

**Financial Statement**  
For Quarter IV- 2011  
Of  
**Vincom Joint Stock Company**

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## REPORT OF THE BOARD OF MANAGEMENT

Vincom Joint Stock Company ("the Company") is a joint stock enterprise established in Vietnam in accordance with Business Licence No. 0103001016 issued by the Hanoi's Department of Planning and Investment on 3 May 2002.

### Contact

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### THE BOARD OF MANAGEMENT AND BOARD OF DIRECTORS

The members of the Board of Management and board of director from 15 November 2011 and at the date of this report are:

#### *Board of Management*

Mr	Pham Nhat Vuong	Chairman
Mrs	Pham Thuy Hang	Vice Chairman
Mrs	Pham Thu Huong	Vice Chairman
Mrs	Nguyen Dieu Linh	Vice Chairman
Mrs	Le Thi Thu Thuy	Vice Chairman
Mrs	Vu Tuyet Hang	Vice Chairman
Mr	Le Khac Hiep	Vice Chairman
Mr	Nguyen Trong Hien	Member
Mr	Ling Chung Yee Roy	Member

#### *Board of Director*

Mrs	Mai Huong Noi	General Director
Mrs	Nguyen Dieu Linh	Vice General Director
Mrs	Pham Van Khuong	Vice General Director
Mrs	Hoang Bach Duong	Vice General Director

The Board of Management of the Company is pleased to present its report for the quarter 4 of 2011.

### Confirmation of Board of Director

The Company's management is responsible for the financial statements of each financial period which give a true and fair view of the balance sheet, income statement and cash flows reports for the period. In preparing those financial statements, the Company's management is required to

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim financial statements; and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the Vietnam registered accounting system and accounting standard.

Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

We hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Company as at 31 December 2011 and the results of its operations for quarter 4 of 2011 and cash flows for the for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.



On behalf of the Board of Management

**Mai Huong Noi - General Director**

## BALANCE SHEET

As at 31 December 2011

Unit: VND

ASSETS	Code	Note	31/12/2011	01/01/2011
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>2,883,406,735,152</b>	<b>5,584,386,239,168</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	V.1	<b>101,968,452,978</b>	<b>652,507,261,069</b>
Cash	111		6,468,452,978	34,982,261,069
Cash equivalents	112		95,500,000,000	617,525,000,000
<b>II. Short-term investments</b>	<b>120</b>	V.2	<b>971,663,289,710</b>	<b>995,146,160,000</b>
Short-term investments	121		989,792,385,710	1,004,779,112,000
Provision for short-term investments	129		(18,129,096,000)	(9,632,952,000)
<b>III. Current receivables</b>	<b>130</b>		<b>1,653,671,580,849</b>	<b>3,667,817,697,892</b>
Trade receivables	131		246,602,132,285	2,477,570,000,487
Advances to suppliers	132		119,217,112,815	79,260,618,402
Receivables from related parties	133		39,342,840,339	966,498,019,315
Receivables from construction contract	134		-	-
Other receivables	135	V.4	1,249,648,623,418	144,517,457,687
Provision for bad debts	139		(1,139,128,009)	(28,398,000)
<b>IV. Inventories</b>	<b>140</b>	V.5	<b>86,051,093,841</b>	<b>212,657,456,591</b>
Inventories	141		99,350,911,285	212,657,456,591
Provision for obsolete inventories	149		(13,299,817,444)	-
<b>V. Other current assets</b>	<b>150</b>		<b>70,052,317,775</b>	<b>56,257,663,617</b>
Short-term prepaid expenses	151		40,430,786,741	18,511,386,176
Value added tax deductibles	152		28,642,329,209	36,760,392,484
Statutory obligations	154		-	-
Other current assets	158		979,201,825	985,884,957
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>13,308,916,836,812</b>	<b>11,375,566,537,873</b>
<b>I. Non - Current receivables</b>	<b>210</b>		<b>-</b>	<b>-</b>
Longterm trade receivables	211		-	-
LT receivables from related parties	213		-	-
Longterm other receivables	218		-	-
Provision for bad debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>2,887,294,545,086</b>	<b>1,613,762,707,371</b>
Tangible fixed assets	221	V.6	45,033,164,861	152,928,549,005
- Cost	222		66,787,912,322	170,727,781,088
- Accumulated depreciation	223		(21,754,747,461)	(17,799,232,083)
Lease assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
Intangible fixed assets	227	V.7	2,702,025,322	3,421,089,866
- Cost	228		6,342,062,842	5,663,059,789
- Accumulated depreciation	229		(3,640,037,520)	(2,241,969,923)
Construction in progress	230	V.8	2,839,559,354,903	1,457,413,068,500
<b>III. Investment properties</b>	<b>240</b>	V.9	<b>3,281,178,626,680</b>	<b>3,358,365,231,481</b>
- Cost	241		3,485,517,188,542	3,465,662,781,304
- Accumulated depreciation	242		(204,338,561,862)	(107,297,549,823)
<b>IV. Long-term investments</b>	<b>250</b>		<b>7,086,772,836,892</b>	<b>6,248,766,026,464</b>

Investments in subsidiary	251	V.10	5,906,479,270,797	3,482,601,370,797
Investments in associates, jointly controlled entit	252	V.11	875,410,400,000	1,604,655,848,000
Other long-term investments	258	V.12	309,095,708,362	1,162,871,334,878
Provision for long-term investments	259		(4,212,542,267)	(1,362,527,211)
<b>V. Other long-term assets</b>	<b>260</b>		<b>53,670,828,153</b>	<b>154,672,572,557</b>
Long-term prepaid expenses	261	V.13	52,829,235,525	139,501,930,485
Deferred tax assets	262		824,327,628	15,170,642,072
Other long-term assets	268		17,265,000	-
<b>Goodwill</b>	<b>269</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>16,192,323,571,964</u></b>	<b><u>16,959,952,777,041</u></b>

## BALANCE SHEET

As at 31 December 2011

RESOURCES	Code	Note	31/12/2011	01/01/2011
<b>A. LIABILITIES</b>	<b>300</b>		<b>9,209,154,023,315</b>	<b>9,403,705,521,742</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>5,133,282,922,923</b>	<b>1,958,423,004,885</b>
Short-term loans	311	V.14	3,722,109,124,311	336,809,814,490
Trade payables	312		53,757,586,732	80,858,965,456
Advances from customers	313		15,546,005,745	2,673,063,538
Statutory obligations	314	V.15	105,775,678,850	910,356,524,773
Payables to employees	315		17,392,600,551	11,741,448,404
Accrued expenses	316	V.16	969,591,475,422	463,425,560,890
Payables to related parties	317		24,982,428,124	13,392,336,815
Payables from construction contract	318		-	-
Other payables	319	V.17	224,128,023,188	139,165,290,519
Provision for bad debts	320		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>4,075,871,100,393</b>	<b>7,445,282,516,857</b>
Longterm trade payables	331		-	-
Longterm payables to related parties	332		-	-
Other long-term liabilities	333	V.18	159,251,575,399	118,124,449,460
Long-term loans	334	V.19	3,914,461,088,236	7,324,946,230,241
Deferred tax liabilities	335		-	-
Provision for severance allowance	336		2,158,436,758	2,211,837,156
Provision for bad debts	337		-	-
<b>B. OWNERS' EQUITY</b>	<b>400</b>		<b>6,983,169,548,649</b>	<b>7,556,247,255,299</b>
<b>I. Capital</b>	<b>410</b>	V.20	<b>6,983,169,548,649</b>	<b>7,556,247,255,299</b>
Contributed chartered capital	411		3,911,498,930,000	3,726,252,370,000
Share premium	412		2,377,050,527,544	1,504,156,231,287
Other equity	413		-	-
Treasury shares	414		-	-
Foreign exchange gain/loss	416		-	-
Supplementary capital reserve fund	417		-	-
Financial reserve fund	418		6,000,000,000	1,000,000,000
Other fund of owners' equity	419		-	-
Undistributed earnings	420		688,620,091,105	2,324,838,654,012
Capital for construction in progress	421		-	-
<b>II. Other fund</b>	<b>430</b>		<b>-</b>	<b>-</b>
Reward and welfare fund	431		-	-
Other fund	432		-	-
Fixed assets arising from other fund	433		-	-
<b>C. MINORITY INTEREST</b>	<b>490</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUIT</b>	<b>440</b>		<b>16,192,323,571,964</b>	<b>16,959,952,777,041</b>

