

Interim Report of Egis Pharmaceuticals Public Limited Company

**October 1, 2012 – September 30, 2013
Full Business Year***
(on the basis of
IFRS consolidated, non-audited balance sheet data)

**Egis Pharmaceuticals PLC's financial year extends from October 1 to September 30. Accordingly, the period from October 1, 2012 to September 30, 2013 was the Company's full 2012/2013 business year.*

Summary

The Egis Group has completed the 2012/2013 business year on September 30. According to the Company's assessment, the 2012/2013 results can be qualified as favourable. The targets set for the 2012/2013 financial year have been achieved by the Group. The domestic sales revenue has dropped as a consequence of the difficult market conditions brought about by the negative government measures. However, this has been offset by the dynamic growth of exports. The highest ever export revenues played a decisive role in the further development of profitability.

In the fourth quarter, **consolidated sales revenue of HUF 35,296 million** was generated by the Group. This **exceeds** the comparative figure **by 3%**.

In Hungary, of the strategically important markets, the consolidated net sales revenue declined 5% during the fourth quarter as a consequence of the so-called blind bidding process introduced in the fall of 2011. The manufacturer's price of generic pharmaceuticals has further sunk. At the same time it is advantageous for the Company to have had the possibility of making deductions from the payment obligations based on R&D spending in Hungary also in the fourth quarter.

Exports came to 80% of the Egis Group's quarterly turnover which, unlike the domestic sales, showed improvement also in the fourth quarter. Its value grew 0.1% in euro terms vs the comparative figure. The strengthening of euro decreased the growth of exports by 4 percentage points (in forint terms, there was a 5% rise in exports). Despite strengthening euro, the euro value of consolidated sales revenue expanded 19% in Russia and on other CIS markets while Eastern Europe showed a 1% expansion against the comparative quarter of 2011/2012. On other export markets, the aggregate euro value of exports went down 38% in y/y comparison.

Consolidated gross profit came to **56.0%** of the sales revenue over the fourth quarter, reflecting an improvement of 4.8 percentage points versus the comparative period. In the course of the quarter, the continuing price erosion in Hungary and Eastern Europe was offset by the change in sales structure and production cost efficiency measures. In addition, the year-end settlements of accounts debited the cost of sales by lower amounts.

The consolidated selling, general and administration costs rose 6% y/y due to the adverse shaping of provisions and items of value correction. The currently existing pharmaceutical R&D incentives enabled the Company to cut the expenses related to surtax payment obligations also over the fourth quarter.

In the fourth quarter, the **consolidated operating profit** accounted for **HUF 3,413 million** which is 9.7% of sales revenue. This result indicates a 63% rise against the basis value. The Company's profitability continues to be ensured by the export activity.

Q4 consolidated profit resulting from financial activities together with the results of associated companies amounted to HUF 197 million. Thus, the **consolidated pretax profit** came to **HUF 3,610 million**, exceeding the comparative value by 81%, and representing 10.2% of sales revenue.

It was the fourth quarter when the **European Commission has approved** the marketing authorization of the **first biosimilar monoclonal antibody** (mAb) containing the active ingredient infliximab, the approval was based on the European Medicines Agency's (EMA) opinion. Taking into account the 8 biosimilar products, covered by the collaboration agreement of 2010 between Egis and the Korean biopharmaceutical company, Celltrion Group, Remsima™/Flammegis® (infliximab) is the first product setting Egis to play a pioneering role in the area of biosimilar mAb therapies by its European launch.

Another event, occurring in the same fourth quarter the **voluntary public purchase offer** made by Arts et Techniques du Progrés (Offeror), a wholly owned subsidiary of the Servier Group at a price of HUF 28,000 per share in cash to acquire all of the outstanding shares of Egis not yet owned by the Offeror. At the time of making the offer, the Offeror owned approximately 51% of the shares of Egis. The commencement day of the acceptance period was 2 October 2013 and the closing day was 5 November 2013.

For the entire fiscal year the Group achieved **consolidated net sales of HUF 135,724 million** which is a **2% growth y/y**. The domestic turnover reflecting an 8% decline on annual level due to the introduction of blind bidding process could be offset by the 5% rise in the forint value of exports, achieved notwithstanding the unfavourable forex impact compared to the basis. In the 2012/2013 business year, exports accounted for 79% of the consolidated turnover of the Egis Group.

Consolidated gross profit for the entire fiscal year amounted to **58.0%** of sales revenue, 1 percentage point over the previous year's level. The gross margin was aggregately elevated by the change in sales structure and the production cost efficiency measures, however, reduced by forex rates appearing more unfavourable compared to 2011/2012 and the continuing price erosions in Hungary and in Eastern Europe.

The consolidated selling, general and administration costs grew 8% during the twelve-month period against 2011/2012, out of which the usual costs went up 6 percentage points. Twelve-month **operating profit accounted for HUF 19,715 million**, representing **14.5%** of sales revenue. This value remained below the outstandingly high comparative level by 4%.

In the 2012/2013 business year, the total profit resulting from financial activities together with the results of associated companies amounted to HUF 2,475 million. Thus, over the 2012/2013 financial year, the Egis Group generated **pretax profit of HUF 22,190 million**, with **9% increase** on last year. This result represented 16.3% of the sales revenue.

Net profit totalled **HUF 20,412 million**, **10% higher** than the year-earlier value. Net profit of the Egis Group was **15% of the sales revenue**.

According to the Company's assessment, the positive performance of the 2012/2013 year was attributable to the developing exports and the improving operations resulting from cost efficiency measures.

Sales Revenue – Domestic

In the fourth quarter the Egis Group achieved consolidated sales revenue of **HUF 6,987 million** in Hungary. This means a **5% drop** compared to Q4 2011/2012. The fall is caused by the continuous price erosion. According to IMS Health data, the Hungarian drug market experienced 6% increase in value terms through the July – September 2013 quarter in comparison with the year-earlier figure. Turnover of Egis Pharmaceuticals PLC was down 2% in forint terms as a consequence of prices moving down due to the blind bidding processes. Over the fourth quarter, the Company had 4.4% market share in value terms. Notwithstanding the forced price reductions of generic drug producers, the Company ranked the eighth largest supplier on the domestic drug market in the quarter. Among the generic medicine producers the Company kept its No. 3 ranking.

Further medicine price cuts as from April 1, 2013 forced by the six-month cycle blind bidding system introduced in October 2011 exercised adverse impact also on the quarterly turnover. In addition to the blind bidding system, the quarterly adjustment of reimbursement keys of medicines falling into the same INN category (so-called fixing) prevailed. The extent of price reductions effected on July 1, 2013 by Egis Pharmaceuticals PLC in order to maintain the reimbursement and market position of its products, was negligible.

Payment obligation of drug producers on grounds of their drug reimbursement was raised from 12% to 20% as from July 1, 2011. In the fourth quarter, the total amount payable by the Company according to its turnover came to HUF 565 million. As from July 1, 2011 the rate of registration fee on medical representatives has been HUF 10 million/medrep/annum instead of HUF 5 million. On such grounds HUF 271 million payment obligation was accounted over the quarter.

In December 2012, the Parliament confirmed the deductibility option of R&D expenses from the payment obligations for an indefinite period of time. Accordingly, 90% of the payment obligations debiting the calendar year preceding the given year may be deducted, provided that the Company's R&D expenses exceed 25% of the reimbursement (proportionate to manufacturer's price) paid on their products and that, personnel expenses within R&D go over 3% of the same reimbursement. Pursuant to the rules of law lower rates of R&D expenses trigger lower deductions.

As earlier, the Company was entitled also in the reported quarter to a 90% deductibility option. Thus HUF 682 million were accounted as allowance against its pharmaceutical payment obligations in the fourth quarter of the 2012/2013 financial year, including also registration fee on medical representatives and surtax proportionate to reimbursement.

The Company's leading product group in the domestic market, the Coverex product group, (Coverex-AS, Coverex-AS Komb and AS Komb Forte, Covercard) marketed under Servier's licence generated a turnover of HUF 1.6 billion over the fourth quarter. In the same period, sales revenue of the whole assortment of products licensed from Servier (Coverex product group, Adexor MR, Tenaxum, Apadex and Bioparox) totalled HUF 2.1 billion on the Hungarian market. This turnover added up to 30% of the Egis Group's total domestic drug sales in the fourth quarter.

