



**Binh Chanh Construction Investment  
Joint Stock Company**

Separate financial statements

31 December 2012

Ernst & Young

 **ERNST & YOUNG**

# Binh Chanh Construction Investment Joint Stock Company

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# Binh Chanh Construction Investment Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Binh Chanh Construction Investment Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 056668 issued by the Department of Planning and Investment of Ho Chi Minh City on 24 December 1999, as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with License No. 128/QD-SGDHCM issued by the General Director of HOSE on 25 December 2008.

The principal activities of the Company are to develop and trade real estate properties including house, land use rights and infrastructure, to provide construction consulting, site clearance and brokerage on land properties.

The Company's registered head office is located at 550 Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Nguyen Van Le	Chairman
Mr Tran Ngoc Henri	Vice chairman
Mr Tram Be	Member
Mr Hoang Dinh Thang	Member
Ms Nguyen Thi Kim Thoa	Member
Mr Pham Minh Duc	Member
Mr Nguyen Hoang Thuc	Member

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr Tran Ngoc Tien	Head of the Board of Supervision
Ms Tran Nguyen Ngoc Thien Huong	Member
Mr Do Van Cuong	Member

### MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr Nguyen Thuy Nhan	General Director
Ms Truong My Linh	Deputy General Director
Ms Nguyen Thi Kim Thoa	Deputy General Director

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Nguyen Thuy Nhan.

### AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

# Binh Chanh Construction Investment Joint Stock Company

## REPORT OF MANAGEMENT

Management of Binh Chanh Construction Investment Joint Stock Company ("the Company") is pleased to present its report and the separate financial statements of the Company as at and for the year ended 31 December 2012.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate state of affairs of the Company and of the Company's separate results and separate cash flows for the year. In preparing those separate financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2012 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with relevant statutory requirements.

Users of these separate financial statements should read them together with the consolidated financial statements of the Group as at and for the year ended 31 December 2012 in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries as a whole.

For and on behalf of Management:



Nguyen Thuy Nhan  
General Director

15 March 2013

Reference: 60933602/15504878

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Binh Chanh Construction Investment Joint Stock Company**

We have audited the separate financial statements of Binh Chanh Construction Investment Joint Stock Company ("the Company") as set out on pages 4 to 38 which comprise the separate balance sheet as at 31 December 2012, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

The preparation and presentation of these separate financial statements are the responsibility of the management. Our responsibility is to express an opinion on these separate financial statements based on our audit.

### *Basis of opinion*

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the separate financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the separate financial statements. We believe that our audit provides a reasonable basis for our opinion.

### *Opinion*

In our opinion, the separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2012, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.

Without qualifying our opinion, we draw attention to Note 2.1 of the separate financial statements, which states that the Company is a parent company of the Group (Binh Chanh Construction Investment Joint Stock Company and its subsidiaries) and that consolidated financial statements of the Group prepared in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements have been issued separately. We have audited the consolidated financial statements of the Group as at and for the year ended 31 December 2012 and expressed an unqualified opinion thereon in our report dated 15 March 2013.



*Ernst & Young Vietnam Ltd.*  
Ernst & Young Vietnam Limited



Nguyen Xuan Dai  
Deputy General Director  
Certificate No. 0452/KTV



Le Quang Minh  
Auditor  
Certificate No. 0426/KTV

Ho Chi Minh City, Vietnam  
15 March 2013

SEPARATE BALANCE SHEET  
as at 31 December 2012

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>2,790,220,753,274</b>	<b>3,018,451,530,240</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>336,051,081,232</b>	<b>289,054,551,350</b>
111	1. Cash		1,451,185,932	5,499,551,350
112	2. Cash equivalents		334,599,895,300	283,555,000,000
<b>120</b>	<b>II. Short-term investments</b>		<b>-</b>	<b>1,438,433,110</b>
121	1. Short-term investments		-	1,438,433,110
<b>130</b>	<b>III. Current accounts receivable</b>		<b>206,553,124,262</b>	<b>254,639,466,901</b>
131	1. Trade receivables	5	175,510,087,315	195,882,034,842
132	2. Advances to suppliers		9,021,191,833	12,584,274,032
135	3. Other receivables	6	34,589,723,298	58,346,023,397
139	4. Provision for doubtful debts	5, 6	(12,567,878,184)	(12,172,865,370)
<b>140</b>	<b>IV. Inventories</b>		<b>2,244,596,030,255</b>	<b>2,462,032,498,719</b>
141	1. Inventories	7	2,244,596,030,255	2,462,032,498,719
<b>150</b>	<b>V. Other current assets</b>		<b>3,020,517,525</b>	<b>11,286,580,160</b>
151	1. Short-term prepaid expenses		-	2,874,000
152	2. Value-added tax deductible		458,964,491	-
154	3. Tax and other receivables from the State		-	63,583,104
158	4. Other current assets		2,561,553,034	11,220,123,056
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>627,628,496,989</b>	<b>884,291,595,259</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>245,212,458,828</b>	<b>250,434,649,337</b>
221	1. Tangible fixed assets	8	23,667,108,436	29,436,255,525
222	Cost		64,647,708,080	64,493,889,898
223	Accumulated depreciation		(40,980,599,644)	(35,057,634,373)
227	2. Intangible fixed assets	9	304,460,679	541,508,758
228	Cost		1,658,578,376	1,613,378,376
229	Accumulated amortisation		(1,354,117,697)	(1,071,869,618)
230	3. Construction in progress	10	221,240,889,713	220,456,885,054
<b>240</b>	<b>II. Investment properties</b>	<b>11</b>	<b>100,176,863,242</b>	<b>103,000,194,794</b>
241	1. Cost		149,753,090,478	149,571,726,842
242	2. Accumulated depreciation		(49,576,227,236)	(46,571,532,048)
<b>250</b>	<b>III. Long-term investments</b>		<b>282,152,088,159</b>	<b>530,457,812,753</b>
251	1. Investment in subsidiaries	12.1	206,000,000,000	451,000,000,000
252	2. Investments in associates	12.2	81,257,440,060	81,257,440,060
258	3. Other long-term investments	12.3	4,025,535,894	7,054,904,214
259	4. Provision for long-term investments		(9,130,887,795)	(8,854,531,521)
<b>260</b>	<b>IV. Other long-term assets</b>		<b>87,086,760</b>	<b>398,938,375</b>
261	1. Long-term prepaid expenses		-	241,729,592
262	2. Deferred tax assets	25.3	72,586,977	-
268	3. Other long-term assets		14,499,783	157,208,783
<b>270</b>	<b>TOTAL ASSETS</b>		<b>3,417,849,250,263</b>	<b>3,902,743,125,499</b>