**OFF BALANCE SHEET ITEMS**  
As at 31 December 2011

ITEMS	Code	Note	31/12/2011	01/01/2011
Asset under lease	001		-	-
Goods held under trust or for processing	002		-	-
Goods held by the company on consignment	003		-	-
Bad debts written off	004		-	-
Foreign currencies	007		-	-
State funding	008		-	-

Chief Accountant

Nguyen Thi Thu Hien



Hanoi, 31 January 2012

General Director

Mai Huong Noi



## INCOME STATEMENT

Year 2011

Unit: VND

Item	Code	Note	Year 2011	Year 2010	Quarter IV '2011	Quarter IV'2010
Revenue from sale of goods and rendering of serv	01	V1.1	1,318,533,588,811	3,755,847,324,815	268,434,911,694	3,241,907,218,912
Deductions	02	V1.1				
Net revenue from sale of goods and rendering of services	10	V1.1	1,318,533,588,811	3,755,847,324,815	268,434,911,694	3,241,907,218,912
Costs of goods sold and services rendered	11	V1.2	512,415,060,267	859,548,756,396	96,833,268,645	739,495,166,183
Costs of goods sold and services rendered	20		806,118,528,544	2,896,298,568,419	171,601,643,049	2,502,412,052,729
Financial Income	21	V1.3	1,390,369,523,266	804,389,940,941	512,596,064,318	443,524,660,648
Financial expenses	22	V1.4	940,873,536,218	554,788,130,642	269,180,132,159	188,818,809,018
- In which: Interest expenses	23		849,246,902,711	413,906,767,020	236,823,439,335	109,897,663,639
Selling expenses	24	V1.5	61,187,763,320	27,256,000,042	16,454,945,086	11,977,978,405
General and administrative expenses	25	V1.6	228,784,139,797	146,130,174,892	126,782,142,223	54,437,146,114
Operating profit	30		965,642,612,475	2,972,514,203,784	271,780,487,899	2,690,702,779,841
Other income	31	V1.7	71,401,637,318	77,695,587,486	23,641,327,928	5,486,313,236
Other expenses	32	V1.8	129,628,281,246	68,658,657,415	35,091,831,759	161,344,066
Other profit	40		(58,226,643,928)	9,036,930,071	(11,450,503,831)	5,324,969,170
Share in profits of associates	45					
Net profit before tax	50		907,415,968,546	2,981,551,133,855	260,329,984,068	2,696,027,749,011
Current corporate income tax expense	51	V1.9	224,288,217,009	655,791,168,014	86,809,621,807	602,041,767,704
Deferred corporate income tax expense	52		14,346,314,444	-15,170,642,072	959,414,999	-15,170,642,072
Net profit after tax	60		668,781,437,093	2,340,930,607,913	172,560,947,262	2,109,156,623,379
Net profit after tax of minority interests	61					
Equity holders of the parent	62		668,781,437,093	2,340,930,607,913	172,560,947,262	2,109,156,623,379
Basis earnings per share	70		1,801		465	5,660

Chief Accountant

  
Nguyen Thi Thu Hien

Hanoi, 31 January 2012

General Director



  
Mai Huong Noi

## CASH FLOW STATEMENT

Indirect method

Year 2011

Đơn vị tính: VND

ITEMS	Note	Year 2011	Year 2010
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>1,586,673,429,942</b>	<b>304,060,199,626</b>
1. Net profit before tax		907,415,968,546	2,981,551,133,855
2. Adjustments for		-	-
Depreciation and amortisation	VII.3	106,827,576,189	50,176,944,744
Provision for decline in value of investments		24,645,976,500	(1,002,354,789)
(Gain) loss on disposal of assets		3,796,526,487	(1,778,361,632)
Unrealised foreign exchange losses		-	90,430,447,528
Gain from disposal of equity investments in other entities	VII.4	(897,137,980,572)	(383,916,267,772)
Share of loss in associates		-	-
Interest expenses		849,246,902,711	413,906,767,020
Interest income		(319,705,646,625)	(375,993,315,433)
Goodwill amortization		-	-
3. Operating income before changes in working capital		675,089,323,237	2,773,374,993,521
Decrease/(increase) in receivables		2,407,416,334,668	(2,151,079,188,922)
Decrease/(increase) in inventories		113,306,545,306	(8,346,018,892)
Increase in payables		70,640,805,028	334,868,376,054
(not included interest expenses and income tax payables)		-	-
Decrease/(Increase) in prepaid expenses		2,267,285,652	(13,092,543,331)
Interest paid		(946,839,571,929)	(567,766,309,939)
Enterprise income tax paid		(743,332,038,304)	(67,886,729,411)
Other cash inflows/(outflow) from operating activities		8,124,746,284	3,987,620,546
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(1,000,749,196,936)</b>	<b>(2,746,910,850,368)</b>
Purchase and construction of fixed assets and other long-term assets		(1,120,066,844,148)	(1,528,843,579,773)
Proceeds from disposals of investment in other entities		1,489,412,000,000	-
Proceeds from disposals of assets	VII.5	185,039,008,947	66,029,120,776
Loans provided to related parties and other		(2,613,439,654,054)	(2,396,662,079,896)
Collection of loans provided to related parties and other		3,165,679,287,487	2,472,941,601,381
Payments for equity investments in other entities		(316,359,158,903)	(944,295,099,679)
Payments for equity investments in other entities		(2,574,983,245,946)	(1,121,294,000,000)
Collection of capital investment in other entities		-	441,282,332,777
Interest received and dividend		783,969,409,681	263,930,854,046
Payment for other investment purposes		-	-
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(1,136,463,041,097)</b>	<b>2,043,271,787,282</b>
Proceeds from issuance of ordinary shares		-	402,875,184,500
Proceeds from bond issuance and borrowings		2,043,313,799,403	2,743,366,375,559
Payments for treasury shares		-	-
Loan repayment		(951,278,246,248)	(1,102,969,772,777)
Dividend paid to owner		(2,228,498,594,252)	-
Capital contribution from minority shareholders		-	-
<b>Net cash increase/(decrease)</b>		<b>(550,538,808,091)</b>	<b>(399,578,863,460)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>652,507,261,069</b>	<b>1,052,086,124,529</b>
Impact of exchange rate fluctuation		-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>101,968,452,978</b>	<b>652,507,261,069</b>

