Half-Year Financial Report 2013

BOIRON®

HALF-YEAR FINANCIAL REPORT

Half-year closed June 30, 2013

(L 451-1-2 III of the French Monetary And Financial Code.
Article 222-4 and seq. Of the French Securities and Exchange Commission [AMF] Regulations)

BOIRON
Limited liability Company with capital of 19,441,713 euros.
Headquarter : 20, rue de la Libération - 69110 Sainte-Foy-lès-Lyon - France.
Lyon Commercial Register no 967 504 697.

This half-year financial report is for the six months ended June 30, 2013, and was prepared in line with the Articles L. 451-1-2 III of the French Monetary and Financial Code and 222-4 et seq. of the AMF Regulations.

It was published in line with the Article 221-3 of the AMF Regulations. It is available on the Company's website: www.boiron.com (http://www.boiron.com/en/Shareholders-and-investors-area/Financial-information/Regulated-information/Financial-reports)

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This is a free translation into English of the Boiron Half Year Report 2013, issued in the French language and is provided solely for the convenience of English speaking readers. In case of discrepancy the French version prevails.

Declaration by the person responsible for this report

DECLARATION BY THE PERSON RESPONSIBLE FOR THIS REPORT

I declare that to the best of my knowledge, the condensed half-year financial statements, have been prepared according to the applicable accounting standards and provide a fair view of the businesses, financial position and income of all entities in the company's scope of consolidation, and the half-year report provides a true and fair view of the highlights of the first six months, their impact on the financial statements, the main related party transactions as well as a description of the main risks and main uncertainties for the remaining six months of the fiscal year.

Sainte-Foy-lès-Lyon
August 29, 2013

Philippe Montant
Deputy General Manager

Half-year activity report

HIGHLIGHTS OF THE FIRST HALF OF 2013

In France and internationally, the first quarter was highlighted by a high level of winter illnesses.

In Spain, the businesses in Alicante and Bilbao were absorbed by the business in Madrid as of April 30, 2013.

In Italy, since the month of January, all of the business activities are located in Milan and the distribution activities have been partially sub-contracted to an external service provider.

The subsidiary Unda announced on June 4, 2013 its intention to reorganize its business to ensure the development of homeopathy **in Belgium**. That project could impact sixty jobs out of a total of 194 at the two Belgian sites.
Moreover, since the beginning of the year the distribution business activity in Gand was absorbed by the site in Brussels.

In the US, the settlement agreement aimed to put end to the legal proceedings related to Children's Coldcalm® in California obtained the prior approval of the court. Boiron USA is awaiting the court's final approval of the agreement.

HALF-YEAR RESULTS 2013

1. ACTIVITY

Following business growth of 22.4% in the first quarter, mainly due to the high level of winter illnesses, **sales revenue** in the second quarter increased by 4.7%.

The half-year sales amounted to €275,784 thousand at the end of June 2013 versus €241,518 thousand in 2012.

- Sales in **France** increased by €14,199 thousand or 9.8%. Sales of non-proprietary medicines increased by 7.4%, mainly due to the increase in prices which took place in 2012 on some of them. That price increase only impacts the first quarter of 2013. In addition, at January 1st, 2013, Boiron changed sub-contracting rates for compounds produced for pharmacies.
  The 17% growth in specialties was mainly related to Oscillococcinum® and Camilia®.
- **In Europe (excluding France),** overall sales increased by 17.9%, up in most countries (especially Russia and Poland).
- **In North America,** sales increased by 27.0 %, notably in the US, thanks to the sales of Oscillococcinum® and of Arnica based specialties.
- Sales in the "Other countries" increased by 36.9%, primarily in Tunisia and Brazil.

2. RESULTS

IAS 19 revised (IAS 19 R) related to employee benefits is required to be applied as of the period beginning January 1, 2013 and requires the restatement of comparative information. Notably, this standard requires a new breakdown of the expenses related to employee benefits between operating income, financial results and other items of comprehensive income. Data for the first half of 2012 have been restated as follows:

Consolidated Income statement 2012 6 months	Published data	Effect of IAS 19R	Restated Data
Operating Income	**15,179**	**2,218**	**17,397**
Other financial revenue and expenses	**741**	**(1,719)**	**(978)**
Income tax	(7,102)	(172)	(7,274)
Net income (group share)	**9,246**	**327**	**9,573**

The following comments relate to the variances reported as compared to the restated 2012 figures.

Operating income amounted to €43,005 thousand versus €17,397 thousand in the first half of 2012. This increase in profitability was the result of the increase in business volume and the managed control of operating expenses.

Operating income contributed by all subsidiaries increased by €5,973 thousand compared to the first half of 2012, especially supported by the United States, Italy and Russia. Operating income in Belgium was impacted by the recognition of a provision of €5,075 thousand related to the above mentioned reorganization. In Spain, the decrease in operating income was related to the reorganization costs of the distribution activity (€1,027 thousand).

Operating income by company *(in thousands of euros)*	**2013**	**2012**	***Variation***
France	38,736	19,101	*19,635*
Italy	4,186	649	*3,537*
Russia	-1,055	-2,761	*1,706*
Spain	-200	1,280	*-1,480*
Belgium	-4,089	197	*-4,286*
United-States	4,075	162	*3,913*
Poland	200	-49	*249*
Canada	552	-396	*948*
Switzerland	-272	-535	*263*
Brazil	-466	-1,228	*762*
Slovakia	316	16	*300*
Carribbean	248	438	*-190*
Reunion	272	287	*-15*
Other	502	236	*266*
Total Boiron Group	**43,005**	**17,397**	***25,608***

Gross margin increased by €33,594 thousand, up 18.0%, due to the increase in activity. It represented 79.8% of sales as compared to 77.2% in 2012. The increase in margin was mainly due to higher selling prices in most countries. It should be noted that, in the framework of the reorganization of industrial activities in Belgium, production costs included a provision of €3,263 thousand (included in the €5,075 thousand mentioned above).

Preparation and distribution costs decreased by €2,272 thousand or 3.1%. The reorganization of the distribution function announced in 2012, notably in Italy, Switzerland and Belgium generates salary and operating costs savings at sites from 2013.

Promotional costs were up €5,994 thousand (or 10.2%) primarily due to higher advertising expenses in the United States, Poland and Russia and an increase in salary expense.

The **costs of research and regulatory affairs** as well as the costs of the **support functions** were almost stable compared to 2012.

Other operating income and expenses amounted to income of €1,365 thousand (including a tax credit for research and a tax credit for competitiveness and employment) as compared to net income of €5,079 thousand in 2012.
The first half of 2012 was highlighted by:

- Income of €2,699 thousand recorded for the Direct Sales Tax from Dolisos (for the portion related to the principle amount).
- Capital gain of €1,412 thousand was realized on the sale of two facilities used for processing and distribution in France.

Cash revenue and financing expenses amounted to €176 thousand versus €434 thousand in the first half of 2012, taking into account the level of interest rates.

Other financial revenue and expenses amounted to an expense of €1,707 thousand versus an expense of €978 thousand in 2012.
They mainly consisted of expenses associated with the decrease over time of the impact from discounting employee commitments.
In 2012, they included an accrual of €797 thousand related to the Direct Sales Tax (for the portion relating to interest on late payment).

Income tax expense reached €15,782 thousand in the first half of 2013, representing 38.1% of income before tax.

Net income rose to €25,724 thousand as compared to income of €9,573 thousand in the first half of 2012.

3. NET CASH POSITION

Net cash position increased to €105,250 thousand as of June 30, 2013 versus €94,704 thousand as of December 31, 2012, an increase of €10,926 thousand in the first half of 2013 compared to a decrease of €13,733 thousand in the first half of 2012.

Cash flow from **operating activities** rose to €36,276 thousand versus €11,066 thousand in the first half of 2012:

- Cash flow increased by €33,685 thousand compared to the first half of 2012 and represents 21.7% of sales as compared to 10.8% in 2012. Its growth exceeded the growth in operating income due to changes in provisions having no impact on cash flow.
- Taxes paid amounted to €23,051 thousand versus €18,738 thousand in 2012, due to the increase in prepayments following the increase in profitability in 2012.
- Working capital need remained stable in the first half of 2013.

Cash flows from **investment activities** amounted to €8,564 thousand versus €10,943 thousand in the first half of 2012. They were mainly related to industrial investments and IT projects in France.

Cash flows from **financing activities** amounted to €16,786 thousand and were mainly related to the payment of dividends (€17,477 thousand in the first half of 2013 as compared to €15,029 thousand in the first half of 2012).

4. POST CLOSING EVENTS

No post closing events which might have a material impact on the group's financial statements were identified.

5. OUTLOOK

This chapter contains the group's outlook which is based on estimates and expectations. Actual results may differ materially from these guidelines, especially in light of the risks and uncertainties described below.

Boiron continued its land purchase project in view of the expansion of its production site in Messimy. This multi-year investment project will increase production capacity in France.

Based on first-quarter performance, the group confirms its target of further increases in business and profitability in 2013.

DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES

Industrial and environmental risks

There have been no changes with respect to the pharmaceutical and environmental risks described annual financial report.