SEPARATE BALANCE SHEET (continued)  
as at 31 December 2012

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>A. LIABILITIES</b>		<b>1,686,618,149,987</b>	<b>2,200,393,158,231</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>522,695,300,530</b>	<b>1,073,882,638,594</b>
311	1. Short-term loans	14	110,347,699,779	299,174,675,681
312	2. Trade payables		75,401,816,507	93,302,562,457
313	3. Advances from customers		646,194,001	1,400,682,992
314	4. Statutory obligations	15	61,705,724,316	15,772,390,371
315	5. Payables to employees		9,391,623,082	-
316	6. Accrued expenses	16	132,205,582,709	138,594,801,393
319	7. Other payables	17	130,152,440,496	523,669,299,032
323	8. Bonus and welfare fund		2,844,219,640	1,968,226,668
<b>330</b>	<b>II. Non-current liabilities</b>		<b>1,163,922,849,457</b>	<b>1,126,510,519,637</b>
333	1. Other long-term liabilities		10,212,999,361	9,715,066,235
334	2. Long-term loans and debts	18	376,128,954,778	386,260,823,451
338	3. Unearned revenues	19	777,580,895,318	730,534,629,951
<b>400</b>	<b>B. OWNERS' EQUITY</b>		<b>1,731,231,100,276</b>	<b>1,702,349,967,268</b>
<b>410</b>	<b>I. Capital</b>	<b>20.1</b>	<b>1,731,219,643,133</b>	<b>1,702,338,510,125</b>
411	1. Share capital	20.2	722,670,000,000	722,670,000,000
412	2. Share premium		610,750,058,000	610,750,058,000
417	3. Investment and development fund		136,210,275,252	136,210,275,252
418	4. Financial reserve fund		73,365,408,572	73,365,408,572
419	5. Other funds belonging to owners' equity		12,332,000,000	12,332,000,000
420	6. Undistributed earnings		175,891,901,309	147,010,768,301
<b>430</b>	<b>II. Other fund</b>		<b>11,457,143</b>	<b>11,457,143</b>
432	1. Subsidised fund		11,457,143	11,457,143
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>3,417,849,250,263</b>	<b>3,902,743,125,499</b>



Nguyen Kim Phung  
Preparer



Nguyen Thi Kim Thoa  
Accountant in charge




Nguyen Thuy Nhan  
General Director

15 March 2013

SEPARATE INCOME STATEMENT  
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	21.1	199,490,729,398	216,873,252,396
02	2. Deductions	21.1	-	-
10	3. Net revenue from sale of goods and rendering of services	21.1	199,490,729,398	216,873,252,396
11	4. Cost of goods sold and services rendered	22	(305,347,593,272)	(98,801,991,331)
20	5. Gross (loss) profit from sale of goods and rendering of services		(105,856,863,874)	118,071,261,065
21	6. Finance income	21.2	475,197,934,258	35,752,397,573
22	7. Finance expenses	23	(85,286,848,468)	(25,119,955,871)
23	- In which: Interest expense		(76,886,804,921)	(7,176,388,885)
24	8. Selling expenses		(2,098,149,135)	(3,512,052,531)
25	9. General and administrative expenses		(49,737,532,210)	(40,300,804,553)
30	10. Operating profit		232,218,540,571	84,890,845,683
31	11. Other income	24	932,621,534	2,522,965,282
32	12. Other expenses	24	(4,954,115,230)	(3,653,486,843)
40	13. Other loss		(4,021,493,696)	(1,130,521,561)
50	14. Profit before tax		228,197,046,875	83,760,324,122
51	15. Current corporate income tax expense	25.2	(87,310,431,645)	(18,112,175,364)
52	16. Deferred income tax benefit	25.3	72,586,977	-
60	17. Net profit after tax		140,959,202,207	65,648,148,758



Nguyen Kim Phung  
Preparer



Nguyen Thi Kim Thoa  
Accountant in charge




Nguyen Thuy Nhan  
General Director

15 March 2013



SEPARATE CASH FLOW STATEMENT  
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Profit before tax</b>		<b>228,197,046,875</b>	<b>83,760,324,122</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	8, 9, 11	9,209,908,538	9,320,923,678
03	Provisions		671,369,088	3,467,208,600
04	Unrealised foreign exchange losses		-	7,851,306,628
05	Gains from investing activities		(474,146,974,258)	(35,264,173,401)
06	Interest expense	23	76,886,804,921	7,176,388,885
08	<b>Operating (loss) profit before changes in working capital</b>		<b>(159,181,844,836)</b>	<b>76,311,978,512</b>
09	Decrease in receivables		36,160,209,806	76,757,390,069
10	Decrease (increase) in inventories		218,237,347,867	(215,936,916,494)
11	(Decrease) increase in payables		(27,652,547,572)	78,262,301,700
12	Decrease in prepaid expenses		244,603,592	195,123,579
13	Interest paid		(79,457,483,395)	(116,621,116,139)
14	Corporate income tax paid	25.2	(34,847,913,701)	(59,385,827,956)
15	Other cash inflows from operating activities		1,438,433,110	-
16	Other cash outflows from operating activities		(2,801,576,227)	(11,358,877,481)
20	<b>Net cash flows used in operating activities</b>		<b>(47,860,771,356)</b>	<b>(171,775,944,210)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases and construction of fixed assets		(1,164,386,477)	(13,027,358,523)
22	Proceeds from disposals of fixed assets		-	115,454,546
25	Payments for investments in other entities		(850,000,000)	-
26	Proceeds from sale of investments in other entities		302,828,408,320	400,000,000,000
27	Interest and dividends received		98,055,842,670	23,201,959,196
30	<b>Net cash flows from investing activities</b>		<b>398,869,864,513</b>	<b>410,290,055,219</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITY</b>			
33	Drawdown of borrowings		16,487,100,000	176,306,961,630
34	Repayment of borrowings		(215,445,944,575)	(172,845,197,216)
36	Dividends paid	20.2	(105,053,718,700)	(121,960,428,800)
40	<b>Net cash flows used in financing activities</b>		<b>(304,012,563,275)</b>	<b>(118,498,664,386)</b>




SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash and cash equivalents		46,996,529,882	120,015,446,623
60	Cash and cash equivalents at beginning of year	4	289,054,551,350	169,039,104,727
70	Cash and cash equivalents at end of year	4	336,051,081,232	289,054,551,350



Nguyen Kim Phung  
Preparer

Nguyen Thi Kim Thoa  
Accountant in charge

Nguyen Thuy Nhan  
General Director

15 March 2013

NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
as at and for the year ended 31 December 2012

**1. CORPORATE INFORMATION**

Binh Chanh Construction Investment Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 056668 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 24 December 1999, as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with License No. 128/QD-SGDHCM issued by the General Director of HOSE on 25 December 2008.

