

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

For the fiscal period ended 31st March 2008

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

Unit: VND

ASSETS	Code	EXP	Ending Balance	Beginning
A - CURRENT ASSETS	100		719,631,405,213	673,787,101,408
I. Cash and cash equivalents	110	V.1	175,486,032,023	129,951,448,720
1. Cash	111		172,063,535,629	129,951,448,720
2. Cash equivalents	112		3,422,496,394	-
II. Current financial investments	120		7,027,112,420	51,955,112,420
1. Short-term investments	121	V.2	7,027,112,420	51,955,112,420
2. Provision for devaluation of short-term security investments	129		-	-
III Receivables	130		312,592,851,571	257,381,961,730
1. Trade accounts receivable	131	V.3	288,931,798,483	235,438,777,884
2. Advances to supplier	132	V.4	12,771,198,677	2,562,339,891
3. Short-term internal receivables	133		-	-
4. Receivable in accordance with contracts in progress	134		-	-
5. Other receivables	135	V.5	10,889,854,411	19,380,843,955
6. Provision for short-term bad receivables	139		-	-
IV. Inventories	140		215,240,017,853	230,278,977,520
1. Inventories	141	V.6	215,240,017,853	230,278,977,520
2. Provision for devaluation of inventories	149		-	-
V. Other current assets	150		9,285,391,346	4,219,601,018
1. Short-term prepaid expenses	151	V.7	3,067,977,431	980,030,489
2. VAT deductible	152	V.8	47,625,189	-
3. Tax and accounts receivable from State budget	154	V.8	1,065,245,767	-
4. Other current assets	158	V.9	5,104,542,959	3,239,570,529

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

For the fiscal period ended 31st March 2008

Balance sheet (Cont.)

ASSETS	COD	EXP	Ending Balance	Beginning
B - LONG-TERM ASSETS	200		290,006,653,605	268,421,463,379
I. Long-term receivables	210		100,469,612	114,269,612
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	V.10	100,469,612	114,269,612
5. Provision for long-term bad receivable	219		-	-
II. Fixed assets	220		228,868,774,709	228,781,351,908
1. Tangible fixed assets	221	V.11	107,942,811,381	111,294,945,868
<i>Historical cost</i>	222		171,876,352,797	168,877,796,585
<i>Accumulated depreciation</i>	223		(63,933,541,416)	(57,582,850,717)
2. Finance leases fixed assets	224		-	-
<i>Historical cost</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.12	106,878,638,869	105,272,542,979
<i>Historical cost</i>	228		107,246,304,679	105,546,304,679
<i>Accumulated depreciation</i>	229		(367,665,810)	(273,761,700)
4. Construction in progress expenses	230	V.13	14,047,324,459	12,213,863,061
III Property Investment	240		-	-
<i>Historical cost</i>	241		-	-
<i>Accumulated depreciation</i>	242		-	-
IV. Long-term financial investments	250		59,496,850,200	38,224,890,200
1. Investment in subsidiary company	251		-	2,550,000,000
2. Investment in joint venture	252	V.14	3,600,000,000	-
3. Other long-term investments	258	V.15	55,896,850,200	35,674,890,200
4. Provision for devaluation of long-term security investmen	259		-	-
V. Other long-term assets	260		1,540,559,084	1,300,951,659
1. Long-term prepaid expenses	261		-	-
2. Deferred income tax assets	262		-	-
3. Others	268	V.16	1,540,559,084	1,300,951,659

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
CONSOLIDATED FINANCIAL STATEMENT

TOTAL ASSETS	270	<u>1,009,638,058,818</u>	<u>942,208,564,787</u>
---------------------	------------	---------------------------------	-------------------------------

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

For the fiscal period ended 31st March 2008

Balance sheet (Cont.)