Operational risks

- Status of homeopathic medicines, registration, advertising permits:

Regulatory authorities are imposing ever increasing regulatory constraints, whether related to market access (registration, marketing authorisation), marketing, advertising as well as the production of pharmaceutical products. The procedures, which demonstrate the compliance of our medicines to these requirements, can take several years and require significant financial and human resources. Moreover, the products may be subject to subsequent reviews.

Thus, changes in the regulation of homeopathic medicines, such as changes to registration processes or, for obtaining authorizations relating to their marketing and advertising, could have an impact on the group's businesses.

Regulatory issues are managed both at headquarters and at the subsidiaries by services whose objective is to ensure a continuous watch and foresee or anticipate changes that may have consequences related to the marketing of our medicines.

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Since 2001, a European Directive contains a number of provisions transposed in France by introducing two regulatory statutes for:

- The Homeopathic Registration (*l'Enregistrement Homéopathique* or EH), which authorizes homeopathic medicines for a given strain meeting the following criteria: No therapeutic indication, a controlled level of dilution, oral or external administration, the production at authorised pharmaceutical manufacturing sites.
- Marketing Authorisation (MA) for drugs excluded from the EH range.

An application for EH or MA must be filed by each laboratory at the French National Agency for the Safety of Medicinal Products (ANSM) by the end of 2015.

Boiron has foreseen this process since 2001. As of the end of June 2013, 834 applications out of 1,163 reimbursable strains had been filed, 190 EH's have been obtained and 51 strains were repealed (requirement to cease production). The other filings are under review. The schedule of the response times for the EH's is not defined and will depend on the French ANSM.

Obtaining an EH for any given strain will have an impact on:

- The pharmaceutical form provided: thus, certain pharmaceutical forms which are non-approved within the framework of the French Homeopathic Registration (or EH) will gradually be phased out.
- The various levels of dilution approved: for a dilution level which was not foreseen under the EH, a marketing authorization application may be made for the strain under consideration. Such is the case for certain tinctures which were the subject of registration filings for marketing authorisations and are currently under review.
- The authorised production sites: while gradually obtaining EH approval, certain production will only be possible at the Sainte-Foy-lès-Lyon, Messimy and Montrichard production sites.

Although the provisions concerning the directive on the marketing of homeopathic medicines have been implemented in most European countries, such is not the case in Italy and Spain. Nonetheless, in those two countries the transposition of the EU directive is in process and should permit the status of homeopathic medicines to evolve.

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The December 29, 2011 law related to improving the safety of medicines and healthcare products was published in the Official Journal dated December 30, 2011.

That text provides the following provisions:

- The publication by the laboratories of the existence of conventions and benefits for the various stakeholders in the healthcare environment, especially healthcare professionals,
- the creation of a French Federal Drug Administration (*l'Agence Nationale de Sécurité du Médicament or ANSM*) empowered with significant authority,
- the implementation of new methods of controlling the advertising of medicinal products for human use, including the establishment of an a priori monitoring mechanism for advertisements targeting healthcare professionals.

The decree 2013-414 which clarified the "Transparency" provisions of the Bertrand law was published in the Official Journal dated May 22, 2013.
It provides for the mandatory publication:

- of all benefits in kind or in cash with a value greater than or equal to 10 euros including VAT accorded to stakeholders in the healthcare environment,
- of any agreements with those stakeholders.

The publication requirement applies to all agreements concluded and the benefits granted since January 1, 2012.
During the initial phase, publication will be made on the company websites and sites providing healthcare advice beginning on October 1, 2013.

The publication of these data will be centralized at one point in time on a single public website.

- Status of reimbursements and price controls:

There is no change to note regarding the status of reimbursements and price controls as described in the annual financial report.

- Pharmaceutical risks

There is no changes to note regarding pharmaceutical risks as described in the annual financial report.

- Business risks:

  - Internationalisation

By significantly reinforcing its global presence, the group may be more exposed to political and economic instability, to cultural or regulatory specificities, or to the risk of counterfeiting or parallel imports. The occurrence of any of these issues may affect production planning, the business or the profitability of the group.

In order to protect itself as much as possible, the group is further strengthening the legal protection of its medications and implementing an active watch over regulations in all regions within which it operates.
The economic crisis in Europe could lead to stagnation or even a decline in activity in the first half in Italy, Spain and Portugal.

  - Market, credit and liquidity risks

The management of market, credit and liquidity risks is described in the annual financial report (page 142 of the notes to the consolidated financial statements for 2012).

The notes to the 2013 condensed interim consolidated financial statements describe trends in the management of risks and financial instruments (note 17).

There were no changes to note related to other risks associated with the business as described in the annual financial report.

Ongoing lawsuits

France and Belgium

- Boumans litigation (continued litigation following Ce.M.O.N.)

In the framework of an increase in 2005 of Boiron's investment in the capital of UNDA, on January 29, 2009, an arbitration court sentenced, in solidum, Jean-Pierre Boumans (seller of the shares of the UNDA holdings), UNDA, the two UNDA holdings, and Boiron SA to transfer to the company Ce.M.O.N. (minority shareholder of UNDA and the Italian distributor of UNDA products) an indemnity to compensate damages amounting to €3,400 thousand. On April 3, 2009, Boiron and UNDA fulfilled the requirements of the arbitration court through the transfer of the total amount of the settlement indemnity.

As according to the decision taken by the Boiron Board of Directors on December 16, 2009, contributory recourse was initiated at the Court of First Instance in Anvers, France in May of 2010 against the seller, Jean-Pierre Boumans, in order to obtain the reimbursement of his share of the penalty (€680 thousand). Concurrently, on March 4, 2011 Boiron obtained an order authorizing enforcement of the arbitration award, (that is to say, providing executor power to the ruling).

Within the framework of his defence, Mr Boumans contested the enforcement order and also presented the case for annulment of the arbitration award against all parties to the arbitration proceedings. On June 22, 2012, the Brussels Court of First Instance ruled the two cases to be unfounded. Mr Boumans has not appealed those rulings. Consecutively, Boiron served a payment order against Mr Boumans, who opposed that order by filing an appeal to the enforcement magistrate. The latter, through an order dated June 11, 2013, requested the parties to have the award interpreted by the arbitral tribunal regarding the responsibility of Mr Boumans with respect to the damages incurred by the company Ce.M.O.N.

Concurrently, the contributory appeal proceedings against Mr Boumans to obtain the repayment of the €680 thousand are on-going.

Litigation in the U.S.

Boiron USA has been the subject of a customer's complaint filed in the Los Angeles, California court against the medication Children's Coldcalm® (used to relieve cold symptoms) for false advertising based on the accusation that the medication is not effective.

In the framework of the court proceedings, Boiron USA wanted the litigation to be taken to the federal court level and filed an appeal in order to obtain the dismissal of the complaint prior to any substantive consideration. That legal recourse was however rejected by a federal judge on July 25, 2011 and the class action nature of the lawsuit was recognized on August 24, 2011. On April 16, 2013, the parties reached a settlement agreement in order to end the legal proceedings. That agreement provides for:

- Boiron USA bearing the legal expense of the opposing party,
- the reimbursement of the consumers who purchased Children's Coldcalm® in California provided they so request,
- and the commitment to modify the advertising and packaging within 24 months as of final court approval of the agreement. The 24 month deadline will enable our subsidiary to sell its current inventory under normal conditions.

The agreement has obtained the prior approval of the court and remains subject to final approval. A provision of 1 million US dollars corresponding to this risk was created.

Concurrently, on August 8, 2011 another law firm filed a complaint on the same basis in the San Diego, California court regarding the medication Oscillococcinum®. As a result, other complaints have been filed against most of the medications marketed by Boiron in the USA.

In order to limit the costs associated with these various proceedings, our subsidiary has succeeded in obtaining the approval of a settlement agreement destined to put a stop to all proceedings with the exception of the complaint related to the medication Children's Coldcalm® mentioned above. This agreement involves the payment of a lump sum of 5 million dollars covering all costs, as well as a commitment to modify the packaging and advertising of the medications within 24 months of the final approval of the agreement. This settlement agreement obtained the final approval of the San Diego court in its judgment dated October 31, 2012. That judgment has been the subject of three appeals, the admissibility of which is under consideration by the Court of Appeals. Only the admissibility of one appeal remains under consideration by the Court of Appeals, the other two having been rejected for failure to disclose the findings in a timely manner.

Litigation in Canada

Boiron Canada is the subject of two consumer complaints in Ontario and Quebec aimed at launching class action lawsuits. These two legal proceedings remain in the preliminary phase, the assigned judges having not yet decided on their admissibility.

There are no other governmental, judicial or arbitration proceedings, including all proceedings of which the company is aware, pending or threatened, which may have or have had a material impact upon the financial position or profitability of the company and/or the group.

TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties are disclosed in note 24 of the notes to the condensed consolidated half-year financial statements.

