

**CHANG YIH CERAMIC JOINT STOCK COMPANY**

Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**BALANCE SHEET  
As of 31st March 2008**

Unit: VND

ASSETS	Code	EXP	<u>Ending Balance</u>	<u>Beginning Balance</u>
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>129,552,802,746</b>	<b>136,115,191,586</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>5,270,682,381</b>	<b>9,099,108,702</b>
1. Cash	111		5,270,682,381	9,099,108,702
2. Cash equivalents	112		-	-
<b>II. Short-term financial investements</b>	<b>120</b>		-	-
1. Short-term investments	121		-	-
2. Provision for devaluation of short-term security investment	129		-	-
<b>III. Receivables</b>	<b>130</b>		<b>40,295,900,092</b>	<b>35,149,701,148</b>
1. Trade accounts receivable	131	V.2	32,814,044,592	25,865,402,793
2. Advances to supplier	132	V.3	7,181,714,397	9,509,362,817
3. Internal receivables	133		-	-
4. Receivable in accordance with contracts in progress	134		-	-
5. Other receivables	138	V.4	647,439,022	122,233,457
6. Provision for bad receivables	139		(347,297,919)	(347,297,919)
<b>IV. Inventories</b>	<b>140</b>		<b>75,944,187,495</b>	<b>83,867,998,222</b>
1. Inventories	141	V.5	76,346,782,228	84,270,592,955
2. Provison for devaluation of inventories	149	V.6	(402,594,733)	(402,594,733)
<b>V. Other current assets</b>	<b>150</b>		<b>8,042,032,778</b>	<b>7,998,383,514</b>
1. Short-term prepaid expenses	151	V.7	5,919,160,617	4,878,309,828
2. VAT deductible	152		310,460,844	1,616,049,637
3. Tax and accounts receivable from State budget	154	V.8	1,017,163,050	1,014,163,050
4. Other current assets	158	V.9	795,248,267	489,860,999

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Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**Balance Sheet (Cont.)**

ASSETS	Code	EXP	<u>Ending Balance</u>	<u>Beginning Balance</u>
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>151,453,399,790</b>	<b>143,178,774,194</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
1. Long-term receivables from customers	211		-	-
2. Capital receivable from subsidiaries	212		-	-
3. Long-term inter-company receivables	213		-	-
4. Other long-term receivables	218		-	-
5. Provision for long-term bad receivable	219		-	-
<b>II. Fixed assets</b>	<b>210</b>		<b>142,448,676,926</b>	<b>134,691,893,911</b>
1. Tangible fixed assets	221	V.10	118,553,919,758	112,138,887,724
<i>Historical cost</i>	222		214,892,182,486	203,817,705,491
<i>Accumulated depreciation</i>	223		(96,338,262,728)	(91,678,817,767)
2. Finance leases fixed assets	224		-	-
<i>Historical cost</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227		-	-
<i>Historical cost</i>	228		-	-
<i>Accumulated depreciation</i>	229		-	-
4. Construction in progress expenses	230	V.11	23,894,757,168	22,553,006,187
<b>III. Property Investment</b>	<b>240</b>		-	-
<i>Historical cost</i>	241		-	-
<i>Accumulated depreciation</i>	242		-	-
<b>IV. Long-term financial investments</b>	<b>250</b>		-	-
1. Investment in subsidiary company	251		-	-
2. Investment in joint venture	252		-	-
3. Other long-term investments	258		-	-
4. Provision for diminution in value of long-term security inv	259		-	-
<b>V. Other long-term assets</b>	<b>260</b>		<b>9,004,722,864</b>	<b>8,486,880,283</b>
1. Long-term prepaid expenses	261	V.12	9,004,722,864	8,486,880,283
2. Deferred income tax assets	262		-	-
3. Others	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>281,006,202,536</u></b>	<b><u>279,293,965,780</u></b>

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Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**Balance Sheet (Cont.)**

