

GEMADEPT CORPORATION

Address : No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of the fiscal year ending 31 December 2012

CONSOLIDATED BALANCE SHEET**As of 31 March 2012**

Unit: VND

ASSETS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		2,761,147,902,437	2,550,324,593,283
I. Cash and cash equivalents	110	V.1	700,070,760,956	516,375,213,095
1. Cash	111		411,086,743,684	380,430,405,102
2. Cash equivalents	112		288,984,017,272	135,944,807,993
II. Short-term investments	120		621,375,839,284	670,216,981,989
1. Short-term investments	121	V.2	726,197,597,387	864,902,581,515
2. Provisions for devaluation of short-term investments	129	V.3	(104,821,758,103)	(194,685,599,526)
III. Short-term accounts receivable	130		1,139,478,136,238	1,073,326,479,328
1. Receivable from customers	131	V.4	352,984,927,896	335,833,245,035
2. Prepayments to suppliers	132	V.5	214,373,401,369	209,664,290,726
3. Short-term inter-company receivable	133		0	-
4. Receivable according to the progress of construction	134		-	-
5. Other receivable	135	V.6	575,141,993,306	533,448,645,815
6. Provisions for bad debts	139		(3,022,186,333)	(5,619,702,248)
IV. Inventories	140		97,062,413,835	86,253,938,991
1. Inventories	141	V.7	97,062,413,835	86,253,938,991
2. Provisions for devaluation of inventories	149		-	-
V. Other current assets	150		203,160,752,124	204,151,979,881
1. Short-term prepaid expenses	151	V.8	25,355,053,679	26,222,133,214
2. VAT to be deducted	152		12,922,631,509	16,651,990,374
3. Taxes and other accounts receivable from the State	154	V.9	26,761,810,600	23,172,863,016
4. Trading Government bonds	157		-	-
5. Other current assets	158	V.10	138,121,256,336	138,104,993,276

For the first quarter of the fiscal year ending 31 December 2012

Consolidated balance sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - LONG-TERM ASSETS	200		4,214,359,651,253	4,318,574,956,254
I. Long-term accounts receivable	210		37,000,000,000	37,000,000,000
1. Long-term accounts receivable from customers	211			-
2. Working capital in affiliates	212			-
3. Long-term inter-company receivable	213			-
4. Other long-term receivable	218	V.11	37,000,000,000	37,000,000,000
5. Provisions for bad debts	219			-
II. Fixed assets	220		1,985,786,539,316	1,996,434,126,941
1. Tangible assets	221	V.12	1,803,741,666,644	1,822,529,900,234
<i>Historical costs</i>	222		2,831,521,182,545	2,797,717,624,829
<i>Accumulated depreciation</i>	223		(1,027,779,515,901)	(975,187,724,595)
2. Financial leasehold assets	224			-
<i>Historical costs</i>	225			-
<i>Accumulated depreciation</i>	226			-
3. Intangible assets	227	V.13	45,461,505,831	45,758,048,508
<i>Initial costs</i>	228		51,784,122,452	51,656,195,174
<i>Accumulated amortization</i>	229		(6,322,616,621)	(5,898,146,666)
4. Construction-in-progress	230	V.14	136,583,366,841	128,146,178,199
III. Investment property	240	V.15	236,229,122,942	239,202,151,988
Historical costs	241		279,448,439,795	279,448,439,795
Accumulated depreciation	242		(43,219,316,853)	(40,246,287,807)
IV. Long-term investments	250		1,648,958,406,513	1,733,691,273,485
1. Investments in affiliates	251		-	-
2. Investments in business concerns and joint ventures	252	V.16	1,312,401,228,417	1,301,418,098,200
3. Other long-term investments	258	V.17	374,486,573,905	470,202,571,094
4. Provisions for devaluation of long-term investments	259	V.18	(37,929,395,809)	(37,929,395,809)
V. Other long-term assets	260		20,880,672,755	18,394,206,309
1. Long-term prepaid expenses	261	V.19	10,539,311,952	12,599,391,855
2. Deferred income tax assets	262	V.20	3,739,436,055	3,739,436,055
3. Other long-term assets	268	V.21	6,601,924,748	2,055,378,399
VI. Goodwill	269	V.22	285,504,909,727	293,853,197,532
TOTAL ASSETS	270		6,975,507,553,690	6,868,899,549,538

For the first quarter of the fiscal year ending 31 December 2012

Consolidated balance sheet (cont.)

LIABILITIES AND OWNER'S EQUITY	Code	Note	Ending balance	Beginning balance
A - LIABILITIES	300		2,443,758,464,531	2,374,266,512,950
I. Current liabilities	310		1,469,133,599,735	1,373,783,572,080
1. Short-term debts and loans	311	V.23	710,587,604,836	681,199,861,627
2. Payable to suppliers	312	V.24	285,889,772,424	265,486,612,018
3. Advances from customers	313	V.25	3,401,581,981	2,493,573,335
4. Taxes and other obligations to the State Budget	314	V.26	17,869,695,282	20,102,581,281
5. Payable to employees	315	V.27	9,775,838,053	27,281,667,393
6. Accrued expenses	316	V.28	35,515,437,698	37,797,367,211
7. Inter-company payable Payable according to the progress of construction	317		(0)	-
8. contracts	318		-	-
9. Other payable	319	V.29	390,104,084,955	318,306,907,796
10. Provisions for short-term accounts payable	320		-	3,106,407,889
11. Bonus and welfare fund	323	V.30	15,989,584,505	18,008,593,529
12. Trading Government bonds	327			-
II. Long-term liabilities	330		974,624,864,796	1,000,482,940,870
1. Long-term accounts payable to suppliers	331			-
2. Long-term inter-company payable	332			-
3. Other long-term payable	333	V.31	16,774,358,343	17,887,072,335
4. Long-term debts and loans	334	V.32	671,629,763,471	686,211,353,562
5. Deferred income tax payable	335		22,679,272,217	22,679,272,217
6. Provisions for unemployment allowances	336		189,474,000	189,474,000
7. Provisions for long-term accounts payable	337		-	-
8. Unearned revenue	338	V.33	263,351,996,765	273,515,768,757
9. Science and technology promotion fund	339			-
B - OWNER'S EQUITY	400		4,300,928,061,987	4,265,695,498,568
I. Owner's equity	410		4,300,928,061,987	4,265,695,498,568
1. Capital	411	V.34	1,094,473,090,000	1,094,473,090,000
2. Share premiums	412	V.34	2,471,474,474,400	2,471,474,474,400
3. Other sources of capital	413	V.34	71,797,775,902	71,797,775,902
4. Treasury stocks	414		-	-
5. Differences on asset revaluation	415		-	-

6. Foreign exchange differences	416	V.34	7,422,165	1,145,202,453
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Cho quý I năm 2012

Bảng cân đối kế toán hợp nhất (tiếp theo)

7. Business promotion fund	417	V.34	4,511,710,559	4,511,710,559
8. Financial reserved fund	418	V.34	29,429,404,912	29,429,404,912
9. Other funds	419	V.34	28,452,972,351	29,202,972,352
10. Retained earnings	420	V.34	600,781,211,697	563,660,867,991
11. Construction investment fund	421			-
12. Business arrangement supporting fund	422			-
II. Other sources and funds	430			-
1. Sources of expenditure	432			-
2. Fund to form fixed assets	433			-
C - INTEREST OF MINORITY SHAREHOLDERS	439	V.35	230,821,027,172	228,937,538,020
TOTAL LIABILITIES AND OWNER'S EQUITY	440		6,975,507,553,690	6,868,899,549,538
			0	0

