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(Company's telephone number, including area code)

Indicate by check mark whether the Company (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Company has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Company was required to submit and post such files). Yes No

Indicate by check mark whether the Company is a larger accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

Indicate by check mark whether the Company is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of the Company's Common Stock as of November 14, 2013 was: 50,028,701.

NanoViricides, Inc.

FORM 10-Q

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Nanoviricides, Inc.

(A Development Stage Company)

Balance Sheets

	September 30, 2013 (Unaudited)	June 30, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 19,200,882	\$ 13,923,245
Prepaid expenses	805,145	598,380
Other current assets	-	-
Total Current Assets	20,006,027	14,521,625
PROPERTY AND EQUIPMENT		
Property and equipment	3,779,636	1,505,648
Accumulated depreciation	(1,089,471)	(1,036,752)
Property and equipment, net	2,690,165	468,896
TRADEMARK		
Trademark	458,954	458,954
Accumulated amortization	(44,114)	(41,921)
Trademark, net	414,840	417,033
SECURITY DEPOSIT	2,000,000	1,000,000
Total Assets	\$ 25,111,032	\$ 16,407,554
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 408,058	\$ 263,258
Accounts payable – related parties	1,139,825	710,567
Accrued expenses	319,612	204,359
Total Current Liabilities	1,867,495	1,178,184
Debentures payable	3,603,554	3,468,073
Derivative liability	7,888,736	3,751,645

Total Long Term Liabilities	11,492,290	7,219,718
Total Liabilities	13,359,785	8,397,902

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY:

Series A Convertible Preferred stock, \$0.001 par value, 2,990,000 shares designated, 2,990,000 shares issued and outstanding	2,990	2,990
Series B Convertible Preferred stock, \$0.001 par value, 10,000,000 shares designated, 0, and 0 shares issued and outstanding, respectively	-	-
Series C Convertible Preferred stock, \$0.001 par value, 10,000,000 shares designated, 0 and 0 shares issued and outstanding, respectively	-	-
Common stock, \$0.001 par value; 85,714,285 shares authorized; 50,028,701 and 47,026,173 shares issued and outstanding, respectively	50,029	47,026
Additional paid-in capital	56,270,792	46,259,420
Deficit accumulated during the development stage	(44,572,564)	(38,299,784)
Total Stockholders' Equity	11,751,247	8,009,652
Total Liabilities and Stockholders' Equity	\$ 25,111,032	\$ 16,407,554

See accompanying notes to the financial statements

Nanoviricides, Inc.

(A Development Stage Company)

Statements of Operations

(Unaudited)

	For the Three Months Ended September 30, 2013 (Unaudited)	For the Three Months Ended September 30, 2012 (Unaudited)	For the Period from May 12, 2005 (inception) through September 30, 2013 (Unaudited)
OPERATING EXPENSES			
Research and development	\$ 1,174,221	\$ 1,209,818	\$ 23,978,281
Refund credit research and development costs	-	-	(420,842)
General and administrative	714,561	381,167	13,729,409
Total operating expenses	1,888,782	1,590,985	37,286,848
LOSS FROM OPERATIONS	(1,888,782)	(1,590,985)	(37,286,848)
OTHER INCOME (EXPENSE):			
Interest income, net	9,560	33,303	277,258
Interest expense	(120,986)	-	(298,024)
Discount on convertible debentures	(135,481)	-	(1,123,914)
Beneficial conversion feature of convertible debentures	-	-	(713,079)
Change in fair market value of derivatives	(4,137,091)	(246,273)	(5,427,957)
Other income (expense), net	(4,383,998)	(212,970)	(7,285,716)
LOSS BEFORE INCOME TAXES	(6,272,780)	(1,803,955)	(44,572,564)
INCOME TAX PROVISION	-	-	-
NET LOSS	\$ (6,272,780)	\$ (1,803,955)	\$ (44,572,564)
NET LOSS PER COMMON SHARE			
- BASIC AND DILUTED:	\$ (0.13)	\$ (0.04)	

Weighted average common shares outstanding - basic and diluted	47,672,029	41,305,842
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See accompanying notes to the financial statements

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NanoViricides, Inc.

(A Development Stage Company)

Statement of Stockholders' Equity

For the Fiscal Year Ended June 30, 2013, 2012 and 2011

	Series A Preferred Stock: Par \$0.001		Series B Preferred Stock: Par \$0.001		Series C Preferred Stock: \$0.001 Par \$0.001		Common Stock: Par		Additional	Stock
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Paid-in Capital	Subscripti Receivabl
Please refer to Form 10K for the fisacal year ended June 30, 2011 filed with SEC on October 13, 2011 for equity transactions o										
Balance, June 30, 2009	-	\$ -	-	\$-	\$	125,299,457	\$125,299	\$14,455,778		\$(100,000
Collection of stock subscription receivable										100,000
Common shares issued for consulting and legal services valued at \$.66 per share, July 31, 2009						7,576	8	4,992		
Common shares issued for consulting services valued at \$.66 per share, July 31, 2009						8,485	8	5,592		
Warrants issued to Scientific Advisory Board, August 15, 2009									41,400	

Common shares issued for consulting and legal services valued at \$.86 per share, August 31, 2009	6,512	7	4,993
Common shares issued for consulting services valued at \$.86 per share, August 31, 2009	5,814	6	5,594
Common shares issued for consulting services valued at \$.89 per share, September 30, 2009	6,292	6	5,594
Common shares issued for consulting and legal services valued at \$.89 per share, September 30, 2009	5,618	6	4,994
Payment of Finder's Fee			(5,250)
Common shares and warrants issued in connection with private placement of common stock, September 30, 2009	2,675,000	2,675	1,334,825
Common shares and warrants issued in connection with warrant conversion, September 30, 2009	3,759,800	3,760	1,876,140
Common shares issued for consulting and legal services	35,088	35	19,965

valued at \$.57 per share, October 1, 2009 Common shares issued for Legal services valued at \$56.50 per share, October 26, 2009	12,500	13	7,050
Warrants issued for commissions, October 26, 2009			3,570
Common shares issued for consulting and legal services valued at \$.73 per share, October 31, 2009	6,859	7	4,993
Common shares issued for consulting services valued at \$.73 per share, October 31, 2009	7,682	8	5,592
Common shares issued upon conversion of Warrants, November 10, 2009	10,000	10	1,430
Warrants issued to Scientific Advisory Board, November 15, 2009			39,600
Common shares issued in payment of accounts payable, November 25, 2009	32,500	33	25,167
Common shares issued for consulting and legal services valued at \$.86 per share, November 30, 2009	5,814	6	4,994
Common shares issued for	9,767	10	8,390

