

GEMADEPT CORPORATION

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

CONSOLIDATED FINANCIAL STATEMENT

For the first 6 months of the fiscal year ended 31 December 2011

CONSOLIDATED BALANCE SHEET**As of 30 June 2011**

Unit: VND

ASSETS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		2.126.618.078.521	2.249.134.755.209
I. Cash and cash equivalents	110	V.1	430.805.805.114	546.776.463.318
1. Cash	111		389.194.071.836	340.315.646.953
2. Cash equivalents	112		41.611.733.278	206.460.816.365
II. Short-term investments	120		757.427.257.955	829.571.056.916
1. Short-term investments	121	V.2	923.430.262.746	924.803.198.712
2. Provisions for devaluation of short-term investments	129	V.3	(166.003.004.791)	(95.232.141.796)
III. Accounts receivable	130		656.617.870.006	630.151.872.814
1. Receivable from customers	131	V.4	319.152.974.213	305.874.538.833
2. Prepayments to suppliers	132	V.5	205.874.958.917	170.624.562.709
3. Short-term inter-company receivable	133		-	-
4. Receivable according to the progress of construction c	134		-	-
5. Other receivable	135	V.6	133.888.097.384	155.484.696.989
6. Provisions for bad debts	139		(2.298.160.507)	(1.831.925.717)
IV. Inventories	140		75.332.346.675	62.630.234.723
1. Inventories	141	V.7	75.332.346.675	62.630.234.723
2. Provisions for devaluation of inventories	149		-	-
V. Other current assets	150		206.434.798.771	180.005.127.439
1. Short-term prepaid expenses	151	V.8	15.424.984.921	14.802.582.694
2. VAT to be deducted	152		14.648.744.121	7.586.001.544
3. Taxes and other accounts receivable from the State	154	V.9	27.346.420.469	26.379.380.486
4. Trading Government bonds	157		-	-
5. Other current assets	158	V.10	149.014.649.260	131.237.162.715

For the first 6 months of the fiscal year ended 31 December 2011

Consolidated Balance Sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - LONG-TERM ASSETS	200		4.494.256.984.494	4.293.873.876.792
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		2.060.077.064.908	2.006.318.858.665
1. Tangible assets	221	V.12	1.887.322.809.423	1.875.230.345.428
<i>Historical costs</i>	222		2.765.225.400.977	2.647.058.508.445
<i>Accumulated depreciation</i>	223		(877.902.591.554)	(771.828.163.017)
2. Financial leasehold assets	224	V.13	5.284.479.960	7.266.838.830
<i>Historical costs</i>	225		23.890.768.666	23.890.768.666
<i>Accumulated depreciation</i>	226		(18.606.288.706)	(16.623.929.836)
3. Intangible assets	227	V.14	46.144.254.431	46.871.871.305
<i>Initial costs</i>	228		51.082.730.663	50.952.780.398
<i>Accumulated amortization</i>	229		(4.938.476.232)	(4.080.909.093)
4. Construction-in-progress	230	V.15	121.325.521.093	76.949.803.102
III. Investment property	240	V.16	245.148.210.081	251.094.268.173
Historical costs	241		279.448.439.795	279.448.439.795
Accumulated depreciation	242		(34.300.229.714)	(28.354.171.622)
IV. Long-term investments	250		1.813.551.719.756	1.654.484.902.143
1. Investments in affiliates	251	V.17	-	500.000.000
2. Investments in business concerns and joint ventures	252	V.18	947.433.087.184	955.105.692.876
3. Other long-term investments	258	V.19	905.843.498.477	738.677.844.885
4. Provisions for devaluation of long-term investments	259	V.20	(39.724.865.905)	(39.798.635.618)
V. Other long-term assets	260		11.233.640.998	17.729.499.059
1. Long-term prepaid expenses	261	V.21	9.496.162.272	13.358.634.675
2. Deferred income tax assets	262	V.22	119.129.836	3.112.889.494
3. Other long-term assets	268	V.23	1.618.348.890	1.257.974.890
VI. Goodwill	269	V.24	327.246.348.752	327.246.348.752
TOTAL ASSETS	270		6.620.875.063.015	6.543.008.632.001

For the first 6 months of the fiscal year ended 31 December 2011

Consolidated Balance Sheet (cont.)

