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I. RISK FACTORS

1. Offering Risks

With such gloomy world and regional securities markets, the issuance of the Company might face a big residue of stocks. However, with a reasonable offering method and price (at face value of VND10,000), with the prestige and good business results of the Company as well as its ongoing projects, we believe in a successful issuance, in which the shares will be sold out. In case of residue, the Board of Directors (BoD) will find suitable solutions and continue to directly offer to others at the issuing price without more preferences than the existing shareholders. Thus, there are hardly any offering risks.

2. Stock Dilution Risks

After the Company issues additional shares, the volume of outstanding shares of the Company will increase against the existing number of shares. The increase in the number of outstanding shares and the number of shareholders of the Company will result in a stock dilution, which may cause 3 impacts:

- The earnings per share (EPS) may be reduced due to the division of income into a bigger volume of shares. The EPS is calculated as follows:

$$\text{EPS} = \frac{\text{Profit (Loss) allocated to shareholders owning ordinary shares}}{\text{Average Outstanding Shares}}$$

However, whether EPS is reduced or not depends on the efficiency of the proceeds from this issuance to supplement its business plans.

- The book value per share might be impacted upon the issuance of additional shares, which results in the increase of outstanding shares.

$$\text{Book value of a share} = \frac{\text{Owner's equity} - \text{Budget and other funds}}{\text{Issued shares} - \text{Treasury Stocks}}$$

- Technical revision to the Company' share price on the market: The Company's shares are currently listed on the Ho Chi Minh City Stock Exchange. Thus, all the information relating to the issuance of shares, such as the volume of shares issued, offering objects, asking price... will make the share price technically revised to a particular extent. Investors can refer to the following technical revision formula of share price:

$$P = \frac{P_{t-1} + (I \times PR)}{1 + I}$$

P: market price of the share after dilution

P_{t-1} : market price of the share before dilution

I: Proportion of capital increase

PR: price of the share to be applied for those who holding share purchase right in the new issuance

The revision to share price of Vincom JSC after the payment of dividends by shares at the ratio of 1,000:601 and the issuance of additional shares to existing shareholders at the ratio of 1,000:202 will be calculated as follows:

For example, if the closing price of VIC shares on the day preceding to the ex-dividend date is VND100,000/share, the technically revised price on the ex-dividend date will be calculated as follows:

$$P = \frac{100,000 + (0.202 \times 10,000 + 0.601 \times 0)}{1 + 0.803} = 56,583.48$$

The price is consequently reduced by approximately 43.42%.

In the case of the issuance of additional shares for capital increase, when the offering beneficiaries are existing shareholders only, the risk of smaller proportion of ownership or voting rights of existing shareholders does not exit. However, other indirect impacts of the issuance which result in a share dilution are still potential and will, to some extent, either directly or indirectly impact the Company shareholders' benefits. These risks can be limited if the Company optimizes its proceeds and maintain a good business operation after the issuance.

- As per the detailed information provided in the section 10.3.c on other financial activities, Vincom JSC has issued USD100million convertible bonds. Bond holders can convert their bonds to shares from 30 April 2010, which can be a risks causing the considerable increase of outstanding shares. However, the initial converting price will be adjusted to mitigate the impacts on the price of outstanding shares. Details of the adjustment to the bond conversion price are available in the enclosed appendix.

3. **E**conomic Risks

Although the global economic crisis has made considerable impacts on the growth of developing countries like Vietnam, in an assessment by the Japan Bank for International Cooperation (JBIC), Vietnam is still ranked third (preceded by China and India and followed by Russia, Thailand, Brazil) in business and production potential in the medium term thanks to: its good location for diversifying investments, inexpensive high quality labor source, good development potential of domestic market, and plentiful labor resource for the assembly industry. Additionally, the population growth and the urbanization level will boost the strong growth in demands for accommodation, offices for lease and retail centers, creating great development potential for office and apartment projects as well as real estate management market. As per the Decision of the Government approving the housing development orientation by 2020, the per capita residing floor area must be 15m² in 2010 and 20m² in 2020, the housing quality must meet national standards. The Decision

will serve as a big encouragement to the development of residency in high-rise buildings to quickly increase house fund, save the land and create a modern face for the urban life. Moreover, when the economy further develops, people's living standard will also be raised, strongly growing the demands for high-end apartments, recreation and entertainments, which will positively influence the development of the Company's business operation. On the contrary, when the economy stagnates, it will cause negative effects on the business operation of the Company in particular and on the real estate trading in general. However, with the current economic growth of Vietnam, it can be judged that economic risks are not big to the Company's operation.

4. Legal Risks

The Legal system of Vietnam is not fully complete and the implementation feasibility is not high. In addition, there still exist many complicated and overlapping administrative regulations, including regulations on land and real estate trading field, which considerably impacts the property trading of the Company.

The changes in laws and administration procedures will directly influence the feasibility and progress of the Company's projects. Nonetheless, with the common tendency of the economy, the Government is also gradually completing the legal system in order to simplify the administrative procedures, meeting the more and more pressing demands for accommodation of people. Thus, although the legal factors relating to land and real estate trading issues directly affect the business operation of the Company, the legal risks hardly influence its operation due to the Government's efforts to make positive changes in line with the country's development.

5. Competition Risks

As real estate trading is an area of high potential, more and more enterprises are entering the market. The Company's competitors are not only domestic enterprises but also foreign ones with sound financial capacity. However, with Vincom's advantages of its brand name, proven opportunity identification capacity, understanding of legal procedures, management capacity as well as land and financial potentials, Vincom JSC can be confident in its competitiveness with domestic and foreign firms. In general, the increasing number of competitors will reduce Vincom's market share, however, with its available advantages, the Company is capable of controlling these risks and, step by step, expand its key business activity.

6. Integration risks

Vietnam's official entrance to WTO is also a long-term factor affecting the Company's business operation. The opener policies for foreign investors upon the integration will create favorable conditions for the foreign investors to join Vietnam real estate market, who

will become direct rivals of domestic enterprises, including Vincom JSC. On the other hand, Vincom JSC has a big opportunity in which there is a strong growth in the demands for apartments and offices when the integration happens, as well as other opportunities of cooperating with foreign partners to launch big projects at international level. These will help Vincom enhance its business and management capacity, which will generate the highest economic efficiency for the Company.

With such opportunities and challenges, Vincom JSC has well equipped itself with management capacity, business strategies, step by step improved its financial potential to proactively seize opportunities and to run the business in line with the new situation.

7. Business Risks

The main business activities of Vincom JSC are currently focusing on the Vincom City Towers (VCT), which have been approximately 100% exploited so the Company does not have the potential for higher growth.

However, it is not really a disadvantage for Vincom JSC thanks to the followings:

The office and retail space rents applied by Vincom are currently lower than those of other companies in the same field. Thus, there is a high possibility that the rents will be increased to the average market price.

A part from the VCT, Vincom JSC is generating revenue from Vincom Park Place Project via the PFV Investment and Commerce Joint Stock Company, in which Vincom holds 74.41% owner's equity. Vincom is also accelerating the construction progress of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in District 1, Ho Chi Minh City and plans to open the Vincom Centre (area B of the Project) in April 2010. In addition, the Company is launching other property projects that have a big development potential.

With the above reasons, the business risks that might limit the development potential of the Company are considerably minimized.

8. Foreign Exchange Risks

In recent years, thanks to the monetary stabilizing policy of the State, the exchange rates between VND and other strong currencies are quite stable with rather low fluctuation, the short-term exchange rates forecast is not very difficult. Thus, the impacts of the exchange rates fluctuation on the Company's operation is inconsiderable. Moreover, most of Vincom's partners are foreign companies, its revenue in foreign currencies is very big,

meanwhile, except for the procurement of specialized equipments and tools, most of Vincom's expenses are in VND, which help mitigate the losses caused by exchange rate fluctuation.

9. Other Risks

Such other risks as acts of God, market fluctuations, enemy-inflicted destructions, fire... are force majeure that will cause damages and losses to the assets, humans and the general operation of the Company.

II. KEY PERSONS RESPONSIBLE FOR THE CONTENTS OF THIS PROSPECTUS

1. Issuing Institution: Vincom Joint Stock Company (Vincom JSC)

Mr. Le Khac Hiep Chairman of the Board of Directors of Vincom JSC.

Madam Mai Huong Noi Chief Executive Officer of Vincom JSC

Madam Nguyen Thi Thu Hien Chief Accountant of Vincom JSC

Mr. Nguyen The Anh Chief Supervisor of Vincom JSC

We hereby undertake that all the information and data in this Prospectus are consistent with the actual situation of which we have knowledge, or with the data we have investigated and collected in a reasonable manner.

2. Consulting Institution: Vincom Securities Joint Stock Company

Mr. Bach Nguyen Vu Chief Executive Officer of Vincom Securities JSC

This Prospectus is a part of the Application File for Registration of an offer which was prepared by the Vincom Securities JSC on the basis of a consulting agreement with Vincom JSC. We undertake that the analysis, assessment and selection of data, wording in this Prospectus was made reasonably and carefully, based on information and data provided by Vincom JSC.

III. DEFINITIONS

- The Company/Vincom/Vincom JSC: Vincom Joint Stock Company
- Issuing Institution: Vincom Joint Stock Company
- VCT: Vincom City Towers

- SSC: State Securities Commission of Vietnam
- HOSE: Ho Chi Minh City Stock Exchange
- HCMC: Ho Chi Minh City
- BoD: Board of Directors
- BoM: Board of Management
- BoS: Board of Supervisors
- JSC: Joint Stock Company
- Ltd: Liability Limited
- VND: Vietnam Dongs
- USD: United State Dollars
- Vincom Park Place: Vincom 2
- Vincom Centre : Area B of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments in Ho Chi Minh City

IV. STATUS AND CHARACTERISTICS OF ISSUING INSTITUTION

1. Summary of the Establishment and Development Progress

1.1. Establishment and Development History

Below is the brief of the establishment and development of **Vincom Joint Stock Company**:

- On 03 May 2002, the Vietnam General Commerce Joint Stock Company officially came into operation with the initial charter capital of 196billion dongs, which increased to 251billion dongs in one year later, to invest into the development and management of the Complex of Trade and Service Center – Office for lease at 191 Ba Trieu Street, Hai Ba Trung District, Hanoi (Vincom City Towers). The key business activity of the Company is real estate trading, leasing office and retail space, and supply of entertainment services.
- With its initial successes, the Company increased the charter capital a number of times to meet the demands for capital and operational scale. Accordingly, in December 2006, the Company increased its charter capital to VND313.5billion; in February 2007, the Company decided to pay dividends to the existing shareholders by the profits not yet allocated of the previous years. The dividends were used to purchase the additional shares, raising the charter capital to **VND600billion**. After that, the Company made a successful public offering in July 2007 and increased its charter capital to **VND800billion** under the License No. 85/UBCK-CNCB granted by the President of the SSC on 09 April 2007.
- The Company obtained the Listing License under the Decision 106/QD-SGDHCM dated 07 September 2007 of the General Director of the HOSE and 80,000,000 shares of the Company was officially transacted on HOSE from 19 September 2007.



- On 9 April 2008, the Company was granted the Business License, in which the Company raising its charter capital to VND1,199,831,560,000 by selling out 40 million shares to existing shareholders.
- In order to meet the development needs of the Company, on 02 October 2009, the Company obtained the 17th Business License, completing the increase of charter capital to VND1,996,272,380,000 by offering approximately 80 million shares to existing shareholders.
- After 08 years of development, with the Vincom brand name, the Company has built itself a firm position in the real estate trading and service supply fields. From 2010 onwards, the Company will focus on the real estate trading, service supply as well as enhance investment into, expansion and launching new projects in order to continuously improve the Company's operation efficiency.

1.2. Introduction of the Company

- Name in Vietnamese: CÔNG TY CỔ PHẦN VINCOM
- Name in English: VINCOM JOINT STOCK COMPANY
- Short name: VINCOM JSC
- Logo:

VINCOM
- Head Office: 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
- Tel: (04) 3974 9999 Fax: (04) 3974 8888
- Email: info@vincomjsc.com.vn
- Website: www.vincom.com.vn
- Business License: No. 0103001016 do granted by the Hanoi Department of Planning and Investment, first registered on 03/05/2002, additionally registered for the 17th time on 02/10/2009.
- Charter capital: **VND1,996,272,380,000** One trillion nine hundred and ninety-six billion, two hundred and seventy-two million, three hundred and eighty thousand dongs)

1.3. Ownership structure and number of shareholders (as at 9th February 2010)

Item	Domestic shareholders		Foreign shareholders		Total	
	No. of shares	Proportion	No. of shares	Proportion	No. of shares	Proportion
Individual shareholders	142,560,401	71.41%	436,996	0.22%	142,997,397	71.63%
5% upwards	95,686,778	47.93%	0	0.00%	95,686,778	47.93%
Under 5%	46,873,623	23.48%	436,996	0.23%	436,996	23.48%
Corporate shareholders	43,118,438	21.60%	7,239,508	3.63%	50,357,946	25.23%
5% upwards	0	0.00%	0	0.00%	0	0.00%
Under 5%	43,118,438	21.60%	7,239,508	3.63%	50,357,946	25.23%
Treasury Stocks	6,271,895	3.14%	0	0.00%	6,271,895	3.14%
Total	191,950,734	96.15%	7,676,504	3.85%	199,627,238	100.00%

1.4. Business areas

During its operation, Vincom has supplemented functions to its operation a number of times and currently, the Company's main business areas stated in the Business License include:

- Real estate trading;
- Leasing of offices, apartments, machinery and engineering equipment;
- Hotel business;
- Entertainment and recreation: billiards, electronic games, terrestrial games, water games, swimming;
- Beauty salon (excluding eye tattooing and services that cause bleeding);
- Hospitality;
- Industrial and civil engineering;

- Trading in industrial, agricultural goods, construction materials, transportation vehicles, electronic goods, informatics goods, home appliances, automation equipment, automatic anti-theft equipment, forestry and aquatic products;
- Agent for goods on consignment;
- Investment consulting;
- Leasing out facilities with specially-designed and high-tech equipment (concert hall, theatre, meeting hall, wedding hall, studio and cinema);
- Advertising and related services;
- Organizing trade fairs, trade exhibitions;
- Designing banners and posters;
- Sanitation services, insect killing and anti-termite services;
- Car, motorbike and bicycle keeping service;
- Constructing doing golf course and doing related businesses;
- Constructing eco-tourism areas and doing related businesses;
- Business relating to green parks, water park and recreational farms and gardens.
- Services relating to real estate brokerage, real estate evaluation, real estate transaction floor, real estate consulting, real estate auctions, real estate advertising, real estate management.

2. Organizational Structure

2.1. Organizational structure of Vincom JSC.

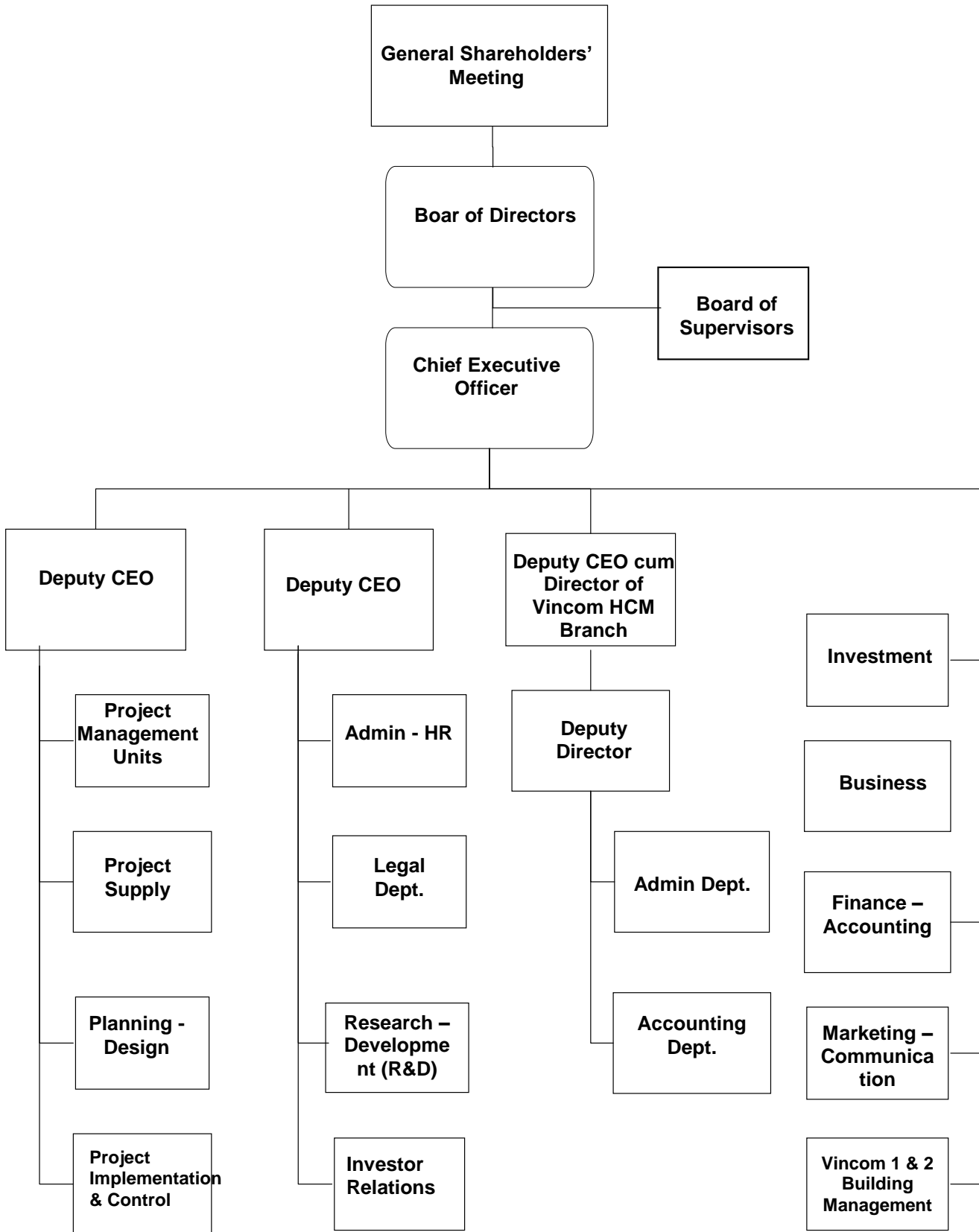
Vincom JSC is organized and operated in compliance with the Enterprise Law ratified by the National Assembly of the Socialist Republic of Vietnam – session X, the fifth meeting on 29 November 2005, Law on Securities ratified by the National Assembly of the Socialist Republic of Vietnam, session XI, the ninth meeting on 29 June, 2006 and other pertinent Laws and the Company Charter.

2.2. The Management structure

Vincom JSC is organized and operated under the joint-stock model in accordance with existing applicable regulations. Its organizational structure is function-based so as to align with the Company's business activities: providing a narrow and closed base of services that are interrelated.



THE ORGANIZATIONAL STRUCTURE OF VINCOM JSC



The organizational structure of the Company is divided into 2 groups: The management group and the execution group.

2.3. The Management Group

The General Shareholders' Meeting: The General Shareholders' Meeting is the supreme body of the Company, including all voting shareholders and shareholders' proxies. It has full rights to make decisions on all activities of the Company and performs the following functions:

- Approving Charter and business orientation of the Company;
- Electing and dismissing/releasing the Board of Directors and Board of Supervisors;
- Other duties defined by the Charter.

The Board of Directors (BoD): The Board of Directors is elected by the General Shareholders' Meeting, the supreme body of the Company, and has the following tasks:

- Reporting before the General Shareholders' Meeting on the business performance, profit allotment plans, dividend allotment plan, final financial report, development direction and business plan of the Company
- Determining the organizational structure, the body, business regulation and remuneration budget of the Company
- Appointing, dismissing/releasing BoM members and supervising its activities
- Proposing amendments and supplementations to the Company's Charter
- Deciding on convening the General Shareholders' Meeting.

Currently, the BoD of the Company consists of 06 members, 01 of whom is Chairman and 05 of whom are members.

Board of Supervisors (BoS): The Board of Supervisors is elected by the General Shareholders' Meeting. Its duties are to check the reasonableness and legality in business operation and financial statements of the Company. For the time being, the BoS constitutes 3 members, each of whom serve a 3-year term.

Board of Managers (BoM): The Board of Managers is appointed and

dismissed/released by the BoD, consisting of a Chief Executive Officer and 03 Deputies with the following tasks:

- Organizing the implementation of the BoD's decisions and business plans. Proposing structural organization plans, internal management regulations in accordance with the Charter, resolutions issued by General Shareholders' Meeting and the BoD.
- Appointing and dismissing/releasing managerial positions upon the approval of the BoD: Directors, Deputy Directors of branches, subsidiaries, Managers and Vice Managers of Departments.
- Signing off documents, contracts and other papers as specified in the Company's charters.
- Reporting to the BoD on the financial situation and business performance and being responsible for the Company's activities before the BoD.
- Other tasks as authorized by the BoD.

2.4. The Execution Group

The direct subordinates of the BoM, which assist them in their management and operation, are the specialized departments/divisions underneath with the following tasks:

- ❖ **Administrative – Human Resources Department:** Performing administrative works, filing and management of documents, legal files of the Company; Performing personnel, labor, remuneration, social insurance and health care policies for employees; looking for and recruiting well qualified personnel at the BoM's request; Advising the BoM on new policies and guidelines regarding labor relations; Planning and implementing training programs for staff; Planning and deploying welfare programs and collective entertainment activities for employees in order to improve their social life, ensuring the most reasonable and effective use of the welfare fund.
- ❖ **Legal Department:** Providing legal consultancy to the Management and Departments/Divisions in the Company; advising on procedures for implementing the Company's business projects in accordance with provisions of law as well as issues relating to human resources of the Company.