The principal activities of the Company are to develop and trade real estate properties including house, land use rights and infrastructure, to provide construction consulting, site clearance and brokerage on land properties.

The Company's registered head office is located at 550 Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2012 was 167 (31 December 2011: 203).

**2. BASIS OF PREPARATION**

**2.1 Accounting standards and system**

The separate financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying separate balance sheet, separate income statement, separate cash flow statement and related notes, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Users of these separate financial statements should read them together with the consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") as at and for the year ended 31 December 2012 in order to obtain full information on the financial position, results of operations and cash flows of the Group as a whole.

**2.2 Applied accounting documentation system**

The Company's applied accounting documentation system is the Journal Ledger system.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

**2. BASIS OF PREPARATION** (continued)

**2.3 Fiscal year**

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

**2.4 Accounting currency**

The separate financial statements are prepared in VND which is also the Company's accounting currency.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Change in accounting policies and disclosures**

The accounting policies adopted by the Company in preparation of the separate financial statements are consistent with those followed in the preparation of the Company's annual separate financial statements for the year ended 31 December 2011 except for the change in the accounting policy in relation to foreign currency transactions.

For the year ended 31 December 2012, the Company adopts Circular No. 179/2012/TT-BTC providing guidance on recognition, measurement, treatment for foreign exchange differences issued by the Ministry of Finance on 24 October 2012 ("Circular 179") in addition to Vietnamese Accounting Standard No. 10 - Effects of Changes in Foreign Exchange Rates (the "VAS 10") adopted in prior years.

Following Circular 179, at the end of the year, monetary assets and liabilities denominated in foreign currencies are translated into VND using buying exchange rate announced by the commercial bank where the Company maintains bank accounts. In 2011, inter-bank exchange rates ruling at the balance sheet date was used for this translation.

Circular 179 is applied from 2012 on a prospective basis. Impact of the change from using interbank exchange rate to buying exchange rate announced by the commercial bank for the year end translation to the financial statement as at and for the year ended 31 December 2012 was not material as a whole.

**3.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly-liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**3.3 Inventories**

Inventory properties, comprising mainly real estate properties, acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value.

Cost includes:

- Land use rights;
- Construction and development cost; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes and other related costs.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.3 *Inventories* (continued)

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when paid.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the balance sheet date and discounted for the time value of money (if material), less costs to completion and the estimated costs of sale.

The cost of inventory recognized in the separate income statement on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

#### 3.4 *Receivables*

Receivables are presented in the separate financial statements at the carrying amounts due from customers and other debtors, after the provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

#### 3.5 *Fixed assets*

Fixed assets and are stated at cost less accumulated depreciation and amortisation.

The cost of a tangible or an intangible fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the separate income statement as incurred.

When fixed assets are sold or retired, their costs and accumulated depreciation or amortisation are removed from the separate balance sheet and any gain or loss resulting from their disposal is included in the separate income statement.

#### 3.6 *Depreciation and amortisation*

Depreciation of tangible fixed assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	10 - 20 years
Machinery and equipment	3 - 10 years
Motor vehicles	6 - 10 years
Office equipment	3 - 7 years
ISO certificate and computer software	3 - 10 years

The useful life of the fixed assets and depreciation and amortisation rates are reviewed periodically to ensure that the method and the year of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

#### 3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.7 *Investment properties* (continued)

Depreciation of investment properties is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Factories	25 - 46 years
Infrastructure	25 - 46 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the separate income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

#### 3.8 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

*Where the Company is the lessee*

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the term of the lease.

*Where the Company is the lessor*

Assets subject to operating leases are included as the Company's investment properties in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred.

Lease income is recognised in the separate income statement on a straight-line basis over the lease term.

#### 3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

#### 3.10 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 *Investments in subsidiaries*

Investments in subsidiaries over which the Company has control are carried at cost. Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

#### 3.12 *Investments in associates*

Investments in associates over which the Company has significant influence are accounted for under the cost method of accounting.

Distributions from the accumulated net profits of the associates arising subsequent to the date of acquisition by the Company are recognized as income in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

#### 3.13 *Investments in securities and other investments*

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the marketable investments at the balance sheet date representing the excess of the acquisition cost over the market value at that date in accordance with the guidance under Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Increases and decreases to the provision balance are recorded as finance expense in the separate income statement.

#### 3.14 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

#### 3.15 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Commencing 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting year following the average monthly salary of the 6-month period up to the balance sheet date. Any changes to the accrued amount will be taken to the separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 42 of the Labour Code.

#### 3.16 *Foreign currency transactions*

The Company follows the guidance under VAS 10 in relation to foreign currency transactions as applied consistently in prior years. In addition to VAS 10, starting from 2012, the Company adopts Circular 179 in relation to foreign currency transaction which impacts are presented in Note 3.1.

Transactions in currencies other than the Company's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at buying exchange rate announced by the commercial bank where the Company maintains bank accounts at the balance sheet date. All realised and unrealised foreign exchange differences are taken to the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.17 Appropriation of net profit**

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

▶ Financial reserve fund

This fund is set aside to protect the Company's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.

▶ Investment and development fund

This fund is set aside for use in the Company's expansion of its operation or in-depth investments.

▶ Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' material and spiritual benefits and it is recognised as a liability.

**3.18 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

*Sale of completed property*

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognized only when all the significant conditions are satisfied.

*Rental income*

Rental income arising from operating leases is recorded to the separate income statement and accounted for on a straight-line basis over the terms of the lease.

*Rendering of services*

Revenues are recognised upon completion of the services provided.

*Interest*

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

*Dividend*

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred income tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Company intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.20 Financial instruments

*Financial instruments – initial recognition and presentation*

##### Financial assets

Financial assets within the scope of Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments issued by the Ministry of Finance on 6 November 2009 ("Circular 210") are classified, for disclosures in the notes to the separate financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs.

The Company's financial assets include cash and short-term deposits, trade and other receivables, loan receivables, quoted and unquoted financial instruments.

##### Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the separate financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost plus directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

*Financial instruments – subsequent re-measurement*

There is currently no guidance in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

*Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount reported in the separate balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	65,431,003	120,608,880
Cash in banks	1,385,754,929	5,378,942,470
Cash equivalents	334,599,895,300	283,555,000,000
<b>TOTAL</b>	<b>336,051,081,232</b>	<b>289,054,551,350</b>

Cash equivalents mainly represent short-term bank deposits with original maturity of less than three months which are readily convertible into known amount of cash without any significant risk of changes in value, and earn interest at the rate of 9% per annum.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 5. TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Third parties	175,510,087,315	195,882,034,842
<b>TOTAL</b>	<b>175,510,087,315</b>	<b>195,882,034,842</b>
Provision for doubtful debts	(3,685,031,184)	(3,036,998,370)
<b>NET</b>	<b>171,825,056,131</b>	<b>192,845,036,472</b>

## 6. OTHER RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances for development of projects	12,284,813,505	14,709,675,766
Provisional corporate income tax (*)	10,536,891,534	10,004,500,776
Late payment interest due from Phong Phu Industrial Park Joint Stock Company	8,794,268,760	-
Interest income	2,590,515,164	1,250,017,336
Receivable from related parties	-	32,135,952,779
Others	383,234,335	245,876,740
<b>TOTAL</b>	<b>34,589,723,298</b>	<b>58,346,023,397</b>
Provision for doubtful debts	(8,882,847,000)	(9,135,867,000)
<b>NET</b>	<b>25,706,876,298</b>	<b>49,210,156,397</b>

(\*) In accordance with Circular No. 123/2012/TT-BTC issued by the Ministry of Finance on 27 July 2012 which provides guidelines for implementation of the Law on Corporate Income Tax, the Company is entitled to provisionally pay tax at the rate of 1% on cash collections from its customers pending the appropriate recognition of sales and cost of sales from those transactions.

## 7. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Inventory properties in progress (*)	2,228,823,217,159	2,454,960,378,106
Real estate properties available for sale	15,426,018,796	7,072,120,613
Raw materials	346,794,300	-
<b>TOTAL</b>	<b>2,244,596,030,255</b>	<b>2,462,032,498,719</b>

(\*) This represents development and construction costs of the on-going residential area projects. Parts of these projects were pledged to obtain loans from banks (Note 18).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 8. TANGIBLE FIXED ASSETS

	VND				
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Total</i>
<b>Cost:</b>					
Beginning balance	19,572,680,181	29,603,292,674	10,915,870,814	4,402,046,229	64,493,889,898
Newly purchased	-	99,000,000	-	54,818,182	153,818,182
Ending balance	<u>19,572,680,181</u>	<u>29,702,292,674</u>	<u>10,915,870,814</u>	<u>4,456,864,411</u>	<u>64,647,708,080</u>
<i>In which:</i>					
Fully depreciated	943,870,174	3,380,899,048	1,210,177,306	3,240,868,377	8,775,814,905
<b>Accumulated depreciation:</b>					
Beginning balance	(5,236,272,555)	(20,785,355,370)	(5,494,325,700)	(3,541,680,748)	(35,057,634,373)
Depreciation for the year	(1,045,590,559)	(3,061,877,174)	(1,355,420,016)	(460,077,522)	(5,922,965,271)
Ending balance	<u>(6,281,863,114)</u>	<u>(23,847,232,544)</u>	<u>(6,849,745,716)</u>	<u>(4,001,758,270)</u>	<u>(40,980,599,644)</u>
<b>Net carrying amount:</b>					
Beginning balance	<u>14,336,407,626</u>	<u>8,817,937,304</u>	<u>5,421,545,114</u>	<u>860,365,481</u>	<u>29,436,255,525</u>
Ending balance	<u>13,290,817,067</u>	<u>5,855,060,130</u>	<u>4,066,125,098</u>	<u>455,106,141</u>	<u>23,667,108,436</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 9. INTANGIBLE FIXED ASSETS

	VND		
	<i>ISO certificate</i>	<i>Computer software</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	331,744,151	1,281,634,225	1,613,378,376
Newly purchased	-	45,200,000	45,200,000
Ending balance	<u>331,744,151</u>	<u>1,326,834,225</u>	<u>1,658,578,376</u>
<i>In which:</i>			
Fully amortised	331,744,151	687,523,225	1,019,267,376
<b>Accumulated amortisation:</b>			
Beginning balance	(331,744,151)	(740,125,467)	(1,071,869,618)
Amortisation for the year	-	(282,248,079)	(282,248,079)
Ending balance	<u>(331,744,151)</u>	<u>(1,022,373,546)</u>	<u>(1,354,117,697)</u>
<b>Net carrying amount:</b>			
Beginning balance	-	541,508,758	541,508,758
Ending balance	<u>-</u>	<u>304,460,679</u>	<u>304,460,679</u>

### 10. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Le Minh Xuan Industrial Zone	220,753,992,236	219,967,687,577
Others	486,897,477	489,197,477
<b>TOTAL</b>	<u><b>221,240,889,713</b></u>	<u><b>220,456,885,054</b></u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 11. INVESTMENT PROPERTIES

	<i>Factories</i>	<i>Infrastructure</i>	<i>VND</i> <i>Total</i>
<b>Cost:</b>			
Beginning balance	7,146,210,413	142,425,516,429	149,571,726,842
Additions	-	181,363,636	181,363,636
Ending balance	<u>7,146,210,413</u>	<u>142,606,880,065</u>	<u>149,753,090,478</u>
<b>Accumulated depreciation:</b>			
Beginning balance	(5,379,602,672)	(41,191,929,376)	(46,571,532,048)
Depreciation for the year	(126,186,268)	(2,878,508,920)	(3,004,695,188)
Ending balance	<u>(5,505,788,940)</u>	<u>(44,070,438,296)</u>	<u>(49,576,227,236)</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>1,766,607,741</u>	<u>101,233,587,053</u>	<u>103,000,194,794</u>
Ending balance	<u>1,640,421,473</u>	<u>98,536,441,769</u>	<u>100,176,863,242</u>

The fair values of the investment property as at 31 December 2012 had not yet been formally assessed and determined, but the management believed that it was much higher than the property's carrying values.

## 12. LONG-TERM INVESTMENTS

12.1 *Investment in subsidiaries*

	<u>Ending balance</u>		<u>Beginning balance</u>	
	VND	% of interest	VND	% of interest
Phong Phu Industrial Park Joint Stock Company	-	-	245,000,000,000	70
BCI Corporation	206,000,000,000	69	206,000,000,000	69
<b>TOTAL</b>	<b>206,000,000,000</b>		<b>451,000,000,000</b>	
Provision for long-term investments	<u>(7,113,791,900)</u>		<u>(6,280,557,307)</u>	
<b>NET AMOUNT</b>	<b><u>198,886,208,100</u></b>		<b><u>444,719,442,693</u></b>	

Phong Phu Industrial Park Joint Stock Company ("Phong Phu"), a joint stock company was established in accordance with Business Registration Certificate No. 4103000445 issued by the DPI of Ho Chi Minh City on 4 June 2001, as amended. Phong Phu's registered office is located at Phong Phu Industrial Zone, Phong Phu Commune, Binh Chanh District, Ho Chi Minh City, Vietnam. Phong Phu's principal activities are to invest and sell land use rights in industrial zone.

