

Tan Tao Investment and Industry Corporation

Report of the Board of Management and
Audited consolidated financial statements

31 December 2009

Tan Tao Investment and Industry Corporation

CONTENTS

	<i>Pages</i>
REPORT OF THE BOARD OF MANAGEMENT	1 - 3
CONSOLIDATED FINANCIAL STATEMENTS	
Independent auditors' report	4
Consolidated balance sheet	5 - 6
Consolidated income statement	7
Consolidated cash flow statement	8 - 9
Notes to the consolidated financial statements	10 - 43

Tan Tao Investment and Industry Corporation

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Tan Tao Investment and Industry Corporation (“the Company”) is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries (“the Group”) as at and for the year ended 31 December 2009.

THE COMPANY

The Company is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103001108 issued by the Ho Chi Minh City Department of Planning and Investment on 15 July 2002, as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange in accordance with License No. 68/UBCK-GPNY issued by the State Securities Commission on 15 November 2006.

The principal activities of the Group are developing industrial park and infrastructure; constructing and trading industrial parks and urban residential areas; leasing out completed infrastructure land lots; leasing out or selling the plants constructed by the Company in industrial parks; providing logistical services in industrial parks, investment consulting, and science and technology transfer consulting; constructing, civil and transportation projects; providing forwarding and warehousing services; constructing electricity works up to 35 KV; trading houses (constructing or repairing houses for lease or sales); providing data and electronic file transfer services, remote access and other internet access services (ISP), providing internet contents (operating only when receiving a license in accordance with governmental regulations); providing information storage and services; organizing fairs, exhibitions, conferences and seminars.

The Company’s registered office is located at Lot 16, Road 2, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The Company’s corporate structure includes the following subsidiaries:

▶ Tan Tao Services Utilization – Office and Warehousing Trade Co., Ltd.:

This is a one-member limited liability company established in accordance with Business Registration Certificate No. 4104000027 issued by the Department of Planning and Investment of Ho Chi Minh City on 12 September 2001. Its principal activities are buying, selling and leasing: residential, workshops, offices, warehouses; and providing repair services. The Company owns 100% interest in this subsidiary.

▶ Tan Duc Investment Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 5003000109 issued by the Department of Planning and Investment of Long An province on 27 June 2005. Its principal activities are investing in construction and developing industrial parks, city and port and supporting services; space, workshop, office, hotel, restaurant and commercial center leasing. The Company owns 94% interest in this subsidiary.

▶ Tan Tao Forwarding and Warehousing Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 4103000408 issued by the Department of Planning and Investment of Ho Chi Minh City on 8 May 2001. Its principal activities are forwarding goods overseas and domestically by sea, air, rail and land; providing agency services for delivery and transfer of import- export goods by air, sea, rail and land; warehouse leasing, loading and unloading, storing, packing good services and customs declaration services. The Company owns 90% interest in this subsidiary.

Tan Tao Investment and Industry Corporation

REPORT OF THE BOARD OF MANAGEMENT (continued)

THE COMPANY (continued)

► Tan Tao 276 Investment Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 4103008558 issued by the Department of Planning and Investment of Ho Chi Minh City on 27 November 2007. Its principal activities are developing and managing office complexes, high-rise apartments and shopping centres, and provision of ancillary services such as waste disposal. The Company owns 51% interest in this subsidiary.

► Tan Tao Mekong Sky Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 4103010071 issued by the Department of Planning and Investment of Ho Chi Minh City on 21 April 2008. Its principal activities are construction and services. The Company owns 51% interest in this subsidiary.

RESULTS AND DIVIDENDS

	<i>Current year</i> VND'000	<i>Previous year</i> VND'000
Net profit after tax for the year attributable to equity holders of the Company	423,487,234	280,805,010
Stock dividend	(700,408,450)	(322,447,221)
Undistributed earnings at end of year	614,822,106	701,521,743

EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

THE BOARD OF MANAGEMENT

The members of the Board of Management during the year and at the date of this report are:

Ms Dang Thi Hoang Yen	Chairwoman	
Mr Nguyen Thanh Phong	Member	
Mr Dang Thanh Tam	Member	
Mr Nguyen Tuan Minh	Member	
Mr Dang Quang Hanh	Member	
Ms Nguyen Phuong Anh	Member	(appointed on 24 April 2009)
Mr William Lean	Member	(resigned on 24 April 2009)
Ms Nguyen Thi Ngoc Chau	Member	(resigned on 24 April 2009)

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to accept reappointment.

Tan Tao Investment and Industry Corporation

REPORT OF THE BOARD OF MANAGEMENT (continued)

STATEMENT OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group's management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated state of affairs of the Group and of the Group's consolidated results and consolidated cash flows for the year. In preparing those consolidated 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 consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

The Group's management has confirmed to the Board of Management that the Group has complied with the above requirements in preparing the accompanying consolidated financial statements.

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements which give a true and fair view of the consolidated financial position of the Group as at 31 December 2009, and of the consolidated results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with relevant statutory requirements.

On behalf of the Board of Management:

Dang Thi Hoang Yen
Chairwoman

20 March 2010

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Tan Tao Investment and Industry Corporation

We have audited the consolidated balance sheet of Tan Tao Investment and Industry Corporation and its subsidiaries (the "Group") as at 31 December 2009, and the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto as set out on pages 5 to 43 ("the consolidated financial statements"). These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Basis of opinion

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2009, and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.

Ernst & Young Vietnam Limited

Narciso T. Torres Jr.
Deputy General Director
Registered Auditor
Certificate No. N.0868/KTV

Mai Viet Hung Tran
Auditor-in-charge
Registered Auditor
Certificate No. D.0048/KTV

Ho Chi Minh City, Vietnam

20 March 2010

CONSOLIDATED BALANCE SHEET
as at 31 December 2009

VND'000

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		3,234,995,453	1,578,867,015
110	I. Cash and cash equivalents	4	104,970,115	116,307,643
111	1. Cash		69,715,720	115,507,643
112	2. Cash equivalents		35,254,395	800,000
120	II. Short-term investments	13	-	7,509,872
121	1. Short-term investments		-	42,264,230
129	2. Provision for short-term investments		-	(34,754,358)
130	III. Accounts receivable		1,255,816,713	622,923,082
131	1. Trade receivables	5	477,474,371	394,077,146
132	2. Advances to suppliers	6	503,633,816	188,568,547
135	3. Other receivables	7	274,708,526	40,277,389
140	IV. Inventories	8	1,836,855,772	809,962,475
141	1. Inventories		1,836,855,772	809,962,475
150	V. Other current assets		37,352,853	22,163,943
151	1. Prepaid expenses	9	26,872,995	958,934
152	2. Value-added tax deductible		1,937,491	4,349,927
154	3. Tax and other receivable from the State		-	355,333
158	4. Other current assets		8,542,367	16,499,749
200	B. NON-CURRENT ASSETS		3,993,537,209	4,122,680,645
210	I. Long-term receivables		1,039,592,457	682,910,113
211	1. Long-term trade receivables	5	1,039,592,457	682,910,113
220	II. Fixed assets		196,344,773	171,740,337
221	1. Tangible fixed assets	10	72,902,739	42,118,004
222	Cost		96,381,563	58,313,426
223	Accumulated depreciation		(23,478,824)	(16,195,422)
227	2. Intangible fixed assets	11	19,750,363	20,796,377
228	Cost		20,992,325	20,992,325
229	Accumulated amortisation		(1,241,962)	(195,948)
230	3. Construction in progress		103,691,671	108,825,956
240	III. Investment property	12	15,069,703	7,415,111
228	1. Cost		19,168,803	10,215,111
229	2. Accumulated depreciation		(4,099,100)	(2,800,000)
250	IV. Long-term investments	13	2,737,367,079	3,259,549,516
252	1. Investments in associates		159,895,589	158,436,427
258	2. Other long-term investments		2,581,523,990	3,120,560,614
259	3. Provision for long-term investments		(4,052,500)	(19,447,525)
260	V. Other long-term assets		5,163,197	878,871
261	1. Long-term prepaid expenses		1,126,766	776,278
262	2. Deferred tax assets	26.3	33,402	-
268	3. Other long-term assets		4,003,029	102,593
269	VI. Goodwill		-	186,697
280	TOTAL ASSETS		7,228,532,662	5,701,547,660