- ❖ Research and Development Department (R&D): Conducting research on and proposing strategies for project investment development; Researching and developing services and products and setting service standards.
- ❖ Investment Department: Coordinating with the R&D Department to appraise and assess projects, making plans, negotiating with partners; completing investment, management and project development procedures.
- ❖ Investor Relations Department (IR): Providing information and receiving feedback from shareholders; Responding in a timely manner to shareholder requirements, proposals and recommendations to ensure their rights are sufficiently addressed.
- ❖ Finance – Accounting Department: Analyzing and assessing financial status and business performance of the Company; Advising and consulting the BoM on short, medium and long-term financial strategies in relation to on-going and upcoming projects; supervising and monitoring financial and accounting activities to ensure compliance with the Company’s regulations and relevant provisions of the Law; Conducting accounting works for the Company’s business. Chief Accountant is responsible for the accuracy, authenticity of the reports as well as their full reflection of the Company’s business before the BoM.
- ❖ Marketing – Communication Department: Building and promoting the Company’s brand name; developing communication strategies and long-term marketing plans, and proposing design ideas for advertisement products of the Company.
- ❖ Sales Department: Selling the Company’s products and services. Searching for potential customers, developing relationships with customers in order to fulfill business targets.
- ❖ Project Management Unit: Organizing the planning, designing, construction, materials and equipment supply of developments; conducting inspections and acceptance of completed construction works before putting into operation.
- ❖ VCT Building Management Unit: In charge of all issues relating to tenants/lessees in the building. The Unit consists of the following teams: Customer Service, Cleaning Service, Security, Technical Support, and Vehicle-keeping service.

3. List of shareholders holding 5% upwards

List of the big shareholders

(As at 9 February 2010)

No.	NAME	ADDRESS	No. OF SHARES HELD	OWNERSHIP PROPORTION
1	PHAM NHAT VUONG	NO.193 C, BA TRIEU STREET, LE DAI HANH WARD, HAI BA TRUNG	84,987,270	42.57%
2	PHAM THUY HANG	GROUP 41, O CHO DUA WARD, DONG DA DISTRICT, HANOI	10,699,508	5.36%
	Total		95,686,778	47.93%

Source: Vincom JSC.

4. List of subsidiaries and affiliates of the issuing institution

The subsidiaries and affiliates that the selling institution is controlling or holding majority shares, list of the companies that are controlling or holding majority shares of the selling institution

4.1 Companies in which Vincom JSC holds controlling rights or majority shares:

(As at 31 December 2009)

Company Name	Charter Capital	Address	Ownership proportion (%)
PFV Investment and Trade Joint Stock Company	VND600 billion	Level 11, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	74.41%
Vincom Securities Joint Stock Company	VND300 billion	Level 15, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	75%
Viettronics Real Estate Liability Limited Company	VND300 billion	191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	64%
Sai Dong Investment and Urban Development Joint Stock Company	VND500 billion	191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	51%
Royal City Real Estate Investment and Development Joint Stock Company	VND2,000 billion	74 Nguyen Trai, Thuong Dinh Ward, Thanh Xuan District, Hanoi	51%

Hai Phong Real Estate Investment and Development Joint Stock Company	VND300 billion	No.4 Le Thanh Ton, May To Ward, Ngo Quyen District, Haiphong	79.51% (1)
Lucky Investment Group Joint Stock Company	VND1,200 Billion	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City	39.51% (2)
Hanoi South Urban Development Joint Stock Company	VND500 Billion	9 Dao Duy Anh, Phuong Lien, Dong Da, Ha Noi	48.81 (3)
Thang Long West Real Estate Ltd. Company	VND300 Billion	182 Nguyen Van Thu, Da Kao, District 1, Ho Chi Minh City	66.97% (4)

(1) Vincom JSC and PFV Investment Joint-Stock Company – a subsidiary of Vincom JSC respectively holds 49% and 41% owner's equity of Hai Phong Real Estate Development, which is equivalent to a voting right proportion of 90% and benefit proportion of 79.51%

(2) PFV Investment and Trade JSC and Royal City Real Estate Development and Investment JSC – two subsidiaries of Vincom JSC, respectively holds 25% and 41% owner's equity of Lucky Investment Group JSC, for a total voting right proportion of 66% and a benefit proportion of 39.51%.

(3) Vincom JSC and Lucky Investment Group JSC, its subsidiary, respectively holds 44.15% and 11.8% owner's equity of the Hanoi South Urban Development JSC, which is equivalent to a voting right proportion of 55.95%, benefit proportion of 48.81%

(4) PFV Investment Joint-Stock Company – a subsidiary of Vincom JSC holds 90% owners' equity of the Thang Long West Real Estate Ltd. Company, which is equivalent to a voting right proportion of 90% and benefit proportion of 66.97%

4.2 Companies holding controlling rights or majority shares in Vincom JSC

None

5. **B**usiness operation

5.1. Business Development Strategy

Position: Vincom JSC is a company specializing in real estate, owning buildings and developing projects, which generates a stable income for shareholders while, on the other hand, generating values through the investment into new projects.

The purpose of the Company is to become one of the leading real estate developers in Vietnam and own big properties.

The business strategies of the Company include :

- To professionalize asset and building management activities by focusing on quality and working with international consulting and management firms, international auditing firms, and local and international prestigious contractors.
- To utilize inherent advantages and experience to expand investment in new projects with the following criteria :
 - Focusing on retail centers, offices, apartments, recreation and entertainment areas
 - Focusing on central areas of the two big cities - Hanoi and Ho Chi Minh City
 - Targeting at middle class market segment
 - Investing into and developing property projects with IRR in excess of 20%.
- Particularly, in 2009, with the complicated impacts of the global financial crisis on Vietnam economy, to address temporary difficulties and to prepare for the post-crisis consequences, the Company has spared no efforts in quickly implementing existing projects and searching for new projects to meet the expected market expansion needs in the period of 2010 – 2011.

5.2. Business areas

The Company provides the following services:

- Real estate trading;
- Leasing of offices and shops;
- Entertainment and recreation: electronic games;
- Beauty salon (excluding eye tattooing and services that cause bleeding);
- Hospitality;
- Industrial and civil engineering;
- Investment consulting;
- Leasing out facilities with specially-designed and high-tech equipment (concert hall, theatre, meeting hall, wedding hall, studio and cinema);
- Advertising and related services;
- Services relating to real estate brokerage, real estate evaluation, real estate transaction floor, real estate consulting, real estate auctions, real estate advertising, real estate management.

The Company developed the VCT and put into operation after 18 months of construction. The VCT was officially opened on 23 November 2004.

The VCT is a complex comprising of 02 basements, 06 floors on the podium serving as a trade and service center offering such amenities as retail space, supermarket, restaurants, cinema, other public services, and 15 floors on the tower.

The Building is built on a land area of 6,713m², with a total floor construction area in excess of 80,000m², in which 20,000m² is for the trade and service center, 50,000m² is for office and 10,000m² is for parking area. The Building is installed with 10 passenger lifts and 10 escalators (Schindler), 4 panoramic outdoor lifts (Fuji), 1 goods transportation lift having a load of 3,000kg at the Trade Center, a 24-hour security system, central air conditioner with chiller (Trane), fire detector, and automatic fire extinguisher (sprinkler, water-stop...), backup electricity generator.

The VCT is surrounded by 4 big streets in Hanoi: Ba Trieu, Thai Phien, Bui Thi Xuan and Doan Tran Nghiep. The VCT building management is also advised by experts from CB Richard Ellis Vietnam (CBRE), a global leader in providing property consultancy, brokerage and management services worldwide. VCT is currently the most modern twin towers in Hanoi. In 2006, Vincom JSC signed a contract transferring a part of the VCT Building to the Bank for Investment and Development of Vietnam (BIDV) with the following transferred items:

- The ownership of the entire Tower A, including levels 7th to 21st of Tower A, and a part of office space on level 1 with a total transferred area of 22,640m². The ratio of the transferred area out of VCT area is $22,640\text{m}^2/72,667\text{m}^2=31.16\%$
- Title to half of the land area (3,279.6m²);
- Title to a part of the general technical system.

After the transfer, Vincom JSC mainly does business on the rest asset of the Tower B and the entire 6th floor of the Trade Center.

Following the development of Vincom City Twin Towers, the modern Vincom Park Place Tower (invested by PFV JSC, in which Vincom holds 74.42% owners' equity) was launched and commenced its operation in 2009, with a connection to VCT building. Vincom Park Place Tower comprises of 3 basements, 25 above-ground floors, connecting to Vincom City Towers and creating the largest high-rise building complex (Vincom City Towers) offering offices for lease, retail centers, high-end apartments with high-class amenities such as gym, swimming pool, high-class spa, international kindergarten, modern children's entertainment area. Besides superior advantages in terms of business lines, size, location, facilities, equipment and services,

the VCT building management is also advised by experts from CB Richard Ellis Vietnam (CBRE), a global leader in providing property consultancy, brokerage and management services worldwide. The building has become an ideal place, drawing the attention of big enterprises and individuals who have high living standards, and helping bring the Vincom brand to a new height. In 2009, the occupancy rate for the office space was more than 90% on average throughout the year while reaching 98% at end of the year. In addition, the occupancy rate for the shopping mall was 99.2% on average the same year.

Also in 2009, the construction of projects commenced in 2008 was on schedule. Particularly, with 57,000 m² retail space and almost 80,000 m² office space, Vincom Center Ho Chi Minh City – phase 1 is expected to be opened on April 30, 2010. This is a component of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in District 1, Ho Chi Minh City. The shopping mall within this complex will be the largest shopping center in Vietnam. The project will offer luxurious design and excellent service to meet high-end shopping, entertainment and international standard office needs...

In additional, the Company also implements the Office for Lease Project at 180 – 192 Nguyen Cong Tru, District 1 under the co-investment between Vincom and Vietnam Tourism JSC in Ho Chi Minh City.

5.3. Revenue and profit by service category

ACCUMULATED REVENUE AND PROFIT

Figures in: million dong, %

Indicator	2007	2008	2009	% increase/decrease 2009/2008
Revenues from sale of goods and rendering of services	180,195	239,180	1,974,446	725.51
Costs of goods sold and services rendered	52,133	60,710	537,310	785.03
Gross profit form sale of goods and rendering of services	128,062	178,469	1,437,135	705.26

Source: Vincom JSC.

The revenue from leasing of office and related services respectively accounts for 100% and 97% total revenue in 2007 and 2008. In 2009, the revenue proportion from property leasing is 14% while the revenue from property sale rockets by 84% thanks to the proceeds of VND1,663billion from the sale of apartments at Vincom Park Place of

PFV Investment and Commerce Joint Stock Company, in which Vincom holds 74.41% charter capital.

NET REVENUE STRUCTURE

Figures in: million dong, %

Items	2007		2008		2009	
	Value	Proportion	Value	Proportion	Value	Proportion
a. Sale of properties	0	0%	0	0%	1,662,956	84.22%
b. Leasing of offices and related services	180,195	100%	232,929	97.39%	279,510	14.16%
c. Securities trading	0	0%	6,251	2.61%	31,979	1.62%
Total net revenue	180,195	100%	239,180	100%	1,974,446	100%

Source: Vincom JSC.

CHART: NET REVENUE OF VINCOM JSC

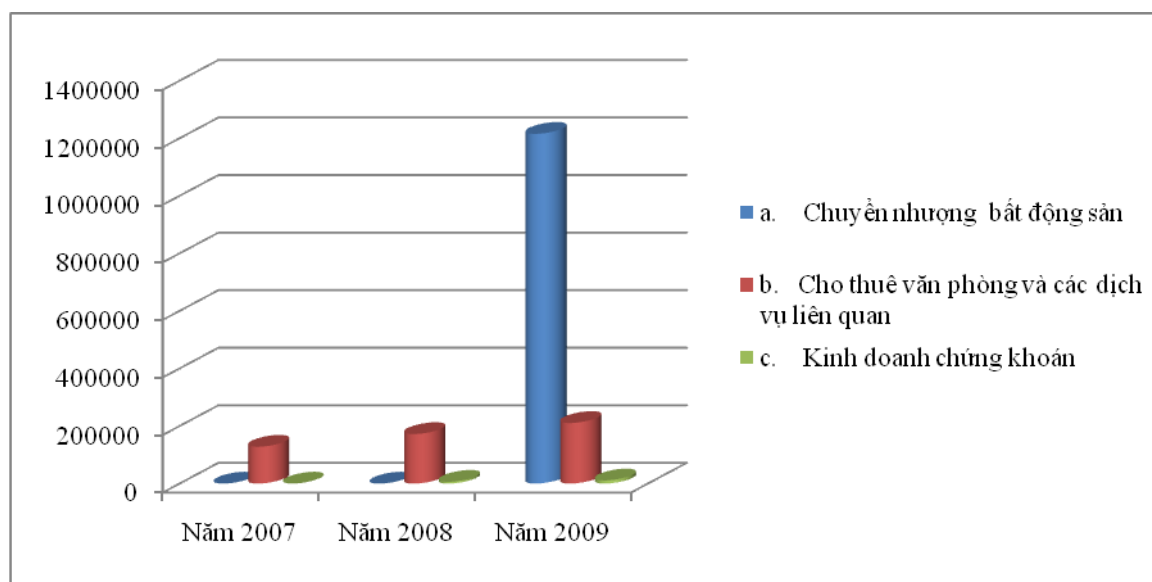


GROSS PROFIT STRUCTURE IN 2007 - 2009

Figures in: million dong, %

Items	2007		2008		2009	
	Value	Proportion	Value	Proportion	Value	Proportion
a. Sale of properties	0	0%	0	0%	1,215,508	84.58%
b. Leasing of offices and related services	128,062	100%	172,219	96.50%	210,612	14.66%
c. Securities trading	0	0%	6,251	3.50%	11,015	0.76%
Total Gross Profit	128,062	100%	178,470	100%	1,437,135	100%

Source: Vincom JSC.

CHART: GROSS PROFIT STRUCTURE IN 2007 - 2009

5.4. Business expenses

Expenses occurring from sales and services rendered and others are shown in the following table:

BUSINESS EXPENSES

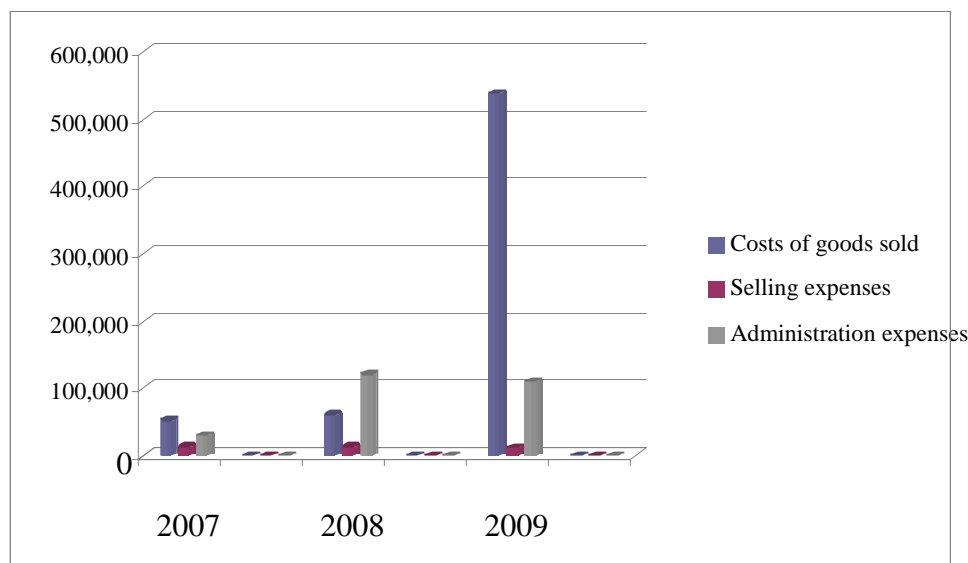
Figures in: million dongs, %

No.	EXPENSES	2007		2008		2009	
		Value	% Revenue	Value	% Revenue	Value	% Revenue
1	Costs of goods sold	52,133	28.93%	60,710	25.38%	537,310	27.21%
2	Selling expenses	13,482	7.48%	13,423	5.61%	12,326	0.62%
3	Administration	30,075	16.69%	120,527	50.39%	109,706	5.56%
	TOTAL	95,690	53.10%	194,660	81.39%	659,343	33.39%

Source: Vincom JSC.

In 2009, the Company made significant efforts in controlling cost in 2009, which helped reduce sales cost and management cost by 9% versus budget and 2008.

**CHART: COSTS OF GOODS SOLD, SELLING EXPENSES,
ADMINISTRATION EXPENSES IN PROPORTION TO TOTAL REVENUE**



5.5. Product and Service Quality Inspection Status

Service quality is the overriding factor in the daily business operation of Vincom JSC. Service quality links with the success or failure of the building and is the decisive component of rents, occupancy rate etc. Vincom JSC Management and staff, therefore, always put an emphasis on the inspection of service and product quality. A significant number of regulations on functions and tasks, work processes, procedures of reporting, inspecting and resolving in order to ensure and enhance service and product quality have been issued and all of them have been strictly observed. All the reasonable requests from customers are fully and promptly responded to and all the problems are quickly mitigated and fixed.

In terms of quality management, Vincom JSC complies with the international standard and management procedure system under the consultancy and support of the world-famous Property Management Group - CBRE.

Moreover, such basic requirements of ISO as: the suitability, continuous quality improvement, contract observance, prompt mitigation, meeting customers' demands, internal inspection and auditing, preventive measures... are applied in the Company's daily operations.

5.6. Technology level

As the Company operates in the real estate trading, leasing of offices, supply of services, it does not have specialized machineries, but mainly management tools and equipments.

Lists of Assets of big value as at 31 December 2009

Figures in dong, %

TT	Assets	Costs	Depreciated value	Residual value	% Residual value
	Premises and fittings of Hanoi office	173,803,825,546	19,279,557,852	154,524,267,695	
1	Premises on levels 22&23	2,447,407,737	856,813,929	1,590,593,808	64.99%
2	Buildings	171,356,417,809	18,422,743,923	152,933,673,886	89.25%
	Fixed assets in Nha Trang	5,494,000,000	439,519,996	5,054,480,004	
1	Nha Trang Villas	5,494,000,000	439,519,996	5,054,480,004	92.00%
	Machines and equipments	602,286,646	50,190,553	552,096,093	
1	B1 Parking Place at HH1	602,286,646	50,190,553	552,096,093	91.67%
	Ventilation system	29,083,740,009	14,742,707,688	14,341,032,320	
1	Air conditioners (AC)	28,407,383,976	14,298,661,260	14,108,722,715	49.67%
2	Panasonic 24000BU AC on level 22	154,339,933	110,610,281	43,729,652	28.33%
3	ACs on levels 22&23	234,983,637	164,488,547	70,495,090	30.00%
4	AC at staircases	225,358,189	135,214,917	90,143,272	40.00%
5	Fresh air supply system for Basement B2	61,674,274	33,732,683	27,941,591	45.31%
	Lifts	23,827,110,123	11,176,334,255	12,650,775,868	
1	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
2	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
3	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
4	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
5	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
6	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
7	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%

TT	Assets	Costs	Depreciated value	Residual value	% Residual value
8	Passenger Lift with cooler	595,890,484	295,635,039	300,255,445	50.39%
9	Passenger Lift without cooler	791,127,974	407,748,041	383,379,933	48.46%
10	Passenger Lift without cooler	791,127,974	407,748,041	383,379,933	48.46%
11	Car Lift with cooler	1,458,152,716	761,140,629	697,012,087	47.80%
12	5m-high Escalator 9300	593,876,951	304,846,746	289,030,206	48.67%
13	5m-high Escalator 9300	593,876,951	304,846,746	289,030,205	48.67%
14	5m-high Escalator 9300	593,876,951	304,846,746	289,030,205	48.67%
15	5m-high Escalator 9300	593,876,951	304,846,746	289,030,205	48.67%
16	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
17	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
18	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
19	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
20	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
21	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
22	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
23	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
24	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
25	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
26	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
27	4.5m-high Escalator 9300	584,831,651	294,870,070	289,961,581	49.58%
28	1-ton Fujisu observation lift	2,581,785,172	962,445,173	1,619,339,998	62.72%
29	1-ton Fujisu observation lift	2,581,785,172	962,445,173	1,619,339,998	62.72%
30	Steel frames and outdoor emergency staircases	1,462,519,626	551,899,059	910,620,567	62.26%
	Electrical system (generators, cubicles)	8,139,366,233	4,026,608,396	4,112,757,838	
1	Low voltage, medium voltage cubicles, wiring troughs, electric cables	2,896,805,065	1,466,301,250	1,430,503,815	49.38%
2	1600 KA Dry transformer	882,485,166	451,413,430	431,071,736	48.85%