On 3 April 2012, the Company completed the disposal of all its ownership interest in Phong Phu to Saigon New Town Investment Corporation ("Saigon NIC") in accordance with the Share Transfer Agreement dated 29 August 2011 with proceeds of VND 607,399,028,450 and recognized a gain of VND 362,399,028,450 (Note 21.2). The disposal was approved by the Board of Directors and the DPI of Ho Chi Minh City through issuance of Business Registration Certificate No. 0302331382 dated 6 April 2012.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

12. LONG-TERM INVESTMENTS (continued)

12.1 *Investment in subsidiaries* (continued)

BCI Corporation ("BCI"), a joint stock company, was established in accordance with Business Registration Certificate No. 4103009299 issued by the DPI of Ho Chi Minh City on 31 January 2008, as amended. BCI's registered office is located at 510 Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam. BCI's principal activities are to invest and trade real estates.

12.2 *Investments in associates*

	<u>Ending balance</u>		<u>Beginning balance</u>	
		% of		% of
		VND interest		VND interest
Saigon Asia Investment and Reality Corporation	4,000,000,000	50	4,000,000,000	50
Espace Big C An Lac	57,197,127,688	20	57,197,127,688	20
Green Buildings Company Limited	20,060,312,372	20	20,060,312,372	20
<b>TOTAL</b>	<b><u>81,257,440,060</u></b>		<b><u>81,257,440,060</u></b>	

Saigon Asia Investment and Reality Corporation ("Saigon Asia Real Estate") is a joint stock company established in accordance with Business Registration Certificate No. 4103007346 issued by the DPI of Ho Chi Minh City on 19 July 2007, as amended. Saigon Asia Real Estate's registered office is located at 115 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam. Saigon Asia Real Estate's principal activities are to invest and trade real estates.

Espace Big C An Lac ("Big C") is a limited liability company with two or more members established in accordance with Investment Licence No. 2013/GP issued by the Ministry of Planning and Investment on 16 December 1997, as amended. Big C's registered office is located at 1231 National Road 1A, Quarter 5, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam. Big C's principal activity is to develop and operate supermarket chains with retail and wholesale shops, warehouses and processing workshops.

Green Buildings Company Limited ("GB") is a limited liability company with two or more members established in accordance with Investment Certificate No. 411022000448 dated 14 August 2010 issued by the Ho Chi Minh City People's Committee. GB's registered office is located at 1231 National Road 1A, Quarter 5, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam. GB's principal activity is to develop an apartment project named Green Building in Ho Chi Minh City for sale.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

12. LONG-TERM INVESTMENTS (continued)

12.3 Other long-term investments

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Quantity</i>	<i>Value</i>	<i>Quantity</i>	<i>Value</i>
Investment in securities				
- Thu Duc Housing Development Corporation ("TDH")	15,300	1,312,145,455	15,300	1,312,145,455
- Ho Chi Minh City Housing Development Joint Stock Bank ("HDB")	12,331	123,310,000	12,331	123,310,000
Other long-term investments		<u>2,590,080,439</u>		<u>5,619,448,759</u>
<b>TOTAL</b>		<b><u>4,025,535,894</u></b>		<b><u>7,054,904,214</u></b>
Provision for long-term investments		<u>(2,017,095,894)</u>		<u>(2,573,974,214)</u>
<b>NET AMOUNT</b>		<b><u>2,008,440,000</u></b>		<b><u>4,480,930,000</u></b>

13. CAPITALISED BORROWING COST

During the year, the Company capitalized interest expenses of VND 800,879,403 (for the year ended 31 December 2011: VND 110,408,965,272). These costs were relating to borrowings to finance for construction and development of Phong Phu 4 Residential project.

14. SHORT-TERM LOANS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loans from banks	-	99,500,000,000
Current portion of long-term loans and debts (Note 18)	<u>110,347,699,779</u>	<u>199,674,675,681</u>
<b>TOTAL</b>	<b><u>110,347,699,779</u></b>	<b><u>299,174,675,681</u></b>

15. STATUTORY OBLIGATIONS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Corporate income tax (Note 25.2)	60,929,347,057	7,934,438,355
Personal income tax	576,198,673	-
Value-added tax	155,465,005	7,797,326,454
Natural resource tax	44,713,581	40,625,562
<b>TOTAL</b>	<b><u>61,705,724,316</u></b>	<b><u>15,772,390,371</u></b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 16. ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Project costs	111,481,113,585	115,731,858,513
Loan interest	20,457,812,760	22,227,611,831
Other	266,656,364	635,331,049
<b>TOTAL</b>	<b><u>132,205,582,709</u></b>	<b><u>138,594,801,393</u></b>

## 17. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Land compensation payables	86,404,902,499	89,747,339,499
Repair and maintenance fees	10,829,568,954	8,513,396,069
Deposits received	7,793,890,939	7,663,970,827
Commission fees	6,172,299,999	-
Dividend payables	5,310,001,500	1,963,220,200
Advance received for transferring ownership interest in Phong Phu	-	400,000,000,000
Others	13,641,776,605	15,781,372,437
<b>TOTAL</b>	<b><u>130,152,440,496</u></b>	<b><u>523,669,299,032</u></b>

## 18. LONG-TERM LOANS AND DEBTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loans from banks (i)	93,414,079,557	175,321,910,967
Loans from other entities (ii)	7,771,915,000	25,322,928,165
Debt from Department of Finance Ho Chi Minh City (iii)	85,290,660,000	85,290,660,000
Bonds issued (iv)	300,000,000,000	300,000,000,000
<b>TOTAL</b>	<b><u>486,476,654,557</u></b>	<b><u>585,935,499,132</u></b>
<i>In which</i>		
<i>Current portion (Note 14)</i>	110,347,699,779	199,674,675,681
<i>Non-current portion</i>	376,128,954,778	386,260,823,451

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

18. LONG-TERM LOANS AND DEBTS (continued)

(i) Details of the long-term loans from banks are as follows:

Banks	Ending balance	Principal repayment term	Purpose	Interest rate	Description of collateral
VND					
<b>Military Commercial Joint Stock Bank – Cho Lon Branch</b>					
Loan agreement No. 331.09.701.479633. TDTH	29,074,079,557	21 December 2014	Tan Tao 1 Apartment project	Savings deposit interest for 24 months plus 3.5% per annum	Land use rights of 6,127.9 m <sup>2</sup> and associated infrastructure at Tan Tao Ward, Binh Tan District, Ho Chi Minh City
<i>In which:</i>					
Current portion	14,537,039,779				
<b>Vietnam Joint Stock Commercial Bank for Industry and Trade – Tay Sai Gon Branch</b>					
Loan agreement No. 100200117/HDTD.T DH	64,340,000,000	1 November 2015	Phong Phu 4 Residential project	Savings deposit interest plus 2.7% per annum	Land use rights of 14,850 m <sup>2</sup> No. AC 241246, BD 747602, BD 747607 and BD 747654 of Phong Phu 4 Residential project
<i>In which:</i>					
Current portion	8,800,000,000				
<b>TOTAL</b>	<b>93,414,079,557</b>				
<i>In which:</i>					
Current portion	23,337,039,779				
Non-current portion	70,077,039,778				

(ii) Details of the long-term loan from other entity is as follows:

Name of entity	Ending balance	Principal repayment terms	Purpose	Interest	Description of collateral
VND					
<b>Ho Chi Minh City Finance and Investment State</b>					
Loan agreement No. 17/2010/ HDTD-QDT-TD	7,771,915,000	30 June 2017	Wastewater treatment project in Le Minh Xuan Industrial Park	12.75% per annum	Land use right of 4,086.1 m <sup>2</sup> No.BB971671 at An Lac Ward, Binh Tan District, Ho Chi Minh City
<i>In which:</i>					
Current portion	1,720,000,000				
<b>TOTAL</b>	<b>7,771,915,000</b>				
<i>In which:</i>					
Current portion	1,720,000,000				
Non-current portion	6,051,915,000				

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

18. LONG-TERM LOANS AND DEBTS (continued)

(iii) This is a debt from Department of Finance Ho Chi Minh City relating to land rental amounting to US\$ 4,095,000 for capital contribution in establishment of Espace Big C in accordance with the Land Lease Contract No. 6063/HD-GTD dated 30 October 1998 with the Department of Land and Housing of Ho Chi Minh City. This is a non-interest bearing debt and was matured on 16 December 2010 but not yet paid at the balance sheet date.

(iv) On 22 December 2009, the Company issued VND 150,000,000,000 straight bonds at par value of VND 1 billion per unit which are redeemable at par value by 22 December 2014. The bonds bear interest rate of 12.50% per annum for the first interest payment period which will be paid on 22 December 2010 and the average 12 month savings deposit interest rates announced by Vietnam Bank for Agriculture and Rural Development, Joint Stock Commercial Bank for Foreign Trade of Viet Nam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Bank for Investment and Development of Vietnam plus a margin of 4% per annum in the following periods. Interest will be paid on 22 December annually.

On 1 April 2010, the Company issued VND 150,000,000,000 straight bonds at par value of VND 1 billion per unit which are redeemable at par value by 1 April 2015. The bonds bear interest rate of 12.50% per annum for the first interest payment period which will be paid on 1 April 2011 and the average 12 month savings deposit interest rates announced by Vietnam Bank for Agriculture and Rural Development, Joint Stock Commercial Bank for Foreign Trade of Viet Nam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Bank for Investment and Development of Vietnam plus a margin of 4% per annum in the following periods. Interest will be paid on 1 April annually.

The Company used the land use right at 158 An Duong Vuong, An Lac Ward, Binh Tan District, Ho Chi Minh City and land use right of the An Lac Plaza Complex project as a mortgage for these bonds. The proceeds were used to finance the An Lac Plaza Complex project, Hamlet 2 Tan Tao Residential project and Binh Hung 11A Residential project of the Company.

19. UNEARNED REVENUES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances received for transfer of land lots, houses (*)	553,464,114,600	500,225,038,828
Advances received for land leases of Le Minh Xuan Industrial Park	224,116,780,718	230,309,591,123
<b>TOTAL</b>	<b><u>777,580,895,318</u></b>	<b><u>730,534,629,951</u></b>

(\*) This represents advances from customers to buy land lots and houses for which the Company has issued invoices.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 20. OWNERS' EQUITY

### 20.1 Movements in owners' equity

							VND
	<i>Share capital</i>	<i>Share premium</i>	<i>Investment and development fund</i>	<i>Financial reserve fund</i>	<i>Other funds belonging to owner's equity</i>	<i>Undistributed earnings</i>	<i>Total</i>
<b>Previous year</b>							
Beginning balance	722,670,000,000	610,750,058,000	79,710,275,252	45,115,408,572	6,682,000,000	247,759,619,543	1,712,687,361,367
Net profit for the year	-	-	-	-	-	65,648,148,758	65,648,148,758
Profit appropriation	-	-	56,500,000,000	28,250,000,000	5,650,000,000	(90,400,000,000)	-
Transfer to bonus and welfare fund	-	-	-	-	-	(3,730,000,000)	(3,730,000,000)
Dividends declared	-	-	-	-	-	(72,267,000,000)	(72,267,000,000)
Ending balance	<u>722,670,000,000</u>	<u>610,750,058,000</u>	<u>136,210,275,252</u>	<u>73,365,408,572</u>	<u>12,332,000,000</u>	<u>147,010,768,301</u>	<u>1,702,338,510,125</u>
<b>Current year</b>							
Beginning balance	722,670,000,000	610,750,058,000	136,210,275,252	73,365,408,572	12,332,000,000	147,010,768,301	1,702,338,510,125
Net profit for the year	-	-	-	-	-	140,959,202,207	140,959,202,207
Transfer to bonus and welfare fund	-	-	-	-	-	(3,677,569,199)	(3,677,569,199)
Dividends declared	-	-	-	-	-	(108,400,500,000)	(108,400,500,000)
Ending balance	<u>722,670,000,000</u>	<u>610,750,058,000</u>	<u>136,210,275,252</u>	<u>73,365,408,572</u>	<u>12,332,000,000</u>	<u>175,891,901,309</u>	<u>1,731,219,643,133</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

20. OWNERS' EQUITY (continued)

20.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
<b>Contributed share capital</b>		
Beginning balance	722,670,000,000	722,670,000,000
Increase	-	-
Ending balance	<u>722,670,000,000</u>	<u>722,670,000,000</u>
<b>Dividends declared</b>	<b>(108,400,500,000)</b>	<b>(72,267,000,000)</b>
<b>Dividends paid</b>	<b>(105,053,718,700)</b>	<b>(121,960,428,800)</b>

20.3 Shares - ordinary shares

	Ending balance	Beginning balance
	Number of shares	Number of shares
Shares authorised to be issued	72,267,000	72,267,000
Shares issued and fully paid		
<i>Ordinary shares</i>	72,267,000	72,267,000
Shares in circulation		
<i>Ordinary shares</i>	72,267,000	72,267,000