CAPITAL SOURCE	COD	EXP	Ending Balance	Beginning
A - LIABILITIES	300		323,423,532,981	290,631,417,938
I. Current liabilities	310		322,588,800,332	289,817,842,651
1. Short-term borrowing and debts	311	V.17	103,163,085,673	43,429,861,416
2. Trade accounts payable	312	V.18	25,340,046,437	55,642,007,085
3. Advances from customers	313	V.19	189,024,539	293,206,185
4. Taxes and liabilities to State budget	314	V.20	6,001,652,843	2,354,571,301
5. Payable to employees	315	V.21	27,185,035,408	40,455,717,787
6. Payable expenses	316	V.22	121,085,536,961	108,584,441,430
7. Accounts payable-Affiliate	317		-	-
8. Payable in accordance with contracts in progress	318		-	-
9. Other short-term payables	319	V.23	39,624,418,471	39,058,037,447
10. Provision for current liabilities	320		-	-
II. Long-term liabilities	330		834,732,649	813,575,287
1. Long-term accounts payable-Trade	331		-	-
2. Long-term accounts payable-Affiliate	332		-	-
3. Other long-term payables	333	V.24	46,792,342	46,792,342
4. Long-term borrowing and debts	334		-	-
5. Deferred income tax	335		-	-
6. Provision for unemployment benefit	336	V.25	787,940,307	766,782,945
7. Provision for long-term liabilities	337		-	-
B - OWNER'S EQUITY	400		683,646,942,964	651,577,146,849
I. Capital sources and funds	410		677,118,292,219	635,748,308,139
1. Paid-in capital	411	V.26	200,000,000,000	200,000,000,000
2. Capital surplus	412	V.26	378,761,392,824	378,761,392,824
3. Other capital of owner	413		-	-
4. Treasury stock	414	V.26	(174,600,000)	-
5. Assets revaluation difference	415		-	-
6. Foreign exchange difference	416		-	-
7. Investment and development funds	417	V.26	33,805,735,625	33,805,735,625
8. Financial reserve fund	418	V.26	21,962,409,519	21,962,409,519
9. Other fund belong to owner's equity	419		-	-

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

9. Retained after-tax profit	420	V.26	42,763,354,251	1,218,770,171
11. Capital for construction work	421		-	
II. Budget sources	430		6,528,650,745	15,828,838,710
1. Bonus and welfare funds	431	V.27	6,528,650,745	15,828,838,710
2. Budgets	432		-	-
3. Budget for fixed asset	433		-	-
C- MINORITY INTEREST	439	V.28	2,567,582,873	
TOTAL RESOURCES	440		<u>1,009,638,058,818</u>	<u>942,208,564,787</u>
				-

For the fiscal period ended 31st March 2008

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

ITEMS	EXP	Ending Balance	Beginning
1. Leasehold assets		-	-
2. Materials and goods kept or processed for others		-	-
3. Goods deposited by others		-	-
4. Bad debts already treated		-	-
5. Foreign currencies :			
USD		68,977.08	61,458.45
EUR		370.24	368.00
BATH		41,592.00	41,592.00
HKD		3,731.00	3,731.00
JPY		22,000.00	22,000.00
NDT		3,515.00	3,515.00
MACAU		20.00	20.00
CAD		100.00	100.00
REAL		25,000.00	25,000.00
6. Estimates for non-business and project expenditure		-	-

Can Tho, 24th of April 2008

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
CONSOLIDATED FINANCIAL STATEMENT

<hr/>	<hr/>	<hr/>
Đặng Phạm Huyền Nhung	Bùi Minh Đức	Lê Chánh Đạo
Preparer	Temporary Chief Account	Deputy General Director

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENTFor the fiscal period ended 31st March 2008

CONSOLIDATED INCOME STATEMENT**As of 31st March 2008****Quarter 1/2008**

ITEM	Code	EXP	Quarter 1/2008	Quarter I/2007
1. Revenue of sales and services	01	VI.1	385,342,473,603	274,044,915,411
2. Deductions	02	VI.1	3,544,622,220	4,127,791,400
3. Net sales and services	10	VI.1	381,797,851,383	269,917,124,011
4. Cost of goods sold	11	VI.2	181,921,554,317	149,848,181,122
5. Gross profit	20		199,876,297,066	120,068,942,889
6. Financial Income	21	VI.3	5,111,834,445	363,658,040
7. Financial Expenses	22	VI.4	2,006,460,150	5,538,019,728
- Include: Interest expense	23		1,460,840,518	5,259,272,171
8. Selling Expenses	24	VI.5	143,975,611,186	75,236,186,610
9. General and Administrative Expenses	25	VI.6	17,011,731,554	10,472,022,291
10. Net operating profit	30		41,994,328,621	29,186,372,300
11. Other Income	31	VI.7	131,047,674	231,898,566
12. Other Expenses	32	VI.8	463,209,342	208,963,281
13. Other profit	40		(332,161,668)	22,935,285

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
CONSOLIDATED FINANCIAL STATEMENT

14. Profit or loss in joint venture	45		
15. Profit before tax	50	41,662,166,953	29,209,307,585

For the fiscal period ended 31st March 2008
Income statement (cont.)

