THONG NHAT RUBBER JOINT STOCK COMPANY

Address: No.256, 27/4 Street, Phuoc Hung ward, Ba Ria town, Ba Ria Vung Tau Province

BALANCE SHEET

2007

As of 31 December 2007

Unit: VND

ASSETS	Code	EXP	Ending Balance	Beginning Balance
1	2	3	4	5
A. CURRENT ASSETS	**100**		**136,204,033,426**	**113,018,946,189**
(100=110+120+130+140+150)				
I. Cash and cash equivalents	**110**		**99,131,363,127**	**59,649,414,012**
1. Cash	111	V.01	99,131,363,127	59,649,414,012
2. Cash equivalents	112			
II. Short-term financial investments	**120**	**V.02**	**5,000,000,000**	**15,000,000,000**
1. Short-term investments	121		5,000,000,000	15,000,000,000
2. Provision for devaluation of short-term investments (*)	129		-	-
III. Short-term receivables	**130**		**23,192,231,295**	**28,624,773,747**
1. Trade accounts receivables	131		14,506,899,487	20,707,294,377
2. Advances to supplier	132		6,343,057,704	5,242,219,182
3. Short-term internal receivables	133		2,042,742,341	1,677,468,127
4. Receivable in accordance with contracts in progress	134		-	-
5. Other receivables (1388)	135	V.03	351,159,918	997,792,061
6. Provision for short-term bad receivables (*)	139		(51,628,155)	-
IV. Inventories	**140**		**8,373,254,049**	**9,451,912,995**
1. Inventories	141	V.04	8,373,254,049	9,451,912,995
2. Provision for devaluation of inventories (*)	149		-	-
V. Other current assets	**150**		**507,184,955**	**292,845,435**
1. Short-term prepaid expenses	151		-	-

2. VAT deductible	152		181,818,182	-
3. Tax and accounts receivable from State budget	154	V.05	-	-
4. Other current assets (141,144)	158		325,366,773	292,845,435
B. LONG-TERM ASSETS	**200**		**140,103,413,562**	**153,528,942,278**
(200=210+220+240+250+260)				
I. Long-term receivables	**210**		**-**	**-**
1. Long-term receivables from customers	211		-	-
2. Capital receivable from subsidiaries	212		-	-
3. Long-term inter-company receivables	213	V.06	-	-
4. Other long-term receivables	218	V.07	-	-

5. Provision for long-term bad receivable (*)	219		-	-
II. Fixed assets	**220**		**102,396,111,427**	**112,152,360,832**
1. Tangible fixed assets	221	V.08	84,156,581,302	106,985,471,636
- Historical cost	222		118,147,351,114	135,671,613,856
- Accumulated depreciation (*)	223		(33,990,769,812)	(28,686,142,220)
2. Finance leases fixed assets	224	V.09	-	-
- Historical cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3. Intangible fixed assets	227	V.10	-	-
- Historical cost	228		-	-
- Accumulated depreciation (*)	229		-	-
4. Construction in progress expenses	230	V.11	18,239,530,125	5,166,889,196
III. Property Investment	**240**	**V.12**	**-**	**-**
- Historical cost	241		-	-
- Accumulated depreciation (*)	242		-	-
IV. Long-term financial investments	**250**		**27,721,175,704**	**27,721,175,704**
1. Investment in subsidiary company	251		-	-
2. Investment in joint venture	252		-	-
3. Other long-term investments	258	V.13	27,721,175,704	27,721,175,704
4. Provision for devaluation of long-term finance investmer	259		-	-
V. Other long-term assets	**260**		**9,986,126,431**	**13,655,405,742**
1. Long-term prepaid expenses	261	V.14	9,986,126,431	13,655,405,742
2. Deferred income tax assets	262	V.21	-	-
3. Others	268		-	-
TOTAL ASSETS (270=100+200)	**270**		**276,307,446,988**	**266,547,888,467**