Chief Accountant



Nguyen Thi Thu Hien



## NOTES TO THE FINANCIAL STATEMENTS For Quarter IV- 2011

### I . CORPORATE INFORMATION

#### 1 . CORPORATE INFORMATION

Vincom Joint Stock Company is a joint stock enterprise established in Vietnam in accordance with Business Licence No. 0103001016 issued by the Hanoi's Department of Planning and Investment on 3 May 2002. The Company has also received subsequent amended business licenses as follow:

<u>Business licence</u>	<u>Date of amended</u>
0103001016 - 1st amended business certificate	Dated 04 March 2003.
0103001016 - 2nd amended business certificate	Dated 20 January 2004.
0103001016 - 3rd amended business certificate	Dated 29 October 2004.
0103001016 - 4th amended business certificate	Dated 10 December 2004.
0103001016 - 5th amended business certificate	Dated 07 February 2005.
0103001016 - 6th amended business certificate	Dated 15 August 2005.
0103001016 - 7th amended business certificate	Dated 24 February 2006.
0103001016 - 8th amended business certificate	Dated 20 March 2006.
0103001016 - 9th amended business certificate	Dated 03 April 2006.
0103001016 - 10th amended business certificate	Dated 25 December 2006.
0103001016 - 11th amended business certificate	Dated 15 February 2007.
0103001016 - 12th amended business certificate	Dated 23 April 2007.
0103001016 - 13th amended business certificate	Dated 22 June 2007.
0103001016 - 14th amended business certificate	Dated 14 August 2007.
0103001016 - 15th amended business certificate	Dated 09 April 2008.
0103001016 - 16th amended business certificate	Dated 22 April 2009.
0103001016 - 17th amended business certificate	Dated 02 October 2009.
0101245486 - 18th amended business certificate	Dated 12 May 2010.
0101245486 - 19th amended business certificate	Dated 19 July 2010.
0101245486 - 20th amended business certificate	Dated 02 August 2010.
0101245486 - 21st amended business certificate	Dated 10 August 2010.
0101245486 - 22nd amended business certificate	Dated 25 August 2010.
0101245486 - 23rd amended business certificate	Dated 09 December 2010.
0101245486 - 24th amended business certificate	Dated 28 December 2010.
0101245486 - 25th amended business certificate	Dated 31 December 2010.
0101245486 - 26th amended business certificate	Dated 19 January 2011.
0101245486 - 28th amended business certificate	Dated 25 January 2011.
0101245486 - 29th amended business certificate	Dated 02 March 2011.
0101245486 - 30th amended business certificate	Dated 29 March 2011.
0101245486 - 31st amended business certificate	Dated 07 April 2011.
0101245486 - 32nd amended business certificate	Dated 25 April 2011.
0101245486 - 33rd amended business certificate	Dated 05 May 2011.
0101245486 - 34th amended business certificate	Dated 12 May 2011.
0101245486 - 35th amended business certificate	Dated 23 May 2011.
0101245486 - 36th amended business certificate	Dated 01 June 2011.
0101245486 - 37th amended business certificate	Dated 10 June 2011.
0101245486 - 38th amended business certificate	Dated 13 January 2012.

#### **Business activities**

The principal activities of the Company are to construct and provide retail outlets, commercial offices for lease, to provide entertainment services, to carry out investment activities, to trade in investment securities and to conduct other businesses as stipulated in the business licenses

The company's name has been changed from "Vietnam commercial joint stock company" to "Vincom joint stock company" in accordance with the 7th amended business licence. Its chartered capital was increased from 313,500,000,000 dong to 600,000,000,000 dong in accordance with the 11th amended business licence.

On the 3rd July 2007, the company successfully completed the initial sale of 20,000,000 common shares to the public. After the initial sale "IPO" the chartered capital was increased to VND800,000,000,000.

The Company's shares were officially listed in the Ho Chi Minh City Stock Exchange ("HOSE") from 19 September 2007 pursuant to Decision No.106/QĐ-SGDHCM issued by the Director of HOSE on 7 September 2007.

The company's chartered capital was increased to 1,199,831,560,000 Vietnamese dongs in accordance with the 15th amended business licence.

The company's chartered capital was increased to 1,996,272,380,000 Vietnamese dongs in accordance with the 17th amended business licence.

The company's chartered capital was increased to 3,599,279,120,000 Vietnamese dongs in accordance with the 18th amended business licence.

The company's chartered capital was increased to 3,643,329,490,000 Vietnamese dongs in accordance with the 19th amended business licence.

The company's chartered capital was increased to 3,669,614,480,000 Vietnamese dongs in accordance with the 20th amended business licence.

The company's chartered capital was increased to 3,672,743,640,000 Vietnamese dongs in accordance with the 21st amended business licence.

The company's chartered capital was increased to 3,682,131,130,000 Vietnamese dongs in accordance with the 22nd amended business licence.

The company's chartered capital was increased to 3,686,824,880,000 Vietnamese dongs in accordance with the 23rd amended business licence.

The company's chartered capital was increased to 3,709,667,790,000 Vietnamese dongs in accordance with the 24th amended business licence.

The company's chartered capital was increased to 3,726,252,370,000 Vietnamese dongs in accordance with the 25th amended business licence.

The company's chartered capital was increased to 3,734,388,190,000 Vietnamese dongs in accordance with the 26th amended business licence.

The company's chartered capital was increased to 3,795,094,000,000 Vietnamese dongs in accordance with the 27th amended business licence.

The company's chartered capital was increased to 3,813,868,990,000 Vietnamese dongs in accordance with the 28th amended business licence.

The company's chartered capital was increased to 3,815,433,570,000 Vietnamese dongs in accordance with the 29th amended business licence.

The company's chartered capital was increased to 3,821,066,060,000 Vietnamese dongs in accordance with the 31st amended business licence.

The company's chartered capital was increased to 3,827,324,390,000 Vietnamese dongs in accordance with the 32nd amended business licence.

The company's chartered capital was increased to 3,833,582,720,000 Vietnamese dongs in accordance with the 33rd amended business licence.

The company's chartered capital was increased to 3,880,520,210,000 Vietnamese dongs in accordance with the 34th amended business licence.

The company's chartered capital was increased to 3,895,540,200,000 Vietnamese dongs in accordance with the 35th amended business licence.

The company's chartered capital was increased to 3,895,853,110,000 Vietnamese dongs in accordance with the 36th amended business licence.

The company's chartered capital was increased to 3,911,498,930,000 Vietnamese dongs in accordance with the 37th amended business licence.

The company's chartered capital was increased to 5,493,833,050,000 Vietnamese dongs in accordance with the 38th amended business licence.

The Company's head office is located at 11th Floor, Vincom City Towers, 191 Ba Trieu Street, Hai Ba Trung District, Hanoi, Vietnam and its branch is located at 72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam.

**PFV Investment and Trading Joint Stock Company ("PFV")**

PFV is previously a two-member limited liability company established in accordance with the Business License No. 0102022275 issued by the Hanoi's Department of Planning and Investment on 15 September 2005, and subsequently converted to PFV Investment and Trading Joint Stock Company in accordance with the Business License No. 0103025765 issued by the Hanoi's Department of Planning and Investment on 17 September 2008, with a chartered capital of VND 600 billion.