Ho Chi Minh City, ngày 25 April 2012

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director

GEMADEPT CORPORATION

Address : No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of the fiscal year ending 31 December 2012

CONSOLIDATED CASH FLOW STATEMENT**(Indirect method)****For the first quarter I of the year 2012**

Unit: VND

ITEMS	Code	Current year	Previous year
I. Cash flows from operating activities			
1. Profit/(loss) before tax	01	42.559.234.334	39.081.801.136
2. Adjustments			
- Depreciation of fixed assets	02	56.879.031.354	52.819.114.831
- Provisions	03	(95.567.765.227)	8.898.723.165
- Gain/ (loss) from foreign exchange differences	04	(17.137.432.483)	(9.398.046.106)
- Gain/ (loss) from investing activities	05	(38.402.513.498)	(32.816.514.059)
- Loan interest expenses	06	39.958.511.732	33.444.809.404
3. Operating profit/(loss) before changes of working capital	08	(11.710.933.788)	92.029.888.371
- Increase/ (decrease) of accounts receivable	09	(8.678.615.707)	(11.709.359.370)
- Increase/ (decrease) of inventories	10	(10.808.474.844)	(5.005.872.730)
- Increase/ (decrease) of accounts payable	11	60.511.308.499	(33.491.441.377)
- Increase/ (decrease) of prepaid expenses	12	2.927.159.439	(46.095.030.345)
- Loan interests already paid	13	(38.649.837.786)	(24.829.146.067)
- Corporate income tax already paid	14	(6.470.463.577)	(4.903.009.668)
- Other gains	15	49.100.110.150	56.458.329.126
- Other disbursements	16	(23.450.005.712)	(8.249.299.335)
Net cash flows from operating activities	20	12.770.246.674	14.205.058.605
II. Cash flows from investing activities			
1. Purchases and construction of fixed assets and other long-term assets	21	(42.008.299.945)	(45.606.118.890)
2. Gains from disposals and liquidation of fixed assets and other long-term assets	22	860.620.000	-
3. Loans given and purchases of debt instruments of other entities	23	(70.883.838.990)	(266.290.978.872)
4. Recovery of loans given and disposals of debt instruments of other entities	24	264.283.070.891	222.277.028.937
5. Investments into other entities	25	(42.324.002.811)	(284.109.255.339)
6. Withdrawals of investments in other entities	26	3.848.541.000	-
7. Receipts of loan interests, dividends and profit shared	27	43.455.771.916	32.593.021.486
Net cash flows from investing activities	30	157.231.862.061	(341.136.302.678)

For the first quarter of the fiscal year ending 31 December 2012

Consolidated cash flow statement (cont.)

ITEMS	Code	Current year	Previous year
III. Cash flows from financing activities			
1. Gains from stock issuance and capital contributions from shareholders	31	-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32	-	-
3. Short-term and long-term loans received	33	419.917.282.835	358.935.996.577
4. Loan principal amounts repaid	34	(406.223.843.709)	(167.672.753.888)
5. Payments for financial leasehold assets	35	-	(1.054.088.100)
6. Dividends and profit already paid to the owners	36	-	-
<i>Net cash flows from financing activities</i>	40	13.693.439.126	190.209.154.589
Net cash flows during the year	50	183.695.547.861	(136.722.089.484)
Beginning cash and cash equivalents	60	516.375.213.095	546.776.463.318
Effects of fluctuations in foreign exchange rates	61	-	810.371.393
Ending cash and cash equivalents	70	700.070.760.956	410.864.745.227

Ho Chi Minh City, 18 April 2012

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director

GEMADEPT CORPORATION

Address : No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS**CONSOLIDATED INCOME STATEMENT****Quarter I /2012**

	Item	Quarter I		Accumulated from the beginning	
		Current year	Previous year	Current year	Previous year
1	Sales	615.647.864.367	488.821.477.763	615.647.864.367	488.821.477.763
2	Deductions	816.438.999	-	816.438.999	-
3	Net sales	614.831.425.368	488.821.477.763	614.831.425.368	488.821.477.763
4	Costs of goods sold	536.628.393.120	411.062.571.414	536.628.393.120	411.062.571.414
5	Gross profit	78.203.032.248	77.758.906.349	78.203.032.248	77.758.906.349
6	Financial income	54.517.823.934	62.764.552.594	54.517.823.934	62.764.552.594
7	Financial expense	29.862.091.300	60.154.339.840	29.862.091.300	60.154.339.840
	In which:			-	-
	- <i>Loan interest exepnse</i>	39.958.511.732	33.444.809.404	39.958.511.732	33.444.809.404
8	Selling expenses	4.598.377.443	3.256.440.642	4.598.377.443	3.256.440.642
9	Administrative overheads	55.914.090.114	39.746.395.567	55.914.090.114	39.746.395.567
10	Net operating profit/ (loss)	42.346.297.324	37.366.282.894	42.346.297.324	37.366.282.894
11	Other income	916.235.161	4.503.909.230	916.235.161	4.503.909.230
12	Other expenses	703.298.151	2.788.390.987	703.298.151	2.788.390.987
13	Other profit/ (loss)	212.937.010	1.715.518.243	212.937.010	1.715.518.243
14	Total accounting profit/ (loss) before ta	42.559.234.334	39.081.801.137	42.559.234.334	39.081.801.137
15	Current corporation income tax	3.555.401.476	2.081.435.998	3.555.401.476	2.081.435.998
16	Deferred corporation income tax			-	-
17	Profit after tax	39.003.832.858	37.000.365.138	39.003.832.858	37.000.365.138
17.1	Profit after tax of minority shareholders	1.883.489.152	1.044.756.512	1.883.489.152	1.044.756.512
17.2	Profit after tax of parent company's sha	37.120.343.706	35.955.608.626	37.120.343.706	35.955.608.626
18	Earning per share	339	360	339	360

Ho Chi Minh City, 25 April 2012

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of fiscal year ended 31 December 2012

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the first quarter of the fiscal year ended 2012****I. OPERATION FEATURES****1. Investment form
of parent company**

: A joint stock company.

2. Operating field

: Port operation, logistics, real estate and forestry.

3. Main operations

The corporation has been consistent with its strategy to develop core businesses and to selectively diversify business sectors. Gemadept's business scopes include:

- Port operation : Operating a port system stretching from the North to the South, at big cities and major industrial zones: Phuoc Long ICD Port, Nam Hai Port, Dung Quat Port and Binh Duong Port; Investing in the projects of Nam Hai – Dinh Vu Container Port and Gemalink Cai Mep deep – sea Port.
- Logistics : Distribution centers; Container liner services; Project cargo transport; Multi – modal transport; Ship management and crew manning; Shipping agency and freight forwarding services; Air- cargo terminal, etc..
- Real estate : Building and operating commercial centers, hotels, office building in big cities of Vietnam and Indochina including Gemadept Tower, Saigon Gem Complex project and Gemadept Complex project in Vientiane – Laos.
- Forestry : plant, exploit and process rubber and other industrial crops in Cambodia.

4. Total number of subsidiaries : 17*In which:*

Number of subsidiaries to be consolidated : 17

5. List of key subsidiaries to be consolidated

<i>Subsidiaries</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
Gemadept (Singapore) Ltd.	120 Lower Delta Road, #15-14/15 Cendex Centre, Singapore.	100.00 %	100.00 %
Gemadept (Malaysia) Ltd.	No.49B, Jalan Cungah, 42000 Port Klang, Selangor Darul Ehsan, Malaysia.	100.00%	100.00%
V.N.M General Transportation Service Co., Ltd.	22 nd floor, Gemadept Building, No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100.00%	100.00%
Gemadept Dung Quat International Port J.S.C	Port No. 1 - Dung Quat Port, Binh Thuan Commune, Binh Son District, Quang Ngai Province, Vietnam.	73.80%	73.80%
Phuoc Long Port Co., Ltd.	19 th floor, Gemadept Building, No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100.00%	100.00%

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of fiscal year ended 31 December 2012

Notes to the consolidated financial statements (cont.)