TT	Assets	Costs	Depreciated value	Residual value	% Residual value
3	Power switches	866,153,035	424,761,045	441,391,990	50.96%
4	Electrical generators	1,595,670,128	779,544,652	816,125,476	51.15%
5	Electrical generators	1,595,670,128	779,544,652	816,125,476	51.15%
6	Oil bath for the generator	194,367,191	93,975,039	100,392,152	51.65%
7	Medium voltage automatic cutting out cubicle - 24kV 630A 16KA	108,215,520	31,068,327	77,147,193	71.29%
	Lighting system	8,178,091,016	4,046,050,881	4,132,040,135	
1	Lighting system	8,178,091,016	4,046,050,881	4,132,040,135	50.53%
	Water supply and drainage system	5,019,619,266	2,484,679,661	2,534,939,604	
1	Water supply and drainage system	5,019,619,266	2,484,679,661	2,534,939,604	50.50%
	Fire control and prevention system	8,397,365,027	4,249,577,560	4,147,787,468	
1	Fire control and prevention system	8,250,185,087	4,146,551,602	4,103,633,486	49.74%
2	Fire control and prevention system on levels 22 and 23	147,179,940	103,025,958	44,153,982	30.00%
	Security control system	488,627,274	239,668,301	248,958,973	
1	Security sound control system	488,627,274	239,668,301	248,958,973	50.95%
	Restaurants equipments	222,709,130	222,709,130		0.00%
1	Industrial kitchens	222,709,130	222,709,130		0.00%
	Autos and Motorbikes Parking Places in B1+B2	671,022,721	74,558,080	596,464,641	88.89%
	Leica Flexline TS02-5 electronic tachometer	149,200,000	16,577,776	132,622,224	88.89%
	Means of transport	7,312,843,379	4,043,335,583	3,269,507,796	
1	Mardar Car	410,519,856	359,204,869	51,314,987	12.50%
2	TOYOTA Altis Car	457,861,818	335,351,604	122,510,214	26.76%
3	Mercedes Benz Car	2,717,171,727	1,698,232,326	1,018,939,401	37.50%
4	Mondeo 2.5 V6 Car	615,520,000	320,583,341	294,936,659	47.92%
5	Mercedes Benz Car	1,295,040,000	827,386,674	467,653,326	36.11%
6	TOYOTA Camry 3.5Q Car	1,022,122,195	317,027,069	705,095,126	68.98%
7	TOYOTA Camry 2.4 Car	794,607,783	185,549,700	609,058,083	76.65%
	Means of transport in HCMC Branch	1,203,862,475	183,022,887	1,020,839,588	

TT	Assets	Costs	Depreciated value	Residual value	% Residual value
1	Yellow- grey and grey-black Ford Everest WV9S	639,318,350	122,536,019	516,782,331	80.83%
2	Toyota Camry, plate number: 79D-3023	564,544,125	60,486,868	504,057,257	89.29%
	Administration Equipments and Tools	11,687,597,248	473,231,888	11,214,365,360	
1	Vacon frequency converter	161,996,632	29,032	161,967,600	99.98%
2	Pre and Post-distribution cubicle- UPS	316,694,524	567,553	316,126,971	99.82%
3	Sever, server IBM	281,752,020	281,752,020		0.00%
4	Sever, server IBM	111,755,065	111,755,065		0.00%
5	Audio and video conferencing system	128,840,000	71,683,041	57,156,959	44.36%
6	Life/Asia + Smart 400	4,609,206,557		4,609,206,557	100.00%
7	IBM computers	2,972,733,225		2,972,733,225	100.00%
8	IBM computers	2,972,733,225		2,972,733,225	100.00%
9	Polycon, software	131,886,000	7,445,177	124,440,823	94.35%
	Means of transport	1,294,350,000	63,064,766	1,231,285,234	
1	Lexus car	1,294,350,000	63,064,766	1,231,285,234	95.13%
	Equipments and tools in HCMC Branch	204,400,000	102,200,004	102,199,996	
1	04 containers used as offices at construction site	204,400,000	102,200,004	102,199,996	50.00%
	Other fixed assets	1,285,454,953	1,200,682,599	84,772,354	
1	Bulletin boards	1,285,454,953	1,200,682,599	84,772,354	6.59%
	Land title	131,854,706,343	4,976,947,427	126,877,758,916	
1	Land title	39,637,792,343	4,976,947,427	34,660,844,916	87.44%
2	Title to the land lot KT A1	53,408,654,000		53,408,654,000	100.00%
3	Title to the land lot TM	38,808,260,000		38,808,260,000	100.00%
	Administration software	2,167,888,569	1,150,194,828	1,017,693,741	
1	Website Admin software	105,465,000	105,465,000		0.00%
2	Office software	220,634,071	186,487,969	34,146,102	15.48%
3	Oracle	724,448,572	481,731,120	242,717,452	33.50%
4	Computer software for the Project Management Unit	383,993,181	147,908,481	236,084,700	61.48%

TT	Assets	Costs	Depreciated value	Residual value	% Residual value
5	Computer software for the Project management Unit and IT Department	237,496,545	91,480,147	146,016,398	61.48%
6	HR Management Software	302,294,000	62,029,865	240,264,135	79.48%
7	Fast	193,557,200	75,092,246	118,464,954	61.20%
	Total	421,088,065,959	73,241,420,111	347,846,645,847	

5.7. Marketing Activities

The State is taking measures to make the real estate market transparent and healthy so that the market can develop and operate in the objective principle of the market economy, minimizing risks for investors and consumers. Like other business fields, real estate investors always expect the highest economic efficiency from their investments and minimum risks, therefore, researching market, developing a marketing strategy right from the stage of forming the investment idea are indispensable. Vincom's overall marketing strategy is identified and implemented with a focus on the community and investors with the aim of building a leading real estate brand name.

Marketing

Speedy, creative, effective in every action

With a clear determination of target customers, Vincom JSC makes long-term and short-term advertising plans in line with its both long-term and short-term development goals. The Company's Marketing forms are clearly divided into: mass marketing, categorized marketing, marketing to target customers, event-based marketing.

The Company has annual advertising and communication plans on most of prestigious magazines and newspapers to position its brand name as: **VINCOM – the leading real estate brand name in Vietnam**. The Vincom twin towers' image has become familiar to not only the citizens of Hanoi but also to the citizens nationwide. The Vincom image has been enhanced when it links with high-end and big-scale projects in not just Hanoi but also in the heart District 1, Ho Chi Minh City and other big cities.

Vincom City Tower, one of the famous shopping and entertainment locations of the Capital, regularly launches big promotion programs and festivals to attract customers.

These programs are always launched at the right time to stimulate shopping and consumption, especially in holidays.

Vincom brand name has also become familiar to advertising activities, such as at exhibitions, conferences, influential forums on the economy, real estate and scientific research.

In addition to promotion programs, advertisements on newspapers or television, Vincom brand name is also assessed to be a brand name that is friendly to sponsorship activities, such as humanitarian programs for agent orange victims, orphans, the poor, people in the flood zones, disadvantaged people etc. It is clearly shown that Vincom always strive for the progress and sustainable development of the society.

With its positive business results in 2009, Vincom JSC was recognized for a number of prestigious awards, such as Vietnam's Golden Star 2009 Award for Top 100 Brands; Energy-efficient Building Award – 2nd time by the Ministry of Industry and Trade in March 2009, Ascending Dragon Cup 2009 by the Hanoi People's Committee, and the Prestigious Securities Brand Award 2009.

Moreover, Vincom is now regarded as an influential enterprise in the community.

Communication and Public Relations (PR)

Has always been a community-friendly orientation

Friendly communication is what Vincom presents to the public. Launching activities of high socialization is the way Vincom enhances its communication activities, creates a good image and effective events to approach the public. Thus, the Company has always received high appreciation of the public and the communication system for its friendliness and professionalism in this activity.

Communication and PR activities of Vincom are remained stable, regular and continuous, which effectively advertise the image and brand name of Vincom. The enhancement and development of characteristics, and positioning of Vincom brand name are regularly implemented under the policy “sustainable, professional, organized, active and modern”

The Company's communication and PR are always bona-fide to build its prestige, put every news in the open, present the consistency and build a trust. These activities are maintained on a bidirectional and regular basis to prevent the disagreement, develop a long-term relationship, the harmony in the relations between the enterprise and the

society. Communication has long been an effective bridge between Vincom and the community in general and investors specifically.

Promotion of communication for big events of the Company is always put into top priority by its Management. Accordingly, information is always assessed objectively, and looked at from different angles so that investors, partners and shareholders can update information in full, easily recognize and analyse the information based on the multidimensional objective assessments.

More particularly, when researchers have proved the outstanding benefits of communication against advertising activities on both 2 factors: cost and efficiency, Vincom JSC has effectively applied the communication by using it in further affirming its position and trust to customers.

In 2008 and 2009, Vincom's activities drew much the attention of the mass media, which is proven by a lot of articles, reportages, programs about the Company's activities on the newspapers, television, radio from different angle. Vincom brand name is known and highly appreciated nationwide.

All of these activities always take place at the same time, creating the position of an effective, professional, organized and sustainable Vincom.

5.8. Market Research

For the past year, the market survey and research has always been enhanced in order to form the foundation for the making of strategy and decision for business activities of Vincom. This activity is currently conducted by the Marketing Department and the Project Management Unit of the Company.

The good market researching has helped Vincom developed and successfully launched big marketing and communication campaigns, laying a solid foundation for the message and brand name of Vincom.

In addition, all information relating to the real estate market in Hanoi, Ho Chi Minh City and other provinces are regularly collected, assessed, synthesized by the Company, based on which to correctly position itself, forecast the market development orientation, and decide suitable business strategies and policies... Moreover, in order to obtain accurate and objective information, the Company hires independent consulting companies, market assessing and researching companies to conduct deep surveys on these fields (brand positioning, real estate) so that it can have accurate and effective assessments and orientation...

5.9. Trademarks, registered inventions and copyright

The Company's trademark: Vincom Joint Stock Company registered trademark protection since its establishment on 03 May 2002 as Vincom with below logo:



Inventions and copyright: none

5.10. Large contracts currently being performed (as at 31/12/2009)

No.	Contract No.	Signing date	Partner	Lease duration (year)	Monthly rent (USD)
I. Trade Center					
1	CBRE/VCTR-019/2009	01/3/2009	Viet Thai International JSC (Highland coffee)	5	10,082.00
2	VINCOM/VCTR/09/2007	28/09/2006	Phuong Phat Co., Ltd (Make Up Forever / Paris France)	3	13,330.80
3	VINCOM/VCTR/18/2007	18/12/2007	Viet Bac Co., Ltd (SB Furniture)	3	10,526.40
4	VINCOM/VCTR/21/2007	18/12/2007	Viet Bac Co., Ltd (Madison)	3	20,660.76
5	CBRE/VCTR/016/2004	10/12/2004	Dong Hung Trade & Services Co., Ltd – Hanoi Branch (Siêu thị Citimart)	10	30,290.00
6	CBRE/VCTR/099/2005	01/11/2005	Rossano Co., Ltd	5	12,180.00
7	VINCOM/VCTR/22/2008	19/12/2007	Rossano Co., Ltd	3	5,520.00
8	CBRE/VCTR/070/2009	T11/2009	Ben Thanh Marketing and Trading Co., Ltd (Best Carings Electronic Supermarket)	5	63,096.46
9	VINCOM/VCTR/46/2007	19/12/2007	Toji Joint Stock Company (Braun Buffel)	2	10,212.00
10	CBRE/VCTR/058/2009	24/11/2009	Dat A Trading Co, Ltd (United Color of Benetton)	5	7,752.00
11	VINCOM/VCTR/04/2008	04/01/2008	Nghi Hung Trading & service Co, Ltd (Converse)	3	4,880.00
12	VINCOM/VCTR/17/2008	16/01/2008	Sai Gon Deli Entertainment Service and Trading Co., Ltd (Paloma Cafe)	3	9,240.00

No.	Contract No.	Signing date	Partner	Lease duration (year)	Monthly rent (USD)
13	VINCOM/VCTR/27/2008	16/01/2008	Vinh Loi Trading and Services Co., Ltd (Vinh Loi II Restaurant)	3	6,412.24
14	CBRE/VCTR/011/2004	10/12/2004	Hai Cang Company Limited (Ocean Harbor Restaurant)	7	13,307.50
15	CBRE/VCTR/103/2006	01/4/2006	Viet Thai International Joint Stock Company (Nike)	5	7,518.72
16	VINCOM/VCTR/03A/2008	07/07/2008	Ms. Hoang Thi Hau (Geox)	3	4,272.30
17	CBRE/VCTR/004/2008	11/7/2008	Ms, Nguyen Thi Minh Nguyet (Ecco)	3	5,373.20
18	VINCOM/VCTR/37/2007	19/12/2007	Thuy Loc Trading Construction Co., Ltd – Hanoi Branch (Shiseido)	3	8,674.40
19	VINCOM/VCTR/47/2007	19/12/2007	Nguyen Bao Ngoc Trading Co., Ltd (Bossini / Giordanno)	3	11,534.00
20	VINCOM/VCTR/12/2008	11/01/2008	Mrs, Nguyen Thi Tuyet (Adidas)	3	5,256.00
21	CBRE/VCTR/005/2008	15/7/2008	Hao Yen Co., Ltd (Akemi)	3	6,105.68
22	CBRE/VCTR/092/2005	03/10/2005	Megastar Media Joint Venture Co, Ltd, VN (Megastar Cinema Complex)	20	55,273.00
23	VINCOM/VCTR/03/2008	21/02/2008	Thanh Bac Fashion JSC (Levi's)	3	8,614.43
24	CBRE/VCTR/014/2004	23/11/2004	Ms, Do Thi Cam Lynh (Bonita)	3	8,370.99
25	CBRE/VCTR/019/2007	05/3/2007	Banyang Trading Company (Samsonite)	3	8,282.18
26	VINCOM/VCTR/06/2007	15/3/2007	Thanh Bac Fashion JSC (Elizabeth Arden)	3	2,418.00
27	CBRE/VCTR/022/2007	11/6/2007	Phung Thien Trading Co, (Montblanc)	3	2,403.00
28	CBRE/VCTR/021/2007	16/05/2007	Tan Hoang Cuong Co, (Edox, Longiness, CK)	3	4,188.80

No.	Contract No.	Signing date	Partner	Lease duration (year)	Monthly rent (USD)
29	VINCOM/VCTR/07/2007	19/03/2007	Thuy Loc Company (Za cosmetics & Thierry Mugler perfume)	3	2,948.72
30	VINCOM/VCTR/25/2008	28/01/2008	Ta Gia JSC (Homemart)	3	6,171.00
31	CBRE/VCTR-014/2008	22/12/2008	Nha Lich JSC Co (Relligio)	3	3,535.00
32	CBRE/VCTR-015/2008	18/12/2008	Ms, Do Thi Cam Lynh (Carlo Rino)	3	5,062.12
33	VINCOM/VCTR/01/2008	19/02/2008	Nguyen Bao Ngoc Trading Co., Ltd (Baleno & Samuel & Kevin)	3	5,183.00
34	VINCOM/VCTR/053/2007	10/01/2008	Ms, Ha Thi Thu Hang (Aussino)	3	6,104.00
35	CBRE/VCTR/033/2009	9/9/2009	Nguyen Thi Quy (Puma)	3	11,061.05
36	CBRE/VCTR-056/2009	7/10/2009	Vu Tien Co (Hot Life Cafe)	3	6,650.00
37	CBRE/VCTR/041/2009	7/10/2009	Red Sun Co,(Seoul Garden)	3	13,120.00
38	CBRE/VCTR/051/2009	16/9/2009	Rong Dia Oc Co, (Pizza Hut)	3	9,472.00
39	CBRE/VCTR/044/2009	6/9/2009	Blue Exchange	3	18,198.00
40	CBRE/VCTR-036/2009	9/9/2009	Anh em Viet Co, (Lock & Lock)	3	6,509.72
41	CBRE/VCTR-054/2009	30/10/2009	Kims Solution Co, (Kims Fullhouse)	3	12,578.80
42	VINCOM/VCTR/11/T5/2009	1/8/2009	Cong Vang Co,	3	4,307.20
43	CBRE/VCTR/093/2005	02/10/2007	Hoang Huy Co., Ltd	3	8,084.00
44	VINCOM/VCTR/013/2008	14/01/2008	Triumph International Co., Ltd (Triumph)	3	4,180.00
45	VINCOM/VCTR/003/2008	02/01/2008	Vincom Securities JSC	3	19,872.00
46	CBRE/VCTR-024/2009	01/3/2009	Ms. Truong Thuy Linh	3	6,930.00
47	CBRE/VCTR/056/2009	01/12/2009	Thai Kieu Sole Member Ltd. Co.,	3	7,347.84
48	VINCOM/VCTR/036/2007	T11/2007	Branch of Thuy Loc JSC	3	3,400.06
49	VINCOM/VCTR-001/2009	T11/2009	Kim Huong Ldt	2	3,971.20

No.	Contract No.	Signing date	Partner	Lease duration (year)	Monthly rent (USD)
50	CBRE/VCTR/034/2009	T09/2009	Kim Cuong Trade Sole Member Ltd., Co.	3	2,311.92
51	CBRE/VCTR/059/2009	20/11/2009	IVI Ltd., - branch at Vincom Commercial Center	3	8,858.00
52	CBRE/VCTR/062/2009	20/12/2009	LK Trading Ltd.,	3	5,568.00
53	CBRE/VCTR/038/2009	20/12/2009	Ms. Le Thi Phuong Chinh	3	4,128.00
54	VINCOM/VCTR/003/2009	19/10/2009	BIDV – Business Center I	5	9,935.00
55	VINCOM/VCTR/031/2009	10/08/2009	Hoang Khang Minh Trading and Services Ltd.,	3	5,5480.00
56	*		Viet Nhat Performance Training Ltd.,	3	8,085.00
57	VINCOM/VCTR/055/2009	01/12/2009	Viet Thai Int'l JSC	3	7,315.00
58	CBRE/VCTR/053/2009	01/10/2009	Hoang Phuc QT Ltd	3	6,600.00
Total monthly rent from trade center					579,809.49
II. Offices					
1	VINCOM/VCTO/060/2008	31/7/2008	Deposit Insurance of Vietnam	3	113,756.50
2	CBRE/VCTO/023/2005	27/5/2008	Royal Norwegian Embassy	2	28,152.00
3	CBRE/VCTO/042/2005	12/09/2005	Irish Embassy	3	11,076.00
4	CBRE/VCTO/003/2008	31/8/2008	Sony Electronics Co,Ltd	5	10,660.00
5	VINCOM/VCTO/04/2008	22/02/2008	Oriented Consultant (OC)	3	9,030.00
6	VINCOM/VCTO/032/2008	17/4/2008	Cisco System Vietnam Ltd.,	2	7,770.00
7	VINCOM/VCTO-060/2009	11/6/2009	THT Development Co,Ltd.,	3	5,100.00
8	VINCOM/VCTO/05/2008	20/02/2008	Tetra Pak Co., Ltd	2	6,120.00
9	VINCOM/VCTO/09/2007	22/06/2007	VN Airlines Office for Northern Region	3	8,028.15
10	CBRE/VCTO/006/2008	28/10/2008	Tri Tin International	5	5,460.00
11	VINCOM/VCTO/058/2008	15/6/2008	Khai Son JSC	2	4,921.00
12	CBRE/VCTO-006/2009	24/02/2009	Thyssen Krupp Representative Office	1	7,038.00
13	CBRE/VCTO-007/2009	24/02/2009	Polysius AG Representative Office	1	7,480.00

No.	Contract No.	Signing date	Partner	Lease duration (year)	Monthly rent (USD)
14	VINCOM/VCTO/10/2007	18/12/2007	Airserco JSC	2	10,179.00
15	CBRE/VCTO/032A/2005	14/6/2005	Thang Long Gas LPD Ltd	5	3,528.00
16	VINCOM/VCTO-30/2008	15/12/2008	IDG Ventures Vietnam – Management Company INC Representative Office	2	6,300.00
17	VINCOM/VCTO/030/2008	01/4/2008	CB Richard Ellis Company Ltd	3	9,584.00
18	VINCOM/VCTO/031/2008	17/4/2008	CB Richard Ellis Company Ltd	3	4,550.00
19	CBRE/VCTO/005/2008	05/09/2008	Mekong International Service Co., Ltd,	2,5	11,180.00
20	VINCOM/VCTO/001/2008	19/02/2008	Navigos Co., Ltd,	3	8,580.00
21	VINCOM/VCTO/057/2008	21/4/2008	Schindler VN Co., Ltd,	2	4,318.00
22	CBRE/VCTO-020/2009	08/07/2009	Vinh Tan 3 Energy JSC.	3	8,092.52
23	VINCOM/VCTO/055/2008	28/4/2008	Man Power VN Co., Ltd	3	4,810.00
24	VINCOM/VCTO/059/2008	28/7/2008	Minebea Thai RO	3	4,000.00
25	VINCOM/VCTO/02/2008	20/02/2008	Faro JSC	3	4,290.00
26	CBRE/VCTO/013/2009	24/4/2009	Mico Heavy Industry Co., Ltd	5	11,220.00
27	CBRE/VCTO/015/2009	01/3/2009	Mekong Securities Co., Ltd	5	8,172.00
28	CBRE/VCTO-002/2008	31/7/2008	TD Trading	3	5,600.00
29	VINCOM/VCTO-056/2008	13/5/2008	BAT Vietnam Co, Ltd	2	14,911.20
30	CBRE/VCTO-022/2009	12/9/2009	GS Engineering & Construction	3	2,558.11
31	CBRE/VCTO/012/2009	06/7/2009	Panama Republic Embassy	3	3,510.00
32	CBRE/VCTO/008/2009	01/3/2009	PBC Partners	3	3,267.00
33	*		Vietcombank – CARDIF (insurance)	5	10,211.76
34	CBRE/VCTO-024/2009	T10/2009	POYRY Energy Ltd.	3	3,250.00
35	VINCOM/VCTO/08/2006	Extended	Viet Nam Communication JSC.	1	11,564.42
Total monthly rent from offices					378,167.46
Total					956,976.95

(*) *Contracts to be signed*

6. The Company's Production and Business Results for the last 3 years

6.1. Summary of a number of indicators of the Company's business activities

BUSINESS INDICATORS IN 2007 - 2009

Figures in: dong, %

No.	Indicator	2007	2008	2009	% increase/decrease against 2008
1	Total asset value	3,179,823,754,676	6,021,566,399,923	14,313,365,056,807	137.70%
2	Net revenue	180,195,234,984	239,180,299,742	1,974,446,241,603	725.51%
3	Business profit	324,624,451,751	141,542,371,495	1,369,843,816,406	867.80%
4	Profit before tax	333,222,118,339	156,768,324,697	1,384,202,221,891	782.96%
5	Profit after tax	268,796,701,668	125,994,789,445	1,101,737,157,913	774.43%
6	Dividend ratio	The General Shareholders' Meeting agree not to pay dividends	Dividends of 5% charter capital	Tentative dividend ratio of 1,000/601 to existing shareholders	

Source: Vincom JSC. – Consolidated Financial Reports of 2007, 2008, 2009

Despite the difficult context of the world and domestic economies, the Company has gained positive business results with its profit over the target. The Company's main business activity, which is the leasing-out of office and shopping mall, remains quite steady. The opening of Vincom 2 (Vincom Park Place) in August 2009 with an occupancy rate of 100% has increased the leasing income by 20% against 2008.

