

**Ha Tien 1 Cement Joint Stock Company**

Km No. 8, Ha Noi Highway, Thu Duc Dist., HCMC.

Financial Statements

Quarter 1/2008

**BALANCE SHEET**

As at Mar. 31, 2008

Unit: VND

| No.         | ASSETS                                                        | Code       | Note       | Ending Balance           | Beginning Balance        |
|-------------|---------------------------------------------------------------|------------|------------|--------------------------|--------------------------|
| <b>A -</b>  | <b>SHORT-TERM ASSETS</b>                                      | <b>100</b> |            | <b>1,703,716,870,787</b> | <b>1,168,124,207,679</b> |
| <b>I.</b>   | <b>Cash &amp; Cash equivalents</b>                            | <b>110</b> | <b>V.1</b> | <b>76,089,209,600</b>    | <b>39,933,872,084</b>    |
| 1.          | Cash                                                          | 111        |            | 76,089,209,600           | 39,933,872,084           |
| 2.          | Cash equivalents                                              | 112        |            | -                        | -                        |
| <b>II.</b>  | <b>Short-term financial investments</b>                       | <b>120</b> |            | <b>19,188,393,905</b>    | <b>11,308,459,280</b>    |
| 1.          | Short-term investments                                        | 121        | V.2        | 19,188,393,905           | 11,308,459,280           |
| 2.          | Provision for devaluation of short-term investments           | 129        |            | -                        | -                        |
| <b>III.</b> | <b>Short-term receivables</b>                                 | <b>130</b> |            | <b>684,317,036,572</b>   | <b>608,200,244,655</b>   |
| 1.          | Trade accounts receivables                                    | 131        | V.3        | 94,113,417,481           | 85,902,220,094           |
| 2.          | Prepayment to suppliers                                       | 132        | V.4        | 589,952,436,539          | 498,321,251,082          |
| 3.          | Short-term intercompany receivables                           | 133        |            | -                        | -                        |
| 4.          | Receivables on percentage of construction contract completion | 134        |            | -                        | -                        |
| 5.          | Other receivables                                             | 135        | V.5        | 251,182,552              | 23,976,773,479           |
| 6.          | Provision for short-term doubtful debts                       | 139        |            | -                        | -                        |
| <b>IV.</b>  | <b>Inventories</b>                                            | <b>140</b> |            | <b>922,209,490,862</b>   | <b>507,269,506,293</b>   |
| 1.          | Inventories                                                   | 141        | V.6        | 922,209,490,862          | 507,269,506,293          |
| 2.          | Provision for devaluation of inventories                      | 149        |            | -                        | -                        |
| <b>V.</b>   | <b>Other short-term assets</b>                                | <b>150</b> |            | <b>1,912,739,848</b>     | <b>1,412,125,367</b>     |
| 1.          | Short-term prepaid expenses                                   | 151        |            | -                        | 1,114,385,467            |
| 2.          | VAT deductible                                                | 152        |            | 1,285,344,308            | -                        |
| 3.          | Tax and accounts receivable from State budget                 | 154        |            | -                        | -                        |
| 4.          | Other short-term assets                                       | 158        |            | 627,395,540              | 297,739,900              |
| <b>B -</b>  | <b>LONG-TERM ASSETS</b>                                       | <b>200</b> |            | <b>1,368,405,339,255</b> | <b>1,207,089,402,892</b> |
| <b>I.</b>   | <b>Long-term receivables</b>                                  | <b>210</b> |            | <b>-</b>                 | <b>-</b>                 |
| 1.          | Long-term receivables from customers                          | 211        |            | -                        | -                        |
| 2.          | Capital receivable from subsidiaries                          | 212        |            | -                        | -                        |