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2009

VND'000

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		2,180,899,959	1,084,049,117
310	I. Current liabilities		985,325,790	699,488,880
311	1. Short-term loans	15	383,480,761	240,960,244
312	2. Trade payables	18	74,401,254	101,868,397
313	3. Advances from customers		203,190,443	153,313,308
314	4. Statutory obligations	16	61,985,377	28,396,607
315	5. Payable to employees		160,347	-
316	6. Accrued expenses	17	4,254,332	554,798
319	7. Other payables	19	257,853,276	174,395,526
330	II. Non-current liabilities		1,195,574,169	384,560,237
333	1. Other long-term liabilities		11,109,138	2,633,899
334	2. Long-term loans	20	1,065,194,538	292,324,978
335	3. Deferred tax liabilities	26.3	117,334,458	87,482,823
336	4. Provision for severance allowance		1,936,035	2,118,537
400	B. OWNERS' EQUITY	21	5,048,175,492	4,624,736,788
410	I. Capital		5,048,097,322	4,588,036,788
411	1. Issued share capital		2,059,477,920	1,322,447,640
412	2. Share premium		2,367,631,940	2,557,853,519
414	3. Treasury shares		(2,989,630)	(2,941,100)
418	4. Financial reserve fund		9,154,986	9,154,986
420	5. Undistributed earnings		614,822,106	701,521,743
430	II. Other fund		78,170	36,700,000
431	1. Bonus and welfare fund		78,170	36,700,000
500	C. MINORITY INTERESTS	22	(542,789)	(7,238,245)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		7,228,532,662	5,701,547,660

OFF BALANCE SHEET ITEM

ITEM	Ending balance	Beginning balance
Foreign currency (US\$)	266,142	74,849

Tran Dinh Hung
Chief Accountant

Thai Van Men
General Director

20 March 2010

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2009

VND'000

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services	23.1, 27	1,352,965,403	1,358,788,415
02	2. Deductions		(149,878,232)	(301,155,403)
10	3. Net revenues from sale of goods and rendering of services	23.1	1,203,087,171	1,057,633,012
11	4. Costs of goods sold and services rendered		(885,524,108)	(701,804,850)
20	5. Gross profit from sale of goods and rendering of services		317,563,063	355,828,162
21	6. Financial income	23.2	325,220,729	165,696,408
22	7. Financial expenses	24	(55,140,983)	(56,963,691)
23	<i>In which: Interest expense</i>		(34,269,729)	(16,007,504)
24	8. Selling expenses		(5,238,024)	(9,797,078)
25	9. General and administrative expenses		(77,972,517)	(83,599,062)
30	10. Operating profit		504,432,268	371,164,739
31	11. Other income	25	66,578,470	12,045,692
32	12. Other expenses	25	(58,680,304)	(106,937)
40	13. Other profit	25	7,898,166	11,938,755
45	14. Share of losses of associates		(40,838)	(63,573)
50	15. Profit before tax		512,289,596	383,039,921
51	16. Current corporate income tax expense	26.1	(53,246,800)	(30,612,584)
52	17. Deferred income tax expense	26.2	(29,818,233)	(55,719,543)
60	18. Net profit after tax		429,224,563	296,707,794
	<i>Attributable to:</i>			
61	18.1 <i>Equity holders of the Company</i>		423,487,234	280,805,010
62	18.2 <i>Minority interests</i>		5,737,329	15,902,784
80	19. Earnings per share	21.4		
	- <i>Basic</i>		2,057	1,375
	- <i>Diluted</i>		2,057	1,375

Tran Dinh Hung
Chief Accountant

Thai Van Men
General Director

20 March 2010

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2009

VND'000

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		512,289,596	383,039,921
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		11,334,319	4,969,236
03	Provisions		(50,149,383)	54,201,883
04	Unrealised foreign exchange gains		(30,080,516)	(36,067,473)
05	Gains from investing activities		(189,766,613)	(62,598,730)
06	Interest expense	24	34,269,729	16,007,504
08	Operating profit before changes in working capital		287,897,132	359,552,341
09	Increase in receivables		(913,574,634)	(173,794,839)
10	(Increase) decrease in inventories		(634,790,674)	164,881,692
11	Increase (decrease) in payables		276,339,824	(391,093,066)
12	(Increase) decrease in prepaid expenses		(26,264,549)	168,973,848
13	Interest paid		(31,843,297)	(16,007,504)
14	Corporate income tax paid	26.2	(14,744,860)	(84,173,744)
20	Net cash flows (used in) from operating activities		(1,056,981,058)	28,338,728
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(101,478,007)	(23,445,900)
22	Proceeds from disposal of fixed assets		3,447,482	-
25	Payments for investments in other entities		(134,486,139)	(2,086,936,702)
27	Proceeds from sale of investments in other entities		171,266,214	194,750,799
28	Dividends and interest received		191,552,433	14,579,666
30	Net cash flows from (used in) investing activities		130,301,983	(1,901,052,137)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		-	918,474,375
33	Capital redemption		(48,530)	(2,923,100)
34	Drawdown of borrowings		1,673,820,241	1,307,864,427
35	Repayment of borrowings		(758,430,164)	(1,192,474,319)
37	Dividends paid to equity holders of the parent		-	(36,880,000)
40	Net cash flows from financing activities		915,341,547	994,061,383

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2009

VND'000

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>Current year</i>	<i>Previous year</i>
50	Net decrease in cash and cash equivalents		(11,337,528)	(878,652,026)
60	Cash and cash equivalents at beginning of year	4	116,307,643	994,959,669
70	Cash and cash equivalents at end of year	4	104,970,115	116,307,643

Tran Dinh Hung
Chief Accountant

Thai Van Men
General Director

20 March 2010

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended 31 December 2009**1. CORPORATE INFORMATION**

Tan Tao Investment and Industry Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103001108 issued by the Ho Chi Minh City Department of Planning and Investment on 15 July 2002, as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange in accordance with License No. 68/UBCK-GPNY issued by the State Securities Commission on 15 November 2006.

The principal activities of the Group are developing industrial park and infrastructure; constructing and trading industrial parks and urban residential areas; leasing out completed infrastructure land lots; leasing out or selling the plants constructed by the Company in industrial parks; providing logistical services in industrial parks, investment consulting, and science and technology transfer consulting; constructing, civil and transportation projects; providing forwarding and warehousing services; constructing electricity works up to 35 KV; trading houses (constructing or repairing houses for lease or sales); providing data and electronic file transfer services, remote access and other internet access services (ISP), providing internet contents (operating only when receiving a license in accordance with governmental regulations); providing information storage and services; organizing fairs, exhibitions, conferences and seminars.

The Company's registered office is located at Lot 16, Road 2, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2009 is 184 (31 December 2008: 220).