LIABILITIES AND OWNER'S EQUITY	Code	Note	Ending balance	Beginning balance
A - LIABILITIES	300		2.533.218.755.067	2.398.409.582.872
I. Current liabilities	310		1.237.599.274.694	1.026.562.513.821
1. Short-term debts and loans	311	V.25	638.191.402.209	468.094.311.454
2. Payable to suppliers	312	V.26	177.318.108.366	186.849.714.448
3. Advances from customers	313	V.27	31.023.095.467	11.054.170.252
4. Taxes and other obligations to the State Budget	314	V.28	24.887.741.174	15.522.053.389
5. Payable to employees	315	V.29	11.428.986.480	25.187.984.086
6. Accrued expenses	316	V.30	46.834.734.410	43.216.453.384
7. Inter-company payable	317		-	-
8. Payable according to the progress of construction □co	318		-	-
9. Other short-term accounts payable	319	V.31	292.468.899.618	264.096.996.656
10. Provisions for short-term accounts payable	320		-	-
11. Bonus and welfare funds	323	V.32	15.446.306.970	12.540.830.151
12. Trading Government bonds	327		-	-
II. Long-term liabilities	330		1.295.619.480.373	1.371.847.069.051
1. Long-term accounts payable to suppliers	331		-	-
2. Long-term inter-company payable	332		-	-
3. Other long-term payable	333	V.33	20.741.807.959	22.966.486.450
4. Long-term debts and loans	334	V.34	981.897.251.186	1.057.458.920.308
5. Deferred income tax payable	335	V.35	23.332.602.192	20.769.883.430
6. Provisions for unemployment allowances	336		476.798.734	621.554.400
7. Provisions for long-term accounts payable	337		-	-
8. Unearned revenues	338	V.36	269.171.020.302	270.030.224.463
9. Science and technology development fund	339		-	-
B - OWNER'S EQUITY	400		3.915.298.604.496	3.972.823.847.570
I. Owner's equity	410		3.915.298.604.496	3.972.823.847.570
1. Capital	411	V.37	1.000.000.000.000	1.000.000.000.000
2. Share premiums	412	V.37	2.169.160.586.400	2.169.160.586.400
3. Other sources of capital	413	V.37	71.797.775.902	71.797.775.902
4. Treasury stocks	414		-	-
5. Differences on asset revaluation	415		-	-
6. Foreign exchange differences	416	V.37	21.018.564.623	22.534.947.016
7. Business promotion fund	417	V.37	4.511.710.559	4.511.710.559
8. Financial reserved fund	418	V.37	29.429.404.912	23.765.156.863
9. Other funds	419	V.37	25.771.469.234	21.604.112.437
10. Retained earnings	420	V.37	593.609.092.867	659.449.558.394

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.38	172.357.703.451	171.775.201.558
			<hr/>	<hr/>
TOTAL LIABILITIES AND OWNER'S EQUITY	440		<u>6.620.875.063.015</u>	<u>6.543.008.632.001</u>

Ho Chi Minh City, 10 August 2011

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 STATEMENT

For the first 6 months of the fiscal year ended 31 December 2011

CONSOLIDATED INCOME STATEMENT**For the first 6 months of the fiscal year ended 31 December 2011**

	ITEMS	Quarter II		Accumulated Amount	
		Current year	Previous year	Current year	Previous year
1	Sales	587.245.279.974	550.668.403.763	1.076.066.757.736	960.043.328.312
2	Deductions		2.125.000		2.125.000
3	Net sales	587.245.279.974	550.666.278.763	1.076.066.757.736	960.041.203.312
4	Costs of goods sold	494.567.285.164	496.209.431.896	905.629.856.578	832.379.843.152
5	Gross profit	92.677.994.810	54.456.846.867	170.436.901.158	127.661.360.160
6	Financial income	41.794.341.468	67.563.924.300	104.558.894.062	91.440.708.467
	In which:				
	-Dividends received	6.727.020.748	29.467.499.530	7.198.947.711	39.082.773.138
	- Gains from foreign exchange difference	21.750.573.643	20.264.927.540	51.226.685.215	23.877.665.689
	- Interest on banking	9.477.517.787	3.101.406.557	20.280.846.862	3.350.821.663
	- Gains from capital contribution in associates and	3.839.229.291	14.730.090.673	25.852.414.275	25.129.447.977
7	Financial expenses	124.284.429.017	53.173.906.910	184.438.768.857	85.037.972.659
	In which:				
	- Loan interest expense	42.875.372.610	24.231.534.961	76.320.182.014	41.361.852.153
	- Loss from foreign exchange difference	17.384.782.736	20.102.860.050	29.521.707.862	32.555.536.717
	-Loss from securities trading	2.152.133.841	7.725.363.682	7.826.015.986	16.126.104.066
	-Provision for devaluation of securities investment	61.872.139.830	1.114.148.217	70.770.862.995	(5.005.520.277)
8	Selling expenses	3.665.591.089	3.368.602.828	6.922.031.731	6.355.598.863
9	Administrative overheads	36.185.395.027	36.494.424.417	75.931.790.594	63.442.888.367
10	Net operating profit	(29.663.078.855)	28.983.837.011	7.703.204.038	64.265.608.738
11	Other income	24.084.793.296	44.536.583.158	28.588.702.526	45.347.065.181
12	Other expenses	12.371.386.632	7.915.481.619	15.159.777.619	8.402.605.551
13	Other profit / (loss)	11.713.406.664	36.621.101.539	13.428.924.907	36.944.459.630
14	Profit /(loss) in business concerns and joint ventures				
14	Profit / (loss) before tax	(17.949.672.191)	65.604.938.550	21.132.128.946	101.210.068.368
15	Current corporation income tax	3.769.878.064	12.819.879.380	5.851.314.062	15.948.952.648
16	Deferred corporation income tax				(1.875.265.175)
17	Profit / (loss) after tax	(21.719.550.255)	54.660.324.345	15.280.814.884	87.136.380.895
17.1	Profit / (loss) after tax of minority shareholders	(325.086.648)	2.019.225.534	719.669.863	3.340.793.493
17.2	Profit after tax of parent company's shareholders	(21.394.463.606)	52.641.098.812	14.561.145.020	83.795.587.402

