

Consolidated Financial Statement
For Quarter 2 - 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.

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THE BOARD OF MANAGEMENT AND BOARD OF DIRECTOR

The members of the Board of Management and board of director during the period and at the date of this report are:

Board of Management

Mr	Le Khac Hiep	Chairman
Mr	Pham Nhat Vuong	Member
Mrs	Pham Thuy Hang	Member
Mrs	Nguyen Dieu Linh	Member
Mr	Roy Chung Yee Ling	Member
Mrs	Mai Huong Noi	Member

Board of Director

Mrs	Mai Huong Noi	General Director
Mrs	Nguyen Dieu Linh	Vice General Director
Mr	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 and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the quarter 2 -2011

Confirmation of Board of Director


The Company's management is responsible for the consolidated financial statements of each financial period which give a true and fair view of the consolidated state of affairs of the Group and of its consolidated results and consolidated cash flows for the period. In preparing those consolidated 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 consolidated financial statements; and;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business

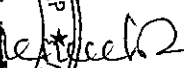
Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Group and to ensure that the accounting records comply with the Vietnam registered accounting system and accounting standard.

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

We hereby approve the accompanying consolidated financial statements which give a true and fair view of the consolidated financial position of the Group as at 30 June 2011 and the consolidated results of its operations for quarter 2 of 2011 and consolidated cash flows in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.

On behalf of the Board of Management 




Mai Hương Noi - General Director

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

Unit: VND

ASSETS	Code	Note	30/06/2011	01/01/2011
A. CURRENT ASSETS	100		16,230,546,661,392	13,326,421,549,479
I. Cash and cash equivalents	110	V.1	191,691,290,275	1,515,008,976,492
Cash	111		58,184,989,214	821,683,976,492
Cash equivalents	112		133,506,301,061	693,325,000,000
II. Short-term investments	120	V.2	4,910,910,548,231	3,818,932,304,721
Short-term investments	121		4,923,834,260,231	3,829,174,790,221
Provision for short-term investments	129		(12,923,712,000)	(10,242,485,500)
III. Current receivables	130		5,047,722,954,816	5,663,564,994,753
Trade receivables	131		1,003,736,014,130	2,605,627,558,066
Advances to suppliers	132	V.3	1,854,801,479,274	1,638,208,034,996
Receivables from related parties	133	V.23	718,713,836,284	1,057,520,388,255
Other receivables	135	V.4	1,470,500,023,128	375,163,105,605
Provision for bad debts	139		(28,398,000)	(12,954,092,169)
IV. Inventories	140	V.5	5,967,727,137,298	2,264,169,759,164
Inventories	141		5,992,545,559,105	2,264,169,759,164
Provision for obsolete inventories	149		(24,818,421,807)	-
V. Other current assets	150		112,494,730,772	64,745,514,349
Short-term prepaid expenses	151		37,411,985,892	19,623,595,664
Value added tax deductibles	152		67,486,696,552	42,648,048,678
Other current assets	158	V.6	7,596,048,328	2,473,870,007
B. NON-CURRENT ASSETS	200		13,092,568,659,364	12,820,427,697,942
I. Non - Current receivables	210		-	-
Longterm trade receivables	211		-	-
LT receivables from related parties	213		-	-
Long-term other receivables	218		-	-
Provision for bad debts	219		-	-
II. Fixed assets	220		4,477,955,658,770	4,714,385,852,466
Tangible fixed assets	221	V.7	77,935,923,271	163,686,218,038
- Cost	222		99,502,348,737	192,230,352,378
- Accumulated depreciation	223		(21,566,425,466)	(28,544,134,340)
Lease assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
Intangible fixed assets	227	V.8	170,051,433,227	179,542,613,642
- Cost	228		191,061,842,707	196,744,083,572
- Accumulated depreciation	229		(21,010,409,480)	(17,201,469,930)
Construction in progress	230	V.9	4,229,968,302,272	4,371,157,020,787
III. Investment properties	240	V.10	3,620,452,346,732	3,646,743,623,933
- Cost	241		3,788,774,225,739	3,763,420,137,800
- Accumulated depreciation	242		(168,321,879,007)	(116,676,513,867)
IV. Long-term investments	250		3,974,674,960,672	3,855,099,377,861
Investments in subsidiary	251	V.11	0	0
Investments in associates, jointly controlled entiti	252	V.12	3,351,544,036,906	3,295,920,940,246

Other long-term investments	258	V.13	623,130,923,766	560,540,964,826
Provision for long-term investments	259		-	(1,362,527,211)
V. Other long-term assets	260		540,943,697,087	361,322,428,998
Long-term prepaid expenses	261	V.14	524,048,322,837	345,089,220,601
Deferred tax assets	262		6,378,109,249	14,586,915,040
Other long-term assets	268	V.15	10,517,265,001	1,646,293,357
Goodwill	269	V.14	478,541,996,103	242,876,414,681
TOTAL ASSETS	270		29,323,115,320,756	26,146,849,247,419

CONSOLIDATED BALANCE SHEET

As at 30 June 2011

RESOURCES	Code	Note	30/06/2011	01/01/2011
A. LIABILITIES	300		20,153,193,951,932	16,593,209,101,230
I. Current liabilities	310		11,377,171,983,169	5,250,152,133,873
Short-term loans	311	V.16	380,871,663,107	294,320,590,034
Trade payables	312		67,067,950,862	112,761,461,723
Advances from customers	313		4,656,493,867,019	928,881,875,811
Statutory obligations	314	V.17	220,513,570,538	1,006,650,631,435
Payables to employees	315		12,704,960,456	12,547,094,121
Accrued expenses	316	V.18	430,751,733,395	534,532,161,924
Payables to related parties	317	V.23	248,830,030,051	13,036,801,679
Payables from construction contract	318		-	-
Other payables	319	V.19	5,359,938,207,742	2,347,421,517,146
II. Non-current liabilities	330		8,776,021,968,763	11,343,056,967,357
Longterm trade payables	331		-	-
Longterm payables to related parties	332		-	-
Other long-term liabilities	333	V.20	236,413,924,773	132,880,063,891
Long-term loans	334	V.21	8,518,731,540,719	11,190,346,230,241
Deferred tax liabilities	335		18,596,900,945	17,618,148,945
Provision for severance allowance	336		2,279,602,326	2,212,524,280
B. OWNERS' EQUITY	400		6,029,303,457,326	6,842,651,283,995
I. Capital	410	V.22	6,029,303,457,326	6,842,651,283,995
Contributed chartered capital	411		3,911,498,930,000	3,726,252,370,000
Share premium	412		2,395,153,738,480	1,522,259,442,223
Other equity	413		-	-
Treasury shares	414		(720,199,415,988)	(720,199,415,988)
Foreign exchange gain/loss	416		-	-
Supplementary capital reserve fund	417		-	1,762,837,618
Financial reserve fund	418		7,845,114,930	2,762,837,618
Other fund of owners' equity	419		-	-
Undistributed earnings	420		435,005,089,904	2,309,813,212,524
Capital for construction in progress	421		-	-
II. Other fund	430		-	-
Reward and welfare fund	431		-	-
Other fund	432		-	-
Fixed assets arising from other fund	433		-	-
C. MINORITY INTEREST	490		3,140,617,911,498	2,710,988,862,194
TOTAL LIABILITIES AND OWNERS' EQUITY	440		29,323,115,320,756	26,146,849,247,419