Corporate structure

The Company's corporate structure includes 5 subsidiaries are consolidated into the Group's consolidated financial statements:

▶ Tan Tao Services Utilization – Office and Warehousing Trade Co., Ltd.:

This is a one-member limited liability company established in accordance with Business Registration Certificate No. 4104000027 issued by the Department of Planning and Investment of Ho Chi Minh City on 12 September 2001. Its principal activities are buying, selling and leasing: residential, workshops, offices, warehouses; and providing repair services. The Company owns 100% interest in this subsidiary.

▶ Tan Duc Investment Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 5003000109 issued by the Department of Planning and Investment of Long An province on 27 June 2005. Its principal activities are investing in construction and developing industrial parks, city and port and supporting services; space, workshop, office, hotel, restaurant and commercial center leasing. The Company owns 94% interest in this subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**1. CORPORATE INFORMATION** (continued)**Corporate structure** (continued)

▶ Tan Tao Forwarding and Warehousing Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 4103000408 issued by the Department of Planning and Investment of Ho Chi Minh City on 8 May 2001. Its principal activities are forwarding goods overseas and domestically by sea, air, rail and land; providing agency services for delivery and transfer of import- export goods by air, sea, rail and land; warehouse leasing, loading and unloading, storing, packing good services and customs declaration services. The Company owns 90% interest in this subsidiary.

▶ Tan Tao 276 Investment Corporation:

This is a joint stock company established in accordance with Business Registration Certificate No. 4103008558 issued by the Department of Planning and Investment of Ho Chi Minh City on 27 November 2007. Its principal activities are developing and managing office complexes, high-rise apartments and shopping centres, and provision of ancillary services such as waste disposal. The Company owns 51% interest in this subsidiary.

▶ Tan Tao Mekong Sky Corporation::

This is a joint stock company established in accordance with Business Registration Certificate No. 4103010071 issued by the Department of Planning and Investment of Ho Chi Minh City on 21 April 2008. Its principal activities are construction and services. The Company owns 51% interest in this subsidiary.

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

The consolidated financial statements of the Group, expressed in thousands of Vietnam dong ("VND'000") are prepared in accordance with the Vietnamese Accounting System and Vietnamese Accounting Standards ("VAS") issued by the Ministry of Finance as per the:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

2. BASIS OF PREPARATION (continued)

2.1 *Accounting standards and system* (continued)

Accordingly, the accompanying consolidated balance sheet, consolidated income statement, consolidated 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.

Accounting standard and guidance issued but not yet effective

On 6 November 2009, the Ministry of Finance issued 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. The adoption of the circular will require further disclosures and have impact on the presentation of certain financial instruments in the consolidated financial statements. The circular will become effective for financial years beginning on or after 31 December 2011. The Group management is aware of the current trend toward International Financial Reporting Standards (IFRS) harmonization, and has concurrently prepared its financial statements in accordance with VAS and IFRS since 2005 and commenced its SAP implementation project in 2009.

2.2 *Registered accounting documentation system*

The registered accounting documentation system is the General Journal system.

2.3 *Fiscal year*

The Group's fiscal year starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The Group maintains its accounting records in VND.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and for the year ended as at 31 December 2009.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Minority interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement in the consolidated balance sheet, separately from parent shareholders' equity.

A subsidiary is consolidated from the date on which the Company obtains control and ceases to be consolidated from the date on which the Company ceases to control. Where there is a loss of control over the subsidiary, the consolidated financial statements still include results for the period of the reporting period during which the Company has control.

Subsidiaries acquired under common control are accounted for under the pooling of interests method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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*

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Costs of un-sold plots of land and related infrastructure - land compensation, ground clearing, road and water drainage systems, tree planting and other infrastructure to bring the plots of land and related infrastructure into use. The costs of un-sold plots of land and related infrastructure are assigned using the weighted average cost formula.

3.4 *Receivables*

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

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recorded as general and administration expense in the consolidated income statement.

3.5 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over two (2) year period on a straight-line basis.

3.6 *Investments in associates*

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that are neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Investments in associates* (continued)

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment and is amortized over a ten (10) year period.

The share of post-acquisition profit (loss) of the associates is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3.7 *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 and income in the consolidated income statement.

3.8 *Fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalised and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred. When tangible fixed assets are sold or retired, their cost and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.9 *Land use rights*

Land use rights are initially measured at cost and recorded as intangible assets. After initial recognition, land use rights are measured at cost less accumulated amortisation.

3.10 *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 years
Machinery and equipment	5 - 10 years
Motor vehicles	6 - 10 years
Office equipment	3 - 5 years
Land use rights	20 - 47 years
Goodwill	2 years

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *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 Group.

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

Factories	10-15 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 consolidated 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.

3.12 *Borrowing costs*

Borrowing costs are recognised as an expense when incurred, except when they qualify for capitalization. Capitalization of borrowing costs are applied for those that are directly attributable to the acquisition, construction or production of a qualifying asset.

3.13 *Operating lease*

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

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 Group.

3.15 *Provision for severance allowance*

The severance payment to employee is provided at the end of each reporting period 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 of the latest 6-month period up to the termination for each year of service in accordance with the Labour Code and related implementing guidance. From 1 January 2009, the Group pays unemployment insurance in accordance with Decree No. 127/2008/ND-CP dated 12 December 2008.

3.16 *Foreign currency translation*

The Group follows the guidance under VAS 10 "The Effects of Changes in Exchange Rates" (the "VAS 10") in relation to foreign currency transactions as applied consistently in prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Foreign currency translation (continued)

Transactions in currencies other than the Group'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 inter-bank exchange rates ruling at the consolidated balance sheet date. All realised and unrealised foreign exchange differences are taken to the consolidated income statement.

The above guidance related to unrealised foreign exchange differences provided by VAS 10 is different from those stipulated in the Circular No. 201/2009/TT-BTC issued by the Ministry of Finance on 15 October 2009 providing guidance for the treatment of foreign exchange differences (the "Circular 201") as follows:

Transaction	VAS 10	Circular 201
Translation of short-term monetary assets and liabilities denominated in foreign currencies	All unrealised foreign exchange differences are taken to the consolidated income statement.	All unrealised foreign exchange differences are taken to the "Foreign exchange differences reserve" account in the equity section of the balance sheet and will be reversed on the following year.
Translation of long-term monetary liabilities denominated in foreign currencies at year end	All unrealised foreign exchange differences are taken to the consolidated income statement.	<ul style="list-style-type: none"> - All unrealized foreign exchange gains are taken to the income statement. - All foreign exchange losses will be charged to the income statement. However, if the charging of all foreign exchange losses results in net loss before tax for the company, part of the exchange losses can be deferred and allocated to the income statement within the subsequent five years. In any case, the total foreign exchange loss to be charged to current year's income must be at least equivalent to the foreign exchange losses arising from the translation of the current portion of the long-term liabilities, while the remaining portion of the foreign exchange losses can be deferred in the balance sheet and allocated to the income statement within the subsequent five years.

The impact to the consolidated financial statements had the Group adopted the Circular 201 for the year ended 31 December 2009 is not material as a whole.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Treasury shares*

The Company's equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.18 *Earnings per share*

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders, before appropriation for bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the year, where applicable.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.19 *Appropriation of net profits*

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

Financial reserve fund

Financial reserve fund is appropriated from the Group's net profit as proposed by the Board of Management and subject to approval by shareholders at the Annual General Meeting. The fund is set aside to protect the Group's normal operations from business risks or losses, and 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

Investment and development fund is appropriated from the Group's net profit as proposed by the Board of Management and subject to approval by shareholders at the Annual General Meeting. This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's net profit as proposed by the Board of Management and subject to approval by shareholders at the Annual General Meeting. This fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' material and spiritual benefits.