<i>Subsidiaries</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
ISS - Gemadept Co., Ltd.	No. 8, Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	51.00%	51.00%
Gemadept - Vung Tau Corporation	1/1A Pham Hong Thai, Ward 7, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam.	70.00%	70.00%
Gemadept Nhon Hoi International Port J.S.C.	No. 98 Pham Hung, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province, Vietnam	55.00%	55.00%
Hoa Sen - Gemadept Logistics and International Port Corporation	No. 05-07, 3/2 Street, Ward 8, Vung Tau City, Ba Ria-Vung Tau Province, Vietnam.	51.00 %	51.00%
Gemadept Logistics One Member Co., Ltd.	Lot J1, Road No. 8, Song Than 1 Industrial Park, Di An District, Binh Duong Province, Vietnam.	100.00%	100.00%
Gemadept Infrastructure Development and Investment Construction J.S.C.	No. 142, Nguyen Thong, Ward 3, Tan An Town, Long An Province, Vietnam.	50.00%	50.00%
Gemadept Hai Phong Co., Ltd.	No. 452 Le Thanh Tong, Van My Ward, Ngo Quyen District, Hai Phong City, Vietnam.	100.00%	100.00%
Truong Tho Tourism and Transportation J.S.C (*)	Quarter 7, Truong Tho Ward, Thu Duc District, Ho Chi Minh City, Vietnam.	46.00%	54.00%
Nam Hai Port J.S.C	No. 201, May Chai Ward, Ngo Quyen Street, Ngo Quyen District, Hai Phong City, Vietnam.	99.98%	99.98%
Pacific Marine Co., Ltd.	21 st floor, Gemadept Building, No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	100.00%	100.00%
Vi Tin Service Computing Company Limited	2 nd floor, Gemadept Building, No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100.00%	100.00%
Bright Ocean Logistics Company Limited	20 th floor, Gemadept Building, No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100.00%	100.00%

(*) Gemadept Corporation has controlled Truong Tho Tourism and Transportation J.S.C since the company has been given the authority to reach the voting right rate of 54% in the shareholders' meetings by some shareholders.

6. List of key associates reflected in the consolidated financial statements in accordance with the method of owner's equity

<i>Associates</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
Golden Globe Trading Co., Ltd.	No. 117 Le Loi, District 1, Ho Chi Minh City, Vietnam.	45.00%	45.00%

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CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of fiscal year ended 31 December 2012

Notes to the consolidated financial statements (cont.)

<i>Associates</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
MBN - GMD Vietnam	No. 6 Le Thanh Ton, District 1, Ho Chi Minh City, Vietnam.	34.00%	34.00%
Vung Tau Commercial Port J.S.C (VCP)	No. 973, 30/4 Street, Ward 11, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam.	26.78%	26.78%
Vinh Hao Mineral Water J.S.C	No. 72, 19/4 Street, Xuan An Ward, Binh Thuan Province, Vietnam.	29.00%	29.00%
Power Transportation and Service J.S.C (Potraco)	No. 112 Ngo Quyen, Ngo Quyen District, Hai Phong City, Vietnam.	38.02%	38.02%
Schenker Gemadept Logistics Vietnam Co., Ltd.	Lot J2, Road No. 8, Song Than 1 Industrial Park, Di An District, Binh Duong, Vietnam.	49.00%	49.00%
Huyndai Merchant Marine Vietnam Co., Ltd.	12 th Floor, Fideco Building, 81-85 Ham Nghi, District 1, Ho Chi Minh City, Vietnam.	49.00%	49.00%
Minh Dam Tourism J.S.C	Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam.	40.00%	40.00%
Saigon Cargo Service Corporation (SCSC Corp.)	A2 Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam.	23.00%	23.00%
Sinokor Vietnam Co., Ltd.	2A-4A Ton Duc Thang, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	49.00%	49.00%
Falcon Ha Dong Investment and Trading J.S.C	No. 418 Quang Trung, La Khe Ward, Ha Dong District, Ha Noi City, Vietnam.	25.00%	25.00%
United Food J.S.C	No. 267 Quang Trung Street, Quang Trung Ward, Ha Dong District, Ha Noi City, Vietnam.	26.56%	26.56%
Golden Globe Co., Ltd.	Sibunhuong Village, Chanthabouly District, Viengchan, Laos.	40.00%	40.00%

7. List of key jointly controlled entities reflected in the consolidated financial statements in accordance with the method of owner's equity

<i>Jointly controlled entities</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
Gemadept - Terminal Link Cai Mep Terminal J.S.C	Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province, Vietnam.	65.12%	40.12%

Gemadept Corporation has invested in Gemadept - Terminal Link Cai Mep Terminal J.S.C at the benefit rate of 65.12 %. However, the Board of Management of the company have agreed to transferred 25% of stocks invested in this company to another partner in the year 2012, making up 40.12 % in the voting right in Gemadept - Terminal Link Cai Mep Terminal J.S.C of the Group. In addition, according to the Charter of this company, the resolutions of its Shareholders have to be approved by the shareholders who hold at least 65% of total share capital. As a result, the investment in Gemadept - Terminal Link Cai Mep Terminal Joint Stock Company is still considered an investment in jointly controlled entity.

GEMADEPT CORPORATION

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CONSOLIDATED FINANCIAL STATEMENTS

For the first quarter of fiscal year ended 31 December 2012

Notes to the consolidated financial statements (cont.)

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. Fiscal year

The fiscal year of the Group's companies is from 01 January to 31 December annually. The first quarter of the year 2012 is from 01 January to 31 March 2012.

2. Standard currency unit

The standard currency unit used is Vietnam Dong (VND).

III. ACCOUNTING SYSTEM AND STANDARDS

1. Accounting system

The consolidated financial statements are prepared in accordance with the prevailing Vietnamese accounting system and standards, which were issued together with the Decision No 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance and Circulars giving guidance on the application of the Vietnamese accounting system and standards of the Ministry of Finance.

2. Statement on the compliance with the accounting system and standards

The Directors of Gemadept Corporation ensure to follow all the requirements of the prevailing Vietnamese accounting system and standards, which have been issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance as well as the circulars of the Ministry of Finance giving guidance on the implementation of the accounting system and standards, in the preparation of these consolidated financial statements.

3. Accounting form

General journal recording

IV. ACCOUNTING POLICIES

1. Accounting convention

All the consolidated financial statements are prepared on the accrual basis (except for the information related to cash flows).

2. Consolidation bases

The consolidated financial statements include the financial statements of Gemadept Corporation (parent company) and those of its subsidiaries. A subsidiary is an enterprise that is controlled by the parent company. The control exists when the parent company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control power, the options that are currently valid or will be transferred should also be taken into consideration.

The business results of a subsidiary, which is bought or sold during the year, are included in the consolidated income statements from the date of acquisition or until the date of selling investments in that subsidiary.

In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the financial statements of that subsidiary will be suitably adjusted before being used for the preparation of the consolidated financial statements.

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Intra-group balances in the balance sheet and intra-group transactions and unrealized profits resulting from these transactions are eliminated when the consolidated financial statements are prepared. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

Interests of minority shareholders reflect the amount of the subsidiary's profit and net assets, which are not held by the shareholders of the parent company. Interests of minority shareholders are presented in a particular item in consolidated income statement and consolidated balance sheet. Interests of minority shareholders include the value of benefits of the minority shareholders as of the initial date of business consolidation and the amount of benefits of the minority shareholders in the statement of fluctuations of the owner's equity from the date of business consolidation. The losses correspondingly with the amount of capital of the minority shareholders, which are exceeded their amount of capital in the owner's equity of the subsidiary, are recorded as a decrease in the benefits of the Group unless the minority shareholders are responsible and possible to compensate for these losses.