<b>CAPITAL SOURCES</b>	<b>Code</b>	<b>EXP</b>	<b>Ending Balance</b>	<b>Beginning Balance</b>
<b>A - LIABILITIES</b>	<b>300</b>		<b>165,883,602,303</b>	<b>169,113,756,672</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>136,420,917,012</b>	<b>145,751,905,726</b>
1. Short-term borrowing and debts	311	V.13	14,880,100,775	22,208,020,437
2. Trade accounts payable	312	V.14	35,765,888,716	38,453,551,167
3. Advances from customers	313	V.15	1,502,749,297	3,482,162,623
4. Taxes and liabilities to State budget	314	V.16	1,974,274,557	545,000,799
5. Payable to employees	315	V.17	1,300,343,017	1,423,551,329
6. Payable expenses	316	V.18	674,090,171	1,039,356,517
7. Accounts payable-Affiliate	317	V.19	76,700,826,346	76,700,826,346
8. Payable in accordance with contracts in progress	318		-	-
9. Other short-term payables	319	V.20	3,622,644,133	1,899,436,508
10. Provision for current liabilities	320		-	-
<b>II. Long-term liabilities</b>	<b>320</b>		<b>29,462,685,291</b>	<b>23,361,850,946</b>
1. Long-term accounts payable-Trade	331		-	-
2. Long-term accounts payable-Affiliate	332		-	-
3. Other long-term payables	333	V.21	7,800,000,000	6,405,000,000
4. Long-term borrowing and debts	334	V.22	21,478,921,922	16,773,087,577
5. Deferred income tax	335		-	-
6. Provision for unemployment benefit	336	V.23	183,763,369	183,763,369
7. Provision for long-term liabilities	337		-	-
<b>B - OWNER'S EQUITY</b>	<b>400</b>		<b>115,122,600,233</b>	<b>110,180,209,108</b>
<b>I. Capital sources and funds</b>	<b>410</b>		<b>115,122,600,233</b>	<b>110,180,209,108</b>
1. Paid-in capital	411	V.24	90,478,550,000	90,478,550,000
2. Capital surplus	412	V.24	829,809,325	829,809,325
3. Other capital of owner	413		-	-
4. Treasury stock	414	V.24	(18,309,325)	(18,309,325)
5. Assets revaluation difference	415		-	-
6. Foreign exchange difference	416		-	-
7. Investment and development funds	417		-	-
8. Financial reserve fund	418		-	-
9. Other fund belong to owner's equity	419		-	-
10. Retained after-tax profit	420	V.24	23,832,550,233	18,890,159,108
11. Capital for construction work	421		-	-

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**FINANCIAL STATEMENT**

<b>II. Budget sources</b>	<b>430</b>	-	-
1. Bonus and welfare funds	431	-	-
2. Budgets	432	-	-
3. Budget for fixed asset	433	-	-
<b>TOTAL RESOURCES</b>	<b>440</b>	<b><u>281,006,202,536</u></b>	<b><u>279,293,965,780</u></b>
		-	-

**CHANG YIH CERAMIC JOINT STOCK COMPANY**

Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**Balance Sheet (Cont.)****OFF BALANCE SHEET ITEMS**

<b>ITEMS</b>	<b>EXP</b>	<b>Ending Balance</b>	<b>Beginning Balance</b>
1. Leasehold assets		-	-
2. Materials and goods kept or processed for others		-	-
3. Goods deposited by others		-	-
4. Bad debts already treated		-	58,514,303
5. Ngoại tệ các loại:			
5. Foreign currencies: USD		-	15,448.53
6. Estimates for non-business and project expenditure		-	-

Dong Nai, 24th of April 2008

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**Chiêm Yến Nhi**  
Accountant assistance

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**CHEN HUI ZUN**  
General Director

**CHANG YIH CERAMIC JOINT STOCK COMPANY**

Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**INCOME STATEMENT****Quarter I / 2008**

Unit: VND

ITEMS	Code	EXP	Quarter I /2008	Accumulation
1. Revenue of sales and services	01	VI.1	69,011,850,938	69,011,850,938
2. Deductions	03	VI.1	885,004,328	885,004,328
3. Net sales and services	10	VI.1	68,126,846,610	68,126,846,610
4. Cost of goods sold	11	VI.2	58,925,205,017	58,925,205,017
5. Gross profit	20		9,201,641,593	9,201,641,593
6. Financial Income	21	VI.3	62,812,658	62,812,658
7. Financial Expenses	22	VI.4	756,652,297	756,652,297
- Include: Interest expense	23		696,376,927	696,376,927
8. Selling Expenses	24	VI.5	694,670,657	694,670,657
9. General and Administrative Expenses	25	VI.6	1,303,756,768	1,303,756,768
10. Net operating profit	30		6,509,374,529	6,509,374,529
11. Other Income	31	VI.7	485,207,211	485,207,211
12. Other Expenses	32	VI.8	2,052,190,615	2,052,190,615
13. Other profit	40		(1,566,983,404)	(1,566,983,404)
14. Profit before tax	50		4,942,391,125	4,942,391,125
15. Current corporate income tax expenses	51	V.17	-	-
16. Deferred corporate income tax expenses	52		-	-
17. Profit after tax	60		<u>4,942,391,125</u>	<u>4,942,391,125</u>