consulting services valued at \$.86 per share, November 30, 2009				
Common shares issued for consulting services valued at \$.85 per share, December 31, 2009		9,917	10	8,390
Common shares issued for consulting and legal services valued at \$.85 per share, December 31, 2009		5,903	6	4,994
Common shares issued for consulting and legal services valued at \$1.043 per share, January 31, 2010		4,794	5	4,995
Warrants issued to Scientific Advisory Board, February 15, 2010				40,200
Series A Preferred Shares issued for TheraCour license valued at \$.001 par value, February 15, 2010	7,000,000	7,000		
Common shares issued for consulting services valued at \$1.096 per share, February 28, 2010		4,562	5	4,995
Common shares issued for employee stock compensation		125,000	125	156,125

valued at \$1.25 per share, March 3, 2010 Common shares issued for employee stock compensation valued at \$1.25 per share, March 3, 2010			125,000	125	156,125
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	250,000	250			513,573
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	250,000	250			513,573
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	93,750	94			192,590
Common shares issued for consulting and legal services valued at \$1.25 per share, March 3, 2010			1,000	1	1,249
Common shares issued for consulting services valued at \$1.417 per share, March 31, 2010			3,529	4	4,996
Common shares issued in lieu of payment of accounts payable - All Sciences			39,625	40	31,660
Common shares issued for consulting and legal services			2,396	2	4,998

valued at \$2.087 per share, April 30, 2010			
Series B Preferred Shares issued to SeaSide 88, LP, May 12, 2010	500,000	500	4,999,500
Placement Agents Fees related to sale of Convertible Preferred shares, May 12, 2010			(400,000)
Legal Fees related to Sale of Convertible Preferred Stock, May 12, 2010			(50,000)
Derivative Liability - Issuance of Series B Preferred Shares			(1,787,379)
Common shares issued for conversion of Series B Preferred Shares at \$1.88 per share, May 12, 2010		319,331	319
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 12, 2010	(60,000)	(60)	
Derivative Liability - Retirement of Series B Preferred Shares, May 12, 2010			128,053
Warrants issued to Scientific Advisory Board, May 15, 2010			82,800
Common shares issued for		398,189	398

conversion of Series B Preferred Shares at \$1.51 per share, May 26, 2010				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 26, 2010	(60,000)	(60)		
Dividend paid to Seaside 88, LP, May 26, 2010			(16,877)	
Common shares issued as Dividend to Seaside 88, LP at \$1.64, May 26, 2010		10,300	10	16,867
Derivative Liability - Retirement of Series B Preferred Shares, May 26, 2010				151,852
Common shares issued for consulting and legal services valued at \$2.083 per share, May 31, 2010		2,400	2	4,998
Common shares issued for conversion of warrants to Common Stock at \$1.00 per share, June 9, 2010		195,000	195	194,805
Common shares issued for conversion of Series B Preferred Shares at \$1.41 per share, June 9, 2010		426,721	427	

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 9, 2010	(60,000)	(60)		
Dividend paid to Seaside 88, LP, June 9, 2010			(14,575)	
Common shares issued as Dividend to Seaside 88, LP at \$1.41, June 9, 2010		10,366	10	14,565
Derivative Liability - Retirement of Series B Preferred Shares, June 9, 2010				149,364
Common shares issued for consulting and legal services valued at \$1.77 per share, June 9, 2010		11,300	11	19,989
Common shares issued for consulting and legal services valued at \$1.77 per share, June 9, 2010		2,000	2	3,538
Common shares issued for conversion of Series B Preferred Shares at \$1.59 per share, June 23, 2010		377,905	378	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 23, 2010	(60,000)	(60)		

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Dividend paid to Seaside 88, LP, June 23, 2010							(12,274)	
Common shares issued as Dividend to Seaside 88, LP at \$1.59, June 23, 2010					7,731	7	12,268	
Derivative Liability - Retirement of Series B Preferred Shares, June 23, 2010							120,254	
Common shares issued for consulting and legal services valued at \$1.043 per share, June 30, 2010					2,738	2	4,998	
Net loss								
Balance, June 30, 2010	7,593,750	7,594	260,000	260	133,980,471	133,981	23,116,612	-
Common shares issued for conversion of Series B Preferred Shares at \$1.51 per share, July 7, 2010					397,088	397		
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 7, 2010			(60,000)	(60)				
Dividend paid to Seaside 88, LP, July 7, 2010							(9,973)	
Common shares issued as dividend to Seaside 88, LP at \$1.65 per share,					6,061	6	9,967	

July 7, 2010 Derivative liability - retirement of Series B Preferred Shares, July 7, 2010			116,715
Common shares issued for conversion of Series B Preferred Shares at \$1.30 per share, July 21, 2010	463,177	463	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 21, 2010	(60,000)	(60)	
Dividend paid to Seaside 88, LP, July 21, 2010			(7,671)
Common shares issued as dividend to Seaside 88, LP at \$1.32 per share, July 21, 2010	5,794	6	7,665
Derivative liability - retirement of Series B Preferred Shares, July 21, 2010			113,700
Common shares issued for consulting and legal services valued at \$2.087 per share, July 31, 2010	3,086	3	4,997
Common shares issued for conversion of Series B Preferred Shares at \$1.14 per share, August 4,	526,916	527	

2010				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010	(60,000)	(60)		
Dividend paid to Seaside 88, LP, August 4, 2010			(5,370)	
Common shares issued as dividend to Seaside 88, LP, at \$1.14 per share, August 4, 2010	4,716	5	5,365	
Derivative liability - retirement of Series B Preferred Shares, August 4, 2010			104,480	
Warrants issued to Scientific Advisory Board, August 15, 2010			45,000	
Common shares issued in conversion of Series B Preferred Shares at \$0.99 per share, August 18, 2010	606,367	606		
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 18, 2010	(60,000)	(60)		
Dividend paid to Seaside 88, LP, August 18, 2010			(3,068)	
Common shares issued as dividend to Seaside 88, LP at \$0.99 per share,	3,101	3	3,065	