3. Business merging

The business merging is recorded in line with its purchasing method. The costs of business merging include the fair values as at the transaction date of the exchanged assets, the liabilities which are already generated or acknowledged as well as the capital instruments issued by the Group to obtain the right to control the acquired business entity, plus the expenses directly related to the business merging. The purchased assets, the liabilities which are able to be determined and the inherent liabilities arisen from the business merging are recognized at their fair values as at the date of business merging.

The difference between the cost of business merging and the ownership share of the Group in the net fair value of the assets, the liabilities which are able to be determined and the recognized inherent liabilities of the acquired business entity as of the acquisition date is recorded as a goodwill. If the cost of business merging is lower than the net fair value of assets, the liabilities which are able to be determined and the recognized inherent liabilities of the acquired business entity, the difference will be included into the business results during the period when the acquisition transaction is generated.

4. Investments in associates

An associate is the entity in which the Group has significant effects on but not having the control for their financial policies and operations.

Business results of an associate is included into the consolidated financial statements of the Group in accordance with the equity method from the date when the Group begins to have significant influence to the date it ceases to have significant influence. The investment into associate is initially recorded at costs on the consolidated financial statements and then adjusted for the post acquisition change in the Group's share of net assets of the associate. If the Group's share of loss of an associate equals or exceeds the carrying amount of an investment, the investment is then reported at nil (0) value on the consolidated financial statement, except when the Group has obligations to pay on behalf of the associate to satisfy obligations of the associate.

The difference between the investment expenses and the ownership share of the Group in the fair value of the net recognizable assets of the associate as of the acquisition date is recorded as a goodwill. If the investment expenses are lower than the fair value of the net recognizable assets of the associate as of the acquisition date, the difference is included into the business results during the period when the transaction is generated.

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The separate financial statements of the associate are prepared for the accounting period that is the same with that of the Group. In the case that the accounting policy of an associate is different from the accounting policy applied consistently in the Group, the financial statements of that associate will be suitably adjusted before being used for the preparation of the consolidated financial statements.

5. Investments in jointly controlled business concerns

A jointly controlled business concern is the entity that the Group controls its operations together with other partners according to agreements.

The Group recognizes its benefits in jointly controlled business concerns in line with the method of owner's equity. According to which, the capital contributions in joint ventures are recorded at their historical costs first, and then they are adjusted according to the changes of the ownership parts of the joint venture partners according to the net assets of that jointly controlled business concern. The income statement reflects the benefits of the Group from the business results of jointly controlled business concerns. The Group stops using the method of owner's equity from the date of ending jointly controlled right or when the Group does not have material influences on the jointly controlled business concern.

Unrealized profit/(loss) arising from transactions with the jointly controlled business concerns is excluded in correspondence with the part owned by the Group when the consolidated financial statements are prepared.

6. Good will

The difference between the investment expenses and the benefits of the Group in the net fair value of the assets, the liabilities which are able to be determined and the recognized inherent liabilities of the subsidiary as of the acquisition date is recorded as goodwill. The goodwill is recorded as an asset on the consolidated balance sheet and is allocated according the straight-line method in 10 years.

When the subsidiary is sold, the net book value of the goodwill related to this subsidiary is included into the business results.

7. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank, cash in transit and short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash.

8. Inventories

Inventories are recorded at their original costs. Costs include purchasing expenses, processing expenses and other directly related costs to bring the inventories to the current positions and conditions.

Costs of inventories are determined in accordance with the weighted average method and are recorded in line with the perpetual method.

Provision for devaluation of inventories is recognized when their costs are higher than their net realizable values. Net realizable values are the estimated selling prices of inventories less the estimated expenses on product completion and other necessary expenses on product consumption.

9. Trade receivable and other receivable

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Trade receivable and other receivable are recognized at the values on supporting documents and invoices.

Provision is made for each bad debt on the basis of the debt ages or estimated loss.

10. Tangible fixed assets

Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those, which do not meet the above conditions, will be recorded into expenses during the year.

When a fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/ (loss) arisen are posted into the income or the expenses during the period.

Fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings & structures	05 - 25
Machinery & equipment	05 - 07
Vehicles	06 - 15
Office equipment	03 - 08
Other fixed assets	05 - 25

11. Financial leasehold assets

A lease of asset is considered a financial lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessee. Fixed assets under financial lease are determined by their historical costs less accumulated depreciation. Historical cost is the lower between the reasonable value of the assets at the starting date of the lease agreement and the current value of the minimum lease payment. The discounting rate used to calculate the current value of the minimum lease payment is the interest rate as agreed by implication or as mentioned in the lease agreement. In case the interest rate as agreed by implication in the lease agreement cannot be determined, the interest rate for loan at the starting date of the lease agreement will be applied.

Fixed assets under financial lease are depreciated in accordance with the straight-line method over their estimated useful lives. In case it is not sure that the company will have the ownership over the asset upon the expiry date of the financial lease contract, the fixed asset must be depreciated at the shorter between the lease period and the estimated useful life. The depreciation years of the fixed assets under financial lease are shown in Note IV.10.

12. Operating leasehold assets

The Group as the lessor

The income from operating lease is recorded in line with the straight-line method during the leasing period. The initial direct expenses to earn income from operating lease are recorded into expenses at once or are gradually allocated into operating expenses during the leasing period in conformity with the recording of income from operating lease.

The Group as the lessee

A lease of asset is considered an operating lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessor. The lease expenses are allocated in the

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company's operating expenses in accordance with the straight line method over the leasing period and are not subject to the method of lease payment.

13. Investment property

Investment property is property being land use right, a building or a part of building, infrastructure held by the owner or by the lessee under a financial lease to earn rental or for capital appreciation. Historical cost of investment property includes all the expenses paid by the Group or the fair value of other consideration given to acquire the assets at the time of its acquisition or construction.

Subsequent expenses relating to an investment property that have already been recognized should be 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.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/ (loss) arisen are posted into the income or the expenses.

Investment properties are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are shown in Note IV.10.

14. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization. Intangible fixed assets of the Group include:

Land use right

Land use right includes all the actual expenses related to the land being used such as expenses to obtain the land use right, expenses for house removal and land clearance, expenses on ground leveling, registration fees, etc. If the land use right is permanent, it will not be amortized. If the land use right is not permanent, it will be amortized in line with the land leasing period.

Computer software

The buying price of the computer software which is not a part connected to related hardware will be capitalized. Initial cost of computer software includes all the expenses paid until the date the software is put into use. Computer software is amortized in accordance with straight-line method in 03 years.

15. Borrowing costs

Borrowing costs are included into expenses as actually incurred. In case the borrowing costs are directly related to the construction or the production of an asset in progress, which has taken a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be capitalized.

In the event of general borrowings which are partly used for acquiring, constructing or producing an asset in progress, the costs eligible for capitalization will be determined according to the capitalization rates applied to average accumulated expenditure on that asset. The capitalization rates are computed at the average interest rates on the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

16. Financial investments

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Investments into securities are recorded at their original costs. Provision for devaluation of investment in securities is made for each particular type of securities in the market and for which the market value decreases in comparison with the book value.

When an investment is liquidated, the differences between net liquidation values and book values are recorded into income or expenses.

17. Long-term prepaid expenses

Financial lease interests

Financial lease interests are allocated into expenses during the year in accordance with the straight-line method over the leasing periods.