Ho Chi Minh City, 10 August 2011

Truong Nhu Nguyen

Nguyen Minh Nguyet

Do Van Minh

GEMADEPT CORPORATION

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

CONSOLIDATED FINANCIAL STATEMENT

For the first 6 months of the fiscal year ended 31 December 2011

CONSOLIDATED CASH FLOW STATEMENT**(Indirect method)****For the first 6 months of 2011**

ITEMS	Code	For the first 6 months of 2011	For the first 6 months of 2010
I. Cash flows from operating activities			
1. <i>Profit before tax</i>	01	21.132.128.946	101.210.068.368
2. <i>Adjustments</i>			
- Depreciation of fixed assets	02	119.829.155.757	90.430.870.608
- Provisions	03	71.163.328.072	(6.796.779.794)
- Gain/ (loss) from foreign exchange differences	04	(29.556.337.510)	12.113.579.387
- Gain/ (loss) from investing activities	05	(54.766.325.973)	(86.981.208.519)
- Loan interest expenses	06	76.320.182.014	41.361.852.153
3. <i>Operating profit before changes of working capital</i>	08	204.122.131.306	151.338.382.203
- Increase/ (decrease) of accounts receivable	09	(36.507.338.296)	(78.260.052.307)
- Increase/ (decrease) of inventories	10	(12.702.111.953)	5.838.786.096
- Increase/ (decrease) of accounts payable	11	(72.366.025.399)	13.292.324.489
- Increase/ (decrease) of prepaid expenses	12	3.240.070.176	541.345.833
- Loan interests already paid	13	(60.238.680.281)	(39.705.625.541)
- Corporate income tax already paid	14	(6.927.286.736)	(12.083.773.017)
- Other gains	15	36.172.554.908	141.627.934.250
- Other disbursements	16	(69.245.481.677)	(129.155.900.424)
<i>Net cash flows from operating activities</i>	20	(14.452.167.952)	53.433.421.583
II. Cash flows from investing activities			
1. Purchases and construction of fixed assets and other long-term assets	21	(114.794.342.347)	(72.032.176.400)
2. Gains from disposals and liquidation of fixed assets and other long-term assets	22	36.125.001.817	1.031.209.892
3. Loans given and purchases of debt instruments of other entities	23	-	-
4. Recovery of loans given and disposals of debt instruments of other entities	24	-	27.199.399.832
5. Investments into other entities	25	(159.752.302.066)	(166.417.023.373)
6. Withdrawals of investments in other entities	26	2.132.190.132	153.859.344.293
7. Receipts of loan interests, dividends and profit shared	27	37.654.832.704	32.193.303.522
<i>Net cash flows from investing activities</i>	30	(198.634.619.759)	(24.165.942.234)

For the first 6 months of the fiscal year ended 31 December 2011

Consolidated Cash flow (cont.)

ITEMS	Code	For the first 6 months of 2011	For the first 6 months of 2010
III. Cash flows from financing activities			
1. Gains from stock issuance and capital contributions from shareholders	31	-	30.637.500.000
2. Repayment for capital contributions and re-purchases of stocks already issued	32	-	-
3. Short-term and long-term loans received	33	523.607.971.029	349.406.147.732
4. Loan principal amounts repaid	34	(426.080.373.189)	(347.141.403.212)
5. Payments for financial leasehold assets	35	(2.992.176.207)	(3.063.055.415)
6. Dividends and profit already paid to the owners	36	-	(3.529.275.735)
Net cash flows from financing activities	40	94.535.421.633	26.309.913.370
<i>Net cash flows during the year</i>	50	(118.551.366.077)	55.577.392.719
Beginning cash and cash equivalents	60	546.776.463.318	224.033.300.556
<i>Adjustment of beginning cash and cash equivalents of subsidiaries consolidated for the first time and those to be</i>		<i>4.097.090.267</i>	
Effects of fluctuations in foreign exchange rates	61	(1.516.382.393)	266.283.373
Ending cash and cash equivalents	70	430.805.805.114	279.876.976.649

Ho Chi Minh City, 10 August 2011

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 STATEMENTSFor the first 6 months of the fiscal year ended 31 December 2011

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**For the first 6 months of the fiscal year ended 2011****I. OPERATION FEATURES****1. Investment form
of parent company**

: A joint stock company.

2. Operating field

: Exploiting port services, transportation and logistic services.