21. REVENUE

21.1 Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
<b>Gross revenue</b>	<b>199,490,729,398</b>	<b>216,873,252,396</b>
<i>Of which:</i>		
<i>Sale of residential land properties</i>	134,055,737,846	157,021,419,628
<i>Operating lease of factory, warehouse and land</i>	17,169,083,708	14,814,683,449
<i>Rendering of services</i>	48,265,907,844	45,037,149,319
<b>Less</b>		
Sales returns	-	-
<b>NET REVENUE</b>	<b><u>199,490,729,398</u></b>	<b><u>216,873,252,396</u></b>
<i>Of which:</i>		
<i>Sale of residential land properties</i>	134,055,737,846	157,021,419,628
<i>Operating lease of factory, warehouse and land</i>	17,169,083,708	14,814,683,449
<i>Rendering of services</i>	48,265,907,844	45,037,149,319

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 21. REVENUE (continued)

## 21.2 Financial income

	VND	
	Current year	Previous year
Gains on disposal of investment in Phong Phu Industrial Park Joint Stock Company (Note 12.1)	362,399,028,450	-
Interest income	78,770,174,998	23,117,060,140
Dividends earned	20,626,165,500	12,181,129,900
Late payment interest	13,402,565,310	-
Others	-	454,207,533
<b>TOTAL</b>	<b><u>475,197,934,258</u></b>	<b><u>35,752,397,573</u></b>

## 22. COSTS OF GOODS SOLD AND SERVICE RENDERED

	VND	
	Current year	Previous year
Cost of residential land properties sold	272,549,727,497	68,914,118,973
Cost of operating lease of factory, warehouse and land	3,657,427,346	3,547,655,235
Cost of service rendered	29,140,438,429	26,340,217,123
<b>TOTAL</b>	<b><u>305,347,593,272</u></b>	<b><u>98,801,991,331</u></b>

## 23. FINANCIAL EXPENSES

	VND	
	Current year	Previous year
Interest expense	76,886,804,921	7,176,388,885
Loss on disposal of investment	1,050,960,000	-
Provision for diminution in value of investment	276,356,274	3,080,980,358
Unrealised foreign exchange losses	-	7,851,306,628
Others	7,072,727,273	7,011,280,000
<b>TOTAL</b>	<b><u>85,286,848,468</u></b>	<b><u>25,119,955,871</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

24. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
<b>Other income</b>	<b>932,621,534</b>	<b>2,522,965,282</b>
Penalty for cancelation of contracts	575,229,914	1,997,734,179
Proceeds from disposal of fixed assets	-	115,454,546
Others	357,391,620	409,776,557
<b>Other expenses</b>	<b>(4,954,115,230)</b>	<b>(3,653,486,843)</b>
Costs of Dam Sen Complex project due to termination	(4,432,583,182)	-
Others	(521,532,048)	(3,653,486,843)
<b>NET</b>	<b>(4,021,493,696)</b>	<b>(1,130,521,561)</b>

25. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 25% of taxable profits.

The Company's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate financial statements could be changed at a later date upon final determination by the tax authorities.

25.1 CIT expense

	VND	
	Current year	Previous year
Current CIT expense	87,310,431,645	18,112,175,364
Deferred CIT benefit	(72,586,977)	-
<b>TOTAL</b>	<b>87,237,844,668</b>	<b>18,112,175,364</b>

25.2 Current CIT expense

The current tax payable is based on taxable profit (loss) for the year. The taxable profit (loss) of the Company for the year differs from the profit as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

25. CORPORATE INCOME TAX (continued)

25.2 Current CIT (continued)

A reconciliation between profit (loss) before tax and estimated taxable profit (loss) are presented below:

	Current year			VND Previous year
	Real estate activities	Other activities	Total	
<b>Profit (loss) before tax</b>	<b>(143,295,314,172)</b>	<b>371,492,361,047</b>	<b>228,197,046,875</b>	<b>83,760,324,122</b>
<b>Adjustments to increase (decrease) accounting profit (loss):</b>				
Non-deductible expenses	871,985,748	-	871,985,748	869,507,233
Dividend earned	-	(20,626,165,500)	(20,626,165,500)	(12,181,129,900)
Severance allowance	1,914,816,875	-	1,914,816,875	-
Accrued interest income	-	(1,624,468,968)	(1,624,468,968)	-
<b>Estimated current taxable profit (tax loss)</b>	<b>(140,508,511,549)</b>	<b>349,241,726,579</b>	<b>208,733,215,030</b>	<b>72,448,701,455</b>
<b>Estimated current CIT</b>	-	<b>87,310,431,645</b>	<b>87,310,431,645</b>	<b>18,112,175,364</b>
CIT payable at beginning of year			7,934,438,355	46,788,583,884
Provisional CIT on cash collection			532,390,758	2,419,507,063
CIT paid during the year			(34,847,913,701)	(59,385,827,956)
<b>CIT payable at end of year</b>			<b>60,929,347,057</b>	<b>7,934,438,355</b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

25. CORPORATE INCOME TAX (continued)

25.3 *Deferred CIT*

The following are the deferred tax assets recognized by the Company, and the movements thereon, during the current and previous year:

	<i>Separate balance sheet</i>		<i>Credit (charge) to separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>			
Severance allowance	478,704,219	-	478,704,219	-
Interest income	(406,117,242)	-	(406,117,242)	-
<b><i>Deferred tax assets</i></b>	<b><i>72,586,977</i></b>	<b><i>-</i></b>	<b><i>72,586,977</i></b>	<b><i>-</i></b>
<b><i>Net deferred income tax benefit</i></b>			<b><i>72,586,977</i></b>	<b><i>-</i></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

25. CORPORATE INCOME TAX (continued)

25.4 *Unrecognised deferred tax for tax losses carried forward relating to real estate activities*

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company had accumulated tax losses of VND 140,508,511,549 (31 December 2011: Nil) available for offset against future taxable profits. Details are as follows:

Originating year	Can be utilized up to	Tax loss amount	Utilised up to		Unutilised up to	
			31 December 2012	Forfeited	31 December 2012	2012
2012	2017	140,508,511,549	-	-	140,508,511,549	
<b>TOTAL</b>		<b>140,508,511,549</b>	<b>-</b>	<b>-</b>	<b>140,508,511,549</b>	

Estimated tax losses as per the Company's CIT declaration have not been audited by the local tax authorities as of the date of these separate financial statements.

No deferred income tax asset was recognised in respect of the accumulated tax losses of VND 140,508,511,549 because future taxable profit generated from real estate activities can not be ascertained at this stage.

26. COMMITMENTS

*Capital commitments*

As at 31 December 2012, the Company has a commitment of VND 4,211,254,183 (31 December 2011: VND 2,748,125,952) principally related to the development of infrastructure of Le Minh Xuan Industrial Zone.

