

Interim Financial Statements

Half Year Ended

June 30, 2012

**BEXIMCO
PHARMA**



BEXIMCO PHARMACEUTICALS LTD.

BEXIMCO PHARMACEUTICALS LTD.
Statement of the Managing Director

Dear shareholders,

We are pleased to present the un-audited interim financial results for the half year ended June 30, 2012 in compliance with Rule 13 of the Securities and Exchange Commission Rules 1987.

During the period the Company achieved net sales revenue of Tk. 4,346.4 million, up 19.3% on the corresponding period in 2011. The pre-tax profit stood at Tk. 847.7 million compared to Tk. 764.6 million earned during the same period in 2011. Our export sales also registered 11.9% growth reaching Tk. 194.1 million.

The pharmaceutical industry as a whole experienced a slower sales growth in the second quarter after the robust growth seen in the first quarter of 2012. The gross margin as a percentage of sales has declined compared to the corresponding period in 2011 principally due to a higher impact of domestic inflation and depreciation of Taka against US Dollar that continued throughout 2011. However, the economy has since improved, the Taka/Dollar rate has stabilized, domestic inflation has slowed and the liquidity situation is improving.

A number of our existing brands continued to maintain strong growth, the main driver behind overall sales growth. During the period we successfully added 17 new products to our portfolio. In the overseas business, we entered into four new markets namely Liberia, Suriname, Mauritius and Ethiopia; registered 28 products in 9 different countries including New Zealand and Azerbaijan and successfully launched our CFC free Salbutamol inhaler in Singapore.

We submitted one product dossier to the UK Medicines and Healthcare products Regulatory Agency (MHRA), with further product submissions expected in the second half of the year. Additionally, in July, we submitted a product dossier for marketing authorization in EU. This is a major milestone for the Company, allowing us to establish a presence in Europe's attractive generic drug market.

We are pleased with the progress made during the first half of the year and are confident of achieving further success in H2 2012.

We look forward to your continued support.

Nazmul Hassan

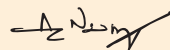
Nazmul Hassan
Managing Director

BEXIMCO PHARMACEUTICALS LTD.
Statement of Financial Position (Un-audited)
As at June 30, 2012

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	Notes	As at June 30, 2012	As at December 31, 2011
ASSETS			
Non-Current Assets			
Property, Plant and Equipment- Carrying Value	3	16,160,394	15,745,493
Intangible Assets		151,027	135,934
Investment in Shares		3,451	3,451
		16,314,872	15,884,878
Current Assets			
Inventories	4	2,396,945	2,291,845
Spares & Supplies		327,259	325,881
Accounts Receivable		1,024,171	978,224
Loans, Advances and Deposits	5	883,669	840,321
Short Term Investment		2,546,619	2,193,424
Cash and Cash Equivalents	6	511,607	518,768
		7,690,270	7,148,463
TOTAL ASSETS		24,005,142	23,033,341
EQUITY AND LIABILITIES			
Shareholders' Equity			
Issued Share Capital		3,046,390	2,517,678
Share Premium		5,269,475	5,269,475
Excess of Issue Price over Face Value of GDRs		1,689,637	1,689,637
Capital Reserve on Merger		294,951	294,951
Revaluation Surplus		1,409,666	1,466,603
Retained Earnings		5,984,838	5,889,785
		17,694,957	17,128,129
Non-Current Liabilities			
Long Term Borrowings-Net off Current Maturity (Secured)	7 A	1,835,237	1,890,075
Liability for Gratuity & WPPF		522,970	403,599
Deferred Tax Liability		1,110,352	963,377
		3,468,559	3,257,051
Current Liabilities and Provisions			
Short Term Borrowings		1,761,510	1,642,216
Long Term Borrowings-Current Maturity	7 B	363,720	363,744
Creditors and other Payables		530,720	523,798
Accrued Expenses		123,692	101,560
Dividend Payable		1,229	1,361
Income Tax payable		60,755	15,482
		2,841,626	2,648,161
TOTAL EQUITY AND LIABILITIES		24,005,142	23,033,341