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|             |                                                              |            |      |                          |                          |
|-------------|--------------------------------------------------------------|------------|------|--------------------------|--------------------------|
| 3.          | Long-term inter-company receivables                          | 213        |      | -                        | -                        |
| 4.          | Other long-term receivables                                  | 218        |      | -                        | -                        |
| 5.          | Provision for long-term doubtful debts                       | 219        |      | -                        | -                        |
| <b>II.</b>  | <b>Fixed assets</b>                                          | <b>220</b> |      | <b>1,142,834,742,561</b> | <b>1,022,078,936,644</b> |
| 1.          | Tangible fixed assets                                        | 221        | V.7  | 336,942,984,597          | 346,463,473,667          |
|             | - <i>Historical cost</i>                                     | 222        |      | 672,645,059,081          | 672,477,957,842          |
|             | - <i>Accumulated depreciation</i>                            | 223        |      | (335,702,074,484)        | (326,014,484,175)        |
| 2.          | Finance leases fixed assets                                  | 224        |      | -                        | -                        |
|             | - <i>Historical cost</i>                                     | 225        |      | -                        | -                        |
|             | - <i>Accumulated depreciation</i>                            | 226        |      | -                        | -                        |
| 3.          | Intangible fixed assets                                      | 227        | V.8  | 86,873,351,806           | 87,113,189,294           |
|             | - <i>Historical cost</i>                                     | 228        |      | 90,896,550,762           | 90,861,429,040           |
|             | - <i>Accumulated depreciation</i>                            | 229        |      | (4,023,198,956)          | (3,748,239,746)          |
| 4.          | Construction in progress                                     | 230        | V.9  | 719,018,406,158          | 588,502,273,683          |
| <b>III.</b> | <b>Property investment</b>                                   | <b>240</b> |      | -                        | -                        |
|             | - Historical cost                                            | 241        |      | -                        | -                        |
|             | - Accumulated depreciation                                   | 242        |      | -                        | -                        |
| <b>IV.</b>  | <b>Long-term financial investments</b>                       | <b>250</b> |      | <b>56,000,000,000</b>    | <b>14,000,000,000</b>    |
| 1.          | Investment in subsidiaries                                   | 251        |      | -                        | -                        |
| 2.          | Investment in associate or joint-venture companies           | 252        |      | -                        | -                        |
| 3.          | Other long-term investments                                  | 258        | V.10 | 56,000,000,000           | 14,000,000,000           |
| 4.          | Provision for devaluation of long-term financial investments | 259        |      | -                        | -                        |
| <b>V.</b>   | <b>Other long-term assets</b>                                | <b>260</b> |      | <b>169,570,596,694</b>   | <b>171,010,466,248</b>   |
| 1.          | Long-term prepaid expenses                                   | 261        | V.11 | 169,252,281,000          | 170,752,281,000          |
| 2.          | Deferred income tax assets                                   | 262        |      | -                        | -                        |
| 3.          | Others                                                       | 268        |      | 318,315,694              | 258,185,248              |
|             | <b>TOTAL ASSETS</b>                                          | <b>270</b> |      | <b>3,072,122,210,042</b> | <b>2,375,213,610,571</b> |

| No.        | CAPITAL SOURCE                | Code       | Note | Ending Balance           | Beginning Balance        |
|------------|-------------------------------|------------|------|--------------------------|--------------------------|
| <b>A -</b> | <b>LIABILITIES</b>            | <b>300</b> |      | <b>2,141,474,623,916</b> | <b>1,414,959,759,192</b> |
| <b>I.</b>  | <b>Short-term liabilities</b> | <b>310</b> |      | <b>793,486,115,466</b>   | <b>676,874,066,474</b>   |