Tool expenses

Expenses on tools being put into use (mainly container accessories, forklift accessories, steel cable, tires, etc.) are allocated into expenses during the period in accordance with the straight-line method for 02 years.

Repairing expenses

Repairing expenses are allocated in accordance with the straight-line method in 02 years.

Other expenses

Other long-term prepaid expenses including expenses on accounting software, dredging service and others are allocated according to the time as in the invoices or contracts, or from 02 to 03 years.

18. Accrued expenses

Accrued expenses are recorded, based on reasonable estimates on the amounts payable for goods and services already used.

19. Appropriation for unemployment fund and unemployment insurance

Unemployment fund is used to pay for severance and unemployment allowances for employees working for the companies in the Group for 12 months or over until 31 December 2008. The rates of extraction for this fund are from 01 to 03% of the salary fund, which is used as the basis for social insurance payment and is included into the company's expenses in accordance with the stipulations in the Circular No. 82/2003/TT-BTC dated 14 August 2003 of the Ministry of Finance. In case that the unemployment fund is not enough for subsidizing resigned employees, the insufficient difference is recorded into expenses.

Pursuant to the Law on Social Insurance, from 01 January 2009, the employers have to pay to unemployment insurance fund managed by Vietnam Social Insurance Agency at the rate of 01% of the lower amount between the basic monthly salary of the employee and the amount equal to 20 times of the general minimum monthly salary as regulated by the Government in each particular period. With the application of the unemployment insurance system, the employers do not have to make any provision for unemployment allowances for the employees' working periods from 01 January 2009. However, the unemployment allowance amount paid to the employees who have enough conditions to receive and have worked for the company before 01 January 2009 is the average salary in 6 consecutive months before the resigning date.

20. Provisions for accounts payable

Provisions are recorded when the Group has legal obligations or joint obligations resulted from an event which has happened and has been able to make payment of the accounts. Provisions are

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determined on the basis of the estimates of necessary expenses to settle the obligation as of the balance sheet date. If time causes material effects, the provision will be determined by deducting the amount to be spent in future to settle the liability with the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to this liability. The increase in provision due to the effect of time will be recognized as an interest expense.

21. Convertible bonds

Convertible bonds are bonds that can be converted into ordinary shares of the company under given conditions.

Convertible bonds are recorded into accounts payable and owner's equity. The amount payable is estimated at the interest rates in the market of the similar unconvertible bonds as of the issuance date. The amount payable is adjusted in line with actual interest rate during the period of bond as expenses. The difference between the fair value of convertible bonds and the amount payable is included in owner's equity. The expenses related to the issuance of convertible bonds are allocated at a certain rate into accounts payable and owner's equity.

22. Capital

Owner's equity

Owner's equity is the capital recorded according to the actual amounts invested by shareholders.

Share premiums

Share premiums are recorded at the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and book values of treasury stocks. Expenses directly related to the additional issue of stocks and the re-issuance of treasury stocks are recorded as a decrease in "Share premiums".

Treasury stocks

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury stocks and is recorded as a decrease in owner's equity. When this share capital is re-issued, the difference between the re-issuance price and book values of treasury stocks is recorded in "Share premiums".

23. Dividends

Dividends are recorded as an amount payable in the period during which the dividends are disclosed.

24. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an

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assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered at the balance sheet date and are recorded when there is certainly enough taxable income to use these deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

25. Foreign currency translation

The transactions in foreign currencies during the year are converted at the actual exchange rates ruling as of the transaction dates. The balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

The differences on foreign exchange and those due to the revaluation of the ending balances of the monetary items are included in income or expenses during the year.

Assets and liabilities of the entity in foreign country will be converted into VND at the exchange rate ruling as of the balance sheet date. The items in the income statement are converted into VND according to the average exchange rate during the year. Differences on foreign exchange rates upon the conversion of financial statements of foreign entity will be included into owner's equity (i.e. in the item "Difference on foreign exchange rates"). If the foreign entity is liquidated, the accumulated differences on foreign exchange rate related to that foreign entity are included into business results.

The exchange rates used as of:	31 December 2011	:	VND 20,828/USD
		:	VND 29,688/EUR
		:	VND 16,031/SGD
		:	VND 6,570/MYR
	31 March 2012	:	VND 20,828/USD
		:	VND 28,040/EUR
		:	VND 16,646/SGD
		:	VND 6,807/MYR

26. Transactions providing against risks on foreign currency translation

Transactions providing against risks on foreign currency translation are considered a kind of insurance against the risks on foreign currency translation in order to secure the other transactions. The gains or losses from the transactions providing against risks on foreign currency translation are included in income or expenses at the same time when these transactions are performed.

27. Recognition of sales and income

Sales of service provision

Sales of service provision are recognized when there are no uncertain factors related to payments or additional costs. In case that the services are to be provided in many accounting periods, the

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determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date.

Income from leasing operating assets

Recognition of income from leasing operating assets is presented in Note IV.12.

Interests

Interests are recorded based on the term and the interest rates applied in each particular period.

Dividends and profit shared

Dividends and profit shared are recognized when the Group has the rights to receive dividends or profit from its capital contribution. In particular, the dividends received in form of shares are not recorded into income but are only followed up the additional quantity.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET**1. Cash and cash equivalents**

	Ending balance	Beginning balance
Cash on hand	53,224,463,142	19,032,497,614
Cash in bank	355,925,589,533	360,973,704,297
Cash in transit	1,936,691,008	424,203,191
Cash equivalents ^(*)	288,984,017,272	135,944,807,993
Total	700,070,760,955	516,375,213,095

2. Short-term investments

	Ending balance	Beginning balance
Short-term investments in shares	204,025,087,365	311,571,252,626
Gemadept - Terminal Link Cai Mep Terminal Joint Stock Company (see the Note V.18)	482,400,000,000	482,400,000,000
Other investments	39,772,510,022	70,931,328,889
- <i>Deposits of which the period is under 01 year</i> <i>(*)</i>	34,022,510,022	33,639,045,500
- <i>Loan given to Galaxy Maritime Corporation</i>	5,750,000,000	28,085,083,389
- <i>Loan given to Schenker Gemadept Logistic Co., Ltd.</i>	-	4,207,200,000
- <i>Loan given to Green Field Co., Ltd.</i>	-	5,000,000,000
Total	726,197,597,387	864,902,581,515

3. Provisions for devaluation of short-term investments

The provision for devaluation of short-term investments in securities.

Details of increase/(decrease) of short-term investments are as follows:

Beginning balance	194,685,599,526
Reversal	89,863,841,423
Ending balance	104,821,758,103

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	Ending balance	Beginning balance
Gemadept Corporation	178,902,320,530	158,125,115,290
Gemadept (Malaysia) Ltd.	1,871,083,528	5,498,532,867
Gemadept (Singapore) Ltd.	22,129,873,587	30,310,994,001
Gemadept Dung Quat International Port J.S.C	6,380,651,115	5,349,569,358
Phuoc Long Port Co., Ltd.	59,437,552,697	58,282,229,450
ISS – Gemadept Co., Ltd	1,033,322,477	-
Gemadept Logistics One Member Co., Ltd.	31,602,661,694	30,757,842,368
Gemadept Infrastructures Development And Investment Construction J.S.C	918,389,206	918,389,206
Gemadept Hai Phong Co., Ltd.	23,801,843,463	21,729,933,337
Nam Hai Port J.S.C	25,015,399,706	23,593,774,820
Truong Tho Tourism and Transportation J.S.C	601,407,041	116,358,690
Bright Ocean Logistics Company Limited	1,100,804,432	911,466,722
Pacific Marine Company Limited (PAMAR)	189,618,420	239,038,926
Total	352,984,927,896	335,833,245,035

