

Half Yearly Results 2008



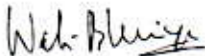
BOC Bangladesh Limited
A member of The Linde Group

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PROFIT AND LOSS ACCOUNT for the half year ended 30 June 2008 (UNAUDITED)

	<u>Notes</u>	30 June 2008 <u>'000 Taka</u>	30 June 2007 <u>'000 Taka</u>
Revenue		1,225,370	1,028,755
Cost of sales		<u>(785,954)</u>	<u>(663,350)</u>
Gross profit		439,416	365,405
Operating expenses		<u>(211,962)</u>	<u>(175,615)</u>
Profit from operation		<u>227,454</u>	<u>189,790</u>
Gain/(loss) on disposal of property, plant and equipment		657	(392)
Interest income - net		<u>19,910</u>	<u>7,693</u>
Profit before tax		248,021	197,091
Taxation	Note-15	<u>(58,064)</u>	<u>(49,755)</u>
Profit after tax		<u>189,957</u>	<u>147,336</u>
Basic earning per share (Taka)		12.48	9.68



Waliur Rahman Bhuiyan
Managing Director



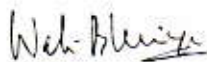
Azizur Rashid
Finance Director

BOC Bangladesh Limited

BALANCE SHEET as at 30 June 2008 (UNAUDITED)

	Notes	30 June 2008 '000 Taka	31 December 2007 '000 Taka
Assets			
Property, plant and equipment	Note-2	957,768	1,004,121
Intangible assets	Note-3	3,122	3,408
Investment in subsidiary	Note-4	20	20
Total non-current assets		960,910	1,007,549
Inventories	Note-5	423,950	386,602
Trade debtors	Note-6	149,859	115,620
Advances, deposits and prepayments	Note-7	114,684	90,502
Cash and cash equivalents	Note-8	514,392	405,946
Total current assets		1,202,885	998,670
Total assets		2,163,795	2,006,219
Equity			
Share capital		152,183	152,183
Revaluation reserve		46,181	46,181
General reserve		1,288,644	1,195,914
Total equity		1,487,008	1,394,278
Liabilities			
Finance lease		-	2,233
Deferred liabilities	Note-9	232,287	222,885
Deferred tax	Note-10	86,229	108,010
Total non-current liabilities		318,516	333,128
Current portion of finance lease	Note-11	2,564	654
Trade creditors	Note-12	56,305	24,298
Expense creditors and accruals	Note-13	139,517	134,488
Sundry creditors	Note-14	54,184	54,842
Taxation		105,701	64,531
Total current liabilities		358,271	278,813
Total liabilities		676,787	611,941
Total equity and liabilities		2,163,795	2,006,219

The annexed notes 1 to 16 form an integral part of these financial statements.



Waliur Rahman Bhuiyan
Managing Director



Azizur Rashid
Finance Director

CASH FLOW STATEMENT for the half year ended 30 June 2008 (UNAUDITED)

	30 June 2008 <u>'000 Taka</u>	30 June 2007 <u>'000 Taka</u>
Cash flow from operating activities		
Receipts from sales	1,191,131	992,673
Other receipts	(1,093)	6,749
Payments for supply of goods and services	(941,682)	(783,012)
Interest received - net	15,835	6,578
Income tax paid	(29,371)	(57,248)
	<u>234,820</u>	<u>165,740</u>
Cash flow from investing activities		
Purchase of property, plant and equipment	(20,510)	(12,484)
Intangible assets	-	(1,400)
Disposal of property, plant and equipment	987	146
	<u>(19,523)</u>	<u>(13,738)</u>
Cash flow from financing activities		
Payment of finance lease	(323)	(651)
Dividend paid	(106,528)	-
	<u>(106,851)</u>	<u>(651)</u>
Net increase in cash during the period	108,446	151,351
Opening cash position - January	405,946	229,298
Closing cash position - June	<u>514,392</u>	<u>380,649</u>