6.2. Factors influencing the business operations of the Company for the past 2 years

In 2008 and 2009, the global financial crisis caused severe impacts on the economy of many countries. The world, in general, and Vietnam, in particular, are in the comprehensive downturn in all aspects of the production and business. However, looking from the positive perspectives of the gloomy picture of the economy, these difficulties, both internal and external, are bringing new opportunities to Vietnam and its enterprises.

a. Disadvantages

Objective

- The global economic crisis and downturn have caused direct and indirect impacts on the Vietnam’s economy generally and on enterprises specifically.
- 2009 is a fluctuating year, in which the crisis of the financial market led to the economic downturn worldwide.
- The restraints on credit growth speed by end the year 2009 forced banks to limit their home loan and corporate property investment loans. These actions affected the real estate market, especially in the apartment and house segment etc., indirectly causing greater difficulties to a lot of property developers.
- A lot of new big property projects in the neighboring areas of Hanoi were approved and started.
- The securities market suffered from a deep decline and there was a low liquidity. Foreign investors withdrew from the market, making the mobilization from this securities channel (shares and bonds) became hard.
- Hardly had the real estate market’s “iceberg” melted than negative and complicated changes occurred.

Subjective

- In the same boat like many other Vietnamese enterprises, the Company has to face with the crisis and suffers from the crisis’ impacts on its business operation.
- The Company has to face with the pressure of a nonstop growing demands for investment capital when the inflation keeps rising.

b. Advantages

Objective

- The office market in Hanoi in 2009 did not have big changes as the supply is lower than the demand, especially in the first four inter-city districts.
- The retail market in Vietnam is the most promisingly attractive market to foreign investors thanks to its advantages of a young population and a big source of idle funds. The retail market pressures, especially when Vietnam is going to let this field open, have raised the rent, while there are not many new shopping malls in Hanoi.
- Thanks to Vietnam’s integration into WTO and its opening of retail market since early 2009, a lot foreigners will come and live in Vietnam, which will boost the

demands for serviced apartments. The supply of apartments, especially the high-end ones still does not meet the demand. Individual investors have started to buy apartments to lease them out to expatriates. This is the market providing houses for foreigners but it also boost sale of apartments.

- The inflation early 2008 made prices escalate, however, prices have been stabilized since 2009, even lower than the average expense, especially the prices of construction materials.

Subjective

- VCT is located in the centre of the city with convenient traffic. This is also the only complex in Hanoi offering package services: retail centre, entertainment and office. High quality service and competitive rents are the reasons for the absolute and stable occupancy rate of the building.
- Vincom is a prestigious brand name, which is affirmed in the market in general and in the real estate market field in particular.
- Vincom's property projects are located in the centre of big cities. The Vincom Park Place Building in Hanoi (connecting with VCT) officially came into operation in August 2009, and the construction of Vincom Centre in District 1 is on schedule and is to be opened soon.
- Vincom's current projects are high-end property ones, having prime location so they are not much suffering from the sharp decline of property prices.

7. The Company's position compared with that of others in the same industry

7.1. The Company's position in its industry

❖ *Vincom City Towers*

Vincom City Towers are becoming more and more attractive to and liked by people, especially the young ones. No other trade center in Hanoi can have such a perfect combination of high quality shopping, entertainment and restaurants like at Vincom Center. Above all, this place also offer office space with varied amenities and high security.

The perfect combination of the 6 floors on the podium as a retail space, offering a wide variety of goods, restaurants and entertainment, with the 15 floors on the towers

serving as the high-end offices has optimized the convenience for the two blocks, creating the towers themselves a position that no other building in Hanoi can have.

Megastar cinema complex: This is currently the most modern cinema complex with 10 multifunctional international standard projection rooms. This cinema complex has produced resonant effects and support for the trade center and brought Vincom a firm competition position in Hanoi that other buildings are unable to have in 2-3 years. s

❖ *Office areas*

With a total office area of 50,000m², Vincom is seen as one of the biggest office building in Hanoi with the management and consultancy provided by CBRE. With the central location, the Building obviously has a more competitive advantage over others existing or to be constructed in the future.

❖ *Vincom Park Place*

Vincom Park Place (the 25-floor complex of retail center and high-end apartments) was developed by the PFV Investment and Trade Joint Stock Company, in which Vincom holds 74.41% charter capital. Its construction commenced in early 2008 and the Vincom 2 Trade Center officially came into operation in August 2009. Special construction standards were applied for this 25-floor building, which comprises of high-class luxurious apartments and a penthouse, luxurious shopping mall, and sufficient services of a high-end apartment building in the centre of Hanoi.

❖ *The Project “Office and apartments for sales, 5-star hotel and Trade Center” in District 1, HCMC (Eden Project)*

In HCMC, Vincom JSC continues to haul itself up by officially obtaining the permission to be the investor of the two land lots in the centre of the City. This area has beautiful landscape, compatible technical infrastructure, and is surrounded by a number of cultural works, office buildings, big and most luxurious hotels and shopping malls of the City. The land at 66-68-70 Le Thanh Ton has there facades: one on Le Thanh Ton street, one on Hai Ba Trung street and one on Ly Tu Trong Street, with a total area in excess of 7,000m²; the land area for Eden Trade Center has 4 facades: one on Le Loi Street, one on Dong Khoi Street, one on Le Thanh Ton Street, and the rest in on Nguyen Hue Street with a total area of 8,800m². The Company is developing this place into a leading property complex in Vietnam with the best design idea and quality.

7.2. Rivals

a. On retail market

❖ *In Hanoi*

Besides existing rivals (Trang Tien Plaza, BigC Thang Long, Opera Business Centre, Ruby Plaza...), Vincom JSC will have to compete with a lot of other rivals in the coming years. According to the statistics of CBRE, by end of 2009, the retail space in Hanoi had exceeded 100,000m². Total supply of retail market does not change compared to Quarter III 2009, however, CBRE expects, in 2010, the market will have 38,500m² of retail space more from the Hanoi City Complex, of which construction has been resumed, restructured Trang Tien Plaza and Grand Plaza, of which 50% space has been leased.

MARKET SNAPSHOT, Q4 2009		
	CBD	Non-CBD
Total supply (NFA, sm)	49,197	54,379
Vacancy (%)	0.4%	31%
Average asking rents (US\$ psm per month)	\$54.75	\$35.93
% change q-o-q	1.03	(-2.99)

By 2011, an area of approximately 700,000m² will be added to the current supply source. Main problems will lie in the lack of quality retail space and in the procedures and issues relating to obtaining permissions. In terms of business scale and area, the supply of shopping malls has considerably increased due to the appearance of 6 new places: Syrena, Hapro Department Store, Hà Thành Plaza, Parkson, The Garden, Artex Building and Kinh Do Tower. With a vacancy ratio of 0.4%, most of these shopping centres operated effectively in 2009. 7 out of 10 big shopping centres in Hanoi are fully occupied. In addition, Vincom is striving to further develop and gain more successes, especially thanks to the following advantages:

- Prime location;
- Reasonable rent;
- High quality and professional service.

❖ *In Ho Chi Minh City*

Vincom JSC is opening the Vincom Center Building in the centre of Ho Chi Minh City (Le Thanh Ton Street, District 1) on 30th April 2010, which is seen as its official

exploitation of HCMC real estate market. Although the Company has a late entrance to the market compared to other rivals like Diamond Plaza, Parkson Le Thanh Tong, Saigon Trade Center, Zen Plaza... Vincom Center's occupancy rate has reached 85%. The results of the survey conducted by CBRE Vietnam about the retail market shows that, the retail market in HCMC currently has approximately 493,000m² for all types. More than 40,000m² of trade center was supplemented to the market in Quarter IV of 2009, and most of these additional spaces were quickly occupied, including Kumho Asiana Plaza, Saigon Square 2, Parkson the Flemington. The rent of retail space in the centre area may continue to go up in 2010 due to the shortage of supply. This is a favorable condition for appearance of Vincom Centre in HCMC.

7.3. Prospects of the Industry

The global financial crisis, which started in 2008 and lasted until the end of 2009, has caused severe impacts on the economies worldwide. Many big brand names, including huge financial institutions collapsed. Most of Vietnamese enterprises, particularly those in the real estate trading, have severely suffered from the crisis. Despite of the gloomy picture of the world economy, looking from the positive perspectives, these difficulties, both internal and external, are bringing new opportunities to Vietnam and its enterprises.

❖ *Office for lease*

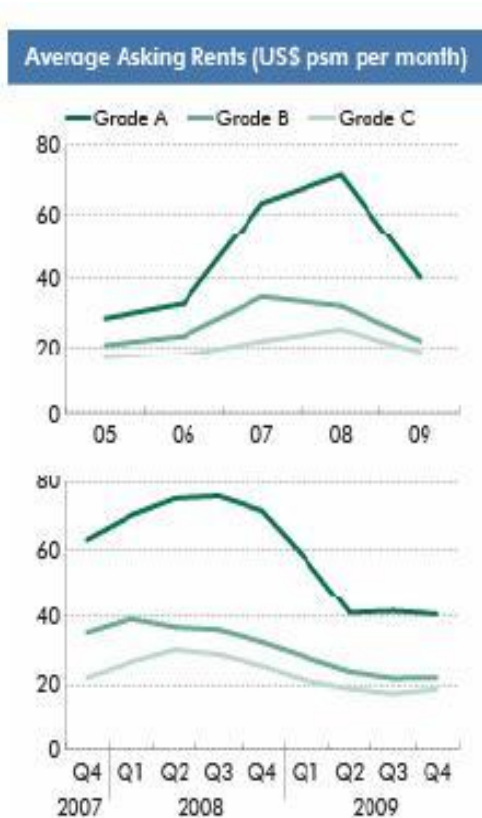
The impacts of the economic crisis together with the considerable increase in the demand for office space have resulted in a temporary surplus demand in all market segments (Offices Grade A, B and C). There is a keen competition to retain customers and increase space for rent among buildings. A large number of big companies, mainly local ones, are trying to search for offices to lease for long term and at reasonable rent. To enhance their competitiveness, new projects are offering lower rents. If rents offered by new buildings Grade A and B+, which have good locations, are going down, customers are forecasted to consider moving their offices due to a bigger saving of office rent than office relocating costs.

In HCMC, the real estate activities are recovering together with the banking and finance sector, which grows the demands for office space in central areas. A large number of offices Grade A have been transacted. Such big buildings as Sai Gon Centre, KumHo Asiana Plaza offer average rents of USD50-55m²/month with a revision of 1.23% each quarter for offices Grade A. Most of the property developers

still keep the rent at USD40 – 45/m²/month as they believe the worst time is over. The Grade A building Kumho Asiana Plaza's opening in Quarter III 2009 has provided 31,562m² more for the market. Kumho Asiana Plaza has been positioned as a high-end building, competitive to the Metropolitan. No building Grade B was completed in Quarter III/2009. Seven office buildings Grade C were completed in Quarter III, which provides 37,049m² of floor area more to the market, and are mainly in the areas that already have a number of office buildings Grade C: District 3, Phu Nhuan District, Tan Binh District and District 5. In Quarter IV 2009, the supply of new office space was influenced by offices Grade C with 13 new buildings were completed. The supply of Grade C increased by approximately 38,000m² of floor area (about 29,000m² net). No buildings Grade A or B were put into operation during this Quarter. Total new net office space for lease of all grades reached 50,000m², an increase of 1.5% against the previous quarter, in which:

- New net leasing area – Grade A: 9,000 m²
- New net leasing area – Grade B: 13,000 m²
- New net leasing area – Grade C: 28,000 m²

The vacancy rate of office space of all grades was 14.5% by end of Quarter IV. The average rent offered by the seven office buildings Grade A was USD40.4m²/month, a decline of 2.2% against the previous quarter. The needs for office space kept rising. The demand in Quarter IV 2009 increased by 20% compared to the previous Quarter. The extension of lease contracts of existing lessees accounts for most of successful transactions of offices Grade A in the last Quarter. Demands for offices Grade B and C are mainly of Vietnamese firms.



Source: CB Richard Ellis Vietnam

Prospects: It is expected that more than 350,000m² of floor area will be completed in 12 months. Rents are forecasted to decline due to the existing big gap in the offering rents and transacting rents. Market advantages still belong to lessees. A residual floor area of approximately 130,000m² of 2009 plus the new floor area will force office developers brainstorm new operational orientation. Vietnamese firms will be the key factor of most of the transactions – mainly joint stock and state-owned companies. Leasing transactions will continue to focus on offices of 150 – 300m². A number of large transactions are still recognized by foreign-owned companies which are expanding their operation.

In Hanoi, the statistics by CBRE shows the office for lease market as at Quarter IV 2009 as follows:

MARKET SNAPSHOT, Q4 2009

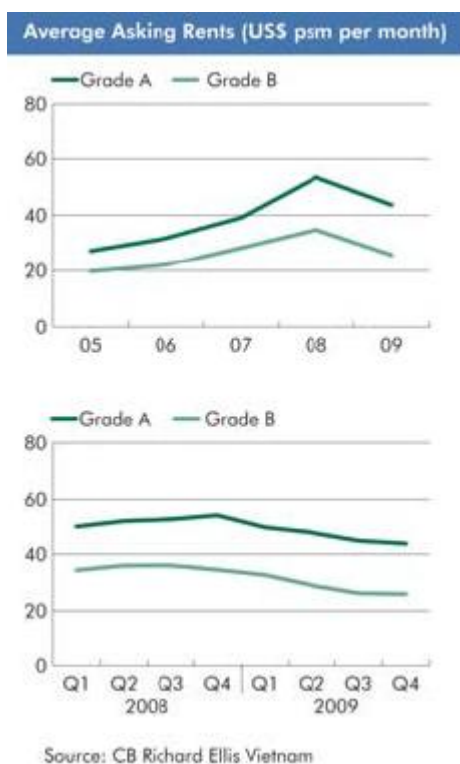
	GRADE A	GRADE B	GRADE C	TOTAL
Number of Buildings	12	34	60	96
Supply (NLA)	116,680	298,898	180,000	~600,000
New supply (NLA)	10,120	33,000	-	43,120
Vacancy	11%	18.04%	-	16.06%
Average asking rents (US\$ per net square metre per month, inc. service charge, exc. VAT)	\$43.71	\$25.89	-	-
% change (q-o-q)	-2.3%	-1.18%	-	-

(*): Data on Grade C office space is difficult to gather owing to lack of transparency in the market. Most Grade C buildings are developed, owned, and operated by small local developers.

In Quarter IV/2009, there is a building Grade A – BIDV Tower and 3 buildings Grade B – Vinaconex Tower, CMCTower and Vinaconex 9 coming into operation with a total supply of net office area for lease 43,000m². In October 2009, two another office building started to be built: the FLC Landmark Tower on Le Duc Tho Street (construction commencing on 15 October), and the Lotte Hanoi Centre (previously

known as Hanoi City Complex, construction commencing on 22 October) with the respective net area for lease of 11,000m² and 40,000m².

The supply of offices Grade A in 2008 caused a vacancy rate of 11% in this segment with a new supply of 10,120m². The vacancy rate of offices Grade B increased to 18.04%, an increase of 3.04% against the previous quarter. The rents of both segments A and B slightly decline respectively by 2.3% and 1.18% against the previous quarter to USD43.71/m²/month and USD25.89/m²/month



From now to the middle of 2010 and 2011, more office projects Grade A will be completed. In the next 2 years, the office market for lease in Hanoi will expect no stability because most of the markets, especially the new buildings will have to face with the continuation of rent depressurizing as there is no sign that the rents will decrease in the next 2 years. There will be competitions between the developers of BIDV Towers and Capital Tower (where offices Grade B are located), which is coming into operation the next quarter. A number of other buildings opening in Quarter II of 2010 include: Excalibur Building, Charmvit Plaza. Keangnam Hanoi is to be open by end of 2011.

❖ *Retail market*

The Retail market in Vietnam is assessed to be of great development potential. In 2009, although the economy had to face with a lot of difficulties, retail gained considerable growth rates. As per the evaluations of the the Domestic Market Regulating Group of the Ministry of Industry and Trade, the total retail of goods and social services is estimated to reach VND1,197.480billion, an increase of 18.6% against 2008.

The retail market is currently dividing evenly to all of the locations having all the criteria for wholesale activities. Thus, most of the houses on the street-front are big retail supply. A lot of shops on big streets have been repairing and upgrading their facility conditions to meet the growing leasing demands.

According to the surveys of market research companies, a lot middle-class and high-class brand names have entered Vietnam market such as Naf Naf, Morgan de Toi, Mexx, Aldo, Hard Rock Café, Debenhams.

In HCMC, there is a clear separation in the commercial space market between the inter-city and satellite areas because the retail system is still focusing at the centre of the City. According to CBRE's survey, many trade centers in the neighboring areas are attracting customers while those in the centre are filled up right from the opening days at a rate of 80%.

By early 2010, the ratio of vacant area of commercial centre is 5.3%, an increase of 0.9% compared to Quarter III 2009. Total retail floor area exploited by Debenhams is 256,025m², the average occupancy rate is approximately 95%. According to CBRE's assessment, in 2009, the market rent on retail market declined sharply compared to 2007 and 2008. Rents at good locations in the centre of the City range from USD99/m²/month to 250USD/m²/month.

In 2010, floor area of retail space in the centre will increase by 65,050m² when Vincom Centre and Bitexco Financial projects are brought into operation. CBRE forecasts that the rents offered in the centre will tend to go up due to the non-decreasing demands. On the contrary, the floor area of the out-of-centre areas will tend to decrease. During the past two years, the supply of retail space has doubled. However, according to the market survey and forecast by 2013, the supply of retail space in HCMC will double as it is now to 740,000m², in which that in the out-of-centre areas will increase by 50% right in 2010 and will be 7 times higher by 2013.

From now to 2013, HCMC will have a number of retail spaces brought into operation. In 2010, The Everich of 24,000m² will be open in HCMC, of which the lessee will be the Retail Group Lotte, who opens the second supermarket in HCMC. Vincom Center, 48,000m², is not opening until 30th April 2010, but 85% space has been occupied. The Plemington – phase 2 with 7,500m² on Le Dai Hanh Street (District 11) will be completed in Quarter IV, 2010; Bitexco Financial Tower of 20,000m² (District 1) is opening in October 2010. Sai Gon M&C of 23,000m² (District 1) is expected to complete in 2010, Crescent Mall of 44,000m² (District 7) will have it construction completed in Quarter IV 2010. Others to be completed in 2011 include: Tan Phong Shopping Complex of 70,000m² (District 7), Times Square of 14,566m² (District 1).

Projects scheduled to complete in 2012 are: Royal Garden of 22,000m², SJC Tower of 8,292m² (District 1), Vincom Eden of 27,104m² (District 1), Le Van Tam Underground Park of 30,904m², Sunrise City of 70,000m² (District 7). And in 2013, HCMC will have: Platinum Plaza 140,000m² in Binh Chanh District, Berjaya Financial Tower 186,464m² (District 10), Promenada – phase 2 (Binh Duong). If all of these commercial centre projects are on schedule, there will be an abundant supply of retail space in HCMC, which can “quench the thirst of the market”.

In Hanoi, Vincom Centre 2 (Vincom Galleries), a high-end trade center brought into operation in August 2009, has provided the market with 91,500m² of retail space. This Centre connects with the Vincom City Towers by overhead walkways in levels 3, 4 and 5, making themselves the largest shopping complex in the Capital. A number of famous brand names including Repay and Dunlop have opened their shops here. However, the number of such retail space is still limited so enterprises are still looking for other shops in the centre.

In Quarter IV, there was no additional retail space in Hanoi and the supply remained stable. However, due to such a great demand for retail space in central areas, street-front shops have been upgraded a lot. It is expected that in 2010, Hanoi will have 38,500m² of retail space more in the out-of-centre areas.