Nazmul Hassan
 Managing Director


Ali Nawaz
 Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Statement of Comprehensive Income (Un-audited)
For the Half Year Ended June 30, 2012

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	Notes	Half-Year ended June 30, 2012	Half-Year ended June 30, 2011	2nd Quarter (April - June) 2012	2nd Quarter (April - June) 2011
Net Sales Revenue		4,346,354	3,642,293	2,123,984	1,970,552
Cost of Goods Sold	8	(2,367,543)	(1,920,911)	(1,151,431)	(1,011,947)
Gross Profit		1,978,811	1,721,382	972,553	958,605
Operating Expenses :		(966,300)	(803,122)	(473,270)	(418,962)
Administrative Expenses	9	(150,882)	(111,902)	(77,265)	(60,733)
Selling, Marketing and Distribution Expenses	10	(815,418)	(691,220)	(396,005)	(358,229)
Profit from Operations		1,012,511	918,260	499,283	539,643
Other Income		207,323	150,907	104,804	79,474
Finance Cost		(329,725)	(266,391)	(169,469)	(134,648)
Profit Before Contribution to WPPF		890,109	802,776	434,618	484,469
Contribution to Workers' Profit Participation/Welfare Funds		(42,386)	(38,227)	(20,696)	(23,070)
Profit Before Tax		847,723	764,549	413,922	461,399
Income Tax Expense		(234,318)	(193,306)	(107,829)	(142,806)
Profit After Tax		613,405	571,243	306,093	318,593
Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		613,405	571,243	306,093	318,593
Earnings Per Share (EPS)	Tk.	2.01	2.72	1.00	1.52
Number of shares used to compute EPS (Note 11)		304,639,050	209,806,509	304,639,050	209,806,509

Nazmul Hassan

Nazmul Hassan
Managing Director

Ali Nawaz

Ali Nawaz
Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.

Statement of Changes in Equity (Un-audited)

For the Period ended June 30, 2012

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Half Year ended June 30, 2012

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Retained Earnings	Total
Balance as on January 01, 2012	2,517,678	5,269,475	1,689,637	294,951	1,466,603	5,889,785	17,128,129
Total Comprehensive Income	-	-	-	-	-	613,405	613,405
Stock Dividend	528,712	-	-	-	-	(528,712)	-
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(10,360)	10,360	-
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(46,577)	-	(46,577)
As on June 30, 2012	3,046,390	5,269,475	1,689,637	294,951	1,409,666	5,984,838	17,694,957
Net Asset Value (NAV) per Share						Tk.	58.08

Half Year ended June 30, 2011

	Share Capital	Share Premium	Excess of Issue Price over Face Value of GDRs	Capital Reserve on Merger	Revaluation Surplus	Retained Earnings	Total
Balance as on January 01, 2011	2,098,065	5,269,475	1,689,637	294,951	1,534,646	5,087,313	15,974,087
Total Comprehensive Income	-	-	-	-	-	571,243	571,243
Adjustment for Depreciation on Revalued Assets	-	-	-	-	(11,780)	11,780	-
Adjustment for Deferred Tax on Revalued Assets	-	-	-	-	(52,666)	-	(52,666)
As on June 30, 2011	2,098,065	5,269,475	1,689,637	294,951	1,470,200	5,670,336	16,492,664
Net Asset Value (NAV) per Share						Tk.	78.61

Nazmul Hassan

Nazmul Hassan
Managing Director

Ali Nawaz

Ali Nawaz
Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.

