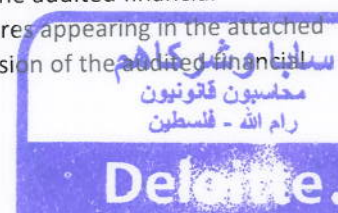


**Birzeit Pharmaceutical Company Ltd.**  
**Consolidated Statement of Financial Position**  
**As of 31 December 2014**  
**(Amounts are expressed in US Dollars)**

	2014	2013
<b>Assets</b>		
<i>Current assets:</i>		
Cash and deposits with banks	7,109,739	3,282,565
Accounts receivable, net	18,433,236	19,782,448
Inventory	8,145,657	6,172,191
Trading securities	6,470,772	6,605,855
Other assets	141,946	109,593
<b>Total current assets</b>	<b>40,301,350</b>	<b>35,952,652</b>
<i>Non Current assets:</i>		
Deferred tax asset	559,690	506,359
Available for sale securities	6,509,979	4,741,027
Investment in subsidiaries and associated companies	4,198,661	4,598,661
Properties investments	3,152,000	3,152,000
Property, plant and equipment, net	15,042,172	15,802,401
<b>Total non-current assets</b>	<b>29,462,502</b>	<b>28,800,448</b>
<b>Total assets</b>	<b>69,763,852</b>	<b>64,753,100</b>
<b>Liabilities and shareholders' equity</b>		
<i>Current liabilities:</i>		
Accounts payable and accruals	9,152,500	6,516,287
Income tax payable	1,431,220	881,220
<b>Total current liabilities</b>	<b>10,583,720</b>	<b>7,397,507</b>
Reserve for severance pay	5,925,624	5,430,823
<b>Total liabilities</b>	<b>16,509,344</b>	<b>12,828,330</b>
<b>Minority interest</b>	<b>269,277</b>	<b>199,413</b>
<b>Shareholders' equity:</b>		
Paid in capital	18,502,825	18,502,825
Compulsory reserve	4,622,544	4,622,544
Optional reserve	4,665,553	4,204,605
Special reserve	14,913,914	14,913,914
Retained earnings	10,498,731	9,525,628
Translation difference, subsidiaries	11,817	201,664
Cumulative change in fair market value of investments	(230,153)	(245,823)
<b>Total shareholders' equity</b>	<b>52,985,231</b>	<b>51,725,357</b>
<b>Total liabilities and shareholders' equity</b>	<b>69,763,852</b>	<b>64,753,100</b>

We certify that the attached financial statements were extracted from the audited financial statements of the Company issued by our firm in Arabic and that all figures appearing in the attached statements are in agreement with the figures reported in the Arabic version of the audited financial statements of the company for the year ended 31 December 2014.



**Birzeit Pharmaceutical Company Ltd.**  
**Consolidated Statement of Income**  
**For the year ended 31 December 2014**  
**(Amounts are expressed in US Dollars)**

	2014	2013
<b>Sales</b>	<b>24,938,216</b>	<b>25,123,663</b>
Cost of Goods Sold	(14,471,848)	(14,922,930)
<b>Gross profit on sales</b>	<b>10,466,368</b>	<b>10,200,733</b>
Selling expenses	(1,549,406)	(1,449,378)
Advertising expenses	(1,306,846)	(1,299,982)
General and administrative expenses	(2,161,369)	(1,943,781)
Allowance for bad debt	-	(500,000)
<b>Net Income before other revenues and income tax</b>	<b>5,448,747</b>	<b>5,183,879</b>
Profit from investments in securities and affiliates	304,268	1,222,186
Reevaluation Revenue from Properties investments	-	468,398
Financing (expenses) revenues	(1,069,609)	(359,800)
Other revenues	22,738	124,187
<b>Net income before income tax</b>	<b>4,706,144</b>	<b>6,638,850</b>
Income tax for the current year	(550,000)	(1,068,000)
Deferred tax benefit	53,331	85,641
<b>Net Income</b>	<b>4,209,475</b>	<b>5,480,204</b>
<b>Appropriation of Profits:</b>		
Company's shareholders	4,139,611	5,431,870
Minority Interest	69,864	48,334
<b>Net Income</b>	<b>4,209,475</b>	<b>5,480,204</b>
<b>Earning per share</b>	<b>0.228</b>	<b>0.296</b>

We certify that the attached financial statements were extracted from the audited financial statements of the Company issued by our firm in Arabic and that all figures appearing in the attached statements are in agreement with the figures reported in the Arabic version of the audited financial statements of the company for the year ended 31 December 2014.



