participation in subsidiaries		-	-	-	-	-	-	(279)	(279)	(1,600)	(1,879)
* decrease in participation in subsidiaries		-	-	-	-	-	-	(550)	(550)	(870)	(1,420)
* decrease in participation in subsidiaries		-	-	-	-	-	-	44	44	689	733
Total comprehensive income for the year		-	-	-	-	156	(1,168)	29,435	28,423	47	28,470
Transfer to retained earnings		-	-	-	(2)	-	-	2	-	-	-
Balance as at September 30 2011	26	132,000	(9,416)	21,855	24,265	(198)	(3,595)	145,063	309,974	47,713	357,687

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