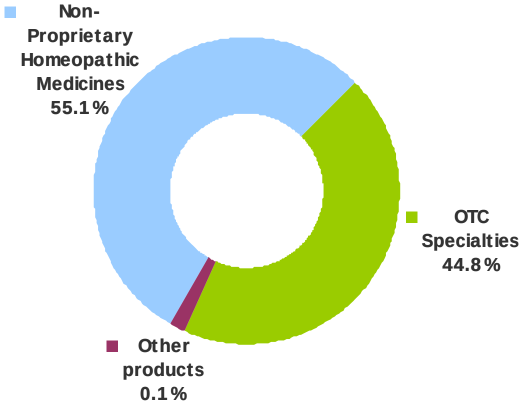
Key figures

Data in millions of euros

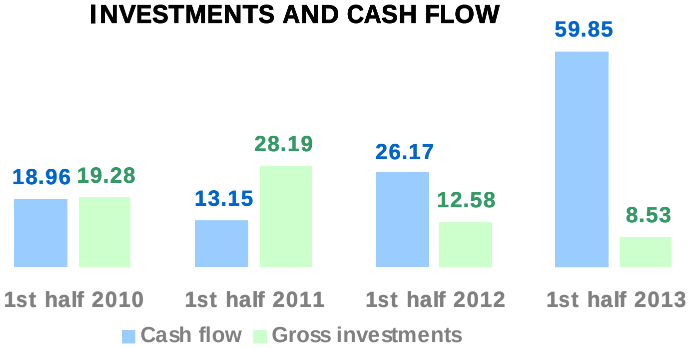
BREAKDOWN OF GROUP SALES

Consolidated data	Q1 *2013*	Q2 *2013*	1st half *2012*	Q1 2012	Q2 2012	1st half 2012	Change 1st half 2013/2012
France	84.27	75.32	159.59	74.19	71.21	145.40	+9.8%
International	73.75	42.44	116.19	54.90	41.22	96.12	+20.9%
Incl. Europe excluding France	*54.33*	*29.05*	*83.38*	*41.81*	*28.89*	*70.70*	*+17.9%*
Incl. North America	*15.56*	*10.02*	*25.58*	*10.28*	*9.86*	*20.14*	*+27.0%*
Incl. Other countries	*3.86*	*3.37*	*7.23*	*2.81*	*2.47*	*5.28*	*+36.9%*
GROUP TOTAL	158.02	117.76	275.78	129.09	112.43	241.52	+14.2%

SALES BY PRODUCT CATEGORY



INVESTMENTS AND CASH FLOW

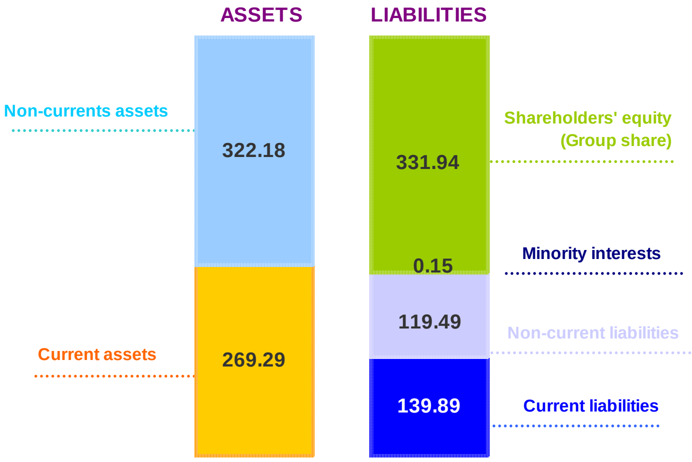


SIMPLIFIED INCOME STATEMENT

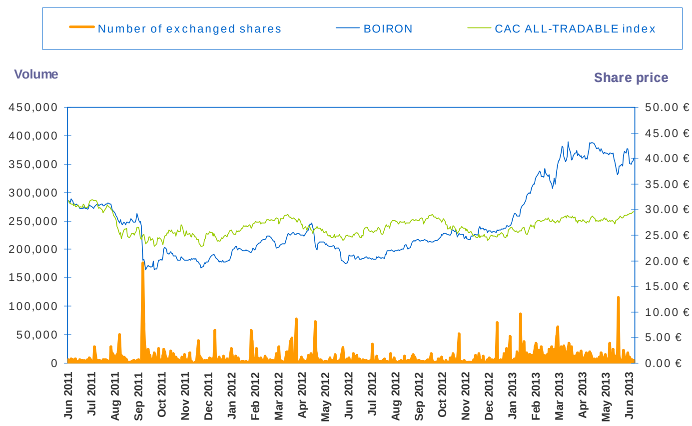
	2013	2012*	*var.*
Sales	275.78	241.52	*+ 14.2%*
Operating income	43.01	17.40	*+ 147.2%*
Net Income - Group share	25.72	9.57	*+ 168.7%*
Cash Flow	59.85	26.17	*+ 128.7%*

** Following application of IAS 19 revised (IAS 19R) related to post-employment benefits.*

SIMPLIFIED BALANCE SHEET



SHARE PRICE PERFORMANCE



Source : Euronext Paris

Half-year condensed consolidated financial statements
JUNE 30, 2013

Settled by the General Shareholders' Meeting of August 29, 2013

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2013 (6 months)	2012 (6 months) RESTATED (2)
Sales	**18**	**275,784**	**241,518**
Other sales revenue		143	128
Industrial production costs		(55,810)	(55,123)
Preparation and distribution costs		(71,005)	(73,277)
Marketing costs		(64,973)	(58,979)
Research costs		(3,645)	(3,850)
Regulatory affairs costs		(2,848)	(2,756)
Support function costs		(36,006)	(35,343)
Other operating revenue	**19**	2,342	5,325
Other operating expenses	**19**	(977)	(246)
Operating income		**43,005**	**17,397**
Cash revenue and financing expenses		176	434
Cash revenue		391	768
Financing expenses		(215)	(334)
Other financial revenue and expenses		(1,707)	(978)
Other financial revenue		6	1,434
Other financial expenses		(1,713)	(2,412)
Share in net earnings (losses) of companies at equity		0	0
Income before tax		**41,474**	**16,853**
Income tax	**20**	(15,782)	(7,274)
Consolidated net income		**25,692**	**9,579**
Net income (minority share)		(32)	6
Net income (group share)	**21**	**25,724**	**9,573**
Earnings per share (1)	**21**	1.32 EUR	0.45 EUR

(1) In the absence of a dilutive instrument, the average earnings per share are the same as the average diluted earnings per share.

(2) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Notes	2013 (6 months)	2012 (6 months) RESTATED [2]
Consolidated net income		**25,692**	**9,579**
Other items of comprehensive income that will be reclassified subsequently to profit or loss		**(1,844)**	**755**
Currency translation adjustements		(103)	772
Other movements		(104)	(17)
Changes in the fair value of financial instruments	17	0	0
Other items of comprehensive income that will not be reclassified subsequently to profit or loss		**(572)**	**(7,309)**
Actuarial differences related with post-employment benefits	14	(572)	(7,309)
Other items of comprehensive income [1]		**(2,146)**	**(6,554)**
Consolidated comprehensive income		**23,276**	**3,025**
Comprehensive income (minority share)		(32)	6
Comprehensive income (group share)		**23,308**	**3,019**

(1) Including €300 thousand tax effet as of June 30,2013 (against €3,838 thousand as of June 30, 2012) on other items of comprehensive income, only concerning actuarial differences related with post-employment benefits.

(2) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

CONSOLIDATED BALANCE SHEET

ASSETS (in thousands of euros)	Notes	06/30/2013	12/31/2012 RESTATED (1)
Non-current assets		**322,181**	**320,808**
Goodwill	7	87,654	87,642
Intangible fixed assets	8	38,783	38,664
Tangible fixed assets	8	148,249	150,242
Investments		2,538	2,402
Other non-current assets	11	380	471
Deferred tax assets		44,577	41,387
Current assets		**269,292**	**273,060**
Tangible fixed assets held for sale		164	157
Inventories and work in progress	9	60,661	54,245
Accounts receivable	10	78,541	103,067
State - income tax receivable	11	3,839	1,188
Other current assets	11	18,599	17,882
Cash and cash equivalents	12	107,488	96,521
TOTAL ASSETS		**591,473**	**593,868**

LIABILITIES (in thousands of euros)	Notes	06/30/2013	12/31/2012 RESTATED (1)
Shareholders' equity (group share)		**331,942**	**326,181**
Share capital	13	19,442	21,483
Additional paid-in-capital		79,876	79,876
Retained earnings		232,624	224,822
Minority interests		**150**	**196**
Total Shareholders' equity		**332,092**	**326,377**
Non-current liabilities		**119,493**	**117,565**
Non-current borrowings and financial debts		3,720	3,225
Social benefits	14	112,521	110,227
Non-current provisions	15	577	560
Other non-current liabilities	16	1,774	2,667
Deffered taxes liabilities		901	886
Current liabilities		**139,888**	**149,926**
Current borrowings and financial debts		3,050	2,523
Current provisions	15	18,675	15,054
Accounts payable		33,994	40,535
State - income tax	16	4,039	5,560
Other current liabilities	16	80,130	86,254
TOTAL LIABILITIES		**591,473**	**593,868**