August 18, 2010 Derivative liability - retirement of Series B Preferred Shares, August 18, 2010				104,795
Common shares issued for consulting and legal services valued at \$1.24 per share, August 31, 2010		4,032	4	4,996
Common shares issued for conversion of Series B Preferred Shares at \$0.93 per share, September 1, 2010		215,332	215	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 1, 2010	(20,000)	(20)		
Dividend paid to Seaside 88, LP, September 1, 2010				(767)
Common shares issued as dividend to Seaside 88, LP at \$1.00 per share, September 1, 2010		766	1	766
Derivative liability - retirement of Series B Preferred Shares, September 1, 2010				34,841
Series B Preferred Shares issued to SeaSide	250,000	250		2,499,750

88, LP, September 21, 2010 Placement Agents fees related to sale of Convertible Preferred shares, September 21, 2010				(195,000)
Legal fees related to sale of Convertible Preferred Stock, September 21, 2010				(10,000)
Derivative liability - issuance of Series B Preferred Shares				(328,086)
Common shares issued for conversion of Series B Preferred Shares at \$0.93 per share, September 21, 2010		430,015	430	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 21, 2010	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, September 21, 2010				103,012
Common shares issued for consulting and legal services valued at \$1.07 per share, September 30,		4,673	5	4,995

2010				
Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, October 5, 2010		460,346	460	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, October 5, 2010	(40,000)	(40)		
Dividend paid to Seaside 88, LP, on October 5, 2010				(8,055)
Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, October 5, 2010		9,268	9	8,046
Derivative liability - Retirement of Series B Preferred Shares, October 5, 2010				103,330
Common shares issued for conversion of Series B Preferred Shares at \$0.88 per share, October 19, 2010		452,965	453	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, October 19, 2010	(40,000)	(40)		
Dividend paid to Seaside 88, LP, October 19, 2010				(6,521)
		7,384	7	6,514

Common shares issued as dividend to Seaside 88, LP at \$0.88 per share, October 19, 2010					
Derivative liability - Retirement of Series B Preferred Shares, October 19, 2010					69,635
Common shares issued for consulting and legal services valued at \$1.03 per share, October 31, 2010			4,854	5	4,995
Series A Preferred Shares issued for employee stock compensation, November 1, 2010	30,000	30			53,903
Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, November 2, 2010			461,313	461	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010					(40,000) (40)
Dividend paid to Seaside 88, LP, November 2, 2010					(4,986)
Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, November 2,			5,751	6	4,980

2010 Derivative liability - retirement of Series B Preferred Shares, November 2, 2010			69,104
Warrants issued to Scientific Advisory Board, November 15, 2010			55,800
Common shares issued for conversion of Series B Preferred Shares at \$1.16 per share, November 16, 2010	345,817	346	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, November 16, 2010	(40,000)	(40)	
Dividend paid to Seaside 88, LP, November 16, 2010			(3,452)
Common shares issued as dividend to Seaside 88, LP at \$1.16 per share, November 16, 2010	2,984	3	3,449
Derivative liability - Retirement of Series B Preferred Shares, November 16, 2010			69,187
Common shares issued for conversion of Series B	310,566	311	

Preferred Shares at \$1.35 per share, November 30, 2010			
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, November 30, 2010	(40,000)	(40)	
Dividend paid to Seaside 88, LP, November 30, 2010			(1,918)
Common shares issued as dividend to Seaside 88, LP at \$1.35 per share, November 30, 2010		1,417	1
			1,917
Derivative liability - Retirement of Series B Preferred Shares, November 30, 2010			69,449
Common shares issued for consulting and legal services valued at \$1.46 per share, November 30, 2010		3,425	3
			4,997
Common shares issued for conversion of warrants to Common Stock at \$1.00 per share, December 10, 2010		25,000	25
			24,975
Common shares issued as compensation pursuant to S-8 at \$1.28 per share,		50,000	50
			63,950

December 10, 2010			
Common shares issued for conversion of Series B Preferred Shares at \$1.10 per share, December 14, 2010	90,840	91	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, December 14, 2010	(10,000)	(10)	
Dividend paid to Seaside 88, LP, December 14 2010			(384)
Common shares issued as Dividend to Seaside 88, LP, at \$1.10 per share, December 14, 2010	348	-	384
Derivative liability - retirement of Series B Preferred Shares, December 14, 2010			17,438
Series B Preferred Shares issued to SeaSide 88, LP, December 21, 2010	250,000	250	2,499,750
Placement Agents fees related to sale of Convertible Preferred shares, December 21, 2010			(200,000)
Common shares issued for	4,545	5	5,995

consulting and legal services valued at \$1.32 per share, December 31, 2010				
Adjustment			33	
Common shares issued for conversion of Series B Preferred Shares at \$1.16 per share, January 3, 2011	343,796		344	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 3, 2011	(40,000)	(40)		
Dividend paid to Seaside 88, LP, January 3, 2011				(8,904)
Common shares issued as dividend to Seaside 88, LP at \$1.16 per share, January 3, 2011	7,653		8	8,896
Derivative liability - retirement of Series B Preferred Shares, January 3, 2011				73,532
Common shares issued for conversion of Series B Preferred Shares at \$1.26 per share, January 17, 2011	317,965		318	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP,	(40,000)	(40)		

January 17, 2011 Dividend paid to Seaside 88, LP, January 17, 2011			(8,055)
Common shares issued as dividend to Seaside 88, LP at \$1.26 per share, January 17, 2011	6,403	6	8,049
Derivative liability - retirement of Series B Preferred Shares, January 17, 2011			70,882
Common shares issued for conversion of Series B Preferred Shares at \$1.12 per share, January 31, 2011	356,422	356	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 31, 2011			(40,000) (40)
Dividend paid to Seaside 88, LP, January 31, 2011			(6,521)
Common shares issued as dividend to Seaside 88, LP at \$1.24 per share, January 31, 2011	5,271	5	6,516
Derivative liability - retirement of Series B Preferred Shares, January 31, 2011			72,432
Common shares issued for consulting and legal services valued at \$1.47	4,087	4	5,996

per share, January 31, 2011 Common shares issued for conversion of warrants at \$1.00 per share, February 4, 2011	25,000	25	24,975
Common shares issued for conversion of Series B Preferred Shares at \$1.08 per share, February 14, 2011	370,017	370	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, February 14, 2011		(40,000)	(40)
Dividend paid to Seaside 88, LP, February 14, 2011			(4,986)
Common shares issued as dividend to Seaside 88, LP, at \$1.08 per share, February 14, 2011	4,613	5	4,981
Derivative liability - retirement of Series B Preferred Shares, February 14, 2011			71,699
Warrants issued to Scientific Advisory Board, February 15, 2011			54,000
Common shares issued for conversion of Series B	405,610	406	