As at 30 June 2011

ITEMS	Code	Note	30/06/2011	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

General Director



Mai Hương Nối

CONSOLIDATED INCOME STATEMENT

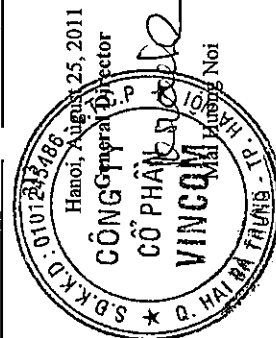
Year 2011

Unit: VND

Item	Code	Note	Year 2011	Year 2010	Quarter II '2011	Quarter II '2010
Revenue from sale of goods and rendering of serv	01	VI.1	860,047,346,360	287,632,782,214	386,090,094,150	183,273,552,648
Deductions	02	VI.1				
Net revenue from sale of goods and rendering of services	10	VI.1	860,047,346,360	287,632,782,214	386,090,094,150	183,273,552,648
Costs of goods sold and services rendered	11	VI.2	305,577,510,571	82,998,131,694	151,961,412,883	56,102,936,201
Costs of goods sold and services rendered	20		554,469,835,789	204,634,650,520	234,128,681,266	127,170,616,447
Financial Income	21	VI.3	586,800,666,239	482,485,061,295	384,165,736,677	304,499,955,603
Financial expenses	22	VI.4	432,355,155,256	455,095,060,537	136,705,802,979	303,749,224,018
- In which: Interest expenses	23					
Selling expenses	24	VI.5	51,870,556,742	8,851,159,734	33,766,589,909	1,771,453,475
General and administrative expenses	25	VI.5	92,997,547,877	80,054,523,723	46,516,810,435	41,666,651,187
Operating profit	30		564,047,242,153	143,118,967,821	401,305,214,621	84,483,243,371
Other income	31	VI.6	76,361,022,706	69,685,135,180	37,696,411,596	5,347,279,999
Other expenses	32	VI.7	103,778,708,340	65,048,831,912	41,835,709,354	6,382,059,840
Other profit	40		(27,417,685,634)	4,636,303,268	(4,139,297,757)	-1,034,779,841
Share in profits of associates	45		74,688,050,227	(18,486,605,814)	37,788,928,489	(10,488,235,321)
Net profit before tax	50		611,317,606,746	129,268,665,275	434,954,845,353	72,960,228,209
Current corporate income tax expense	51	VI.8	140,509,333,813	16,951,449,481	93,762,832,797	-1,143,033,709
Deferred corporate income tax expense	52	VI.8	9,187,557,791	23,145,374,496	9,771,284,822	23,145,374,496
Net profit after tax	60		461,620,715,142	89,171,841,298	331,420,727,733	50,957,887,421
Net profit after tax of minority interests	61		112,270,671,185	-16,498,199,469	78,703,668,136	-21,385,517,280
Equity holders of the parent	62		349,350,043,957	105,670,040,767	252,717,059,597	72,343,404,701
Basis earnings per share	70	VI.9	951		688	214

Chief Accountant


Nguyen Thi Thu Hien



CONSOLIDATED CASH FLOW STATEMENT

Year 2011

Đơn vị tính: VND

ITEMS	Note	Year 2011	Year 2010
I. CASH FLOWS FROM OPERATING ACTIVITIES		1,416,769,538,556	(911,120,015,064)
1. Net profit before tax		611,317,606,746	129,268,665,275
2. Adjustments for		-	-
Depreciation and amortisation		64,006,229,717	26,367,400,940
Provision for decline in value of investments		26,137,121,096	(123,134,151,409)
(Gain) loss on disposal of assets		4,745,316,859	(1,993,381,955)
Unrealised foreign exchange losses		14,573,890,147	43,342,282,135
Gain from disposal of investments		(204,781,365,647)	43,187,913,129
Share of gain/loss in associates		(74,688,050,227)	18,486,605,814
Interest expenses		384,923,121,959	282,704,163,302
Interest and dividend income		(369,299,233,272)	(269,207,150,194)
Goodwill amortization		13,552,730,052	5,158,461,972
3. Operating income before changes in working capital		470,487,367,430	154,180,809,009
Decrease/(increase) in receivables		505,564,237,840	(670,049,782,663)
Decrease/(increase) in inventories		(2,449,717,876,609)	13,789,668,767
Increase in payables		4,774,768,947,861	238,025,861,177
Decrease/(Increase) in prepaid expenses		(368,969,242,989)	(11,767,052,648)
Enterprise income tax paid		(755,478,455,227)	(34,122,257,569)
Interest paid		(721,053,641,909)	(579,827,065,006)
Other cash inflows/(outflow) from operating activities		(38,831,797,841)	(21,350,196,131)
II. CASH FLOWS FROM INVESTING ACTIVITIES		(1,409,494,273,544)	(1,514,672,017,956)
Purchase and construction of fixed assets and other long-term assets		(1,228,690,781,041)	(2,348,342,862,301)
Proceeds from disposals of investment in other entities		482,140,360,991	-
Proceeds from disposals of equity investments in subsidiary		76,084,909,997	420,397,979,087
Proceeds from disposals of assets		57,287,524,791	66,016,515,959
Loans provided to related parties and other		(52,000,000,000)	(670,627,846,772)
Collection of loans provided to related parties and other		506,009,943,518	739,215,150,810
Payments for equity investments in other entities		(316,342,800,000)	(157,384,415,397)
Acquisition of subsidiaries, net of cash acquired		-	(304,750,154,589)
Acquisition of additional shares in subsidiary		(215,000,000,000)	-
Interest received and dividend		174,841,568,200	290,803,615,247
Short-term deposit for interest gain		(903,825,000,000)	(600,000,000,000)
Redemption of short-term deposit for interest gain		10,000,000,000	1,050,000,000,000
III. CASH FLOWS FROM FINANCING ACTIVITIES		(1,330,592,951,229)	1,956,664,719,398
Proceeds from issuance of ordinary shares		-	377,217,354,500
Proceeds from bond issuance and borrowings		525,120,000,000	1,998,322,529,982
Payments for treasury shares		-	-
Loan repayment		(2,016,770,604,071)	(764,903,988,640)
Dividend paid to owner		-	-
Capital contribution from minority shareholders		161,057,652,842	346,028,823,556
Net cash increase/(decrease)		(1,323,317,686,217)	(469,127,313,622)
Cash and cash equivalents at the beginning of the period		1,515,008,976,492	1,426,939,327,932
Impact of exchange rate fluctuation		-	-
Cash and cash equivalents at the end of the period		191,691,290,275	957,812,014,310

Chief Accountant


Nguyen Thi Thu Hien



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 2 - 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:

Bussiness licence	Date of amended
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 14 January 2011.
0101245486 - 27th amended business certificate	Dated 19 January 2011.
0101245486 - 28th amended business certificate	Dated 25 January 2011.
0101245486 - 29th amended business certificate	Dated 03 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.