3. Main operations

- To invest, to build and to operate sea port, river port, air cargo terminal. To perform all kinds of stevedoring services.
- To offer multi-modal transport services, to transport passengers and all kinds of cargo including containers, out of gauge cargo by sea, air, river way and inland trucking.
- To provide Logistics services; to build, to operate, and to trade all kinds of warehouses and yard; to provide customs brokerage.
- To provide shipping agency services, container transportation, forwarding services by sea, by air and by road ,ship's Chandler and other related shipping services.
- To sell, purchase, manage, operate, repair, newly build and charter all types of ocean vessels, river ships, containers, cranes, forklifts and other equipments, materials, spare parts for transportation, port operation and logistics.
- To manage and man crew members.
- To undertake direct import and export. To act as petrol trading agency. To exploit mineral.
- To invest, construct, manage, trade and operate real estates, office buildings, restaurants, catering services, hotels, apartments, residential area, trading center and industrial park and resorts.
- To undertake financial investment; to trade stocks; to make financial contribution to banks, securities companies, fund management companies and to involve in other financial activities.
- To undertake other business activities which are decided by the Board of Management in each particular period in accordance with the regulations of the laws and as registered to the relevant authorities.
- To plant rubber trees ; to manufacture other products from rubber.

4. Total number of subsidiaries :

16

In which:

Number of subsidiaries consolidated:

16

5. List of subsidiaries to be consolidated

<i>Subsidiaries</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
Gemadep (Singapore) Ltd.	120 Lower Delta Road, #15-14/15 Cendex Centre, Singapore.	100,00 %	100,00 %
Gemadep (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, Gemadep Building, No. 2Bis-4-6 Le Thanh Ton,	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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

<i>Subsidiaries</i>	<i>Addresses</i>	<i>Benefit rate</i>	<i>Voting right</i>
	Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.		
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 %
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	No. 1/1A Pham Hong Thai, Ward 7, Vung Tau City, Vietnam.	70,00%	70,00%
Gemadept Nhon Hoi International Port J.S.C	No. 98 Pham Hung, 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 Infrastructures Development and Investment Construction J.S.C	No. 142, Nguyen Thong, Ward 3, Tan An Town, Long An Province, Vietnam.	100,00%	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%	52,00%
Nam Hai Port Corporation	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%	100%
Lion Lord Corporation (**)	No. 6 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	5,00%	55,00%

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)**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%
MBN-GMD Vietnam	No. 6 Le Thanh Ton, District 1, Ho Chi Minh City, Vietnam.	34,00 %	34,00 %
Vung Tau Commercial Port Joint Stock Company (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 Joint Stock Company	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%
Huynhai 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	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 Joint Stock Company	No. 267 Quang Trung Street, Quang Trung Ward, Ha Dong District, Ha Noi City, Vietnam.	26,56%	26,56%
OOCL (Vietnam) Co., Ltd.	13 th Floor, Saigon Center, No. 37 Ton Duc Thang, District 1, Ho Chi Minh City.	49,00%	49,00%

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING**1. Fiscal year**

The fiscal year of the Group is from 01 January to 31 December annually. The first 6 months of the Group is from 01 January to 30 June , 2011.

2. Standard currency unit

The consolidated financial statements of the Group are presented in Vietnam Dong (VND).

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting system

The consolidated financial statements have been prepared in line with the guidance of Vietnamese accounting standards and system, which were issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance as well as other circulars giving guidance on the amendments and supplementations of the Vietnamese accounting system.

2. Statement on the compliance with the Vietnamese 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 in accordance with 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 entity 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.

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

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

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 influents but does not have control on financial or operating policies.

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.

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.

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

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 03 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 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

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

Provisions are made for each bad debt, based on the outstanding debt age or the estimated loss.

10. Tangible fixed assets

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the Group 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.

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 year.

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 and structures	05 - 25
Machinery and 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.

12. Operating leasehold assets

The Group is 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 as generated or are gradually allocated into expenses during the leasing period in conformity with the recording of income from operating lease.

The Group is 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 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.

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

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. Since the land use right is permanent, it is not amortized.

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 3 years.

15. Borrowing costs

Borrowing costs are included into expenses during the period. 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 period, except for particular borrowings serving the purpose of obtaining a specific asset.

16. Financial investments

Investments into securities are recorded at their original costs. Provision for devaluation of investment in security 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

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

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.

Other expenses

Other prepaid expenses are allocated according to the time as in the invoices or contracts, or from 2 to 3 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 to the employees who have worked for the companies in the Group for 12 months or more until 31 December 2008. The rates of extraction for this fund are from 1 to 3% 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 1% 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 insurance amount paid to the employees who have enough conditions to receive and have worked for the Group before 01 January 2009 is the average salary in 6 consecutive months before the resigning date.

20. Convertible bonds

Convertible bonds are those which can be converted into common shares of the Group under the specified conditions.

Convertible bonds are recorded into liabilities and owner's equity. The liabilities are estimated at the market interest rate of the similar convertible bonds as at the issuing date. The liabilities are adjusted according to the actual interest rate during the bond term by recording into expenses. The part recorded into owner's equity is the difference between the fair value of convertible bonds and the liabilities. The expenses related to the issuance of convertible bonds are allocated at the certain rates into liabilities and owner's equity.