5. Prepayment to suppliers

	Ending balance	Beginning balance
Gemadept Corporation	75,720,604,273	74,165,772,038
Gemadept Dung Quat International Port J.S.C	18,159,653,611	18,177,300,492
V.N.M General Transportation Service Co., Ltd	127,132,955	28,375,000
Phuoc Long Port Co., Ltd.	43,195,704,573	40,206,417,474
ISS - Gemadept Co., Ltd.	-	-
Gemadept Logistics One Member Co., Ltd.	25,556,195,503	21,456,357,961
Hoa Sen – Gemadept Logistic and International Port Corporation	3,466,947,576	2,314,947,576
Gemadept Infrastructures Development And Investment Construction J.S.C	6,912,002,536	9,090,964,905
Gemadept Hai Phong Co., Ltd.	658,113,518	1,677,635,421
Truong Tho Tourism and Transportation J.S.C	39,368,200,731	37,864,180,781
Gemadept Nhon Hoi International Port J.S.C	1,038,714,490	3,288,200,000
Nam Hai Port J.S.C	125,520,103	1,391,442,481
Bright Ocean Logistics Company Limited	44,611,500	2,696,597
Total	214,373,401,369	209,664,290,726

6. Other receivable

	Ending balance	Beginning balance
Receivable for social insurance, health insurance and unemployment insurance excessively paid	42,371,528	42,371,528
Receivable of amounts paid on others' behalf to provide agency services	28,373,283,920	46,171,986,075
Receivable from associates and co-operations	388,764,111,248	375,265,145,680
Receivable from estimated interest on deposits,	5,614,453,012	26,537,861,281

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	<u>Ending balance</u>	<u>Beginning balance</u>
loans given and bonds		
Receivable from securities trading	3,300,000,000	3,300,000,000
Others	149,047,773,598	82,131,281,251
Total	575,141,993,306	533,448,645,815
7. Inventories		
	<u>Ending balance</u>	<u>Beginning balance</u>
Materials and supplies in stock	2,256,239,542	2,780,331,610
Spare parts	11,790,663,029	13,767,271,111
Fuel and oil in ships	53,338,871,398	50,843,895,486
Tools	-	5,750,000
Work-in-process	29,676,639,866	18,856,690,784
Total	97,062,413,835	86,253,938,991
8. Short-term prepaid expenses		
	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses on repairing and maintenance	9,228,333,054	14,964,213,834
Services expenses	407,385,367	169,478,346
Tools	3,050,181,033	3,786,625,660
Fuels	64,350,602	60,302,300
Insurance premiums	5,477,192,298	2,042,981,042
Others	7,127,611,325	5,198,532,032
Total	25,355,053,679	26,222,133,214
9. Taxes and other accounts receivable from State		
	<u>Ending balance</u>	<u>Beginning balance</u>
Taxes and other accounts receivable from State	26,761,810,600	23,172,863,016
Total	26,761,810,600	23,172,863,016
10. Other current assets		
	<u>Ending balance</u>	<u>Beginning balance</u>
Advances	41,107,369,774	41,892,349,592
Short-term deposits and mortgages	96,999,337,912	96,198,095,034
Deficit assets for treatment	14,548,650	14,548,650
Total	138,121,256,336	138,104,993,276
11. Other long-term accounts receivable		
	<u>Ending balance</u>	<u>Beginning balance</u>
Hang River Co., Ltd. – Capital contribution to develop the project of Le Chan General Port	19,000,000,000	19,000,000,000
Dong Duong Infrastructure Development and Construction Investment J.S.C – capital contribution to develop the project of	18,000,000,000	18,000,000,000

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	<u>Ending balance</u>	<u>Beginning balance</u>
Logistics Service Area		
Total	<u>37,000,000,000</u>	<u>37,000,000,000</u>

12. Increases/ (decreases) of tangible fixed assets

	Building and Structuers	Machinery and equipment	Vehicles	Office equipment	Others	Total
Historical costs						
Beginning Balance	468,103,722,899	362,957,025,847	1,906,190,534,430	23,768,989,770	36,697,351,883	2,797,717,624,829
Increases		547,761,661	33,734,397,359	2,240,958,477		36,523,117,497
Decreases			(2,719,559,781)			(2,719,559,781)
Ending Balance	<u>468,103,722,899</u>	<u>363,504,787,508</u>	<u>1,937,205,372,009</u>	<u>26,009,948,246</u>	<u>36,697,351,883</u>	<u>2,831,521,182,545</u>
Depreciation						
Beginning Balance	79,683,121,042	168,514,692,591	701,513,222,598	17,944,328,788	7,532,359,577	975,187,724,595
Increases	5,478,386,785	6,509,709,612	41,638,652,286	1,014,425,222	655,969,182	55,297,143,087
Decreases			(2,705,351,781)			(2,705,351,781)
Ending Balance	<u>85,161,507,827</u>	<u>175,024,402,203</u>	<u>740,446,523,103</u>	<u>18,958,754,010</u>	<u>8,188,328,759</u>	<u>1,027,779,515,901</u>
Net book values						
Beginning Balance	388,420,601,857	194,442,333,256	1,204,677,311,833	5,824,660,982	29,164,992,306	1,822,529,900,234
Ending Balance	<u>382,942,215,072</u>	<u>188,480,385,305</u>	<u>1,196,758,848,905</u>	<u>7,051,194,237</u>	<u>28,509,023,124</u>	<u>1,803,741,666,644</u>

13. Increases/ (decreases) of intangible fixed assets

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
Historical costs			
Beginning Balance	39,643,458,865	12,012,736,309	51,656,195,174
Increases		129,351,286	129,351,286
Decreases		-1,424,008	-1,424,008
Ending Balance	<u>39,643,458,865</u>	<u>12,140,663,587</u>	<u>51,784,122,452</u>
Depreciation			
Beginning Balance	1,403,812,824	4,494,333,842	5,898,146,666
Increases	116,984,402	308,909,561	425,893,963
Decreases		-1,424,008	-1,424,008
Ending Balance	<u>1,520,797,226</u>	<u>4,801,819,395</u>	<u>6,322,616,621</u>
Net book value			
Beginning Balance	38,239,646,041	7,518,402,467	45,758,048,508
Ending Balance	<u>38,122,661,639</u>	<u>7,338,844,192</u>	<u>45,461,505,831</u>

14. Construction-in-progress

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Notes to the consolidated financial statements (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance
Acquisition of fixed assets	42,340,663,720			42,340,663,720
Construction-in-progress	85,805,514,479	8,992,249,230	(555,060,588)	94,242,703,121
Total	128,146,178,199	8,992,249,230	(555,060,588)	136,583,366,841

15. Increases/(decreases) of investment property

The investment property is the Gemadept Maritime Commercial Center at No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City. The details of increases/(decreases) of investment properties are as follows:

	Historical cost	Depreciation	Net book value
Beginning balance	279,448,439,795	40,246,287,807	239,202,151,988
Increase in depreciation	-	2,973,029,046	
Ending balance	279,448,439,795	43,219,316,853	236,229,122,942

As of the balance sheet date, the Group has not had the conditions to determine the fair value of the said investment properties.

