

BALANCE SHEET
As of 30th June 2008

Unit: VND

ASSETS	Code	Note	Ending Balance	Beginning Balance
A - SHORT-TERM ASSETS	100		135,879,217,036	181,186,409,035
I. Cash & Cash equivalents	110	V.1	10,783,618,552	53,020,694,280
1. Cash	111		10,783,618,552	33,020,694,280
2. Cash equivalents	112		-	20,000,000,000
II. Short-term financial investments	120		83,500,000,000	91,500,000,000
1. Short-term investments	121	V.2	83,500,000,000	91,500,000,000
2. Provision for devaluation of short-term investments	129		-	-
III. Short-term receivables	130		13,514,830,981	9,906,342,103
1. Trade accounts receivables	131	V.3	5,638,712,518	1,627,268,840
2. Prepayment to suppliers	132	V.4	4,236,186,077	479,963,889
3. Short-term intercompany receivables	133		-	-
4. Receivables on percentage of construction contract completion	134		-	-
5. Other receivables	135	V.5	3,639,932,386	7,799,109,374
6. Provision for short-term doubtful debts	139		-	-
IV. Inventories	140		26,700,086,594	25,627,028,652
1. Inventories	141	V.6	26,700,086,594	25,627,028,652
2. Provision for devaluation of inventories	149		-	-
V. Other short-term assets	150		1,380,680,909	1,132,344,000
1. Short-term prepaid expenses	151		-	-
2. VAT deductible	152		-	-
3. Tax and accounts receivable from State budget	154		-	-
4. Other short-term assets	158	V.7	1,380,680,909	1,132,344,000

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

Quarter 2/2008

Consolidated balance sheet (Cont.)

ASSETS	Code	Note	Ending Balance	Beginning Balance
B - LONG-TERM ASSETS	200		212,645,734,514	225,838,956,578
I. Long-term receivables	210		110,100,000	139,300,000
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.8	110,100,000	139,300,000
5. Provision for long-term doubtful debts	219		-	-
II. Fixed assets	220		80,585,831,057	82,401,295,309
1. Tangible fixed assets	221	V.9	58,977,083,030	65,814,983,986
- Historical cost	222		99,468,785,482	105,593,141,250
- Accumulated depreciation	223		(40,491,702,452)	(39,778,157,264)
2. Finance leases fixed assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	1,456,081,380	1,468,065,480
- Historical cost	228		1,517,998,480	1,517,998,480
- Accumulated depreciation	229		(61,917,100)	(49,933,000)
4. Construction in progress	230	V.11	20,152,666,647	15,118,245,843
III. Property Investment	240		-	-
- Historical cost	241		-	-
- Accumulated depreciation	242		-	-
IV. Long-term financial investments	250		130,696,845,670	142,314,350,000
1. Investment in subsidiaries	251		-	-
2. Investment in associate or joint-venture companies	252		-	-
3. Other long-term investments	258	V.12	149,510,346,470	142,314,350,000
4. Provision for devaluation of long-term financial investments	259	V.13	(18,813,500,800)	-
V. Other long-term assets	260		1,252,957,787	984,011,269

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

1.	Long-term prepaid expenses	261	V.14	1,252,957,787	984,011,269
2.	Deferred income tax assets	262		-	-
3.	Others	268		-	-
TOTAL ASSETS		270		348,524,951,550	407,025,365,613

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

Quarter 2/2008

Consolidated balance sheet (Cont.)

