

Kinh Bac City Development Share Holding Corporation

**CONSOLIDATED BALANCE SHEET**

As at Jun. 30th, 2010

Unit: VND

| ASSETS                                                          | Code       | Note | Ending Balance            | Beginning Balance        |
|-----------------------------------------------------------------|------------|------|---------------------------|--------------------------|
| <b>A. SHORT-TERM ASSETS (100=110+120+130+140+150)</b>           | <b>100</b> |      | <b>5.313.775.216.916</b>  | <b>4.677.294.206.672</b> |
| <b>I. Cash and cash equivalents</b>                             | <b>110</b> |      | <b>770.983.330.560</b>    | <b>1.429.880.951.370</b> |
| 1. Cash                                                         | 111        | V.01 | 276.365.587.866           | 68.663.902.368           |
| 2. Cash equivalents                                             | 112        |      | 494.617.742.694           | 1.361.217.049.002        |
| <b>II. Short-term financial investments</b>                     | <b>120</b> | V.02 | <b>4.846.437.600</b>      | <b>4.775.505.000</b>     |
| 1. Short-term investments                                       | 121        |      | 7.490.461.369             | 7.490.461.369            |
| 2. Provision for devaluation of short-term security investments | 129        |      | (2.644.023.769)           | (2.714.956.369)          |
| <b>III. Receivables</b>                                         | <b>130</b> |      | <b>2.689.037.230.884</b>  | <b>1.700.693.821.012</b> |
| 1. Trade accounts receivables                                   | 131        |      | 1.026.950.109.535         | 790.484.921.535          |
| 2. Advances to suppliers                                        | 132        |      | 899.350.913.344           | 477.226.689.923          |
| 3. Short-term internal receivables                              | 133        |      | 105.507.759.100           | 104.130.000.000          |
| 4. Receivable in accordance with contracts in progress          | 134        |      |                           |                          |
| 5. Other receivables                                            | 135        | V.03 | 657.228.448.905           | 328.852.209.554          |
| 6. Provision for short-term bad receivables                     | 139        |      |                           |                          |
| <b>IV. Inventories</b>                                          | <b>140</b> |      | <b>1.590.674.259.775</b>  | <b>898.371.338.758</b>   |
| 1. Inventories                                                  | 141        | V.04 | 1.590.674.259.775         | 898.371.338.758          |
| 2. Provision for devaluation of inventories                     | 149        |      |                           |                          |
| <b>V. Other short-term assets</b>                               | <b>150</b> |      | <b>258.233.958.097</b>    | <b>643.572.590.532</b>   |
| 1. Short-term prepaid expenses                                  | 151        |      | 216.363.137               | 58.520.823               |
| 2. VAT deductible                                               | 152        |      | 30.865.583.947            | 15.060.019.428           |
| 3. Tax and accounts receivable from State budget                | 154        | V.05 |                           |                          |
| 4. Other short-term assets                                      | 158        |      | 227.152.011.013           | 628.454.050.281          |
|                                                                 |            |      |                           |                          |
| <b>B. LONG-TERM ASSETS (200=210+220+240+250+260)</b>            | <b>200</b> |      | <b>4.703.702.741.973</b>  | <b>3.918.305.528.194</b> |
| <b>I. Long-term receivables</b>                                 | <b>210</b> |      | <b>213.951.318.933</b>    | <b>18.198.040.599</b>    |
| 1. Long-term receivables from customers                         | 211        |      | 133.936.318.933           | 12.198.040.599           |
| 2. Capital receivable from subsidiaries                         | 212        |      |                           |                          |