Investment properties include some assets leased to the third parties. Income and expenses related to the leases of investment properties are as follows:

	Current year
Gain from the lease	19,844,044,338
Direct expenses related to the gain from the lease	6,710,361,478
Direct expenses not related to the gain from the lease	-

16. Investments in associates and joint ventures

Associates and joint venture	Main operations	Ending Balance	
		Benefit rate	Value
Golden Globe Trading Co., Ltd.	House trading	45.00%	45,224,919,304
Vung Tau Commercial Port J.S.C (VCP)	Services of logistics and warehouses	26.78%	11,311,384,677
MBN-GMD VIETNAM	Leasing warehouses	34.00%	6,636,923,882
Vinh Hao Mineral Water J.S.C	Producing mineral water	29.00%	38,239,833,707
Minh Dam Tourism J.S.C	Providing tourist services	40.00%	18,268,148,536
Power Transportation and Service J.S.C (Potraco)	Warehouse and yard services	38.02%	28,170,371,229
Schenker Gemadept Logistics Vietnam Co., Ltd.	Providing logistic services	49.00%	7,936,537,477
Huynhai Merchant Marine Vietnam Co., Ltd.	Providing transportation service	49.00%	8,203,685,000
Saigon Cargo Service Corporation (SCSC Corp.)	Providing forwarding service	23.00%	86,504,953,409
Falcon Ha Dong Investment and Trading J.S.C	Providing transportation service	25.00%	26,180,767,365
Sinokor Vietnam Co., Ltd.	Providing transportation service	49.00%	12,776,719,497
United Food J.S.C	Food processing	26.56%	48,511,131,040

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Notes to the consolidated financial statements (cont.)

Associates and joint venture	Main operations	Ending Balance	
		Benefit rate	Value
Gemadept– Terminal Link Cai Mep Terminal J.S.C (*)	Port operations	40.12%	929,887,257,658
Golden Globe Co., Ltd	Construction lad leasing office	40.00%	39,298,595,636
Other			5,250,000,000
Total			1,312,401,228,417

(*) Gemadept Corporation has invested in Gemadept– Terminal Link Cai Mep Terminal J.S.C at the rate of 65.12 % of prescribed capital of this company. However, the Board of Management of Gemadept Corporate has agreed to transfer 25% of its share in this company to the other partner in 2012. Therefore, the investment in Gemadept– Terminal Link Cai Mep Terminal J.S.C is presented in the item “Investments in associates and joint ventures ” at the capital contribution rate of 40,12 % and in item “Short-term investment” at the capital contribution rate of 25% (see Note V.2).

17. Other long-term investments

	Ending balance	Beginning balance
Investments in shares	203,374,669,600	203,374,669,600
Over-1-year deposits	23,150,000,000	140,900,000,000
Other long-term investments	147,961,904,305	125,927,901,494
Total	374,486,573,905	470,202,571,094

18. Provisions for devaluation of long-term investments

	Ending balance	Beginning balance
Provision for long-term investment in securities	34,175,795,640	34,175,795,640
Provision for other long-term investments	3,753,600,169	3,753,600,169
Total	37,929,395,809	37,929,395,809

19. Long-term prepaid expenses

	Ending balance	Beginning balance
Accounting software	36,458,633	48,611,507
Expenses on services rendered	274,879,866	287,375,000
Tool expenses	4,363,450,422	4,345,989,094
Expenses on repairing ships	2,523,461,160	3,785,191,740
Warehouse and office repairing expenses	477,257,415	498,951,967
Designing expenses	224,199,877	234,391,266
Interior decoration expenses	1,004,043,186	1,056,668,586
Expenses on dredging port	1,314,411,033	1,756,949,091
Others	321,150,360	585,263,604
Total	10,539,311,952	12,599,391,855

20. Deferred income tax assets

This item reflects the deferred income tax assets related to the temporarily deductible differences.

21. Other long-term assets

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Notes to the consolidated financial statements (cont.)

	Ending balance	Beginning balance
Deposits for lease of houses and office	513,281,279	846,731,279
Deposits at airlines to guarantee the payment of freights	824,400,000	833,120,000
Other long-term deposits	5,264,243,469	375,527,120
Total	6,601,924,748	2,055,378,399

22. Goodwill

The goodwill generated from the acquisition of Hoa Sen - Gemadept Logistics and International Port Corporation and Nam Hai Port J.S.C., which is determined by the differences between the acquiring prices and the fair values of the net assets (assuming that the fair values of net assets are equal to the values recorded in the accounting book).

Initial cost

Beginning balance	333,931,512,200
Increases due to business merging	-
Ending balance	333,931,512,200

Amount allocated

Beginning balance	40,078,314,668
Amount allocated during the year	8,348,287,805
Ending balance	48,426,602,473

Net book value

Beginning balance	293,853,197,532
Ending balance	285,504,909,727

23. Short-term loans and debts

	Ending balance	Beginning balance
At Gemadept Corporation	521,304,020,303	506,686,104,324
At Gemadept (Singapore) Ltd.	82,605,559,750	84,528,729,519
At Gemadept Dung Quat International Port J.S.C	13,000,000,000	16,000,000,000
At Phuoc Long Port Co., Ltd.	81,560,000,000	70,985,027,784
Nam Hai Port J.S.C	9,118,024,783	-
At Truong Tho Tourism and Transportation J.S.C	3,000,000,000	3,000,000,000
Total	710,587,604,836	681,199,861,627

24. Payable to suppliers

	Ending balance	Beginning balance
At Gemadept Corporation	151,723,886,609	139,517,239,288
At Gemadept (Singapore) Ltd.	6,226,191,962	9,553,635,710
At Gemadept (Malaysia) Ltd.	3,482,393,041	5,599,834,477
At Gemadept Dung Quat International Port J.S.C	14,470,210,360	13,870,045,031
At Phuoc Long Port Co., Ltd.	40,692,807,417	37,880,564,784

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Notes to the consolidated financial statements (cont.)

	Ending balance	Beginning balance
At ISS – Gemadept Co., Ltd	393,149,568	317,077,797
At Gemadept Logistics One Member Co., Ltd.	26,574,511,122	11,794,166,563
At Gemadept Infrastructures Development and Investment Construction J.S.C	2,842,289,206	24,726,206
At Gemadept Hai Phong Co., Ltd.	11,495,190,125	9,974,238,057
At Truong Tho Tourism and Transportation J.S.C	6,740,794,419	7,272,574,650
At Nam Hai Port J.S.C	6,651,169,502	16,873,532,819
At Bright Ocean Logistics Company Limited	13,034,202,729	6,968,056,774
At Pacific Marine Company Limited (PAMAR)	1,562,976,365	5,840,919,862
Total	285,889,772,425	265,486,612,018

25. Advances from customers	Ending balance	Beginning balance
At Gemadept Corporation	3,104,443,615	2,171,913,947
At Gemadept Logistics One Member Co., Ltd.	24,929,093	54,397,652
At Gemadept Hai Phong Co., Ltd.	157,362,722	47,085,963
At Nam Hai Port J.S.C	-	153,471,118
At Vi Tin Service Computing Company Limited	9,200,000	9,200,000
At Bright Ocean Logistics Company Limited	53,687,706	1,571,730
At Pacific Marine Company Limited (PAMAR)	51,958,845	55,932,925
Total	3,401,581,981	2,493,573,335

26. Taxes and other obligations to the State Budget	Ending balance	Beginning balance
Taxes and other obligations to the State Budget	17,869,695,282	20,102,581,281
Total	17,869,695,282	20,102,581,281

27. Payable to employees		
This item includes the salary, allowances, bonuses, etc. to be paid to employees.		

28. Accrued expenses	Ending balance	Beginning balance
Loan interest expenses	10,009,731,760	9,820,242,167
Goods circulation expenses	8,210,720,370	6,398,490,693
Expenses on leasing assets	-	2,640,000,000
Expenses on leasing warehouses, yards and offices	26,691,045	11,740,440
Towing freight	4,463,451,820	3,911,857,636
Repairing expenses	3,666,321,792	3,162,309,237
Fuel expenses	-	4,810,910
Bonus	453,211,620	387,742,728
Commissions	1,433,615,123	546,424,000

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Notes to the consolidated financial statements (cont.)