In the business year as a whole, the Egis Group reached consolidated sales revenue of **HUF 28,705 million** on the domestic market, **8% less** y/y.

According to IMS Health data, the Hungarian drug market experienced 1% boost through the October 2012 – September 2013 twelve-month period in comparison with the same period of 2011/2012. Within this, the retail market of prescription drugs, representing the major field of operation of Egis, dropped 5%. The turnover of Egis Pharmaceuticals PLC lagged behind the comparative figure in value terms by 7% mainly as a consequence of falling prices due to the blind bidding process. Thus, average market share of Egis Pharmaceuticals PLC accounted for 4.5% in value terms in the twelve month period.

In the 2012/2013 business year Egis launched in total 6 presentation forms (strengths) of 2 new products on the domestic market.

Sales Revenue – International

The export activity plays the predominant part in the Group's performance, more specifically, the markets where Egis possesses its own distribution network have driving role, like Russia and other markets of CIS as well as the Eastern European countries.

In the fourth quarter, Egis Group generated consolidated international sales revenue of **EUR 95,001 thousand**, showing a **0.1% expansion** y/y. Euro value of exports was tempered 4% by the euro exchange rate strengthening against several foreign currencies. Adverse forex impact affected primarily exports to the CIS markets (strengthening of euro was the most intensive vs the rouble and the dollar). The weight of exports increased to 80% of the Group's sales during the quarter. Sales on the CIS markets (including Russia) were realized at a value of EUR 48.7 million, showing a 19% increase on the comparative value (strengthening of euro caused 7% depreciation of the region's turnover). Sales of the Egis Group on the Eastern European markets came to EUR 32.9 million, 1% more y/y. In the rest of the world Q4 turnover lagged behind the year-earlier figure by 38% due to the strong basis value and declining active ingredient sale.

In the full business year, the Egis Group realised consolidated sales at a total value of **EUR 364,296 thousand**, **5% more** than a year ago. The strengthening euro depreciated the value of exports by 1%. Ratio of exports continued to boost, its value ran to 79% of consolidated sales revenue.

Twelve-month exports to CIS markets (including Russia) reached the value of EUR 178.8 million, 10% over the basis figure. 39% of consolidated turnover derived from this region.

Over the 2012/2013 financial year, the Egis Group had a turnover of EUR 124.9 million in Eastern Europe surpassing the year-earlier figure by 3%. The Eastern-European region accounted for 27% of the turnover of Egis Group.

In the rest of the world twelve-month sales showed a total decrease of 2% y/y due to the lessening active ingredient turnover. The sales revenue in the rest of the world accounted for 13% of the consolidated turnover.

Russia

In the fourth quarter, the Egis Group realised sales of **EUR 36.6 million** in their largest market, Russia (1.59 billion roubles, 37% growth in rouble terms). This shows a **27% higher** value than the comparative figure. Following its temporary slackening in the preceding quarters, the market turnover has again expanded at an accelerating pace.

Reincrease in wholesalers' stocks falling in the first half of the year contributed to the dynamics of turnover too. Meanwhile, strengthening of the euro against the rouble depreciated the euro value of the quarter's sales revenue by 7%.

Prices of products figuring on the EDL (Essential Drug List), fixed by authorities in November 2010, have not changed in the reported quarter either. Almost two thirds of turnover of the Egis Group derive from the listed products. The Company effected no change in the price of the drugs in the free market segment but price rises at the end of the 2011/2012 business year also exercised impact on the quarterly turnover. Over the quarter, there has been no change in regulation and no new rule of law came into force which would exercise notable effect on the Company's position or turnover.

The full business year saw a turnover of **EUR 127.0 million** exceeding the year-earlier figure **by 9%** (13% increase in rouble terms). The expansion of commercial network realized over the preceding period contributed primarily to the growth of turnover which was also assisted by the new products introduced on the Russian market in the 2011/2012 and 2012/2013 business years.

In the course of 2012/2013, Egis has started the marketing of five strengths of two new products in total.

Ukraine, other CIS markets

Q4 sales in **Ukraine** accounted for EUR 5.2 million with a 10% boost compared to the year-earlier quarter (17% higher in dollar terms). **On other CIS markets**, the Group generated total sales of EUR 6.9 million, which is 4% lower than the year-earlier figure (1% more in dollar terms). Over the quarter, Egis initiated the sale of its first biosimilar product, Flammegis® (infliximab), on the Azerbaijan market.

The turnover achievable in these regions is largely influenced by the volatility of the local economic prosperity.

Annual sales in **Ukraine** accounted for EUR 19.8 million. Sales revenue is 20% above the comparative value (22% up in USD terms). Here it is to be mentioned that one product dropped off the sales temporarily for logistic reasons in the first half of the previous financial year and its reappearance enhanced the sales dynamics in the course of the year. Normal rise in sales revenue was 10% in the twelve months of 2012/2013.

On **other CIS markets** the Company achieved sales at a value of EUR 32.0 million which reflects a 9% expansion y/y (10% rise in dollar terms). The development was the sharpest in Belarus and Kazakhstan.

On these markets, the Company, in accord with its partners, strives to maintain commercial conditions which promote the continuous development and further considerable turnover expansion in line with their financial possibilities and availability of convertible currencies.

Eastern Europe

In the fourth quarter, the Egis Group generated turnover of **EUR 32.9 million** in the Eastern European countries. This achievement exceeds the year-earlier figure by 1%. In total, the strengthening euro depreciated the euro value of the quarterly turnover by 2%.

Q4 turnover in **Poland**, the largest market of this region, came to EUR 14.1 million, a 5% drop compared with the last year's figure (PLN 59.8 million, 3% down). Over the fourth quarter, the strengthening euro vs PLN depreciated the value of exports by 2%.

In the **Czech Republic**, sales were realised at a value of EUR 4.7 million, 3% over the comparative turnover (the rise in CZK was 6%). In **Slovakia**, Q4 turnover totalled EUR 3.0 million, indicating a 3% reduction y/y. The level of turnover on this market, falling below the basis, was brought about by the rapidly declining drug prices. At the same time, rate of turnover decline has moderated remarkably in the past quarter. In **Romania** sales came to EUR 5.3 million with a 4% increase against the year-earlier basis (3% growth in RON terms). The Egis Group's receivables kept being at a high level on the Romanian pharmaceutical market. Rules of law, being in force as from October 1, 2009 and amended several times, impose payment obligation on pharma industry proportionate to the turnover. Based on own calculations, the Egis Group accounted expenses of HUF 110 million in the reported quarter for its payment obligations anticipated on the Romanian market. At the same time, HUF 117 million payment, accounted earlier as cost debiting the second calendar quarter of 2013 was effected during the quarter. The Egis Group had a turnover of EUR 5.9 million on **other markets of Eastern Europe**, with a 15% boom y/y.

In the full business year, turnover at a value of **EUR 124.9 million** was achieved in the Eastern European region which reflects a **3% growth** compared to 2011/2012.

Annual sales in **Poland** accounted for EUR 55.2 million, 3% higher than a year ago (1% rise in PLN terms). As a consequence of the restrictive effects of the new price and reimbursement system introduced last year, the dynamics of Polish market has slowed down. The new products enabled the Egis Group to increase sales, in total, the sale of 5 strengths of 2 new products has been started by the Egis Group over the past financial year. Additionally, the products launched in the preceding year also promoted the dynamics of sales revenue.

In the **Czech Republic**, the turnover came to EUR 18.7 million, with a 5% expansion (the growth in CZK terms was 7%). The boom was fuelled by new product launches. In **Slovakia**, sales accounted for EUR 11.2 million, showing a 11% slump y/y as a consequence of further government measures. In **Romania** the twelve-month consolidated sales came to EUR 19.2 million with an 8% increase on the year-earlier figure (8% rise in RON terms). The progress rested upon the new product launches in the preceding and in the current year. The Egis Group had an aggregate turnover of EUR 20.5 million on **other markets of Eastern Europe**, 4% above the comparative value.