CAPITAL SOURCE	Code	EXP	Ending Balance	Beginning Balance
A. LIABILITIES (300=310+330)	**300**		**58,759,706,593**	**46,082,034,257**
I. Current liabilities	**310**		**58,399,395,688**	**45,380,956,299**
1. Short-term borrowing and debts	311	V.15	1,183,611,852	1,183,611,852
2. Trade accounts payable	312		1,601,639,493	1,660,646,148
3. Advances from customers	313		1,792,462,775	1,648,825,215
4. Taxes and liabilities to State budget	314	V.16	4,124,475,046	3,486,429,615
5. Payable to employees	315		4,538,697,213	5,046,917,061
6. Payable expenses	316	V.17	197,928,877	148,785,000
7. Accounts payable-Affiliate	317		-	-
8. Payable in accordance with contracts in progress	318		-	-
9. Other short-term payables	319	V.18	44,960,580,432	32,205,741,408
10. Provision for current liabilities	320		-	-
II. Long-term liabilities	**330**		**360,310,905**	**701,077,958**
1. Long-term accounts payable-Trade	331		-	-
2. Long-term accounts payable-Affiliate	332	V.19	-	-
3. Other long-term payables	333		-	-
4. Long-term borrowing and debts	334	V.20	-	-
5. Deferred income tax	335	V.21	-	-
6. Provision for unemployment benefit	336		360,310,905	701,077,958
7. Provision for long-term liabilities	337		-	-
B. OWNER'S EQUITY (400=410+430)	**400**		**217,547,740,395**	**220,465,854,210**
I. Capital sources and funds	**410**	**V.22**	**211,288,975,820**	**217,312,941,120**
1. Paid-in capital	411		192,500,000,000	192,500,000,000
2. Capital surplus	412		-	-
3. Other capital of owner	413		-	-
4. Treasury stock (*)	414		-	-
5. Assets revaluation difference	415		-	-
6. Foreign exchange difference	416		-	-

7. Investment and development funds	417		14,325,924,524	2,826,664,568
8. Financial reserve fund	418		2,609,173,895	1,392,892,284
9. Other fund belong to owner's equity	419		-	-
10. Retained after-tax profit	420		1,853,877,401	20,593,384,268
11. Capital for construction work	421		-	-
II. Budget sources	**430**		**6,258,764,575**	**3,152,913,090**
1. Bonus and welfare funds	431		5,965,690,924	3,152,913,090
2. Budgets	432	V.23	-	-
3. Budget for fixed asset	433		293,073,651	
TOTAL RESOURCES (440=300+400)	**440**		**276,307,446,988**	**266,547,888,467**

OFF BALANCE SHEET ITEMS

ITEMS	EXP	Ending Balance	Beginning Balance
1. Leasehold assets	24		
2. Materials and goods kept or processed for others			
3. Goods deposited by others			
4. Bad debts already treated			
5. Foreign currencies			
USD		941,448.07	435,059.63
At Vietcombank - Vung Tau city branch		941,260.07	435,059.63
At Agribank - Vung Tau city branch		188.00	-
6. Estimates for non-business and project expenditure			

14th of April 2008

Preparer	Chief Accoutant	General Director
Nguyễn Nhật Thành Lâm	Nguyễn Hữu Mạnh Nhường	Lê Văn Lợi

THONG NHAT RUBBER JOINT STOCK COMPANY

Address: No.256, 27/4 Street, Phuoc Hung ward, Ba Ria town, Ba Ria Vung Tau Province

INCOME STATEMENT

2007

Unit: VND

ITEMS	Code	EXP	Current year from 01/01/2007 to 31/12/2007	Previous year from 27/6/2006 to 31/12/2006
1	2	3	6	7
1. Revenue of sales and services	1	VI.25	165,706,086,735	103,101,046,635
2. Deductions	2			-
3. Net sales and services (10=01-02)	10		165,706,086,735	103,101,046,635
4. Cost of goods sold	11	VI.27	119,069,344,692	69,758,362,254
5. Gross profit (20=10-11)	20		46,636,742,043	33,342,684,381
6. Financial Income	21	VI.26	2,310,491,638	2,514,569,161
7. Financial Expenses	22	VI.28	353,496,014	12,409,495
- Include: Interest expense	*23*			-
8. Selling Expenses	24		1,162,074,286	797,998,136
9. General and Administrative Expenses	25		8,333,965,168	4,601,476,508
10. Net operating profit {30=20+(21-22)-(24+25)}	30		39,097,698,213	30,445,369,403
11. Other Income	31		10,892,866,057	2,743,389,898
12. Other Expenses	32		16,027,386,317	5,330,913,613
13. Other profit (40=31-32)	40		(5,134,520,260)	(2,587,523,715)
14. Profit before tax (50=30+40)	50		33,963,177,953	27,857,845,688
15. Current corporate income tax expenses	51	VI.30	570,848,998	-
16. Deferred corporate income tax expenses	52	VI.30	-	-
17. Profit after tax (60=50-51-52)	60		33,392,328,955	27,857,845,688