PFV's principal business activities are to construct and lease commercial offices and high-end apartment units. PFV's registered office is at 11th floor, Vincom City Towers, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam. The Company holds 74.41% voting rights in this subsidiary.

**The Royal City Real Estate Investment and Development JSC ("Royal city JSC")**

Royal City JSC was set up in accordance with the Business License No 0103038194 issued by the Hanoi Department of Planning and Investment on June 11th 2009. The business licence is amended the 2nd on 8th July 2010. Its chartered capital is 3,200,000,000,000 Vietnamese dong. Its principal activities are to trade real estates, construct the civil, industrial, transportation and irrigational works... The registered address is at 74 Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan district, Hanoi City. The Vincom JSC holds 77.11% voting rights in this subsidiary.

**The Hai Phong Real Estate Investment and Development Joint Stock Company ("Haiphong Land Jsc")**

The Hai Phong Land JSC was renewed from the Hai Phong Agricultural Product Import, Export and Processing joint stock company in accordance with the 5th amended Business License No 0203000675 dated 21st February 2008 issued by the Hai Phong Department of Planning and Investment. Its chartered capital is 300,000,000,000 Vietnamese dong. Its principal activities are to trade real estates and investments, lease machines and equipment for the sport activities. Its registered address is at 4 Le Thanh Ton, May To Ward, Ngo QUYEN District, Hai Phong City. The Vincom JSC holds 49% voting rights in this subsidiary. The PFV (one of the Vincom's subsidiaries) holds 41% voting rights in this company.

**The Sai Dong Urban investment and development Joint Stock Company ("SaiDong Urban Jsc")**

Saidong Urban JSC is set up in accordance with the Business License No 0103040736 issued by the Hanoi Department of Planning and Investment on 17th September 2009. Its chartered capital is 500,000,000,000 Vietnam dong. Its principal activities are to trade real estates, construct houses in all kinds, civil and technical works, provide residential services... Its registered address is 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi. The Vincom Jsc holds 61% voting rights in this subsidiary.

**The Hanoi South Urban Development Joint Stock Company (The "South Hanoi JSC")**

Hanoi South, previously known as BIDV-PP JSC, is a joint stock company established in accordance with Business License No. 0103022741 issued by Hanoi's Department of Planning and Investment on 6 March 2008, with a registered chartered capital of VND 300 billion. In accordance with the Amended Investment License dated 26 June 2009, BIDV-PP changed its name to Hanoi Southern City Development JSC and the Amended Investment License dated 5 Aug 2010 increased its registered chartered capital from VND 500 billion to VND 2.000 billion. The Vincom Jsc holds 53% voting rights in this subsidiary. The Sai Dong (one of the Vincom's subsidiaries) holds 13.33% voting rights in this company.

**Ho Tay Real Estate Development and Investment Joint Stock Company (Ho Tay RDI JSC)**

Ho Tay RDI JSC is set up in accordance with the Business License No 0104883913 issued by the Hanoi Department of Planning and Investment on the 25th August 2010. Its chartered capital is 50,000,000,000 Vietnam dong. Its principal activities are to trade real estates and other related services... Its registered address is 69B Thuy Thuy Road, Thuy Khue Ward, Tay Ho District, Hanoi. The Vincom JSC holds 70% voting rights in this subsidiary.

**4 . The significant impacts on the Company's operation in the reporting period**

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**II . ACCOUNTING PERIOD AND RECORDING CURRENCY**

- 1 . Accounting Year:** The accounting year starts from 1st January và ends on 31st December on a solar year

2 . **Currency Unit:** Vietnamese dong

### III. BASIS OF PREPARATION

#### 1 . Accounting Standards and System

The Company apply the Vietnamese accounting standards issued in accordance with the Decision 15/2006/QĐ-BTC dated 20/003//2006 of the Ministry of Finance and Vietnam accounting standards issued by the Ministry of Finance.

#### 2 . Basis of preparation

The financial statements are stated at costs.

#### 3 . Representation on the accounting standards and system compliance

The Board of Directors ensure that the company fully complies with the current accounting standards and Vietnamese accounting system in the preparation of its financial statements.

#### 4 . Registered accounting documentation system

The Company's registered accounting documentation system is the General Journal.

### IV . ACCOUNTING POLICIES

#### 1 . Cash and Cash equivalents

Cash and cash equivalents include cash on hand, cash at bank and short term, highly liquid investments with an original maturity of less than 3 months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

#### 2 . Receivables

Trade receivables and other receivables are recorded based on the invoices . The bad debt provision is done based on the assessment of the possibility of collecting the receivables.

The bad debt provision represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recorded as general and administrative expense in the consolidated report.

#### 3 . Inventories

Inventories are recorded at historical costs. The inventories' historical costs include the purchase cost, the processing and related costs incurred in bringing each product to its present location and condition.

The inventories' historical costs are calculated based on the average weighted price and are recorded following the perpetual method.

#### 4 . Fixed Assets

The fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred. When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

Depreciation and amortisation of tangible and intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

- Motor vehicles	8	years
- Other fixed assets	3-10	years

## 5 . Investment properties

Investment properties are stated at cost, including transaction costs, less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Subsequent expenditure relating to an investment property arising after the initial recognition will be charged to the income statement unless when it is probable to receive the future economic benefits, in excess of the originally assessed value.

- Land use rights	45 - 47	years
- Other assets	9 - 10	years

Land use rights presented as investment properties include the compensation and clearance costs for the land site at 191, Ba Trieu Street, which is used for the construction of the Vincom City Towers. The Company has been granted with the Land Use Right Certificate No. 00547/QSDD by the Hanoi People's Committee on 22 January 2003.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the income statement.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

## 6 . Borrowing costs

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the respective asset.

## 7 . Long-term prepaid expenses

Long-term prepaid expenses include the land lease prepayments and other expenses which could bring future economic benefits for more than one year. They are allocated over the years of the prepaid expenses or over the expected time that the future economic benefits could be received.

## 8 . Other long-term investments

The long term investments are recorded at costs except for the investments in subsidiaries, joint venture and associates which are recorded at the purchased prices. The provision for the investment decreasing value should be made for the investments that are freely transferable in the market at the year end.

## 9 . Payable and Accrual

Payable and accrual are recognised for amount to be paid in the future for goods and services received, whether or not billed to the Group.

## 10 . Foreign exchange

Transactions in currencies other than the Company's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the period, monetary assets and liabilities denominated in foreign currencies are retranslated at inter-bank exchange rates ruling at the interim consolidated balance sheet date. All realised and unrealised foreign exchange differences are taken to the income statement.

## 11 . Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval by the General Shareholders' meeting.

## 12 . Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

### *Revenue from the transfer of the land lease and assets contained in the land*

Revenue from the transfer of the land lease and assets contained is recognised when material risks and asset's ownership have been transferred to the buyer.

### *Revenue from leasing of investment properties*

Rental income arising from leased investment properties is accounted for on a straight line basis over the lease terms on ongoing leases.

### *Gains from securities trading/capital transfer*

Gains from securities trading and capital transfer are determined as the excess of selling prices against the cost of securities sold. Such gain is recognized on the trade date when the relevant contracts are executed.

### *Interest income*

Revenue for the interest income is recognised on the accrued basis (including the profit derived from the assets) unless the collection of the interests is uncertain.

## 13 . Taxation

### *Current tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance

### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ► where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ► in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.



Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except :

- ► where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ► in respect of deductible temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority and the company intends to pay the current income tax after netting off with the current year's deferred tax asset.

#### 14 . Related parties

Related parties include the parties who have the control or significant impact to the company in making decisions related to the financial policies and business operation.

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### 1 . CASH AND CASH EQUIVALENTS

	31/12/2011	01/01/2011
Cash in hand	378,153,824	455,861,493
Cash at bank	6,090,299,154	34,526,399,576
Cash equivalent	95,500,000,000	617,525,000,000
<b>Total</b>	<b>101,968,452,978</b>	<b>652,507,261,069</b>

Cash equivalent as at 31/12/2011: Time deposits under one month, Interest rate: 6%

#### 2 SHORT-TERM INVESTMENTS

	31/12/2011	01/01/2011
Short term loans	753,598,273,710	372,410,000,000
Short-term deposit	203,825,000,000	600,000,000,000
Short-term investments in securities	32,369,112,000	32,369,112,000
Provision for short-term investments	(18,129,096,000)	(9,632,952,000)
	<b>971,663,289,710</b>	<b>995,146,160,000</b>

#### 3 TRADE RECEIVABLES

	31/12/2011	01/01/2011
Trade receivables from selling properties	115,229,100,900	2,378,732,365,218
Trade receivables from others activities	131,373,031,385	98,837,635,269
	<b>246,602,132,285</b>	<b>2,477,570,000,487</b>

	31/12/2011	01/01/2011
<b>4 . OTHER RECEIVABLES</b>		
Other receivables from disposal shares	1,161,000,000,000	83,000,000,000
Interest income receivables	36,446,282,138	48,399,498,785
Other receivables	52,202,341,280	13,117,958,902
	<b>1,249,648,623,418</b>	<b>144,517,457,687</b>
<b>5 . INVENTORIES</b>		
Other materials	143,351,261	72,954,047
Tools and supplies	171,948,116	191,762,590
Apartment for re-sale	49,373,757,232	163,920,553,321
Land use rights for sale	38,808,260,000	38,808,260,000
Construction apartment for sale	10,853,594,676	9,663,926,633
Provision for inventories	(13,299,817,444)	
<b>Total</b>	<b>86,051,093,841</b>	<b>212,657,456,591</b>

**6 . TANGIBLE FIXED ASSETS**

Items	Buildings & structures	Machinery & equipment	Motor vehicles	Office equipment and others	Total
<b>Cost</b>					
Beginning balance	83,308,766,271	47,112,665,908	13,991,331,923	26,315,016,986	170,727,781,088
Newly purchased		3,116,654,736	1,328,029,000	4,507,559,326	8,952,243,062
Disposal, adjustments	(77,314,874,865)	(32,639,760,224)	(576,716,852)	(2,360,759,887)	(112,892,111,828)
...					
Ending balance	5,993,891,406	17,589,560,420	14,742,644,071	28,461,816,425	66,787,912,322
<b>Accumulated depreciation</b>					
Beginning balance	1,085,243,099	3,159,020,450	5,952,355,325	7,602,613,209	17,799,232,083
Depreciation	324,660,353	3,076,767,808	1,588,545,647	3,487,376,537	8,477,350,345
Disposal, adjustments	(1,303,822,296)	(3,048,507,768)	-	(169,504,903)	(4,521,834,966)
Ending balance		3,187,280,490	7,540,900,972	10,920,484,843	21,754,747,461
<b>Net carrying amount</b>					
Beginning balance	82,223,523,172	43,953,645,458	8,038,976,598	18,712,403,777	152,928,549,005
Ending balance	5,993,891,406	14,402,279,930	7,201,743,099	17,541,331,582	45,033,164,861

The reduction of assets from disposal Game center in Vincom center Hochiminh

**7 . INTANGIBLE FIXED ASSETS**

Items	Land use rights	Computer software	Trade mark	Total
<b>Cost</b>				
Beginning balance		5,663,059,789		5,663,059,789
Newly purchased		1,585,613,440		1,585,613,440
Disposal, adjustments		(906,610,387)		(906,610,387)
Ending balance		6,342,062,842		6,342,062,842
<b>Accumulated depreciation</b>				
Beginning balance		2,241,969,923		2,241,969,923
Depreciation		1,607,503,014		1,607,503,014
Disposal, adjustments		(209,435,417)		(209,435,417)
Ending balance		3,640,037,520		3,640,037,520
<b>Net carrying amount</b>				
Beginning balance		3,421,089,866		3,421,089,866
Ending balance		2,702,025,322		2,702,025,322

**8 . CONSTRUCTION IN PROGRESS**

	31/12/2011	01/01/2011
Eden A Project	2,837,045,502,851	1,454,877,216,448
Other projects	2,513,852,052	2,535,852,052
<b>Total</b>	<b>2,839,559,354,903</b>	<b>1,457,413,068,500</b>

9 . INVESTMENT PROPERTIES

Items	Land use rights	Buildings & structures	Machinery & equipment	Total
<b>Cost</b>				
Beginning balance	1,119,033,691,246	2,049,000,899,698	297,628,190,360	3,465,662,781,304
Newly purchased			73,026,250	73,026,250
Disposal, adjustments	515,678,260	12,894,949,597	6,370,753,131	19,781,380,988
Ending balance	1,119,549,369,506	2,061,895,849,295	304,071,969,741	3,485,517,188,542
<b>Accumulated depreciation</b>				
Beginning balance	13,278,852,855	36,020,819,277	57,997,877,691	107,297,549,823
Depreciation	23,463,736,268	42,480,242,818	31,151,935,267	97,095,914,353
Disposal, adjustments	(519,538)	(42,654,495)	(11,728,282)	(54,902,315)
Ending balance	36,742,069,585	78,458,407,600	89,138,084,677	204,338,561,862
<b>Net carrying amount</b>				
Beginning balance	1,105,754,838,391	2,012,980,080,421	239,630,312,669	3,358,365,231,481
Ending balance	1,082,807,299,921	1,983,437,441,695	214,933,885,064	3,281,178,626,680

Investment properties of Vincom JSC as follow:

+ Vincom Center Hanoi (B tower), included retail and office for lease at No. 191, Ba Trieu Street, Hanoi.

+ Vincom Center Hochiminh, included retail and office for lease at No. 70-72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh.

10 . INVESTMENT IN SUBSIDIARIES

	31/12/2011	01/01/2011
PFV Investment and Trading Joint Stock Company	550,400,346,275	550,400,346,275
Vincom Securities Joint Stock Company		226,500,000,000
The Royal City Real Estate Investment and Development JSC	3,460,400,000,000	1,250,000,000,000
The Viettronics Land JSC		43,050,000,000
The Sai Dong Urban investment and development JSC	467,000,000,000	255,000,000,000
Xavinco Land Joint Stock Company		34,202,100,000
Ha Noi South Urban Development Joint Stock Company	1,222,636,568,618	917,406,568,618
Ho Tay Land Joint Stock Company	35,000,000,000	35,000,000,000
Hai Phong Land Development and Investment Joint Stock Company	171,042,355,904	171,042,355,904
<b>Total</b>	<b>5,906,479,270,797</b>	<b>3,482,601,370,797</b>

In 2011, company disposed 3 subsidiaries include: 75% shares of Vincom Securities Joint Stock Company; 56% shares of Xavinco Land Joint Stock Company ; 83% shares of The Viettronics Land JSC .

