

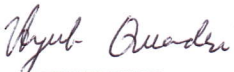
## BOC Bangladesh Limited

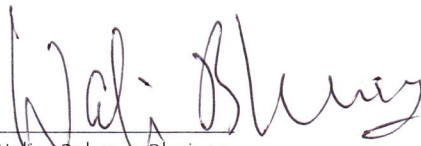
### Financial Statements

1st Quarter 2011

Statement of Financial Position (Un-audited) as at 31 March 2011

|   |              | 31 March<br>2011<br>'000 Taka | 31 December<br>2010<br>'000 Taka |
|---|--------------|-------------------------------|----------------------------------|
|   | <u>Notes</u> |                               |                                  |
| <b>Assets</b>                                       |              |                               |                                  |
| <b>Non-current assets:</b>                          |              |                               |                                  |
| Property, plant and equipment                       | 2            | 1,100,731                     | 1,043,552                        |
| Intangible assets                                   | 3            | 4,367                         | 4,766                            |
| Investment in subsidiary                            | 4            | 20                            | 20                               |
| <b>Total non-current assets</b>                     |              | <u>1,105,118</u>              | <u>1,048,338</u>                 |
| <b>Current assets:</b>                              |              |                               |                                  |
| Inventories   | 5            | 436,510                       | 361,478                          |
| Trade debtors                                       | 6            | 184,640                       | 200,103                          |
| Advances, deposits and prepayments                  | 7            | 146,621                       | 117,641                          |
| Cash and cash equivalents                           | 8            | 1,034,770                     | 1,074,414                        |
| <b>Total current assets</b>                         |              | <u>1,802,541</u>              | <u>1,753,636</u>                 |
| <b>Total assets</b>                                 |              | <u>2,907,659</u>              | <u>2,801,974</u>                 |
| <b>Equity and Liabilities</b>                       |              |                               |                                  |
| <b>Shareholders' equity:</b>                        |              |                               |                                  |
| Share capital                                       |              | 152,183                       | 152,183                          |
| Revaluation reserve                                 |              | 20,174                        | 20,174                           |
| General reserve                                     |              | 2,026,706                     | 1,823,141                        |
| <b>Total equity</b>                                 |              | <u>2,199,063</u>              | <u>1,995,498</u>                 |
| <b>Non-current liabilities:</b>                     |              |                               |                                  |
| Employee Benefits                                   | 9            | 81,988                        | 114,392                          |
| Deferred tax liabilities                            |              | 65,466                        | 64,939                           |
| Other non-current liabilities                       |              | 167,240                       | 165,646                          |
| <b>Total non-current liabilities</b>                |              | <u>314,694</u>                | <u>344,977</u>                   |
| <b>Current liabilities:</b>                         |              |                               |                                  |
| Trade creditors                                     |              | 44,646                        | 59,360                           |
| Expense creditors and accruals                      | 10           | 135,272                       | 206,801                          |
| Sundry creditors                                    | 11           | 61,030                        | 55,237                           |
| Provision for taxation (net of advance tax payment) |              | 152,954                       | 140,101                          |
| <b>Total current liabilities</b>                    |              | <u>393,902</u>                | <u>461,499</u>                   |
| <b>Total liabilities</b>                            |              | <u>708,596</u>                | <u>806,476</u>                   |
| <b>Total equity and liabilities</b>                 |              | <u>2,907,659</u>              | <u>2,801,974</u>                 |