## Statement - C

**Birzeit Pharmaceutical Company Ltd.**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2014**  
**(Amounts are expressed in US Dollars)**

	2014	2013
<b>Net Income for the Year</b>	4,209,475	5,480,204
<b>Comprehensive Income Items</b>		
Translation difference, subsidiaries	(189,847)	534,444
Change in fair market value of investments	15,670	43,700
	<u>4,035,298</u>	<u>6,058,348</u>
<b>Comprehensive Income Allocation</b>		
Shareholders	3,965,434	5,431,870
Minority Interest	69,864	48,334
<b>Total Comprehensive Income</b>	<u>4,035,298</u>	<u>5,480,204</u>

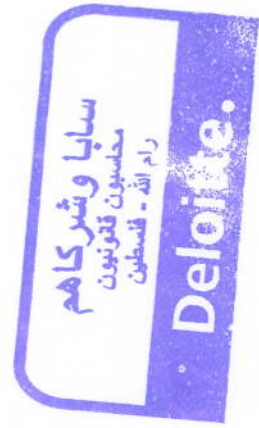
We certify that the attached financial statements were extracted from the audited financial statements of the Company issued by our firm in Arabic and that all figures appearing in the attached statements are in agreement with the figures reported in the Arabic version of the audited financial statements of the company for the year ended 31 December 2014.



**Birzeit Pharmaceutical Company Ltd.**  
**Consolidated statement of changes in shareholder's equity**  
**For the year ended 31 December 2014**  
**(Amounts are expressed in US Dollars)**

	Capital	Compulsory Reserve	Optional Reserve	Special Reserve	Retained Earnings	Translation Difference, Subsidiaries	Cumulative Change in Fair Value	Total Equity
<b>Balances as at 31 December 2012</b>	18,490,177	4,622,544	3,656,585	14,913,914	6,824,912	(332,780)	(289,523)	47,885,829
Total Comprehensive Income	-	-	-	-	5,480,204	534,444	43,700	6,058,348
Dividends	-	-	-	-	(2,218,820)	-	-	(2,218,820)
Capitalization of earnings for employees	12,648	-	-	-	(12,648)	-	-	-
Appropriation to reserves	-	-	548,020	-	(548,020)	-	-	-
<b>Balances as at 31 December 2013</b>	18,502,825	4,622,544	4,204,605	14,913,914	9,525,628	201,664	(245,823)	51,725,357
Total Comprehensive Income	-	-	-	-	4,209,475	(189,847)	15,670	4,035,298
Dividends	-	-	-	-	(2,775,424)	-	-	(2,775,424)
Appropriation to reserves	-	-	460,948	-	(460,948)	-	-	-
<b>Balances as at 31 December 2014</b>	18,502,825	4,622,544	4,665,553	14,913,914	10,498,731	11,817	(230,153)	52,985,231

We certify that the attached financial statements were extracted from the audited financial statements of the Company issued by our firm in Arabic and that all figures appearing in the attached statements are in agreement with the figures reported in the Arabic version of the audited financial statements of the company for the year ended 31 December 2013.



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**Birzeit Pharmaceutical Company Ltd.**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2014**  
**(Amounts are expressed in US Dollars)**

	2014	2013
<b>Cash flows from operating activities:</b>		
Net income for the year before tax	4,706,144	6,462,810
<i>Non cash transactions:</i>		
Depreciation	1,554,945	1,536,420
Provision for bad debt	-	500,000
Loss (Profit) from trading securities	(304,268)	(1,690,584)
Provision for severance pay	560,740	958,822
Net decrease (Increase) in other current assets	(583,174)	(4,329,338)
Net increase (Decrease) in other current liabilities	2,636,213	562,462
Income tax payments	-	(1,277,267)
Severance benefits paid	(65,939)	(44,229)
<b>Net cash flows from operating activities</b>	<b>8,504,661</b>	<b>2,679,096</b>
<b>Cash flows from investing activities:</b>		
Net purchases of investments	(1,615,547)	(2,294,127)
Gain from investments	508,200	428,036
Procurement of fixed assets and projects in progress	(794,716)	(1,164,133)
	<b>(1,902,063)</b>	<b>(3,030,224)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	(2,775,424)	(2,218,820)
	<b>(2,775,424)</b>	<b>(2,218,820)</b>
<b>Increase in cash and banks for the year</b>	<b>3,827,174</b>	<b>(2,569,948)</b>
Cash and banks at beginning of year	3,282,565	5,852,513
<b>Cash and banks at end of year</b>	<b>7,109,739</b>	<b>3,282,565</b>

We certify that the attached financial statements were extracted from the audited financial statements of the Company issued by our firm in Arabic and that all figures appearing in the attached statements are in agreement with the figures reported in the Arabic version of the audited financial statements of the company for the year ended 31 December 2013.