Bussiness 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 800,000,000,000 dong. □

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 dong in accordance with the 15th amended business licence.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- ' The company's chartered capital was increased to 3,880,520,210,000 Vietnamese dong in accordance with the 34th amended business licence.
- ' The company's chartered capital was increased to 3,895,540,200,000 Vietnamese dong in accordance with the 35th amended business licence.
- ' The company's chartered capital was increased to 3,895,853,110,000 Vietnamese dong in accordance with the 36th amended business licence.
- ' The company's chartered capital was increased to 3,911,498,930,000 Vietnamese dong in accordance with the 37th 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 was transformed into a joint stock company in accordance with Business License No. 0103025765 issued by Hanoi Department of Planning and Investment on 17 September 2008, with a registered chartered capital of VND 600 billion.

PFV's principal business activities are to construct and provide retail outlets, commercial offices for lease and high-end apartment units for sale. PFV's registered office is on the 11th floor, Vincom City Towers, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam. As at 30 June 2011, the Company holds 74.41% voting rights in this subsidiary.

Royal City Real Estate Development & Investment Joint Stock Company ("Royal City")

- ' Royal City is a joint stock company established in accordance with Investment Certificate No. 0103038194 dated 11 June 2009, and the 2nd Amended Investment Certificate No. 0103970225 dated 8 July 2010, with a registered chartered capital of VND3,200 billion. The registered office address of this company is at 74 Nguyen Trai, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam.

- ' Royal City's principal business activities are to trade real estate properties, perform civil work, provide hospitality and entertainment services and conduct other businesses as stipulated in its business license. As at 30 June 2011, the Company holds 51.98% voting rights in this subsidiary.

Hai Phong Land Development and Investment Joint Stock Company ("Hai Phong Land JSC")

Hai Phong Land JSC is a joint stock company established in accordance with Business License No. 0203000675 dated 5 January 2004, and the 7th amendment on 2 June 2008, with a registered chartered capital of VND300 billion. The registered office address of this company is at 4 Le Thanh Tong Street, May To Ward, Ngo Quyen District, Hai Phong City, Vietnam.

Hai Phong Land JSC was granted with a land area of 9,125 square meters in accordance with Land Use Rights Certificate No.T00498 issued by the Hai Phong People's Committee on 23 January 2008 at 4 Le Thanh Tong Street, May To Ward, Ngo Quyen District, Hai Phong City for the development of an office and apartment building complex. As at 30 June 2011, the Company directly and indirectly holds 90% voting rights in this subsidiary.

Sai Dong Urban Development & Investment Joint Stock Company ("Sai Dong Land")

Sai Dong Land is a joint stock company established in accordance with Investment Certificate No. 0103040736 dated 17 September 2009, with a registered chartered capital of VND500 billion. Its principal business activities are to trade real estate properties, construct buildings and civil works, and provide hospitality, entertainment, sauna, massage and advertising services. As at 30 June 2011, the Company holds 61% voting rights in this subsidiary.

Viettronics Land Company Limited ("Viettronics Land")

Viettronics Land is a two-member limited liability company established in accordance with Business License No. 0102042441 issued by Hanoi Department of Planning and Investment on 25 September 2009, with a registered chartered capital of VND300 billion. Its principal business activities are to trade real estate properties, construct buildings and perform civil works, and provide hospitality, entertainment, sauna, massage and advertising services. As at 30 June 2011, the Company holds 84% voting rights in this subsidiary.

Hanoi Southern City Development JSC ("Hanoi South")

Hanoi South, previously known as BIDV-PP JSC, is a joint stock company established in accordance with Business License No. 0103022741 issued by Hanoi Department of Planning and Investment on 6 March 2008, with a registered chartered capital of VND 300 billion. In accordance with the 8th Amended Investment Licence dated 5 August 2010, Hanoi South increased its registered chartered capital to VND 2,000 billion. As at 30 June 2011, the Company directly and indirectly holds 51.95% voting rights in this subsidiary.

Ho Tay Real Estate Development and Investment Joint Stock Company ("Ho Tay")

Ho Tay is a joint stock company established in accordance with Business License No. 0104883913 issued by Hanoi Department of Planning and Investment on 25 August 2010, with a registered chartered capital of VND 50 billion. Its principal business activities are to trade real estate properties, construct buildings and railway, road, public projects and provide hospitality, entertainment, sauna, massage and advertising services. As at 30 June 2011, the Company 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 Group and its subsidiaries apply the Vietnamese accounting standards issued in accordance with the Decision 15/2006/QĐ-BTC dated 20/03/2006 of the Ministry of Finance.

2 . Basis of consolidation

The financial statements are stated at costs.

The consolidated financial statements comprise the financial statements of Vincom Joint Stock Company (the parent company) and its subsidiaries. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All necessary adjustments have been made to correct the differences of the accounting policies, if any, applied in its subsidiaries.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full. Unrealised losses are eliminated in full when there's evidence in the transferred assets's declining value.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases. The control exists when the company has the direct or indirect involvement in making the subsidiaries's financial policies and their business operation in order to receive the benefits from these activities.

Minority interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the interim consolidated income statement and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

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

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts 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 income statement.

3 . Inventories

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction;
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and less costs to completion and the estimated costs of sale.

The cost of inventory recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the inventory property sold.

Other inventories

Inventories are carried at the lower of cost incurred in bringing each product to its present location and condition and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record the costs of inventories, in which construction materials are valued at the cost of purchase, on a first in first out basis.

An inventories provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

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.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred. When intangible fixed assets are sold or retired, their costs and accumulated amortisation 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:

Buildings and structures:	25 years
Machinery and equipment:	3 to 6 years
Motor vehicles:	3 to 10 years
Office equipment:	3 to 5 years
Others:	4 years
Land rental rights:	20 years
Computer software:	3 years
No amortisation is charged on land use rights with indefinite terms.	

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 Group.

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	46 - 48	years
- Buildings	45 - 47	years
- Other assets	9 - 10	years

Land use rights presented as investment properties include definite land use rights granted to the Group for the development of its investment properties. Such definite land use rights are amortised over the use term.

Land use rights presented as investment properties also include indefinite land use rights granted to the Group for the development of its investment properties. Such indefinite land use rights are not amortised.

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 consolidated 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. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

6 . Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10 year period.