Preferred Shares at \$0.99 per share, February 28, 2011				
Derivative liability - retirement of Series B Preferred Shares, February 28, 2011				71,490
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, February 28, 2011		(40,000)	(40)	
Dividend paid to Seaside 88, LP, February 28, 2011				(3,452)
Common shares issued as dividend to Seaside 88, LP at \$0.99 per shares, February 28, 2011			3,500	4
				3,448
Common shares issued for consulting and legal services valued at \$1.22 per share, February 28, 2011			4,902	5
				5,995
Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011			250,000	250
				316,000
Series A Preferred Shares issued for employee stock compensation, March 3, 2011	593,750	594		
			367,274	367
				1,364,036

Common shares issued for conversion of Series B Preferred Shares at \$1.09 per share, March 14, 2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 14, 2011	(40,000)	(40)		
Dividend paid to Seaside 88, LP, March 14, 2011				(1,918)
Common shares issued as Dividend to Seaside 88, LP at \$1.09 per shares, March 14, 2011		1,761	2	1,916
Derivative Liability - Retirement of Series B Preferred Shares, March 14, 2011				70,566
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, March 28, 2011		89,986	90	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 28, 2011	(10,000)	(10)		
Dividend paid to Seaside 88, LP, March 28, 2011				(384)
Common shares issued as dividend to		345	-	384

Seaside 88, LP, at \$1.11 per share, March 28, 2011				
Derivative liability - retirement of Series B Preferred Shares, March 28, 2011				17,525
Common shares issued for consulting and legal services valued at \$1.28 per share, March 31, 2011		4,680	5	5,995
Common shares issued for conversion of warrants to common stock at \$1.00 per share, April 10, 2011		10,000	10	9,990
Series B Preferred Shares issued to SeaSide 88, LP, April 18, 2011	250,000	250		2,499,750
Placement Agents fees related to sale of Convertible Preferred shares, April 18, 2011				(160,000)
Legal fees related to Sale of Convertible Preferred Stock, April 18, 2011				(25,000)
Derivative liability - issuance of Series B Preferred Shares				(429,725)
Common shares issued for conversion of Series B Preferred Shares at \$1.28 per		312,163	312	(272)

share, April 18, 2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, April 18, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, April 18, 2011				68,756
Common shares issued for consulting and legal services valued at \$1.47 per share, April 30, 2011		4,087	4	5,996
Common shares issued for conversion of Series B Preferred Shares at \$1.18 per share, May 2, 2011		339,726	340	(300)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 2, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, May 2, 2011				68,941
Dividend paid to Seaside 88, LP, May 2, 2011				(8,055)
Common shares issued as dividend to Seaside 88, LP at \$1.18 per shares,		6,841	7	8,048

May 2, 2011 Warrants issued to Scientific Advisory Board, May 15, 2011			50,400	
Common shares issued for conversion of Series B Preferred Shares at \$1.19 per share, May 16, 2011	336,501	337	(297)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 16, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, May 16, 2011			69,194	
Dividend paid to Seaside 88, LP, May 16, 2011			(6,521)
Common shares issued as dividend to Seaside 88, LP at \$1.20 per shares, May 16, 2011	5,438	5	6,516	
Common shares issued for conversion of Series B Preferred Shares at \$1.23 per share, May 30, 2011	326,480	326	(286)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 30, 2011	(40,000)	(40)		
			69,464	

Derivative liability - retirement of Series B Preferred Shares, May 30, 2011			(4,986)
Dividend paid to Seaside 88, LP, May 30, 2011			
Common shares issued as Dividend to Seaside 88, LP at \$1.23 per share, May 30, 2011	4,070	4	4,982
Common shares issued for consulting and legal services valued at \$1.47 per share, May 31, 2011	4,087	4	5,996
Common shares issued for conversion of Series B Preferred Shares at \$1.18 per share, June 13, 2011	339,971	340	(300)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 13, 2011			(40,000) (40)
Derivative liability - retirement of Series B Preferred Shares, June 13, 2011			69,727
Dividend paid to Seaside 88, LP, June 13, 2011			(3,452)
Common shares issued as Dividend to Seaside 88, LP at \$1.18 per share,	2,934	3	3,449

June 13, 2011										
Common shares issued for conversion of Series B Preferred Shares at \$1.02 per share, June 27, 2011						391,850	392	(352)	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 27, 2011			(40,000)	(40)				
Derivative Liability - Retirement of Series B Preferred Share, June 27, 2011								69,973		
Dividend paid to Seaside 88, LP, June 27, 2011								(1,918)	
Common shares issued as Dividend to Seaside 88, LP at \$1.10 per share, June 27, 2011						1,741	2	1,916		
Common shares issued for consulting and legal services valued at \$1.22 per share, June 30, 2011						4,902	5	5,995		
Net loss										
Balance, June 30, 2011	8,217,500	8,218	10,000	10	-	-	143,548,494	143,582	33,235,990	-
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, July 11,						89,986	90			

2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 11, 2011	(10,000)	(10)		
Derivative liability - retirement of Series B Preferred Shares, July 11, 2011				17,881
Dividend to Seaside 88, LP, paid on July 11, 2011				(381)
Common shares issued as dividend to Seaside 88, LP at \$1.18 per share, July 11, 2011			345	-
				381
Preferred Shares issued to SeaSide 88, LP, on July 26, 2011	250,000	250		2,499,750
Placement Agents fees related to sale of Convertible Preferred shares, July 26, 2011				(150,000)
Derivative liability - issuance of Series B Preferred Shares				(429,768)
Legal Fees related to Sale of Convertible Preferred Stock, July 26, 2011				(6,250)
Common shares issued in conversion of Series B Preferred Shares to common stock			377,800	378

at \$1.18 per share, July 26, 2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 26, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, July 26, 2011				68,425
Common shares issued for consulting and legal services valued at \$1.26 per share, July 31, 2011		4,762	5	5,995
Warrants issued to Scientific Advisory Board, August 15, 2011				56,400
Common shares issued for conversion of Series B Preferred Shares at \$0.92 per share, August 8, 2011		437,187	437	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 8, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, August 8, 2011				69,193
Dividend to Seaside 88, LP, paid on August 8,				(8,055)