Rents in the centre areas remain stable and are expected to go up in 2010 when the demands keep growing and a lot of leasing contracts are expiring. Local retailers are expanding their scale, in which the food and beverage sector witnesses the strongest expansion, and is followed by the mass opening of electronic shops at good locations and on big streets. The occupancy rate is high: approximately 100% in the city centre and 69% its satellite areas.

The upgrading of street-front shops into modern retail space will cause pressure on the rent increase speed of retail space in commercial centers. The upgrading of old markets into commercial Center will help improve the hygiene and food safety and shopping habits of the people. Once Trang Tien Plaza is improved, its rents will be as high as other competitors in the city centre. The incomplete infrastructure and traffic will influence people’s shopping habits. In the satellite areas, new trade centers will gradually come into stable operation when local and middle-class brand names take

advantage of lower rents and most of the citizens are living in the West and South of the City.

7.4. The Company's Development Orientation

With the completion of the Vincom City Towers (of which occupancy rate is approximately 100%), Vincom Park Place and Eden Project in HCMC, Vincom JSC has gained valuable experience in designing, constructing, operating, exploiting and managing complexes of trade center, office, high-end apartments for rent and hotels. This is a firm foundation for the Company to consider further investing into these fields.

b. Ongoing projects

❖ *The Complex Office, Luxury Apartments for rent, 5-star Hotel, Trade Center and Underground Parking Place in District 1, Ho Chi Minh City.*

Location: The Eden Quadrant, the HCMC Department of Education and Training and the basement of Chi Lang Park; Total estimated investment: approximately VND8,257billion.

In HCMC, Vincom JSC continues to haul itself up by officially obtaining the permission to be the investor of the two land lots in the City centre. This area has a beautiful landscape, compatible technical infrastructure, and is surrounded by a number of cultural works, office buildings, big and most luxurious hotels and shopping malls of the City. The land at 66-68-70 Le Thanh Ton has three facades: one on Le Thanh Ton street, one on Hai Ba Trung street and one on Ly Tu Trong Street, with a total area in excess of 7,000m²; the land area for Eden Trade Center has 4 facades: one on Le Loi Street, one on Dong Khoi Street, one on Le Thanh Ton Street, and the rest in on Nguyen Hue Street with a total area of 8,800m². The Company is developing this place into a leading property complex in Vietnam with the best design idea and quality. On 15 October 2010, Vincom JSC and its consultant – CBRE, officially announced the commencement of the registration for the leasing at the Vincom Center Shopping Mall, a component of the said Project.

The Office, Service and Luxury Apartments area (Area B) is located on the land lot of which the pre-existing facility is the HCMC Department of Education and Training officially started to be built right after the Company obtained the

Construction License. The construction of the bare shell has been completed and the building is scheduled to be put into operation in April 2010.

Regarding the Eden Quadrant, the Company is now doing site clearance and making compensation under Decision 212/QD-UBND dated 22 January 2009 of the People's Committee of District 1, HCMC approving the detailed plan of making compensation and support for the resettlement. The building is scheduled to be completed and open after 18 months of construction.

c. Projects to be implemented

- ❖ Functional City Complex Project (Royal City Complex of Hotel, Offices, Trade, Supermarket and Luxurious Apartments) at 74 Nguyen Trai, Thanh Xuan District, Hanoi. Total estimated floor area: **1,069,900 m²**, total estimated investment: **9,999 billion dongs**
- ❖ The 8/3 Textile Factory and Hanosimex Project (ECO CITY) at 460 Minh Khai Street, Hai Ba Trung District, and No. 25, Alley 13, Linh Nam Street, Hoang Mai District, Hanoi. The two locations belong to the two textile companies: 8/3 and Hanosimex. Total estimated floor area: **2,173,851 m²**;; total estimated investment: **20,000 billion dongs**
- ❖ In addition to the above Projects, the Company is trying to complete the procedures for a number of potential projects in Hanoi and HCMC and will announce them as soon as they are officially approved.

8. Labor Policy

8.1. Number of employees

Total number of employees of the Company as at 31 December 2009 is **385** with the structure as follows:

EMPLOYEE STRUCTURE

Indicator	Number (persons)	Proportion
I. QUALIFICATION	385	100.0%
Under-graduate & Higher	173	45%
Below under-graduate	212	55%
II. GENDER	385	100.0%
Male	224	58%
Female	161	42%

8.2. Labor policy

a. Working policy

- **Working hours:** The working time of the Company is 8 hours per day, 5.5 days per week with a one-hour lunch break everyday. In the case of tight deadlines, the Company may require employees to work overtime and offer satisfactory compensation in addition to ensuring their rights under State regulations.
- **Annual leave and holidays:** All employees are entitled to have total 9 days off for Tet and other national holidays as specified by the Labor Code. Employees who have served 12 months or more at the Company are given 12 days off for annual leave per year. For those who have joined for less than 12 months, the actual entitlement of annual leave is in proportion to the actual working time. Moreover, for every 5 years working at the Company, the staff will be entitled to an additional 01 day off.
- **Sick leave, maternity leave:** Staff who are on sick leave are entitled to sick allowance covered by Social Insurance Fund in accordance with the Labor Code. During maternity leave (04 months), employees receive maternity allowance paid by the same Fund.
- **Working conditions:** white-collar staff are given comfortable and airy offices. Blue-collar workers are well-equipped with labor safety and sanitation essentials. Labor safety principles are strictly followed by the Company.

b. Recruitment and training policy

- **Recruitment**: The main objective is to attract competent people, who can help the Company meet its business expansion demands. Each position has its own specific requirements, however, the basic requirements for every position are: having basic qualifications, being career oriented and highly disciplined.
- Managers are required to possess a specialized university degree, be enthusiastic, be willing to learn, enjoy working, be pro-active and creative, good at team organizing, managing and leading. For key positions, the requirements are fairly stringent with compulsory criteria such as work experience, logical thinking, sensitive judgment, being agile and flexible, being decisive, having good analytical skills, competency in foreign language and computer skills.
- **Training**: The Company pays attention to human resource development through professional training, both in-house and outsourced, for its staff. Training provided includes: work safety and sanitation, fire prevention and control, English in communication, customer service, secretarial works, insurance policies, compensation policies, property management, communication skills, team building, leadership skills, etc.

c. *Remuneration, bonus and welfare policy*

- **Remuneration policy**: The Company's compensation and reward policy is suitably designed for every position, skills and qualification of staff to accurately assess their competence and performance. It is also to motivate staff to demonstrate their best capabilities and responsibility for higher productivity, quality and efficiency.
- **Bonus policy**: In order to encourage employees to enhance their productivity and efficiency, besides their rights under the Labor Law, employees are entitled to other rights such as preferential purchase of shares and bonds of the Company. The preferentiality depends on the contribution of the employees themselves to the Company and on the decision of the General Shareholders' Meeting.
- The Company assesses staff's competence, work attitude, efficiency and level of contribution to its business performance and service quality, in order to offer reasonable rewards. Moreover, the Company also launches competitions and campaigns on the occasion of important Company events, which are always enthusiastically received and attended by staff. At the end of such competitions

and campaigns, excellent individuals and departments are given awards for their high achievements.

The Company commends and rewards staff that:

- ✓ Deliver excellent performance, make remarkable contributions to the Company's business efficiency, which help enhance service quality, prestige and image of the Company;
- ✓ Prevent potential disasters or handle emergencies well;
- ✓ Contribute effective renovation ideas to the Company's operation;
- ✓ Receive letters of commendations from customers;
- ✓ Set a good example for other staff.

Commendation forms:

- ✓ Certificate of Merit;
 - ✓ Rewards (in cash or other forms such as traveling);
 - ✓ Promotion, salary review;
 - ✓ Purchase of the Company's shares at preferential price.
- **Talent attracting policy**: The Company has a special remuneration and reward policy for excellent and experienced staff in related areas with the aim of retaining them as well as attracting qualified staff from other sources.
- **Insurance and welfare policy**: The Company pays social insurance and medical insurance premiums in accordance with provisions of laws. In addition, it buys 24-hour accident insurance for all staff (which covers death, injuries, medical costs, accident leave, etc.)
- **Labor safety and sanitation**: Vincom has invited labor inspectors (from Hanoi Department of Labor, Invalids and Social Affairs) to conduct training on work safety for employees in the Company. All the new technical staff are trained on work safety before commencing their tasks. The Company ensures that all staff are equipped with labor safety essentials.
- **Unions**: Vincom puts emphasis on union activities, benefits and the social life of its staff. The Company has set up its Communist Party Cell and Staff Union, which operates very effectively and sticks to its orientation in order to create a communication environment where staff are linked and are encouraged to

capitalize on their capabilities. These have helped build and promote corporate culture and enhanced the Company's position in the local area.

The Company organizes vacations for its staff, visits staff on serious sick leave and maternity leave, periodical medical check-ups; supports staff in difficult situations; give presents to staff on birthdays, weddings; holds festivals for employees' children on International Children Day, Mid-Autumn Festival; praises and rewards employees' children who gain high achievements in study/sports/arts etc...

Besides, the Company often holds cultural and musical events to build a healthy spiritual life for all staff. Musical and singing performances, singing competitions are often held on the occasion of the Company's anniversary, etc. It also sets up internal forums, organizes dancing classes for staff in order to enrich its corporate culture beside sport activities such as friendship football competition among departments, subsidiaries and partners...

9. **D**ividend Policy

The Company pays dividends to shareholders once it makes profit and has completed tax and other financial obligations in full under the provisions of laws. After the fully paying the estimated dividends, the Company ensures to settle all other due debts and asset obligations.

Shareholders are paid dividends in proportion to their contributed capital. Dividend ratio will be decided by the General Shareholders' Meeting based on the proposal of the BoD in regards to the business performance of in the year and the business and operation plan for the next years.

10. **F**inancial status

10.1. **K**ey indicators

The Company's fiscal year commences on 1st January and ends on 31st December every year. Its financial report is in VND and is made and displayed in accordance with the Vietnamese Accounting Standards and Regime.

a. Depreciation of fixed assets

From 2003 backwards, the Company depreciated its fixed assets under Decision 166/1999/QD-BTC dated 30/12/1999 of the Ministry of Finance. From 2004 onwards,

the Company applied the straight line depreciation method to amortize the costs of fixed assets by estimated use time, in accordance with Decision 206/2003/QD/BTC dated 12/12/2003 of the Minister of Finance on issuing regime on management, use and calculation of depreciation of fixed assets

Depreciation time for:

- Houses: 47 years
- Machines and equipments : 09 - 10 years
- Means of transport and transmission: 08 years
- Management devices and tools: 03-07 years

b. Average salary

The average income of Vincom employees in 2009 was VND7,000,000/person/month

- The highest: VND44,000,000/person/month
- The lowest: VND1,900,000/person/month

This is quite a high Grade Compared to other companies in the same industry.

c. Settlement of due debts

During its operation in 2009, Vincom JSC made payment of due debts in full and had no overdue debts.

d. Statutory liabilities

Vincom JSC strictly pays all VAT, corporate tax income and others in compliance with State's regulations.

e. Setting aside funds

The Company sets aside funds in accordance with its existing Charter and applicable laws. The ratios of the funds are decided by the BoD on an annual basis and are submitted to the Annual General Shareholders' Meeting for approval.

f. Total outstanding loans from banks

As at 31 December 2009, the Company's loans are as follows:

- Short term debts and loans: VND242,288,185,273
- Long term debts and loans: VND9,014,391,841,949

g. Liabilities

- Receivables as at end of 2007, 2008 and 2009

Figures in: million dong

INDICATOR	2007		2008		2009	
	Total	Overdue debts	Total	Overdue debts	Total	Overdue debts
Trade receivables	2,625	-	6,776	-	342,444	-
Advances to suppliers	22,414	-	22,755	-	355,464	-
Intercompany receivables	-	-	-	-	268,727	-
Receivables from related parties	16,706		118,513			
Other receivables	239,731	-	270,908	-	41,158	-
Provision for doubtful debts	-	-	-	-	-	-
Total	281,476	-	518,952	-	1,007,793	-

Source: Financial Reports of 2007, 2008, 2009

– Payables as at end of 2007, 2008 and 2009

Figures in: million dong

INDICATORS	2007		2008		2009	
	Total	Overdue debts	Total	Overdue debts	Total	Overdue debts
Current liabilities	199,769	-	1,102,096	-	1,466,893	-
Short-term loans	-	-	622,000	-	242,288	-
Payables to suppliers	1,066	-	60,548	-	146,078	-
Advances from customers	851	-	766	-	1,088	-
Payable Taxes	58,184		10,191	-	346,649	-
Payables to employees	2,065	-	3,507	-	1,918	-
Accrued Expenses	24,401	-	275,269	-	312,981	-
Payables to related parties			433		324,553	
Other payables	113,202	-	129,382	-	91,338	-
Non-current liabilities	1,046,917		3,296,966		9,210,737	
Long-term loans and debts	1,000,000	-	3,165,800	-	9,014,392	-
Other debts (other long-term payables)	46,242	-	129,327	-	57,941	-
Deferred income tax					136,640	
Provision for severance allowance	675	-	1,839		1,764	
Total	1,246,686	-	4,399,063	-	10,677,630	-

Source: Financial Reports of 2007, 2008, 2009

10.2. Key financial indicators

INDICATORS REFLECTING THE FINANCIAL STATUS AND BUSINESS RESULTS

Indicators	2007	2008	2009
1. Solvency (times)			
- Current ratio	12.08	2.15	5.13
- Quick ratio	12.69	1.50	4.31
2. Capital structure (times)			
- Debt/Total Asset ratio	39.2%	73.1%	74.6%
- Debt/Owner's Equity ratio	64.5%	293.7%	516.6%
3. Operating capacity (times)			
- Inventory Turnover Ratio	487.22	94	523
- Net turnover/Total Asset	5.7%	3.97%	13.8%
4. Profitability (%)			
- Profit after tax/Net turnover	149.2%	52.7%	55.8%
- Profit after tax/Owner's equity	14.6%	8.4%	53.3%
- Profit after tax/Total Asset	8.5%	2.1%	7.7%
- Profit from business activities/Net Turnover	180.2%	59.2%	69.4%
5. Shares-related indicator (Face value: 10,000/share)			
- Earning per share (dong/share)	2,940	1,091	5,328

10.3. Other financial activities

Following the first successful issuance in 2007 under the consultation of BIDV and ANZ, with a great need of funds for its projects, in early 2008, the Company capitalized this fund mobilizing channel by making the second individual issuance of bonds to raise funds for its ongoing projects. On 17 November 2009, Vincom successfully issued USD100 million of five-year convertible bonds (third issuance), which were immediately listed on the Singapore Stock Exchange after the issuance. This marked the first international capital markets issuance by a Vietnamese company. In December 2009, the Company continued to make the forth issuance of VND1,000billion. Below are details of the such bond issuances:

a. *First issuance: 10/2007*

In 2007, the Company successfully made the first issuance under the consultation of BIDV and ANZ with the following details:

- Issuing institution : **Vincom JSC**

- Bond name : **Vincom bond**
- Face value : **VND1,000,000,000/bond**
- Issuance method: The bonds are issued under the individual issuance in accordance with Decree 52/2006/ND-CP dated 19 May 2006 of the Government on Issuance of corporate bonds
- Type of bond: Unsecured ordinary bonds
- Date of issuance: 22/10/2007
- Term: **5 years** Maturing in: 2012
- Volume of issue: **1,000 billion dong**
- Coupon interest rate: 10.3%
- Interest payment method: Single payment of previous year's interest on 22 October every year
- Type of bonds: Book-entry bonds
- Issuance beneficiary: Domestic and foreign institutions
- Issue purpose: To raise funds for the Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place at 68-70 Le Thanh Ton, the underground area of Chi Lang Park and Eden Trade Center, District 1, Ho Chi Minh City.
- Issuance arranging and consulting institution: The Bank for Investment and Development of Vietnam – Quang Trung Branch and the Australia and New Zealand (ANZ) Banking Group Ltd.

b. Second issuance: 05/2008

With a great demand for funds for its projects, in early 2008, the Company capitalized this fund mobilizing channel by making the second individual issuance of bonds to raise funds for its ongoing projects. Details of the issuance:

- Issuing institution : **Vincom JSC**
- Bond name : **Vincom bond**
- Face value : **VND1,000,000,000/bond**
- Term : **5 years** Maturing in: 2013
- Issuance method: The bonds are issued under the individual issuance in accordance with Decree 52/2006/ND-CP dated 19 May 2006 of the Government on Issuance of

corporate bonds

- Type of bonds: Unsecured ordinary bonds
- Date of issuance: 06/5/2008
- Volume of issue: 2,000 billion dong
- Coupon interest rate:
 - + The first year: 16%
 - + Subsequent years: floating interest rate, equivalent to the average 12-month savings rate offered by four national banks: Agribank, Vietcombank, BIDV and Vietinbank plus 4%.
- Interest payment method: Single payment of previous year's interest on 6th May every year
- Type of bonds: Book-entry bonds
- Issuance beneficiary: Domestic and foreign institutions
- Issue purpose: To raise funds for the Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place at 68-70 Le Thanh Ton, the underground area of Chi Lang Park and Eden Trade Center, District 1, Ho Chi Minh City, other projects and to supplement the Company's working capital.
- Issuance arranging and consulting institution: Agribank Securities Company (Agriseco)

c. Third issuance: 12/2009

In December 2009, the Company successfully issued its convertible bonds to international market. Vincom international convertible bonds were officially listed on the Singapore Stock Exchange from 16 December 2009. The shares issued additionally after being converted from bonds will be listed on the Ho Chi Minh City Stock Exchange, where Vincom shares are being transacted. Below are the details of the issuance:

- Issuing institution : **Vincom JSC**
- Volume of issue : **100.000.000 USD**
- Face value : **USD100,000/bond**
- Term : **5 years** Maturing in: 2014

- Issuance method: Individual issuance via the issuance underwriter agency
- Type of bond: Unsecured bonds and can be converted into Vincom ordinary shares;
- Fixed Coupon interest rate: 6%/year (payment of interest on a six-month basis);
- Type of bonds: Convertible bonds
 - + Initial conversion price: VND113,400;
 - + Conversion commencement date: 30 April 2010 and depends on decisions of the bond holders
 - + Re-determination of conversion price: depending on a number of terms and conditions of the bonds, the conversion price will be adjusted on the 15th June and 15th December every year, starting from and including 15th June 2010, providing that the final re-determining date is 4th December 2014. Conversion price shall not be adjusted to below 80% initial conversion price. (Please refer to appendixes for details)
- Issuance beneficiary: Foreign organizations or individual investors.
- Issue purpose: To mobilize capital for big real estate projects of the Company, including high-end big property complexes in Hanoi: Royal City, Eco City and to implement its working capital.
- Issuance Arranging and Consulting institution: Credit Suisse (Singapore) Limited

d. Forth issuance: 12/2009

On 18 December 2009, the Company made the forth bond issuance in the domestic market. These are ordinary bonds secured by land title and assets on land formed in the future of the Eco City and/or other legal collaterals of the Issuing Institution/Underwriter accepted by bond holders. The bonds are freely transferable under laws. Details of the issuance:

- Issuing institution : **Vincom JSC.**
- Bond name : **Vincom bonds**
- Total issuing value : **VND1,000,000,000,000** (one trillion) dong.
- Issue volume : **1,000** (one thousand) bonds.
- Face valu : **1,000,000,000** (one billion)/ bond
- Term : **03 years**

- Bond interest rate of each interest term is calculated as follows:
 - + The first interest term: 14.5%/year
 - + Subsequent years: the average 12-month savings rate offered by four national banks: Agribank, Vietcombank, BIDV and Vietinbank plus 4%/year and is adjusted on a six-month basis.
 - + Bond interest is paid every 6 month.
- Selling price: as shown on Face value
- Type of bonds: Book-entry
- Issuance Arranging and Consulting institution: Vincom Securities Company
- Issuance underwriter: Maritime Bank Vietnam
- Issue purpose: To mobilize capital for big real estate projects of the Company, and to implement its working capital

10.4. List of BoD members

Data updated as at 9 February 2010.

a. Chairman of the BoD – Mr. Le Khac Hiep

- Name: Le Khac Hiep
- Gender: Male
- ID Card No.: 011432986
- Date of birth: 06/05/1956
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Huong Tra, Thua Thien
- Permanent Resident Address: No. 21, Lane 89, Thai Ha St., Dong Da, Hanoi
- Office Telephone: (84-4) 3974 2868
- Education Level: 12/12
- Specialized Qualification: Doctor of Physics of the Kharkov University – Ukraine (Former Russia)
- Employment Record:

- + 1984 - 1994: Researcher at the Institute of Physics, Vietnam Institute of Science.
- + 1994 - 1999: Representative Office of Prudential – British.
- + 1999 - 2001: External Relations Director of Prudential Vietnam
- + 2001 - 11/2004: Deputy CEO in charge of External Relations and branches – Prudential
- + 11/2004 - 02/2006: Chief Executive Officer of Vincom JSC.
- + 02/2006 – present : Chairman of Vincom JSC.
- + 03/2009 – present: Chairman of Vincom Securities JSC.
- Current Position: Chairman of Vincom JSC.
- Number of shares held: 0 share
- Law violations: None
- Interest conflicts with the Company: None
- Shares held by relatives: 0 share

b. Member of the BoD – Mr. Pham Nhat Vuong

- Name: Pham Nhat Vuong
- Gender: Male
- ID Card No.: 011388711
- Date of birth: 05/08/1968
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Ha Tinh
- Permanent Resident Address: 193 C, Ba Trieu St., Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
- Office Telephone: (84-4) 3974 9999
- Education Level: 12/12
- Specialized Qualification: Geology Economy Engineer
- Employment Record:

- + 1993 – present: Founder of Technocom, Ukraina, Technocom group (known as Vingroup now).
- + 2001 – present: Shareholder of Vincom JSC.
- Current Position: Member of the BoD of Vincom JSC
- Number of shares held: 84,987,270 shares
- Law violations: None
- Interest conflicts with the Company: None
- Relatives:
 - *Pham Thu Huong – spouse holds 9,731,250 shares*

c. Member of the BoD – Madam Pham Thuy Hang

- Name: Pham Thuy Hang
- Gender: Female
- Passport No.: PT N1126636
- Date of birth: 10/09/1974
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Thuong Tin, Ha Tay
- Permanent Resident Address: Group 41, O Cho Dua Ward, Dong Da Group, Hanoi
- Office Telephone: (84-4) 3974 9999
- Education Level: 12/12
- Specialized Qualification: Bachelor of Foreign Language
- Employment Record:
 - + 1998 – 4/2008: Shareholder of Technocom, Ukraina (known as Vingroup now)
 - + 2001 – present: Shareholder of Vincom JSC.
- Current Position: Member of the BoD of Vincom JSC
- Number of shares held: 10,699,508 shares
- Law violations: None

- Interest conflicts with the Company: None
- Relatives:
 - *Nguyen Quoc Thanh – spouse holds 662,347 shares*
 - *Pham Hong Ling – sister holds 807,025 shares*
 - *Pham Thu Huong – sister holds 9,731,250 shares*

d. Member of the BoD: Mai Huong Noi

- Name: Mai Huong Noi
- Gender: Female
- ID Card No.: 011480352
- Date of birth: October 13, 1969
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnic Group: Kinh
- Fatherland: Hanoi
- Permanent Resident Address: Room 11B & P12 - D5, Trung Tu Collective Quarter, Trung Tu Ward, Dong Da District, Hanoi
- Office Telephone: (84-4) 3974 9999
- Education Level: 12/12
- Specialized Qualification: Bachelor of Economics
- Employment Record:
 - + 1991 - 1996: Accountant at Hanoi Post Office
 - + 1996 - 1998: Deputy Manager of Postage Payment Department – Customer Service Center of Hanoi Post Office.
 - + 1998 - 2003: Manager of Postage Payment Department – Customer Service Center of Hanoi Post Office.
 - + 2003 -Feb 2006: Deputy Director - Customer Service Center of Hanoi Post Office.
 - + Mar 2006 - present: Chief Executive Officer of Vincom JSC.
- Current Position: Chief Executive Officer of Vincom JSC.