Property acquisitions and business combinations

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of ancillary services provided by the subsidiary (e.g., maintenance, cleaning, security, bookkeeping, hotel services, etc.). The significance of any process is judged with reference to the guidance in VAS 5 about ancillary services.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

Changes in ownership interest in subsidiaries without loss of control

When the Company acquires a minority interest in an existing subsidiary, the difference between the consideration paid and the carrying value of net assets acquired is presented as goodwill in the consolidated balance sheet.

Where there is a partial disposal of ownership interest in an existing subsidiary without loss of control, a gain or loss is recognised in the consolidated income statement at the difference of the consideration received and the carrying value of net assets disposed.

7 . Investment in associates

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that are neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Company's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment and is amortized over a 10 year period. The consolidated income statement reflects the share of the results of operation of the associate.

The financial statements of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

8 . Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the marketable investments at the balance sheet date representing the excess of the acquisition cost over the market value at that date in accordance with the guidance under circular 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Increases and decreases to the provision balance are recorded as finance expense in the consolidated income statement.

9 . Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year 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 that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

10 . 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.

11 . Payable and Accrual

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

12 . Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting period for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Commencing 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Any changes to the accrued amount will be taken to the consolidated income statement.

13 . Foreign currency transactions

Transactions in currencies other than the Group'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 translated at inter-bank exchange rates ruling at the consolidated balance sheet date. All realised and unrealised foreign exchange differences are taken to the consolidated income statement.

14 . Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the consolidated income statement upon purchase, sale, issue or cancellation of the Group's own equity instruments.

15 . Appropriation of net profits

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the consolidated income statement upon purchase, sale, issue or cancellation of the Group's own equity instruments.

16 . Minority interest

Minority interest include the net profit from the business operation and net assets of the subsidiaries allocated to the Group's non-controlling shares.

17 . Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of inventory property

Revenue from sale of inventory property is recognised when the significant risks and rewards of ownership of the properties have passed 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.

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

18 . Taxation

Current tax

Current income tax assets and liabilities for the current and prior years 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 sheet date.

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

Current income 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 the Group intends to settle its current tax assets and liabilities on a net basis.

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 year 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.

19 . 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

	30/06/2011	01/01/2011
Cash	58,476,826,275	821,683,976,492
Cash equivalents	133,214,464,000	693,325,000,000
Total	191,691,290,275	1,515,008,976,492

2 . SHORT-TERM INVESTMENTS

	30/06/2011	01/01/2011
Loans to related parties	302,410,000,000	502,410,000,000
Other loans	1,363,133,684,351	1,404,009,943,518
Short-term deposits	2,403,825,000,000	1,600,000,000,000
Short term investment in securities	854,465,575,880	322,754,846,703
Provision for short-term investment	(12,923,712,000)	(10,242,485,500)
Total	4,910,910,548,231	3,818,932,304,721

3 . ADVANCES TO SUPPLIERS

	30/06/2011	01/01/2011
Advances to suppliers	1,854,801,479,274	1,638,208,034,996
Total	1,854,801,479,274	1,638,208,034,996

4 . OTHER RECEIVABLES

	30/06/2011	01/01/2011
Interest receivable from term deposit & loans to others	356,274,863,243	278,312,742,765
Receivables from transfer of shares in subsidiaries, associates and other equity inve	255,200,000,000	83,000,000,000
Other receivables	859,025,159,885	13,850,362,840
Total	1,470,500,023,128	375,163,105,605

5 . INVENTORIES

	30/06/2011	01/01/2011
Other materials	202,802,807	72,954,047
Tools and supplies	1,179,253,693	695,596,625
Completed residential properties	160,515,905,024	209,754,922,968
Residential properties under construction	5,830,647,597,581	2,053,646,285,524
Provision	(24,818,421,807)	-
Total	5,967,727,137,298	2,264,169,759,164

6 . OTHER CURRENT ASSETS

	30/06/2011	01/01/2011
Advances to employees	7,485,902,893	1,314,823,257
Other receivables	110,145,435	1,159,046,750
Total	7,596,048,328	2,473,870,007

7 . TANGIBLE FIXED ASSETS

Items	Buildings & structures	Machinery & equipment	Motor vehicles	Office equipment and others	Total
Cost					
Beginning balance	85,676,322,606	55,069,330,881	16,256,854,650	35,227,844,241	192,230,352,378
Additions	780,162,433	28,276,005,077	4,812,185,200	3,001,212,110	36,869,564,820
Decreases	(77,316,764,173)	(41,054,772,973)	(2,394,046,806)	(8,831,984,509)	(129,597,568,461)
Ending balance	9,139,720,866	42,290,562,985	18,674,993,044	29,397,071,842	99,502,348,737
Accumulated depreciation					
Beginning balance	878,787,881	8,967,970,916	6,445,544,566	12,251,830,977	28,544,134,340
Depreciation	649,836,284	2,505,776,053	1,117,894,314	2,243,583,803	6,517,090,455
Deductions	(1,303,822,296)	(7,556,200,482)	(134,242,055)	(4,500,534,497)	(13,494,799,330)
Ending balance	224,801,869	3,917,546,487	7,429,196,825	9,994,880,283	21,566,425,466
Net carrying amount					
Beginning balance	84,797,534,725	46,101,359,965	9,811,310,084	22,976,013,264	163,686,218,038
Ending balance	8,914,918,996	38,373,016,498	11,245,796,219	19,402,191,559	77,935,923,271

8 . INTANGIBLE FIXED ASSETS

Items	Land use rights & others	Computer software	Trade mark	Total
Cost				
Beginning balance	184,938,875,055	11,805,208,517		196,744,083,572
Newly purchased		238,344,113		238,344,113
Decreases	-	(5,920,584,978)		(5,920,584,978)
Ending balance	184,938,875,055	6,122,967,652		191,061,842,707
Accumulated depreciation				
Beginning balance	13,233,370,276	3,968,099,654		17,201,469,930
Depreciation	4,608,950,525	852,264,520		5,461,215,046
Deductions		-1,652,275,495		(1,652,275,495)
Ending balance	17,842,320,801	3,168,088,679		21,010,409,480
Net carrying amount				
Beginning balance	171,705,504,779	7,837,108,863		179,542,613,642
Ending balance	167,096,554,254	2,954,878,973		170,051,433,227

9 . CONSTRUCTION IN PROGRESS

	30/06/2011	01/01/2011
Eden Project	1,878,905,110,584	1,449,372,526,342
Xavinco Project		103,104,833,409
Royal city project	1,007,414,069,429	878,757,821,734
Times city project	490,892,559,647	447,282,464,580
Vincom village Project	659,015,620,509	1,407,650,122,496
Vincom Hai Phong Plaza project	10,911,175,507	10,159,485,630
Viettronics Project	138,250,000,000	30,250,000,000
Yen Phu - Ha Tay Project	1,420,144,690	1,420,144,690
Ho Tay project	42,043,914,545	42,043,914,545
Other projects	1,115,707,361	1,115,707,361
Total	4,229,968,302,272	4,371,157,020,787