27. TRANSACTIONS WITH RELATED PARTIES

Significant transaction with related party during the year was as follows:

Related party	Relationship	Nature of transaction	VND	
			Current year	Previous year
Espace Big C An Lac	Associate	Dividend received	20,620,000,000	
<i>Remuneration to members of the Board of Directors and Management</i>				

	VND	
	Current year	Previous year
Salaries and bonus	4,654,205,287	4,169,327,230

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities are loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and development of the Company's property portfolio. The Company has trade and other receivables, trade and other payable and cash and short-term deposits that arise directly from its operations. The Company does not hold or issue any derivative financial instruments.

The Company is exposed to market risk, real estate risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for managing each of these risks which are summarized below.

### *Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analyses in the following sections relate to the position as at 31 December 2012 and 31 December 2011.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currency are all constant.

In calculating the sensitivity analyses, management assumed that:

- ▶ the sensitivity of the balance sheet relates to available-for-sale debt instrument;
- ▶ the sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2012 and 31 December 2011.

### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

## 28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### *Market risk* (continued)

#### *Interest rate sensitivity*

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings.

With all other variables held constant, the cost for development of property projects of the Company is mainly affected through the impact on floating rate borrowings because the Company obtained these loans to finance for the development of projects. The impact is disclosed as follows:

	<i>Increase/decrease in basis points</i>	<i>VND Effect on inventory properties on progress on the separate balance sheet</i>
<b>For the year ended 31 December 2012</b>		
VND	+300	12,035,579,837
VND	-300	(12,035,579,837)
<b>For the year ended 31 December 2011</b>		
VND	+300	15,019,345,174
VND	-300	(15,019,345,174)

### *Real estate risk*

The Company has identified the following risks associated with the real estate portfolio: (i) the cost of the development schemes may increase if there are delays in the planning process. The Company uses advisers who are experts in the specific planning requirements in the scheme's location in order to reduce the risks that may arise in the planning process; (ii) the exposure of the fair values of the portfolio to market and occupier fundamentals.

### *Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (primarily for deposit with banks).

#### *Credit risks related to receivables resulting from the sale of property inventory*

Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

#### *Bank deposits*

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's management in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the separate balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

28. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** (continued)

**Liquidity risk**

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintain a level of cash and cash equivalents and bank loans deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	<i>Less than 1 year</i>	<i>From 1 to 5 years</i>	<i>VND Total</i>
<b>31 December 2012</b>			
Loans and borrowings	110,347,699,779	376,128,954,778	486,476,654,557
Trade payables	75,401,816,507	-	75,401,816,507
Other payables and accrued expenses	262,358,023,205	-	262,358,023,205
	<b>448,107,539,491</b>	<b>376,128,954,778</b>	<b>824,236,494,269</b>
<b>31 December 2011</b>			
Loans and borrowings	299,174,675,681	386,260,823,451	685,435,499,132
Trade payables	93,302,562,457	-	93,302,562,457
Other payables and accrued expenses	662,264,100,425	-	662,264,100,425
	<b>1,054,741,338,563</b>	<b>386,260,823,451</b>	<b>1,441,002,162,014</b>

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

**Collateral**

The Company has pledged its land use right of projects in order to fulfil the collateral requirements for the long-term loans obtained from banks (Note 18). The banks have an obligation to return the land use right to the Company. There are no other significant terms and conditions associated with the use of collateral.

The Company did not hold collateral at 31 December 2012 and 31 December 2011.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

29. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the separate financial statements.

VND

	Carrying amount				Fair value	
	Ending balance		Beginning balance		Ending balance	Beginning balance
	Cost	Provision	Cost	Provision		
<b>Financial assets</b>						
Investment designated as financial assets through profit and loss						
- Listed shares	1,435,455,455	(1,127,015,455)	1,435,455,455	(1,137,725,455)	308,440,000	297,730,000
Short term deposits	-	-	1,438,433,110	-	-	1,438,433,110
Trade receivables	175,510,087,315	(3,685,031,184)	195,882,034,842	(3,036,998,370)	171,825,056,131	192,845,036,472
Receivable from related parties	-	-	32,135,952,779	-	-	32,135,952,779
Other receivables	34,589,723,298	(7,786,000,000)	26,210,070,618	(7,786,000,000)	26,803,723,298	18,424,070,618
Cash and cash equivalents	336,051,081,232	-	289,054,551,350	-	336,051,081,232	289,054,551,350
<b>TOTAL</b>	<b>547,586,347,300</b>	<b>(12,598,046,639)</b>	<b>546,156,498,154</b>	<b>(11,960,723,825)</b>	<b>534,988,300,661</b>	<b>534,195,774,329</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

29. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

VND

	<i>Carrying amount</i>		<i>Fair value</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Financial liabilities</b>				
Loans and borrowings	486,476,654,557	685,435,499,132	486,476,654,557	685,435,499,132
Payable to related parties	-	53,948,000	-	53,948,000
Trade payables	75,401,816,507	93,302,562,457	75,401,816,507	93,302,562,457
Other current liabilities	262,358,023,205	662,210,152,425	262,358,023,205	662,210,152,425
<b>TOTAL</b>	<b>824,236,494,269</b>	<b>1,441,002,162,014</b>	<b>824,236,494,269</b>	<b>1,441,002,162,014</b>

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumption were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair value of borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. As at 31 December 2012, the carrying amounts of such borrowings are not materially different from their calculated fair values.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2012

### 30. EVENTS AFTER THE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the balance date that has affected or may significantly affect the separate operations of the Company, the separate results of those operations or the separate state of affairs of the Company in subsequent periods.

### 31. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain corresponding figures on the separate balance sheet have been reclassified to reflect the presentation of the current year's separate financial statements.

	<i>31 December 2011 (previously presented)</i>	<i>Reclassification</i>	<i>31 December 2011 (reclassified)</i>
<b>Separate balance sheet</b>			
Other long-term liabilities	7,593,334,922	2,121,731,313	9,715,066,235
Provision for severance allowance	2,121,731,313	(2,121,731,313)	-

As at 31 December 2011, the accrual for severance pay following Article 42 of the Labour code is presented under the same caption in the separate balance sheet with provision for retrenchment allowance. Starting from 2012, the balance of provision for retrenchment allowance at the year ended should be nil following the guidance in Circular 180. Therefore, the accrual for severance pay is reclassified to Other Long-term Liabilities to suit current year presentation.



Nguyen Kim Phung  
Preparer




Nguyen Thi Kim Thoa  
Accountant in charge

Nguyen Thuy Nhan  
General Director



15 March 2013