

BALANCE SHEET (Consolidated)
As at Jun. 30, 2008

Unit: VND

No.	Items	Code	Note	Jun. 30, 2008	Jan. 01, 2008
		2	3		
A	SHORT-TERM ASSETS	100		4,326,059,869,249	3,135,512,550,218
I	Cash & Cash equivalents	110		187,494,485,617	399,322,647,501
1	Cash	111	V.01	95,180,305,617	193,322,647,501
2	Cash equivalents	112		92,314,180,000	206,000,000,000
II	Short-term financial investments	120	V.02	300,572,226,287	266,000,000,000
1	Short-term investments	121		300,572,226,287	266,000,000,000
2	Provision for devaluation of short-term security investment	129		0	0
III	Short-term receivables	130		1,402,888,839,636	784,381,315,064
1	Trade accounts receivables	131		919,235,362,130	570,094,149,172
2	Prepayment to suppliers	132		394,771,605,295	217,069,003,458
3	Short-term intercompany receivables	133		0	0
4	Receivables on percentage of construction contract comple	134		0	0
5	Other receivables	135	V.03	96,115,762,222	4,784,002,625
6	Provision for short-term bad receivables	139		(7,233,890,011)	(7,565,840,191)
IV	Inventories	140		2,327,977,430,220	1,580,078,042,688
1	Inventories	141	V.04	2,328,781,005,204	1,581,360,954,945
2	Provision for devaluation of inventories	149		(803,574,984)	(1,282,912,257)
V	Other short-term assets	150		107,126,887,489	105,730,544,965
1	Short-term prepaid expenses	151		12,495,005,376	9,230,945,908
2	VAT deductible	152		55,976,037,955	29,846,066,478
3	Tax and accounts receivable from State budget	154	V.05	4,232,952	4,232,952
4	Other short-term assets	158		38,651,611,206	66,649,299,627
B	LONG-TERM ASSETS	200		1,836,058,983,652	1,621,282,269,054
I	Long-term receivables	210		262,295,268,500	239,429,372,500
1	Long-term receivables from customers	211		0	0
2	Capital receivable from subsidiaries	212		0	0
3	Long-term inter-company receivables	213	V.06	0	0
4	Other long-term receivables	218	V.07	262,295,268,500	239,429,372,500
5	Provision for long-term bad receivable	219		0	0
II	Fixed assets	220		983,693,183,722	950,048,782,543
1	Tangible fixed assets	221	V.08	878,877,117,947	866,051,056,425
	- Historical cost	222		1,351,349,280,909	1,256,775,162,733
	- Accumulated depreciation	223		(472,472,162,962)	(390,724,106,308)
2	Finance leases fixed assets	224	V.09	13,195,391,166	14,959,391,455
	- Historical cost	225		16,488,423,548	19,396,289,198
	- Accumulated depreciation	226		(3,293,032,382)	(4,436,897,743)
3	Intangible fixed assets	227	V.10	40,712,359,849	40,827,966,713
	- Historical cost	228		45,039,287,623	44,522,327,623
	- Accumulated depreciation	229		(4,326,927,774)	(3,694,360,910)
4	Construction in progress	230	V.11	50,908,314,760	28,210,367,950
III	Property Investment	240	V12	6,417,308,977	7,206,963,211
	- Historical cost	241		9,429,464,991	9,429,464,991
	- Accumulated depreciation	242		(3,012,156,014)	(2,222,501,780)
IV	Long-term financial investments	250		545,778,504,364	392,259,430,415
1	Investment in subsidiaries	251		0	0