11 . INVESTMENT INTO ASSOCIATES

	31/12/2011	01/01/2011
Vietnam Tourism Joint Stock Company in HCM City	68,910,400,000	68,910,400,000
Foreign Trade Concrete JSC	9,000,000,000	9,000,000,000
Sinh Thai Development and Investment Joint Stock Company		1,029,245,448,000
Thang Long real estate trading investment JSC	17,500,000,000	17,500,000,000
Green City development JSC	780,000,000,000	480,000,000,000
<b>Total</b>	<b>875,410,400,000</b>	<b>1,604,655,848,000</b>

In this period, company disposed 21.27% shares of Sinh Thai Development and Investment JSC .

12 . OTHER LONG-TERM INVESTMENTS

	31/12/2011	01/01/2011
Advance for Hoang Cau project	8,699,910,908	5,320,856,363
Advance for Nguyen Van Huyen project	54,000,000,000	54,000,000,000
Investment in Thanh Nien Media	12,400,000,000	12,400,000,000
Investment in Dong Da Electronic JSC	42,820,138,903	26,460,980,000
Investment in Xavinco Land Joint Stock Company	2,850,000,000	
Investment in Viettronics Real Estmated Company Limited	4,071,428,572	
Longterm loan to Global link company Ltd	19,382,863,200	51,687,634,911
Longterm loan to MaiSon JSC	21,659,788,478	66,883,894,565
Longterm loan to ThaiKieu company Ltd	43,211,578,301	175,713,314,985

Longterm loan to Ha Noi Electronic JSC	100,000,000,000	150,000,000,000
Longterm loan to Royal city JSC		270,960,000,000
Longterm loan to South Ha Noi JSC		349,444,654,054
<b>Total</b>	<b>309,095,708,362</b>	<b>1,162,871,334,878</b>
<b>13 . LONG-TERM PREPAID EXPENSES</b>		
	31/12/2011	01/01/2011
Bond issuance costs	29,231,963,949	111,322,559,376
Prepaid land rental	5,802,146,471	5,945,115,167
Commission for effective lease contracts	14,717,014,796	13,302,773,233
Other long-term prepaid expenses	3,078,110,309	8,931,482,709
<b>Total</b>	<b>52,829,235,525</b>	<b>139,501,930,485</b>
<b>14 . SHORT-TERM LOANS</b>		
	31/12/2011	01/01/2011
Short-term loans of Overseas Vietnamese businessman Corporation	7,000,000,000	7,000,000,000
Short-term loans of Hai Phong Land	67,600,000,000	31,000,000,000
Short-term loans of Sai Dong		127,055,724,456
Short-term loans of Ho Tay JSC	6,500,000,000	
Short-term loans of Credit Suisse	833,120,000,000	
Short-term loans of Royal city JSC	588,000,000,000	
Bonds from BIDV to be refunded within next 12 months	1,000,000,000,000	
Bonds from Maritime bank to be refunded within next 12 months	1,000,000,000,000	
Short-term loans of BIDV to be refunded within next 12 months	219,889,124,311	171,754,090,034
<b>Total</b>	<b>3,722,109,124,311</b>	<b>336,809,814,490</b>
<p>Borrowing term of loan from Overseas Vietnamese businessman Corporation: 6 months, bearing the interest rate: 18% p.a          Borrowing term of loan from Hai Phong Land: 29.6 billion VND in 3 months, bearing the interest rate: 17.5% p.a; 38 billion VND in 6 months, bearing the interest rate: 18.5% p.a.          Borrowing term of loan from Ho Tay JSC: 6 months, bearing the interest rate: 17.5% p.a.          USD 40,000,000 convertible loan (equivalent VND 833.12 billion) from Credit Suisse: 11 months, bearing the interest rate: 6% p.a.          Borrowing term of loan from Royal City: 3 months, bearing the interest rate: 18.5% p.a.          Bonds from BIDV with the carrying value of 1,000,000,000,000 Vietnamese dong, to be expired on 22nd October 2012 and bearing of 10.3%p.a.          Bonds from Maritime bank with the carrying value of 1,000,000,000,000 Vietnamese dong, to be expired on 18th December 2012 at interest rate of 7.7%p.a</p>		
<b>15 . STATUTORY OBLIGATIONS</b>		
	31/12/2011	01/01/2011
Value added tax payable	18,962,327,952	306,016,340,693
Personal income tax	2,061,644,180	525,824,412
Enterprise income tax	84,652,717,852	603,696,539,019
Others	98,988,866	117,820,649
<b>Total</b>	<b>105,775,678,850</b>	<b>910,356,524,773</b>
<b>16 . ACCRUED EXPENSES</b>		
	31/12/2011	01/01/2011
Accrued bond and loan interests	422,399,377,813	334,411,341,691
Accrued for construction expenses	518,871,767,275	112,666,324,985
Other accrued expenses	28,320,330,334	16,347,894,214
<b>Total</b>	<b>969,591,475,422</b>	<b>463,425,560,890</b>
<b>17 . OTHER PAYABLES</b>		
	31/12/2011	01/01/2011
Social insurance, trade union payable	3,102,325,462	41,660,804
Deferred revenue to be realised within the next 12 months	27,812,011,781	26,857,741,555
Deposits from tenants to be refunded within the next 12 months	29,367,398,128	13,152,401,660
Dividend 2010 payables	71,501,405,748	
Investment activity payables	68,279,000,000	90,000,000,000
Other short-term payables	24,065,882,069	9,113,486,500
<b>Total</b>	<b>224,128,023,188</b>	<b>139,165,290,519</b>

18 . OTHER LONG-TERM LIABILITIES

	31/12/2011	01/01/2011
Deferred revenue to be realised within the next 12 months	1,641,815,625	1,550,227,625
Deposits from tenants to be refunded within the next 12 months	157,609,759,774	116,574,221,835
<b>Total</b>	<b>159,251,575,399</b>	<b>118,124,449,460</b>

19 . LONG-TERM LOANS

	31/12/2011	01/01/2011
Corporate bonds	3,000,000,000,000	6,122,667,600,000
Longterm loans from banks	914,461,088,236	1,202,278,630,241
<b>Total</b>	<b>3,914,461,088,236</b>	<b>7,324,946,230,241</b>

1. Long term Corporate bonds represent the amount of cash received from the issue of the corporate bonds to the investors at par values. The bonds issued to mobilise the funds for the construction of the commercial centre, hotel service, offices and high-end apartments and underground car parks in Hochiminh City and other projects including:

+ 1st Bonds with the carrying value of 2,000,000,000,000 Vietnamese dong, to be expired on 2nd May 2013 and bearing interest rate of 16% p.a. for the first year and a floating rate from the following years.

+ 2nd Bonds with the carrying value of 1,000,000,000,000 Vietnamese dong, to be expired on 11th May 2015, bearing interest rate of 16% p.a. for the first year and a floating rate from the following years

2. The medium term borrowings:

- a long term loan from BIDV (which was moved to short-term loan as it shall be refunded within next 12 months: 219,889,124,311 VND), its borrowing term of 6 years and bearing a floating rate, this loan is used to fund for the project in Hochiminh City.