(1) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	2013 (6 months)	2012 (6 months) RESTATED [1]
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES	**36,276**	**11,066**
Net income - group share	25,724	9,573
Amortization and provisions (excluding current assets)	18,338	11,090
Other items (including income on asset disposals)	185	(1,335)
Cash-flows from consolidated companies after cash revenue,financing expenses and tax	44,247	19,328
Cash revenue and financing expenses	(176)	(434)
Tax charge (including deferred taxes)	15,782	7,274
Consolidated cash-flow before cash revenue, financing expenses and tax	**59,853**	**26,168**
Tax paid / tax repayment	**(23,051)**	**(18,738)**
Changes in working capital requirements, including:	**(526)**	**3,636**
Changes in inventories and work-in-progress	(7,764)	(4,397)
Changes in current operating receivables	24,484	25,888
Changes in current operating debts	(17,246)	(17,855)
NET CASH FLOWS RELATED TO INVESTMENT ACTIVITIES	**(8,564)**	**(10,943)**
Acquisitions of tangible fixed assets	(4,287)	(8,854)
Acquisitions of intangible assets	(4,242)	(3,722)
Disposals of tangible fixed assets	43	1,669
Acquisitions of investments	(78)	(39)
Disposals of investments	0	3
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES	**(16,786)**	**(13,856)**
Dividends paid to parent company shareholders	(17,477)	(15,029)
Reduction in capital, additional paid-in capital and reserves	(118)	(10)
Buyback of treasury shares	0	0
Disposal of treasury shares	0	0
Loans issues	1,423	1,253
Repayment of loans	(791)	(503)
Paid interests	(214)	(335)
Cash revenue	391	768
CHANGE IN CASH POSITION	**10,926**	**(13,733)**
Impact of exchange rate fluctuations	(380)	104
Net cash position 1st January	**94,704**	**89,801**
Net cash position 30th June	**105,250**	**76,172**
Consolidated cash-flow before cash revenue, financing expenses and tax:		
- per share	**3.08 EUR**	**1.22 EUR**
- as a % of sales	**21.7%**	**10.8%**

(1) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY AT June 30, 2012

Before allocation of net income (in thousands of euros)	Number of shares (1)	Capital	Share premium	Consolidated reserves (2)	Treasury shares	Currency translation adjustement	**Shareholders equity group share**	Minority interests	**Shareholders equity total**
12/31/2011 PUBLISHED DATA	***21,411,289***	**21,483**	**79,876**	**272,069**	**(1,490)**	**(3,506)**	**368,432**	**219**	**368,651**
12/31/2011 RESTATED (3)	***21,411,289***	**21,483**	**79,876**	**257,696**	**(1,490)**	**(3,506)**	**354,059**	**219**	**354,278**
Purchases and sales of treasury shares	*49,296*			160	1,011		1,171		1,171
Treasury shares cancellation							0		0
Dividends paid				(15,029)			(15,029)	(11)	(15,040)
Transactions with shareholders	***49,296***	**0**	**0**	**(14,869)**	**1,011**	**0**	**(13,858)**	**(11)**	**(13,869)**
Net Result				9,573			9,573	6	9,579
Other Comprehensive Income				(7,326)		772	(6,554)		(6,554)
Comprehensive Income				**2,247**	**0**	**772**	**3,019**	**6**	**3,025**
06/30/2012 RESTATED	***21,460,585***	**21,483**	**79,876**	**245,074**	**(479)**	**(2,734)**	**343,220**	**214**	**343,434**

(1) Number of shares after elimination of treasury shares.
(2) Including €189,153 thousand of retained earnings and €2,201 thousand of legal reserve in social accounts of parent company, Boiron France, at June 30, 2012.
(3) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY AT June 30, 2013

Before allocation of net income (in thousands of euros)	Number of shares (1)	Capital	Share premium	Consolidated reserves (2)	Treasury shares	Currency translation adjustement	**Shareholders equity group share**	Minority interests	**Shareholders equity total**
12/31/2012 PUBLISHED DATA	***19,411,434***	**21,483**	**79,876**	**306,861**	**(51,777)**	**(2,482)**	**353,961**	**196**	**354,157**
12/31/2012 RESTATED (3)	***19,411,434***	**21,483**	**79,876**	**279,081**	**(51,777)**	**(2,482)**	**326,181**	**196**	**326,377**
Purchases and sales of treasury shares	*3,631*			226	(296)		(70)		(70)
Treasury shares cancellation		(2,041)		(48,980)	51,021		0		0
Dividends paid				(17,477)			(17,477)	(14)	(17,491)
Transactions with shareholders	***3,631***	**(2,041)**	**0**	**(66,231)**	**50,725**	**0**	**(17,547)**	**(14)**	**(17,561)**
Net Result				25,724			25,724	(32)	25,692
Other Comprehensive Income				(675)		(1,741)	(2,416)	0	(2,416)
Comprehensive Income				**25,049**	**0**	**(1,741)**	**23,308**	**(32)**	**23,276**
06/30/2013	***19,415,065***	**19,442**	**79,876**	**237,899**	**(1,052)**	**(4,223)**	**331,942**	**150**	**332,092**

(1) Number of shares after elimination of treasury shares.
(2) Including €169,988 thousand of retained earnings and €2,201 thousand of legal reserve in social accounts of parent company, Boiron France, at June 30, 2013.
(3) After IAS 19 Revises application on post-employement benefits (see note 2.1.1).

Those notes are an integral part of the condensed consolidated financial statements for the half-year ended June 30, 2013. The condensed half-year consolidated financial statements were settled by the Board of Directors on August 29, 2013.

Presentation of the Company

Boiron SA, the group's parent company, is a French Public Limited Company founded in 1932. Its main business activity is manufacturing and selling homeopathic medicines.
Its head office is at 20, rue de la Libération, 69 110 Sainte-Foy-lès-Lyon, France.
Boiron SA and its subsidiaries have 3,787 employees (actual workforce) on June 30, 2013, in France and abroad, compared to 3 924 on December 31, 2012.

The Boiron stock is listed on the "Eurolist" at Euronext Paris.

NOTE 1 : MAIN EVENTS OF THE PERIOD

In France and internationally, the first quarter was highlighted by a high level of winter illnesses.

In Spain, the businesses in Alicante and Bilbao were absorbed by the business in Madrid as of April 30, 2013.

In Italy, since the month of January, all of the business activities are located in Milan and the distribution activities have been partially sub-contracted to an external service provider.

The subsidiary Unda announced on June 4, 2013 its intention to reorganize its business to ensure the development of homeopathy in Belgium (see note 15).
That project could impact sixty jobs out of a total of 194 at the two Belgian sites.
Moreover, since the beginning of the year the distribution business activity in Gand was absorbed by the site in Brussels.

In the US, the settlement agreement aimed to put end to the legal proceedings related to Children's Coldcalm® in California obtained the prior approval of the court. Boiron USA is awaiting the court's final approval of the agreement.

NOTE 2 : VALUATION METHODS AND CONSOLIDATION PRINCIPLES

The consolidated financial statements are stated in thousands of euros unless otherwise indicated.

Boiron group's financial statements as of June 30, 2013 were prepared in line with the standards and interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Union.
This framework, available on the European Commission's website (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm) , comprises international accounting standards (IAS and IFRS), interpretations from the Standing Interpretations Committee (SIC) and interpretations from the International Financial Reporting Interpretations Committee (IFRIC).

The half-year consolidated financial statements were prepared pursuant to IAS 34 "Interim Financial Reporting".
Pursuant to this standard, the half-year consolidated financial statements are presented including the condensed notes; notes are only provided for significant transactions. They should be read together with the group's annual financial statements as of December 31, 2012, as presented in the Reference Document filed with the French Securities and Exchange Commission (AMF) on April 12, 2013 under number D.13-0344 and available on the Company's website: http://www.boiron.com/en/Shareholders-and-investors-area/Financial-information/Regulated-information/Financial-reports.

2.1. NEW IFRS STANDARDS AND INTERPRETATIONS

2.1.1. The new standards and interpretations adopted by the European Union with mandatory application in 2013

The standards and interpretations applicable from January 1, 2013 (including IFRS 13-Fair value measurement, the amendment to IFRS 7-Offsetting of Financial Assets and Financial Liabilities, and the amendments related to annual improvements 2010-2011), had no impact on the Boiron group's financial statements with the exception of IAS 19 revised related to employee benefits. In accordance with the amendment to IAS 1, applicable in 2013, other components of comprehensive income were split between items that will or will not be reclassified subsequently to profit or loss.

The application of IAS 19 revised (IAS 19R) related to employee benefits is required for the period beginning January 1, 2013 and results in significant changes, mainly in the method of accounting for post-employment benefits.
Retirement liabilities are reported in the balance sheet in their total net amount, reduced by the fair value of assets held in externally invested funds. The calculation of benefits and the fair value of assets held in the externally invested funds are identical to those applied prior to the implementation of the revised standard (see note 2.9.1.2.2 of the 2012 reference document).
The impacts of changes in actuarial gains and losses related to benefits and the assets held in the externally invested funds (actuarial assumptions and experience adjustments) are recognized immediately in other comprehensive income as items that will not be subsequently recycled to net income at their after tax value.
The impacts of changes in the pension plan are immediately recognized as operating income.
The net financial cost of the expected future return on the externally invested funds is now reported in the financial result.
The expected return of the fund is calculated using the discount rate retained to estimate the total amount of the benefit.

In accordance with IAS 8, comparable historical information has been restated as if the revised IAS 19 standard had been applied as of January 1, 2012. The prior period application of that standard led to the restatement of the following comparable financial statement information: consolidated income statement for 2012, consolidated balance sheet as at December 31, 2012 and the consolidated cash flow statement for 2012.

The impact of the application of this revised standard on the key financial indicators in the condensed financial statements is shown below. Only the impacted line items are presented.