Rest of the World

In the fourth quarter, the **export of finished pharmaceuticals** to the rest of the world came to EUR 5.7 million with a 6% decrease vs the basis figure. The **export of active substances and other products** totalled EUR 7.7 million going down 50% against the prominent level last year.

For the entire fiscal year, **export of finished products** of Egis Group to the rest of the world accounted for EUR 22.0mn, 19% more than in the same period of the previous year. Majority of turnover derived from the sale of Egis Pharmaceuticals PLC's own medicines. Over the 2012/2013 financial year, export of **active substances and other products** totalled EUR 38.6 million with an 11% decrease y/y.

Deliveries within the confines of Egis and Servier dealings represented the core of the aggregated twelve-month export generated in the rest of the world.

Sales in the rest of the world show higher fluctuation, subject to the partners' orders, than sales in regions covered by own distribution network of the Company.

2012/2013 business year consolidated turnover achieved by the Egis Group in the key export markets is shown in the table:

<i>(EUR thousand)</i>	2012/2013	2011/2012	Change		
Export markets	business	business	thousand	%	%
(transactional currency)	year	year	EUR	EUR	TC
Russia (RUB)	127 012	116 027	10 985	9	13
Ukraine (USD)	19 786	16 500	3 286	20	22
Other CIS countries (USD)	31 985	29 460	2 525	9	10
Russia and other CIS countries in total	178 783	161 987	16 796	10	
Poland (PLN)	55 230	53 859	1 371	3	1
Czech Republic (CZK)	18 743	17 791	952	5	7
Slovakia (EUR)	11 239	12 566	-1 327	-11	-11
Romania (RON)	19 166	17 812	1 354	8	8
Other Eastern European countries	20 512	19 669	843	4	
Eastern Europe in total	124 890	121 697	3 193	3	
Finished pharmaceuticals to other countries	22 043	18 565	3 478	19	
Active ingredients and others	38 580	43 344	-4 764	-11	
Total export	364 296	345 593	18 703	5	

The average exchange rate in the fourth quarter was HUF 297.99/EUR, HUF 14.66 or 5.2% higher y/y. However the exchange rate of HUF/USD and HUF/RUB was 0.3% and 2.7% lower y/y, respectively. The aggregate impact of exchange rates appreciated the HUF value of the export of the Group by HUF 0.1 billion. After all, **exports in the quarter were performed at a value of HUF 28,309 million** which exceeds the year-earlier figure by 5% and represents the greatest quarterly export-turnover of all times in the life of the Egis Group.

Total exports in the business year achieved **HUF 107,019 million**, with a 5% boost y/y. Change in the exchange rates being less favourable than in the basis period caused the aggregate devaluation of the Egis Group's exports by some HUF 1.2 billion in comparison with the previous business year. The negative foreign exchange impact occurred in the first and third quarters.

Gross Profit

In the fourth quarter, consolidated cost of sales represented 44.0% of sales revenue. This is 4.8 percentage points lower than a year ago. During this quarter the constantly sinking selling prices in Hungary and in Eastern Europe was offset by the change in sales structure and the results of cost-efficiency measures in production. Furthermore, cost of sales in the reported quarter was less burdened by the year-end accounts than the one in the base period.

Thus, **gross profit** (contribution) of the Egis Group reached **HUF 19,763 million** in the fourth quarter, **13% higher** the year-earlier base. This represents 56.0% gross margin.

In the whole business year, cost of sales represented 42.0% of sales revenue. This is 1 percentage points lower than in the previous business year. The less advantageous shaping of exchange rates compared to that of last year and the decreasing sales prices have been successfully compensated by the change in sales structure and a more cost-efficient production. **Gross profit** of the business year reached **HUF 78,773 million, 4% above** the comparative period.

Operating Profit

In the fourth quarter, sales, general and administration expenses of the Egis Group increased 6% compared to the same period of the previous year. The level of usual costs in total have not changed, the increase was entirely due to the unfavourable balance of provisions and other items of value correction.

Commercial costs (**general selling costs**) achieved corresponding level as in the base period.

Research and development expenses declined 6% compared to the outstanding value of the year-earlier basis.

Administrative costs increased 44% y/y. Among cost items, the ordinary operational costs rose 7% while balance of provisions and other items of value correction was HUF 555 million, HUF 910 million higher cost value than a year ago.

Q4 consolidated balance of **other operating expenses and income** came to minus HUF 54 million, HUF 17 million more favourable than in the same period of the previous business year.

The Company accounted HUF 682 million for the reported period as cost reduction item, based on the fact that the R&D spending related option to reclaim payment obligations was reinforced in December 2012. Regarding its composition HUF 485 million reclaim of payment obligations proportionate to manufacturer's price is presented as part of other operating expenses, while HUF 197 million deduction related to registration fee on medical representatives reduced the general selling costs. In the fourth quarter the balance of different state-run payment obligation items, pharmaceutical industry related charges, accounted as part of other operating expenses, was minus HUF 184 million, including HUF 104 million as the value of expenditures abroad (predominantly in Romania) besides the balance of expenditures and allowances accounted in this line on obligations in Hungary. Other accounts showed HUF 130 million surplus on the revenue side.

Thus, **consolidated operating profit** of the fourth quarter reached **HUF 3,413 million, 63% higher** than the result of the base period.

In the entire business year, sales, general and administration expenses showed an increase of 8% y/y. Without the change of the provisions and other items of value correction the increase of the usual costs was 6%.

Commercial costs (**general selling costs**) grew 6%. Increase in costs is explained by the commercial network expansion in the strategic markets of the Group, especially in the CIS markets, and by the preparation for the sales of biosimilar products.

During the business year, **research and development expenses** were 4% higher than in the previous business year. The higher level of registration costs forming part of the developments of new products contributed most significantly to the expansion of R&D costs.

Administrative costs rose 18% in the entire business year. The ordinary operational costs grew 4% y/y. The balance of the provisions and other items of value correction showed HUF 874 million. The cost of the reported period is HUF 1,411 million less favourable than the base period mainly due to the fact that provisions (for contingent liabilities) made previously have been released in the base period.

Twelve-month balance of **other operating expenses and income** came to minus HUF 138 million, reflecting an improvement of HUF 664 million y/y. Within this difference HUF 167 million is due to the expenses and recoveries accounted on pharmaceutical surtax while HUF 497 million is explained by the favourable shaping of other items.

In the 2012/2013 business year, the Egis Group realised an **operating profit of HUF 19,715 million**, 4% less compared to the outstanding result of the previous business year. Operating profit represented 14.5% of the sales revenue, this is 0.9 percentage points lower than the comparative figure.

High operating profit was promoted mainly by the dynamic and structurally favourable export performance but also supported by the accounting of pro rata R&D based recoveries and the strict management of the costs. The profitability was affected unfavourably by the fall in turnover in the domestic pharmaceuticals market due to the drop of prices and the unfavourable change in the exchange rates in y/y comparison.

Profit before Taxation

In the fourth quarter of the financial year, Egis Group's **consolidated profit resulting from financial activities** together with the **share of results of associated companies** showed, in total, a positive HUF 197 million. This is HUF 298 million favourable than that in the same period of the previous year. This favourable alteration stems from the difference of the exchange rate effects and share of results of associated companies.

Among the main financial and associated items of the quarter net interest income accounted for HUF 396 million, net forex impact (forex gain/loss and forex hedge positions) was minus HUF 127 million (out of which minus HUF 183 million was realized) while the balance of other accounts showed minus HUF 72 million.

As a result of all these factors, **consolidated pre-tax profit** of the fourth quarter amounted to **HUF 3,610 million, 81% higher** than the year-earlier basis.

In the entire business year, **consolidated profit resulting from financial activities and share of results of associated companies** showed, in total, a positive profit of HUF 2,475 million. This figure is more favourable than a year ago with a difference of HUF 2,623 million. Net forex impact (forex gain/loss and forex hedge positions) was

HUF 1,331 million more favourable, while the share of results of associated companies was HUF 1,683 million more favourable, compared to the year-earlier basis.

In the 2012/2013 business year, the Egis Group realized a **consolidated pre-tax profit of HUF 22,190 million**, which is **9% higher** than in the previous business year.

