

Description	Content
<b>Registration number issued by the registry of the Commission:</b>	
<b>1. INFORMATION ABOUT THE ISSUER</b>	
Full and short company name	Bosnalijek, farmaceutska i hemijska industrija, dioničko društvo
Full address (postal code, city, street and number)	Jukićeva 53, 71000 Sarajevo
Telephone and fax	tel: +387 33 254 401; fax: +387 33 664 971
E-mail	info@bosnalijek.ba
Web site	www.bosnalijek.ba
Core business	Production and sales of pharmaceutical products
Number of employees	623
Number of business units and representative offices	3 offices in BiH, 2 companies abroad, 9 missions abroad, and 8 representatives abroad
External auditor name and headquarters	KPMG BH d.o.o., Sarajevo
Indication of whether the financial statements for the period are audited by external auditor	Yes
Board members of external auditor	
<b>2. SUPERVISORY BOARD AND MANAGEMENT BOARD</b>	
President and members of the Supervisory Board	Veljko Trivun – President; Rifat Klopić - member; Abdulhakim Mohamed Al Misurati member; Abdul Umid Šalaka - member; Edin Buļjubašić – member
Names and functions of Management Board	Edin Arslanagić - Manager; Akif Mujezin - Executive Director; Šefik Handžić - Executive Director; Ljiljana Kamberović - Executive Director
Number of shares which members of the supervisory and management board own and it's participation in the total amount of shares in the capital	NO: Veljko Trivun - President 690 (at the beginning of period) and 897 (at the end of period); Rifat Klopić - member 0 and 0; Edin Buļjubašić - member 0 and 0, 953 shares to employees; Abdul Umid Šalaka - member 9.022 and 11.729, 1.277 shares to employees; Abdulhakim Mohamed El Misourati - member 0 and 0; UPRAVA Edin Arslanagić - Manager 24.328 and 31.704, 2.888 shares to employees; Akif Mujezin - Executive Director 2.180 and 2.834, 2.788 shares to employees; Šefik Handžić - Executive Director 7.000 and 9.100, 2.490 shares to employees; Ljiljana Kamberović - Executive Director 9.004 and 11.705; 2.739 shares to employees - Increase of ordinary shares is the result of decisions of the meeting of shareholders to divide shares to existing shareholders
<b>3. STOCK DATA AND SHAREHOLDERS</b>	
Total number of shareholders at the end of reporting period	6474
Number of issued shares and the nominal price per share at the end of reporting period	Number of shares: 7.596.256 ordinary shares and 233.731 shares to employees; Nominal value: 10,00 KM
Name of each person that owns more than 5% of shares with voting rights at the end of the reporting period	Ministarstvo rudarstva energij i industrije FBiH - 19,3%; General People's Committee of Finance Lybia 8,8%; International Finance Corporation USA - 8,4%
<b>4. INFORMATION ON LEGAL ENTITIES OWNED BY THE COMPANY</b>	
end of the reporting period	
<b>5. DATA ON GENERAL MEETING OF THE SHAREHOLDERS DURING THE REPORTING PERIOD</b>	
Date and place	28.6.2008, Bosnalijek, Jukićeva 53, Sarajevo
Agenda	<ul style="list-style-type: none"> <li>- Acceptance of the Annual report on operations of the Company in 2007., with reports from auditors, the Supervisory Board and Audit Committee;</li> <li>- Acceptance of Decision on distribution and the use of profit made by the Company in 2007.; <ul style="list-style-type: none"> <li>- Acceptance of Decision on distribution of profit made in 2006.;</li> <li>- Acceptance of Business Plan for 2008.;</li> </ul> </li> <li>- Acceptance of Decision to increase the capital by issuing shares to the shareholders of the Company from the fund reserves;</li> <li>- Acceptance of Decision to increase the capital by issuing employees shares from net profit;</li> <li>- Acceptance of Decision on authorization of the Supervisory Board for a decision to increase capital base by issuing new shares; <ul style="list-style-type: none"> <li>- Selection of the Supervisory Board;</li> <li>- Selection of Committee for the revision of the Company;</li> <li>- Selection of external auditor;</li> </ul> </li> <li>- Adoption of the basic elements for the conclusion of contracts with members of the Supervisory Board and Audit Committee in terms of species, the basis and amount of compensation.</li> </ul>
Important decisions made at the meeting	1. Increase of capital by issuing shares to shareholders from the reserves in the amount
<b>6. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD</b>	
securities in the reporting period;	There was no issue of securities to increase capital
Information on assets transactions in the extent greater than 10% of the total assets of the company	
Information on the reduction or increase in assets by more than 10% in comparison to the previous year report	
Information on the reduction or increase in net profit or loss by more than 10% in comparison to the previous year report	