3.20 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Sale of industrial plots and related infrastructure

Revenue from the sale of industrial plots and related infrastructure are recorded at the total consideration received and to be received when industrial plots and related infrastructure are transferred to the customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 *Revenue recognition* (continued)

Revenue from lease of factory, warehouse and office

Revenue from lease is recognized at the present value of minimum lease payments when the leased property has been transferred to the lessee.

Rendering of services

Revenue from rendering of services is recognized as and when the services are rendered to the customers and are stated net of discounts, value-added tax and allowances.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the term of the lease.

Interest income

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

Dividends

Revenue is recognised when the Group's right to receive the payment is established.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the terms of the lease.

3.21 *Taxation*

Current tax

Current tax assets and liabilities for the current and prior periods 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 by the balance sheet date.

Current income tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the deferred 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 Group to set off current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred 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, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.21 Taxation** (continued)*Deferred tax* (continued)

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, except:

- where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period 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 consolidated 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 Group to set off current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

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.

4. CASH AND CASH EQUIVALENTS

	<i>VND'000</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	1,141,589	2,080,320
Cash in banks	68,574,131	113,427,323
Cash equivalents	35,254,395	800,000
TOTAL	104,970,115	116,307,643

Cash equivalents mainly represent short-term bank deposits with maturity of less than 3 months which are readily convertible into known amount of cash without any significant risk of change in value, and earn an interest at the applicable short-term bank deposit rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**5. TRADE RECEIVABLES**

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Related parties (<i>Note 27</i>)	912,409,494	89,000,000
Third parties	604,657,334	987,987,259
	1,517,066,828	1,076,987,259
<i>Of which:</i>		
<i>Current portion</i>	477,474,371	394,077,146
<i>Non-current portion</i>	1,039,592,457	682,910,113
NET	1,517,066,828	1,076,987,259

Trade receivables as at 31 December 2009 include a receivable of US\$3,500,000, which was pledged for a short-term loan from The Hong Kong and Shanghai Banking Corporation Limited (*Note 15*).

6. ADVANCES TO SUPPLIERS

Advances to suppliers of VND'000 503,633,816 include VND'000 349,096,360 advanced to Vietnam Land Development Joint Stock Company for construction expenses related to E-City Tan Duc and Kien Luong Power Factory projects.

7. OTHER RECEIVABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Related parties (<i>Note 27</i>)	175,354,744	-
Third parties	99,353,782	40,277,389
TOTAL	274,708,526	40,277,389

8. INVENTORIES

Inventories represent unsold industrial plots comprising of costs of land compensation, qualified borrowing costs and the infrastructure development incurred in the development of the industrial zones.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**9. SHORT-TERM PREPAID EXPENSES**

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advertising expenses	24,734,025	-
Rental expenses	1,074,919	-
Others	1,064,051	958,934
TOTAL	<u>26,872,995</u>	<u>958,934</u>

10. TANGIBLE FIXED ASSETS

	VND'000					
	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Other asset</i>	<i>Total</i>
Cost:						
Beginning balance	30,056,231	3,576,659	21,830,387	2,778,593	71,556	58,313,426
Additions	74,023,514	2,697,044	4,482,138	169,139	-	81,371,835
Disposal	(43,303,698)	-	-	-	-	(43,303,698)
Ending balance	<u>60,776,047</u>	<u>6,273,703</u>	<u>26,312,525</u>	<u>2,947,732</u>	<u>71,556</u>	<u>96,381,563</u>
Accumulated depreciation:						
Beginning balance	6,396,518	1,247,452	6,424,039	2,127,413	-	16,195,422
Depreciation for the year	4,788,510	899,737	2,963,974	281,185	14,311	8,947,717
Disposal	(1,664,315)	-	-	-	-	(1,664,315)
Ending balance	<u>9,520,713</u>	<u>2,147,189</u>	<u>9,388,013</u>	<u>2,408,598</u>	<u>14,311</u>	<u>23,478,824</u>
Net carrying amount:						
Beginning balance	<u>23,659,713</u>	<u>2,329,207</u>	<u>15,406,348</u>	<u>651,180</u>	<u>71,556</u>	<u>42,118,004</u>
Ending balance	<u>51,255,334</u>	<u>4,126,514</u>	<u>16,924,512</u>	<u>539,134</u>	<u>57,245</u>	<u>72,902,739</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

11. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Software</i>	<i>VND'000</i> <i>Total</i>
Cost:			
Beginning balance	16,696,109	4,296,216	20,992,325
Addition	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance	<u>16,696,109</u>	<u>4,296,216</u>	<u>20,992,325</u>
Accumulated amortisation:			
Beginning balance	85,137	110,811	195,948
Amortisation for the year	<u>186,771</u>	<u>859,243</u>	<u>1,046,014</u>
Ending balance	<u>271,908</u>	<u>970,054</u>	<u>1,241,962</u>
Net carrying amount:			
Beginning balance	<u>16,610,972</u>	<u>4,185,405</u>	<u>20,796,377</u>
Ending balance	<u>16,424,201</u>	<u>3,326,162</u>	<u>19,750,363</u>

12. INVESTMENT PROPERTIES

	<i>VND'000</i> <i>Factories</i>
Cost:	
Beginning balance	10,215,111
Addition	<u>8,953,692</u>
Ending balance	<u>19,168,803</u>
Accumulated depreciation:	
Beginning balance	2,800,000
Depreciation for the year	<u>1,299,100</u>
Ending balance	<u>4,099,100</u>
Net carrying amount:	
Beginning balance	<u>7,415,111</u>
Ending balance	<u>15,069,703</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**12. INVESTMENT PROPERTIES** (continued)*Additional disclosures:*

- The rental income and operating expenses relating to investment properties is presented as below:

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	8,054,562	4,414,753
Direct operating expenses of investment property that generated rental income during the year	(1,299,100)	(700,000)

- The future annual rental receivable under the operating lease is included in Note 28.
- As at 31 December 2009, the fair value of investment properties cannot be determined reliably. However, given the present lease status, it is management's assessment that these properties' market values are much higher than their carrying values at the balance sheet date.

13. INVESTMENTS

	<i>VND'000</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term investments		
Trading securities	-	7,509,872
<i>Short-term securities</i>	-	42,264,230
<i>Provision for diminution in value</i>	-	(34,754,358)
	<u>-</u>	<u>7,509,872</u>
Long-term investments		
Investments in associates	159,895,589	158,436,427
Other long-term investments:		
Investment in listed companies	26,595,729	28,000,000
Investments in an unlisted company	5,602,810	159,927,810
Investments in other entities	2,361,293,724	2,760,887,842
Other investments	188,031,727	171,744,962
Total other long-term investments	<u>2,581,523,990</u>	<u>3,120,560,614</u>
	<u>2,741,419,579</u>	<u>3,278,997,041</u>
Provision for long-term investments	(4,052,500)	(19,447,525)
<i>Investments in listed entities</i>	(4,052,500)	(17,360,525)
<i>Investments in unlisted entities</i>	-	(2,087,000)
Net value of long-term investments	<u>2,737,367,079</u>	<u>3,259,549,516</u>
TOTAL	<u>2,737,367,079</u>	<u>3,267,059,388</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

13. INVESTMENTS (continued)

13.1 Investments in associates

The Group has invested in the following associates in which it has strong expertise or the type of business or services serving its principal activities, with details of its interest as follows:

	<i>Percentage of holding</i>	
	2009	2008
Tan Tao Agrimeco Mechanics – Energy Industrial Park Corporation	49%	49%
Tan Tao Urban Development and Investment Corporation	40%	40%

Tan Tao Agrimeco Mechanics – Energy Industrial Park Corporation was established in accordance with Business Registration Certificate No. 0503000261 issued by the Department of Planning and Investment of Hung Yen Province on 24 October 2007. Its principal activities are developing industrial parks and related infrastructures and providing associated services inside the industrial park and logistical services.