Statement of Cash Flows (Un-audited)
For the Half-year ended June 30, 2012

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	Half-Year ended June 30, 2012	Half-Year ended June 30, 2011
Cash Flows from Operating Activities :		
Cash Receipts from Customers and Others	4,300,864	3,568,439
Cash Paid to Suppliers and Employees	(3,083,742)	(2,642,216)
Cash Generated from Operations	1,217,122	926,223
Interest Paid	(329,725)	(266,391)
Interest Received	204,036	150,747
Income Tax Paid	(88,647)	(72,351)
Net Cash Generated from Operating Activities	1,002,786	738,228
Cash Flows from Investing Activities :		
Acquisition of Property, Plant and Equipment	(704,325)	(533,794)
Intangible Assets	(21,207)	(33,981)
Disposal of Property, Plant and Equipment	4,480	-
Short Term Investment	(353,195)	(98,642)
Net Cash Used in Investing Activities	(1,074,247)	(666,417)
Cash Flows from Financing Activities :		
Net Increase / (Decrease) in Long Term Borrowings	(54,862)	(77,560)
Net Increase / (Decrease) in Short Term Borrowings	119,294	19,443
Ordinary Share Dividend	(132)	(131)
Net Cash Generated from Financing Activities	64,300	(58,248)
Increase / (Decrease) in Cash and Cash Equivalents	(7,161)	13,563
Cash and Cash Equivalents at Beginning of Period	518,768	1,471,448
Cash and Cash Equivalents at End of Period	511,607	1,485,011
Net Operating Cash Flow per Share	Tk. 3.29	3.52

Nazmul Hassan

Nazmul Hassan
Managing Director

Ali Nawaz

Ali Nawaz
Chief Financial Officer

BEXIMCO PHARMACEUTICALS LTD.
Selected Notes to the Financial Statements (Un-audited)
For the Period ended June 30, 2012

1. Reporting Entity

Beximco Pharmaceuticals Limited (BPL/the Company) is a public company incorporated in Bangladesh in 1976. It commenced its manufacturing operation in 1980. The company is listed on Dhaka and Chittagong Stock Exchanges of Bangladesh and AIM of London Stock Exchange. The company is engaged in manufacturing and marketing of Pharmaceuticals Finished Formulation Products, Active Pharmaceutical Ingredients (APIs) and life saving Intravenous Fluids which it sells in the local as well as international markets.

2. Basis of Preparation of Financial Statements

These interim financial statements should be read in conjunction with the Financial Statements for the year ended December 31, 2011 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information.

The accounting policies used are consistent with those used in the Annual Financial Statements. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

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	As at June 30, 2012	As at December 31, 2011
3. Property, Plant & Equipment		
Cost / Revaluation		
Land	3,302,102	3,300,277
Building and Other Constructions	6,281,102	6,277,511
Plant & Machinery	7,058,621	7,019,945
Furniture & Fixture	147,331	139,429
Transport & Vehicle	423,432	384,509
Office Equipment	322,137	313,797
	17,534,725	17,435,468
Less :Accumulated Depreciation	(3,827,057)	(3,543,852)
Written Down Value	13,707,668	13,891,616
Capital Work in Progress	2,452,726	1,853,877
Carrying Value	16,160,394	15,745,493

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	As at June 30, 2012	As at December 31, 2011
4. Inventories		
Finished Goods	699,633	639,242
Raw and Packing Material (Including Work in Process and Transit)	1,644,749	1,599,450
Sample & Others	52,563	53,153
	<u>2,396,945</u>	<u>2,291,845</u>
5. Loans, Advances and Deposits		
Clearing & Forwarding	24,482	19,955
VAT	217,681	229,820
Security Deposit and Earnest Money	16,020	15,233
Capital Expenditure / Project	12,195	14,725
Expenses	95,836	47,200
Advance against Salary	74,706	56,644
Motor Cycle	111,199	110,197
Raw & Packing Material	263,397	282,346
Others	68,153	64,201
	<u>883,669</u>	<u>840,321</u>
6. Cash and Cash Equivalents		
Cash In Hand, Current & FC Accounts	73,145	107,783
Imprest Cash	1,101	1,116
FDR Account	437,361	409,869
	<u>511,607</u>	<u>518,768</u>
7. Long Term Borrowings		
A. Net off Current Maturity (Secured)		
Project Loan	1,677,388	1,696,629
Interest and PAD Block	-	9,205
Obligation Under Finance lease	157,849	184,241
	<u>1,835,237</u>	<u>1,890,075</u>
B. Current Maturity		
Project Loan	250,000	250,000
Interest and PAD Block	25,553	30,000
Obligation Under Finance lease	88,167	83,744
	<u>363,720</u>	<u>363,744</u>