| 3. Long-term inter-company receivables                          | 213        | V.06 |                           |                          |
| 4. Other long-term receivables                                  | 218        | V.07 | 80.015.000.000            | 6.000.000.000            |
| 5. Provision for long-term bad receivable (*)                   | 219        |      |                           |                          |
| <b>II. Fixed assets</b>                                         | <b>220</b> |      | <b>395.173.585.963</b>    | <b>253.431.482.481</b>   |
| 1. Tangible fixed assets                                        | 221        | V.08 | 53.935.568.687            | 51.188.057.154           |
| - Historical cost                                               | 222        |      | 70.605.913.668            | 62.940.402.071           |
| - Accumulated depreciation                                      | 223        |      | (16.670.344.981)          | (11.752.344.917)         |
| 2. Finance leases fixed assets                                  | 224        | V.09 |                           |                          |
| - Historical cost                                               | 225        |      |                           |                          |
| - Accumulated depreciation                                      | 226        |      |                           |                          |
| 3. Intangible fixed assets                                      | 227        | V.10 | 44.814.020                | 19.659.370               |
| - Historical cost                                               | 228        |      | 105.175.160               | 68.217.160               |
| - Accumulated depreciation                                      | 229        |      | (60.361.140)              | (48.557.790)             |
| 4. Construction in progress expenses                            | 230        | V.11 | 341.193.203.256           | 202.223.765.957          |
| <b>III. Property investment</b>                                 | <b>240</b> | V.12 | <b>7.742.652.708</b>      |                          |
| - Historical cost                                               | 241        |      | 7.907.390.000             |                          |
| - Accumulated depreciation (*)                                  | 242        |      | (164.737.292)             |                          |
| <b>IV. Long-term financial investments</b>                      | <b>250</b> |      | <b>3.586.416.090.154</b>  | <b>3.566.629.669.935</b> |
| 1. Investment in subsidiaries                                   | 251        |      |                           |                          |
| 2. Investment in joint-venture                                  | 252        |      | 515.262.071.539           | 517.722.024.935          |
| 3. Other long-term investments                                  | 258        |      | 3.071.154.018.615         | 3.048.907.645.000        |
| 4. Provision for devaluation of long-term finance investment    | 259        |      |                           |                          |
| <b>V. Other long-term assets</b>                                | <b>260</b> |      | <b>95.822.779.198</b>     | <b>80.046.335.179</b>    |
| 1. Long-term prepaid expenses                                   | 261        | V.14 | 71.947.779.198            | 80.046.335.179           |
| 2. Deferred income tax assets                                   | 262        | V.21 |                           |                          |
| 3. Others                                                       | 268        |      | 23.875.000.000            |                          |
| <b>VI. Goodwill</b>                                             | <b>269</b> |      | <b>404.596.315.017</b>    |                          |
|                                                                 |            |      |                           |                          |
| <b>TOTAL ASSETS (270=100+200)</b>                               | <b>270</b> |      | <b>10.017.477.958.889</b> | <b>8.595.599.734.866</b> |