21. Capital - Funds

The Group's sources of capital include:

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

- Capital: recorded according to the amount actually invested by shareholders of the parent company.
- Share premiums: the difference between the issuance price and face value.
- Other sources of capital: including the supplementation from the business results, the value of the assets which are given to the company and the revaluation of assets.

Funds are extracted and used in line with the Charter of each company in the Group.

22. Dividends

Dividends are recorded as an amount payable when they are disclosed.

23. Corporate income tax

Corporate income tax during the year 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 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.

24. Foreign currency translation

The transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The balances of the 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

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

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 2010 :	VND 18.932/USD
		: VND 14.729 /SGD
		: VND 6.136 /RM
30 June 2011 :	VND 20.618 /USD	
		: VND 16.680 /SGD
		: VND 6.828 /RM

25. 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.

26. 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 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 companies in the Group has the right to receive dividends or profit from the capital contribution. Particularly, as for the dividends received in form of shares, the Group only follow up the increase in the number of shares instead of recording into income.

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)**V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET****1. Cash and cash equivalents**

	Ending balance	Beginning balance
Cash on hand	31.353.245.098	25.576.340.628
Cash in bank	357.811.519.562	314.677.253.425
Cash in transit	29.307.176	62.052.900
Cash equivalents ^(*)	41.611.733.278	206.460.816.365
Total	430.805.805.114	546.776.463.318

^(*) Under-3-month deposit.**2. Short-term investments**

	Ending balance	Beginning balance
Short-term investments in shares	329.383.870.891	333.987.492.096
Short-term investments into Gemadept - Terminal Link	487.500.000.000	487.500.000.000
Giving loans to partners	58.085.083.389	75.000.000.000
Term - deposit	48.461.308.466	28.315.706.616
Total	923.430.262.746	924.803.198.712

3. Provisions for devaluation of short-term investments

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

4. Receivable from customers

	Ending balance	Beginning balance
At Gemadept Corporation	149.769.111.278	150.093.327.439
At subsidiaries	169.383.862.934	155.781.211.394
Total	319.152.974.213	305.874.538.833

5. Prepayment to suppliers

	Ending balance	Beginning balance
At Gemadept Corporation	83.317.265.796	52.909.632.074
At subsidiaries	122.557.693.121	117.714.930.635
Total	205.874.958.917	170.624.562.709

6. Other receivable

	Ending balance	Beginning balance
Receivable of amounts paid on others' behalf to provide agency services	28.472.558.897	16.615.645.192
Receivable from associates and co-operations	73.465.879.821	87.088.579.745
Dividends and profit shared	-	9.260.618.700
Receivable from estimated interest on deposits, loans given and bonds	-	6.352.364.089
Receivable from securities trading	3.500.000.000	3.500.000.000

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
Others	28.449.658.666	32.667.489.263
Total	133.888.097.384	155.484.696.989

7. Inventories

	<u>Ending balance</u>	<u>Beginning balance</u>
Materials and fuel	61.194.496.535	48.324.382.009
Work-in-process	14.137.850.140	14.305.852.714
Total	75.332.346.675	62.630.234.723

8. Short-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Repairing expenses	5.485.270.105	5.670.771.337
Insurance premiums	2.637.679.843	2.115.160.613
Others	7.302.034.973	7.016.650.744
Total	15.424.984.921	14.802.582.694

9. Taxes and other accounts receivable from State

This is temporary amount extracted which already paid to the State and waiting for tax finalization.

10. Other current assets

	<u>Ending balance</u>	<u>Beginning balance</u>
Advances	39.166.842.867	29.036.474.367
Short-term deposits and mortgages	109.847.806.393	102.200.688.348
Total	149.014.649.260	131.237.162.715

11. Other long-term accounts payable

	<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 Logistics Service Area	18.000.000.000	18.000.000.000
Total	37.000.000.000	37.000.000.000

12. Increases/ (decreases) of tangible fixed assets

	<u>Building and Structure</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Other tangible fixed assets</u>	<u>Total</u>
Historical cost						
Beginning Balance	443.174.153.933	311.930.900.056	1.831.778.694.101	20.474.793.465	39.699.966.890	2.647.058.508.445
Increase	9.170.398.958	4.266.828.731	120.810.752.363	891.816.317		135.139.796.369
Decrease	(15.910.387.202)			(1.062.516.634)		(16.972.903.836)

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

Ending Balance	436.434.165.689	316.197.728.787	1.952.589.446.464	20.304.093.148	39.699.966.890	2.765.225.400.978
Depreciation						
Beginning Balance	64.703.201.108	125.400.498.589	561.327.499.499	13.060.035.408	7.336.928.414	771.828.163.018
Increase	10.210.909.640	13.599.625.493	84.831.346.853	1.730.771.436	1.450.553.209	111.823.206.631
Decrease	(4.686.261.460)			(1.062.516.634)		(5.748.778.094)
Ending Balance	70.227.849.288	139.000.124.082	646.158.846.352	13.728.290.210	8.787.481.623	877.902.591.554
Net book value						
Beginning Balance	378.470.952.825	186.530.401.467	1.270.451.194.602	7.414.758.057	32.363.038.476	1.875.230.345.428
Ending Balance	366.206.316.401	177.197.604.705	1.306.430.600.112	6.575.802.938	30.912.485.267	1.887.322.809.423