CAPITAL SOURCE		Code	Note	Ending Balance	Beginning Balance
A - LIABILITIES		300		24,588,780,410	67,191,007,823
I. Short-term liabilities		310		21,100,947,161	63,520,500,674
1.	Short-term borrowing	311	V.15	100,000,000	200,000,000
2.	Trade accounts payable	312	V.16	279,137,360	6,960,959,597
3.	Advances from customers	313	V.17	1,637,420,950	24,689,871,568
4.	Taxes and payable to state budget	314	V.18	330,018,699	198,531,993
5.	Payable to employees	315	V.19	15,894,209,225	28,768,070,585
6.	Payable expenses	316	V.20	-	418,498,157
7.	Intercompany payable	317		-	-
8.	Payable in accordance with contracts in progress	318		-	-
9.	Other short-term payables	319	V.21	2,860,160,927	2,284,568,774
10.	Provision for short-term liabilities	320		-	-
II. Long-term liabilities		330		3,487,833,249	3,670,507,149
1.	Long-term accounts payable-Trade	331		-	-
2.	Long-term intercompany payable	332		-	-
3.	Other long-term payables	333	V.22	177,100,000	177,100,000
4.	Long-term borrowing	334	V.23	600,000,000	600,000,000
5.	Deferred income tax payable	335		-	-
6.	Provision for unemployment benefit	336	V.24	2,710,733,249	2,893,407,149
7.	Provision for long-term liabilities	337		-	-
B - OWNER'S EQUITY		400		323,936,171,140	339,834,357,790
I. Capital sources and funds		410		314,777,971,371	338,140,871,368
1.	Paid-in capital	411	V.25	172,609,760,000	172,609,760,000
2.	Capital surplus	412	V.25	2,372,608,450	2,372,608,450
3.	Other capital of owner	413		-	-
4.	Treasury stock	414	V.25	(14,047,089,295)	(14,047,089,295)
5.	Asset revaluation differences	415		-	-

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

6.	Foreign exchange differences	416		-	-
7.	Investment and development funds	417	V.25	32,393,279,532	-
8.	Financial reserve fund	418	V.25	19,050,000,000	19,050,000,000
9.	Other fund belong to owner's equity	419		-	-
10.	Retained after-tax profit	420	V.25	102,399,412,684	158,155,592,213
11.	Capital for construction work	421		-	-
II. Budget sources		430		9,158,199,769	1,693,486,422
1.	Bonus and welfare funds	431	V.26	9,158,199,769	1,693,486,422
2.	Budgets	432		-	-
3.	Budget for fixed asset	433		-	-
TOTAL RESOURCES		440		348,524,951,550	407,025,365,613

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

Quarter 2/2008

Consolidated balance sheet (Cont.)

OFF BALANCE SHEET ITEMS

Items	Note	Ending Balance	Beginning Balance
1. Operating lease assets			-
2. Goods held under trust or for processing		6,995,475,511	10,241,245,308
3. Goods received on consignment for sale		-	-
4. Bad debts written off		-	-
5. Foreign currencies			
USD		237,912.61	658,856.32
EUR		-	-
Subsidies of state budget			
6. Subsidies of state budget		-	-

Ba Ria - Vung Tau, 15th July 2008

Bùi Phước Tiên
Chief Accountant

Huỳnh Văn Bảo
Director

INCOME STATEMENT
Quarter 2/2008

Unit: VND

Items	Code	Note	Quarter 2/2008		Accumulation from beginning of year to the end of this quarter	
			Current year	Previous year	Current year	Previous year
1. Sales	01	VI.1	49,289,197,266	62,884,082,120	109,448,053,859	124,970,304,035
2. Deductions	02		-	-	-	-
3. Net sales and services	10		49,289,197,266	62,884,082,120	109,448,053,859	124,970,304,035
4. Cost of goods sold	11	VI.2	20,413,872,000	38,242,679,828	60,897,393,789	75,603,185,468
5. Gross profit	20		28,875,325,266	24,641,402,292	48,550,660,070	49,367,118,567
6. Financial income	21	VI.3	4,041,413,442	222,566,247	4,274,382,061	1,140,600,046
7. Financial expenses	22	VI.4	18,829,603,851	79,333,770	19,217,703,018	344,693,131
- Include: Interest expenses	23		7,485,833	8,834,583	14,560,000	18,584,583
8. Selling expenses	24	VI.5	846,828,077	1,461,392,231	1,284,579,511	1,979,515,502
9. General & administrative expenses	25	VI.6	2,162,073,364	2,068,596,582	4,069,806,901	4,043,363,483
10. Net operating profit	30		11,078,233,416	21,254,645,956	28,252,952,701	44,140,146,497
11. Other income	31	VI.7	7,381,264,702	2,520,617,220	20,142,757,908	21,390,313,290
12. Other expenses	32	VI.8	1,564,813,468	2,946,023,953	3,549,700,606	3,881,365,926
13. Other profit	40		5,816,451,234	(425,406,733)	16,593,057,302	17,508,947,364