Net Profit

Egis Pharmaceuticals PLC is entitled to corporate income tax allowance on the basis of considerable capacity-expansion investment programs realized in production and R&D between 2005 and 2013. Up to the level of the allowance value, the Company enjoys a tax allowance of 80% out of the 19% general corporate income tax rate. Other companies of the Egis Group pay corporate income tax according to the country-specific rates applicable in the individual countries.

In addition to corporate income tax local business tax (LBT) and innovation contribution are presented as part of the profit tax. The value of these, incurred during the quarter, came to HUF 259 million.

In the fourth quarter, consolidated net profit came to **HUF 3,327 million, 103% higher** than a year ago.

In the business year, the Egis Group reached a **consolidated net profit of HUF 20,412 million, exceeding** the value of the previous business year **by 10%**, and representing 15.0% of the sales revenue.

Assets vs. Equity & Liabilities

Consolidated total sum of **assets vs. equity & liabilities** on the balance sheet of the Egis Group amounted to HUF 227,117 million at the end of the period, representing 9% rise compared to the closing value of the previous business year.

Value of **intangible assets** was 3% lower than last year. Value of **property, plant and equipment** rose 4% over a year. More specifically, net value of land and buildings increased 6%, net value of equipment, machinery and vehicles increased 9% in the last twelve months, while value of item 'construction in progress' dropped 42%.

Value of **invested financial assets** has increased 18% over the past year.

On September 30, 2013, value of **inventories** of the Group was 7% lower than a year ago. This fall is an outcome of the strict resource management, greatest drop was in the value of inventories of work-in-progress and semi-finished products. The value of **trade receivables and other current assets** rose 14% over the last year. The rise of receivables resulted from the change in the sales structure.

At the end of the period, **cash and cash equivalents** of the Egis Group in total amounted to HUF 57,166 million, 24% more than a year ago. The increase was due to the profitable export-driven activity and the strict resource management.

Equity of the Group at the end of the period was HUF 198,085 million, increasing 10% over the year. Equity per share grew to HUF 25,442.

Liabilities continued to represent a minor ratio, 13% in the account of equity & liabilities of the Group. Value of **non-current liabilities** increased 15% over the last twelve months, while value of **current liabilities** dropped 1%. More specifically, value of **trade payables and other current financial liabilities** remained unchanged.

Other Information

Headcount, Capital Expenditure

The total number of **full-time employees** of the Egis Group was 4,023 as at September 30, 2013, that is 46 persons more than at the end of the previous business year, mainly due to the commercial network expansion in the CIS countries. Out of the consolidated headcount, 2,597 people worked at Egis Pharmaceuticals PLC in Hungary, 38 people at the Hungarian subsidiaries, 925 in the foreign commercial offices and 463 at the foreign subsidiaries of the Group.

The number of full-time employees of Egis Pharmaceuticals PLC (stand-alone) on labour law basis was 2,599 at the end of the fourth quarter.

In the fourth quarter of the reported financial year, **capital expenditure** of the Egis Group totalled HUF 6,580 million, 3% less than the year before. Within this, capex of Egis Pharmaceuticals PLC came to HUF 6,343 million while capex of subsidiaries totalled HUF 237 million.

In total, twelve-month capital expenditure amounted to HUF 14,496 million, 5% less than a year ago. Within this, capex of Egis Pharmaceuticals PLC came to HUF 13,769 million while capex of subsidiaries totalled HUF 727 million.

Segment Information

Segment information about Egis Group's activity is included in the data sheets enclosed. Dominant operation segment of the Group is '**production and sale of pharmaceutical products**' which is identical with Egis Pharmaceuticals PLC's activity.

Shares, Ownership Structure

The Company's **share capital** as at September 30, 2013 invariably equaled HUF 7,785,715 thousand, the same as a year ago. Share capital consists of 7,785,715 issued and fully paid dematerialized shares of registered value of HUF 1,000 per share, carrying equal voting rights. The shares are listed on the Budapest Stock Exchange in category 'Premium'.

There was no significant change in the **ownership structure** of the Company. At the end of the quarter the French company Arts et Techniques du Progrès ('Servier') continued to own 50.91% of shares while the remaining stock was in the possession of other shareholders. On September 24, 2013, Servier made a voluntary public purchase offer to acquire all of the outstanding shares of Egis not owned by them. The commencement date of the acceptance period was October 2, 2013 and the closing date was November 5, 2013.

Contracts, Obligations

In order to secure export revenues, Egis Pharmaceuticals PLC regularly takes **forex hedge positions**. On the closing date of the accounts solely Russian rouble forward sell agreements were recorded among the open positions of the Company, scheduled to expire in March, 2014 latest. The result of the realized forex hedge transactions during the reported period as well as the value of open positions at the closing date of the accounts are included in the accounts of this report.

The July - September 2013 rate of the **payment obligations** stipulated in the act on the pharmaceutical market **in Hungary** is indicated in the accounts at a value of HUF 836 million as expenditure. In detail, the Company presented HUF 271 million registration fee on medical representatives as part of the general selling costs, HUF 565 million payment obligation proportionate to turnover as part of other operating expenses. Within this sum, the July value was calculated on actual data while the amount for August - September reflects the estimation of the Company. The Company fulfilled the payment obligations in due time.

As announced in the previous reports of the Company, according to the legislative amendment passed by the Parliament in December 2011 up to 90% could be deducted as allowance from the Company's payment obligations relative to 2011 calendar year as a function of their R&D spending in that year. The ground of the deductibility option for the Company was the value of R&D expenses in 2011/2012 business year, by virtue of which the Company was entitled to 90% deduction. Accordingly, the total sum of the value of the deductions accounted from liabilities in 2011/2012 business year was HUF 2,855 million. The financial settlement of deductions on payment obligations made in the 2011 calendar year is possible after the closing of 2011/2012 business year (from the beginning of 2013 calendar year). In the 2012/2013 business year the Company settled HUF 2,309 million deduction.

In December 2012 the Parliament confirmed the possibility of R&D incentive for an indefinite period of time. The Company was entitled to apply 90% deduction in the reported period as well. Accordingly, the Company placed HUF 682 million into deduction in the fourth quarter. Thus, on September 30, 2013 – including those deductions accounted in 2011/2012 and not settled yet – the Company records HUF 3,397 million deduction in total.

On the **Romanian** pharmaceutical market distributors have **payment obligations**, on grounds of legal provisions, proportionate to their sales revenue. Egis Group accounted an expense of HUF 110 million during the July - September 2013 period on basis of own calculations anticipating payment obligations in Romania. The payment obligations have been fulfilled in due time, the total value of the obligations recorded at the end of the period as balance of the accounted expenses and the payments actually effected is HUF 717 million.

In February 2010, Egis Pharmaceuticals PLC signed an **agreement with Celltrion**/South Korea for distribution of eight biosimilar products in the strategic markets of Egis Pharmaceuticals PLC. Under the general contract, also the product supply agreements for the first two products have been signed. During the reported financial year only one, USD 3.2 million advance payment was made by Egis Pharmaceuticals PLC, in the fourth quarter, which will be deducted upon the delivery of goods.

The Company had no **other significant outstanding liabilities** at the end of the period.

No **bonds** were issued by the Company.

Others

In the highlighted quarter, there was no change **in the executive management of the Company**.

The Company holds no **treasury shares**.

Disclosures

Between October 1, 2012 and September 30, 2013, the following information was published by Egis Pharmaceuticals PLC:

October 31, 2012	Information on Changes in Accounting Policies
November 14, 2012	Report on results of the 2011/2012 full business year
December 17, 2012	Invitation to the Annual General Meeting (AGM) to be held on January 30, 2013
December 17, 2012	Remuneration Statement
January 10, 2013	Proposals to the AGM held on January 30, 2013
January 30, 2013	AGM resolutions
January 31, 2013	Annual Report 2011/2012
January 31, 2013	Corporate Governance Report 2011/2012
January 31, 2013	Summary Report on Published Information
February 12, 2013	Quarterly Report 3M 2012/2013
March 25, 2013	Information on resolution of outstanding patent litigation
April 23, 2013	Announcement on the 2013 Dividend Payment
May 14, 2013	Semi-Annual Report 6M 2012/2013
June 14, 2013	Articles of Association
August 1, 2013	Interim Report on 9M 2012/2013 performance
September 13, 2013	Marketing authorisation for biosimilar infliximab in EU

September 24, 2013	Voluntary public purchase offer of Servier
September 24, 2013	Disclosure of the investor presentation upon request of the Offeror
September 24, 2013	Information on the material of the investor webcast presentation and conference call upon request of the Offeror
September 27, 2013	The voluntary public purchase offer approved by HFSA

In addition to the above announcements, the Company, in effort to meet the rules set in Point (9) Section 54 of the modified Capital Market Act (CXX/2001), has given information monthly on voting rights attached to its shares and on the share capital.