	2	Investment in associate or joint venture companies	252		345,758,504,364	192,239,430,415
	3	Other long-term investments	258	V.13	200,020,000,000	200,020,000,000
	4	Provision for devaluation of long-term investments	259		0	0
V		Goodwill	260		0	0
	1	Goodwill	261		0	0
VI		Other long-term assets	270		37,874,718,089	32,337,720,385
	1	Long-term prepaid expenses	271	V.14	21,406,893,936	18,993,576,693
	2	Deferred income tax assets	272	V.21	16,333,748,833	13,300,799,372
	3	Others	273		134,075,320	43,344,320
		TOTAL ASSETS	270		6,162,118,852,901	4,756,794,819,272
A		LIABILITIES	300		1,550,969,667,669	1,533,364,217,971
I		Short-term liabilities	310		1,286,050,402,266	1,268,386,837,443
	1	Short-term borrowing	311	V.15	913,276,676,361	653,132,655,452
	2	Trade accounts payable	312		150,295,860,302	328,712,116,589
	3	Advances from customers	313		68,261,382,019	75,210,770,196
	4	Taxes and payable to state budget	314	V.16	99,131,499,442	113,937,336,138
	5	Payable to employees	315		12,249,405,825	14,744,808,426
	6	Payable expenses	316	V.17	16,165,126,789	13,722,667,471
	7	Accounts payable-Affiliate	317		0	0
	8	Payable in accordance with contracts in progress	318		0	0
	9	Other short-term payables	319	V.18	26,670,451,528	68,926,483,171
	10	Provision for short-term liabilities	320		0	0
II		Long-term liabilities	330		264,919,265,403	264,977,380,528
	1	Long-term accounts payable-Trade	331		0	0
	2	Long-term accounts payable-Affiliate	332	V.19	0	0
	3	Other long-term payables	333		202,346,393,362	201,620,976,102
	4	Long-term borrowing	334	V.20	46,461,324,210	47,236,656,595
	5	Deferred income tax	335	V.21	0	0
	6	Provision for unemployment benefit	336		16,111,547,831	16,119,747,831
	7	Provision for long-term liabilities	337		0	0
B		OWNER'S EQUITY	400		4,519,360,836,105	3,142,550,739,733
I		Capital sources and funds	410	V.22	4,514,528,005,862	3,121,496,225,838
	1	Paid-in capital	411		1,402,600,000,000	1,320,000,000,000
	2	Share premiums	412		1,761,160,000,000	1,315,000,000,000
	3	Other capital of owner	413		0	0
	4	Treasury stock	414		0	0
	5	Assets revaluation difference	415		0	0
	6	Foreign exchange difference	416		12,247,952,642	2,553,408,756
	7	Investment and development fund	417		0	0
	8	Financial reserve fund	418		34,231,645,914	34,196,465,655
	9	Other fund belong to owner's equity	419		0	0
	10	Retained after-tax profit	420		1,304,288,407,306	449,746,351,427
	11	Capital for construction work	421		0	0
II		Budget sources	430		4,832,830,243	21,054,513,895
	1	Bonus and welfare funds	431		4,832,830,243	21,054,513,895
	2	Budgets	432	V.23	0	0
	3	Budget for fixed asset	433		0	0
C		Minority interest	500		91,788,349,128	80,879,861,568
	1	Investment of minority interest			89,510,000,000	79,000,000,000
	2	Benefits of minority interest			2,278,349,128	1,879,861,568
		TOTAL RESOURCES	440		6,162,118,852,901	4,756,794,819,272

INCOME STATEMENT (Consolidated)
Quarter 2/2008

Unit: VND

Items	Code	Note	Quarter 2		Accumulation from Jan. 01 to Jun. 30	
			2008	2007	2008	2007
1. Sales	01	VI.25	2,679,862,990,517	1,358,978,039,770	4,987,492,538,672	2,422,110,839,298
2. Deductions	02	VI.26	38,757,983,242	26,787,237,153	60,397,922,981	35,198,308,684
3. Net sales and services (10=01-02)	10	VI.27	2,641,105,007,275	1,332,190,802,617	4,927,094,615,691	2,386,912,530,614
4. Cost of goods sold	11	VI.28	2,061,805,969,820	1,101,007,130,922	3,794,214,704,012	1,983,434,868,730
5. Gross profit (20 = 10 - 11)	20		579,299,037,455	231,183,671,695	1,132,879,911,679	403,477,661,884
6. Financial income	21	VI.29	33,896,075,901	3,307,854,831	57,314,484,965	5,859,217,661
7. Financial expenses	22	VI.30	94,701,160,855	10,041,174,484	108,573,902,451	30,898,067,174
- Include: Interest expenses	23		32,309,430,266	9,234,980,844	44,918,345,697	29,019,297,767
Loss of selling foreign currency			0	0	0	0
8. Selling expenses	24		26,492,542,645	18,705,734,841	47,724,923,663	31,182,657,028
9. General & administrative expenses	25		40,075,109,059	24,724,924,062	64,100,384,202	48,539,878,303
10. Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}	30		451,926,300,797	181,019,693,139	969,795,186,328	298,716,277,040
11. Other income	31		5,295,814,798	5,466,943,561	9,462,673,147	23,299,055,186
12. Other expenses	32		1,359,490,452	5,611,399,715	2,489,256,651	21,305,344,596
13. Other profit (40 = 31 - 32)	40		3,936,324,346	(144,456,154)	6,973,416,496	1,993,710,590
14. Profit or loss in joint venture	50		3,519,073,949	0	3,519,073,949	0
15. Profit before tax (60 = 30 + 40+50)	60		459,381,699,092	180,875,236,985	980,287,676,773	300,709,987,630
16. Current corporate income tax expenses	61	VI.31	65,034,108,012	28,163,755,712	135,817,924,684	48,678,504,793
16. Deferred corporate income tax expenses	62	VI.32	(1,928,361,486)	(964,586,268)	(3,605,830,752)	(1,694,915,853)
17. Profit after tax (70 = 60 - 61 - 62)	70		396,275,952,566	153,676,067,541	848,075,582,842	253,726,398,691
17. Benefits of minority interest			989,702,743	507,111,811	2,287,050,873	789,200,043
17. Profit after tax of shareholders of the parent company			395,286,249,823	153,168,955,730	845,788,531,969	252,937,198,648
18. EPS (VND/share)			2,880	1,228	6,282	2,184