STATEMENT OF CHANGES IN EQUITY for the half year ended 30 June 2008 (UNAUDITED)

	Share capital	Revaluation reserve	Tax holiday reserve	General reserve	Proposed dividend	Total
	<u>'000 Taka</u>	<u>'000 Taka</u>	<u>'000 Taka</u>	<u>'000 Taka</u>	<u>'000 Taka</u>	<u>'000 Taka</u>
For 2008						
At 1 January 2008	152,183	46,181	-	1,195,914	-	1,394,278
Appropriation of profit	-	-	-	189,957	-	189,957
Transferred to dividend payable account for 2007	-	-	-	(106,528)	106,528	-
Payment of dividend for 2007	-	-	-	-	(106,528)	(106,528)
Release of deferred tax provided earlier due to reduction in tax rate in 2008	-	-	-	9,301	-	9,301
At 30 June 2008	152,183	46,181	-	1,279,343	-	1,487,008

NOTES TO THE ACCOUNTS for the half year ended 30 June 2008 (UNAUDITED)

- a. BOC Bangladesh Limited (the "Company") is a listed Company limited by shares and was incorporated in Bangladesh in 1973 under the Companies Act 1913. The Company became a listed entity in the year 1976. The address of the registered office is 285 Tejgaon I/A, Dhaka-1208, Bangladesh. It is a direct subsidiary of The BOC Group plc of United Kingdom since inception. The entire shares of the BOC Group plc fully owned by Linde AG, a German company.

The Company's principal activities are the manufacturing and supplying of industrial and medical gases, welding equipment and products, anesthesia and ancillary equipments. The Company also earns rentals from cylinders used by the customers and from vacuum insulated evaporators installed at customers premises.

- b. A dividend of Taka 7.00 per ordinary share was declared for the year ended 31st December 2007.

	As at 30 June 2008 '000 Taka	As at 31 December 2007 '000 Taka
2. Property plant and equipment		
Assets at cost less accumulated depreciation	957,072	1,002,587
Leased assets less accumulated depreciation	<u>696</u>	<u>1,534</u>
	957,768	1,004,121
3. Intangible assets		
At 1 January	3408	1022
Acquired during the period	-	2917
Amortization during the period	<u>(286)</u>	<u>(531)</u>
	3122	3408
Intangible assets represents application software related to information services.		
4. Investment in subsidiary		
This represents the Company's holding of 199 ordinary shares of Tk 100 each valuing Tk 19,900.		
5. Inventories		
Raw materials	211,344	193,710
Finished goods	108,399	105,030
Goods in transit	49,477	34,075
Maintenance spares	<u>54,730</u>	<u>53,787</u>
	423,950	386,602

NOTES TO THE ACCOUNTS for the half year ended 30 June 2008 (UNAUDITED)

	As at 30 June 2008 <u>'000 Taka</u>	As at 31 December 2007 <u>'000 Taka</u>
6. Trade debtors		
Debts due over six months	34,268	13,348
Debts due below six months	<u>135,490</u>	<u>120,806</u>
	169,758	134,154
Provision for debts considered doubtful	<u>(19,899)</u>	<u>(18,534)</u>
	<u>149,859</u>	<u>115,620</u>
7. Advances, deposits and prepayments		
Loans and advances to employees	45,510	39,523
Advances to suppliers	11,228	9,051
Deposits and prepayments	31,948	26,527
VAT	<u>25,998</u>	<u>15,401</u>
	<u>114,684</u>	<u>90,502</u>
<p>Above amounts are unsecured and considered good. Of the total advances, deposits and prepayments Taka 77,076 thousands (Taka 46,500 thousands in December 2007) is receivable within 12 months from the date of the balance sheet.</p>		
8. Cash and cash equivalents		
Cash in hand	1,296	1,065
Cash at bank and call deposit	163,096	154,881
Fixed deposits with bank	<u>350,000</u>	<u>250,000</u>
	<u>514,392</u>	<u>405,946</u>
9. Deferred liabilities		
Gratuity fund:		
Gratuity payable at 1 January	61,873	58,558
Provision during the period	8,772	12,647
Payment during the period	<u>(2,885)</u>	<u>(9,332)</u>
	67,760	61,873
Pension fund:		
Adjustment for deficit as per actuarial valuation	12,575	12,575
Cylinder security deposit from customers	<u>151,952</u>	<u>148,437</u>
	<u>232,287</u>	<u>222,885</u>
<p>Gratuity payable represents total liabilities of the Company on account of employee gratuity scheme.</p> <p>Cylinder security deposit from customers is a liability of a continuing nature.</p>		
10. Deferred tax		
At 1 January	108,010	110,677
Provision release during the period	<u>(21,781)</u>	<u>(2,667)</u>
	<u>86,229</u>	<u>108,010</u>