Tan Tao Urban Development and Investment Corporation was established in accordance with Business Registration Certificate No. 4103000413 issued by the Department of Planning and Investment of Ho Chi Minh City on 11 May 2001. Its principal licensed activities are residential and industrial construction and trading and investment consulting.

All of the above companies are private entities and are not listed on any public stock exchange. The following table illustrates the summarized financial information of the Group's investments in these companies:

	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
Cost of the investment in associates	160,000,000	158,500,000
Share in post-acquisition loss of the associates	(104,411)	(63,573)
	159,895,589	158,436,427

13.2 Investments in listed entities

	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
Kim Long Securities Corporation	20,545,000	28,000,000
Bank for Foreign Trade of Vietnam	5,225,000	-
Viet Nam Mechanization Electrification And Construction Joint Stock Company	825,729	-
	26,595,729	28,000,000
Provision for diminution in value of investments	(4,052,500)	(17,360,525)
NET VALUE	22,543,229	10,639,475

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

13. INVESTMENTS (continued)

13.3 Investments in unlisted entities

	VND'000			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	Amount	% of interest	Amount	% of interest
Phuong Nam Joint Stock Company	-	-	149,100,000	7.63
276 Mechanics Corporation	5,602,810	16.40	5,602,810	16.40
Bank for Foreign Trade of Vietnam	-	-	5,225,000	0.007
	5,602,810		159,927,810	
Provision for diminution in value of investments	-		(2,087,000)	
NET VALUE	5,602,810		157,840,810	

13.4 Investments in other entities

The Group has invested in the following other entities in which it has strong expertise or the type of business or services serving its principal activities, with details of its interest as follows:

	VND'000			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	Amount	% of interest	Amount	% of interest
Tan Tao Corp.	-	-	849,114,739	10.00
Tan Tao University Corporation	628,002,252	12.00	687,847,398	12.00
Tan Tao Infrastructure Corp.	571,440,686	10.00	749,819,006	10.00
Tan Tao Land	505,829,886	10.00	-	-
Tan Tao Energy Corporation	418,176,650	10.00	375,362,449	10.00
Southern Engineering & Informatics - Investment Corporation	149,100,000	5.96	-	-
Nam Viet Joint Stock Bank	55,744,250	8.00	55,744,250	8.00
Saigon - Nhon Hoi Industrial Park Corporation	16,000,000	16.00	16,000,000	16.00
Vietnam Mechanic and Construction Corp.	-	-	10,000,000	10.00
Saigon Construction Materials Corp.	9,000,000	18.00	9,000,000	18.00
Vinatex - Tan Tao Investment Corporation	8,000,000	10.00	8,000,000	10.00
TOTAL	2,361,293,724		2,760,887,842	

13.5 Other long-term investments

Included in other investments (VND'000 100,000,000 as of 31 December 2009 and 31 December 2008) are reimbursable expenses related to site clearance expense of Tan Tao 276 Mechanics Corporation - for the project related to the construction of office building at 220 Bis Dien Bien Phu Street, Binh Thanh District, Ho Chi Minh City - in accordance with the agreement between the Company and 276 Mechanics Corporation on the establishment of Tan Tao 276 Investment Corporation, 51% owned by the Company. This project is still on-going and under design phase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**13. INVESTMENTS** (continued)**13.5 Other long-term investments** (continued)

The other investment of VND'000 53,053,396 as at 31 December 2009 (31 December 2008: VND'000 46,834,029) represents the cost of the land and infrastructure on total land area of 68,165.6 square meters, which is located at Bai Sao, Ward 4, An Thoi District, Phu Quoc Island, Kien Giang Province, Vietnam.

The remaining other investment of VND'000 35,039,757 (31 December 2008: VND'000 24,910,933) including VND'000 23,980,500 (31 December 2008: VND'000 23,980,500), VND'000 4,832,526 and VND'000 3,993,732 represents the cost of the land and infrastructure in Nha Be District, Ho Chi Minh City, Hai Au Island and Tan Tao Cement projects.

14. CAPITALIZED BORROWING COSTS

During the year, the Group capitalized borrowing costs amounting to VND'000 68,491,518 (2008: VND'000 59,285,886). These costs relate to borrowings taken to finance the development and construction of the Group's industrial parks.

15. SHORT-TERM LOANS

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term loans from banks	168,463,410	125,000,000
Current portion of long-term loans (<i>Note 20</i>)	<u>215,017,351</u>	<u>115,960,244</u>
TOTAL	<u>383,480,761</u>	<u>240,960,244</u>

Short-term loans from banks

<i>Name of bank</i>	<i>Ending balance</i> VND'000	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
The Hongkong and Shanghai Banking Corporation Limited	62,000,000	Revolving short-term loan with a term of 4 months	Cost of fund + 2.5% p.a	Receivable amounting to US\$ 3,500,000 (<i>Note 5</i>)
Bank for Agriculture and Rural Development	30,000,000	Repayable in 2 six-month instalments	15%/p.a	Land lease right of plot 12, plot 18A, plot 56, plot 14
Ho Chi Minh City Housing Development Bank	56,463,410	Payment within 6 months from withdrawal date	Interest is determined at each drawdown date as the interest rate declared by HD bank	130,000,000 shares of Tan Duc Investment Corporation
Nam Viet Bank	20,000,000	Revolving short-term loan with a term of 12 months	15%/p.a	Short-term deposit at Nam Viet bank
TOTAL	<u>168,463,410</u>			

The Group obtained these loans for the purpose of financing its working capital requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

16. STATUTORY OBLIGATIONS

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Corporate income tax (Note 26.2)	54,633,037	16,131,097
Value-added tax payable	1,724,087	11,651,180
Personal income tax	83,520	469,496
Other taxes	5,544,733	144,834
TOTAL	<u>61,985,377</u>	<u>28,396,607</u>

17. ACCRUED EXPENSES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest expenses	2,426,432	-
Professional services fee	890,844	-
Others	937,056	554,798
TOTAL	<u>4,254,332</u>	<u>554,798</u>

18. TRADE PAYABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Related parties (Note 27)	24,045,446	-
Third parties	50,355,808	101,868,397
TOTAL	<u>74,401,254</u>	<u>101,868,397</u>

19. OTHER PAYABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Related parties (Note 27)	187,508,533	29,400,000
Accrued construction expenses	43,517,881	120,138,553
Third parties	26,826,862	24,856,973
TOTAL	<u>257,853,276</u>	<u>174,395,526</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**20. LONG-TERM LOANS**

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Long-term loans from banks (i)	1,226,573,553	381,018,046
Other long-term loan (ii)	53,638,336	27,267,176
Less:	-	
Current portion (Note 15)	(215,017,351)	(115,960,244)
In which:		
Long-term loans from banks	(209,650,800)	(111,760,244)
Other long-term loans	(5,366,551)	(4,200,000)
Non-current portion	1,065,194,538	292,324,978

During 2009, the Group obtained over VND 900 billion from bank loans to finance land compensation, site clearance and infrastructure development projects at E City Tan Duc, Kien Luong Power factory, entertainment center, Tan Tao Cement factory. Both of these projects qualified under the government's stimulus package and consequently were financed at subsidised interest rates. Details of these loans from banks are set out in the table below.