| ASSETS                                              | Code       | Note | Ending Balance            | Beginning Balance        |
|-----------------------------------------------------|------------|------|---------------------------|--------------------------|
|                                                     |            |      |                           |                          |
| CAPITAL SOURCE                                      | Code       | Note | Ending Balance            | Beginning Balance        |
| <b>A. LIABILITIES (300= 310+330)</b>                | <b>300</b> |      | <b>5,916,150,424.036</b>  | <b>5,108,060,601.932</b> |
| <b>I. Short-term liabilities</b>                    | <b>310</b> |      | <b>2,478,995,339,123</b>  | <b>2,092,570,978,391</b> |
| 1. Short-term borrowing and debts                   | 311        | V.15 | 497,892,446.225           | 326,539,714.076          |
| 2. Trade accounts payable                           | 312        |      | 46,334,114.516            | 128,637,501.881          |
| 3. Advances from customers                          | 313        |      | 475,787,263.511           | 614,574,524.472          |
| 4. Taxes and liabilities to State budget            | 314        | V.16 | 480,218,567.084           | 423,230,665.495          |
| 5. Payable to employees                             | 315        |      | 76,185.000                | 86,455.000               |
| 6. Payable expenses                                 | 316        | V.17 | 945,743,420.531           | 586,893,368.867          |
| 7. Accounts payables-Affiliate                      | 317        |      | 150,000.000               | 801,700.000              |
| 8. Payable in accordance with contracts in progress | 318        |      |                           |                          |
| 9. Other short-term payables                        | 319        | V.18 | 27,972,100.583            | 7,055,969.267            |
| 10. Provision for short-term liabilities            | 320        |      |                           |                          |
| 11. Bonus and welfare fund                          | 323        |      | 4,821,241.673             | 4,751,079.333            |
| <b>II. Long-term liabilities</b>                    | <b>330</b> |      | <b>3,437,155,084,912</b>  | <b>3,015,489,623,541</b> |
| 1. Long-term accounts payables-Trade                | 331        |      |                           |                          |
| 2. Long-term accounts payables-Affiliate            | 332        | V.19 |                           |                          |
| 3. Other long-term payables                         | 333        |      | 46,000.000                | 36,000.000               |
| 4. Long-term borrowing and debts                    | 334        | V.20 | 3,436,475,086.812         | 3,015,004,236.941        |
| 5. Deferred income tax                              | 335        | V.21 |                           |                          |
| 6. Provision for unemployment allowance             | 336        |      | 633,998.100               | 449,386.600              |
| 7. Provision for long-term liabilities              | 337        |      |                           |                          |
| <b>B. OWNER'S EQUITY (400= 410+430)</b>             | <b>400</b> |      | <b>3,851,331,443,768</b>  | <b>3,330,609,650,876</b> |
| <b>I. Capital sources and funds</b>                 | <b>410</b> | V.22 | <b>3,851,331,443,768</b>  | <b>3,330,609,650,876</b> |
| 1. Paid-in capital                                  | 411        |      | 2,957,111,670.000         | 1,991,243,300.000        |
| 2. Capital surplus                                  | 412        |      | 611,072,430.000           | 997,419,780.000          |
| 3. Other capital of owner                           | 413        |      |                           |                          |
| 4. Treasury stock                                   | 414        |      | (364,466,650.000)         | (364,463,420.000)        |
| 5. Assets revaluation difference                    | 415        |      |                           |                          |
| 6. Foreign exchange difference                      | 416        |      |                           | (269,819.232)            |
| 7. Investment and development fund                  | 417        |      | 2,223,693,823             | 2,223,693,823            |
| 8. Financial reserve fund                           | 418        |      |                           |                          |
| 9. Other fund belong to owner's equity              | 419        |      |                           |                          |
| 10. Retained profit                                 | 420        |      | 645,390,299.945           | 704,456,116.285          |
| 11. Capital for construction work                   | 421        |      |                           |                          |
| <b>II. Budget sources</b>                           | <b>430</b> |      |                           |                          |
| 1. Bonus and welfare fund                           | 431        |      |                           |                          |
| 2. Budgets                                          | 432        |      |                           |                          |
| 3. Budget for fixed asset                           | 433        | V.23 |                           |                          |
| <b>C. MINORITY INTEREST</b>                         | <b>439</b> |      | <b>249,996,091.086</b>    | <b>156,929,482,058</b>   |
| <b>TOTAL RESOURCES (430= 300+400)</b>               | <b>440</b> |      | <b>10,017,477,958,889</b> | <b>8,595,599,734,866</b> |