Hoa Binh Rubber Joint Stock Company
Hoa Binh, Xuyen Moc, Ba Ria-Vung Tau Province

14. Profit before tax	50	16,894,684,650	20,829,239,223	44,846,010,003	61,649,093,861
15. Current corporate income tax expenses	51	-	-	-	-
16. Deferred corporate income tax expenses	52	-	-	-	-
17. Profit after tax	60	16,894,684,650	20,829,239,223	44,846,010,003	61,649,093,861
18. EPS (VND/share)	70				

Ba Ria - Vung Tau, 15th July 2008

Bùi Phước Tiên
Chief Accountant

Huỳnh Văn Bảo
Director

CASH FLOWS STATEMENT
Quarter 2/2008 (Direct method)

Unit: VND

Items	Code	Note	Accumulation from beginning of year to the end of this quarter	
			Current year	Previous year
I. CASH FLOWS FROM OPERATING ACTIVITIES:				
1. Cash received from sale or services and other revenue	01		104,981,057,846	129,876,093,248
2. Cash paid for supplier	02		(44,666,320,751)	(29,809,997,018)
3. Cash paid for employee	03		(44,773,964,785)	(50,750,146,528)
4. Cash paid for interest	04		(14,560,000)	(18,584,583)
5. Cash paid for corporate income tax	05			(611,151,689)
6. Other receivables	06		1,261,514,840	1,384,870,844
7. Other payables	07		(17,186,007,858)	(21,126,653,004)
<i>Net cash provided by (used in) operating activities</i>	<i>20</i>		<i>(398,280,708)</i>	<i>28,944,431,270</i>
II. CASH FLOWS FROM INVESTING ACTIVITIES:				
1. Cash paid for purchase of capital assets and other long-term assets	21		(1,693,360,335)	(2,862,273,594)
2. Cash received from liquidation or disposal of capital assets and other long-term assets	22	VI.7	308,608,380	7,918,616,415
3. Cash paid for lending or purchase debt tools of other companies	23		(112,000,000,000)	(115,000,000,000)
4. Withdrawal of lending or resale debt tools of other companies	24		120,000,000,000	23,000,000,000
5. Cash paid for joining capital in other companies	25		(6,118,000,000)	(23,760,000,000)
6. Withdrawal of capital in other companies	26			-
7. Cash received from interest, dividend and distributed profit	27		9,246,866,935	4,129,563,114
<i>Net cash used in investing activities</i>	<i>30</i>		<i>9,744,114,980</i>	<i>(106,574,094,065)</i>

III. CASH FLOWS FROM FINANCING ACTIVITIES:

1. Cash received from issuing stock, other owners' equity	31			-
2. Cash paid to owners equity, repurchase issued stock	32	V.24	(4,420,381,000)	
3. Cash received from long-term and short-term borrowings	33	V.22		-
4. Cash paid to principal debt	34		(100,000,000)	(100,000,000)
5. Cash paid to financial lease debt	35			-
6. Dividend, profit paid for owners	36		(51,482,910,000)	(47,416,519,399)
<i>Net cash (used in) provided by financing activities</i>	<i>40</i>		<u><i>(51,582,910,000)</i></u>	<u><i>(51,936,900,399)</i></u>
Net cash during the period	50		(42,237,075,728)	(129,566,563,194)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	60	V.1	53,020,694,280	150,077,827,231
Influence of foreign exchange fluctuation	61		-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	70	V.1	<u>10,783,618,552</u>	<u>20,511,264,037</u>

Ba Ria - Vung Tau, 15th July 2008