10 . INVESTMENT PROPERTIES

Items	Land use rights	Buildings & structures	Machinery & equipment	Total
Cost				
Beginning balance	1,215,844,638,656	2,220,065,284,736	327,510,214,408	3,763,420,137,800
Newly purchased		28,630,884,759	8,512,248,912	37,143,133,670
Deductions	(42,282,047)	-9,182,443,117	(2,564,320,567)	(11,789,045,731)
Ending balance	1,215,802,356,609	2,239,513,726,378	333,458,142,753	3,788,774,225,739
Accumulated depreciation				
Beginning balance	13,278,334,483	41,120,736,365	62,277,443,019	116,676,513,867
Depreciation	11,680,764,990	23,418,810,509	16,928,348,716	52,027,924,216
Deductions	(519,540)		(382,039,536)	(382,559,076)
Ending balance	24,958,579,934	64,539,546,874	78,823,752,199	168,321,879,007
Net carrying amount				
Beginning balance	1,202,566,304,173	2,178,944,548,371	265,232,771,389	3,646,743,623,933
Ending balance	1,190,843,776,675	2,174,974,179,504	254,634,390,554	3,620,452,346,732

11 . INVESTMENT IN SUBSIDIARY

	30/06/2011	01/01/2011
Total		

12 . INVESTMENT INTO ASSOCIATES AND JOINTLY CONTROLLED OPERATIONS

	30/06/2011	01/01/2011
Vietnam Tourism Joint Stock Company in Ho Chi Minh City	39,268,800,779	39,986,952,728
Foreign Trade Concrete Company Limited	12,927,368,489	12,174,457,006
Vinpearl Hoi An Tourism - Investment Joint Stock Company		138,493,440,538
Green City development and investment JSC	810,708,623,351	485,708,545,468
Ecology Developing and Investment JSC	2,470,795,168,855	2,602,053,973,281
Thang Long Real Estate Trading Investment JSC	17,844,075,432	17,503,571,225
Total	3,351,544,036,906	3,295,920,940,246

13 . OTHER LONG-TERM INVESTMENTS

	30/06/2011	01/01/2011
Advance for Hoang Cau project	5,320,856,363	5,320,856,363
Investment in Thanh Nien Media	12,400,000,000	12,400,000,000
Advance for Nguyen Van Huyen project	54,000,000,000	54,000,000,000
Investment in Dong Da Electronic JSC	42,820,138,903	26,460,980,000
Longterm loan to Hanoi Electronics Corporation	150,000,000,000	150,000,000,000
Longterm loan to Mai Son Company	56,296,241,673	81,323,178,567
Longterm loan to Global Link	25,843,817,456	51,687,634,911
Longterm loan to Thai Kieu	69,959,930,966	175,713,314,985
Investment in Xavinco	2,854,938,405	
Investment in Tay Tang Long Company	635,000,000	635,000,000
Investment in 8/3 Company (South HN)	3,000,000,000	3,000,000,000
Advance for purchase share in Royal	200,000,000,000	
Total	623,130,923,766	560,540,964,826

14 . LONG-TERM PREPAID EXPENSES

	30/06/2011	01/01/2011
Bond issuance costs	54,368,909,649	129,629,614,106
Prepaid land rental	110,961,399,346	112,182,784,078
Expenses for sample apartment	17,271,659,198	9,197,529,673
Commision fees	258,420,689,168	51,888,789,681
Provisional CIT for downpayment	74,403,020,957	18,549,500,165
Other long-term prepaid expenses	8,622,644,520	23,641,002,898
Total longterm prepaid expenses	524,048,322,837	345,089,220,601
Goodwill arising from acquisition PFV JSC	77,144,696,412	87,430,655,934
Accumulated goodwill amortisation	(5,142,979,761)	(10,285,959,522)
Goodwill arising from acquisition Vincom security JSC	263,197,592	294,162,014
Accumulated goodwill amortisation	(5,160,737)	(30,964,422)
Decrease when disposal VSC		
Goodwill arising from acquisition Hanoi South	165,468,520,678	166,599,625,220
Accumulated goodwill amortisation	(8,273,426,034)	(1,131,104,543)
Goodwill arising from acquisition Sai Dong	159,582,283,491	
Accumulated goodwill amortisation	(131,163,521)	
Goodwill arising from acquisition Viettronics Land	89,894,064,838	
Total goodwill	478,800,032,957	242,876,414,681

15 . OTHER NON-CURRENT ASSETS

	30/06/2011	01/01/2011
Other non - current assets	10,517,265,001	1,646,293,357
Total	10,517,265,001	1,646,293,357

16 . SHORT-TERM LOANS

	30/06/2011	01/01/2011
Short-term loans from Dai A bank	94,200,000,000	94,200,000,000
Current portion of long-term loans and debts from BIDV	279,671,663,107	171,754,090,034
Other short-term loans	7,000,000,000	28,366,500,000
Total	380,871,663,107	294,320,590,034

17 . STATUTORY OBLIGATIONS

	30/06/2011	01/01/2011
Value added tax payable	80,125,421,061	309,987,174,932
Personal income tax	2,251,541,364	975,459,959
Enterprise income tax	138,088,309,624	695,553,737,318
Others	48,298,488	134,259,226
Total	220,513,570,538	1,006,650,631,435

18 . ACCRUED EXPENSES

	30/06/2011	01/01/2011
Accrued bond and loan interests	333,286,806,614	370,150,759,148
Accrual for construction costs	68,106,266,105	122,508,534,020
Other accrued expenses	29,358,660,676	41,872,868,756
Total	430,751,733,395	534,532,161,924

19 . OTHER PAYABLES

	30/06/2011	01/01/2011
Social insurance payable	2,762,939,095	654,499,688
Deferred revenue to be realised within the next 12 months	15,910,525,525	26,857,741,555
Deposits from tenants to be refunded within the next 12 months	28,750,452,833	13,523,430,617
Downpayment from customers	2,884,595,637,885	2,173,722,817,202
Payable from acquisition of shares	155,000,000,000	90,000,000,000
Maintainance fund (PFV)	32,799,865,021	32,509,700,339
Interest payable	1,821,199,999	
Dividend payable to shareholders	2,217,313,051,647	
Other short-term payables	20,984,535,736	10,153,327,745
Total	5,359,938,207,742	2,347,421,517,146

20 . OTHER LONG-TERM LIABILITIES

	30/06/2011	01/01/2011
Deferred revenue	17,403,954,348	28,407,969,180
Deferred revenue to be realised within the next 12 months	(15,910,525,526)	(26,857,741,555)
Deposits from tenants	263,670,948,784	144,852,818,383
Deposits from tenants to be refunded within the next 12 months	(28,750,452,833)	(13,523,430,617)
Other longterm liabilities	-	448,500
Total	236,413,924,773	132,880,063,891

21 . LONG-TERM LOANS

	30/06/2011	01/01/2011
Corporate bonds	5,650,000,000,000	6,772,667,600,000
Loans from banks	2,868,731,540,719	4,417,678,630,241
Total	8,518,731,540,719	11,190,346,230,241

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 1,000,000,000,000 Vietnamese dong, to be expired on 22 October 2012 and bearing interest rate of 10,3% p.a.