(i) Long-term loans from banks

<i>Name of bank</i>	<i>Ending balance</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
	VND'000			
Vietnam Bank for Industry and Trade	55,691,000	Repayment within 60 - 72 months from the first drawdown	12-month deposit rate plus 0.19% - 0.25% per month (can be adjusted every 6 months)	Right to collect Receivable and Land use right
	299,889,406	60 months from the first withdrawal	12 month deposit rate + 0.25% per month (can be adjusted every 6 months)	Funded assets
Joint stock Bank for Foreign trade of Vietnam	240,867,000	Repayment within 5 years from the first drawdown	12-month deposit rate plus 0.25% per month	Right to collect Receivable and Land use right
Bank of Investment and Development of Vietnam	149,699,663	60 months from the first drawdown	10.5% per annum	Right to collect land use right 41,786 m2 at Tan Tao; Kien Luong and Tan Duc project
	14,940,875	84 months from the first drawdown	12-month deposit rate + 0.18% - 0.21% /month	Right to collect Receivable from current lease contract
	600,000	1 February 2010	10.5% per annum	Right to collect Receivable and Land use right

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**20. LONG-TERM LOANS** (continued)

<i>Name of bank</i>	<i>Ending balance</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
Vietnam Maritime Joint Stock bank	149,910,000	Repayment within 60 months from the first withdrawal	Prevailing interest rate applied by Maritime Bank	561,839 m2 of land and infrastructure in Tan Duc's industrial zone, stage 2, financed by the loan
Nam Viet Bank	108,500,000	The Principal will be returned in 6 period, each period lasts for 12 month	10.5% per year, can be change every 6 months	Land use right No.Q553118, Q553114 issued on 17/07/2000, No. O425114 issued on 21/09/1999, No.O425113 issued on 21/09/1999, No.T923650 issued on 31/01/2002
VietBank	90,000,000	Quarterly repayment	Floating rate based on withdrawal slip or withdrawal advice	15,000,000 shares of Tan Duc Investment Corporation and Land use right formed by the loan valued at VND 181 billion.
Indovina Bank	50,914,193	17 instalments within 48 months after each drawdown	12-month deposit rate plus 0.25% per month	Right to collect Receivable and Land use right
Bank for Agriculture and Rural Development	20,000,000	60 months from 12 March 2009 to 12 March 2014 and commence from 12 March 2010.	10.5% per annum	Right to collect asset which were formed from and financed by the loan
	19,170,000	Repayment within 60 - 61 months from the first drawdown	10.5% per annum	The right to collect all Receivables.
	7,289,925	24 periods with 3 months per each period	0.8% - 1.18% per month (can be adjusted as agreement)	Infrastructure in Tan Tao Industrial Park-expanding area
Hochiminh City Housing Development Bank	18,175,491	60 months from the first drawdown	Prevailing interest rate applied by HD Bank	7,000,000 Tan Duc Investment Corporation's share; and 10 factories
Asia Commercial Bank	926,000	60 months from the first withdrawal	1.05% per month (can be adjusted every 6 months)	Right to collect receivable from Land Lease contract
TOTAL	<u>1,226,573,553</u>			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**20. LONG-TERM LOANS** (continued)**(ii) Other long-term loans**

<i>Name of lenders</i>	<i>Ending balance</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
	<i>VND'000</i>			
Southern Engineering & Informatics – Investment Corporation	21,000,000	60 months	State bank's deposit interest rate + 5.8% p.a.	Unsecured
Investment and Development Fund of Ho Chi Minh City	32,638,336	10 years	9.3% per annum for the year 2008, interest rate of Ho Chi Minh City's bond plus 0.5% p.a. thereon	2,500,000 shares of Tan Duc Investment Corporation
TOTAL	<u>53,638,336</u>			

Tan Tao Investment and Industry Corporation

BD09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

21. OWNERS' EQUITY

21.1 Changes in owners' equity

For the year ended 31 December 2009

VND'000

	<i>Issued share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Financial reserves</i>	<i>Bonus and welfare fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
Beginning balance	1,322,447,640	2,557,853,519	(2,941,100)	9,154,986	36,700,000	701,521,743	4,624,736,788
New issuance of shares	36,621,830	-	-	-	(36,621,830)	-	-
Acquisition of treasury shares	-	-	(48,530)	-	-	-	(48,530)
Net profit for the year	-	-	-	-	-	423,487,234	423,487,234
Stock dividend	700,408,450	(190,221,579)	-	-	-	(510,186,871)	-
Ending balance	<u>2,059,477,920</u>	<u>2,367,631,940</u>	<u>(2,989,630)</u>	<u>9,154,986</u>	<u>78,170</u>	<u>614,822,106</u>	<u>5,048,175,492</u>

For the year ended 31 December 2008

VND'000

	<i>Issued share capital</i>	<i>Share premium capital</i>	<i>Treasury shares</i>	<i>Financial reserves</i>	<i>Bonus and welfare fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
Beginning balance	971,932,540	1,676,647,023	(18,000)	7,654,986	-	781,363,954	3,437,580,503
New issuance of shares for cash	28,067,879	881,206,496	-	-	-	-	909,274,375
Acquisition of treasury shares	-	-	(2,923,100)	-	-	-	(2,923,100)
Net profit for the year	-	-	-	-	-	280,805,010	280,805,010
Stock dividend	322,447,221	-	-	-	-	(322,447,221)	-
Profit appropriation	-	-	-	1,500,000	36,700,000	(38,200,000)	-
Ending balance	<u>1,322,447,640</u>	<u>2,557,853,519</u>	<u>(2,941,100)</u>	<u>9,154,986</u>	<u>36,700,000</u>	<u>701,521,743</u>	<u>4,624,736,788</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**21. OWNERS' EQUITY** (continued)**21.2 Capital transactions with owners and distribution of dividend, profits**

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
<i>Issued share capital</i>		
Beginning balance	1,322,447,640	971,932,540
Increase	<u>737,030,280</u>	<u>350,515,100</u>
Ending balance	<u>2,059,477,920</u>	<u>1,322,447,640</u>
<i>Dividends</i>		
Dividend paid in cash	-	-
Stock dividend	<u>700,408,450</u>	<u>322,447,221</u>
TOTAL	<u>700,408,450</u>	<u>322,447,221</u>

21.3 Shares

	<i>Current year</i>	<i>Previous year</i>
Shares authorised to be issued	500,000,000	200,000,000
Shares issued and fully paid	205,947,792	132,244,764
<i>Ordinary shares</i>	205,908,324	132,213,732
<i>Treasury shares</i>	39,468	31,032
Unissued shares	294,052,208	67,755,236

21.4 Earnings per share

	<i>Current year</i>	<i>Previous year</i>
Net profit attributable to ordinary equity holders of the parent (<i>VND'000</i>)	423,487,234	280,805,010
Weighted average number of ordinary shares	<u>205,912,542</u>	<u>204,253,794</u>
Basic/diluted earnings per share (<i>par value: VND 10,000 per share</i>)	<u>2,057</u>	<u>1,375</u>

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

(*) The weighted average number of shares for the year 2008 was adjusted to reflect the 73,703,028 shares issued during the year from undistributed earnings, share premium and bonus and welfare funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**22. MINORITY INTEREST**

Minority interests represent the interests of minority shareholders in Tan Duc Investment Corporation, the Company's subsidiary. Movements in minority interests during the year are as follows:

	VND'000
Beginning balance	(7,238,245)
Share of net asset after tax	5,737,329
Other movement for the year	958,127
Ending balance	<u>(542,789)</u>