Enclosures

- Data sheets

Appendices

- Consolidated financial statements of Egis Group for the fourth quarter of the 2012/2013 business year
- Financial statements of Egis Pharmaceuticals PLC for the 2012/2013 business year
- Financial statements of Egis Pharmaceuticals PLC for the fourth quarter of the 2012/2013 business year
- Export sales revenue of Egis Pharmaceuticals PLC in the entire 2012/2013 business year

STATEMENT

The present report of Egis Pharmaceuticals Public Limited Company (hereinafter ‘the Company’) on the whole 2012/2013 business year together with the attached financial statements gives true and fair view of the position of the Company and its consolidated companies.

Budapest, November 12, 2013

Egis Pharmaceuticals Public Limited Company

dr. HODÁSZ István Balázs
Chief Executive Officer

Company name: Egis Pharmaceuticals PLC	Telephone:	+36 1 803 5555
Company address: H-1106 Bp., Keresztúri út 30-38.	Fax:	+ 36 1 803 5529
Sector: pharmaceuticals	E-mail address:	mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager:	CSÁNY, László

PK1. General information about financial data

	Yes	No			
Audited	<input type="checkbox"/>	<input checked="" type="checkbox"/>			
Consolidated	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Accounting principles	Hungarian	<input type="checkbox"/>	IFRS	<input checked="" type="checkbox"/>	Other <input type="checkbox"/>

PK2. Consolidated companies

Name	Equity/Registered Capital	Interest held (%)	Voting right	Classification ¹
Egis Bulgaria EOOD	BGN 5,000	100	100 %	L
Egis Ilaclari Limited Sirketi	TRY 31,160,000	100	100 %	L
Egis Pharmaceuticals U.K. Ltd.	GBP 1,000	100	100%	L
Egis Polska Dystrybucja Sp.z o.o.	PLN 20,000,000	100	100 %	L
Egis Polska Sp.z o.o.	PLN 17,860,000	100	100 %	L
Egis Praha spol. s r.o.	CZK 82,640,000	100	100 %	L
Egis Rompharma S.R.L.	RON 10,000	100	100 %	L
Egis Slovakia spol. s r.o.	EUR 3,196,242	100	100 %	L
Medimpex do Brasil Produtos Farmacêuticos e Médico-Hospitalares Ltda.	BRL 753,900	100	100 %	L
Medimpex Irodaház Ingatlankezelő Kft.	HUF 606,440,000	50	50 %	T
Medimpex Kereskedelmi Zrt.	HUF 598,000,000	100	100 %	L
OOO Egis RUS	RUB 42,500,000	100	100%	L
Proterapia Sp.z o.o.	PLN 10,000	100	100%	L

¹ Full (L), Associated (T)

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Sector: pharmaceuticals	E-mail address: mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

PK3. Consolidated Balance Sheet in accordance with IFRS

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	30 Sept 2012 Audited	30 Sept 2013 Unaudited	Index (2/1)
	1	2	
ASSETS			
Intangible assets	4 136	4 010	97,0
Property, plant and equipment	73 931	76 943	104,1
Land and buildings	37 714	40 135	106,4
Plant, machinery and equipment	27 419	30 141	109,9
Vehicles	3 602	3 644	101,2
Construction in progress	5 196	3 023	58,2
Investment properties	642	820	127,7
Investments in associates	2 569	3 121	121,5
Other non-current financial assets	585	592	101,2
Deferred tax asset	385	466	121,0
Inventories	33 788	31 576	93,5
Work-in-progress and semi-finished products	14 826	12 408	83,7
Finished goods	7 795	8 129	104,3
Raw materials	7 063	7 229	102,4
Goods for resale	4 104	3 810	92,8
Net trade receivables and other current assets	46 025	51 108	111,0
Trade receivables	32 614	36 568	112,1
Taxes receivable	2 454	2 745	111,9
Advance payments to suppliers	6 732	6 916	102,7
Other receivables	4 225	4 879	115,5
Other current financial assets	248	166	66,9
Cash and cash equivalents	45 929	57 166	124,5
Cash in bank	36 448	38 786	106,4
Cash on hand	167	119	71,3
Other cash equivalents	9 314	18 261	196,1
TOTAL ASSETS	208 238	225 968	108,5

Prepared in accordance with IAS 34 Interim Financial Reporting

Company name: Egis Pharmaceuticals PLC	Telephone: +36 1 803 5555
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Sector: pharmaceuticals	E-mail address: mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

Consolidated Balance Sheet (continued)

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	30 Sept 2012 Audited	30 Sept 2013 Unaudited	Index (2/1)
	1	2	
<u>EQUITY AND LIABILITIES</u>			
Shareholders' equity	179 490	198 085	110,4
Share capital	7 786	7 786	100,0
Share premium	2 239	2 239	100,0
Fair valuation reserve	20	(21)	
Translation difference	1 147	1 240	108,1
Retained earnings	168 298	186 841	111,0
Non-current liabilities	3 770	4 320	114,6
Other non-current financial liabilities	2 559	2 865	112,0
Provisions	1 208	1 455	120,4
Deferred tax liability	3	0	
Current liabilities	24 978	23 563	94,3
Other current financial liabilities	349	208	59,6
Provisions	1 497	1 289	86,1
Trade payables	15 420	13 391	86,8
Salaries payable	1 098	1 149	104,6
Taxes and duties payable	699	842	120,5
Other short term liabilities	5 915	6 684	113,0
TOTAL EQUITY AND LIABILITIES	208 238	225 968	108,5

Prepared in accordance with IAS 34 Interim Financial Reporting

PK4. Consolidated Statement of Comprehensive Income in accordance with IFRS

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	12 months ended 30 Sept 2012 Audited	12 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
Domestic sales	31 357	28 705	91,5
Export sales	101 468	107 019	105,5
Sales	132 825	135 724	102,2
Cost of sales	57 157	56 951	99,6
Gross profit	75 668	78 773	104,1
General selling costs	32 293	34 387	106,5
Research and development expenses	12 115	12 660	104,5
Administrative costs	10 022	11 873	118,5
Administrative and distribution expenses	54 430	58 920	108,2
Other operating expenses	1 993	1 436	72,1
Other operating income	1 191	1 298	109,0
Operating profit	20 436	19 715	96,5
Finance income	2 158	2 699	125,1
Finance costs	1 182	783	66,2
Profit from financial activities	976	1 916	196,3
Share of results of associated companies	(1 124)	559	
Profit before taxation	20 288	22 190	109,4
Income tax expense	1 757	1 778	101,2
Profit for the year	18 531	20 412	110,2
Exchange differences on translation of foreign operations	249	93	37,3
Change in the fair value of available-for-sale financial assets	5	(41)	
Other comprehensive income for the year	254	52	20,5
Total comprehensive income for the year	18 785	20 464	108,9
Basic and diluted earnings per share (HUF)	2 380	2 622	110,2

PK5. Consolidated Statement of Cash Flows in accordance with IFRS

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	12 months ended 30 Sept 2012 Audited	12 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	

OPERATING ACTIVITIES

Profit before tax	20 288	22 190	109,4
Depreciation and amortization	10 100	10 896	107,9
Impairment	132	472	357,6
Net interest income	(1 929)	(1 910)	99,0
Profit on disposal of fixed assets	(253)	(193)	76,3
Unrealised foreign exchange loss	150	212	141,3
Fair valuation of financial instruments	(41)	115	
Decrease (-) / Increase in provisions	(599)	39	
Discounting long-term employee loans	(3)	(15)	500,0
Share of results of associated companies	1 150	(552)	
Decrease in inventories	2 048	2 212	108,0
Increase in net trade receivables and other current assets	(5 473)	(5 083)	92,9
Increase / decrease (-) in trade and other payables	531	(1 066)	
Net tax paid	(1 688)	(1 862)	110,3
Net cash flows from operating activities	24 413	25 455	104,3