Consolidated Balance sheet 12/31/2012	Published Data	Effect of IAS 19 R	Restated Data
Non current assets	**306,221**	**14,587**	**320,808**
Including Deferred tax assets	26,800	14,587	41,387
TOTAL ASSETS	**579,281**	**14,587**	**593,868**
Shareholders' equity (group share)	**353,961**	**(27,780)**	**326,181**
Including Retained earnings and net income	252,602	(27,780)	224,822
Total Shareholders' equity	**354,157**	**(27,780)**	**326,377**
Non-current liabilities	**75,198**	**42,367**	**117,565**
Including Employee benefits	67,860	42,367	110,227
TOTAL LIABILITIES	**579,281**	**14,587**	**593,868**

Consolidated Income statement 2012 (6 months)	Published Data	Effect of IAS 19 R	Restated Data
Operating income	**15,179**	**2,218**	**17,397**
Other financial revenue and expenses	**741**	**(1,719)**	**(978)**
Income before tax	**16,354**	**499**	**16,853**
Income tax	(7,102)	(172)	(7,274)
Consolidated net income	**9,252**	**327**	**9,579**
Net income (group share)	**9,246**	**327**	**9,573**
Earnings per share	0.43 EUR	0.02 EUR	0.45 EUR

Statement of comprehensive income 2012 (6 months)	Published Data	Effect of IAS 19 R	Restated Data
Consolidated net income	**9,252**	**327**	**9,579**
Other items of comprehensive income that will not be reclassified subsequently to profit or loss	**0**	**(7,309)**	**(7,309)**
Actuarial differences related with post-employment benefits	0	(7,309)	(7,309)
Other total items of comprehensive income	**755**	**(7,309)**	**(6,554)**
Consolidated comprehensive income	**10,007**	**(6,982)**	**3,025**
Comprehensive income (group share)	**10,001**	**(6,982)**	**3,019**

Consolidated statement of cash flows 2012 (6 months)	Published Data	Effect of IAS 19 R	Restated Data
Net income (group share)	9,246	327	9,573
Amortization and provisions (excluding current assets)	11,589	(499)	11,090
Cash-flows from consolidated companies after cash revenue,financing expenses and tax	**19,500**	**(172)**	**19,328**
Tax charge (including deferred taxes)	7,102	172	7,274

The effect of IAS 19 revised at 2012 financial year opening is €14,373 thousand on shareholders' equity and an increase in €21,920 on employee benefits.

Comparative information given in all tables in notes are after effect of IAS 19 revised.

2.1.2. Standards and interpretations adopted by the European Union before the closing date and that go into effect subsequent to this date

The Boiron group opted not to implement early application of the standards, interpretations and amendments adopted by the European Union before the closing date and that go into effect subsequent to this date notably with consolidation standards revised (IFRS 10,11 and 12).

2.1.3. Standards and interpretations with mandatory or optional application in 2013 and not yet adopted by the European Union

The group does not expect that the standards and interpretations, published by the IASB, but not yet approved at the European level, have a significant incidence on its financial statements.

2.2. SPECIFIC ACCOUNTING TO HALF-YEAR CLOSING

Principle assumptions and judgments applied are described in note 2 of annual financial statements of December 31, 2012. In several cases, these rules were adapted to the specificities of a half-year closing.

2.2.1. Income tax expenses

The income tax expense for the half-year was calculated individually for each company: average effective rate estimated for this year was applied to income before tax of the period.

As previous years, research tax credit (CIR) is booked as an operating grant. The group opted to present it in other operating income in the income statement.
Also, the group opted to book "Tax credit competitiveness employment" (CICE) in other operating income, in accordance with the possibility given by the standard IAS 20–Accounting for government grants and disclosure.

The additional tax of 3 % connected to the dividends on which the distribution was decided before June 30, 2013 was totally recorded on the half-year.

2.2.2. Profit-sharing and employee profit-sharing

Profit-sharing expenses were calculated prorata temporis on the basis of the estimated annual amount.

2.2.3. Post-employment benefits

In accordance to the provisions of IAS 34, retirement liabilities and related were not subject to a complete recalculation at June 30, 2013 (as at June 30, 2012). The changes in the net value of benefits were estimated as follows:

- The financial cost and the cost of services rendered were estimated for December 31, 2013 based on an extrapolation of the total benefit calculated for December 31, 2012;
- The impact of the change in the discount rate (2.74% at June 30, 2013 versus 2.80% at December 31, 2012 and 3.49% at June 30, 2012) was calculated from the sensitivity tests performed in previous years: a change in the discount rate of 0.5 percentage points has an average impact of 6.0% on the total benefit.
- The other actuarial assumptions associated with the global benefit amount (the rate of salary increases, employee attrition rate, ...) are generally updated at year-end. None of the factors were identified as having a material impact at June 30, 2013;
- Other actuarial differences related to experience were not recalculated due to the immaterial impact observed in prior years and the absence of significant variances expected this year;
- Contributions to the external funds and benefits paid to employees who retired in the first half-year period were taken into account.

The table of changes in the total net benefit is shown in note 14.

2.2.4. Impairment tests

The process for carrying out impairment tests as at December 31, 2012 is described in the 2012 Reference Document in note 2.5.

For the purposes of the half-year financial statements, impairment tests were only carried out on assets or groups of assets with respect to which there were indications of impairment during the last six months, or for which there were indications of impairment at the last closing.

The 1st application (prospective) of the standard IFRS 13–Fair value valuation, does not have any effect on impairment test, these are only realized with utility value, as indicated in note 2.5 of 2012 Reference Document.

NOTE 3 : SCOPE OF CONSOLIDATION

There has been no change on the scope of consolidation since December 31, 2012. It is set out in note 3 to the 2012 Reference Document.

The year end for all companies is December 31.

Non-consolidated companies are measured at historical cost and are recognized as investments.

NOTE 4 : CURRENCY TRANSLATION METHOD FOR ELEMENTS IN FOREIGN CURRENCY

The following table sets out the euro translation rates related to the currencies used for consolidation, for the main entities in foreign currencies:

	Average rate 2013 (6 months)	Average rate 2012 (6 months)	Closing rate 06/30/2013	Closing rate 12/31/2012
US dollar	1.313	1.297	1.308	1.319
Canadian dollar	1.335	1.304	1.371	1.314
Polish zloty	4.178	4.244	4.338	4.074
Russian rouble	40.764	39.698	42.845	40.330
Czech koruna	25.697	25.166	25.949	25.151

NOTE 5 : SEASONALITY

The activity of the group can be seasonal due to the level of pathology and to the extent of the wintry specialities range. Generally, the annual results depend on the activity realized on the second half-year of the fiscal year. Consequently, results of the first half-year can be not representative of results that could be expected for the whole year.

NOTE 6 : SEGMENT REPORTING

The board below presents the data as of June 30, 2013:

DATA CONCERNING INCOME STATEMENT	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations (1)**	**2013 (6 months)**
External SALES	169,702	79,442	25,159	1,481		275,784
Inter-sector SALES	47,489	2,596		511	(50,596)	0
Total SALES	**217,191**	**82,038**	**25,159**	**1,992**	**(50,596)**	**275,784**
Other operating income	2,123	202	(2)	19		2,342
Other operating expenses	(740)	(224)	(8)	(5)		(977)
OPERATING INCOME	**49,403**	**(466)**	**4,627**	**(444)**	**(10,115)**	**43,005**
included Allowances to amortization and impairments on intangible and tangible assets	*(11,865)*	*(1,151)*	*(240)*	*(19)*		*(13,275)*
included Net changes in depreciation of assets, provisions and social benefits	*1,445*	*(2,756)*	*(344)*			*(1,655)*
Cash revenue and financing expenses	212	98	(2)	(132)		176
Income tax	(14,281)	280	(1,772)	(9)		(15,782)
NET INCOME (GROUP SHARE)	**33,644**	**(52)**	**2,831**	**(584)**	**(10,115)**	**25,724**

DATA CONCERNING BALANCE SHEET	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations**	**06/30/2013**
Total Assets	542,124	128,004	26,039	3,056	(107,750)	591,473
Net tangible fixed assets and intangible assets	163,747	21,762	6,092	143	(4,712)	187,032
Deferred taxes assets	37,859	4,077	2,641			44,577
Working Capital Requirements	27,484	38,514	4,817	1,203	(24,058)	47,960

DATA CONCERNING CASH FLOWS	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations**	**2013 (6 months)**
Acquisition of intangible and tangible assets	7,507	883	123	16		8,529

(1) Including eliminations of internal incomes.