18. Earning per share

70 VI.9 546 546

Dong Nai, 24th of April 2008

Chiêm Yên Nhi  
Accountant assistance

CHEN HUI ZUN  
General Director



**CHANG YIH CERAMIC JOINT STOCK COMPANY**

Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**CASH FLOW STATEMENT****(Indirect method)****As of 31st March 2008**

Unit: VND

ITEMS	Code	EXP	Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
<b>1. Profit before tax</b>	<b>01</b>		<b>4,942,391,125</b>	<b>3,686,562,767</b>
<b>2. Adjustment in accounts:</b>				
- Fixed assets depreciation	02	V.10	4,695,444,961	16,241,574,048
- Provisions	03			(744,059,313)
- Unrealized foreign exchange difference loss/gain	04			(15,679,629)
- Loss/gain from investment	05			(287,400,000)
- Interest expenses	06	VI.20	696,376,927	736,097,137
<b>3. Operating profit :</b>	<b>08</b>		<b>10,334,213,013</b>	<b>19,617,095,010</b>
- Changes in accounts receivable	09		(2,111,157,153)	3,635,353,417
- Changes in inventories	10		7,923,810,727	(12,610,276,897)
- Changes in trade payables	11		(3,230,154,369)	10,072,924,119
- Changes in prepaid expenses	12		(1,558,693,370)	(11,736,908,983)
- Paid interest	13		(696,376,927)	(736,097,137)
- Paid corporate income tax	14		-	-
- Other receivables	15		2,120,000,000	1,600,000,000
- Other payables	16		-	-
<b>Net cash provided by (used in) operating activities</b>	<b>20</b>		<b>12,781,641,921</b>	<b>9,842,089,529</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
1. Cash paid for purchase of capital assets and other long-term assets	21		(14,890,252,556)	(47,011,064,830)
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		-	-
4. Withdrawal of lending or resale debt tools of other companies	24		-	-
5. Cash paid for joining capital in other companies	25		-	-

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## FINANCIAL STATEMENT

6. Withdrawal of capital in other companies	26	-	-
7. Cash received from interest, dividend and distributed profit	27	20,976,911	287,400,000
<i>Net cash used in investing activities</i>	<b>30</b>	<b><u>(14,869,275,645)</u></b>	<b><u>(46,723,664,830)</u></b>

**CHANG YIH CERAMIC JOINT STOCK COMPANY**

Address: Nhon Trach I Industrial Park, Nhon Trach Commune, Dong Nai Province

**FINANCIAL STATEMENT**

The quarter I of fiscal year ended 31st December 2008

**Cash Flow Statement (Cont.)**

ITEMS	Code	EXP	Current year	Previous year
<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. Cash received from long-term and short-term borrowings	33	V.13, V.18	8,553,127,687	48,837,588,026
4. Cash paid to principal debt	34	V.13	(10,293,920,284)	(9,825,328,635)
5. Cash paid to financial lease debt	35		-	-
6. Dividend, profit paid for owners	36		-	-
<i>Net cash (used in) provided by financing activities</i>	<b>40</b>		<u>(1,740,792,597)</u>	<u>39,012,259,391</u>
<b>Net cash during the period</b>	<b>50</b>		<b>(3,828,426,321)</b>	<b>2,130,684,090</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>60</b>	<b>VI.1</b>	<b>9,099,108,702</b>	<b>6,983,896,360</b>
Influence of foreign exchange fluctuation	61			(15,471,748)
<b>Cash and cash equivalents at end of year</b>	<b>70</b>	<b>VI.1</b>	<u><b>5,270,682,381</b></u>	<u><b>9,099,108,702</b></u>

Dong Nai, 24th of April 2008

Chiêm Yến Nhi  
Phụ trách kế toán

CHEN HUI ZUN  
Tổng Giám đốc