INVESTING ACTIVITIES

Purchase of intangibles and property, plant and equipment	(15 263)	(14 496)	95,0
Proceeds from sale of intangibles and property, plant and equipment	352	285	81,0
Interest received	1 975	2 086	105,6
Decrease in securities	0	76	
Loans given	(44)	(70)	159,1
Repayment of loans given	59	33	55,9
Net cash used in investing activities	(12 921)	(12 086)	93,5

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Sector: pharmaceuticals	E-mail address:	mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager:	CSÁNY, László

Consolidated Statement of Cash Flows (continued)

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	12 months ended 30 Sept 2012 Audited	12 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
FINANCING ACTIVITIES			
Repayment of borrowings	(159)	(137)	86,2
Proceeds from borrowings	19	50	263,2
Interest paid	(46)	(176)	382,6
Dividends paid	(934)	(1 869)	200,1
Net cash used in financing activities	(1 120)	(2 132)	190,4
Net change in cash and cash equivalents	10 372	11 237	108,3
Cash and cash equivalents at the beginning of the period	35 557	45 929	129,2
Cash and cash equivalents at the end of the period	45 929	57 166	124,5

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Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

Consolidated Statement of Changes in Equity

in accordance with IFRS

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	Share capital	Share premium	Fair valuation reserve	Translation difference	Retained earnings	Total
30 September 2011	7 786	2 239	15	898	150 701	161 639
Net profit for the year					18 531	18 531
Other comprehensive income for the year			5	249		254
Dividends					(934)	(934)
30 September 2012	7 786	2 239	20	1 147	168 298	179 490
30 September 2012	7 786	2 239	20	1 147	168 298	179 490
Net profit for the year					20 412	20 412
Other comprehensive income for the year			(41)	93		52
Dividends					(1 869)	(1 869)
30 September 2013	7 786	2 239	(21)	1 240	186 841	198 085

Prepared in accordance with IAS 34 Interim Financial Reporting

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Sector: pharmaceuticals	E-mail address: mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

Segment Information in accordance with IFRS

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	Pharmaceutical manufacturing and sales		Pharmaceutical wholesale and retail		Inter-segment eliminations		Total	
	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013

SALES

External sales	102 930	105 560	29 895	30 164	0	0	132 825	135 724
Inter-segment sales	24 610	25 903	7 777	8 142	(32 387)	(34 045)	0	0
Total sales	127 540	131 463	37 672	38 306	(32 387)	(34 045)	132 825	135 724

RESULT

Operating profit	20 143	19 731	381	(118)	(88)	102	20 436	19 715
Financial result	1 375	2 129	201	(395)	(600)	182	976	1 916
Share of results of associated companies	0	0	(1 124)	559	0	0	(1 124)	559
Income tax expense	(1 536)	(1 612)	(226)	(162)	5	(4)	(1 757)	(1 778)
Net profit	19 982	20 248	(768)	(116)	(683)	280	18 531	20 412

OTHER INFORMATION

Purchase of intangibles, property, plant and equipment	14 510	13 769	753	727	0	0	15 263	14 496
Impairment	561	1 175	1	13	(430)	(716)	132	472
Depreciation and amortization	9 474	10 265	626	631	0	0	10 100	10 896

	Pharmaceutical manufacturing and sales		Pharmaceutical wholesale and retail		Inter-segment eliminations		Total	
	30 Sept 2012	30 Sept 2013	30 Sept 2012	30 Sept 2013	30 Sept 2012	30 Sept 2013	30 Sept 2012	30 Sept 2013

OTHER INFORMATION

Investments in associates	2 561	3 113	8	8	0	0	2 569	3 121
Other segment assets	199 641	215 621	27 201	28 954	(21 173)	(21 728)	205 669	222 847
Total assets	202 202	218 734	27 209	28 962	(21 173)	(21 728)	208 238	225 968
Liabilities	24 781	22 975	18 179	19 976	(14 212)	(15 068)	28 748	27 883

Prepared in accordance with IAS 34 Interim Financial Reporting

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Sector: pharmaceuticals	E-mail address: mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

Segment Information (continued)

Currency	HUF	X	EUR	
Unit	1 000		1 000 000	X

	Sales		Purchase of intangibles, property, plant and equipment		Total intangibles and property, plant and equipment	
	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013	12 months ended 30 Sept 2012	12 months ended 30 Sept 2013	30 Sept 2012	30 Sept 2013
Hungary	31 357	28 705	13 451	13 143	75 039	78 077
Russia and other CIS countries	47 597	52 547	1 050	555	2 080	1 545
Eastern Europe	35 751	36 683	762	742	1 590	2 100
Others	18 120	17 789	0	56	0	51
Total	132 825	135 724	15 263	14 496	78 709	81 773

Company name: Egis Pharmaceuticals PLC	Telephone:	+36 1 803 5555
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Reporting period: 12M 2012/2013	IR manager:	CSÁNY, László

PK6. Significant off-balance sheet items

Description	Value (HUF)
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RS1. Ownership structure, ratio of holdings and votes

Description of owner	Total share capital			
	1 October 2012	30 September 2013		
	%	qty	%	qty
Domestic institution/company	6.15	479,006	5.84	454,525
Foreign institution/company	83.67	6,514,296	82.14	6,394,854
Domestic individual	4.15	322,901	3.01	234,015
Foreign individual	1.28	99,664	4.28	333,378
Employees, senior officers	0.01	500	0.00	0
Treasury shares	0.00	0	0.00	0
Government held owner	4.74	369,348	4.74	368,943
International Development Institutions	0.00	0	0.00	0
Other	0.00	0	0.00	0
TOTAL	100.00	7,785,715	100.00	7,785,715

Remarks: (1) Listed series equivalent with total share capital,
(2) ratio of holdings and votes are equivalent.

RS2. Volume (qty) of treasury shares held in the period

	1 Oct 2012	31 Dec 2012	31 Mar 2013	30 Jun 2013	30 Sep 2013
Company	--	--	--	--	--
Subsidiaries	--	--	--	--	--
TOTAL	--	--	--	--	--

RS3. List and description of shareholders with more than 5% ownership (30 September 2013)

Name	Nationality	Activity	Quantity	Interest (%)	Remarks
Arts et Techniques du Progrès (Servier)	Foreign	Business organisation	3,963,922	50.91	Professional investor

Remarks: (1) Ratio of holdings and votes are equivalent,
(2) Listed series equivalent with total share capital,
(3) No details available for the Company

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Sector: pharmaceuticals	E-mail address: mailbox@egis.hu
Reporting period: 12M 2012/2013	IR manager: CSÁNY, László

TSZ1. Changes in the headcount (number of persons) employed

	End of reference period (30 September 2012)	Current period opening (1 October 2012)	Current period closing (30 September 2013)
Company	2,586	2,586	2,597
Group	3,977	3,977	4,023

Remark: employees eligible for retired status, and having full-time employment are recorded by Egis Pharmaceuticals PLC as full-time employees. The headcount includes also employees who are in possession of valid labour contract, but having incapability for longer than 30 days.