Hoa Phat Group Joint Stock Company

CASH FLOWS STATEMENT
Quarter 2/2008 (Indirect method)

Unit: VND

Items	Code	Note	Accumulation from Jan. 01 to Jun. 30	
			2008	2007
I. CASH FLOWS FROM OPERATING ACTIVITIES:				
1. Profit before tax	1		980 287 676 773	300 709 987 631
2. Adjustment in accounts				
Fixed assets depreciation	2		84 496 091 602	60,090,982,360
Provisions	3		- 811 287 273	2,254,725,736
Unrealized foreign exchange difference loss/gain	4		28 696 743 223	-75,598,245
Loss/gain from investments	5		- 39 215 102 154	4,244,509,272
Interest expenses	6		44 918 345 697	29,019,297,767
3. Operating profit before the changes of current capital	8		1 098 372 467 868	396 243 904 521
Changes in accounts receivable	9		- 644 305 545 869	-494,811,457,730
Changes in inventories	10		- 747 420 050 259	-409,662,555,290
Changes in trade payables	11		- 159 181 738 235	1 035 243 522 079
Changes in prepaid expenses	12		- 5 677 376 711	-291,739,254
Paid interest	13		- 41 671 353 533	-27,042,413,705
Paid corporate income tax	14		- 138 648 131 287	-27,226,994,123
Other receivables	15		83 522 765 189	16,600,532,148
Other payables	16		- 89 135 835 860	-43,211,110,200
Net cash provided by (used in) operating activities	20		- 644 144 798 697	445 841 688 446
II. CASH FLOWS FROM INVESTING ACTIVITIES:				<i>0</i>
1. Cash paid for purchase of capital assets and other long-term assets	21		- 124 026 660 571	-63,820,135,123
2. Cash received from liquidation or disposal of capital assets and other long-term assets	22		4 827 506 953	5,651,098,234
3. Cash paid for lending or purchasing debt tools of other companies	23		-2 189 893 866 287	-1 137 020 000 000
4. Withdrawal or lending or resaling debt tools of other companies	24		2 126 321 640 000	215,250,000,000
5. Cash paid for contributing capital to other companies	25		- 150 000 000 000	-695,400,000,000
6. Withdrawal of capital in other companies	26			899,500,000
7. Cash received from interest, dividend and distributed profit	27		35 191 843 278	3,409,968,380
<i>Net cash used in investing activities</i>	30		- 297 579 536 627	-1 671 029 568 509
III. CASH FLOWS FROM FINANCING ACTIVITIES:				<i>0</i>
1. Cash received from issuing stock, other owners' equity	31		539 270 000 000	2,126,200,000,000
2. Cash paid to owners equity, repurchase issued stock	32			<i>0</i>
3. Cash received from long-term and short-term borrowings	33		2 116 086 812 450	1,330,589,095,272
4. Cash paid to principal debt	34		-1 922 754 945 183	-2,012,010,140,561
5. Cash paid to financial lease debt	35		- 1 004 400 000	-3,553,599,999
6. Dividend, profit paid for owners	36		- 1 703 825 806	-173,159,564,735
<i>Net cash (used in) provided by financing activities</i>	40		729 893 641 461	1 268 065 789 977
Net cash during the period (50 = 20+30+40)	50		- 211 830 693 863	42 877 909 914
CASH AND CASH EQUIVALENTS AT BEGINNING OF YE	60		399 322 647 501	78,451,541,560

Influence of foreign exchange fluctuation	61		2 531 979	0
CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)	70		187 494 485 617	121 329 451 474