	Ending balance	Beginning balance
Others	7,251,694,168	10,913,749,400
Total	35,515,437,698	37,797,367,211

29. Other short-term accounts payable		
	Ending balance	Beginning balance
Trade Union's expenditure	788,279,203	862,780,221
Social insurance	1,896,638,639	2,368,317,832
Health insurance	244,562,625	5,213,805
Unemployment insurance	391,914,068	91,130
Dividends payable	73,315,614,098	73,315,614,098
Deposits and mortgages received	8,852,595,464	12,891,058,022
Unearned revenues	25,647,034,016	2,766,834,580
Excessive assets for treatment	295,634,876	1,436,005,790
Other payable	278,671,811,966	224,660,992,318
- Amounts received on other's behalf payable	36,452,355,049	41,313,734,591
- Sales of goods at ports payable to the State Budget	1,811,146,204	1,811,146,204
- PetroVietnam Trade Union Finance Investment J.S.C - Ho Chi Minh City branch	-	27,200,000,000
- Gemadept - Terminal Link Cai Mep Terminal J.S.C – borrowings	120,853,141,332	120,853,141,332
- Mr. Nguyen Quoc Cuong – transfer of share capital in Hoa Sen - Gemadept Logistics and International Port Corporation	9,264,678,577	9,264,678,577
- Amounts payable of associates and business-cooperation entities	3,939,010,271	5,243,220,369
- Others	106,351,480,533	18,975,071,245
Total	390,104,084,955	318,306,907,796

30. Bonus and welfare funds		
Beginning balance	18,008,593,529	
Disbursements	2,019,009,024	
Ending balance	15,989,584,505	

31. Other long-term accounts payable		
	Ending balance	Beginning balance
Receipt of the deposit for the lease of Gemadept Maritime Trading Center Building at No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	16,774,358,343	17,887,072,335
Total	16,774,358,343	17,887,072,335

32. Long-term loans and debts		
	Ending balance	Beginning balance
At Gemadept Corporation	249,382,759,286	251,562,781,286

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Notes to the consolidated financial statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept (Singapore) Ltd.	132,043,840,215	139,076,838,306
At Gemadept Dung Quat International Port J.S.C	218,475,725,982	218,475,725,982
At Phuoc Long Port Co., Ltd.	12,388,500,087	14,028,500,087
At Nam Hai Port J.S.C	59,338,937,901	63,067,507,901
Total	671,629,763,471	686,211,353,562

33. Unearned revenues

	<u>Ending balance</u>	<u>Beginning balance</u>
Deferred interests due to revaluation on assets contributed as capital invested in jointly-controlled entities	263,351,996,765	263,351,996,765
Other unearned revenues	-	10,163,771,992
Total	263,351,996,765	273,515,768,757

34. Owner's equity

	<u>Ending balance</u>	<u>Beginning balance</u>
Capital	1,094,473,090,000	1,094,473,090,000
Share premiums	2,471,474,474,400	2,471,474,474,400
Other sources of capital	71,797,775,902	71,797,775,902
Foreign exchange differences	7,422,165	1,145,202,453
Business promotion fund	4,511,710,559	4,511,710,559
Financial reserved fund	29,429,404,912	29,429,404,912
Other funds	28,452,972,351	29,202,972,352
Retained earnings	600,781,211,697	563,660,867,991

Shares

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	109,447,309	109,447,309
Number of shares already issued	109,447,309	109,447,309
- Common shares	109,447,309	109,447,309
- Preferred shares	-	-
Number of shares re-purchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	109,447,309	109,447,309
- Common shares	109,447,309	109,447,309
- Preferred shares	-	-

Face value of outstanding share: VND 10,000.

35. Interests of minority shareholders

Interests of minority shareholders reflect the portion of these shareholders' benefits in the net value of assets of the subsidiaries. The details of interests of minority shareholders are as follows:

Beginning balance	228,937,538,020
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CONSOLIDATED FINANCIAL STATEMENTS

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Notes to the consolidated financial statements (cont.)

Increases	1,883,489,152
Ending balance	230,821,027,172

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT**1. Sales**

	Quarter I /2012	Quarter I/ 2011
Sales from port operations	178,966,336,611	161,619,597,953
Sales from logistics services (transportation services, acting as agent, leasing vehicles, others)	416,021,044,419	304,230,028,932
Sales from leasing offices	19,844,044,338	22,971,850,878
Net sales	614,831,425,368	488,821,477,763

2. Costs of goods sold

	Quarter I /2012	Quarter I/ 2011
Costs of port operations	134,347,394,330	140,682,623,654
Costs of logistic services (transportation services, acting agents, leasing vehicles, others)	395,570,637,312	263,359,867,928
Costs of leasing offices	6,710,361,478	7,020,079,832
Total	536,628,393,120	411,062,571,414

3. Financial income

	Quarter I /2012	Quarter I/ 2011
Gains from investments in securities	1,788,027,391	471,926,963
Interests on term deposits	11,370,347,662	10,803,329,075
Gain from foreign exchange difference	15,055,591,241	29,476,111,572
Dividends and profit shared	26,029,455,814	22,013,184,984
Others	274,401,826	-
Total	54,517,823,934	62,764,552,594

4. Financial expenses

	Quarter I /2012	Quarter I/ 2011
Loan interest expenses	39,958,511,732	33,444,809,404
Loss from investments in securities	73,551,341,713	5,673,882,145
Loss from foreign exchange difference	6,191,738,524	12,136,925,126
Provisions for devaluation of short-term and long-term investments		8,898,723,165
Reversal	(89,863,841,423)	
Others	24,340,754	
Total	29,862,091,300	60,154,339,840

5. Selling expenses

Quarter I /2012	Quarter I/ 2011
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	Quarter I /2012	Quarter I/ 2011
External service rendered	553,656,336	410,157,636
Other expenses	4,044,721,107	2,846,283,006
Total	4,598,377,443	3,256,440,642
6. Administrative overheads		
	Quarter I /2012	Quarter I/ 2011
Salary of office staff	21,566,514,910	14,069,759,284
Materials	325,260,976	271,328,550
Depreciation of fixed assets	2,611,708,667	3,067,028,732
Allocation of goodwill	9,969,550,805	8,348,287,805
External service rendered	11,141,947,108	7,921,661,845
Other expenses	10,299,107,648	6,068,329,351
Total	55,914,090,114	39,746,395,567
7. Other income		
	Quarter I /2012	Quarter I/ 2011
Liquidations and disposals of fixed assets	455,109,091	29,617,639
Others	461,126,070	4,474,291,591
Total	916,235,161	4,503,909,230
8. Other expenses		
	Quarter I /2012	Quarter I/ 2011
Others	703,298,151	2,788,390,987
Total	703,298,151	2,788,390,987
9. Earning per share		
	Quarter I /2012	Quarter I/ 2011
Accounting profit after corporate income tax	37,120,343,706	35,955,608,626
Profit attributable to holders of ordinary shares		
Average ordinary shares outstanding during the year	109,447,309	100,000,000
Earning per share	339	360
10. Operating expenses		
	Quarter I /2012	Quarter I/ 2011
Materials and supplies	135,323,913,614	108,607,965,982
Labor	65,150,219,448	49,086,006,888
Depreciation of fixed assets	51,432,145,708	44,467,137,357
External service rendered	295,507,693,485	211,798,483,503
Other expenses	39,757,337,618	31,757,526,088
Total	587,171,309,873	445,717,119,818

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Ho Chi Minh City, 18 April 2012

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director