13. Increases/ (decreases) of financial leasehold assets

	<u>Historical costs</u>	<u>Depreciation</u>	<u>Net book values</u>
Beginning balance	23.890.768.666	16.623.929.836	7.266.838.830
Increases	-	1.982.358.870	(1.982.358.870)
Ending balance	23.890.768.666	18.606.288.706	5.284.479.960

14. Increases/ (decreases) of intangible fixed assets

	<u>Land use right</u>	<u>Computer Software</u>	<u>Total</u>
Historical Cost			
Beginning Balance	39.643.458.865	11.309.321.533	50.952.780.398
Increase		129.950.265	129.950.265
Decrease			
Ending Balance	39.643.458.865	11.439.271.798	51.082.730.663
Depreciation			
Beginning Balance	935.875.216	3.145.033.877	4.080.909.093
Depreciation	295.327.140	562.239.999	857.567.139
Ending Balance	1.231.202.356	3.707.273.876	4.938.476.232
Net book values			
Beginning Balance	38.707.583.649	8.164.287.656	46.871.871.305
Ending Balance	38.412.256.509	7.731.997.922	46.144.254.431

15. Construction-in-progress

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Inclusion in fixed assets</u>	<u>Ending Balance</u>
Acquisition of fixed assets	22.606.198.411	118.886.055.591	75.715.751.017	65.776.502.985
Construction – in – progress	54.343.604.691	1.205.413.417	-	55.549.018.108

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

- Northern Rach Chiec Area, District 9, Ho Chi Minh City	40.238.405.945	1.205.413.417	41.443.819.362
- Expenses on consultancy and investment in Le Loi Building	2.694.479.091		2.694.479.091
- Gemadept Hi-tech park	3.658.444.173		3.658.444.173
- Other projects	7.752.275.482		7.752.275.482
Total	76.949.803.102	120.091.469.008	75.715.751.017
			121.325.521.093

16. Increases/(decreases) of investment property

	Historical costs	Accumulated depreciation	Net book values
Beginning balance	279.448.439.795	28.354.171.622	251.094.268.173
Increases		5.946.058.092	(5.946.058.092)
Ending balance	279.448.439.795	34.300.229.714	245.148.210.081

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

	For the first 6 months of 2011
Gain from the lease	46.812.873.147
Direct expenses related to the gain from the lease	16.260.050.802

17. Investments in business concerns and joint ventures

Companies	Ending Balance		Beginning Balance	
	Ownership rate	Amount	Ownership rate	Amount
Golden Globe Trading Co., Ltd.	45,00%	42.761.600.000	45,00%	42.761.600.000
Vung Tau Commercial Port J.S.C (VCP)	26,78%	9.642.000.000	26,78%	9.642.000.000
MBN-GMD VIETNAM	34,00%	1.534.080.000	34,00%	1.534.080.000
Vinh Hao Mineral Water J.S.C	29,00%	32.206.940.000	29,00%	32.206.940.000
Minh Dam Tourism J.S.C	40,00%	18.264.608.143	40,00%	18.264.608.143
Potraco	38,02%	23.236.200.000	38,02%	23.236.200.000
Schenker Gemadept Logistics Vietnam Co., Ltd.	49,00%	11.882.010.000	49,00%	11.882.010.000
Huynhai Merchant Marine Vietnam Co., Ltd.	49,00%	2.371.845.000	49,00%	2.371.845.000
Saigon Cargo Service Corporation	23,00%	86.250.000.000	23,00%	86.250.000.000
Falcon Ha Dong Investment and Trading JSC	25,00%	29.375.000.000	25,00%	29.375.000.000
Sinokor Vietnam Co., Ltd.	49,00%	2.319.909.000	49,00%	2.319.909.000
Food Association Joint Stock Company	26,56%	49.825.280.000	26,56%	49.825.280.000
OOCL Vietnam Co., Ltd.	49,00%	11.038.522.845	49,00%	17.913.906.635
Gemadept- Terminal Link Cai Mep	62,50%	612.052.327.921	62,50%	612.052.327.921

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

Companies	Ending Balance		Beginning Balance	
	Ownership rate	Amount	Ownership rate	Amount
Terminal J.S.C				
Gains from associates upon consolidation		14.672.764.275		15.469.986.177
Total		947.433.087.184		955.105.692.876

18. Other long-term investments

	Ending Balance	Beginning Balance
Investments in shares	203.374.669.600	203.374.669.600
Other long-term investments	561.568.828.877	373.703.175.285
- <i>Transvina Co., Ltd.</i>	12.635.901.494	12.635.901.494
- <i>Gemadept Terminal Link Cai Mep Terminal J.S.C</i>	190.950.000.000	190.950.000.000
- <i>Project of Falcon Ha Dong Office Building</i>	32.500.000.000	32.500.000.000
- <i>Other companies</i>	325.482.927.383	137.617.273.791
Term deposit	140.900.000.000	161.600.000.000
Total	905.843.498.477	738.677.844.885