ITEMS	COD E	EXP	Accumulation	
			Current year	Previous year
16. Current corporate income tax expense	51	V.19		

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
CONSOLIDATED FINANCIAL STATEMENT
For the fiscal period ended 31st March 2008
Consolidated income statement (cont.)

17. Deferred corporate income tax expense	52		
18. Profit after tax	60	41,662,166,953	29,209,307,585
19. Benefits of minorities	61	117,582,873	
20. Profit after tax of parent company's shareholder	62	<u>41,544,584,080</u>	<u>29,209,307,585</u>
21. Earning per share	70	VI.9	

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

For the fiscal period ended 31st March 2008

CONSOLIDATED CASH FLOW STATEMENT**(Indirect method)**

Unit: VND

ITEM	Code	EXP	Quarter 1/2008	Quarter 1/2007
I. CASH FLOWS FROM OPERATING ACTIVITIES:				
<i>1. Profit before tax</i>	<i>01</i>		<i>41,662,166,953</i>	<i>29,209,307,585</i>
<i>2. Adjustment in accounts:</i>				
- Fixed assets depreciation	02	V.11, 12	7,023,111,639	5,293,040,998
- Provisions	03			161,087,670
- Unrealized foreign exchange difference loss/gain	04		-	-
- Loss/gain from investment	05	VI.3, 7, 8	(514,169,953)	106,150,474
- Interest expenses	06		1,460,840,518	5,259,272,171
<i>3. Operating profit before the changes of current capital</i>	<i>08</i>		<i>49,631,949,157</i>	<i>40,028,858,898</i>
- Changes in accounts receivable	09		(59,715,492,311)	(70,251,592,372)
- Changes in inventories	10		15,038,959,667	(26,113,295,481)
- Changes in trade payables	11		(27,262,533,926)	(4,178,899,114)
- Changes in prepaid expenses	12		(2,087,946,942)	2,948,619,170
- Paid interest	13		(1,643,111,705)	(4,605,343,432)
- Paid corporate income tax	14		-	-
- Other receivables	15		432,126,320	484,043,076
- Other payables	16		(9,833,128,125)	(1,606,609,047)
<i>Net cash provided by (used in) operating activities</i>	<i>20</i>		<i>(35,439,177,865)</i>	<i>(63,294,218,302)</i>

II. CASH FLOWS FROM INVESTING ACTIVITIES:

1. Cash paid for purchase of capital assets and other long-term assets	21	V.11, 12, 1	(5,277,073,042)	(11,649,728,792)
2. Cash received from liquidation or disposal of capital assets and other long-term assets	22	VI.7	10,380,953	33,839,161
3. Cash paid for lending or purchase debt tools of other companies	23		-	-

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY

Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City

CONSOLIDATED FINANCIAL STATEMENT

4. Withdrawal of lending or resale debt tools of other companies	24	50,000,000,000	-	-
5. Cash paid for joining capital in other companies	25	(28,821,960,000)	(2,800,000,000)	
6. Withdrawal of capital in other companies	26			-
7. Cash received from interest, dividend and distributed profit	27	503,789,000		-
<i>Net cash used in investing activities</i>	30	<u>16,415,136,911</u>	<u>(14,415,889,631)</u>	

For the fiscal period ended 31st March 2008

CASH FLOW STATEMENT (cont.)

ITEM	Code	EXP	Current year	Previous year
III CASH FLOWS FROM FINANCING ACTIVITIES:				
1. Cash received from issuing stock, other owners' equity	31	V.25	5,000,000,000	-
2. Cash paid to owners' equity, repurchase issued stock	32		(174,600,000)	-
3. Cash received from long-term and short-term borrowings	33	V.17	107,424,451,613	189,616,968,905
4. Cash paid to principal debt	34	V.17	(47,691,227,356)	(105,921,285,707)
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>	40		<u>64,558,624,257</u>	<u>83,695,683,198</u>
Net cash during the period	50		45,534,583,303	5,985,575,265
Cash and cash equivalents at beginning of year	60	V.1	129,951,448,720	35,002,126,139
Influence of foreign exchange fluctuation	61		-	-
Cash and cash equivalents at end of year	70	V.1	<u>175,486,032,023</u>	<u>40,987,701,404</u>

Can Tho, 24th of April 2008

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: 288 Bis Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
CONSOLIDATED FINANCIAL STATEMENT

<hr/>	<hr/>
Đặng Phạm Huyền Nhung	Bùi Minh Đức
Preparer	Temporary Chief Accoutant

<hr/>
Lê Chánh Đạo
Deputy General Director