23. REVENUES**23.1 Revenues from sale of goods and rendering of services**

	VND'000	
	Current year	Previous year
Gross revenues	1,352,965,403	1,358,788,415
Of which :		
<i>Sale of industrial plots and related infrastructure</i>	1,200,163,172	1,226,263,266
<i>Finance lease of factory, warehouse and office</i>	104,358,242	87,386,024
<i>Rendering of services</i>	48,443,989	45,139,125
Less		
Sales returns	(149,878,232)	(301,155,403)
Net revenues	<u>1,203,087,171</u>	<u>1,057,633,012</u>
Of which :		
<i>Sale of industrial plots and related infrastructure</i>	1,050,284,940	925,107,863
<i>Finance lease of factory, warehouse and office</i>	104,358,242	87,386,024
<i>Rendering of services</i>	48,443,989	45,139,125
TOTAL	<u><u>1,203,087,171</u></u>	<u><u>1,057,633,012</u></u>

23.2 Financial income

	VND'000	
	Current year	Previous year
Dividend income	193,533,090	8,364,550
Reversal of provision for investments	54,643,306	-
Interest income from land and factory rental contracts	44,438,750	66,949,862
Foreign exchange gains	30,080,516	36,067,473
Bank interest income	2,464,343	6,215,116
Gains from disposal of associates	-	48,082,637
Others	60,724	16,770
TOTAL	<u><u>325,220,729</u></u>	<u><u>165,696,408</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**24. FINANCIAL EXPENSES**

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Loan interest expense	34,269,729	16,007,504
Loss from disposal of investments	10,721,410	-
Provision for diminution in value of investments	4,493,923	40,817,533
Others	5,655,921	138,654
TOTAL	<u>55,140,983</u>	<u>56,963,691</u>

25. OTHER INCOME AND EXPENSES

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Other income	66,578,470	12,045,692
Proceeds on disposal of property, plant and equipment	60,786,162	-
Compensation for cancellation of lease	2,442,295	309,526
Compensation for late payments from customers	218,943	2,911,583
Other	3,131,070	8,824,583
Other expenses	(58,680,304)	(106,937)
Expenses on disposal of assets	(55,995,836)	-
Others	(2,684,468)	(106,937)
NET	<u>7,898,166</u>	<u>11,938,755</u>

26. CORPORATE INCOME TAX

The Group has the obligation to pay corporate income tax ("CIT") at the rate of 25% of taxable profits, except for Tan Duc Investment Corporation and Tan Tao Services Utilization – Office and Warehousing Trade Co., Ltd.

Tan Duc Investment Corporation is obliged to pay CIT at the rate of 10% for 15 years from commencement of its operations, and 25% for the years thereafter. Tan Duc Investment Corporation is entitled to an exemption from CIT for 6 years from 2006 to 2012, and a 50% reduction for the following 9 years.

Tan Tao Services Utilization – Office and Warehousing Trade Co., Ltd. is obliged to pay CIT at the rate of 20% of taxable profits. Tan Tao Services Utilization – Office and Warehousing Trade Co., Ltd. is entitled to a 50% reduction for the years 2008 and 2009.

In accordance with Circular No. 03/2009/TT-BTC issued by the Ministry of Finance on 13 January 2009 which provides guidance on CIT reduction and deferment, the Group is entitled to 30% reduction on CIT payable in relation to the last quarter of 2008 and for the year of 2009.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**26. CORPORATE INCOME TAX** (continued)**26.1 CIT expense**

	VND'000	
	Current year	Previous year
Current CIT expense	53,246,800	30,612,584
Deferred CIT expense	29,818,233	55,719,543
TOTAL	83,065,033	86,332,127

26.2 Current CIT

The current tax payable is based on taxable profit for the year. Taxable profit of the Group for the year differs from profit as reported in the consolidated 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 Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

A reconciliation between the accounting profit before and taxable profit for the year is presented below:

	VND'000	
	Current year	Previous year
Net accounting profit before tax	512,289,596	383,039,921
<i>Adjustments for:</i>		
Profit from sale of industrial plots and related infrastructures (not yet) taxable	(91,261,738)	10,765,211
Increase in provision for termination allowance	138,593	-
Exempted dividend income	(193,533,092)	(8,364,550)
Unrealized foreign exchange gains	(924,878)	(36,067,473)
Reversal for diminution in value of investment	-	(13,384,346)
Other income	(1,873,860)	-
Non deductible expenses	65,939,887	-
Effect of unrealized profit in consolidation	42,237,638	(29,461,125)
Tax penalty	151,249	-
Share of losses from associates	40,838	63,573
Taxable profit	333,204,233	306,591,211
Estimated Current CIT	83,301,058	85,845,539
CIT exemption	(7,921,432)	(55,232,955)
CIT reduction	(3,660,617)	-
CIT from other income	468,465	-
Estimated current CIT expense	72,187,474	30,612,584
CIT reduction based on Circular No. 03/2009/TT-BTC	(21,656,242)	-
Over-accruals from prior year	2,715,568	-
CIT payable at beginning of year	16,131,097	69,692,257
CIT paid during the year	(14,744,860)	(84,173,744)
CIT payable at end of year	54,633,037	16,131,097

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

26. CORPORATE INCOME TAX (continued)

26.3 Deferred CIT

Following are the deferred tax asset/liabilities recognized by the Group, and the movements thereon, during the current and prior reporting year.

	VND'000			
	<i>Balance sheet</i>		<i>(Charge) credit to income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Profit from sale of industrial plots and related infrastructures not yet taxable	(122,410,733)	(81,924,357)	(40,486,376)	(37,957,641)
Unrealized foreign exchange gains	(7,658,347)	(5,896,378)	(1,761,969)	(5,896,378)
Provision for short-term investments	-	-		(3,747,617)
Interest income of factory rental	1,857,682	-	1,857,682	-
Provision for severance allowance	319,561	337,912	(18,351)	131,208
Unrealized profit eliminated in consolidation	10,557,379	-	10,557,379	(8,249,115)
Deferred tax liabilities	<u>(117,334,458)</u>	<u>(87,482,823)</u>		
Provision for severance allowance	33,402	-	33,402	-
Deferred tax asset	<u>33,402</u>	<u>-</u>		
Net deferred income tax expenses to income statement			<u>(29,818,233)</u>	<u>(55,719,543)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**27. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties during the year were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>
			<i>Amount</i>
Tan Tao Corp.	Related party	Investment	1,353,000
		Advance to the Company	3,050,000
		Disposal of investment	799,467,739
Tan Tao University Corporation	Related party	Leasing land with price 75USD/m2 to build the Tan Tao University	138,600,000
		Investment	24,988,768
		Disposal of investment	86,018,336
		Leasing factory and rendering service	45,454,545
		Liquidation contract	78,198,487
Tan Tao Infrastructure Corp	Related party	Investment	3,367,166
		Disposal of investment	179,162,485
		Dividend	108,500,000
Tan Tao Energy Corporation	Related party	Leasing land with price 80USD/m2 to build the Power Plan	697,760,000
		Advance for leasing land with price 80USD/m2 to build the Power Plan	132,000,000
		Dividend	79,500,000
		Investment	62,298,665
		Disposal of investment	19,484,464
Ita funds	Related party	Capital contribution	25,000,000
		Investment	40,000,000
		Others	7,000,000
Tan Dong Phuong Corporation	Related party	Advance for lease back of land area	172,000,000
Investor related entities	Related party	Leasing factory and rendering service	8,024,697