- Number of shares held: 9,731 shares
- Law violations: None
- Interest conflicts with the Company: None
- Relatives:
 - *Mai Tat To – Father holds 160,564 shares*
 - *Be Thi Thuan – Mother holds 48,656 shares*
 - *Mai Thu Thuy – Sister holds 51,900 shares*

e. Member of the BoD: Madam Nguyen Dieu Linh

- Name : Nguyen Dieu Linh
- Gender: Female
- ID Card No.: 011855072
- Date of birth: May 14, 1974
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnic Group: Kinh
- Fatherland: Hanoi
- Permanent Resident Address: No.14, Lane 55 Le Dai Hanh, Hai Ba Trung District, Hanoi.
- Office Telephone: (84-4) 3974 9999
- Education Level: 12/12
- Specialized Qualification: Master of International Business Law in France
- Employment Record:
 - + Mar 1996 - June 1999: Legal officer at Ngo Miguérès and Partners Law Office, Hanoi.
 - + 1999 to Jan 2005: Associate at Gide Loyrette Nouel Law Firm, Hanoi.
 - + Jan 2005 - present: Vincom JSC.
- Current position: Deputy CEO of Vincom JSC.
- Number of shares held: 9,731 shares
- Law violations: None

- Interest conflicts with the Company: None
- Relatives:
 - *Nguyen Khac Cuong – Father holds 71,362 shares*

f. Member of the BoD: Mr. Pham Van Khuong

- Name: Pham Van Khuong
- Gender: Male
- ID Card No.: 011539578
- Date of birth: June 21, 1959
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnic Group: Kinh
- Fatherland: Thanh Tri, Hanoi
- Permanent resident address: 69 Phung Hung, Hoan Kiem District, Hanoi
- Office Telephone: (84-4) 3974 2535
- Education Level: 10/10
- Specialized Qualification: Construction Engineer
- Employment Record:
 - + 1996 - 2003: Director of CTN Construction and Technological Equipment Trading – Ministry of Construction.
 - + 2003: Head of Vincom Construction Investment Management Department.
 - + 2006: Director of Construction Investment Management Unit, Vingroup
- Current Position: Deputy CEO of Vincom JSC.
General Director of PFV Investment and Trading Joint Stock Company
- Number of shares held: 1,016,375 shares
- Law violations: None
- Interest conflicts with the Company: None
- Relatives:
 - *Pham Thi Tuyet Mai – Spouse holds 1,123,121 shares*

- *Pham Minh Vu – Son holds 70,713 shares*

10.5. List of the BoS members

a. Chief Supervisor: Mr. Nguyen The Anh

- Name: Nguyen The Anh
- Gender: Male
- ID Card No.: 011904496
- Date of birth: 21/8/1975
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Kim Dong – Hung Yen
- Permanent Resident Address: No. 25 Lo Duc St., Pham Dinh Ho Ward, Hai Ba Trung District, Hanoi
- Office Telephone: (84-4) 974 3545
- Education Level: 12/12
- Specialized Qualification: Master of Economics
- Employment Record:

4/2001 - 11/2005	Assistant to CEO of Vietcombank	Bank for Foreign Trade of Vietnam (Vietcombank)
11/2005 -4/2007	Vice Admin Manager Assistant to CEO	Bank for Foreign Trade of Vietnam (Vietcombank)
- Current Position: Chief Supervisor of Vincom JSC.
- Number of shares held: 1,297 shares
- Law violations: None
- Interest conflicts with the Company: None
- Number of shares held by relatives : None

b. Member of the BoS – Madam Pham Thy Tho

- Name: Pham Thy Tho
- Gender: Female

- ID Card No.: 012124831
- Date of birth: 14/10/1981
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Thuong Tin, Ha Tay
- Permanent Resident Address: 92 Thuoc Bac, Hanoi
- Office Telephone: (84-4) 974 3545
- Education Level: 12/12
- Specialized Qualification: Bachelor of Foreign Language
General Accounting
- Employment Record:
 - + 2003 – present: Vincom JSC.
- Current Position: Member of the BoS of Vincom JSC.
- Number of shares held: 8,761 shares
- Law violations: None
- Interest conflicts with the Company: None
- Relatives:
 - *Father: Pham Manh Hung holds 4,846 shares*
 - *Mother: Nguyen Hien Thu holds 4 shares*
 - *Husband: Ho Chau Giang holds 4 shares*

c. Member of the BoS – Mr. Dinh Ngoc Lan

- Name: Dinh Ngoc Lan
- Gender: Male
- ID Card No.: 011733755
- Date of birth: 19/11/1975
- Place of birth: Hanoi
- Nationality: Vietnam
- Ethnic Group: Kinh
- Fatherland: Hanoi

- Permanent Resident Address: No. 32, Kham Thien Market Lane, Kham Thien Ward, Dong Da District, Hanoi
- Office Telephone: (84-4) 3 974 9999
- Education Level: 12/12
- Specialized Qualification: Auditor
- Employment Record:
 - + 9/1996 - 11/ 2007 : Auditor – State Audit
 - + 12/2007- 05/2008 : Vice Manager of State Enterprises Auditing Department – State Audit Region I.
- Current Position: Member of the BoS
- Number of shares held: 0 share
- Law violations: None
- Interest conflicts with the Company: None
- Shares held by relatives: 0 share

10.6. List of BoM members

a. Chief Executive Officer – Madam Mai Huong Noi (cum BoD member)

b. Deputy CEO Nguyen Dieu Linh (cum BoD member)

c. Deputy CEO Pham Van Khuong (cum BoD member)

d. Deputy CEO – Madam Hoang Bach Duong

- Name: Hoang Bach Duong
- Gender: Female
- ID Card No.: 023967178
- Date of birth: March 31, 1961
- Place of birth: Hanoi
- Nationality: Vietnamese
- Ethnic Group: Kinh
- Fatherland: Hung Yen
- Permanent Resident Address: 220/4 Nguyen Trong Tuyen, Ward 8, Phu Nhuan District, Ho Chi Minh City
- Office Telephone: (84-8) 3 9100500

- Educational Level: 10/10
- Specialized Qualification: Chemical Engineer
- Employment Record:
 - + 1983 - 1994: Chemical Engineer, Chemical Institute of Vietnam Science Institute
 - + 1994 - 2002: Manager of Science Equipment Department, Schmidt Vietnam
 - + 2002 - 2007: Chief Representative, Schmidt BioMedTech Representative Office in Ho Chi Minh City
 - + Feb to Dec 2007: Branch Manager of Vincom Joint Stock Company in Ho Chi Minh City
 - + Dec 2007 - present: Deputy CEO of Vincom JSC, Branch Manager of Vincom Joint Stock Company in Ho Chi Minh City
- Current Position: Deputy CEO of Vincom JSC
- Number of shares held: 30,437 shares
- Law violations: None
- Interest conflict with the Company: None
- Number of shares held by relatives: 0 share

10.7. Chief Accountant: *Madam Nguyen Thi Thu Hien*

- Name : Nguyen Thi Thu Hien
- Gender: Female
- ID Card No.: 013051910
- Date of birth: June 20, 1973
- Place of birth: Duc Thuong, Hoai Duc, Ha Tay
- Nationality: Vietnamese
- Ethnic Group: Kinh
- Fatherland: Ky Bac, Ky Anh, Ha Tinh
- Permanent Resident Address: No.7, Lane 218/74 Tay Son Street, Dong Da District, Hanoi
- Office Telephone: (84-4) 3974 9999



- Education Level: 12/12
- Specialized Qualification: Bachelor
- Employment Record:
 - + 1994 - June 2008: Ha Viet Joint Stock Company
 - + June 2008 - present: Vincom JSC
- Current Position: Chief Accountant of Vincom JSC
- Number of shares held: 0 shares
- Law violations: None
- Interest conflict with the Company: None
- Number of shares held by relatives: 0 share

11. Assets

The value of the fixed asset as per the Financial Report as at 31 December 2009

FIXED ASSETS, INVESTMENT PROPERTIES AND DEPRECIATION

As at 31/12/2009

Figures in: VND

Indicators	Investment properties	Machines and Equipments	Means of Transport	Administration Equipments	Land title	Administration Software	Others	Total
I. Costs								
1. Beginning balance	298,443,641,529	7,683,689,746	10,079,412,139	12,299,420,211	92,941,362,572	7,065,965,489	7,290,814,386	435,804,306,072
2. Increase	301,570,197,583	2,287,317,664	1,989,821,523	15,264,589,378	435,280,183,850	625,644,872	2,636,363,636	759,654,118,506
3. Decrease		-611,540,526	-529,169,500	-2,284,963,280			-279,063,326	-3,704,736,632
4. Ending balance	600,013,839,112	9,359,466,884	11,540,064,162	25,279,046,309	528,221,546,422	7,691,610,361	9,648,114,696	1,191,753,687,946
II. Depreciation								
1. Beginning balance	53,180,662,388	1,797,227,933	3,249,698,318	4,467,067,223		868,220,744	537,912,640	64,100,789,246
2. Increase	16,399,028,682	2,085,835,180	1,420,344,615	3,300,045,417	4,015,469,225	1,391,321,391	970,469,746	29,582,514,256
3. Decrease		-224,567,034	-66,155,005	-713,802,913			-110,932,005	-1,115,456,957
4. Ending balance	69,579,691,070	3,658,496,079	4,603,887,928	7,053,309,727	4,015,469,225	2,259,542,135	1,397,450,381	92,567,846,545
III. Residual value								
1. Beginning balance	245,262,979,141	5,886,461,813	6,829,713,821	7,832,352,988	92,941,362,572	6,197,744,745	6,752,901,746	371,703,516,826
2. Ending balance	530,434,148,042	5,700,970,805	6,936,176,234	18,225,736,582	524,206,077,197	5,432,068,226	8,250,664,315	1,099,185,841,401

Source: Financial Report 2009

12. **P**osition and Operation Plan

12.1. Advantages, Disadvantages, Opportunities and Risks

a. Advantages

- Vincom is known by a number famous international customers and has built itself a firm position in the real estate trading market.
- Vincom JSC has a strong advantage in implementing real estate projects. The construction durations of its property projects are usually short (approximately 20 months) compared to other firms in the same industry (usually 28 months to 3 years) thanks to its advantages in financial capacity, close monitoring and supervision of construction progress. The quick construction has helped Vincom JSC promptly grasp opportunities, be proactive in its business operation.
- The VCT is in the city centre with convenient traffic, which is a big advantage for the development of the Company's business.
- VCT is the only commercial center of Hanoi (other centers feature themselves as general merchandise store), attracting the attention and converging of strong economic groups as well as well-known local and international brand names;
- High quality service, modern equipments and facilities, competitive rents, which help attract more and more customers to the building, creating itself a big competitive advantage over other rivals;
- A highly qualified and experienced Building Management, professional and skillful staff, who can better meet customers' needs;
- Thanks to its effective operational processes and regulations, as well as the tight cooperation with functional authorities, the security and fire control and protection at the VCT are very good, which secure both tenants and visitors.

b. Disadvantages

- Although the employees of the Company have high qualifications, with its existing strong growing speed, the Company needs to further enhance its recruitment and training to meet the development needs.
- In terms of property trading, capital is an essential demand, thus, the Company has to carefully consider this factor to implement big projects concurrently.

c. Opportunities

- The Vietnam economy is in the period of high and stable growth, people are getting higher and higher income, the living standards are being improved,

accordingly, the demands for housing, offices, shopping and entertainment will grow rapidly. This is an advantageous premise for Vincom JSC capitalize on its strengths more.

- Vietnam's entrance to WTO, the execution of trade agreements such as AFTA, the ASEAN-China Free Trade Area etc. have opened a new phase for foreign organizations and individuals investing into Vietnam, which helps grow the demands for office space, shopping and entertainment. This considerably contributes to the development prospect of Vincom JSC.
- The Company has support of, association and cooperation with a number of strong economic groups, having mutual shareholders to implement big projects, gaining high business efficiency.
- With the support of local authorities, and with Vincom's strict observance of provisions of laws, its exemplary execution of policies, involvement into activities launched by authorities, Vincom JSC gains a lot of advantages in implementing its property projects.

d. Risks

- The competition in the commercial centre, retail space, office space and services of commercial centre is getting keener and keener and more and more local and foreign firms are entering the industry.
- The legal system for the real estate trading in under the completing process, thus, the Company may face a number of challenges
- The cumbersome administrative procedures are also an obstacle to the deployment of the Company's property projects.

12.2. Operation Plan of Vincom JSC

With the completion of the Vincom City Towers, Vincom JSC has gained valuable experience in designing, constructing, operating, exploiting and managing complexes of trade center, office, high-end apartments for rent and hotels. The Company has all conditions to enhance its business operation in the coming time. In Quarter III 2009, the opening of the 25-floor Vincom Park Place (Vincom 2), which comprises of 3 basements, added tens of thousands of square meters of retail space, apartments for sale, making the Vincom Towers the largest, most beautiful and convenient complex of trade center, office and apartments in the Capital.

At the end of 2008, the construction of the Complex of Office, Luxurious Apartments for sales, 5-star Hotels and Trade Center in the centre of District 1, Ho Chi Minh City officially commenced. This is a key project of the City because of its very big scale and modernity. The Project will surely have considerable positive impacts on the socioeconomic face of HCMC and generate a big profit source for the Company in the next few years.

In order to further enhance the business operation of the Company nationwide, Vincom JSC is trying to complete procedures for a number of other big projects in Hanoi, HCMC and other potential locations.

13. Profit and dividend plans of 2010

Figures in: billion dong, %

No.	Indicators	2010	
		Planned	(%) +/- against 2009
1	Charter capital	3,600	80%
2	Net revenue	1,115	-44%
3	Profit before tax	338	-76%
4	Profit after tax	253	-77%
5	Profit after tax/Net Revenue ratio	23%	-33%
6	Profit after tax/Charter Capital	7%	-48%
7	Dividend ratio	10%	-

Vincom's revenue in 2010 is expected to be comprised of: revenue from the leasing of VCT and the retail space of Vincom 2, revenue from the leasing of Area B of Eden Project (Vincom Center) in HCMC, which is expected to occur from May 2010, revenue from Vincom's subsidiaries. The revenue and profit in 2010 are estimated to be lower than those of 2009 due to the legalities of the Eden Project in HCMC. In 2010, the Company has not yet acknowledged the revenue from the property sale (of the luxury apartments) as in 2009.

14. **E**valuation by the Consulting Institution of the Profit and Dividend Plans

As a professional consulting institution, the Vincom Securities JSC has collected information, studied, analyzed and made assessments and forecasts about the business operation of Vincom JSC.

We find the revenue plan made by Vincom JSC reasonable due to the following reasons:

- Although the real estate market has been suffering from a sharp decline caused by domestic and international economic changes, according to Savills Vietnam (a branch of the Savills, the world leading real estate service provider, of which securities are listed on the London Stock Exchange), the middle and long-term prospect for office still remains high.
- The office renting in the centre areas does not tend to decrease until there is a considerable supply within the next 2-3 years. The supply of office space Grade A in centre areas is still limited so the rents are still very high. The office rent in the leading group of Grade A still stay at USD68/m². Meanwhile, although there is additional supply of office space Grade B (increasing by 17-18% in Quarters 2 and 3 of 2008), the supply of this grade is still insufficient. With short leasing duration, flexibility and a wide variety of choices, commercial centers continue to affirm their positions in the office-for-lease market.
- Vincom JSC is a leading firm in property trading, leasing of office and other entertainment services, with a firm position in the market and its good preparation for the future projects by its existing strengths, Vincom JSC is obviously capable of realizing their goals.

The updated results on revenue and profit in the Financial Report 2009 of the Company show that the net consolidated revenue of Vincom is VND1,974.446billion, approximately 7 times higher than 2008 thanks to the big revenue (of over 1,600billion dongs) from the sale of luxurious apartments at Vincom Park Place of its subsidiary – the PFV Investment and Trading JSC. The profit after tax reaches more than 1,101billion dongs accordingly, an increase of 774% against 2008.

Regarding the profit plan of 2010, in our opinion, if there are no abnormal changes and force majeure that affect the Company's operation, with the positive recovery prospect of the economy, the profit plan of Vincom is highly feasible and the Company can ensure the annual dividend ratio as planned. We also find the planned dividend ratio of

Vincom JSC reasonable, ensuring sufficient residual profit for re-investment in order to maintain the growing speed.

We would also like to notice that, the above evaluation and comments are given from the perspective of a consulting company, based in the selective information we have collected and based on the theory of securities finance with no intention of securing the securities value or the certainty of the forecasted figures. These comments are just for reference for investors when they make decision on their own.

15. Information about the Commitments not yet Implemented by the Company

None

16. Information about Legal Disputes Involving the Company

None

17. Related taxes

The annual corporate income tax rate applied for the enterprises in the same firm before 2009 was 28%, from 2009 is 25% their profit. However, in 2008 and 2009, the Company still enjoyed an exemption of 50% corporate income tax.

v. ADDITIONAL SHARES TO BE ISSUED

In the plan for issuing additional shares for charter capital increase approved by the General Shareholders' Meeting on 12 March 2010, the increase amount of the charter is **VND1,603,006,740,000**, equivalent to an amount of **160,300,674 shares** to be issued additionally. These shares will be issued to existing shareholders as dividends and as rights to purchase additional shares, in which the dividend amount to be paid is **VND1,199,759,710,000**, from the profit after tax of Vincom JSC. Below is the information about the shares to be issued additionally:

- | | |
|--|------------------------|
| 1. Type of shares: | Ordinary shares |
| 2. Face value: | VND10,000 |
| 3. Total estimated volume of shares to be issued: | 160,300,674 |

In which:

Shares to be paid as dividends:	119,975,971 shares
---------------------------------	--------------------

Shares to be offered to raise charter capital: 40,324,703 shares

4. Expected Asking Price VND10,000/share

5. Pricing Method

The expected price offering to existing shareholders is determined in accordance with the provisions of the Enterprise Law and ensures to optimize the benefits for existing shareholders.

The book value of a VIC share as at 31 December 2009 is determined as follows:

$$\begin{aligned} \text{Book value} &= \frac{\text{Owner's equity} - \text{expenses and other funds}}{\text{(Total volume of shares issued} - \text{Treasury stocks)}} \\ &= \frac{2,066,943,051,405}{(199,627,238 - 10,791,895)} = 10,945.74 \text{ dong/share} \end{aligned}$$

Based on the calculation of the book value above, as well as to enhance the commitment of existing shareholders with the development of the Company, the BoD has decided the selling price to be 10,000dong/share.