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

+ 3rd Bonds with the carrying value of 1,000,000,000,000 Vietnamese dong, to be expired on 18 December 2012, bearing interest rate of 14,5% p.a. for the first year and a floating rate from the following years.

+ 4th Bonds with the carrying value of 1,000,000,000,000 Vietnamese dong, to be expired on 11 May 2015, bearing interest rate of 16% p.a. for the first year and a floating rate from the following years

- PFV Bonds with a nominal value of VND 1,000,000,000,000 to mobilise funds for the PFV's project, to be expired 3 years after the issued dates, bearing the interest rate of 12.5% p.a. for the first year and a floating rate from the following years. These bonds were issued at different time and the company has successfully issued bonds of carrying value of VND650,000,000,000 for the 1st, 2nd & 3rd times of issuance.

2. The medium term borrowings:

- a long term loan from BIDV with the carrying value of VND 1,093,044,144,790, its borrowing term of 6 years and bearing a floating rate, this loan is used to fund the project in Hochiminh City.

- A loan from Vinpearl with a carrying value of VND 1,226,400,000,000 to fund the Royal City JSC's project, withdrawn on 14 October 2009, its borrowing term of 3 years, bearing the interest rate of 13.2% for the first year and a floating rate for the following years.

- A loan from Ecology (Sinh Thai) Developing and Investment JSC with a carrying value of VND 549,287,395,929 to fund the Sai Dong's project, withdrawn on 23 November 2010, its borrowing term of 3 years, bearing the interest rate of 16.78% for the first year and the following year to 23 November 2013 : average of 12 months time deposit as noticed by Bank for Industry and Trade plus 5.78%

22 . OWNERS' EQUITY

Increase and decrease in owners' equity

	Contributed chartered capital	Share premium	Treasury shares	Undistributed earnings, funds	Total
Beginning balance	3,726,252,370,000	1,522,259,442,223	(720,199,415,988)	2,314,338,887,760	6,842,651,283,995
Increase during the period	185,246,560,000	872,894,296,257	-	-	1,058,140,856,257
Reissue treasury shares			-	-	-
Reduced reserve fund due to disposal subsidiary		-	-	(3,525,675,236)	(3,525,675,236)
Retained earning				349,350,043,957	349,350,043,957
Foreign exchange differences					
Dividend payable				(2,217,313,051,647)	(2,217,313,051,647)
Ending balance	3,911,498,930,000	2,395,153,738,480	(720,199,415,988)	442,850,204,834	6,029,303,457,326

Increase during the period are include:

In this period, Bondholders have converted into new ordinary shares with total value VND185,246,560,000 (same as 18,524,656 shares).

23 . TRANSACTION WITH RELATED PARTIES

Significant transactions with related parties during the period were as follows:

Related parties	Relationship	Transactions	Current year (VND)
Sinh Thai Investment and Development JSC	Associate	Capital contribution to Ha noi south Borrowing Bearing interest Interest settlement Received from sale of Vincharm Dividend receivable Advance for acquisition of Royal's shares Capital contribution to Royal Borrowing settlement	(355,600,000,000) (485,000,000,000) (135,450,744,887) 135,787,395,929 (101,000,000,000) 179,922,902,494 200,000,000,000 (80,000,000,000) 1,341,712,604,071
Vietnam Tourism in Ho Chi Minh City	Associate	Receivable from Disposal the Business Co-operation	- (376,569,041,710)
Vinpearl Hoi An Tourism - Investment	Common owners	Earned interest	- 19,258,400,000
Vinpearl Land JSC	Common owners	Bearing interest Interest settlement Payment for borrowing Purchase 20% GCD Payment for purchase 20% GCD Swap share of Vinpearl Hoi An for share of Vinpearl Swap share of Vinpearl Hoi An for share of Vinpearl	(137,001,666,500) 119,000,000,000 583,000,000,000 (300,000,000,000) 300,000,000,000 (177,915,008,000) 177,915,008,000
Green City	Associate	Received from Business Co-operation contract Receivable relating to the penalty due to the cancellation of BCC	(220,000,000,000) 10,000,000,000
Vietnam Investment Group JSC	Common owners	Received payment from selling LIG	(90,000,000,000)
Hanoi Electronic	Major shareholder of Sai Dong Land	Earn interest VIC purchase shares of Saidong from Hanel Offset the payable to Hanel and receivable from Sai Dong Offset the loan to Hanel and the payable to Vincom	19,919,444,545 (212,000,000,000) 212,000,000,000 (212,000,000,000)
Foreign Trade Concrete Co. Ltd	Associate	Payment for concrete for contractors Purchase concrete	19,697,437,000 (19,929,085,000)
Hanoi soap JSC	Major shareholder of Xavinco	Compensation paid for 233B Nguyen Trai Project Payment support amount for employee of Haso	56,083,333,333 30,000,000,000
Vincharm	Common owners	Office rental	13,585,463,455

Amount due from related parties at the balance sheet date were as follows:

Related parties	Relationship	Transactions	Receivable (VND)
Sinh Thai Investment and Development JSC	Associate	Interest receivable Vincharm shares disposal receivable Dividend from Sinh Thai	64,090,603,500 89,000,000,000 179,922,902,494
Hanoi Electronic Company	Major shareholder of Sai Dong Land	Interest receivable	29,752,777,845
Vinpearlland Hoi An	Common ownership	Interest receivable	96,373,358,400
Vietnam Investment Group JSC	Common ownership	Receivable of selling LIG	223,200,000,000