14th of April 2008

Preparer **Chief Accoutant** **General Director**

Nguyễn Nhật Thành Lâm **Nguyễn Hựu Mạnh Nhường** **Lê Văn Lợi**

THONG NHAT RUBBER JOINT STOCK COMPANY

Address: No.256, 27/4 Street, Phuoc Hung ward, Ba Ria town, Ba Ria Vung Tau Province

CASH FLOW STATEMENT

(Indirect method) (*)

2007

ITEMS	CODE	EXP	Current year from 01/01/2007 to 31/12/2007	Previous year from 27/06/2006 to 31/12/2006
01	02		03	04
I. CASH FLOWS FROM OPERATING ACTIVITIES:				
1. Profit before tax	*01*		*33,963,177,953*	*27,857,845,688*
2. Adjustment in accounts:			*13,222,161,239*	
- Fixed assets depreciation	02		7,929,870,513	*4,227,222,548*
- Provisions	03		51,628,155	-
- Unrealized foreign exchange difference loss/gain	04		-	-
- Loss/gain from investment	05		4,966,099,271	*2,282,099,467*
- Interest expenses	06		274,563,300	-
3. Operating profit before the changes of current capital	***08***		***47,185,339,192***	***34,367,167,703***
- Changes in accounts receivable	09		4,888,816,333	*(8,732,406,247)*
- Changes in inventories	10		7,671,724,288	*16,506,033,287*
- Changes in trade payables (exclude interest payable, income tax payable	11		474,876,589	*5,999,780,322*
- Changes in prepaid expenses	12		3,669,279,311	*2,977,645,457*
- Paid interest	13		(274,563,300)	-
- Paid corporate income tax	14		(2,397,307,573)	*(25,912,122)*
- Other receivables	15		-	*60,060,000*
- Other payables	16		(3,827,230,627)	*(90,739,203)*
Net cash provided by (used in) operating activities	***20***		***57,390,934,213***	***51,061,629,197***
II. CASH FLOWS FROM INVESTING ACTIVITIES:				
1. Cash paid for purchase of capital assets and other long-term assets	21	6,7,8,11	*(14,153,162,008)*	*(4,503,198,860)*
2. Cash received from liquidation or disposal of capital assets and other long-term assets	22		*3,564,623,000*	*2,190,055,000*
3. Cash paid for lending or purchase debt tools of other companies	23		-	-
4. Withdrawal of lending or resale debt tools of other companies	24		*10,000,000,000*	-
5. Cash paid for joining capital in other companies	25		-	-
6. Cash paid for joining capital in other companies	26		-	-
7. Cash received from interest, dividend and distributed profit	27		*920,333,333*	*551,000,000*
Net cash used in investing activities	***30***		***331,794,325***	***(1,762,143,860)***
III. CASH FLOWS FROM FINANCING ACTIVITIES:			-	
1. Cash received from issuing stock, other owners' equity	31	21	-	-

2. Cash paid to owners' equity, repurchase issued stock	32	21	-	*(136,195,337,792)*
3. Cash received from long-term and short-term borrowings	33		*8,000,000,000*	-
4. Cash paid to principal debt	34		*(8,000,000,000)*	-
5. Cash paid to financial lease debt	35		-	-
6. Dividend, profit paid for owners	36	21	*(18,240,779,423)*	-
Net cash (used in) provided by financing activities	***40***		***(18,240,779,423)***	***(136,195,337,792)***
Net cash during the period (20+30+40)	**50**		**39,481,949,115**	**(86,895,852,455)**
Cash and cash equivalents at beginning of year	**60**		**59,649,414,012**	**146,545,266,467**
Influence of foreign exchange fluctuation	61			-
Cash and cash equivalents at end of year (50+60+61)	**70**	**31**	**99,131,363,127**	**59,649,414,012**

14th of April 2008

Preparer **Chief Accoutant** **General Director**

Nguyễn Nhật Thành Lâm ***Nguyễn Hữu Mạnh Nhường*** ***Lê Văn Lợi***