  
Ayub Quadri  
Chairman

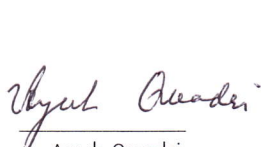
  
Wajid Bhuiyan  
Managing Director

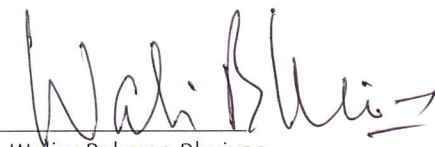
  
M. Nazmul Hossain  
Company Secretary

## BOC Bangladesh Limited

### Statement of Comprehensive Income (Unaudited) for the period of January to 31 March 2011

|   | January<br>to<br>31 Mar 2011<br><u>'000 Taka</u> | January<br>to<br>31 Mar 2010<br><u>'000 Taka</u> |
|---|--|--|
| <u>Notes</u>                                      |  |  |
| Revenue   | 918,101  | 752,470  |
| Cost of sales                                     | <u>(535,702)</u>                                 | <u>(439,732)</u>                                 |
| Gross profit                                      | 382,399  | 312,738  |
| Operating expenses                                | <u>(153,021)</u>                                 | <u>(111,930)</u>                                 |
| Profit from operations                            | <u>229,378</u>                                   | <u>200,808</u>                                   |
| Gain on disposal of property, plant and equipment | 2,130  | -  |
| Interest income, net                              | <u>14,367</u>                                    | <u>16,206</u>                                    |
| Profit before taxation                            | 245,875  | 217,014  |
| Taxation  | <u>(63,343)</u>                                  | <u>(51,969)</u>                                  |
| Net profit for the period                         | <u>182,532</u>                                   | <u>165,045</u>                                   |
| Earnings per share:                               |  |  |
| Basic earnings per share (par value Tk10)         | 11.99  | 10.85  |

  
Ayub Quadri  
Chairman

  
Waliur Rahman Bhuiyan  
Managing Director

  
M. Nazmul Hossain  
Company Secretary

## BOC Bangladesh Limited

### Statement of Cash Flows (Unaudited) for the period of January to 31 March 2011

| <u>Notes</u>  | January<br>to<br>31 Mar 2011<br>'000 Taka | January<br>to<br>31 Mar 2010<br>'000 Taka |
|---|---|---|
| Cash flow from operating activities                       |   |   |
| Receipts from sales                                       | 933,564                                   | 734,035                                   |
| Other receipts  | 7,387                                     | 932                                       |
| Payments for supply of goods and services                 | (853,851)                                 | (620,882)                                 |
| Net interest received                                     | 9,089                                     | 31,180                                    |
| Income tax paid   | (49,963)                                  | (44,509)                                  |
|   | <u>46,226</u>                             | <u>100,756</u>                            |
| Cash flow from investing activities                       |   |   |
| *Payment for acquisition of property, plant and equipment | (89,501)                                  | (15,331)                                  |
| Proceeds from sale of property, plant and equipment       | 3,631                                     | -   |
|   | <u>(85,870)</u>                           | <u>(15,331)</u>                           |
| Net increase in cash during the period                    | (39,644)                                  | 85,425                                    |
| Opening cash and cash equivalents                         | 1,074,414                                 | 1,116,875                                 |
| Closing cash and cash equivalents                         | <u>1,034,770</u>                          | <u>1,202,300</u>                          |

## BOC Bangladesh Limited

### Statement of changes in equity (Unaudited) for the period of January to 31 March 2011

|   | Share<br>capital<br>'000 Taka | Revaluation<br>reserve<br>'000 Taka | General<br>reserve<br>'000 Taka | Total<br>'000 Taka |
|---|-------------------------------|-------------------------------------|---------------------------------|--------------------|
| Balance as at 1 January 2010  | 152,183                       | 20,174                              | 1,666,177                       | 1,838,534          |
| Adjustment for surplus in actuarial<br>valuation of pension fund (BAS 19)                       | -                             | -                                   | (701)                           | (701)              |
| Profit earned during the period   | -                             | -                                   | 165,045                         | 165,045            |
| <b>Balance as at 31 March 2010</b>  | <u>152,183</u>                | <u>20,174</u>                       | <u>1,830,521</u>                | <u>2,002,878</u>   |
| Balance as at 1 January 2011  | 152,183                       | 20,174                              | 1,823,141                       | 1,995,498          |
| Release of earlier provisions for deficit<br>in actuarial valuation of pension fund<br>(BAS 19) | -                             | -                                   | 21,033                          | 21,033             |
| Profit earned during the period   | -                             | -                                   | 182,532                         | 182,532            |
| <b>Balance as at 31 March 2011</b>  | <u>152,183</u>                | <u>20,174</u>                       | <u>2,026,706</u>                | <u>2,199,063</u>   |

## Notes to the Accounts

for the period ended 31 March 2011

1. BOC Bangladesh Limited (The "Company") is a listed Company limited by shares and was incorporated in Bangladesh in 1973 under Companies Act 1913. The Company became a listed entities in 1976. The address of the registered office is 285 Tejgaon Industrial Area, Dhaka 1208, Bangladesh. It is a subsidiary of BOC Group Limited of United Kingdom. The BOC Group Limited is fully owned by Linde AG of Germany.