Vietnam Tourism in Ho Chi Minh City	Associate	Receivable expenses of Nguyen Cong Tru Project	3,418,500,000
Vinpearl Danang	Common ownership	Receivable from sold cable	286,226,600
Vincharm	Common ownership	Receivable from Office rental	12,199,899,581
Pham Khac Phuong	Board member of PFV	Receivable for apartment rental	20,269,097,550
Pham Thieu Hoa	Board member of Royal, Sai Dong, Ho Tay	Brokerage fee	200,470,314
Total			718,713,836,284
Related parties	Relationship	Transactions	Payable (VND)
Nguyen Anh Dung	Board chairman of Thien An JSC	Receipt payment for purchasing Royal apartment	630,132,111
Pham Van Sinh	Family member of a Vincom's Board member	Receipt payment for purchasing Royal apartment	1,534,457,274
Pham Thi Tuyet Mai	Family member of a Vincom's Board member	Borrowing	3,044,062,001
Mai Tat To	Family member of Board of Director of VIC	Receipt payment for purchasing Royal apartment	759,746,430
Le Hai Yen	Chief accountant of HNS	Borrowing	714,000,000
Nguyen Thi Thu Hien	Chief accountant of Vincom	Borrowing	1,247,617,400
Pham Thi Sau	Chief accountant of HPL	Borrowing	1,428,148,562
Mai Huong Noi	General Director of Vincom	Borrowing	910,307,977
Vu Duc The	Board member of HPL	Borrowing	1,329,205,051
Tran Thanh Mai	Member of Royal's Supervisory Committee	Receipt payment for purchasing Royal apartment Borrowing	676,928,639 552,672,000
Nguyen Thanh Quang	Director of Ho Tay	Receipt payment for purchasing Royal apartment	1,573,730,748
Pham Thi Bich Thao	Board member of HPL	Deposit for purchasing Royal apartment	50,000,000
Nguyen Mai Hoa	Board member of HNS	Receipt payment for purchasing Royal apartment Borrowing	816,885,427 940,707,000
Foreign Trade Concrete Co. Ltd	Associate	Payable of purchasing concrete	231,648,000
Vinpearlland	Common ownership	Interest payable	18,001,666,500
Green city	Associate	Payable from Business coporation contract	210,000,000,000
Nguyen Viet Quang	Director of HNS	Receipt payment for purchasing Royal apartment	851,619,347
Nguyen Trong Hien	Board member of HP land	Borrowing	1,339,845,534
Pham Thi Tho	Member of Vincom's Supervisory Committee	Receipt payment for purchasing Royal apartment	1,840,621,095
Pham Van Khuong	Vincom's deputy general director	Deposit for purchasing Royal apartment	100,000,000
Sinh Thai Investment	Associate	Interest payable	256,028,958
Total			248,830,030,051

Details of borrowings and interest due from related parties are as following:

Related parties	Relationship	Int. rate %/year	Maturity date	Collateral	Balance of loans /trust investments
Short term					
Sinh Thai	Associate	18	19/08/2011	No collateral	89,610,000,000
Investment and Vinpearl Hoi An	Common ownership	18	01/09/2011	21 million shares in Vietnam Investment Group JSC of Ms Pham Thu Huong	177,800,000,000
		18	28/12/2011	No collateral	35,000,000,000
			Sub total		302,410,000,000
Long term					
Hanoi Electronic Company	Major shareholder of Sai Dong Land	10	23/03/2015	No collateral	150,000,000,000
			Sub total		150,000,000,000

VI. NOTES TO THE CONSOLIDATED INCOME STATEMENTS

1 . REVENUE FROM RENDERING OF SERVICES

Gross revenue	Quarter II '2011	Quarter II '2010
- Revenue from leasing of investment properties and related service	240,797,435,442	181,106,369,417
- Revenue from sale of investment properties	145,292,658,708	
- Revenue from securities brokerage services and other investment activities		2,167,183,231
	386,090,094,149	183,273,552,648
Less	Quarter II '2011	Quarter II '2010
- Sales allowance		
- Revenue reduction from leasing of IP and related service		
Net revenue	Quarter II '2011	Quarter II '2010
- Revenue from leasing of investment properties and related service	240,797,435,442	181,106,369,417
- Revenue from sale of investment properties	145,292,658,708	
- Revenue from securities brokerage services		2,167,183,231
	386,090,094,149	183,273,552,648

2 . COST OF GOODS SOLD AND SERVICES RENDERED

	Quarter II '2011	Quarter II '2010
Operating cost relating to the leasing of investment properties	76,737,910,668	49,104,115,115
Operating cost relating to inventory properties	68,577,145,380	
Other cost of services rendered	6,646,356,836	6,998,821,086
Total	151,961,412,883	56,102,936,201

3 . INCOME FROM FINANCIAL ACTIVITIES

	Quarter II '2011	Quarter II '2010
Interest income	5,785,790,680	57,576,499,209
Interest income from loans provided to shareholders and investees	192,295,529,145	82,607,005,453
Realised foreign exchange gains	5,142,311,429	-5,338,520,662
Unrealised foreign exchange gains	409,355,543	693,757,197
Income from investment activities	1,078,982,600	777,816,000
Income from Disposal of subsidiary and associates	183,473,860,965	48,058,314,337
Other financial income	(4,020,093,685)	120,125,084,070
Total	384,165,736,677	304,499,955,603

4 . EXPENSES FROM FINANCIAL ACTIVITIES

	Quarter II '2011	Quarter II '2010
Loan interests	177,522,569,277	145,827,733,079
Realised foreign exchange losses	(17,930,125,437)	13,445,558,001
Provision for decline in value of securities	1,555,632,000	
Unrealised foreign exchange losses	(34,896,254,310)	44,036,039,332
Expense from bond issuance	10,327,152,572	19,733,825,961
Loss on disposal of investments in other entities	-	91,246,227,466
Other expenses from financial activities	126,828,877	(10,540,159,821)
Total	136,705,802,979	303,749,224,018

5 . SELLING, GENERAL&ADMINISTRATIVE EXPENSES

	Quarter II '2011	Quarter II '2010
Salary and other benefit	24,859,865,527	13,224,126,129
Tools	2,402,598,946	
Depreciation, goodwill amortisation	12,926,575,469	3,894,055,824
Other expenses	40,094,360,402	26,319,922,709
Total	80,283,400,344	43,438,104,662

6 . OTHER INCOME

	Quarter II '2011	Quarter II '2010
Contract penalties	14,874,821,007	1,807,013,730
Proceeds from disposal of fixed assets and tools	4,528,705,674	2,964,003,231
Others	18,292,884,915	576,263,038
Total	37,696,411,596	5,347,279,999

7 . OTHER EXPENSES

	Quarter II '2011	Quarter II '2010
Contract penalties	6,141,141,277	120,614,852
Cost of disposal of fixed assets and tools	1,906,371,881	5,560,000,000
Others	33,788,196,195	701,444,988
Total	41,835,709,353	6,382,059,840

8 . CORPORATE INCOME TAX

	Quarter II '2011	Quarter II '2010
Current corporate income tax expense	93,762,832,797	- 1,143,033,709
Deferred corporate income tax expense	9,771,284,822	23,145,374,496
Prior years' income tax adjustments into current corporate income tax of current year		
Total	103,534,117,619	22,002,340,787

9 . BASIC EARNINGS PER SHARE

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 II '2011	Quarter II '2010
Profit after tax of the Share Holders	252,717,059,597	72,343,404,701
- 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	252,717,059,597	72,343,404,701
The weighted average number of ordinary shares	367,395,200	337,411,625
Basis earnings per share	688	214

VII. OTHER INFORMATION

1 . Các khoản cam kết

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2 . Post Balance sheet Events

The Board of Directors confirm that there's no significant events occurring after the 30 June 2011 until the issuance date of this report which require adjustments or disclosure to be made in the financial statements.