The data as of June 30, 2012 are presented below:

DATA CONCERNING INCOME STATEMENT	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations (1)**	**2012 (6 months)**
External SALES	156,831	64,234	19,405	1,048		241,518
Inter-sector SALES	27,278	4,370		517	(32,165)	0
Total SALES	**184,109**	**68,604**	**19,405**	**1,565**	**(32,165)**	**241,518**
Other operating income	5,260	124	(70)	11		5,325
Other operating expenses	(198)	(22)	(22)	(4)		(246)
OPERATING INCOME	**20,560**	**(1,031)**	**(234)**	**(1,189)**	**(709)**	**17,397**
included Allowances to amortization and impairments on intangible and tangible assets	*(11,694)*	*(1,121)*	*(294)*	*(20)*		*(13,129)*
included Net changes in depreciation of assets, provisions and social benefits	*(359)*	*(1,445)*	*3,720*	*2*		*1,918*
Cash revenue and financing expenses	432	68	(8)	(59)	1	434
Income tax	(7,191)	(157)	88	(14)		(7,274)
NET INCOME (GROUP SHARE)	**12,129**	**(1,114)**	**(180)**	**(1,262)**		**9,573**

DATA CONCERNING BALANCE SHEET	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations**	**06/30/2012**
Total Assets	521,235	123,622	27,497	1,861	(104,394)	569,821
Net tangible fixed assets and intangible assets	170,946	23,307	6,647	188	(4,712)	196,376
Deferred taxes assets	30,103	2,488	4,272			36,863
Working Capital Requirements	24,528	35,668	5,918	764	(14,729)	52,149

DATA CONCERNING CASH FLOWS	**France**	**Europe (excluding France)**	**North America**	**Other Countries**	**Eliminations (1)**	**2012 (6 months)**
Acquisition of intangible and tangible assets	10,762	1,677	131	6		12,576

(1) Including eliminations of internal incomes.

Consolidated sales broken down on the criterion of the destination of sales, as published as part of mandatory quarterly reporting, is as follows for the first half-year of 2013 and 2012:

	2013 (6 months)	2012 (6 months)
France	159,597	145,398
Europe (excluding France)	83,381	70,696
North America	25,579	20,146
Other Countries	7,227	5,278
TOTAL GROUP	**275,784**	**241,518**

The breakdown of sales by line of products is given in note 18.

The structure of the customers is atomized. No customer represents more than 10% of the group's sales on the presented financial statements.

NOTE 7 : GOODWILL

	12/31/2012	Increases / (Decreases)	Currency translation adjustments	06/30/2013
Boiron France (1)	82,826			82,826
Editions Similia	663			663
Total "France"	***83,489***	***0***	***0***	***83,489***
Belgium (2)	2,232			2,232
Boiron Italie	2,242			2,242
Boiron Espagne	583			583
Boiron Suisse	55			55
Total "Europe excluding France"	***5,112***	***0***	***0***	***5,112***
Boiron Canada	215		4	219
Boiron USA	1,113		8	1,121
Total "North America"	***1,328***	***0***	***12***	***1,340***
Total "Other countries"	***0***			***0***
TOTAL GROSS GOODWILL	**89,929**	**0**	**12**	**89,941**
Swiss impairment	(55)			(55)
Belgium impairment (2)	(2,232)	0		(2,232)
TOTAL NET GOODWILL	**87,642**	**0**	**12**	**87,654**

(1) Boiron France goodwill comes from Dolisos (€70,657 thousand), LHF (€7,735 thousand), SIBOURG (€1,268 thousand), DSA (€1,381 thousand) and Herbaxt (€1,785 thousand). Goodwill issued from different acquisitions in France having been inseparable, impairment tests are realized in France.

(2) Goodwill in Belgium comes from UNDA (€1,408 thousand) and Omnium Mercur (€823 thousand). 2012 Impairment tests led to book a total impairment loss of goodwill.

There was no acquisition generating new goodwill during 2013 first half-year.

There is no price revision clause or staggered payment clause in respect of securities acquired.

Given the trend in the performance of the asset groups, no evidence of impairment had been identified as of June 30, 2013, with the exception of Belgium (see note 1: the announcement of a reorganization on June 4, 2013) for which an impairment test did not result in any write-off of assets.

NOTE 8 : INTANGIBLE ASSETS AND TANGIBLE FIXED ASSETS

On 2013 first half-year, intangible assets increased in €4,242 thousand, included €4,034 thousand on Boiron France. These acquisitions main concern IT plan in progress.

With respect to tangible fixed assets acquisitions, adjusted of change in payables to fixed assets, in 2013 first half-year of 2013 amounted to €4,244 thousand. The main acquisitions were by Boiron France, for €3,454 thousand (mainly, acquisition on the 3 production sites and building of a distribution processing site).

Tangible fixed assets held for sale amounted to €164 thousand are in linked with buildings of Milan-Pioltello and Bologna in Italy, already included in this category in 2012.

No intangible assets or tangible fixed assets were pledged or offered as collateral for a guarantee or surety.

NOTE 9 : INVENTORIES AND WORK IN PROGRESS

	06/30/2013	12/31/2012
Raw materials and supplies	13,114	14,275
Semi-finished goods and finished goods	48,405	42,571
Goods	1,244	1,292
TOTAL GROSS INVENTORIES	**62,763**	**58,138**
TOTAL DEPRECIATIONS ON INVENTORIES	**(2,102)**	**(3,893)**
TOTAL NET INVENTORIES	**60,661**	**54,245**

As at June 30, 2013 and December 31, 2012 no inventory has been pledged to guarantee liabilities.

NOTE 10 : ACCOUNTS RECEIVABLE

	06/30/2013			12/31/2012		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Net accounts receivable denominated in euros	65,076	(1,006)	64,070	79,798	(1,083)	78,715
Net accounts receivable denominated in other currencies	14,690	(219)	14,471	24,586	(234)	24,352
TOTAL	**79,766**	**(1,225)**	**78,541**	**104,384**	**(1,317)**	**103,067**

There is no sale of receivables agreement.
Impairments on accounts receivable are recognized in line with defined principles in 2.7.3.1 note in 2012 Reference Document.
The credit risk is treated in note 17 “Financial Instruments and risks”.

Accounts receivable denominated in currencies mainly concern Russia and Poland and the USA.

NOTE 11 : TAX REFUNDS RECEIVABLE AND OTHER CURRENT AND NON-CURRENT ASSETS

	06/30/2013		12/31/2012	
	Current	Non-current	Current	Non-current
State - Income tax receivable (non financial assets)	**3,839**		**1,188**	
Other assets excluded income tax receivable				
Non financial assets	**13,666**	**59**	**11,801**	**70**
State and local government, excluding income tax	9,146		8,736	
Staff	295	59	281	70
Accrued expenses	4,225		2,784	
Financial assets valued at cost	**4,933**	**321**	**6,081**	**401**
Other debtors	4,933	321	6,081	401
Derivative instruments				
TOTAL	**18,599**	**380**	**17,882**	**471**

NOTE 12 : CASH AND CASH EQUIVALENTS

	06/30/2013			12/31/2012		
	Euros	Other currencies (euro equivalents)	Total	Euros	Other currencies (euro equivalents)	Total
Cash equivalents	414	871	**1,285**	2,451	97	**2,548**
Cash	100,341	5,862	**106,203**	82,917	11,056	**93,973**
TOTAL	**100,755**	**6,733**	**107,488**	**85,368**	**11,153**	**96,521**

Cash equivalents are primarily comprised of euro money market funds or similar investments (certificates on deposits and future deposits…) satisfying the criteria of IAS 7 (see note 2.7.3.2 of 2012 Reference Document).

Fair value changes were not material at the closing date.
No investments instruments have been provided as guarantees as of the end of the period, nor subject to restrictions.

The amount of non available cash and cash equivalents for the group (exchange controls in a subsidiary) is non material.

NOTE 13 : SHAREHOLDERS' EQUITY

As at June 30, 2013, the share capital is comprised of 19,441,713 fully paid-up shares, each with a par value of €1.

There are no preference shares.

As at January 1, 2013, social share capital was reduced by 2,040,843 shares, following the cancellation of "Pierre Fabre SA" shares bought on December 17, 2012, within the frame of the applicable share buyback program.

The Boiron France company is not subjected to an external constraint, of regulatory level or agreement, in conformance with its capital. The company integrates for the follow-up of its shareholders' equities the same elements as those who are integrated into the consolidated shareholders' equity.

The Board policy in management of shareholders' equities privileges this day the financing of its development on its shareholders' equity. Within an environment of tightening bank credit, at the end of 2011, Boiron France has secured its financing by replacing unconfirmed current account overdrafts with confirmed lines of credit for a period of five years in the total amount of €80,000 thousand. The group thus has financial resources in addition to its excess cash readily available to continue its development. These lines of credit were not used at June 30, 2013, considering the cash level of the group.

13.1. Treasury shares

The capital is comprised as follows (number of shares):

	06/30/2013	12/31/2012
Total number of shares	**19,441,713**	**21,482,556**
Treasury shares	(26,648)	(2,071,122)
Number of shares excluded treasury shares	**19,415,065**	**19,411,434**

Shares registered to the same person for 3 years or more have double voting rights at shareholders' meetings.

There are no share warrants in circulation and the company has not introduced any employee stock option plans or dilutive instruments.

Treasury shares are valued at the historical cost, their value is directly booked in consolidated shareholders' equity.

As at June 30, 2013, the value of treasury shares held amounted to €1,051 thousand and the latent gain on that portfolio was €3 thousand.
26,648 shares are held through the liquidity contract subscribed with the French bank "Natixis". There is no share acquired in order to be cancelled.