TSZ2. Senior officers, strategic employees (30 September 2013)

Type	Name	Position	Beginning of assignment	End or termination of assignment	No. of shares held
IT	Dr Jean-Philippe SETA	chairman	29.01.1996.	*	0
IT	Christian BAZANTAY	member	29.01.1996.	*	0
IT	Nicolas BOUTS	member	28.01.2009.	*	0
IT	FEHÉRDI Zsolt	member	25.01.2012.	*	0
SP		Technical Dir.	01.02.2012.	undetermined	0
IT	GÁL Péterné	member	25.01.2006.	*	0
IT	Dr HODÁSZ István	member	25.01.2006.	*	0
SP		CEO	01.10.2009.	undetermined	0
IT	Yves LANGOURIEUX	member	29.01.1996.	*	0
IT	Olivier LAUREAU	member	28.01.2009.	*	0
IT	POROSZLAI Csaba	member	27.01.2011.	*	0
SP		CFO	01.02.2011.	undetermined	0
IT	Christian SAUVEUR	member	30.01.2013.	*	0
IT	Dr VERESS József	member	31.12.1991.	*	0
FB	KOVÁCS Andor	chairman	31.12.1991.	*	0
FB	BÁLINT Konrádné dr.	member	31.12.1991.	*	0
FB	FELSMANNÉ BÖLÖNI Eszter	member	30.01.2013.	*	0
AB		chairperson	30.01.2013.	*	0
FB	GASZTONY Balázs	member	30.01.2013.	*	0
FB	Dr NAGY Gábor István	member	30.01.2013.	*	0
FB	NAGY Imre	member	04.04.2001.	*	0
FB	Georges RADVÁNYI	member	29.04.1998.	*	0
AB		member	24.01.2007.	*	0
FB	Dr RESZEGI László	member	31.12.1991.	*	0
AB		member	24.01.2007.	*	0
SP	Dr MÁZSÁR Péter	Dir. of Comm.	01.10.2009.	undetermined	0
SP	Dr SZENTPÉTERI Imre	Dir. of R&D	01.10.2011.	undetermined	0
SP	Dr SZEMERÉDI Katalin	Dir. of HR	01.04.2005.	undetermined	0
Own share property TOTAL					0

IT = Board of Directors
FB = Supervisory Board

AB = Audit Committee
SP = holder of Strategic Position (management)

* Date of AGM voting on FY 2013/2014 results

Consolidated Statement of Comprehensive Income in accordance with IFRS

<i>HUF million</i>	Three months ended 30 Sept 2012 Reclassified	Three months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
Domestic sales	7 370	6 987	94,8
Export sales	26 885	28 309	105,3
Sales	34 255	35 296	103,0
Cost of sales	16 709	15 533	93,0
Gross profit	17 546	19 763	112,6
General selling costs	8 989	9 029	100,4
Research and development expenses	3 884	3 656	94,1
Administrative costs	2 502	3 611	144,3
Administrative and distribution expenses	15 375	16 296	106,0
Other operating expenses	376	486	129,3
Other operating income	305	432	141,6
Operating profit	2 100	3 413	162,5
Finance income	632	537	85,0
Finance costs	617	615	99,7
Profit from financial activities	15	(78)	
Share of results of associated companies	(116)	275	
Profit before taxation	1 999	3 610	180,6
Income tax expense	363	283	78,0
Profit for the year	1 636	3 327	203,4
Exchange differences on translation of foreign operations	74	115	155,4
Change in the fair value of available-for-sale financial assets	(10)	(31)	310,0
Other comprehensive income for the year	64	84	131,3
Total comprehensive income for the year	1 700	3 411	200,7
Basic and diluted earnings per share (HUF)	210	427	203,4

Consolidated Statement of Cash Flows

in accordance with IFRS

<i>HUF million</i>	Three months ended 30 Sept 2012 Reclassified	Three months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
OPERATING ACTIVITIES			
Profit before tax	1 999	3 610	180,6
Depreciation and amortization	2 545	2 798	109,9
Impairment of intangible and tangible assets, net	57	188	329,8
Net interest income	(585)	(396)	67,7
Profit on disposal of fixed assets	(47)	(38)	80,9
Unrealised foreign exchange loss	19	121	636,8
Fair valuation of financial instruments	298	392	131,5
Decrease (-) / increase in provision	(582)	138	
Write-down of employee loans	(8)	(6)	75,0
Share of results of associated companies	115	(275)	
Decrease in inventories	4 942	2 045	41,4
Increase in net trade receivables and other current asset	(2 764)	(2 239)	81,0
Increase in trade and other payables	5 737	3 011	52,5
Net tax paid	(253)	(380)	150,2
Net cash flows from operating activities	11 473	8 969	78,2
INVESTING ACTIVITIES			
Purchase of intangibles and property, plant and equipment	(6 772)	(6 580)	97,2
Proceeds from sale of intangibles and property, plant and equipment	68	75	110,3
Interest received	572	451	78,9
Increase in securities	(3)	(1)	33,3
Loans given	(26)	(3)	11,5
Repayment of loans given	13	15	115,4
Net cash used in investing activities	(6 148)	(6 043)	98,3
FINANCING ACTIVITIES			
Repayment of borrowings	(34)	(35)	102,9
Proceeds from borrowings	19	0	
Interest paid	13	(55)	
Net cash used in financing activities	(2)	(90)	4 500,0
Net change in cash and cash equivalents	5 323	2 836	53,3
Cash and cash equivalents at the beginning of the period	40 606	54 330	133,8
Cash and cash equivalents at the end of the period	45 929	57 166	124,5

Prepared in accordance with IAS 34 Interim Financial Reporting.

Consolidated Statement of Changes in Equity

in accordance with IFRS

<i>HUF million</i>	Share capital	Share premium	Fair valuation reserve	Trans-lation difference	Retained earnings	Total
30 June 2012	7 786	2 239	30	1 073	166 662	177 790
Profit for the year					1 636	1 636
Other comprehensive income for the year			(10)	74		64
30 September 2012	7 786	2 239	20	1 147	168 298	179 490
30 June 2013	7 786	2 239	10	1 125	183 514	194 674
Profit for the year					3 327	3 327
Other comprehensive income for the year			(31)	115		84
30 September 2013	7 786	2 239	(21)	1 240	186 841	198 085

Balance Sheet

in accordance with IFRS

<i>HUF million</i>	30 Sept 2012	30 Sept 2013	Index
	Audited	Unaudited	(2/1)
	1	2	
ASSETS			
Intangible assets	4 061	3 957	97,4
Property, plant and equipment	68 341	71 435	104,5
Land and buildings	33 419	35 835	107,2
Plant, machinery and equipment	27 165	29 845	109,9
Vehicles	2 709	2 738	101,1
Construction in progress	5 048	3 017	59,8
Equity investments	7 978	8 245	103,3
Other non-current financial assets	1 782	1 800	101,0
Inventories	32 430	29 869	92,1
Work-in-progress and semi-finished products	14 826	12 408	83,7
Finished goods	7 102	7 155	100,7
Raw materials	7 024	7 209	102,6
Goods for resale	3 478	3 097	89,0
Net trade receivables and other current assets	47 218	54 023	114,4
Trade receivables	33 324	38 791	116,4
Taxes receivable	2 151	3 549	165,0
Advance payments to suppliers	6 583	6 773	102,9
Other receivables	5 160	4 910	95,2
Other current financial assets	248	166	66,9
Cash and cash equivalents	40 144	50 388	125,5
Cash in bank	30 823	32 122	104,2
Cash on hand	7	5	71,4
Other cash equivalents	9 314	18 261	196,1
TOTAL ASSETS	202 202	219 883	108,7

Balance Sheet (continued)

<i>HUF million</i>	30 Sept 2012 Audited	30 Sept 2013 Unaudited	Index (2/1)
	1	2	
<u>EQUITY AND LIABILITIES</u>			
Shareholder's equity	177 421	195 759	110,3
Share capital	7 786	7 786	100,0
Share premium	2 239	2 239	100,0
Fair valuation reserve	20	(21)	
Retained earnings	167 376	185 755	111,0
Non-current liabilities	1 183	1 466	123,9
Provisions	1 177	1 449	123,1
Deferred tax liability	6	17	283,3
Current liabilities	23 598	22 658	96,0
Other current financial liabilities	0	1	
Provisions	1 367	1 093	80,0
Trade payables	15 459	13 331	86,2
Salaries payable	1 026	1 072	104,5
Taxes and duties payable	237	309	130,4
Other short term liabilities	5 509	6 852	124,4
TOTAL EQUITY AND LIABILITIES	202 202	219 883	108,7