2011			
Common shares issued as Dividend to Seaside 88, LP at \$0.98 per share, August 8, 2011	8,205	8	8,047
Common shares issued for conversion of Series B Preferred Shares at \$0.95 per share, August 23, 2011	419,829	420	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 23, 2011		(40,000)	(40)
Derivative liability - retirement of Series B Preferred Shares, August 23, 2011			69,351
Dividend paid to Seaside 88, LP, August 23, 2011			(6,521)
Common shares issued as Dividend to Seaside 88, LP at \$0.95 per share, August 23, 2011	6,844	7	6,514
Common shares issued for consulting and legal services valued at \$1.14 per share, August 31, 2011	5,263	5	5,995
Common shares issued for conversion of Series B Preferred Shares at \$0.95 per share, September	422,873	423	

6, 2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 6, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Shares, September 6, 2011			69,887	
Dividend paid to Seaside 88, LP, September 6, 2011			(4,986)	
Common shares issued as Dividend to Seaside 88, LP at \$0.95 per share, September 6, 2011		5,264	5	4,981
Common shares issued in conversion of Series B Preferred Shares at \$0.94 per share, September 19, 2011		427,652	428	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 19, 2011	(40,000)	(40)		
Derivative liability - retirement of Series B Preferred Share, September 19, 2011			69,970	
			(3,452)	

Dividend to Seaside 88, LP, paid on September 19, 2011			
Common shares issued as Dividend to Seaside 88, LP at \$0.94 per share, September 19, 2011	3,691	3	3,449
Common shares issued for consulting and legal services valued at \$1.07 per share, September 30, 2011	5,607	6	5,994
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$.78 per share, .001 par value, on October 3, 2011	514,311	514	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on October 3, 2011			(40,000) (40)
Derivative Liability - Retirement of Preferred Series B on October 3, 2011			69,496
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.85 on October 3, 2011	2,270	2	1,916
			(1,918)

Dividend to Seaside 88, LP, paid on October 3, 2011				
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.69 per share, .001 par value, on October 17, 2011		144,484	144	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on October 17, 2011	(10,000)	(10)		
Derivative Liability - Retirement of Preferred Series B on October 17, 2011				17,790
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.75 on October 17, 2011		510	1	383
Dividend to Seaside 88, LP, paid on October 17, 2011				(384)
Shares issued for consulting and legal services rendered at \$0.92 per share on October 31, 2011		6,537	5	5,995
Series B Preferred Shares issued to SeaSide 88, LP, \$.001 par value on November 1,	250,000	250		2,499,750

2011			
Placement			
Agents Fees			
related to sale of			
Convertible			(160,000)
Preferred shares			
on November 1,			
2011			
Derivative			
Liability -			
Issuance of			(429,804)
Preferred Series			
B			
Legal Fees			
related to Sale of			
Convertible			(25,000)
Preferred Stock			
November 1,			
2011			
Shares issued in			
conversion of			
Series B			
Preferred Shares			
to Common			
Stock at \$0.78	511,787	512	
per share, .001			
par value, on			
November 1,			
2011			
Retirement of			
Series B			
Preferred Shares			
converted into			
common stock by			(40,000) (40)
SeaSide 88, LP,			
.001 par value on			
November 2,			
2011			
Derivative			
Liability -			
Retirement of			
Preferred Series			68,297
B on November			
1, 2011			
Warrants issued			
to Scientific			
Advisory Board			56,400
on November 15,			
2011			
Shares issued in	578,595	579	
conversion of			

Series B Preferred Shares to Common Stock at \$0.69 per share, .001 par value, on November 15, 2011				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on November 15, 2011	(40,000)	(40)		
Derivative Liability - Retirement of Preferred Series B on November 15, 2011				68,411
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.73 on November 15, 2011			10,311	10
				7,469
Dividend to Seaside 88, LP, paid on November 15, 2011				(7,479)
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.62 per share, .001 par value, on November 29, 2011			642,735	643
Retirement of Series B Preferred Shares converted into common stock by	(40,000)	(40)		

SeaSide 88, LP, .001 par value on November 29, 2011 Derivative Liability - Retirement of Preferred Series B on November 29, 2011			68,591
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.64 on November 29, 2011	10,139	10	6,511
Dividend to Seaside 88, LP, paid on November 29, 2011			(6,521)
Shares issued for consulting and legal services rendered at \$0.81 per share on November 30, 2011	7,373	7	5,993
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.53 per share, .001 par value, on December 13, 2011	751,315	751	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on December 13, 2011		(40,000)	(40)
Derivative Liability -			68,753

Retirement of Preferred Series B on December 13, 2011			
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.57 on December 13, 2011	8,798	9	4,977
Dividend to Seaside 88, LP, paid on December 13, 2011			(4,986)
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.51 per share, .001 par value, on December 27, 2011	796,785	798	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on December 27, 2011			(40,000) (40)
Derivative Liability - Retirement of Preferred Series B on December 27, 2011			68,965
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.57 on December 27, 2011	6,818	7	3,443
			(3,452)

Dividend to Seaside 88, LP, paid on December 27, 2011			
Shares issued for consulting and legal services rendered at \$0.64 per share on December 31, 2011	9,403	9	5,991
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$.51 per share, .001 par value, on January 10, 2012	788,053	788	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 10, 2012			(40,000) (40)
Derivative Liability - Retirement of Preferred Series B on January 10, 2012			69,222
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.51 on January 10, 2012	3,742	4	1,914
Dividend to Seaside 88, LP, paid on January 10, 2012			(1,918)
Shares issued in conversion of Series B Preferred Shares to Common	208,546	209	

Stock at \$0.48 per share, .001 par value, on January 24, 2012				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 24, 2012	(10,000)	(10)		
Derivative Liability - Retirement of Preferred Series B on January 24, 2012				69,883
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.49 on January 24, 2012			786	383
Dividend to Seaside 88, LP, paid on January 24, 2012				(384)
Shares issued for consulting and legal services rendered at \$0.58 per share on January 31, 2012			10,367	10
Series B Preferred Shares issued to SeaSide 88, LP, \$.001 par value on February 8, 2012	250,000	250		2,499,750
Placement Agents Fees related to sale of Convertible Preferred shares on February 8, 2012				(150,000)
Derivative Liability - Issuance of				(430,283)