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**27. TRANSACTIONS WITH RELATED PARTIES** (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000 Amount</i>
Trade receivables			
Tan Tao Energy Corporation	Related party	Leasing land with price 80USD/m2 to build the Power Plan	523,214,545
Tan Tao University Corporation	Related party	Leasing land with price 75USD/m2 to build the Tan Tao University	232,145,454
Investor related entities	Related party	Sale of land and factory	147,789,095
Tan Dong Phuong Corporation	Related party	Sale of land and factory	9,260,400
			912,409,494
Other receivables			
Tan Dong Phuong Corporation	Related party	Advance for lease back of land area	172,000,000
Ita Fund	Related party	Advance for operating activities	3,354,744
			175,354,744
Trade payables			
Investor related entities	Related party	Advertising expenses	23,703,810
Tan Dong Phuong Corporation	Related party	Purchase	341,636
			24,045,446
Other payables			
Tan Tao Energy Corporation	Related party	Advance for land leasing at the price of USD 80/m2 for construction of power factory	132,000,000
Tan Tao Infrastructure Corp	Related party	Operating Fund Advance	30,000,000
Ita funds	Related party	Operating Fund Advance	22,000,000
Saigon-Mekong City Investment Corporation	Related party	Loan	3,508,533
			187,508,533

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**28. COMMITMENTS AND CONTINGENCIES****Operating lease commitments**

The Company leases its office premises under operating lease arrangement. Future rental amounts due under operating lease as at 31 December 2009 were as follows:

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Less than one year	10,900,857	613,488
From 1 – 5 years	13,161,284	2,453,952
More than 5 years	27,249,092	27,862,580
TOTAL	51,311,233	30,930,020

The Group lease out assets under operating lease arrangements. The future minimum rental receivable as at 31 December 2009 under the operating lease agreements is as follows:

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Less than 1 year	4,048,028	1,715,447
From 1-5 years	16,717,117	8,577,233
More than 5 years	5,079,628	6,702,901
TOTAL	25,844,773	16,995,581

Capital commitments

The Group has contractual commitments for the construction works and services for its projects as at 31 December 2009 as follows:

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Construction of infrastructure systems	483,441,309	52,607,911
Ground clearing	65,267,075	31,275,548
Construction of warehouses	63,960,631	17,898,806
Design consultancy	17,513,075	3,459,212
Survey consultancy	6,528,513	82,756
Geological survey	2,764,979	-
Purchase of machinery and equipment	1,882,680	532,343
Operating services	728,760	7,788,798
TOTAL	642,087,022	113,645,374

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**28. COMMITMENTS AND CONTINGENCIES** (continued)**Capital contribution obligation**

As at 31 December 2009, the Group has also outstanding capital obligations for its investments in associates as follows:

		<i>Charter capital</i>			
		<i>Amount per business registration certificate</i>		<i>Contributed charter capital</i>	<i>Un-contributed charter capital</i>
		<i>VND'000</i>	<i>%</i>	<i>VND'000</i>	<i>VND'000</i>
Tan Tao Agrimeco Mechanics – Energy Industrial Park Corporation	Associate	245,000,000	49.00	3,000,000	242,000,000
Tan Tao Urban Development and Investment Corporation	Associate	200,000,000	40.00	157,000,000	43,000,000
TOTAL		445,000,000		160,000,000	285,000,300

29. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is principally engaged in the development of industrial parks, provision of finance leases of factories, warehouses and offices, and rendering of related services.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment results include transfers between business segments. Those transfers are eliminated in preparation of consolidated financial statements.

The Group operates in one geographical segment which is Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009**29. SEGMENT INFORMATION** (continued)

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segment.

VND'000

	<i>Sale of industrial plots and related infrastructure</i>	<i>Finance lease of factory, warehouse and office</i>	<i>Other services</i>	<i>Elimination</i>	<i>Total</i>
Current year					
Revenue					
<i>Sales to external customers</i>	1,200,163,172	104,358,242	48,443,989	(73,404,159)	1,352,965,403
Total revenue	1,200,163,172	104,358,242	48,443,989	(73,404,159)	1,352,965,403
Results					
<i>Segment net profit before tax</i>	403,269,767	28,323,542	8,834,598	(161,152,485)	279,275,422
<i>Unallocated income</i>					233,014,174
<i>Net profit before CIT</i>					512,289,596
<i>CIT expense</i>					(83,065,033)
Net profit for the year					429,224,563
Assets and liabilities					
<i>Segment assets</i>	7,836,717,815	593,102,700	298,093,288	(1,530,527,727)	7,197,386,076
<i>Unallocated assets</i>					31,146,587
Total assets					7,228,532,662
<i>Segment liabilities</i>	626,184,303	47,391,219	23,818,815	(95,761,735)	601,632,602
<i>Unallocated liabilities</i>					1,579,267,357
Total liabilities					2,180,899,959
Other segment information					
<i>Capital expenditure</i>	72,902,739	-	8,469,096		81,371,835
<i>Tangible fixed assets</i>	-	-	4,296,216		4,296,216
<i>Intangible fixed assets</i>	4,982,090	377,057	220,693		5,579,840
<i>Depreciation</i>	1,362,235	103,097	60,343		1,525,675
<i>Amortisation/allocation of prepaid expenses</i>	75,509,330	-	5,862,505		81,371,835

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

29. SEGMENT INFORMATION (continued)

VND'000

	<i>Sale of industrial plots and related infrastructure</i>	<i>Finance lease of factory, warehouse and office</i>	<i>Other services</i>	<i>Elimination</i>	<i>Total</i>
Previous year					
Revenue					
<i>Sales to external customers</i>	1,226,263,267	87,386,024	45,139,124	(62,780,826)	1,358,788,415
Total revenue	1,226,263,267	87,386,024	45,139,124	(62,780,826)	1,358,788,415
Results					
<i>Segment net profit before tax</i>	280,291,488	31,441,426	20,670,404	62,379,413	394,782,731
<i>Unallocated expenses</i>					(11,742,810)
<i>Net profit before CIT</i>					383,039,921
<i>CIT expense</i>					(86,332,127)
Net profit for the year					296,707,794
Assets and liabilities					
<i>Segment assets</i>	6,122,558,492	657,640,706	339,703,354	(1,447,672,019)	5,672,230,533
<i>Unallocated assets</i>					29,317,127
Total assets					5,701,547,660
<i>Segment liabilities</i>	382,913,713	75,999,735	39,257,553	(41,680,324)	456,490,677
<i>Unallocated liabilities</i>					627,558,440
Total liabilities					1,084,049,117
Other segment information					
<i>Capital expenditure</i>	-	-	13,901,108	-	13,901,108
<i>Tangible fixed assets</i>	-	-	9,604,892	-	9,604,892
<i>Intangible fixed assets</i>	-	-	4,296,216	-	4,296,216
<i>Depreciation</i>	1,241,335	125,794	64,979	-	1,432,108
<i>Amortisation/allocation of prepaid expenses</i>	551,529	55,891	28,870	-	636,290

30. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2009

31. CORRESPONDING FIGURES

Certain figures in the 31 December 2008 financial statements have been reclassified to conform with the current year's presentation. In particular, as at 31 December 2008, the Group proportionated the total costs to completion of each industrial park development project to parcels of land sold and presented the amount as an accrued liability in the balance sheet. The accrued liabilities was netted off against the inventory balances for the current year presentation, resulting in a reduction in the inventory balances and accrued liabilities as at 31 December 2008 by VND'000 367,053,190.

Tran Dinh Hung
Chief Accountant

Thai Van Men
General Director

20 March 2010