20 . OWNERS' EQUITY

**Increase and decrease in owners' equity**

	Contributed chartered capital	Share premium	Reserve fund financial	Undistributed earnings	Total
Beginning balance	3,726,252,370,000	1,504,156,231,287	1,000,000,000	2,324,838,654,012	7,556,247,255,299
Increase during the period	185,246,560,000	872,894,296,257	5,000,000,000	(5,000,000,000)	1,058,140,856,257
Retained earning				668,781,437,093	668,781,437,093
Dividend payable				(2,300,000,000,000)	(2,300,000,000,000)
<b>Ending balance</b>	<b>3,911,498,930,000</b>	<b>2,377,050,527,544</b>	<b>6,000,000,000</b>	<b>688,620,091,105</b>	<b>6,983,169,548,649</b>

In this period, Bondholders have converted into new ordinary shares with total value 185.246.560,000 VND (same as 18.524.656 shares).

The reduction of retain earning is include: remove to financial reserve fund VND 5 billion.

VI. NOTES TO THE CONSOLIDATED INCOME STATEMENTS

1 . Revenue from rendering of services

	Quarter IV '2011	Quarter IV '2010
<b>Gross revenue</b>		
- Revenue from leasing of investment properties and related service	219,934,986,383	199,914,027,290
- Revenue from selling of properties	48,499,925,311	3,041,993,191,622
	<b>268,434,911,694</b>	<b>3,241,907,218,912</b>
<b>Less</b>	Quarter IV '2011	Quarter IV '2010
- Sales allowance		
- Revenue reduction from leasing of IP and related service		
<b>Net revenue</b>	Quarter IV '2011	Quarter IV '2010
- Revenue from leasing of investment properties and related service	219,934,986,383	199,914,027,290
- Revenue from selling of properties	48,499,925,311	3,041,993,191,622
	<b>268,434,911,694</b>	<b>3,241,907,218,912</b>

2 . Cost of services rendered

	Quarter IV '2011	Quarter IV '2010
Operating cost relating to the leasing of investment properties	77,393,802,882	739,495,166,183
Cost of properties sold	19,439,465,763	
<b>Total</b>	<b>96,833,268,645</b>	<b>739,495,166,183</b>

3 . Income from financial activities

	Quarter IV '2011	Quarter IV '2010
Interest income	9,879,162,613	38,111,526,222
Interest income from loans provided to shareholders and investees	34,881,694,424	34,978,530,430
Foreign exchange gains	42,652,741	1,970,032,224
Dividend	43,138,002,540	
Income from Disposal Subsidiaries and associates	424,654,552,000	363,917,267,772
Income from investment activities		4,547,304,000
<b>Total</b>	<b>512,596,064,318</b>	<b>443,524,660,648</b>

4 . Expenses from financial activities

	Quarter IV '2011	Quarter IV '2010
Loan interests	236,823,439,334	109,897,663,659
Foreign exchange losses	9,397,575,227	72,307,894,762
Other finance expenses	22,959,117,598	6,613,250,597
<b>Total</b>	<b>269,180,132,159</b>	<b>188,818,809,018</b>

5 . Selling expenses

	Quarter IV '2011	Quarter IV '2010
Salary and other benefit	8,234,025,923	2,590,647,994
Advertising, event and external expenses	3,596,522,882	8,229,351,233
Other expenses	4,624,396,281	1,157,979,178
<b>Total</b>	<b>16,454,945,086</b>	<b>11,977,978,405</b>

6 . General and administrative expenses

	Quarter IV '2011	Quarter IV '2010
Salary and other benefit	24,858,784,001	15,724,028,690
Material, tools and supplies expenses	1,131,930,329	1,004,972,979
Depreciation expense	2,489,043,673	1,037,559,667
Expenses for external services	92,318,003,853	25,528,842,998
Other expenses	5,984,380,367	11,141,741,780
<b>Total</b>	<b>126,782,142,223</b>	<b>54,437,146,114</b>

7 . Other income

	Quarter IV '2011	Quarter IV '2010
Contract penalties	3,994,187,037	5,473,135,630
Proceeds from disposal of fixed assets	18,538,811,026	-2,000,000

Others	1,108,329,865	15,177,606
<b>Total</b>	<b>23,641,327,928</b>	<b>5,486,313,236</b>
<b>8 . Other expenses</b>		
	Quarter IV '2011	Quarter IV '2010
Cost of disposal of fixed assets	18,205,096,134	5,764,178,103
Others	16,886,735,625	-5,602,834,037
<b>Total</b>	<b>35,091,831,759</b>	<b>161,344,066</b>
<b>9 . Current Corporate Income Tax</b>		
	Quarter IV '2011	Quarter IV '2010
Current corporate income tax expense	86,809,621,807	602,041,767,704
Deffered tax	959,414,999	-15,170,642,072
Prior years' income tax adjustments into current corporate income tax of current year		
<b>Total</b>	<b>87,769,036,806</b>	<b>586,871,125,632</b>
<b>11 . Basis earnings per share</b>		
Basic earnings per share amount is calculated by dividing the net profit after tax for the period attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.		
	Quarter IV '2011	Quarter IV '2010
Profit after tax of the Share Holders	172,560,947,262	2,109,156,623,379
- Profit or loss adjustments to define net profit attributable to the ordinary equity holders of the parent		
Profit after tax attributable to the ordinary equity holders of the parent	172,560,947,262	2,109,156,623,379
The weighted average number of ordinary shares	371,285,443	372,625,237
<b>Basis earnings per share</b>	<b>465</b>	<b>5,660</b>

**VIII. OTHER INFORMATION**

**1 . Post Balance sheet Events**

The Board of Directors confirm that there's no significant events occurring after the 31 December 2011 until the issuance date of this report which require adjustments or disclosure to be made in the financial statements.

**2 Comparison information**

The comparative figures are from financial statements for the year ended 31/12/2010 audited by ERNST & YOUNG Việt Nam. Certain corresponding figures have been reclassified to conform to current year's consolidated financial statement presentation.