13.2. Dividend per share

Dividend per share in euro	
Dividend 2012 paid in 2013	**0.90**
Dividend 2011 paid in 2012	**0.70**

NOTE 14 : NON-CURRENT EMPLOYEE BENEFITS

14.1. Group quantified data

	12/31/2012 (1)	Operating Income impact	Financial Income impact	Other item of comprehensive income impact		06/30/2013
				Actuarial differences	Currency translation adjustments & other movements	
Total post-employment benefits (defined contribution plans)	102,440	(57)	1,394	873		104,650
Total other long-term benefits	7,787	84				7,871
TOTAL EMPLOYEE BENEFITS RECOGNIZED IN NON-CURRENT LIABILITIES	110,227	27	1,394	873	0	112,521

(1) See note 2.1.1

The change in post-employment benefits on 1st half-year 2012, in taking into account the impact of IAS 19 revised, was the following one:

	12/31/2011 (1)	Operating Income impact	Financial Income impact	Other item of comprehensive income impact		06/30/2012
				Actuarial differences	Currency translation adjustments & other movements	
Total post-employment benefits (defined contribution plans)	78,877	(399)	1,718	11,147		91,343
Total other long-term benefits	6,596	171				6,767
TOTAL EMPLOYEE BENEFITS RECOGNIZED IN NON-CURRENT LIABILITIES	85,473	(228)	1,718	11,147	0	98,110

(1) See note 2.1.1

14.2. POST-EMPLOYMENT BENEFITS OF BOIRON FRANCE

Change in provision related to Retirement indemnities (IDR) in France between 2012 and 2013 was the following:

	12/31/2012	Operating Income impact			Financial Income impact	Other item of comprehensive income impacts	06/30/2013
		Service costs	Payments (2)	Plans changes	Net financial cost of expending yield fund	Actuarial changes	
Actual bond value	**49,985**	1,115	(1,513)		678	370	**50,635**
Investment value	**(21,461)**		13		(295)		**(21,743)**
Retirement indemnity of Boiron France (1a)	**28,524**	**1,115**	**(1,500)**	**0**	**383**	**370**	**28,892**

(1a) See table below between December 31, 2012 published and December 2012 restated.

(2) Payments consist on one hand of contributions paid in the outsourced fund in 2013 (€1,500 thousand) and on the other hand refunds obtained following the departures (€1,513 thousand).

Change in provision related to Agreement on Preparation for Retirement (APR) in France between 2012 and 2013 was the following:

	12/31/2012	Operating Income impact			Financial Income impact	Other item of comprehensive income impacts	06/30/2013
		Service costs	Payments (2)	Plans changes	Financial cost	Actuarial changes	
Actual bond value	**73,685**	1,449	(1,103)		1,011	503	**75,545**
Agreement on Preparation for Retirement of Boiron France (1b)	**73,685**	**1,449**	**(1,103)**	**0**	**1,011**	**503**	**75,545**

(1b)See table below between December 31, 2012 published and December 2012 restated.

(2) Payments consist of services paid following the departures (€1,103), there is no outsourced fund.

Effects of IAS 19 revised application on Indemnities retirement and Agreement on preparation of Boiron France compared to 2012 published data are presented below:

12/31/2012	Published Data	Effect of IAS 19 R	Restated Data
(1a) Retirement indemnity of Boiron France	8,732	19,792	28,524
(1b) Agreement on Preparation for Retirement of Boiron France	51,110	22,575	73,685

14.3. INDIVIDUAL TRAINING ENTITLEMENT (D.I.F)

As indicated in note 2.9.1.3 of 2012 Reference Document, the Individual Training Entitlement is considered as a contingent liabilities, the history of the modalities of use of this right not bringing to light significant likely additional costs.

The number of hours vested within the framework of the Individual Training Entitlement by all the French subsidiaries of the group is of 274,134 hours on June 30, 2013 (1,070 hours were used during first half-year 2013), against 268,502 hours on December 31, 2012 (1 338 hours were used in 2012).

NOTE 15 : CURRENT AND NON-CURRENT PROVISIONS

	12/31/2012	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments & other movements	06/30/2013
Current						
Provisions for returned goods	5,300	2,582	(224)	(2,228)	(1)	5,429
Provisions for contingencies and lawsuits	2,948	1,485	(234)	(140)	7	4,066
Provisions for reorganization	6,231	5,473	(237)	(2,612)	(10)	8,845
Other provisions for other expenses	575			(240)		335
TOTAL CURRENT PROVISIONS	**15,054**	**9,540**	**(695)**	**(5,220)**	**(4)**	**18,675**
Non-current						
Provisions for contingencies and lawsuits	560	27		(10)		577
TOTAL NON-CURRENT PROVISIONS	**560**	**27**	**0**	**(10)**	**0**	**577**

The increase in provisions for restructuring to €5,075 thousand was mainly related to the restructuring of the business in Belgium announced on June 4, 2013 (see note 1). Reversals of provisions were related to previous restructurings in Belgium, Italy and Switzerland which were provisioned at December 31, 2012. Those provisions covered costs incurred during the first half-year period.

The change in current and non-current provisions for the 2012 first half-year was as follows:

Current	12/31/2011	Increases	Decreases (unused)	Decreases (used)	Currency translation adjustments & other movements	06/30/2012
Provisions for returned goods	6,021	1,401	(35)	(2,019)	183	5,551
Provisions for contingencies and lawsuits	7,697	207	(96)	(4,107)	13	3,714
Provisions for reorganization	241	1,756	(21)	(619)		1,357
Other provisions for other expenses	122					122
TOTAL CURRENT PROVISIONS	**14,081**	**3,364**	**(152)**	**(6,745)**	**196**	**10,744**
Non-current						
Provisions for contingencies and lawsuits	761	3				764
TOTAL NON-CURRENT PROVISIONS	**761**	**3**	**0**	**0**	**0**	**764**

The contingent assets and liabilities are described in note 23.

NOTE 16 : INCOME TAX DEBT AND OTHER CURRENT AND NON-CURRENT LIABILITIES

	06/30/2013		12/31/2012	
	Current	Non-current	Current	Non-current
State - income tax payable (non financial liabilities)	**4,039**		**5,560**	
Other liabilities except income tax to be paid				
Non financial liabilities	**69,526**	**1,774**	**76,712**	**2,667**
State and local government, excluding income tax	5,847		9,119	
Personnel and social security organizations	62,473	1,755	67,022	2,636
Deferred revenue	1,206	19	571	31
Financial liabilities valued at cost	**10,598**		**9,501**	
Fixed asset suppliers	5,604		1,985	
Other creditors	4,994		7,516	
Derivative instruments (1)	**6**		**41**	
TOTAL	**80,130**	**1,774**	**86,254**	**2,667**

(1) See note 17

Other non-current liabilities are primarily comprised of the debt in respect of the Italian severance indemnity provision (Italian TFR) (€1,755 thousand on June 30, 2013 against €2,636 thousand on December 30, 2012).

NOTE 17 : FINANCIAL INSTRUMENTS AND RISKS

Neither the nature nor maturity of the group's financial assets and liabilities changed materially compared to December 31, 2012.

Just like as of December 31, 2012, the only derivatives were foreign exchange hedges, all maturing within a year. As at June 30, 2013, the whole outstanding concern fair-value hedges. So, the offsetting entry for changes in fair value was recognised in operating income (see note 19).
As at June 30, 2013 there is no cash flow hedge outstanding, and there is no impact on other comprehensive income.

The implementation of IFRS 13 revised, with prospective application, had no impact on the financial statements. The only assets and liabilities valued at their fair value are investments and financial instruments. As in 2012, hedging instruments mainly included future contracts and options which fall within level 2 of the IFRS 13 hierarchies.
Outstanding futures options and forward transactions and the fair value of those instruments were not material at June 30, 2013.

Fair value investments are described in note 12.

The group's exposure to market, credit and liquidity risks did not change significantly from December 31, 2012 (see note 22 to the consolidated financial statements in the 2012 Reference Document). The analyses of receivable in countries which may present risks do not conduct to book additional allowance.

As at of June 30, 2013, the amount of accounts receivable due and not provided for amounted to €3,759 thousand, namely 4.7% of accounts receivable (against €5,839 thousand, namely 5.6% of accounts receivable as of December 31, 2012). Accounts receivable due for less than a month accounted for 59% of this amount. The remainder has been overdue for less than a year.
There was no major change in the structure of the aged trial balance during 2013 first half-year.
To date, the group has not identified any significant risk on account receivables recorded in countries in economic difficulty.

There was no major accounts receivable restructuring agreement or clearing agreement as of June 30, 2013 or as of December 31, 2012.
Depreciations for doubtful receivables amounted to €1,225 thousand, namely 1.5% of the total amount of accounts receivables, compared to €1,317 thousand the previous year, namely 1.3% of accounts receivable.
Over the first half-year, losses on bad debts amounted to €81 thousand, namely 0.1% of the total amount of accounts receivable (compared to €554 thousand and 0.5% for 2012). The bulk of these losses had been depreciated.

The Boiron group did not have to notice of material failure on 2013 first half-year, as in 2012.

NOTE 18 : OPERATING REVENUES

	2013 (6 months)	%	2012 (6 months)	%
Non-proprietary homeopathic medicines	152,097	55.1	143,633	59.5
OTC family medication specialties	123,466	44.8	97,583	40.4
Other [1]	692	0.3	782	0.3
Financial rebates	(471)	(0.2)	(480)	(0.2)
TOTAL SALES	**275,784**	**100.0**	**241,518**	**100.0**
Other operating revenue (fees)	**143**		**128**	

[1] The "Other" heading in net sales includes sales of books as well as invoicing for services (training).