Preferred Series B			
Legal Fees related to Sale of Convertible Preferred Stock February 8, 2012			(6,250)
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.56 per share, .001 par value, on February 8, 2012	717,142	717	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on February 8, 2012	(40,000)	(40)	
Derivative Liability - Retirement of Preferred Series B on February 8, 2012			68,169
Warrants issued to Scientific Advisory Board on February 15, 2012			51,000
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.69 per share, .001 par value, on February 22, 2012	576,062	576	
Retirement of Series B Preferred Shares converted into common stock by	(40,000)	(40)	

SeaSide 88, LP, .001 par value on February 22, 2012 Derivative Liability - Retirement of Preferred Series B on February 22, 2012				68,424
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.69 on February 22, 2012		11,600	12	7,467
Dividend to Seaside 88, LP, paid on February 22, 2012				(7,479)
Shares issued for consulting and legal services rendered at \$0.77 per share on February 29, 2012		7,767	8	5,992
Common shares issued for employee stock compensation at \$.73 per share, March 3, 2012		250,000	250	181,624
Series A Preferred Shares issued for employee stock compensation, March 3, 2012	593,750		594	633,814
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.64 per share, .001 par value, on March 07, 2012		628,289	628	
				(40,000) (40)

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on March 7, 2012				
Derivative Liability - Retirement of Preferred Series B on March 7, 2012			68,602	
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.64 on March 7, 2012	10,242	10	6,511	
Dividend to Seaside 88, LP, paid on March 7, 2012			(6,521)
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.63 per share, .001 par value, on March 21, 2012	635,991	636		
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on March 21, 2012				(40,000) (40)
Derivative Liability - Retirement of Preferred Series B on March 21, 2012			68,862	
Shares issued as Dividend to Seaside 88, LP,				

.001 par value
common stock at
\$0.64 on March
21, 2012

Exchange gains on cash and cash equivalents	55		55
Cash and cash equivalents at end of the period	4,528	54	4,582
Net decrease in cash and cash equivalents	(1,275)	(7)	(1,282)
Decrease in debt	957	(274)	683
Decrease in debt resulting from cash flows	(318)	(281)	(599)
Translation difference	83	(42)	41
Other movements	2	65	67
Movement in net debt in the period	(233)	(258)	(491)
Opening net debt	(8,488)	(2,102)	(10,590)
Closing net debt ⁽¹⁾	(8,721)	(2,360)	(11,081)

(1) Net debt is defined as long-term borrowings, short term borrowings and mark to market adjustments on financing instruments less cash and cash equivalents

CONSOLIDATED PRO FORMA CASH FLOW STATEMENT**For the year ended 31 March 2004**

	UK GAAP IFRS format (unaudited)	IFRS adjustments (unaudited)	Pro Forma IFRS (unaudited)
	£m	£m	£m
Net cash flows from operating activities	11,135	(296)	10,839
Cash flows from investing activities			
Purchase of interests in subsidiary undertakings, net of cash acquired	(2,054)		(2,054)
Disposal of interests in subsidiary undertakings, net of cash disposed	737		737
Disposal of interests in associated undertakings	5		5
Purchase of intangible fixed assets	(21)	(658)	(679)
Purchase of property, plant and equipment	(4,508)	655	(3,853)
Purchase of investments	(43)		(43)
Disposal of property, plant and equipment	158	(2)	156
Disposal of investments	123		123
Loans repaid by associated undertakings	24		24
Dividends received from associated undertakings	1,801	(62)	1,739
Dividends received from investments	25		25
Interest received	942		942
Interest paid	(901)	(87)	(988)
Interest element of finance leases	(10)		(10)
Net cash flows from investing activities	(3,722)	(154)	(3,876)
Cash flows from financing activities			
Issue of ordinary share capital	69		69
Increase in debt	280	437	717
Purchase of treasury shares	(1,032)		(1,032)
Purchase of own shares in relation to employee share schemes	(17)		(17)
Equity dividends paid	(1,258)	–	(1,258)
Dividends paid to minority shareholders in subsidiary undertakings	(100)	47	(53)
Net cash flows from financing activities	(2,058)	484	(1,574)
Net increase in cash and cash equivalents	5,355	34	5,389
Cash and cash equivalents at beginning of the period	766	28	794
Exchange losses on cash and cash equivalents	(373)	(1)	(374)
Cash and cash equivalents at end of the period	5,748	61	5,809
Net increase in cash and cash equivalents	5,355	34	5,389
Increase in debt	(280)	(437)	(717)
Decrease in debt resulting from cash flows	5,075	(403)	4,672
Net debt acquired on acquisition of subsidiary undertakings	(7)		(7)

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Net debt disposed on disposal of subsidiary undertakings	194		194
Translation difference	144	173	317
Premium on repayment of debt	(56)		(56)
Other movements	1	(336)	(335)
Movement in net debt in the period	5,351	(566)	4,785
Opening net debt	(13,839)	(1,536)	(15,375)
Closing net debt ⁽¹⁾	(8,488)	(2,102)	(10,590)

(1) Net debt is defined as long-term borrowings, short term borrowings and mark to market adjustments on financing instruments less cash and cash equivalents

NOTES TO IFRS FINANCIAL INFORMATION**1) Adjusted Group operating profit**

	Six months ended 30 September 2004	Pro Forma Year ended 31 March 2004
	£m	£m
Operating profit	4,759	9,603
Items not related to underlying business performance:		
- Other income and expense	-	(35)
- Expected recoveries and provision releases in relation to a contribution tax levy on Vodafone Italy	-	(269)
- Reorganisation costs	-	123
Adjusted Group operating profit	4,759	9,422

2) Adjusted earnings per share

	Six months ended 30 September 2004	Pro Forma Year ended 31 March 2004
	£m	£m
Earnings for basic and diluted earnings per share	3,615	5,853
Less: result in respect of discontinued operations	-	73
Earnings for basic and diluted earnings per share from continuing operations	3,615	5,926
Items not related to underlying business performance:		
- Other income and expense	-	(35)
- Non-operating income and expense	(16)	(13)
- Expected recoveries and provision releases in relation to a contribution tax levy on Vodafone Italy	-	(269)
- Reorganisation costs	-	123
- Deferred tax asset recognised on shareholder and regulatory approval of the merger of Vodafone K.K. and Vodafone Holdings K.K.	(303)	-