In Sarajevo on 01.03.2009.Report compiled by:  
Nedim VilogoracDirector of Issuer:  
Edin Arslanagić

Issuer: *Bosnalijek d.d.*  
**INCOME STATEMENT**

Form *OEI-PD*

Table *B*

For the period:

01.01.2008.-31.12.2008.

In '000 KM

<i>Description</i>	<i>Previous period</i>	<i>Current period</i>
Sales income	88.056	107.128
Expenses for the sold	(37.218)	(42.463)
<b>Gross profit (loss)</b>	<b>50.838</b>	<b>64.665</b>
Distribution expenses		
Expenses of management and administration	(40.688)	(51.172)
Other operating expenses	(300)	(920)
<b>Profit (loss) from operating activities</b>	<b>9.850</b>	<b>12.573</b>
Net income/expense in the profit share of associated companies		
Net income/expense from investments in other affiliates		
Net financial income/expense, including interest expenses	(392)	(1.625)
Net income/expense from changes in value of fixed assets	(100)	(6)
Net income/expense from the sale of fixed assets	20	14
Net other income/expense	(1.582)	(2.749)
<b>Profit (loss) before taxes</b>	<b>7.796</b>	<b>8.207</b>
<b>Income tax</b>		
<b>Net profit (loss) for the period</b>	<b>7.796</b>	<b>8.207</b>

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Description	Previous period	Current period
<b>ASSETS</b>		
<b>A. SUBSCRIBED UNPAID CAPITAL</b>		
<b>B. NON-CURRENT ASSETS</b>	<b>92.015</b>	<b>85.718</b>
Non-current intangible fixed assets	3.771	2.247
Real estate, facilities and equipment	87.584	82.669
Biological assets		
Other non-current tangible assets		
Long-term financial investment and loans	5	7
Long-term receivables	655	692
Real estate investment		
Assets classified as assets intended for trade		
Non-current prepayment and accrued income		103
<b>C. CURRENT ASSETS</b>	<b>62.345</b>	<b>71.244</b>
Stocks	<b>19.769</b>	<b>22.343</b>
Trade receivables	<b>36.180</b>	<b>43.580</b>
Other current receivables	<b>4.169</b>	<b>3.270</b>
Current financial placements		
Cash and cash equivalents	<b>2.227</b>	<b>2.051</b>
Accruals		
<b>D. LOSS ABOVE THE VALUE OF CAPITAL</b>		
<b>TOTAL ASSETS</b>	<b>154.360</b>	<b>156.962</b>
<b>Off- balance records</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>A. EQUITY</b>	<b>99.267</b>	<b>107.474</b>
Shareholders equity	52.945	71.742
Sharehold premium		3.912
Revalued and transferred reserves	31.537	<b>19.502</b>
Other reserves		
Retained earnings	<b>14.785</b>	<b>12.318</b>
Retained losses		
Treasury shares		
<b>B. NON-CURRENT LIABILITIES</b>	<b>9.987</b>	<b>7.689</b>
Non-current financial liabilities	9.290	6.849
Non-current prepayments and provisions for liabilities and charges	697	840
Non-current liabilities classified in the group with assets intended for trade		
<b>C. CURRENT LIABILITIES</b>	<b>45.106</b>	<b>41.799</b>
Current financial liabilities	27.356	21.352
Liabilities toward suppliers and other liabilities	16.142	16.931
Current liabilities classified in the group with assets intended for trade		
Deffered income	1.608	3.516
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>154.360</b>	<b>156.962</b>
<b>Off-balance records</b>		