6. Distribution Method

✚ Paying dividends by shares to existing shareholders

- *Entitlement ratio:* Existing shareholders are paid dividends by shares at a ratio of 1,000: 601 out of the par value for existing shareholders who are in the list concluded on the last registration date (each shareholder will receive 601 share for every 1,000 shares he owns). The decimals of shares to be paid shall be rounded to the last digit. The difference between the profit in 2009 of the Company and the total share value allotted to existing shareholders as dividends for 2009 shall be kept as profits not yet divided of the Company.
- *Total additionally issued shares:* 119,975,971, which is equivalent to VND1,199,759,710,000 by face value.
- *Feature of the bonus shares:* These are ordinary shares with a face value of VND10,000 under the fully paid share form

✚ Offering shares to existing shareholders under the exercising rights method

- *Entitlement ratio:* Shares will be offered to existing shareholders at the **1,000:202** ratio (each shareholder shall have right to purchase 202 additional

shares for every 1,000 shares they own) at a price of VND10,000/share. The decimals of shares that a shareholder is entitled to purchase shall be rounded to the last digit. The residual shares after such purchase by shareholders shall be within the BoD's decision, accordingly: (i) the shares will be offered to others on the principle that the selling price shall not be lower than that applied to existing shareholders, or (ii) the BOD shall decide on a charter capital increase equivalent to the number of sold shares after exercising purchase rights for existing shareholders.

- *Total number of shares offered:* 40,324,703 (forty-three million three hundred and twenty-four thousand seven hundred and three shares)
- *Asking price:* **VND10,000/share**

7. Distribution time

Tentatively within 90 days after the SSC grants the share offering certificate.

8. Receiving dividends by shares and registering for the purchase of additional shares

Public announcement

Within 07 days after obtaining the share offering certificate, the issuing institution will announce the offering on mass media in accordance with current applicable regulations on securities and securities market, as well as announce the shareholder list concluding date, the ex-dividend date and the right exercising time.

Existing shareholders receive dividends by shares and register for additional purchase

✓ Determining the final list of shareholders

The Company will cooperate with the Vietnam Securities Depository (VSD) to finalize the list of shareholders on the shareholder list concluding date. This is expected to be conducted within 7-10 working days since the announcement date.

✓ Allocating and announcing the purchasing right and dividend receiving rights:

Within 05 working days upon the receipt of the list of shareholders, the issuing institution will cooperate with the VSD to allocate dividends by shares and

announce the purchasing rights to depository members, and shareholders who have not yet deposited their shares.

✓ ***Registering for exercising rights and paying for the additional shares***

Based on the share purchase right allocating list provided by the VSD, depository members allocate dividends by shares to shareholders and organize the registration of rights and payment by shareholders for the new shares.

Regarding the shareholders who have not deposited their securities, the issuing institutional will credit the bonus shares into their accounts equivalent to the amount of dividends they are entitled to, which is shown on the share certificate presented by the shareholders. Shareholders who have not deposited their securities will register and pay for the new shares at the issuing institution.

The time for registration for exercising rights and paying for additional shares is within 20 days since the VSD allocates purchasing rights to depository members. After this period of time, unregistered purchase rights will expire.

✓ ***Transfer of purchase rights***

The rights to receive dividends by shares of shareholders are not allowed to be transferred.

Rights to purchase additional shares can be transferred within 15 days since the announcement date of the right allocating list through the depository members.

The transfer of purchasing rights to un-depository members is conducted at the issuing institution.

✓ ***Summarizing the exercising of rights***

Within 04 working days after the deadline of the registration for purchasing rights, the VSD will send the report on the exercising of rights to the issuing institution.

 **Issuance Report**

Within 10 working days upon the completion of the issuance, the issuing institution will make issuance report and submit it to SSC, HOSE and VSD, and cooperate with VSD, HOSE to send the Report on the allocation of the additional shares to depository members.

 **Listing the additional shares**

After the HOSE issues the decision on listing the additional shares, the issuing institution will conduct depository procedures to have the additional shares officially listed on the HOSE.

✚ **Granting the Share Ownership Certificate**

Within 20 working days since the completion of the distribution, the issuing institution will complete all the procedures relating to the granting of Share Ownership Certificate to shareholders who have not deposited their securities.

✚ **Handling residual shares**

✓ **Dividend shares**

The decimals of shares to be paid shall be rounded to the last digit.

For example: If shareholder Nguyen Van A holds 289 VIC shares, he will receive $289 \times 601 / 1,000 = 173.68$ additional shares, however, this number will be rounded to 173 shares

The positive difference between the profit in 2009 of the Company and the total share value allotted to existing shareholders as dividends of 2009 shall be kept as profits not yet divided of the Company.

✓ **Additional shares to be offered to existing shareholders**

The decimals of the number of shares that a shareholder is entitled to purchase shall be rounded to the last digit.

For example: If shareholder Nguyen Van A holds 289 VIC shares, he has the rights to purchase $289 \times 202 / 1,000 = 58.378$ additional shares, however, this will be rounded to 58 shares

The residual shares after purchased by shareholders shall be within the BD's decision, accordingly:

- (i) The shares will be offered to others on the principle that the selling price shall not be lower than that applied to existing shareholders, or
- (ii) The BOD shall decide on a charter capital increase equivalent to the number of sold shares after exercising purchase rights for existing shareholders.

The Company will report to the SSC about the actual issuance results and inform all the investors

9. Limitation on holding ratios applicable to foreigners

Vincom JSC's Charter does not limit the holding ratio of foreigners. Under the general regulation, the Company's shares are listed on HOSE and in accordance with Decision 55/2009/QD-TTg dated 15 April 2009 of the Prime Minister on Foreign Ownership

Limits (FOLs) for portfolio investment in the Vietnamese securities market, 49% at maximum of the listed shares of a public institution on a Stock Exchange.

In the issuance of international convertible bonds and listing on Singapore Stock Exchange in November 2009, the Company obtained Dispatch No.2611/UBCK–QLPH dated 19/11/2009 of the SSC approving the adjustment of the maximum ratio of Vincom shares held by foreign investors to 29% of the total shares listed to ensure it meets the needs of converting bonds to shares of bond holders. The Company worked with the VSD and notified the HOSE to decide the adjustment time to be 25 November 2009.

10. Limitations on transfer

None

11. Escrow banks for receiving monies for the purchase of shares

The entire amount of the proceeds of the offering (approximately 1,600 billion dongs) will be transferred to the escrow account of Vincom JSC opened at the Bank for Investment and Development of Vietnam – BIDV Branch. Account number: 123-10-00-0224531 (VND)

12. Tentative offering time: Quarter II 2010

VI. PURPOSE OF THE ISSUANCE

1. Issuing purpose

With approximately 1,600 billion dongs of additional charter capital (in which about more than 1,000 billion dongs is new capital, more than 500 billion dongs is accrued profit), the Company will utilize this for enhancing its financial capacity to implement the existing, ongoing and future property trading projects, including:

- Involvement in the Royal City Project at 74 Nguyen Trai St., Thanh Xuan, Hanoi
- Expenses for the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in District 1, Ho Chi Minh City (Eden Project): compensation for site clearance in Area A, completion of Area B, Construction expense for Area A
- Contribution of capital to other projects, such as ECO City developed by the Hanoi Southern Urban Development Joint-stock Company and other potential property projects in Hanoi.

2. Information of a number of ongoing Projects of the Company

2.1. VINCOM COMPLEX OF COMMERCE AND SERVICES CENTER, HOTEL, OFFICES, LUXURY APARTMENTS AND UNDERGROUND PARKING PLACE

a. Legal bases

- Investment Certificate No. 41121000033 granted by the HCMC People's Committee on 28 August 2007;
- Decision No. 736/QD-UBND dated 20/02/2008 of HCMC People's Committee on transferring and leasing land;
- The construction license No. 216/GPXD dated 20/11/2008 granted by the HCMC Department of Construction;
- Land Title Certificate No. AK488201 dated 12/11/2008 granted for Area B (pre-existing facility is HCMC Department of Education and Training) at Ben Nghe Ward, District 1, HCMC;
- Decision 212/QD-UBND dated 22/01/2009 of the People's Committee of HCMC approving the plans of compensating, supporting and resettlement when the State withdraws land to construct the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in the Quadrant surrounded by Nguyen Hue St., Le Thanh Ton St., Dong Khoi St., and Le Loi St., Ben Nghe Ward, District 1.

b. Project Overview

Vincom is developing a Functional Complex of 19,642m² at a very good location of District 1, centre of HCMC. The Project is expected to bring about office, living, shopping and entertainment spaces in a consistent complex.

The development of the Vincom Complex of Commerce and Services Center, Hotel, Offices and Luxury Apartments is totally suitable with the planning and the socioeconomic development strategy of HCMC. The location of the structure is in District 1 – the centre area of finance, services, diplomacy, culture, entertainment of the City and also the international tourism centre, which is functionalized as follows:

- Centre of Administration and Diplomacy: mainly from Le Thanh Ton St. to Dien Bien Phu St. with the Le Duan Boulevard serving as the backbone.

- Centre of commerce, services, tourism, international transactions: mainly from Dong Khoi St., Le Thanh Ton St., to Sai Gon River, Chuong Duong Wharf, Nguyen Thi Minh Nghia St.

The Project can exploit the commercial advantages of the location and is in line with the City's development planning policy of building new high-rise buildings to (i) optimize the advantages of the centre district, (ii) develop commerce and services centers to facilitate the shopping needs of the people, and (iii) build an underground parking place with a total parking area of approximately 60,000m², which can meet the pressing static traffic needs.

c. Land area

Total construction land area is 19,642m², including two land lots at the intersection of the Dong Khoi and Le Thanh Ton streets, opposite to the Head Office of HCMC People's Committee and Parkson Tower.

- The current office of HCMC Department of Education and Training and Chi Lang Park, surrounded by Ly Tu Trong St., Dong Khoi St., and Le Thanh Ton St., with an aggregate of 10,842m², and
- The existing Eden Commercial Centre, surrounded by Nguyen Hue St., Dong Khoi St., Le Loi St. and Le Thanh Ton St, with a total area of 8,800m²

COMPLEX OF COMMERCIAL CENTRE, HOTEL, OFFICE, HIGH CLASS APARTMENT VINCOM
EXISTING IMAGES



d. Investment reasons

- The Vietnam economy is growing strongly, which will improve the income and living standards of people.
- Vietnam is becoming the destination for foreign investors and tourists, which lead to a high increase in the demands for housing, hotels and office space.

- With a population of 84 million people, young average age and big consumption demand, Vietnam is an attractive retail market.
- HCMC is a leading active economic centre of the country, located in the South East economic development triangle, thus, the demands for commercial centers, high-end apartments, hotels, park places are growing while the supply is still insufficient.

e. Investment goals

This Project is to:

- Affirm the obvious tendency of commerce in the development of the market economy, especially in HCMC, one of the leading commercial centers of the country, where supermarkets, big retail centers are replacing small and mobile markets.
- Respond to the needs of offices, high-end apartments for lease of both local and foreign enterprises and citizens. Moreover, the Project will meet the demands for hotels of tourists and those who are on short-term secondment in HCMC.
- Develop an underground parking place of approximately 60,000m². This is a positive factor helping solve the overload of static traffic. In big cities, the traffic density grows faster than the development of roads (12 – 15% faster than the development of roads) while vacant land areas in these cities are limited, therefore, the development of this automatic car parking system is the optimal solution to the static traffic planning in the future.

Enjoying and further improving the experience that the Company gains from the previous projects, this Projects will apply state-of-the-art technologies for the technical management system of the building, such as electricity, water, monitoring cameras, telecommunication, television and the Internet etc. as per its investment goals and the aim of providing most modern facilities and professional services of international standards to users. The Project will be designed by well-know local and international designers and constructed with good materials, by skilled workers so that users can totally feel secure about the construction quality. Above all, it will be managed, operated and consulted by professional managing companies. The Project is expected to bring about an office, living, shopping and entertainment centre for the HCMC people in a consistent complex

f. Project data



- Location: The Project consists of two areas:
 - Area A: The area surrounded by Nguyen Hue Street, Dong Khoi Street, Le Loi Street, Le Thanh Ton Street, District 1, HCMC (the existing Eden Quadrant)
 - Area B: The area bordering Ly Tu Trong street, Dong Khoi street, Le Thanh Ton street, District 1, HCMC, including 2 lots:
 - The land lot at No. 70-72 Le Thanh Ton street, District 1, HCMC
 - The underground land of the existing Chi Lang Park
- Land area: aggregate of 19,650.3 m²
 - Area A: 8,805.9 m²
 - Area B: 10,844.4m²
- Estimated construction floor area: aggregate of 275,326 m² (excluding technical floor, mezzanine floor, and penthouse).
- Trade and service area;
 - High class apartments: 19,218 m²
 - Trade Center, Technical services and restaurant area: 79,270 m²
 - Office space for lease: 99,487 m²
 - Parking area: 55,299 m²
 - A 348-room hotel: 21,500 m²
- Ownership of Vincom: 100% this Project



** All the basements of Area A and the underground parking place in B1, B2 are connected with each other by the underground passage at Dong Khoi – Le Thanh Ton intersection, which connects all the underground areas of the structure.*

g. Investment Capital

Total estimated Investment Capital: approximately VND8,257billion, in which:

- Land-related expenses (rent, compensation for site clearance): approximately VND3,700billion
- Construction expense and other expenses (Provision for fees, consulting fee, project management fee, loan interests etc.): approximately VND4,557 billion.
- It is estimated that the investment capital for the Project will consist of 24% owner's equity of the Company, and 76% will be mobilized from external sources (borrowing from banks, issuing bonds etc.)

h. Project efficiency

- This Complex will help improve the commercial civilization, increase the fund for housing, hotels and offices for lease, meeting the growing demands in HCMC

- one of important economic focus of the South East economic triangle, as well as contribute to the industrialization and modernization of the municipal authorities, creating a beautiful, modern architectural landmark right in the heart of the City.
- Besides the general benefits for the society and community, the development of the Project will also bring high economic efficiency for the investors with a short pay-back period and high rate of return.

i. The implementation status of the Project

❖ Area A (Eden Quadrant)

- Site clearance and compensation are being conducted under Decision 212/QD-UBND dated 22/01/2009 of the People's Committee of District 1, HCMC approving the detailed plans of compensation, support and resettlement.
- 53/200 households have agreed to move so far, 51 households have transferred the site. It is expected that District 1 will transfer the site to the developer before 30 April 2010, which is delayed from the initial plan scheduled in September 2009.
- After obtaining the site, the construction schedule of the Project is set as follows:
 - + Demolition of existing structures: 1 month
 - + Constructions of piles and surrounding fences: 4.5 months
 - + Construction of basements, foundation and bare shell: 14 months

As Area A is adjacent to main streets and big administrative agencies, its constructions is harder than that of Area B. Total time counting from the demolition to the transfer of the structure is estimated to be 19.5 to 20 months.

❖ Area B (HCMC Department of Education and Training)

- The construction started right after the Company obtained the Construction License (on 20 November 2008). The construction of the bare shell has been completed and the building is scheduled to be open on 30th April 2010.

j. Investment Capital Allotting Schedule

	Capital mobilization		2009	2010	2011
1	Total investment	8,257,593,000	3,095,021,558	3,743,035,745	1,419,535,697
2	Project owner's equity	1,981,822,320	450,000,000	1,531,822,320	
3	Capital mobilized from clients	743,183,370		308,929,950	434,253,420
4	Borrowing capital	5,532,587,310	2,645,021,558	1,902,283,475	985,282,277
5	Ownership ratio of Vincom in the Project owner's equity	100%			
6	Capital annually contributed by Vincom		450,000,000	1,531,822,320	0

(Quoted from the Resolution No. 32/09/NQ-HDQT-VINCOMJSC of the BoD of Vincom JSC on 28 December 2009 approving the adjustment of the total investment of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place at 68-70 Le Thanh Ton St., the underground area of Chi Lang Park and Eden Commercial Center, District 1, Ho Chi Minh City

With approximately 1,600 billion dong of additional charter capital (in which about more than 1,000 billion dong is new capital, more than 500 billion dong is accrued profit), the Company has used and will continue to use approximately VND700billion dong to pay for Eden Project, in which 450billion dong is spent on compensation for Area A of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in District 1, HCMC (Eden Project); the residual amount shall be utilized for the completion of the Area B of the Project and construction of Area A.

2.2. THE ROYAL CITY COMPLEX COMPRISING HOTEL, OFFICES, TRADE AND EDUCATION CENTER AND APARTMENTS (ROYAL CITY)

a. Legal bases

- Decision 1069/QD-UBND dated 05/3/2009 of the Hanoi People's Committee approving the 1/500 detailed Plan of the Functional Urban Area at 74 Nguyen Trai St., Thanh Xuan District, Hanoi
- Decision 604/QD-HĐQT dated 19/6/2009 of the BoD of the Industrial Machinery and Equipments Corporation on the contribution of capital and becoming a founding shareholder of the Hanoi Mechanic Sole Member Liability Limited Company.

- Dispatch No. 7635/UBND-KH&DT dated 07/8/2009 of the Hanoi People's Committee on assigning the tasks of building and implementing the Functional City Complex Project at 74 Nguyen Trai St., Thanh Xuan District, Hanoi
- Dispatch No. 3070/QHKT-TH dated 06/11/2009 of the Hanoi Department of Architectural Planning Department on the total plan and preliminary architectural design of the Complex of hotels, offices, trade and education center and apartments at 74 Nguyen Trai St., Thanh Xuan District, Hanoi
- Dispatch No. 2513/BXD-HDXD dated 17/11/2009 of the Ministry of Construction on commenting the basic designs of structures in the Complex of hotels, offices, trade and education center and apartments – Royal City at 74 Nguyen Trai St., Thanh Xuan District, Hanoi
- Decision No. 6583/QD-UBND dated 16 December 2009 of the Hanoi People's Committee regarding the withdrawal of 120,942 m² of land area at 74 Nguyen Trai, Thuong Dinh Ward, Thanh Xuan District, Hanoi, which is being managed and utilized by the Sole Member Hanoi Mechanic Company and granting the land to the Royal City Real Estate Development Joint Stock Company to implement the functional city complex project.

b. Project overview

- Project name: ***The Royal City Complex of Hotel, Offices, Trade and Education Center and Apartments – Royal City***
- Location: 74 Nguyen Trai, Thuong Dinh Ward, Thanh Xuan District, Hanoi
- Developer: ***The Royal Real Estate Investment and Development JSC.***

This is a Company established based on the cooperation of Hanoi Mechanic Sole Member Liability Limited Company, Vincom JSC, Vinpearlland Tourism JSC, Hanoi General Services and Investment Liability Limited Company. Its charter capital is VND2,000billion, in which:

- + Hanoi Mechanic Sole Member Liability Limited Company: 52.5 billion dongs, accounting for 2,625%
- + Hanoi General Services and Investment Liability Limited Company: 247.5 billion dongs, accounting for 12,375%
- + Vincom JSC: 1,020 billion dongs, accounting for 51%.
- + Vinpearlland Tourism JSC: 680 billion dongs, accounting for 34%.

- Project management form: The developer manages the project entirely and directly
- Location: at 74 Nguyen Trai, Thuong Dinh Ward, Thanh Xuan District, Hanoi. The land borders Nguyen Trai St., to the South East, borders To Lich River to the North East, and borders the Thuong Dinh residential area to the North West and South West.
- Project content and scale:
 - + Construction floor area: 1,109,439 m²
 - Total floor area above the ground: 788,203 m²
 - Total floor area of basements: 321,236 m²
 - + General building coverage ratio: 19,4%
 - + Average number of floors: 24 above-ground floors, 4 basements



c. Investment goals and market of the Project

This is a multifunctional complex project, locating right at a gate of Hanoi. The Project will partially meet the demands for high-class apartments and offices of both domestic and foreign companies, the needs for housing of local citizens and expatriates, as well as hotels for travelers to Hanoi for vacation or business. It will also help solve the static traffic overload.

Market overview

Hanoi, the centre of economy, culture, politics and tourism of the country, is always chosen as the location of head offices of groups and firms in every industry, economic sectors, representative offices and branches of foreign companies and organizations etc.

The domestic socioeconomic stability and the economic growth speed in the past years together with the policies that encourage foreign investment and multi-field cooperation have increased the demands for office space, apartments for lease and hotels in Hanoi of tourists and expatriates more and more. Moreover, thanks to the stable economic development in the past years, the living standards of people have been considerably improved, which has strongly stimulated the shopping demands. Commercial centers, therefore, are both expanding their scale and enhancing their service quality.

From the above reasons, the market of offices for sale, hotels, high-end apartments, retail spaces is a promisingly potential one.

Market forecasts

- Hotels: Hanoi currently has eight 5-star hotels, six 4-star hotels, providing roughly 1,201,945 rooms for the market with an occupancy rate of 82%.
- It is forecasted that in the coming years, when the macro economy has become stable and reaches a steady growth rate, the demands for hotels will increase sharply. In addition, according to the statistics of the Hanoi Department of Tourism, it is expected that 2 million foreign tourists will come to Vietnam, which forecasts an increasing needs in hotels.
- Offices for lease: The need in offices in Hanoi is growing sharply, especially in the centre area. More and more local and int'l enterprises companies are being established here.
- In 2008 and 2009, the world economy in general and the Vietnam economy in particular were in a severe downturn, causing a lot of difficulties to the offices for lease market. However, the recent economic recovery signs promise a strong development of the market in a near future in line with the common tendency of the economy.
- Commercial centers: Hanoi currently has six large commercial centers with an aggregate of 43,000m². All of these commercial centers are assessed to operate quite effectively. People are tending to do shopping and open their retail shops in

commercial centers. With a forecast of stability and a mid-term growth for the economy, the commercial centers market will recover and further develop.