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|            |                                                  |            |      |                          |                        |
|------------|--------------------------------------------------|------------|------|--------------------------|------------------------|
| 1.         | Short-term borrowing                             | 311        | V.12 | 429,873,331,237          | 263,208,681,304        |
| 2.         | Trade accounts payable                           | 312        | V.13 | 345,846,593,454          | 386,286,534,943        |
| 3.         | Advances from customers                          | 313        |      | 1,442,108,056            | 768,829,815            |
| 4.         | Taxes and payable to state budget                | 314        | V.14 | 1,046,125,495            | 16,596,090,737         |
| 5.         | Payable to employees                             | 315        |      | 8,931,735,845            | 7,777,760,268          |
| 6.         | Payable expenses                                 | 316        |      | -                        | -                      |
| 7.         | Intercompany payable                             | 317        |      | 2,310,000,000            | -                      |
| 8.         | Payable in accordance with contracts in progress | 318        |      | -                        | -                      |
| 9.         | Other short-term payables                        | 319        | V.15 | 4,036,221,379            | 2,236,169,407          |
| 10.        | Provision for short-term liabilities             | 320        |      | -                        | -                      |
| <b>II.</b> | <b>Long-term liabilities</b>                     | <b>330</b> |      | <b>1,347,988,508,450</b> | <b>738,085,692,718</b> |
| 1.         | Long-term accounts payable-Trade                 | 331        |      | -                        | -                      |
| 2.         | Long-term intercompany payable                   | 332        |      | -                        | -                      |
| 3.         | Other long-term payables                         | 333        |      | -                        | -                      |
| 4.         | Long-term borrowing                              | 334        | V.16 | 1,347,988,508,450        | 738,085,692,718        |
| 5.         | Deferred income tax payable                      | 335        |      | -                        | -                      |
| 6.         | Provision for unemployment allowance             | 336        |      | -                        | -                      |
| 7.         | Provision for long-term liabilities              | 337        |      | -                        | -                      |
| <b>B -</b> | <b>OWNER'S EQUITY</b>                            | <b>400</b> |      | <b>930,647,586,126</b>   | <b>960,253,851,379</b> |
| <b>I.</b>  | <b>Capital sources and funds</b>                 | <b>410</b> | V.17 | <b>939,312,260,061</b>   | <b>961,440,858,314</b> |
| 1.         | Paid-in capital                                  | 411        |      | 870,000,000,000          | 870,000,000,000        |
| 2.         | Capital surplus                                  | 412        |      | -                        | -                      |
| 3.         | Other capital of owner                           | 413        |      | -                        | -                      |
| 4.         | Treasury stock                                   | 414        |      | -                        | -                      |
| 5.         | Asset revaluation differences                    | 415        |      | -                        | -                      |
| 6.         | Foreign exchange differences                     | 416        |      | (44,303,904,786)         | (8,897,976,309)        |
| 7.         | Investment and development fund                  | 417        |      | -                        | -                      |
| 8.         | Financial reserve fund                           | 418        |      | -                        | -                      |
| 9.         | Other fund belong to owner's equity              | 419        |      | -                        | -                      |
| 10.        | Retained after-tax profit                        | 420        |      | 113,616,164,847          | 100,338,834,623        |
| 11.        | Capital for construction work                    | 421        |      | -                        | -                      |
| <b>II.</b> | <b>Budget sources</b>                            | <b>430</b> |      | <b>(8,664,673,935)</b>   | <b>(1,187,006,935)</b> |
| 1.         | Bonus and welfare funds                          | 431        |      | (8,664,673,935)          | (1,187,006,935)        |

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|    |                        |            |                                 |                                 |
|----|------------------------|------------|---------------------------------|---------------------------------|
| 2. | Budgets                | 432        | -                               | -                               |
| 3. | Budget for fixed asset | 433        | -                               | -                               |
|    | <b>TOTAL RESOURCES</b> | <b>440</b> | <b><u>3,072,122,210,042</u></b> | <b><u>2,375,213,610,571</u></b> |

**OFF BALANCE SHEET ITEMS**

| <b>No.</b> | <b>Items</b>                             | <b>Note</b> | <b><u>Ending Balance</u></b> | <b><u>Beginning Balance</u></b> |
|------------|------------------------------------------|-------------|------------------------------|---------------------------------|
| 1.         | Operating lease assets                   |             | -                            | -                               |
| 2.         | Goods held under trust or for processing |             | -                            | -                               |
| 3.         | Goods received on consignment for sale   |             | -                            | -                               |
| 4.         | Bad debts written off                    |             | -                            | -                               |
| 5.         | Foreign currencies                       |             |                              |                                 |
|            | USD                                      |             | 8,905.64                     | 6,339.25                        |
|            | EUR                                      |             | 62.39                        | 59.40                           |
|            | SGD                                      |             | -                            | -                               |
|            | JPY                                      |             | -                            | -                               |
|            | AUD                                      |             | -                            | -                               |
|            | GBP                                      |             | -                            | -                               |
|            | CAD                                      |             | -                            | -                               |
|            |                                          |             | -                            | -                               |
| 6.         | Subsidies of state budget                |             | -                            | -                               |

**Ha Tien 1 Cement Joint Stock Company**

Km No. 8, Ha Noi Highway, Thu Duc Dist., HCMC.