Chief Accountant



Nguyen Thi Thu Hien



Hanoi, 31 January 2012

General Director



Mai Huong Noi



## BALANCE SHEET

Unit: VND

	01/01/2011	31/12/2011
<b>I. Current Assets</b>	<b>5,584,386,239,168</b>	<b>2,883,406,735,152</b>
Cash and cash equivalents	652,507,261,069	101,968,452,978
Short-term investments	995,146,160,000	971,663,289,710
Current receivables	3,667,817,697,892	1,653,671,580,849
Inventories	212,657,456,591	86,051,093,841
Other current assets	56,257,663,617	70,052,317,775
<b>II. Non-Current Assets</b>	<b>11,375,566,537,873</b>	<b>13,308,916,836,812</b>
Non - Current receivables	-	-
Fixed assets	1,613,762,707,371	2,887,294,545,086
- <i>Tangible fixed assets</i>	<i>152,928,549,005</i>	<i>45,033,164,861</i>
- <i>Lease assets</i>	-	-
- <i>Tangible fixed assets</i>	<i>3,421,089,866</i>	<i>2,702,025,322</i>
- <i>Construction in progress</i>	<i>1,457,413,068,500</i>	<i>2,839,559,354,903</i>
Investment properties	3,358,365,231,481	3,281,178,626,680
Long-term investments	6,248,766,026,464	7,086,772,836,892
Other long-term assets	154,672,572,557	53,670,828,153
Goodwill	-	-
<b>TOTAL ASSETS</b>	<b>16,959,952,777,041</b>	<b>16,192,323,571,964</b>
<b>III. LIABILITIES</b>	<b>9,403,705,521,742</b>	<b>9,209,154,023,315</b>
Current liabilities	1,958,423,004,885	5,133,282,922,923
Non-current liabilities	7,445,282,516,857	4,075,871,100,393
<b>IV. OWNERS' EQUITY</b>	<b>7,556,247,255,299</b>	<b>6,983,169,548,649</b>
Capital	7,556,247,255,299	6,983,169,548,649
- <i>Contributed chartered capital</i>	<i>3,726,252,370,000</i>	<i>3,911,498,930,000</i>
- <i>Share premium</i>	<i>1,504,156,231,287</i>	<i>2,377,050,527,544</i>
- <i>Other equity</i>	-	-
- <i>Treasury shares</i>	-	-
- <i>Gain/loss from Assets evaluation</i>	-	-
- <i>Foreign exchange gain/loss</i>	-	-
- <i>Supplementary capital reserve fund</i>	-	-
- <i>Financial reserve fund</i>	<i>1,000,000,000</i>	<i>6,000,000,000</i>
- <i>Undistributed earnings</i>	<i>2,324,838,654,012</i>	<i>688,620,091,105</i>
- <i>Other fund of owners' equity</i>	-	-
- <i>Capital for construction in progress</i>	-	-
Other funds	-	-
- <i>Reward and welfare fund</i>	-	-
- <i>Other fund</i>	-	-
- <i>Fixed assets arising from other fund</i>	-	-
<b>V. Minority Interest</b>	-	-
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>16,959,952,777,041</b>	<b>16,192,323,571,964</b>

## INCOME STATEMENT

Unit: VND

ITEMS	Quarter IV '2011	Quarter IV'2011	Difference	%	9 months of 2011
<b>Gross revenue</b>	<b>268,434,911,694</b>	<b>3,241,907,218,912</b>	<b>(2,973,472,307,218)</b>	<b>-91.72%</b>	<b>1,318,533,588,811</b>
Deductions	-	-	-	-	-
<b>Net revenue</b>	<b>268,434,911,694</b>	<b>3,241,907,218,912</b>	<b>(2,973,472,307,218)</b>	<b>-91.72%</b>	<b>1,318,533,588,811</b>
<b>Costs of goods sold and se</b>	<b>96,833,268,645</b>	<b>739,495,166,183</b>	<b>(642,661,897,538)</b>	<b>-86.91%</b>	<b>512,415,060,267</b>
<b>Gross profit</b>	<b>171,601,643,049</b>	<b>2,502,412,052,729</b>	<b>(2,330,810,409,680)</b>	<b>-93.14%</b>	<b>806,118,528,544</b>
Financial Income	512,596,064,318	<b>443,524,660,648</b>	<b>69,071,403,670</b>	15.57%	1,390,369,523,266
Financial expenses	269,180,132,159	<b>188,818,809,018</b>	<b>80,361,323,141</b>	42.56%	940,873,536,218
- In which: Interest expense	236,823,439,335	<b>109,897,663,659</b>	<b>126,925,775,676</b>	115.49%	849,246,902,711
Selling expenses	16,454,945,086	<b>11,977,978,405</b>	<b>4,476,966,681</b>	37.38%	61,187,763,320
General and administrative c	126,782,142,223	<b>54,437,146,114</b>	<b>72,344,996,109</b>	132.90%	228,784,139,797
<b>Operating profit</b>	<b>271,780,487,899</b>	<b>2,690,702,779,841</b>	<b>(2,418,922,291,942)</b>	<b>-89.90%</b>	<b>965,642,612,475</b>
Other income	23,641,327,928	<b>5,486,313,236</b>	<b>18,155,014,692</b>	330.91%	71,401,637,318
Other expenses	35,091,831,759	<b>161,344,066</b>	<b>34,930,487,693</b>	21649.69%	129,628,281,246
<b>Other profit</b>	<b>(11,450,503,831)</b>	<b>5,324,969,170</b>	<b>(16,775,473,001)</b>	<b>-315.03%</b>	<b>(58,226,643,928)</b>
<b>Share in profits of associa</b>	-	-	-	-	-
<b>Net profit before tax</b>	<b>260,329,984,068</b>	<b>2,696,027,749,011</b>	<b>(2,435,697,764,943)</b>	<b>-90.34%</b>	<b>907,415,968,546</b>
Current corporate income tax	87,769,036,806	<b>586,871,125,632</b>	<b>(499,102,088,826)</b>	-85.04%	238,634,531,453
Deferred corporate income ta	86,809,621,807	602,041,767,704	<b>(515,232,145,897)</b>	-85.58%	224,288,217,009
	959,414,999	-15,170,642,072	<b>16,130,057,071</b>	-106.32%	14,346,314,444
<b>Net profit after tax</b>	<b>172,560,947,262</b>	<b>2,109,156,623,379</b>	<b>(1,936,595,676,117)</b>	<b>-91.82%</b>	<b>668,781,437,093</b>
Net profit after tax of minorit	-	-	-	-	-
<b>Equity holders of the parent</b>	<b>172,560,947,262</b>	<b>2,109,156,623,379</b>	<b>(1,936,595,676,117)</b>	<b>-91.82%</b>	<b>668,781,437,093</b>
Basis earnings per share	465	5,660	-	-	1,801
Dividend per share	-	-	-	-	-

### Explanations for exceed of 10% increase/decrease in the Income Statement's norms between the 2 report periods

- In quarter 4 of 2011, revenue from leasing of investment properties and related service increased 15% compare with last period, revenue from selling of properties significant decreased due to reduced 3,000 billion revenue from sold apartments and offices at Vincom Center Ho Chi Minh in quarter 4 of 2010, COGS decreased in line of revenue.
- Financial income increased mainly due to gain from disposal Sinh Thai's shares and dividend from associates.
- Financial expenses increased because of Vincom centre put into operation so interest expenses do not capitalization.
- Selling expenses increased in quarter 4 due to:
  - + Increasing number of employees and salary level of sale department
  - + To enhance the marketing activities of advertising, promotion, commission in Vincom center to attract customers to the shopping center.
- Admin expenses increased due to increase salary expenses and listing expenses in Singapore.
- Other income increase from customer contract penalty, fixed-assets disposal and other expenses increase due to arising expenses for donation, fixed-assets disposal.

## BASIC FINANCIAL RATIOS

Items	Unit	Prior period	Current period
<b>Asset Structure</b>			
Non-Current asset / Total Asset	%	67.1%	82.2%
Current asset / Total Asset	%	32.9%	17.8%
<b>Equity Structure</b>			
Liabilites / Total equity & Liabilities	%	55.4%	56.9%
Owner equity / Total equity and Liabilities	%	44.6%	43.1%
Minority Interest / Total equity and Liabilities	%		
<b>Liquidity</b>			
Quick ratio	Time	0.84	0.21
Current ratio	Time	3	1
<b>Profitable</b>			
Profit after tax / Total Asset	%	13.8%	4.1%
Profit after tax / Net revenue	%	62.3%	50.7%
Profit after tax / Owner equity	%	31.0%	9.6%

Hanoi, 31 January 2012  
**General Director**   
  
**CÔNG TY  
 CỔ PHẦN  
 VINCOM**  
 Mai Huong Noi