NOTES TO THE ACCOUNTS for the half year ended 30 June 2008 (UNAUDITED)

Deferred tax has been calculated in full, on all temporary timing differences using effective current tax rate for the Company. The release of deferred tax includes Taka 9,301 thousands which was related to provisions made in earlier years based on higher tax rate than prevailing currently. This amount had been adjusted against General Reserve.

	As at 30 June 2008 '000 Taka	As at 31 December 2007 '000 Taka
11. Finance lease		
Present value of minimum lease payments		
Due within one year (current)	2,564	654
Due more than one but not later than five years (non current)	-	2,233
	<u>2,564</u>	<u>2,887</u>
12. Trade creditors		
Payable to vendors	<u>56,305</u>	<u>24,298</u>
Trade creditors are unsecured and payable within a month.		
13. Expense creditors and accruals		
Salaries, wages and retirement benefits	27,150	26,007
Workers profit participation fund	13,052	18,429
Technical assistance fee	26,637	16,766
Accrued expenses	18,976	20,017
Other creditors	53,702	53,269
	<u>139,517</u>	<u>134,488</u>
14. Sundry creditors		
Capital items	-	253
Deposit and advance from customers	35,729	40,337
Unpaid dividend	7,982	8,071
Others	10,473	6,181
	<u>54,184</u>	<u>54,842</u>
15. Taxation		
Current tax expenses	70,544	53,524
Deferred tax income (note 10)	(12,480)	(3,769)
	<u>58,064</u>	<u>49,755</u>
16. Contingent liabilities		
Bank guarantees to third parties, outstanding letter of credit, shipping guarantees, bank acceptance and disputed VAT	<u>327,545</u>	<u>119,497</u>

Range of Products and Services

Compressed Oxygen	Medical Oxygen
Liquid Oxygen	Nitrous Oxide
Compressed Nitrogen	Entonox
Liquid Nitrogen	Sterilizing Gases
Dissolved Acetylene	Medical Gases Cylinders
Carbon dioxide	Anaesthesia Machines
Dry Ice	Anaesthesia Ventilators
Argon	ICU/CCU Monitoring System
Lamp Gases	ICU/CCU Ventilators
LPG	Pulse Oximeter
Refrigerant Gases (Freon & Suva)	Infant Warmer
Fire Suppression System	Photo therapy Units
Hydrogen	Infant Incubators
Compressed Helium	OT Table
Liquid Helium	OT Light
Sulphurhexafluoride	Autoclave /Sterilizer
Sulphurdioxide	Gynaecological Tables
Special Gases & Gas mixtures	Medical Disposables
Gas Welding Rod & Flux	Humidifier
Gas Welding and Cutting Equipment	Oxygen Concentrator
Any other Gas on request	Nebulizer

Resuscitators
Central Sterilizing and Supply
Department(CSSD)

Other Medical Equipment on request

Mild Steel & Cast Iron Electrodes
Low Hydrogen/Low Alloy Electrodes
Stainless Steel & Bronze Electrodes
Arc Welding Equipment & Accessories
Spot Welding Machines
MIG Welding Equipment & Accessories
TIG Welding Equipment & Accessories
Plasma Cutting Equipment & Accessories
Welding Services & Training
Welding Equipment Repairs