Financial Statements

Quarter 1/2008

**INCOME STATEMENT**

Quarter 1/2008

| No. | Items                                  | Code | Note | Quarter 1       |                 | Accumulation fr. Jan. 01 to Mar. 31 |                 |
|-----|----------------------------------------|------|------|-----------------|-----------------|-------------------------------------|-----------------|
|     |                                        |      |      | 2008            | 2007            | 2008                                | 2007            |
| 1.  | Sales                                  | 01   | VI.1 | 544,511,276,378 | 361,550,526,048 | 544,511,276,378                     | 361,550,526,048 |
| 2.  | Deductions                             | 02   | VI.1 | 5,449,943,080   | -               | 5,449,943,080                       | -               |
| 3.  | Net sales and services                 | 10   | VI.1 | 539,061,333,298 | 361,550,526,048 | 539,061,333,298                     | 361,550,526,048 |
| 4.  | Cost of goods sold                     | 11   | VI.2 | 483,883,686,857 | 331,937,493,509 | 483,883,686,857                     | 331,937,493,509 |
| 5.  | Gross profit                           | 20   |      | 55,177,646,441  | 29,613,032,539  | 55,177,646,441                      | 29,613,032,539  |
| 6.  | Financial income                       | 21   | VI.3 | 2,477,882,145   | 2,361,417,718   | 2,477,882,145                       | 2,361,417,718   |
| 7.  | Financial expenses                     | 22   | VI.4 | 11,097,721,083  | 4,552,633,414   | 11,097,721,083                      | 4,552,633,414   |
|     | - Include: Interest expenses           | 23   |      | 9,885,372,212   | 3,674,800,346   | 9,885,372,212                       | 3,674,800,346   |
| 8.  | Selling expenses                       | 24   | VI.5 | 18,150,816,180  | 8,045,012,254   | 18,150,816,180                      | 8,045,012,254   |
| 9.  | General & administrative expenses      | 25   | VI.6 | 15,174,292,481  | 7,621,481,373   | 15,174,292,481                      | 7,621,481,373   |
| 10. | Net operating profit                   | 30   |      | 13,232,698,842  | 11,755,323,216  | 13,232,698,842                      | 11,755,323,216  |
| 11. | Other income                           | 31   | VI.7 | 44,631,382      | 555,408,037     | 44,631,382                          | 555,408,037     |
| 12. | Other expenses                         | 32   |      | -               | -               | -                                   | -               |
| 13. | Other profit                           | 40   |      | 44,631,382      | 555,408,037     | 44,631,382                          | 555,408,037     |
| 14. | Profit before tax                      | 50   |      | 13,277,330,224  | 12,310,731,253  | 13,277,330,224                      | 12,310,731,253  |
| 15. | Current corporate income tax expenses  | 51   | V.14 | -               | -               | -                                   | -               |
| 16. | Deferred corporate income tax expenses | 52   |      | -               | -               | -                                   | -               |
| 17. | Profit after tax                       | 60   |      | 13,277,330,224  | 12,310,731,253  | 13,277,330,224                      | 12,310,731,253  |
| 18. | EPS (VND/share)                        | 70   |      | -               | -               | -                                   | -               |

**Ha Tien 1 Cement Joint Stock Company**

Km No. 8, Ha Noi Highway, Thu Duc Dist., HCMC.