19. Provisions for devaluations of long-term investments

	Ending Balance	Beginning Balance
Provisions for investments into subsidiaries		73.769.712
Provisions for long-term investments into securities	36.792.330.200	36.792.330.200
Provisions for other long-term investments	2.932.535.706	2.932.535.706
Total	39.724.865.906	39.798.635.618

20. Long-term prepaid expenses

	Ending balance	Beginning balance
Tool expenses	-	555.868.574
Expenses on repairing ships	6.234.495.936	8.832.114.060
Warehouse and office repairing expenses	2.261.211.334	2.673.618.182
Others	1.000.455.002	1.297.033.859
Total	9.496.162.272	13.358.634.675

21. Other long-term assets

Other long-term assets are long-term deposit to guarantee the payment.

22. Goodwill

The goodwill generated from the purchases of Hoa Sen - Gemadept Logistics and International Port Corporation, which is determined by the differences between the buying 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).

23. Short-term loans and debts

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept Corporation	462.299.086.303	320.247.600.198
At Gemadept (Singapore) Ltd.	87.897.044.760	90.056.125.445
At Gemadept Dung Quat International Port J.S.C	5.800.000.000	5.000.000.000
At Phuoc Long Port Co., Ltd.	77.157.604.215	52.790.585.811
At Nam Hai Port Corporation	5.037.666.931	
Total	<u>638.191.402.209</u>	<u>468.094.311.454</u>
24. Payable to suppliers		
	<u>Ending balance</u>	<u>Beginning balance</u>
Payable to suppliers	177.318.108.366	186.849.714.448
Total	<u>177.318.108.366</u>	<u>186.849.714.448</u>
25. Advances from customers		
	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept Corporation	6.992.577.298	4.540.635.640
At Gemadept Infrastructures Development and Investment Construction J.S.C	1.386.140.802	
At V.N.M General Transportation Service Co., Ltd.		1.395.050
At Phuoc Long Port Co., Ltd.		797.896.955
At Gemadept Logistics Co., Ltd.	24.800.000	773.954.445
At ISS - Gemadept Co., Ltd.	4.513.030.898	-
At Gemadept Hai Phong Co., Ltd.	33.553.000	3.032.738
At Nam Hai Port J.S.C	3.368.824.438	4.937.255.424
Truong Tho Tourism and Transportation J.S.C	14.642.100.233	
Pacific Marine Co., Ltd.	60.433.798	
Lion Lord Corporation	1.635.000	
Total	<u>31.023.095.467</u>	<u>11.054.170.252</u>
26. Taxes and other obligations to the State Budget		
	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept Corporation	6.364.401.316	4.657.818.782
At subsidiaries	18.523.339.858	10.864.234.607
Total	<u>24.887.741.174</u>	<u>15.522.053.389</u>
27. Payable to employees		
This item includes the salary, allowances and bonuses to be paid to employees.		
28. Accrued expenses		
	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept Corporation	7.457.480.397	14.081.299.436
At subsidiaries	39.377.254.013	29.135.153.948
Total	<u>46.834.734.410</u>	<u>43.216.453.384</u>

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)**29. Other payable**

	<u>Ending balance</u>	<u>Beginning balance</u>
Received on others' behalf payable	76.829.781.586	50.614.560.338
Payable to Gemadept - Terminal Link Cai mep Terminal J.S.C	43.688.509.077	160.000.000.000
Payable to associates and business-cooperation entities	40.125.210.369	12.429.549.379
Others	131.825.398.586	41.052.886.939
Total	<u>292.468.899.618</u>	<u>264.096.996.656</u>

30. Other long-term accounts payable

	<u>Ending balance</u>	<u>Beginning balance</u>
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	20.741.807.959	22.941.117.275
Receipt of the deposit for the lease of other assets	-	25.369.175
Total	<u>20.741.807.959</u>	<u>22.966.486.450</u>

31. Long-term loans and debts

	<u>Ending balance</u>	<u>Beginning balance</u>
At Gemadept Corporation	481.784.045.000	481.784.045.000
At Gemadept (Singapore) Ltd.	175.589.719.988	244.371.077.808
At Gemadept Dung Quat International Port J.S.C	234.475.725.982	234.475.725.982
At Phuoc Long Port Co., Ltd.	19.601.339.345	19.601.339.345
At Nam Hai Port J.S.C	70.446.420.871	77.226.732.173
Total	<u>981.897.251.186</u>	<u>1.057.458.920.308</u>

32. 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	269.167.286.868	269.167.286.868
Other unearned revenues	3.733.434	862.937.595
Total	<u>269.171.020.302</u>	<u>270.030.224.463</u>