The Company's principal activities are the manufacturing and supply 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.

|  | 31-Mar<br>2011<br>'000 Taka | 31-Dec<br>2010<br>'000 Taka |
|--|-----------------------------|-----------------------------|
| 2. <b>Property plant and equipment</b> |                             |                             |
| Opening balance                        | 1,043,552                   | 922,735                     |
| Addition during the period/year        | 89,501                      | 260,408                     |
| Disposal during the period/year        | (1,501)                     | (6,822)                     |
| Depreciation during the period/year    | (30,821)                    | (132,769)                   |
|  | <u>1,100,731</u>            | <u>1,043,552</u>            |

3. **Intangible assets**

|                              |              |              |
|------------------------------|--------------|--------------|
| Opening balance              | 4,766        | 5,876        |
| Acquired during the year     | -            | 498          |
| Amortisation during the year | (399)        | (1,608)      |
| Closing balance              | <u>4,367</u> | <u>4,766</u> |

Intangible assets represent application softwares related to information services. Application softwares have been recognised as intangible assets as per provisions of Bangladesh Accounting Standard 38.

4. **Investment in subsidiary**

This represents the Company's holding of 199 ordinary shares of Tk 100 each in Bangladesh Oxygen Limited.

5. **Inventories**

|                    |                |                |
|--------------------|----------------|----------------|
| Raw materials      | 231,460        | 157,262        |
| Finished goods     | 54,216         | 77,590         |
| Goods in transit   | 71,464         | 55,486         |
| Maintenance spares | 79,370         | 71,140         |
|                    | <u>436,510</u> | <u>361,478</u> |

In view of innumerable items of inventory and diversified units of measurement , it is not feasible to disclose quantities against each item.

|  | 31-Mar<br>2011 | 31-Dec<br>2,010 |
|--|----------------|-----------------|
|  | '000 Taka      | '000 Taka       |
| <b>6. Trade debtors</b>                            |                |                 |
| Debts exceeding six months                         | 108,617        | 81,701          |
| Debts below six months                             | 105,555        | 130,639         |
|  | 214,172        | 212,340         |
| Provision for debts considered doubtful (Note 8.1) | (29,532)       | (12,237)        |
|  | <u>184,640</u> | <u>200,103</u>  |

As per policy of the Company where a debt is overdue by 90 days or 180 days, provision for doubtful debts is made at the rates of 50% and 100% respectively. Tk 17,295 thousand was charged in the first quarter due to non payment of old debts mainly by the Government Hospitals.

**7. Advances, deposits and prepayments**

|                                    |                |                |
|------------------------------------|----------------|----------------|
| Loans and advances to employees    | 40,616         | 41,448         |
| Advances to suppliers              | 10,350         | 7,992          |
| Loan to Rajbari Enterprise Limited | 5,231          | 5,226          |
| Accrued interest on fixed deposit  | 20,803         | 13,645         |
| Deposits and prepayments           | 30,039         | 22,724         |
| VAT current account                | 39,582         | 26,606         |
|                                    | <u>146,621</u> | <u>117,641</u> |

Above amounts are unsecured and considered good. Of the total advances, deposits and prepayments Tk.110,917 thousand (2010: Tk 70,262 thousand) is receivable within 12 months from the date of the balance sheet.

**8. Cash and cash equivalents**

|                           |                  |                  |
|---------------------------|------------------|------------------|
| Cash in hand              | 1,095            | 826              |
| Cash at bank              | 133,675          | 273,588          |
| Fixed deposits with banks | 900,000          | 800,000          |
|                           | <u>1,034,770</u> | <u>1,074,414</u> |

**9. Employee benefits**

|                 |               |                |
|-----------------|---------------|----------------|
| Pension fund    | -             | 27,538         |
| Gratuity scheme | 81,988        | 86,854         |
|                 | <u>81,988</u> | <u>114,392</u> |



|   | 31-Mar<br>2011   | 31-Dec<br>2,010  |
|---|------------------|------------------|
|   | <u>'000 Taka</u> | <u>'000 Taka</u> |
| <b>10. Expense creditors and accruals</b> |                  |                  |
| Salaries, wages and retirement benefits   | 37,524           | 41,172           |
| Technical assistance fee                  | 29,512           | 45,901           |
| Accrued expenses                          | 39,485           | 48,293           |
| Other creditors                           | 15,596           | 23,719           |
| Workers' profit participation fund        | 13,155           | 47,716           |
|   | <u>135,272</u>   | <u>206,801</u>   |
| <b>11. Sundry creditors</b>               |                  |                  |
| Deposit and advance from customers        | 48,614           | 45,195           |
| Unpaid dividends                          | 8,229            | 8,247            |
| Others                                    | 4,187            | 1,795            |
|   | <u>61,030</u>    | <u>55,237</u>    |