#### OFF BALANCE SHEET ITEMS

| ITEMS                                                 | Code | 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                                                 |      |     | 1,924,010      | 671,609           |
| - EUR                                                 |      |     | -              | -                 |
| 6. Estimates for non-business and project expenditure |      |     | -              | -                 |

Kinh Bac City Development Share Holding Corporation

## CONSOLIDATED INCOME STATEMENT

Quarter 2/ 2010

Unit: VND

| Items                                                       | Code      | Note  | Accumulation from the beginning of this year to the ending of this period |                        |
|-------------------------------------------------------------|-----------|-------|---------------------------------------------------------------------------|------------------------|
|                                                             |           |       | Year 2010                                                                 | Year 2009              |
| 1. Revenue of sales and services                            | 01        | VI.25 | 736.022.394.543                                                           | 190.867.114.095        |
| 2. Deductions                                               | 02        |       |                                                                           |                        |
| <b>3. Net sales and services (10=01 - 02)</b>               | <b>10</b> |       | <b>736.022.394.543</b>                                                    | <b>190.867.114.095</b> |
| 4. Cost of goods sold                                       | 11        | VI.27 | 295.458.078.082                                                           | 85.881.298.649         |
| <b>5. Gross profit (20=10 - 11)</b>                         | <b>20</b> |       | <b>440.564.316.461</b>                                                    | <b>104.985.815.446</b> |
| 6. Financial incomes                                        | 21        | VI.26 | 379.032.584.322                                                           | 92.771.554.953         |
| 7. Financial expenses                                       | 22        | VI.28 | 97.539.169.571                                                            | 13.337.570.222         |
| - Include: Interest expense                                 | 23        |       | 96.168.603.413                                                            | 11.373.874.144         |
| 8. Selling expenses                                         | 24        |       | 4.167.285.685                                                             | 668.404.810            |
| 9. General & administrative expenses                        | 25        |       | 41.256.031.027                                                            | 17.184.471.010         |
| <b>10. Net operating profit (30=20 + (21-22) - (24+25))</b> | <b>30</b> |       | <b>676.634.414.500</b>                                                    | <b>166.566.924.357</b> |
| 11. Other incomes                                           | 31        |       | 543.603.250                                                               | 51.976.125.680         |
| 12. Other expenses                                          | 32        |       | 437.231.524                                                               | 220.792.831            |
| <b>13. Other profit (40=31-32)</b>                          | <b>40</b> |       | <b>106.371.726</b>                                                        | <b>51.755.332.849</b>  |
| 14. Gain/loss in associate or joint-venture companies       |           |       | 3.971.910.528                                                             | (1.275.358.756)        |
| <b>15. Profit before tax (50=30 + 40)</b>                   | <b>50</b> |       | <b>680.712.696.754</b>                                                    | <b>217.046.898.450</b> |
| 16. Current corporate income tax expenses                   | 51        | VI.30 | 153.554.910.840                                                           | 15.242.593.823         |
| 17. Deferred corporate income tax expenses                  | 52        | VI.30 |                                                                           |                        |
| <b>18. Profit after tax (60=50 - 51 - 52)</b>               | <b>60</b> |       | <b>527.157.785.914</b>                                                    | <b>201.804.304.627</b> |
| 18.1 Benefits of minorities                                 | 61        |       | 6.702.582.254                                                             | 896.159.331            |
| 18.2 Profit after tax of the parent company's shareholders  | 62        |       | 520.455.203.660                                                           | 200.908.145.296        |
| <b>19. EPS (*)</b>                                          | <b>70</b> |       | <b>1.797</b>                                                              | <b>1.035</b>           |

**CONSOLIDATED CASH FLOW STATEMENT**

Quarter 2/ 2010 (Indirect method)