33. Owner's equity*Statement of fluctuations in owner's equity*

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital	1.000.000.000.000			1.000.000.000.000
Share premiums	2.169.160.586.400			2.169.160.586.400
Other sources of capital	71.797.775.902			71.797.775.902

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)

Foreign exchange difference	22.534.947.016		1.516.382.393	21.018.564.623
Business promotion fund	4.511.710.559			4.511.710.559
Financial reserved fund	23.765.156.863	5.664.248.049		29.429.404.912
Other funds	21.604.112.437	5.664.248.049	1.496.891.252	25.771.469.234
Retained earnings	659.449.558.394	14.561.145.020	80.401.610.547	593.609.092.867
Total	3.972.823.847.570	25.889.641.118	83.414.884.192	3.915.298.604.497

Shares

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	100.000.000	100.000.000
Number of shares already issued	100.000.000	100.000.000
- <i>Common shares</i>	100.000.000	100.000.000
- <i>Preferred shares</i>	-	-
Number of shares re-purchased	-	-
- <i>Common shares</i>	-	-
- <i>Preferred shares</i>	-	-
Number of outstanding shares	100.000.000	100.000.000
- <i>Common shares</i>	100.000.000	100.000.000
- <i>Preferred shares</i>	100.000.000	100.000.000

Face value of outstanding share: VND 10.000.

Purposes of appropriation for funds

- Business promotion and investment fund is used to invest in business expansion or to make intensive investments.
- Financial reserved fund is used to
 - + Compensate losses, damages of assets and accounts receivable unable to be recovered during the operations;
 - + Compensate the losses of the Group's companies according to the decision of the Board of Management.
- Other funds: the reserved fund is used to supplement the Group's prescribed capital according to the decision of the Board of Management.

Dividends : During the first 6 months of 2011 , the company has not paid dividends to shareholder by cash.

34. Interests of minority shareholders

	<u>Ending Balance</u>
Capital of minority shareholders	97.361.229.551
The premium of minority shareholders	74.996.473.900
Total	<u>172.357.703.451</u>

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT****1. Sales**

	For the first 6 months of 2011	For the first 6 months of 2010
Sales from transportation service	561.122.462.311	623.742.428.557
Sales from agency activities	37.501.942.616	61.185.830.222
Sales from leasing offices	46.812.873.147	59.474.635.608
Sales from exploitation of ports, logistics service and others	430.629.479.662	215.638.308.925
Total	1.076.066.757.736	960.041.203.312

2. Costs of goods

	For the first 6 months of 2011	For the first 6 months of 2010
Cost of transportation service	527.011.068.388	587.285.382.556
Cost of agency activities	20.418.041.929	35.258.228.766
Cost of leasing offices	16.260.050.802	16.252.936.120
Cost of exploitation of ports, logistics service and others	341.940.695.459	193.583.295.709
Total	905.629.856.578	832.379.843.151

3. Financial income

	For the first 6 months of 2011	For the first 6 months of 2010
Dividends and profit shared	7.198.947.711	39.082.773.138
Gains from capital contribution in business concerns and joint ventures	25.852.414.275	25.129.447.977
Interest on term deposit	20.280.846.862	3.350.821.663
Gains from foreign exchange difference	51.226.685.215	23.877.665.689
Total	104.558.894.062	91.440.708.467

4. Financial expenses

	For the first 6 months of 2011	For the first 6 months of 2010
Loan interest	76.320.182.014	41.361.852.153
Loss from foreign exchange difference	29.521.707.862	32.555.536.717
Loss from investment in securities	7.826.015.986	14.868.448.911
Provisions for devaluation of securities investment	70.770.862.995	-5.005.520.277
Others		1.257.655.155
Total	184.438.768.857	85.037.972.659

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 6 months of the fiscal year ended 31 December 2011

Notes to the consolidated financial statements (cont.)**5. Selling expenses**

	For the first 6 months of 2011	For the first 6 months of 2010
External service rendered	3.915.457.327	4.012.957.231
Other expenses	3.006.574.404	2.342.641.632
Total	6.922.031.731	6.355.598.863

6. Administrative overheads

	For the first 6 months of 2011	For the first 6 months of 2010
Salary of office staff	36.394.450.155	29.519.178.010
Materials	351.630.745	366.583.998
Stationery	544.041.916	588.255.957
Depreciation of fixed assets	8.084.449.328	5.666.036.177
Taxes	2.200.414.453	88.690.257
External service rendered	22.912.768.947	22.309.189.846
Others	5.444.035.050	4.904.954.122
Total	75.931.790.594	63.442.888.367

7. Other income

	For the first 6 months of 2011	For the first 6 months of 2010
Liquidation and disposals of fixed assets	27.620.010.908	41.647.100.801
Others	968.691.618	3.699.964.380
Total	28.588.702.526	45.347.065.181

8. Other expenses

	For the first 6 months of 2011	For the first 6 months of 2010
Net book values of liquidated fixed assets	10.567.412.217	5.768.309.534
Others	4.592.365.402	2.634.296.017
Total	15.159.777.619	8.402.605.551

Ho Chi Minh City, 10 August 2011

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director