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- Tax on items not related to underlying business

performance	-	72
- Items not related to underlying business performance attributable to minority interests	13	1
Earnings for adjusted earnings per share	3,309	5,805
Weighted average number of shares for basic EPS (millions)	66,915	68,096
Weighted average number of shares for diluted EPS (millions)	67,102	68,249
Basic earnings per share	5.40p	8.60p
Diluted basic earnings per share	5.39p	8.58p
Basic earnings per share from continuing operations	5.40p	8.70p
Diluted basic earnings per share from continuing operations	5.39p	8.68p
Adjusted basic earnings per share from continuing operations	4.95p	8.52p
Adjusted diluted basic earnings per share from continuing operations	4.93p	8.51p

NOTES TO IFRS FINANCIAL INFORMATION (continued)

3) Free cash flow

	Six months to 30 September 2004	Pro Forma Year ended 31 March 2004
	£m	£m
As previously reported	4,300	8,521
Effect of proportionate consolidation	(286)	(401)
Other	5	(2)
	4,019	8,118

UNAUDITED PROPORTIONATE FINANCIAL INFORMATION

Basis of preparation

The tables of financial information below are presented on a proportionate basis. Proportionate presentation is not a measure recognised under UK GAAP or IFRS and is not intended to replace the consolidated financial statements prepared in accordance with UK GAAP or IFRS. However, since significant entities in which the Group has an interest are not consolidated, proportionate information is provided as supplemental data to facilitate a more detailed understanding and assessment of the consolidated financial statements prepared in accordance with UK GAAP and IFRS.

UK GAAP requires consolidation of entities controlled by the Group and the equity method of accounting for entities in which the Group has significant influence but not a controlling interest. IFRS requires consolidation of entities in relation to which the Group has the power to control and allows either proportionate consolidation or equity accounting for joint ventures. IFRS also requires equity accounting for interests in which the Group has significant influence but not a controlling interest.

Proportionate presentation is a pro rata consolidation, which reflects the Group's share of turnover and expenses in entities, both consolidated and unconsolidated, in which the Group has an ownership interest. Proportionate results are calculated by multiplying the Group's ownership interest in each entity by each entity's results.

Proportionate presentation of financial information differs in material respects to the proportionate consolidation adopted by the Group under IFRS for its joint ventures, as detailed on page 7.

Proportionate information includes results from the Group's equity accounted investments and other investments. The Group does not have control over the turnover, expenses or cash flows of these investments and is only entitled to cash from dividends received from these entities. The Group does not own the underlying assets of these investments.

Proportionate turnover is stated net of intercompany turnover. Proportionate EBITDA represents the Group's ownership interests in the respective entities' EBITDA. As such, proportionate EBITDA does not represent EBITDA available to the Group.

Six months ended 30 September 2004			Year ended 31 March 2004 (Pro Forma)		
UK GAAP £m	IFRS Adjust-	IFRS £m	UK GAAP £m	IFRS Adjust-	IFRS £m

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	2019		2018		2017	
	Revenue	Expenses	Revenue	Expenses	Revenue	Expenses
	£m	£m	£m	£m	£m	£m
Turnover						
Mobile	20,711		20,711		37,969	
Other	468		468		1,477	
Group	21,179		21,179		39,446	
EBITDA ⁽¹⁾						
Mobile	8,218	(44)	8,174	(149)	14,826	(149)
Other	77		77		288	(3)
Group	8,295	(44)	8,251	(152)	15,114	(152)
Mobile EBITDA ⁽¹⁾ margin	39.7	%	(0.2%)		39.5	%
					39.0	%
					(0.3%)	
						38.7%

(1) Proportionate EBITDA and proportionate EBITDA margin is stated before exceptional items under UK GAAP and before items not reflecting underlying business performance under IFRS.

OTHER INFORMATION

This document, together with a presentation in relation to the impact of IFRS on the Group will be available on the Group's website www.vodafone.com.

The Group currently intends to publish further restated IFRS financial information as follows:

Analyses of mobile operating profit by type of expense and segmental information for the year ended 31 March 2004 and six months ended 30 September 2004	By 31 March 2005
Restated financial information for the year ending 31 March 2005	July 2005

FORWARD LOOKING STATEMENTS

This document contains forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995 with respect to the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward-looking statements include the statements under Outlook regarding Vodafone's expectations for the years ending 31 March 2005 and 2006 as to organic average proportionate mobile customer growth, number of Vodafone live! with 3G customers, full year organic proportionate mobile revenue, proportionate mobile EBITDA margins, depreciation and licence amortisation, capitalised tangible and intangible fixed asset additions, free cash flow, share purchases and statements related to the Group's expectations regarding the adoption of certain IFRS standards and the publication of future financial information under IFRS. These forward-looking statements are made on the basis of certain assumptions which Vodafone believes to be reasonable in light of Vodafone's operating experience in recent years. The principal assumptions on which these statements are based relate to exchange rates, customer numbers, usage and pricing, take-up of new services, termination and interconnect rates, customer acquisition and retention costs, network opening and operating costs and the availability of handsets.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as anticipates, aims, could, may, should, expects, believes, intends, plans or targets. By their nature, forward-looking statements are inherently predictive and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements particularly the statements under Outlook and the statements related to the Group's adoption of IFRS and the publication of future financial information referred to above. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group that would adversely affect the level of demand for mobile services; greater than anticipated competitive activity requiring changes in pricing models and/or new product offerings or resulting in higher costs of acquiring new customers or providing new services; the impact on capital spending from investment in network capacity and the deployment of new technologies, or the rapid obsolescence of existing technology; slower customer growth or reduced customer retention; the possibility that technologies, including mobile internet platforms, and services, including 3G services, will not perform according to expectations or that vendors' performance will not meet the Group's requirements; changes in the projected growth rates of the mobile telecommunications industry; the Group's ability to realise expected synergies and benefits associated with 3G technologies and the integration of our operations and those of acquired companies; future revenue contributions of both voice and non-voice services offered by the Group; lower than expected impact of GPRS, 3G and Vodafone live! and the Group's business offerings on the Group's future revenue, cost structure and capital expenditure outlays; the ability of the Group to harmonise mobile platforms and any delays, impediments or other problems associated with the roll-out and scope of 3G technology and services and Vodafone live! and the Group's business or service offerings in new markets; the ability of the Group to offer new services and secure the timely delivery of high-quality, reliable GPRS and 3G handsets, network equipment and other key products from suppliers; greater than anticipated prices of new mobile handsets; the ability to realise benefits from entering into partnerships for developing data and internet services and entering into service franchising and brand licensing; the possibility that the pursuit of new, unexpected strategic opportunities may have a negative impact on one or more of the measurements of our financial performance or the level of dividends; any unfavourable conditions, regulatory or otherwise, imposed in connection with pending or future acquisitions or dispositions; changes in the regulatory framework in which the Group operates, including possible action by regulators in markets in which the Group operates or by the European Commission regulating rates the Group is permitted to charge; the Group's ability to develop competitive data content and services which will attract new customers and increase average usage; the impact of legal or other proceedings against the Group or other companies in the mobile telecommunications industry; the possibility that new marketing campaigns or efforts are not an effective expenditure; the possibility that the Group's integration efforts do not increase the speed-to-market of new products or improve the Group's cost position; changes in exchange rates, including particularly the exchange rate of pound sterling to the euro, US dollar and the Japanese yen; the risk that, upon obtaining control of certain investments, the Group discovers additional information relating to the businesses of that investment leading to restructuring charges or write-offs or with other negative implications; changes in statutory tax rates and profit mix which would impact the weighted average tax rate; changes in tax legislation in the jurisdictions in which the Group operates; final resolution of open issues which might impact the effective tax rate; timing of any tax payments relating to the resolution of open issues; and loss of suppliers or disruption of supply chains.