Statement of Comprehensive Income in accordance with IFRS

<i>HUF million</i>	12 months ended 30 Sept 2012 Audited	12 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
Domestic sales	29 883	27 232	91,1
Export sales	97 657	104 231	106,7
Sales	127 540	131 463	103,1
Cost of sales	55 157	56 000	101,5
Gross profit	72 383	75 463	104,3
General selling costs	30 805	32 466	105,4
Research and development expenses	12 028	12 621	104,9
Administrative costs	9 167	11 021	120,2
Administrative and distribution expenses	52 000	56 108	107,9
Other operating expenses	1 311	789	60,2
Other operating income	1 071	1 165	108,8
Operating profit	20 143	19 731	98,0
Finance income	2 062	2 777	134,7
Finance costs	1 662	1 166	70,2
Dividends received	975	518	53,1
Profit from financial activities	1 375	2 129	154,8
Profit before taxation	21 518	21 860	101,6
Income tax expense	1 536	1 612	104,9
Profit for the year	19 982	20 248	101,3
Change in the fair value of available-for-sale financial assets	5	(41)	
Other comprehensive income for the year	5	(41)	
Total comprehensive income for the year	19 987	20 207	101,1
Basic and diluted earnings per share (HUF)	2 566	2 601	101,3

Statement of Cash Flows

in accordance with IFRS

<i>HUF million</i>	12 months ended 30 Sept 2012 Audited	12 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
OPERATING ACTIVITIES			
Profit before tax	21 518	21 860	101,6
Depreciation and amortization	9 474	10 265	108,3
Impairment of intangible and tangible assets, net	131	459	350,4
Impairment of investments, net	430	716	166,5
Intercompany loans forgiven	0	284	
Net interest income	(1 849)	(1 939)	104,9
Dividends received	(975)	(518)	53,1
Profit on disposal of fixed assets	(145)	(122)	84,1
Unrealized foreign exchange gain	(39)	(31)	79,5
Fair valuation of financial instruments	(1)	9	
Decrease in provision	(716)	(2)	0,3
Discounting long-term employee loans	(3)	(15)	500,0
Decrease in inventories	1 519	2 561	168,6
Increase in net trade receivables and other current assets	(7 009)	(6 820)	97,3
Increase / decrease (-) in trade and other payables	721	(668)	
Net tax paid	(1 457)	(1 601)	109,9
Net cash flows from operating activities	21 599	24 438	113,1
INVESTING ACTIVITIES			
Purchase of intangibles and property, plant and equipment	(14 510)	(13 769)	94,9
Purchase of investments	(739)	(975)	131,9
Proceeds from sale of intangibles and property, plant and equipment	223	177	79,4
Interest received	1 849	1 939	104,9
Dividends received	975	518	53,1
Decrease in securities	0	76	
Loans given	(62)	(467)	753,2
Repayment of loans given	85	176	207,1
Net cash used in investing activities	(12 179)	(12 325)	101,2
FINANCING ACTIVITIES			
Dividends paid	(934)	(1 869)	200,1
Net cash used in financing activities	(934)	(1 869)	200,1
Net change in cash and cash equivalents	8 486	10 244	120,7
Cash and cash equivalents at the beginning of the period	31 658	40 144	126,8
Cash and cash equivalents at the end of the period	40 144	50 388	125,5

Statement of Changes in Equity

Prepared in accordance with IAS 34 Interim Financial Reporting.

in accordance with IFRS

<i>HUF million</i>	Share capital	Share premium	Fair valuation reserve	Retained earnings	Total
30 September 2011	7 786	2 239	15	148 328	158 368
Profit for the year				19 982	19 982
Other comprehensive income for the year			5		5
Dividends paid				(934)	(934)
30 September 2012	7 786	2 239	20	167 376	177 421
30 September 2012	7 786	2 239	20	167 376	177 421
Profit for the year				20 248	20 248
Other comprehensive income for the year			(41)		(41)
Dividends paid				(1 869)	(1 869)
30 September 2013	7 786	2 239	(21)	185 755	195 759

Statement of Comprehensive Income in accordance with IFRS

<i>HUF million</i>	3 months ended 30 Sept 2012 Reclassified	3 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
Domestic sales	6 977	6 619	94,9
Export sales	25 217	27 423	108,7
Sales	32 194	34 042	105,7
Cost of sales	16 102	15 179	94,3
Gross profit	16 092	18 863	117,2
General selling costs	8 835	8 615	97,5
Research and development expenses	3 851	3 648	94,7
Administrative costs	2 207	3 251	147,3
Administrative and distribution expenses	14 893	15 514	104,2
Other operating expenses	31	344	1 109,7
Other operating income	298	374	125,5
Operating profit	1 466	3 379	230,5
Finance income	619	593	95,8
Finance costs	1 160	1 160	100,0
Dividends received	0	0	
Profit from financial activities	(541)	(567)	104,8
Profit before taxation	925	2 812	304,0
Taxation	168	246	146,4
Profit for the year	757	2 566	339,0
Change in the fair value of available-for-sale financial assets	(10)	(31)	310,0
Other comprehensive income for the year	(10)	(31)	310,0
Total comprehensive income for the year	747	2 535	339,4
Basic and diluted earnings per share (HUF)	97	330	340,2

Statement of Cash Flows

in accordance with IFRS

<i>HUF million</i>	3 months ended 30 Sept 2012 Reclassified	3 months ended 30 Sept 2013 Unaudited	Index (2/1)
	1	2	
OPERATING ACTIVITIES			
Profit before taxation	925	2 812	304,0
Depreciation and amortization	2 395	2 627	109,7
Impairment of intangible and tangible assets, net	57	175	307,0
Impairment of investments, net	430	716	166,5
Intercompany loans forgiven	0	284	
Net interest income	(529)	(412)	77,9
Profit on disposal of fixed assets	(43)	(32)	74,4
Unrealized foreign exchange loss / gain (-)	31	(36)	
Fair valuation of financial instruments	337	351	104,2
Decrease (-) / increase in provision	(541)	134	
Write-down of employee loans	(8)	(6)	75,0
Decrease in inventories	4 672	1 964	42,0
Increase in net trade receivables and other current asset	(1 358)	(2 600)	191,5
Increase in trade and other payables	5 520	3 296	59,7
Net tax paid	(115)	(262)	227,8
Cash flows from operating activities	11 773	9 011	76,5
INVESTING ACTIVITIES			
Purchase of intangibles and property, plant and equipment	(6 440)	(6 343)	98,5
Purchase of investments	(739)	(273)	36,9
Proceeds from sale of intangibles and property, plant and equipment	59	56	94,9
Interest received	529	412	77,9
Increase in securities	(2)	(1)	50,0
Loans given	(44)	(208)	472,7
Repayment of loans given	13	159	1 223,1
Net cash used in investing activities	(6 624)	(6 198)	93,6
FINANCING ACTIVITIES			
Repayment of borrowings	0	(1)	
Net cash used in financing activities	0	(1)	
Net change in cash and cash equivalents	5 149	2 812	54,6
Cash and cash equivalents at the beginning of the period	34 995	47 576	136,0
Cash and cash equivalents at the end of the period	40 144	50 388	125,5

Prepared in accordance with IAS 34 Interim Financial Reporting.

Statement of Changes in Equity

in accordance with IFRS

<i>HUF million</i>	Share capital	Share premium	Fair valuation reserve	Retained earnings	Total
30 June 2012	7 786	2 239	30	166 619	176 674
Profit for the year				757	757
Other comprehensive income for the year			(10)		(10)
30 September 2012	7 786	2 239	20	167 376	177 421
30 June 2013	7 786	2 239	10	183 189	193 224
Profit for the year				2 566	2 566
Other comprehensive income for the year			(31)		(31)
30 September 2013	7 786	2 239	(21)	185 755	195 759

Export Sales Revenue of Egis Pharmaceuticals PLC

non-consolidated

<i>EUR thousand</i>	2012/2013	2011/2012	Change	
Export markets	12M	12M	EUR	%
Russia	125 822	114 754	11 068	10%
Ukraine	19 502	16 213	3 289	20%
Other CIS countries	31 985	29 460	2 525	9%
Russia and other CIS countries in total	177 309	160 427	16 882	11%
Poland	52 114	48 214	3 900	8%
Czech Republic	18 743	17 791	952	5%
Slovakia	11 005	12 604	-1 599	-13%
Romania	16 757	15 585	1 172	8%
Other Eastern European countries	17 520	15 784	1 736	11%
Eastern Europe in total	116 139	109 978	6 161	6%
Finished pharmaceuticals to other countries	22 043	18 565	3 478	19%
Active ingredients and others	39 293	43 468	-4 175	-10%
Total export	354 784	332 438	22 346	7%