- Apartments for lease: There are currently 32 buildings Grade A to C with 1,622 apartments for lease. While the need for apartments for lease is boosting, there is a lack of apartments.
- That more and more foreigners are pouring into Vietnam owing to the FDI source flow together with the expansion of companies, the development of international relations have caused pressure on supply of apartment for lease.
- Apartments for sale: The demand for apartments is increasing steadily and is forecasted to increase strongly in the coming time when the economy has become stable and reached a positive growth rate. The demand for Grade A and high-end apartments in the city centre increase the fastest and will continue to increase when the urbanization process is faster. The changes in life style and opinions about accommodation of people, especially of the young ones and those who have good income, will quickly boost the apartments for sales, especially the high-end ones.

d. Investment capital

- Total estimated investment: **9,999 billion dongs** (*Nine trillion nine hundred and ninety-nine billion dongs*). *In which: (estimated)*

+ Construction expense:	5,748 billion dongs
+ Equipment expense:	185 billion dongs
+ Land related expenses:	2,001 billion dongs
+ Administration expense:	34 billion dongs
+ Investment and construction consulting expense:	104 billion dongs
+ Other expenses:	22 billion dongs
+ Provision for fees:	1,214 billion dongs
+ Payable interests during construction period:	671 billion dongs
+ Working capital:	20 billion dongs
- Structure of the investment capital:
 - + Core capital of the developer: 2,000 billion dongs, accounting for 21% total investment capital.

- + Borrowing capital: 3,673 billion dong, accounting for approximately 39% Total Investment Capital.
- + Capital mobilized from property buyers and tenants of the Project: 2,998 billion dong, accounting for 32% Total Investment Capital.
- + VAT-refunded capital: 637 billion dong, accounting for 7%



e. Capital mobilization schedule

The Company plans to spend 200billion out of 1,600billion of additional charter capital gained from this offering to contribute to the Royal City in 2010.

Figures in: VND1,000

Capital mobilization		2009		2010	
		Q 1+2	Q 3+4	Q 1+2	Q 3+4
Total investment	9,998,999,702				
Mobilization required	8,670,977,399		5,302,211	1,440,842,385	1.112.316.482
Project owner's equity	2,000,000,000	0	5,302,211	1,440,842,385	553.855.404
Capital mobilized from clients	2,998,143,741		-		449.721.561
Borrowing capital	3,672,833,232	-	-		108.739.516
Vincom's ownership in the Project owner's equity	51%				
Capital annually contributed by Vincom		0	2,704,127	734,829,616	282,466,256

(Quoted from the Technical Economic Accountability July 2009. The Royal City Complex of Hotel, Offices, Trade, Supermarket and Luxurious Apartments.

Consultant: The Design Survey and Construction Consulting Company – Ministry of Defence – Appendix 3)

f. Project implementation status

- The Royal Real Estate Investment and Development JSC has received the Minutes dated 28/11/2009 of the Joint-sector Meeting of the Hanoi Departments of Finance, Department of Taxes and the Department of Natural Resources and Environment determining the land leasing price of the Royal Real Estate Investment and Development JSC.
- The Company has also received Decision 105/QD-UBND dated 11/01/2010 of the Hanoi People's Committee approving the land use charge rate of Royal City Project.
- The Company is paying its financial obligations to the State for the use of the land of the Royal City project.
- On 16 January 2010, the Royal Real Estate Investment and Development JSC held the ground breaking ceremony and commenced the construction of the surrounding fence.

2.3. THE 8/3 AND HANOSIMEX COMPLEX PROJECT (ECO CITY)

a. Legal bases

- Decision 29/2007/QD-UBND dated 13/03/2007 of the Hanoi People's Committee approving the detailed 1/500 plan for the land of the 8/3 Textile Company.
- The investment cooperation agreement was signed on 02 April 2009 between the Phong Phu JSC, the 8/3 Textile Sole Member Liability Limited Company and the Hanoi Textile Joint Stock Corporation, the Vietnam Textile Real Estate JSC and Vincom JSC, the Tan Hoang Minh Trading, Services and Hotels JSC, BIDV Real Estate JSC, the Lucky Investment Group JSC.
- The Agreement on compensation was signed on 2 April 2009 between the Vietnam Textile Real Estate JSC (Vinatexland)s and Vincom JSC for the "Investment cooperation in implementing the Urban Area Project" on the land lot.
- The Agreement on compensation was signed on 2 April 2009 between the Phong Phu JSC and Vincom JSC for the "Investment cooperation in implementing the Urban Area Project" on the land lot.

- Dispatch No. 4216/BCT-CNN dated 12/05/2009 of the Ministry of Industry and Trade to: The Government Office regarding the development of the Urban Area Project of the Vietnam Textile Corporation.
- Dispatch No. 421/TĐDMVN-KTĐT dated 15/05/2009 Vietnam Textile Corporation to: Phong Phu JSC, the Hanoi Textile Corporation, the 8/3 Textile Sole Member Liability Limited Company and the Vietnam Textile Real Estate JSC regarding the selection of partner to implement the Project.
- Dispatch No. 901/TTg-ĐMDN dated 08/06/2009 of the Prime Minister to: the Vietnam Textile Group regarding the development of the Urban Area Project at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi.
- Dispatch No. 04/2009/CV-NHN dated 26/06/2009 of the Hanoi South Urban Development Joint Stock Company to the Hanoi People's Committee regarding the execution of the permission to allow the Company to be the owner and develop master plan for the two land lots at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi, which are currently being managed and used by the 8/3 và Hanosimex Textile companies;
- Dispatch No. 7005/UBND-XD dated 22/07/2009 of the Hanoi People's Committee to: The Hanoi Department of Architectural Planning, the Department of Planning and Investment and of the Hanoi South Urban Development Joint Stock Company on building and implementing the investment project at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi,
- Dispatch No. 2088/QHKT-P2 dated 17/08/2009 The Hanoi Department of Architectural Planning to the Hanoi South Urban Development Joint Stock Company regarding: making a 1/500 detailed plan for the land lots at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi;
- Decision 6005/QĐ-UBND dated 16/11/2009 of the Hanoi People's Committee approving the 1/500 Detailed Planning Tasks for the Functional Urban Area at the "8/3 and Hanosimex" land lots at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi;

- Other construction plans of the related areas.

b. Project Overview

Together with the high and stable growth rate, Vietnam is becoming more and more attractive to both local and international investors. The average living standards have been clearly improved. Accordingly, such essential needs as accommodation, relaxing, shopping are increasing nonstop. In order to fulfill such development requirements of the society, the prompt improvement in social infrastructure is very pressing, especially at such a big economic and political centre like Hanoi. From market researches and assessments as well as other current socioeconomic conditions of Vietnam, we can find that the 8/3 and Hanosimex Complex Project (Eco City) at 460 Minh Khai Street, Hai Ba Trung District and No. 25, alley 13, Linh Nam Street, Hoang Mai District, Hanoi, with a perfect service system, is obviously feasible and necessary to meet the social needs arising in Hanoi City. The Project will help provide professional services, as well as contribute to the development of infrastructure, creating a new face for the centre area of Hanoi in the industrialization and modernization period. With effective business plans of experienced investors, the Project will also contribute to the growth of the economy of the City.

The Project is a multifunction complex in the South East gate of Hanoi, a new urban area, an important landmark in the modern architecture of the Capital, helping embellish the City. It will also be a response to the needs of the Capital's citizens in accommodation and supermarkets. Moreover, it will comprise an international hospital to enhance health caring technology and quality. At the same time, the Project's services are to expand the domestic market, stimulate demands and generate more jobs, serving as the motivation for economic development.

c. Land area

The land area of the Project is expected to comprise:

Total land area for the Project: 35,74 ha

Description of the land:

- Bordering Minh Khai St., to the North
- Bordering the Dong Xuan Textile Company and residential area to the East
- Bordering the National Economic Technical College, Thread Factory and residential area to the West

- Bordering the No.25, 13 Linh Nam lane to the South

In which:

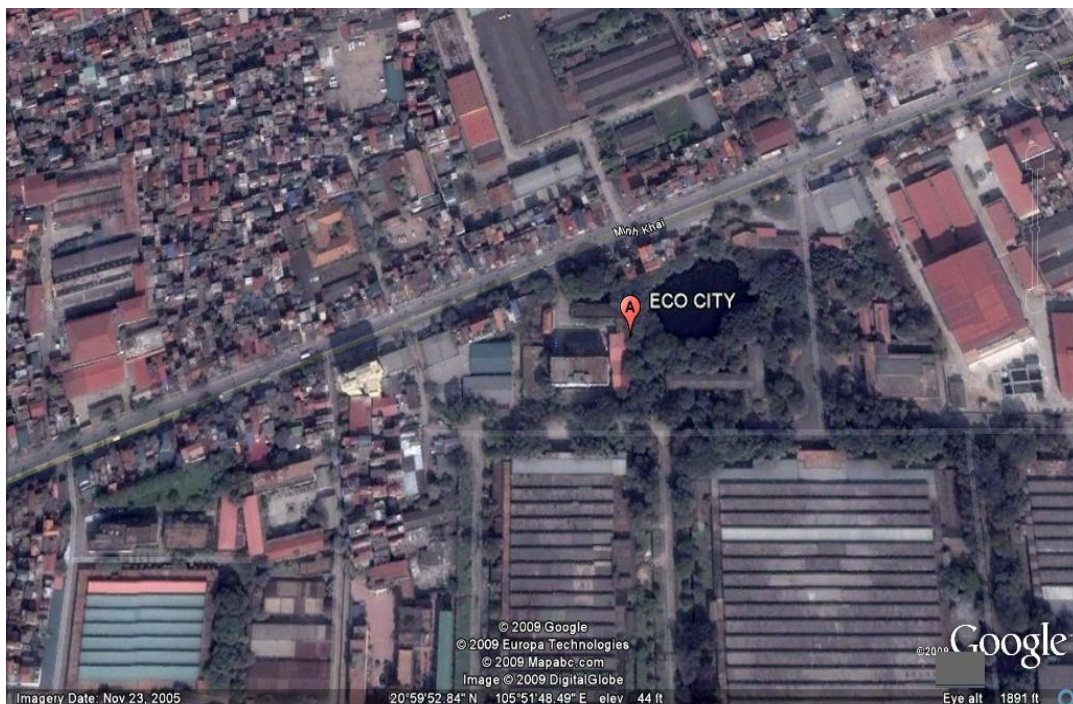
- ***The land area of 8/3 Textile Company: 22.68 ha (within the red boundary line)***

Description of the land:

- Bordering Minh Khai St., to the North
- Bordering the Dong Xuan Textile Company and residential area to the East: Vinh Tuy ward, Hai Ba Trung District;
- Bordering the National Economic Technical College, Thread Factory and residential area to the West: Vinh Tuy ward, Hai Ba Trung District;
- Bordering the Vietnam Textile Corporation to the South
- ***The land area of Hanosimex: 13.06 ha at minimum (managed and utilized by Hanosimex)***

Description of the land:

- Bordering the 8/3 Textile Company to the North
- Bordering the residential area to the East
- Bordering the residential area to the West
- Bordering the No.25, 13 Linh Nam lane to the South



d. Investment goals

- The Project is a multifunction complex in the South East gate of Hanoi, a new urban area, an important landmark in the modern architecture of the Capital, helping embellish the City.
- It will be a response to the needs of the Capital's citizens in accommodation.
- Moreover, it will comprise an international hospital to enhance health caring technology and quality.
- At the same time, the Project's services are to expand the domestic market, stimulate demands and generate more jobs, serving as the motivation for economic development
- To develop an underground parking place of approximately 200,000m². This is a positive factor helping solve the overload of static traffic. In big cities, the traffic density grows faster than the development of roads (12 – 15% faster than the development of roads) while vacant land areas in these cities are limited, therefore, the development of this automatic car parking system is the optimal solution to the static traffic planning in the future.

Enjoying and further improving the experience that the Company gains from the previous projects, this Projects will apply state-of-the-art technologies for the technical management system of the building, such as electricity, water, monitoring cameras, telecommunication, television and the Internet etc. as per its investment goals and the aim of providing most modern facilities and professional services of international standards to users. The Project will be designed by well-know local and international designers and constructed with good materials, by skilled workers so that users can totally feel secure about the construction quality. Above all, it will be managed, operated and consulted by professional managing companies.

e. Project data

- Total land area for the Project: 35.74 ha
- Estimated construction floor area: 2,437,617 m²

In which:

- Total floor area above the ground: 2,173,852 m²
- Total floor area under the ground: 263,765 m²
- General building coverage ratio: 24.9 %
- Average number of floors: 30 – 35 floors (excluding 3 basements)

❖ *Land area for residential buildings: including 11 high-rise residential buildings, in which there are three 35-floor buildings, seven 33-floor buildings and one 30-floor building.*

- Land area: 133,994 m²
- Construction area: 55,593 m²
- Floor area: 1,822,742 m² for above-ground floors and 166,780 m² for basements
- Average building coverage ratio: 42%
- Land use ratio: 13.60 times

❖ *Land are for schools: including kindergartens, nursery school, International School and Social School*

- Land area: 25,215 m²
- Construction area: 10,453 m²
- Floor area: 89,047 m²
- Average building coverage ratio: 46%
- Land use ratio: 3.53 times

❖ *Land for hospital and restaurants: including International Hospital and Restaurants*

- Land area: 21,772 m²
- Construction area: 8,313 m²
- Floor area: 93,488 m²
- Average building coverage ratio: 39%
- Land use ratio: 3,1 times

❖ *Land for social houses*

- Land area: 28,096 m²
- Construction area: 14,048 m²
- Floor area: 168,576 m²
- Building coverage ratio: 50%
- Land use ratio: 6 times



Thiết kế tổng thể ECO City

f. Investment capital

Based on the Technical Economic Accountability provided by The Design Survey and Construction Consulting Company – Ministry of Defence, and the Resolution of the Hanoi South Urban Development JSC (project investor) approving the total estimated investment amount for the Eco City, the total investment for the project is estimated to be roughly 18,432 billion dong (excluding payable interests during construction period), in which:

	<i>Figures in: 1,000</i>	
	<i>VND</i>	<i>Tỷ lệ %</i>
Core capital:	4,050,000,000	22.0%
Capital mobilized from clients	10,013,447,419	54.3%
Borrowing capital:	4,368,103,260	23.7%
Total Investment Capital:	18,431,550,679	

Investment expenses for Eco City Project:

	<i>Figures in: 1,000</i>
	<i>VND</i>
Construction and Installation expenses:	12,814,585,100
Equipment expense	971,346,444
Administration expense	60,933,817
Investment and construction consulting expense	<u>229,782,922</u>

Site clearance expenses:	3,431,612,000
Other expenses	45,643,878
Provisional expenses	877,692,889
Payable interests during construction period	1,792,875,316
Total	20,224,474,685

g. Project efficiency:

- The Project is a multifunction complex in the South East gate of Hanoi, a new urban area, an important landmark in the modern architecture of the Capital, helping embellish the City.
- The development of an this automatic car parking system is the optimal solution to the static traffic planning in the future, helping solve the overload of static traffic due to the limited vacant area in big cities.
- To generate more jobs, increase income and funds for the production development of the Company, responding to the benefits of shareholders.
- To contribute to the execution of other political, economic and social goals of Hanoi in accordance with the policies and orientations set by the Party, State and Hanoi People's Committee.

h. The Project Progress

- The Hanoi People's Committee issued Decision 29/2007/QĐ-UBND dated 13/03/2007 approving the 1/500 detailed plan for the land on the 8/3 Textile Company;
- The Project obtained the Dispatch No. 7005/UBND-XD dated 22/07/2009 The Hanoi People's Committee approving the Hanoi South Urban Development Joint Stock Company to be the owner and develop master plan for the two land lots at 460 Minh Khai Street, Hai Ba Trung District, and No. 25, Alley 13, Linh Nam Street, Hoang Mai District, Hanoi, which is currently managed and used by the 8/3 and Hanosimex Textile Companies
- The Prime Minister issued Dispatch No. 860/VPCP – DMDN dated 4/2/2010 on the execution of the development of the Urban Area Project at 460 Minh Khai Street, Hai Ba Trung District, and No. 25, Alley 13, Linh Nam Street, Hoang Mai District, Hanoi, approving the proposal of the Textile Group on proceeding

with the housing and urban development project at 460 Minh Khai Street, Hai Ba Trung District, and No. 25, Alley 13, Linh Nam Street, Hoang Mai District, Hanoi. The investor is conducting the site clearance and compensation process.

i. Capital allocation schedule

Figures in: 1,000 VND

Item	Total value	% Total investment	Construction year	
			2010	2011
Total Investment Capital	20,224,474,685		1	2
Total mobilization required	18,431,599,370	100%	1,058,555,274	5,684,535,945
Project owner's equity	3,686,000,000	20,0%	1,058,555,274	2,627,444,726
Capital mobilized from clients	10,013,466,583	54,3%	0	1,689,835,658
Borrowing capital	4,732,132,787	25,7%	0	1,367,255,561
Vincom ownership/Project owner's equity	0.44			
Capital annually contributed by Vincom			467,352,153	1,160,016,847

(Quoted from the Technical Economic Accountability September 2009. Consultant: The Design Survey and Construction Consulting Company – Ministry of Defence – Appendix 3)

VII. PLAN FOR UTILIZING THE PROCEEDS FROM THE ISSUANCE

1. The utilization of core capital of the previous issuance

After the previous offering, the Company's charter capital has increased to **VND1,996,272,380,000**. In 2008, the Company focused on 2 big property projects: Eden in HCMC and Vincom Park Place (HH1) in Hanoi. The entire additional charter capital (approximately 800 billion dong) was spent on these projects.

Below are the figures about the utilization of the previous additional capital for a number of projects that Company involves:

Figures in: Billion dong

No.	Projects	Total capital invested	Amount of core capital contributed to projects	In which core capital from the additional charter capital of 800billion dong is
1	Eden (*)	3,093	794	408
2	HH1(accounting for 74.41%)	550	302	15
3	Contributing capital to Hai Phong Project	171	171	0
4	Contributing capital to Vinpearl Hoi An project	60	60	0
5	Contributing capital to Royal City Project	604	347	347
6	Contributing capital to Eco City Project	221	24	24
	Total	4,700	1,698	794

(*) Spending for Eden include: expenses booked in the “Unfinished capital construction” account (Account 241) + Advances to contractors and sellers (Account 331) + Advances to Project (account 141) + bond interests paid

2. Plan for utilizing the proceeds from the issuance

With approximately more than 1,600 billion dong of additional charter capital (in which about more than 1,000 billion dong is new capital, more than 500 billion dong is accrued profit), the Company will utilize this as follows:

- Approximately VND700billion dong for Eden Project, in which 450billion dong is spent on compensation of site clearance of Area A of the Vincom Complex of Commerce and Services Center, Hotel, Offices, Luxury Apartments and Underground Parking Place in District 1, HCMC (Eden Project); the residual amount shall be utilized for the completion of the Area B of the Project and construction of Area A.
- Approximately 900 billions will be used to contribute to other projects such as Eco City (on the land areas of 8/3 and Hanosimex Textile companies in Minh Khai, Hanoi), Royal City at 74 Nguyen Trai, Hanoi, and other potential property projects in Hanoi. For the time being, based on the calculation of the consultant

and progress of Eco City and Royal City, if necessary legal procedures are completed, the Company plans to allocate the capital as follows:

1. Capital contributed to Eco City in 2010: approximately 700 billion dongs
2. Capital contributed to Royal City in 2010: approximately 200 billion dongs

The detailed utilization plan of the proceeds from the issuance is as follows:

No.	Projects	Cost item	Amount of precedes to be used (billion dongs)	Tentative disbursement schedule
1	Eden	Compensation for site clearance in Area A	450	Before 30/4/2010
		Completion of Area B and Construction of Area A	250	Before 30/4/2010
3	Royal City	Compensation for site clearance and land use fee	200	Quarter 2/2010
4	Eco City	Compensation for site clearance and land use fee	700	Quarters 2 - 3 /2010
	Total		1,600	

VIII. RELEVANT PARTIES TO THE ISSUANCE

1. The Auditor

Ernst & Young Vietnam: the Auditor of Financial Reports in 2007, 2008, 2009.

Head Office: Level 15, Daeha Business Center, 360 Kim Ma, Hanoi

Tel: (84-4) 3831 5100 Fax: (84-4) 3831 5090

2. The issuance consulting institution

VINCOM Securities JSC

Head office: Level 4 Vincom City Towers, 191 Ba Trieu, Hanoi

Tel: (84-4) 3974 2299

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IX. APPENDICES

- 1. Appendix I: A valid copy of Business Registration Certificate**
- 2. Appendix II: A valid copy of the Company Charter**
- 3. Appendix III: Audit Report**
- 4. Appendix IV: Curriculum Vitae of members of the BoD, BoM and BoS**
- 5. Appendix V: Dispatch No. 165/VINCOM JSC-TCDA.10 dated 05/04/2010 of Vincom JSC providing account of the implementation of projects and the utilization of the proceeds from the previous issuance.**

Hanoi, day.....month.....year 2010

**REPRESENTATIVE OF THE ISSUING INSTITUTION – VINCOM JOINT STOCK
COMPANY**

CHAIRMAN OF THE BOD

Le Khac Hiep

CHIEF EXECUTIVE OFFICER

CHIEF ACCOUNTANT

Mai Huong Noi

Nguyen Thi Thu Hien

**REPRESENTATIVE OF THE CONSULTING INSTITUTION – THE VINCOM
SECURITIES JOINT STOCK COMPANY**

CHIEF EXECUTIVE OFFICER

Bach Nguyen Vu