The product lines presented in this breakdown of sales do not constitute operating segments.

NOTE 19 : OTHER OPERATING REVENUE AND EXPENSES

	2013 (6 months)	2012 (6 months)
Income on disposal assets	(249)	1,377
Tax credit competitiveness and employment [1]	1,054	
Other tax credit [1]	550	662
Gains and losses on derivative instruments (related to operating hedges)	(36)	(58)
Foreign exchange gains and losses on operating transactions	(577)	111
Change in provision	241	(51)
Other [2]	382	3,038
TOTAL	**1,365**	**5,079**
Included Other operating revenue	***2,342***	***5,325***
Included Other operating expenses	***(977)***	***(246)***

(1) See note 2.3.1
(2) The item "Others" include an income to be received related to the contingent on Dolisos Direct Sales Tax for €2,699 thousand.

NOTE 20 : INCOME TAX

	2013 (6 months)	2012 (6 months)
Current taxes payable	(18,816)	(6,943)
Deferred taxes	3,034	(331)
TOTAL	**(15,782)**	**(7,274)**
Effective rate	**38.1%**	**43.2%**

The difference between the recognized tax charge and the tax that would have been recognized at the nominal rate break down as follows for the 2013 and 2012 first half-year:

	2013 (6 months)	%	2012 (6 months)	%
Theoretical tax	(14,972)	36.1	(6,084)	36.1
Impact of tax rates abroad	(89)	0.2	(521)	3.1
Impact of reduced tax rates in France	8	(0.0)	9	(0.1)
Permanent differences	(513)	1.2	(205)	1.2
Fiscal loss or gain without recognition of income tax	(218)	0.5	(477)	2.8
Tax credits, deferred income tax adjustment and other	2	(0.0)	4	(0.0)
Actual Tax	**(15,782)**	**38.1**	**(7,274)**	**43.2**

NOTE 21 : EARNINGS PER SHARE (EXCLUDING TREASURY SHARES)

	2013 (6 months)	2012 (6 months)
Net earnings (in thousand €)	25,724	9,573
Average number of shares for the fiscal year	19,422,860	21,453,917
EARNINGS PER SHARE (in €)	**1.32**	**0.45**

In the absence of dilutive instruments, the average earnings per share are the same as the average diluted earnings per share.
The change in the average number of shares is explained by the change in the number of treasury shares over the period and by the decrease of social share capital by 2,040,843 shares at January 1, 2013, following the cancellation of "Pierre Fabre SA" shares bought on December 17, 2012 (see note 13).

NOTE 22 : OFF-BALANCE SHEET LIABILITIES

The Boiron group has no off-balance sheet liabilities related to acquisitions and disposals of subsidiaries (agreements to repurchase shares ...).

Concerning off-balance sheet liabilities related to company financing, we can notice the credit lines for €80,000 thousand granted for five years created in 2011 but not used.

Off-balance sheet liabilities related to group operating activities did not change significantly during the 2013 first half-year.

NOTE 23 : CONTINGENT ASSETS AND LIABILITIES

23.1. BELGIUM LITIGATION VERSUS MR. JEAN-PIERRE BOUMANS

In the framework of an increase in 2005 of Boiron's investment in the capital of UNDA, on January 29, 2009, an arbitration court sentenced, in solidum, Jean-Pierre Boumans (seller of the shares of the UNDA holdings), UNDA, the two UNDA holdings, and Boiron SA to transfer to the company Ce.M.O.N. (minority shareholder of UNDA and the Italian distributor of UNDA products) an indemnity to compensate damages amounting to €3,400 thousand. On April 3, 2009, Boiron and UNDA fulfilled the requirements of the arbitration court through the transfer of the total amount of the settlement indemnity.

As according to the decision taken by the Boiron Board of Directors on December 16, 2009, contributory recourse was initiated at the Court of First Instance in Anvers, France in May of 2010 against the seller, Jean-Pierre Boumans, in order to obtain the reimbursement of his share of the penalty (€680 thousand). Concurrently, on March 4, 2011 Boiron obtained an order authorizing enforcement of the arbitration award, (that is to say, providing executor power to the ruling).

Within the framework of his defence, Mr Boumans contested the enforcement order and also presented the case for annulment of the arbitration award against all parties to the arbitration proceedings. On June 22, 2012, the Brussels Court of First Instance ruled the two cases to be unfounded. Mr Boumans has not appealed those rulings. Consecutively, Boiron served a payment order against Mr Boumans, who opposed that order by filing an appeal to the enforcement magistrate. The latter, through an order dated June 11, 2013, requested the parties to have the award interpreted by the arbitral tribunal regarding the responsibility of Mr Boumans with respect to the damages incurred by the company Ce.M.O.N.

Concurrently, the contributory appeal proceedings against Mr Boumans to obtain the repayment of the €680 thousand are on-going.

23.2. LITIGATION IN THE U.S

Boiron USA has been the subject of a customer's complaint filed in the Los Angeles, California court against the medication Children's Coldcalm® (used to relieve cold symptoms) for false advertising based on the accusation that the medication is not effective.

In the framework of the court proceedings, Boiron USA wanted the litigation to be taken to the federal court level and filed an appeal in order to obtain the dismissal of the complaint prior to any substantive consideration. That legal recourse was however rejected by a federal judge on July 25, 2011 and the class action nature of the lawsuit was recognized on August 24, 2011. On April 16, 2013, the parties reached a settlement agreement in order to end the legal proceedings. That agreement provides for:

- Boiron USA bearing the legal expense of the opposing party,
- the reimbursement of the consumers who purchased Children's Coldcalm® in California provided they so request,
- and the commitment to modify the advertising and packaging within 24 months as of final court approval of the agreement. The 24 month deadline will enable our subsidiary to sell its current inventory under normal conditions.

The agreement has obtained the prior approval of the court and remains subject to final approval. A provision of 1 million US dollars corresponding to this risk was created.

Concurrently, on August 8, 2011 another law firm filed a complaint on the same basis in the San Diego, California court regarding the medication Oscillococcinum®. As a result, other complaints have been filed against most of the medications marketed by Boiron in the USA.

In order to limit the costs associated with these various proceedings, our subsidiary has succeeded in obtaining the approval of a settlement agreement destined to put a stop to all proceedings with the exception of the complaint related to the medication Children's Coldcalm® mentioned above. This agreement involves the payment of a lump sum of 5 million dollars covering all costs, as well as a commitment to modify the packaging and advertising of the medications within 24 months of the final approval of the agreement. This settlement agreement obtained the final approval of the San Diego court in its judgment dated October 31, 2012. That judgment has been the subject of three appeals, the admissibility of which is under consideration by the Court of Appeals. Only the admissibility of one appeal remains under consideration by the Court of Appeals, the other two having been rejected for failure to disclose the findings in a timely manner.

23.3. Litigation in Canada

Boiron Canada is the subject of two consumer complaints in Ontario and Quebec aimed at launching class action lawsuits. These two legal proceedings remain in the preliminary phase, the assigned judges having not yet decided on their admissibility.

There are no other governmental, judicial or arbitration proceedings, including all proceedings of which the company is aware, pending or threatened, which may have or have had a material impact upon the financial position or profitability of the company and/or the group.

NOTE 24 : RELATED PARTIES

Managers' due gross compensation is described as follows:

	Managers
Fixed compensation	582
Variable compensation [(1)]	723
Exceptional compensation	
Fees	
Attendance fees	11
In kind compensation [(2)]	13
Total due gross compensation in 2013	**1,329**
Total due gross compensation in 2012 (reminder)	***1,138***
Post-employment benefits (retirement indemnities and Agreement on Preparation for Retirement)	746
Other long-term benefits (Long-Services Bonuses)	87

(1) Included Senior Management bonus on the income. The other items are profit-sharing, abondement to reserves plan, end-career indemnity, perk retirement and social insurance.

(2) It consists on retirement and insurance premium contribution and benefits car.

There is no significant transaction with third parties, during the first half-year.

NOTE 25 : SUBSEQUENT EVENTS

No post-closing event which might have a material impact on the group's financial statements has been identified.

Statutory auditors' review report on the first half-yearly financial information

Period from January1 toJune 30, 2013

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	S.A.S. au capital variable
Commissaire aux comptes	Commissaire aux comptes
Membre de la compagnie régionale de Lyon	Membre de la compagnie régionale de Versailles

To the Shareholders,

In compliance with the assignment entrusted to us by your general meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code (Code monétaire et financier), we hereby report to you on :

- the review of the accompanying condensed half-yearly consolidated financial statements of Boiron, for the period from January 1, to June 30, 2013, and;
- the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-yearly consolidated financial statements are not prepared in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our opinion, we draw your attention to the matter set out in Note 2.1.1. « The new standards and interpretations adopted by the European Union with mandatory application in 2013 » to the financial statements, which describes the impact of the first application, since January 1, 2013, of the revised IAS 19 standard.

2. Specific verification

We have also verified the information presented in the interim management report in respect of the condensed consolidated half-yearly financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed consolidated half-yearly financial statements.

Villeurbanne and Lyon, August 29, 2013

The statutory auditors

French original signed by

MAZARS	ERNST & YOUNG et Autres
Frédéric Maurel	Nicolas Perlier