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Description	Mark	Previous period	Current period
<b>Cash flow from operating activities</b>			
<b>Net income (loss)</b>		<b>7.796</b>	<b>8.207</b>
Adjustment for:			
Amortization/value adjustment of intangible assets	+	2.441	2.325
Losses (gains) on intangible assets	+/-		
Amortization/value adjustment of tangible assets	+	8.376	8.547
Losses (gains) on tangible assets	+/-		
Adjustment based on financial fixed assets	+/-		
Exchange rate differences	+/-		
Other adjustments for non-cash items and trends relating to investment and financing activities	+/-		278
<b>Total</b>		<b>10.817</b>	<b>11.150</b>
Inventories decrease (increase)	+/-	(2.455)	(2.574)
Trade receivables decrease (increase)	+/-	(989)	(8.547)
Other receivables decrease (increase)	+/-	(7.354)	4.589
Decrease (increase) of accruals	+/-	10	(158)
Increase (decrease) in accounts payable	+/-	1.360	(1.392)
Increase (decrease) of other liabilities	+/-	(2.920)	(428)
Increase (decrease) of deffered income	+/-	183	2.190
<b>Total</b>		<b>(12.165)</b>	<b>(6.320)</b>
<b>A. Net cash flow from operating activities</b>		<b>6.448</b>	<b>13.037</b>
<b>Cash flow from investment activities</b>			
Acquisition (sale) of fixed intangible assets	-/+	(995)	(801)
Acquisition (sale) of fixed tangible assets	-/+	(3.915)	(5.357)
Acquisition (sale) of shares in subsidiarys	-/+		(5)
Acquisition (sale) of shares in associated companies	-/+	1.237	7
Given loans (repayment of loans) to companies in the group	-/+		
Given loans (repayment of loans) to other related companies	-/+		
Acquisition (sale) of other investments	-/+	3.587	(1)
Given loans (repayment of loans) to other companies	-/+	(936)	(562)
Other cash flows from investing activities	-/+		(320)
<b>B. Net cash flow from investment activities</b>		<b>(1.022)</b>	<b>(7.039)</b>
<b>Cash flow from financing activities</b>			
Gain from issuance of shares and other forms of capital increase	+	8.387	12.505
Purchase of shares and other forms of capital	-		
Acquisition (sale) of treasury shares	-/+		
Received borrowed funds	+		
Return of borrowed funds	-	(5.431)	(5.897)
Dividends paid	-		
Other cash flows from financing activities	-/+	(8.387)	(12.783)
<b>C. Net cash flow from financing activities</b>		<b>(5.431)</b>	<b>(6.175)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(5)</b>	<b>(177)</b>
<b>Cash on the start of the period</b>		<b>2.233</b>	<b>2.228</b>
<b>Cash at the end of period</b>		<b>2.228</b>	<b>2.051</b>
<b>Difference</b>		<b>(5)</b>	<b>(177)</b>

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Description	Shareholders equity	Sharehold premium	Revalued and transferred resrves	Other reserves	Retained earnings	Retained losses	Proprietary share	Total
<b>Balance on 31.12.2006.</b>	<b>51.116</b>			<b>23.150</b>	<b>17.184</b>			<b>91.450</b>
Effects of changes in accounting policy and corrections of errors								
<b>Again Balance on 31.12.2006. or on 01.01.2007.</b>	<b>51.116</b>			<b>23.150</b>	<b>17.184</b>			<b>91.450</b>
Effects of revaluation of tangible and intangible assets								
Effects of revaluation of long-term financial investments								
Exchange differences								
Other gains/losses of the period which are not included in the income statement								
Transfer (from) on				8.387	(8.387)			
Net profit/loss period expressed in the income statement					7.817			<b>7.817</b>
Dividends and other forms of profit distribution and loss coverage								
Issue of shares and other forms of capital increase or reduction of capital	1.829				(1.829)			
<b>Balance on 31.12.2007.</b>	<b>52.945</b>			<b>31.537</b>	<b>14.785</b>			<b>99.267</b>
Effects of changes in accounting policy and corrections of errors								
<b>Again Balance on 31.12.2007. or on 01.01.2008.</b>	<b>52.945</b>			<b>31.537</b>	<b>14.785</b>			<b>99.267</b>
Effects of revaluation of tangible and intangible assets								
Effects of revaluation of long-term financial investments								
Exchange differences								
Other gains/losses of the period which are not included in the income statement								
Transfer (from) on				5.495	(5.495)			
Net profit/loss period expressed in the income statement					8.207			<b>8.207</b>
Dividends and other forms of profit distribution and loss coverage								
Issue of shares and other forms of capital increase or reduction of capital	18.797	3.912		(17.991)	(4.718)			
<b>Balance on 31.12.2008.</b>	<b>71.742</b>	<b>3.912</b>		<b>19.041</b>	<b>12.779</b>			<b>107.474</b>

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