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	Half-Year ended June 30, 2012	Half-Year ended June 30, 2011
8. Cost of Goods Sold		
Materials	1,745,854	1,416,854
Factory Overhead	361,255	280,294
Depreciation	260,434	223,763
	2,367,543	1,920,911
9. Administrative Expenses		
Salary & Allowances	68,214	55,929
Repairs & Maintenance	10,267	7,368
Travelling & Conveyance	8,425	7,323
AGM, Company Secretarial Expenses and Regulatory Fees	24,409	16,147
Depreciation	10,072	8,654
Other Expenses	29,495	16,481
	150,882	111,902
10. Selling, Marketing and Distribution Expenses		
Salary & Allowances	254,680	208,364
Travelling & Conveyance	112,038	99,729
Market Research & New Products	18,624	11,962
Sample, Literature & Promotional Expenses	235,531	204,802
Delivery Expense	116,679	98,341
Depreciation and Amortization	23,380	14,834
Other Expenses	54,486	53,188
	815,418	691,220

11. Dividend for 2011

The Shareholders of the company has approved 21% stock dividend for the year 2011 in the annual general meeting held on June 30, 2012. The company consistently follows the policy of recognising proposed dividend after its approval by the shareholders in the annual general meeting. Hence, the proposed dividend for 2011 has been accounted for in this interim financial statements. EPS has been computed taking into account the additional number of shares issued.

Corporate Information

Operational Headquarters

19 Dhanmondi R/A, Road # 7
Dhaka 1205, Bangladesh
Phone : +880-2-8619151, +880-2-8619091
Fax : +880-2-8613888
E-mail : info@bpl.net
Website : www.beximcopharma.com

Corporate Headquarters

17 Dhanmondi R/A, Road # 2
Dhaka 1205, Bangladesh
Phone : +880-2-8611891
Fax : +880-2-8613470
E-mail : beximchq@bol-online.com

Factory

Tongi Unit
126 Kathaldia, Tongi, Gazipur
Bangladesh

Kaliakoir Unit
Plot No. 1070/1083, Mouchak
Kaliakoir, Gazipur
Bangladesh

Stock Exchange Listing

Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.
AIM of London Stock Exchange plc (GDRs)

Public Relations

IMPACT PR
Apartment # A-1, House # 17, Road # 4
Gulshan-1, Dhaka-1212, Bangladesh

FTI Consulting Group Limited
Holborn Gate, 26 Southampton Buildings
London WC2A 1PB, UK

Legal Advisor

Huq and Company
47/1 Purana Paltan
Dhaka-1000
Bangladesh

Auditors

M. J. Abedin & Co.
Chartered Accountants
National Plaza (3rd Floor)
109, Bir Uttam C. R. Datta Road
Dhaka-1205
Bangladesh

Banker

Janata Bank Ltd.
Local office
1 Dilkusha C/A
Dhaka-1000
Bangladesh

For GDRs

Nominated Advisor and Broker
Libertas Capital Corporate Finance Limited
17c Curzon Street,
London W1J 5HU

Custodian

HSBC
Anchor Tower, 1/1-B, Sonargaon Road
Dhaka-1205, Bangladesh

Depository Bank

The Bank of New York Mellon
101 Barclay Street
New York, NY 10286



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Winner



Therapeutic Goods Administration



Certified



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Österreichische Agentur für Gesundheit und Ernährungssicherheit GmbH