3 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, August 25, 2011

General Director

Mai Huong Noi

CONSOLIDATED BALANCE SHEET

Unit: VND

	01/01/2011	30/06/2011
I. Current Assets	13,326,421,549,479	16,230,546,661,392
Cash and cash equivalents	1,515,008,976,492	191,691,290,275
Short-term investments	3,818,932,304,721	4,910,910,548,231
Current receivables	5,663,564,994,753	5,047,722,954,816
Inventories	2,264,169,759,164	5,967,727,137,298
Other current assets	64,745,514,349	112,494,730,772
II. Non-Current Assets	12,820,427,697,940	13,092,568,659,364
Non - Current receivables	-	-
Fixed assets	4,714,385,852,466	4,477,955,658,770
- <i>Tangible fixed assets</i>	163,686,218,038	77,935,923,271
- <i>Lease assets</i>	-	-
- <i>Intangible fixed assets</i>	179,542,613,642	170,051,433,227
- <i>Construction in progress</i>	4,371,157,020,787	4,229,968,302,272
Investment properties	3,646,743,623,933	3,620,452,346,732
Long-term investments	3,855,099,377,861	3,974,674,960,672
Other long-term assets	361,322,428,998	540,943,697,087
Goodwill	242,876,414,681	478,541,996,103
TOTAL ASSETS	26,146,849,247,419	29,323,115,320,756
III. LIABILITIES	16,593,209,101,230	20,153,193,951,932
Current liabilities	5,250,152,133,873	11,377,171,983,169
Non-current liabilities	11,343,056,967,357	8,776,021,968,763
IV. OWNERS' EQUITY	6,842,651,283,995	6,029,303,457,326
Capital	6,842,651,283,995	6,029,303,457,326
- <i>Contributed chartered capital</i>	3,726,252,370,000	3,911,498,930,000
- <i>Share premium</i>	1,522,259,442,223	2,395,153,738,480
- <i>Other equity</i>	-	-
- <i>Treasury shares</i>	(720,199,415,988)	(720,199,415,988)
- <i>Foreign exchange gain/loss</i>	-	-
- <i>Supplementary capital reserve fund</i>	1,762,837,618	-
- <i>Financial reserve fund</i>	2,762,837,618	7,845,114,930
- <i>Undistributed earnings</i>	2,309,813,212,524	435,005,089,904
- <i>Other fund of owners' equity</i>	-	-
- <i>Capital for contruction in progress</i>	-	-
Other funds	-	-
- <i>Reward and welfare fund</i>	-	-
- <i>Other fund</i>	-	-
- <i>Fixed assets arising from other fund</i>	-	-
V. Minority Interest	2,710,988,862,194	3,140,617,911,498
TOTAL LIABILITIES AND OWNERS' EQUITY	26,146,849,247,419	29,323,115,320,756

CONSOLIDATED INCOME STATEMENT

Unit: VND

ITEMS	Quarter II '2011	Quarter II '2010	Difference	%	6 months of 2011
Gross revenue	386,090,094,150	183,273,552,648	202,816,541,502	110.66%	860,047,346,360
Deductions	-	-	-	-	-
Net revenue	386,090,094,150	183,273,552,648	202,816,541,502	110.66%	860,047,346,360
Costs of goods sold and se	151,961,412,883	56,102,936,201	95,858,476,682	170.86%	305,577,510,571
Gross profit	234,128,681,266	127,170,616,447	106,958,064,819	84.11%	554,469,835,789
Financial Income	384,165,736,677	304,499,955,603	79,665,781,074	26.16%	586,800,666,239
Financial expenses	136,705,802,979	303,749,224,018	(167,043,421,038)	-54.99%	432,355,155,256
Selling expenses	33,766,589,909	1,771,453,475	31,995,136,434	1806.15%	51,870,556,742
General and administrative c	46,516,810,435	41,666,651,187	4,850,159,248	11.64%	92,997,547,877
Operating profit	401,305,214,621	84,483,243,371	316,821,971,250	375.01%	564,047,242,153
Other income	37,696,411,596	5,347,279,999	32,349,131,597	604.96%	76,361,022,706
Other expenses	41,835,709,354	6,382,059,840	35,453,649,514	555.52%	103,778,708,340
Other profit	(4,139,297,757)	-1,034,779,841	(3,104,517,916)	300.02%	(27,417,685,634)
Share in profits of associa	37,788,928,489	(10,488,235,321)	48,277,163,810	-460.30%	37,788,928,489
Net profit before tax	434,954,845,353	72,960,228,209	361,994,617,144	496.15%	611,317,606,746
Corporate income tax expens	103,534,117,619	22,002,340,787	81,531,776,832	370.56%	149,696,891,604
Current corporate income tax	93,762,832,797	(1,143,033,709)	94,905,866,506	-8302.98%	140,509,333,813
Deferred corporate income ta	9,771,284,822	23,145,374,496	(13,374,089,674)	-57.78%	9,187,557,791
Net profit after tax	331,420,727,733	50,957,887,421	280,462,840,312	550.38%	461,620,715,142
Net profit after tax of minorit	78,703,668,136	(21,385,517,280)	100,089,185,416	-468.02%	112,270,671,185
Equity holders of the parer	252,717,059,597	72,343,404,701	180,373,654,896	249.33%	349,350,043,957
Basis earnings per share	688	214	-	-	951
Dividend per share	-	-	-	-	-

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

- Increasing revenue is mainly from retail rental revenue Vincom center in Ho Chi Minh (Operation from 30 April 2010) and revenue of selling inventory properties and Game premises at Vincom centre.
- Financial income increased mainly from disposal 56% shares of Xavinco Land
- Financial expenses increased because Vincom center put into operation so interest expenses do not capitalization
- The Selling increased due to increase advertising, marketing and promotion expenses at Vincom center, recognised advertising expenses in Royal city, Times city. Admin expense increasing is related to the management cost of new projects and the cost for admin staffs of Vincom center.
- Other income increased significant from penalty of Bussiness co operation contract (10 Bil) and disposal asset of PFV. Other expenses increased in line of income of disposal asset and increased expenses of donation

BASIC FINANCIAL RATIOS

Items	Unit	Prior period	Current period
Asset Structure			
Non-Current asset / Total Asset	%	49.0%	44.6%
Current asset / Total Asset	%	51.0%	55.4%
Equity Structure			
Liabilities / Total equity	%	63.5%	68.7%
Owner equity / Total equity	%	26.2%	20.6%
Minority Interest / Total equity	%	10.4%	10.7%
Liquidity			
Quick ratio	Time	1.02	0.45
Current ratio	Time	2.54	1.43
Profitable			
Profit after tax / Total Asset	%	0.5%	1.6%
Profit after tax / Total revenue	%	31.0%	53.7%
Profit after tax / Owner equity	%	2.6%	7.7%

Hanoi, August 25, 2011

General Director



Man Hong Noi