Furthermore, a review of the reasons why actual results and developments may differ materially from the expectations disclosed or implied within forward-looking statements can be found under Risk Factors contained in our Annual Report on Form 20-F with respect to the financial year ended 31 March 2004. All subsequent written or oral forward-looking statements attributable to the Company or any member of the Group

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or any persons acting on their behalf are expressly qualified in their entirety by the factors referred to above.

No assurance can be given that the forward-looking statements in this document will be realised. Neither Vodafone Group nor any of its affiliates intends to update these forward-looking statements.

INDEPENDENT AUDITORS' REPORT OF DELOITTE & TOUCHE LLP TO VODAFONE GROUP PLC ON THE PRELIMINARY OPENING IFRS CONSOLIDATED BALANCE SHEET

We have audited the accompanying preliminary opening International Financial Reporting Standards (IFRS) consolidated balance sheet and related notes of Vodafone Group Plc (the Company) and its subsidiaries (together, the Group) as at 1 April 2004 (hereinafter referred to as the Preliminary Opening Balance Sheet). The Preliminary Opening Balance Sheet is the responsibility of the Company's directors. It has been prepared as part of the Company's conversion to IFRS in accordance with the Basis of preparation section, which describes how IFRSs have been applied under IFRS 1, including the assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted, when management prepares its first complete set of IFRS financial statements as at 31 March 2006. Our responsibility is to express an opinion on the Preliminary Opening Balance Sheet based on our audit.

Our audit report is made solely to the Company in accordance with our engagement letter. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the opinions we have formed.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Preliminary Opening Balance Sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Preliminary Opening Balance Sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Preliminary Opening Balance Sheet. We believe that our audit provides a reasonable basis for our opinion.

Emphasis of matter

Without qualifying our opinion, we draw attention to the fact that the Basis of preparation section explains why there is a possibility that the Preliminary Opening Balance Sheet may require adjustment before constituting the final opening IFRS balance sheet. Moreover, we draw attention to the fact that, under IFRS, only a complete set of financial statements comprising a balance sheet, income statement, statement of recognised income and expense, cash flow statement, together with comparative financial information and explanatory notes, can provide a fair presentation of the Group's financial position, results of operations and cash flows in accordance with IFRS.

Opinion

In our opinion, the Preliminary Opening Balance Sheet as at 1 April 2004 has been prepared, in all material respects, in accordance with the basis set out in the Basis of preparation section.

Deloitte & Touche LLP

Chartered Accountants

London

19 January 2005

INDEPENDENT REVIEW REPORT OF DELOITTE & TOUCHE LLP TO THE BOARD OF DIRECTORS OF VODAFONE GROUP PLC ON THE PRELIMINARY IFRS COMPARATIVE FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

We have reviewed the accompanying preliminary International Financial Reporting Standards (IFRS) consolidated financial information of Vodafone Group Plc (the Company) and its subsidiaries (together, the Group) for the six months ended 30 September 2004 which comprises the consolidated income statement, the consolidated balance sheet, the consolidated statement of recognised income and expense and, the consolidated cash flow statement and related notes (hereinafter referred to as Preliminary Financial Information).

This Preliminary Financial Information is the responsibility of the Company s directors. It has been prepared as part of the Company s conversion to IFRS in accordance with the basis set out in the Basis of preparation section which describes how IFRSs have been applied under IFRS 1, including the assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted, when management prepares its first complete set of IFRS financial statements as at 31 March 2006. Our responsibility is to express an opinion on this Preliminary Financial Information based on our review.

Our review report is made solely to the Company in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Review work performed

We conducted our review in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of Group management and applying analytical procedures to the Preliminary Financial Information and underlying financial data and, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of control and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom auditing standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an opinion on the Preliminary Financial Information.

Emphasis of matter

Without modifying our review conclusion, we draw attention to the fact that the Basis of Preparation section explains why there is a possibility that the accompanying Preliminary Financial Information may require adjustment before constituting the final IFRS comparative information for the six months ended 30 September 2004. Moreover, we draw attention to the fact that, under IFRS, only a complete set of financial statements comprising an income statement, balance sheet, statement of recognised income and expense, cash flow statement, together with comparative financial information and explanatory notes, can provide a fair presentation of the Group s financial position, results of operations and cash flows in accordance with IFRS.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the Preliminary Financial Information for the six months ended 30 September 2004 which has been prepared in accordance with the basis set out in the Basis of Preparation section.

Deloitte & Touche LLP

Chartered Accountants

London

19 January 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

VODAFONE GROUP
PUBLIC LIMITED COMPANY
(Registrant)

Dated: 21 January, 2005

By: /s/ S R SCOTT
Name: Stephen R. Scott
Title: Company Secretary