Unit: VND

| Items                                                                                      | Code      | Note | Accumulation from the beginning of this year to the ending of this period |                          |
|--------------------------------------------------------------------------------------------|-----------|------|---------------------------------------------------------------------------|--------------------------|
|                                                                                            |           |      | Year 2010                                                                 | Year 2009                |
| <b>I. CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                            |           |      |                                                                           |                          |
| <i>1. Profit before tax</i>                                                                | <i>1</i>  |      | <i>680.712.696.754</i>                                                    | <i>217.046.898.450</i>   |
| <i>2. Adjustment in accounts</i>                                                           |           |      |                                                                           |                          |
| Fixed assets depreciation                                                                  | 2         |      | 3.609.487.615                                                             | 947.985.536              |
| Goodwill                                                                                   |           |      | 11.431.863.924                                                            | 168.083.757              |
| Provisions                                                                                 | 3         |      | (70.932.600)                                                              | (63.518.418.231)         |
| Unrealized foreign exchange difference loss/gain                                           | 4         |      | 991.954.546                                                               | (318.590.752)            |
| Loss/gain from investment                                                                  | 5         |      | (382.558.694.619)                                                         | (78.397.455.614)         |
| Interest expenses                                                                          | 6         |      | 96.168.603.413                                                            | 11.373.874.144           |
| <i>3. Operating profit before the changes of current capital</i>                           | <i>8</i>  |      | <i>410.284.979.033</i>                                                    | <i>87.302.377.290</i>    |
| Changes in accounts receivable                                                             | 9         |      | (848.075.825.835)                                                         | 330.621.983.788          |
| Changes in inventories                                                                     | 10        |      | 61.169.141.997                                                            | (77.522.954.497)         |
| Changes in trade payables (exclude interest payable, income tax payable)                   | 11        |      | (45.930.497.460)                                                          | 210.258.351.978          |
| Changes in prepaid expenses                                                                | 12        |      | 8.029.426.879                                                             | (5.747.169.381)          |
| Paid interest                                                                              | 13        |      | (49.466.949.569)                                                          | (4.605.138.424)          |
| Paid corporate income tax                                                                  | 14        |      | (116.598.244.734)                                                         | (52.774.069.135)         |
| Other receivables                                                                          | 15        |      | 54.540.791.707                                                            |                          |
| Other payables                                                                             | 16        |      |                                                                           | (109.939.804.044)        |
| <b>Net cash provided by (used in) operating activities</b>                                 | <b>20</b> |      | <b>(526.047.177.982)</b>                                                  | <b>377.593.577.575</b>   |
| <b>II. CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                           |           |      |                                                                           |                          |
| 1. Cash paid for purchase of capital assets and other long-term assets                     | 21        |      | (196.918.982.586)                                                         | (111.728.962.876)        |
| 2. Cash received from liquidation or disposal of capital assets and other long-term assets | 22        |      |                                                                           |                          |
| 3. Cash paid for lending or purchase debt tools of other companies                         | 23        |      |                                                                           | (219.439.713.237)        |
| 4. Withdrawal of lending or resale debt tools of other companies                           | 24        |      | 47.500.000.000                                                            |                          |
| 5. Cash paid for joining capital in other companies                                        | 25        |      | (183.510.000.000)                                                         | (47.099.084.815)         |
| 6. Cash paid for purchase of subsidiaries, excluding the proceeds of                       |           |      |                                                                           | (401.939.806.089)        |
| 7. Withdrawal of capital in other companies                                                | 26        |      | 132.224.801.314                                                           |                          |
| 8. Cash received from interest, dividend and distributed profit                            | 27        |      | 11.713.526.626                                                            | 25.527.770.500           |
| <b>Net cash used in investing activities</b>                                               | <b>30</b> |      | <b>(188.990.654.646)</b>                                                  | <b>(754.679.796.517)</b> |
| <b>III. CASH FLOWS FROM FINANCING ACTIVITIES:</b>                                          |           |      |                                                                           |                          |
| 1. Cash received from issuing stock, other owners' equity                                  | 31        |      |                                                                           |                          |
| 2. Cash paid to owners' equity, repurchase issued stock                                    | 32        |      | (3.230.000)                                                               | (49.284.430.242)         |
| 3. Cash received from long-term and short-term borrowings                                  | 33        |      | 117.949.540.037                                                           | 734.461.352.260          |
| 4. Cash paid to principal debt                                                             | 34        |      | (60.875.823.951)                                                          | (69.212.422.906)         |
| 5. Cash paid to financial lease debt                                                       | 35        |      |                                                                           |                          |
| 6. Dividend, profit paid for owners                                                        | 36        |      |                                                                           |                          |
| <b>Net cash (used in) provided by financing activities</b>                                 | <b>40</b> |      | <b>57.070.486.086</b>                                                     | <b>615.964.499.112</b>   |
| <b>Net cash during the period (50 = 20+30+40)</b>                                          | <b>50</b> |      | <b>(657.967.346.542)</b>                                                  | <b>238.878.280.170</b>   |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                                      | <b>60</b> |      | <b>1.429.880.951.370</b>                                                  | <b>181.581.616.495</b>   |
| Influence of foreign exchange fluctuation                                                  | 61        |      | (930.274.268)                                                             | 318.590.752              |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)</b>                            | <b>70</b> |      | <b>770.983.330.560</b>                                                    | <b>420.778.487.417</b>   |