Financial Statements

Quarter 1/2008

**CASH FLOWS STATEMENT****Quarter 1/2008 (Indirect method)**

Unit: VND

| No.        | Items                                                                                   | Code | Note | Accumulation             |                          |
|------------|-----------------------------------------------------------------------------------------|------|------|--------------------------|--------------------------|
|            |                                                                                         |      |      | Quarter 1/2008           | Quarter 1/2007           |
| <b>I.</b>  | <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                            |      |      |                          |                          |
| 1.         | <i>Profit before tax</i>                                                                | 01   |      | 13,277,330,224           | 12,310,731,253           |
| 2.         | <i>Adjustment in accounts</i>                                                           |      |      |                          |                          |
| -          | Fixed assets depreciation                                                               | 02   |      | 9,962,549,519            | 8,078,708,021            |
| -          | Provisions                                                                              | 03   |      | -                        | -                        |
| -          | Unrealized foreign exchange difference loss/gain                                        | 04   |      | -                        | -                        |
| -          | Loss/gain from investment                                                               | 05   |      | (447,513,891)            | (1,465,249,660)          |
| -          | Loan interest expenses                                                                  | 06   | VI.4 | 9,885,372,212            | 3,674,800,346            |
| 3.         | <i>Operating profit before the changes of current capital</i>                           | 08   |      | 32,677,738,064           | 22,598,989,960           |
| -          | Changes in accounts receivable                                                          | 09   |      | (77,791,922,311)         | (57,770,781,369)         |
| -          | Changes in inventories                                                                  | 10   |      | (414,939,984,569)        | (16,195,483,072)         |
| -          | Changes in trade payables                                                               | 11   |      | (52,362,600,941)         | (430,219,195,875)        |
| -          | Changes in prepaid expenses                                                             | 12   |      | 2,614,385,467            | -                        |
| -          | Paid interest                                                                           | 13   |      | (7,575,372,212)          | (3,674,800,346)          |
| -          | Paid corporate income tax                                                               | 14   |      | -                        | (4,896,851,356)          |
| -          | Other receivables                                                                       | 15   |      | 181,301,163              | -                        |
| -          | Other payables                                                                          | 16   |      | (8,192,010,810)          | (90,982,450)             |
| -          | Foreign exchange difference in investment period                                        | 17   |      | (35,405,928,477)         |                          |
|            | <i>Net cash provided by (used in) operating activities</i>                              | 20   |      | <u>(560,794,394,626)</u> | <u>(490,249,104,507)</u> |
| <b>II.</b> | <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                            |      |      |                          |                          |
| 1.         | Cash paid for purchase of capital assets and other long-term assets                     | 21   |      | (130,718,355,436)        | (13,465,096,239)         |
| 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   |      | (7,879,934,625)          | -                        |
| 4.         | Withdrawal of lending or resale debt tools of other companies                           | 24   |      | -                        | -                        |
| 5.         | Cash paid for joining capital in other companies                                        | 25   |      | (42,000,000,000)         | -                        |
| 6.         | Withdrawal of capital in other companies                                                | 26   |      | -                        | -                        |

|             |                                                              |           |            |                                 |                                |
|-------------|--------------------------------------------------------------|-----------|------------|---------------------------------|--------------------------------|
| 7.          | Cash received from interest, dividend and distributed profit | 27        |            | 447,513,891                     | 1,465,249,660                  |
|             | <b>Net cash used in investing activities</b>                 | <b>30</b> |            | <b><u>(180,150,776,170)</u></b> | <b><u>(11,999,846,579)</u></b> |
| <b>III.</b> | <b>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.          | Cash received from long-term and short-term borrowings       | 33        |            | 851,414,997,804                 | 48,241,201,795                 |
| 4.          | Cash paid to principal debt                                  | 34        |            | (74,314,489,492)                | (89,777,015,565)               |
| 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><u>777,100,508,312</u></b>   | <b><u>(41,535,813,770)</u></b> |
|             | <b>Net cash during the period</b>                            | <b>50</b> |            | <b>36,155,337,516</b>           | <b>(543,784,764,856)</b>       |
|             | <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>        | <b>60</b> | <b>V.1</b> | <b>39,933,872,084</b>           | <b>887,057,685,294</b>         |
|             | Influence of foreign exchange fluctuation                    | 61        |            | -                               | -                              |
|             | <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>              | <b>70</b> | <b>V.1</b> | <b><u>76,089,209,600</u></b>    | <b><u>343,272,920,438</u></b>  |