



Hanoi, 06 April 2012

**REPORT OF THE BOARD OF MANAGEMENT
VINCOM JOINT STOCK COMPANY**

(Re: the issue of the International Convertible Bonds and proposing for approval on share ownership limit applicable to foreign investors in Vietnam to guarantee for the conversion of the International Convertible Bonds and other transactions of the Company)

To: GENERAL SHAREHOLDERS' MEETING OF VINCOM JOINT STOCK COMPANY

1. Results of the issuance of convertible bonds in international market:

On 03 April 2012, Vincom Joint Stock Company (the “**Company**”) completed the issue of the international convertible bonds (the “**Bonds**”) with total principal amount of **US\$185 million** listed on the Singapore Exchange Securities Trading Limited. In addition, subject to the market conditions but no later than 10 May 2012, Credit Suisse (Singapore) Limited, the Sole Bookrunner of the issue of such Bonds, (“**Credit Suisse**”) may directly subscribe the Bonds with a maximum of US\$65 million. As a result, the total principal amount of the Bonds issued may reach US\$250 million.

The terms and conditions of the Bonds as discussed and agreed between the Company and Credit Suisse include the following:

Initial Issue Size:	US\$185 million
Upsize Option:	Up to US\$65 million, exercisable by the Sole Bookrunner and expiring 30 days after the Closing Date
Form of issue:	International convertible bonds
Term:	5 Years
Maturity:	03 April 2017
Status:	Unsubordinated and unsecured
Denomination:	US\$100,000/Bond
Quantity:	1,850 – 2,500 Bonds
Coupon:	5.0% per annum and to be paid on a semi-annual basis
Use of proceeds:	The net proceeds will be used for purposes stated in the Plan for issuing the International Convertible Bonds approved by the General Shareholders' Meeting of the Company in the Resolution No. 01/2012/NQ-DHDCD-VINCOM JSC dated 22 March 2012
Conversion Rights:	Bondholders may convert their Bonds into Shares during the Conversion Period at the Conversion Price in effect at the Conversion Date. The Shares which the Bondholder will receive

upon conversion of his Bonds will be listed and traded on the Ho Chi Minh City Stock Exchange

Initial Conversion Price: VND112,200 per Share

Initial Conversion Ratio: 18,627.5 Shares per Bond at the Initial Conversion Price

Adjustment to Conversion Price: The Conversion Price will be adjusted due to certain events including: subdivision, consolidation or reclassification of shares, issue of shares by way of capitalisation of profits or reserves, options or warrant issues, dividend distributions, issuance of shares or shares by way of rights below 95% of current market price and other standard dilutive events

Conversion Period: Convertible at any time, on or after the date which is 41 days after the later of the Closing Date and the date of issue of any Bonds pursuant to the Upsize Option until the close of business on the date which falls 10 business days prior to Maturity, unless previously redeemed, converted or purchased and cancelled

Put Option: Bondholders have the option to require Vincom to redeem the Bonds on 3 April 2014 at 104.21% of their principal amount together with accrued but unpaid interest

Call Option: Vincom has the option to redeem the Bonds after 2 years if the Vincom share price reaches a specific level in accordance with the terms and conditions of the bonds.

2. Proposal for maintaining the shareholding ownership limit of foreign investors at the ratio of 21.6% for the purpose of the convertible bonds and the offer and listing of Shares on Singapore Exchange Securities Trading limited:

Pursuant to applicable provisions of Vietnamese laws, foreign investors are allowed to own up to 49% of the shares of any public company similar to the Company. In the issue of the International Convertible Bonds 2009 with total amount of US\$100,000,000, the Company obtained approval from the State Securities Commission of Vietnam, which allows the Company to reserve 20% of the total issued shares of the Company within the foreign ownership limit for the purpose of issuing shares to bondholders upon their exercise of conversion rights to convert any Bond into Shares. To date, all of International Convertible Bonds 2009 were converted into shares of the Company or redeemed by the Company.

Under the provisions of the Bond Subscription Agreement with Credit Suisse, the Company undertakes to issue sufficient quantity of shares required for the conversion of the outstanding Bonds from time to time, and approve this matter at the Annual General Shareholders' Meeting until all Bonds are redeemed or converted.

As reported in section 1, total maximum principal amount of the Bonds to be issued may reach US\$250 million, and all Bondholders are foreign financial institutes and/or investors. Therefore, for the purpose of conversion of the Bonds, the Company has calculated and

expected that total number of required shares to be issued is **58,210,785** shares. Moreover, the Company also has plan for issuing and offering the ordinary shares offshore, and listing these shares on the Singapore Exchange Securities Trading Limited (as approved by the General Shareholders' Meeting in the Resolution No. 10/2010/NQ-DHDCD-VINCOM JSC dated 29 December 2010 and Resolution No. 01/2011/NQ-DHDCD-VINCOM JSC dated 26 February 2011) when the financial market shows signs of recovery, with total expected proceeds of US\$300 million. As per the approval addressed to the Company, total number of shares to be issued and listed on the Singapore Exchange Securities Trading Limited is **93,000,000** shares.

From the aforesaid analyses, the Company shall need to reserve a maximum of **151,210,785** shares for the purpose of: (i) conversion of all Bonds that may possibly be issued; (ii) issue, offering and listing of ordinary shares on the Singapore Exchange Securities Trading Limited. Such shares shall represent 21.6% of the total issued shares of the Company upon the additional issue. Therefore, the Board of Management would like to seek approval from the General Shareholders' Meeting to reserve 21.6% of the total issued shares of the Company within the foreign ownership limit.

Thank you!

To:

- *As stated above;*
- *Office for record;*

**ON BEHALF OF THE BOARD OF
MANAGEMENT
VINCOM JOINT STOCK COMPANY
CHAIRMAN
(signed)**

Pham Nhat Vuong

Note: This document is subject to amendments and supplements and shall be submitted to the General Shareholders for their consideration and final decision at the Meeting.