

**GEMADEPT CORPORATION**

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

**THE FINANCIAL STATEMENTS**

For the first quarter of the fiscal year ended 31 December 2011

**BALANCE SHEET****For the first quarter of the fiscal year ended 31 December 2011**

Unit: VND

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>1.749.282.492.869</b>	<b>1.855.442.610.254</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>96.763.971.541</b>	<b>261.855.538.610</b>
1. Cash	111		96.763.971.541	93.268.741.558
2. Cash equivalents	112		-	168.586.797.052
<b>II. Short-term investments</b>	<b>120</b>		<b>905.365.107.146</b>	<b>782.752.507.716</b>
1. Short-term investments	121	V.2	989.509.346.307	857.998.023.712
2. Provisions for devaluation of short-term investments	129	V.3	(84.144.239.161)	(75.245.515.996)
<b>III. Accounts receivable</b>	<b>130</b>		<b>619.689.295.654</b>	<b>658.722.296.318</b>
1. Receivable from customers	131	V.4	264.869.104.883	279.714.658.775
2. Prepayments to suppliers	132	V.5	99.711.685.832	87.232.620.572
3. Short-term inter-company receivable	133		-	-
4. Receivable according to the progress of construction	134		-	-
5. Other receivable	135	V.6	255.937.564.261	292.604.076.293
6. Provisions for bad debts	139	V.7	(829.059.322)	(829.059.322)
<b>IV. Inventories</b>	<b>140</b>		<b>39.285.453.287</b>	<b>31.494.976.403</b>
1. Inventories	141	V.8	39.285.453.287	31.494.976.403
2. Provisions for devaluation of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>88.178.665.241</b>	<b>120.617.291.208</b>
1. Short-term prepaid expenses	151	V.9	15.796.290.961	7.559.556.079
2. VAT to be deducted	152		158.156.842	171.485.354
3. Taxes and other accounts receivable from the State	154	V.10	17.737.996.865	9.851.020.124
4. Trading Government bonds	157		-	-
5. Other current assets	158	V.11	54.486.220.573	103.035.229.651

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**THE FINANCIAL STATEMENTS**

For the first quarter of the fiscal year ended 31 December 2011

**Balance sheet (cont.)**

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>3.096.482.646.424</b>	<b>2.911.294.385.724</b>
<b>I. Long-term accounts receivable</b>	<b>210</b>		<b>37.000.000.000</b>	<b>37.000.000.000</b>
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.12	37.000.000.000	37.000.000.000
5. Provisions for bad debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>778.640.699.104</b>	<b>716.719.399.884</b>
1. Tangible assets	221	V.13	708.562.451.547	656.854.093.556
<i>Historical costs</i>	222		<i>1.180.877.358.289</i>	<i>1.107.465.742.961</i>
<i>Accumulated depreciation</i>	223		<i>(472.314.906.742)</i>	<i>(450.611.649.405)</i>
2. Financial leasehold assets	224	V.14	6.275.659.395	7.266.838.830
<i>Historical costs</i>	225		<i>23.890.768.666</i>	<i>23.890.768.666</i>
<i>Accumulated depreciation</i>	226		<i>(17.615.109.271)</i>	<i>(16.623.929.836)</i>
3. Intangible assets	227	V.15	14.626.653.645	14.935.179.723
<i>Initial costs</i>	228		<i>17.104.321.171</i>	<i>17.104.321.171</i>
<i>Accumulated amortization</i>	229		<i>(2.477.667.526)</i>	<i>(2.169.141.448)</i>
4. Construction-in-progress	230	V.16	49.175.934.517	37.663.287.775
<b>III. Investment property</b>	<b>240</b>	<b>V.17</b>	<b>248.121.239.127</b>	<b>251.094.268.173</b>
Historical costs	241		279.448.439.795	279.448.439.795
Accumulated depreciation	242		(31.327.200.668)	(28.354.171.622)
<b>IV. Long-term investments</b>	<b>250</b>		<b>1.986.140.724.742</b>	<b>1.858.666.120.194</b>
1. Investments in affiliates	251	V.18	939.984.944.122	936.984.944.122
2. Investments in business concerns and joint ventures	252	V.19	309.669.472.143	309.669.472.143
3. Other long-term investments	258	V.20	811.276.449.433	686.801.844.885
4. Provisions for devaluation of long-term investments	259	V.21	(74.790.140.956)	(74.790.140.956)
<b>V. Other long-term assets</b>	<b>260</b>		<b>46.579.983.451</b>	<b>47.814.597.473</b>
1. Long-term prepaid expenses	261	V.22	7.642.956.331	8.922.750.353
2. Deferred income tax assets	262		-	-
3. Other long-term assets	268	V.23	38.937.027.120	38.891.847.120
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>4.845.765.139.292</u></b>	<b><u>4.766.736.995.978</u></b>

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**THE FINANCIAL STATEMENTS**

For the first quarter of the fiscal year ended 31 December 2011

**Balance sheet (cont.)**

LIABILITIES AND OWNER'S EQUITY	Code	Note	Ending balance	Beginning balance
<b>A - LIABILITIES</b>	<b>300</b>		<b>1.308.280.540.763</b>	<b>1.256.398.181.305</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>803.825.919.438</b>	<b>750.668.286.436</b>
1. Short-term debts and loans	311	V.24	463.802.601.496	320.247.600.198
2. Payable to suppliers	312	V.25	112.619.342.972	111.740.232.090
3. Advances from customers	313	V.26	9.569.269.662	4.540.635.640
4. Taxes and other obligations to the State Budget	314	V.27	5.620.700.681	4.657.817.782
5. Payable to employees	315	V.28	5.374.131.071	14.914.367.746
6. Accrued expenses	316	V.29	24.580.217.685	14.081.299.436
7. Inter-company payable	317		-	-
8. Payable according to the progress of construction	318		-	-
9. Other short-term payable	319	V.30	176.651.654.145	273.810.520.210
10. Provisions for short-term accounts payable	320		-	-
11. Bonus and welfare funds	323	V.31	5.608.001.727	6.675.813.335
12. Trading Government bonds	327		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>504.454.621.325</b>	<b>505.729.894.869</b>
1. Long-term accounts payable to suppliers	331		-	-
2. Long-term inter-company payable	332		-	-
3. Other long-term payable	333	V.32	21.711.212.611	22.966.486.155
4. Long-term debts and loans	334	V.33	481.784.045.000	481.784.045.000
5. Deferred income tax payable	335	V.34	547.283.314	547.283.314
6. Provisions for unemployment allowances	336	V.35	412.080.400	432.080.400
7. Provisions for long-term accounts payable	337		-	-
8. Unearned revenues	338		-	-
9. Science and technology development fund	339		-	-
<b>B - OWNER'S EQUITY</b>	<b>400</b>		<b>3.537.484.598.529</b>	<b>3.510.338.814.672</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>3.537.484.598.529</b>	<b>3.510.338.814.672</b>
1. Capital	411	V.36	1.000.000.000.000	1.000.000.000.000
2. Share premiums	412	V.36	2.169.160.586.400	2.169.160.586.400
3. Other sources of capital	413	V.36	69.388.382.902	69.388.382.902
4. Treasury stocks	414		-	-
5. Differences on asset revaluation	415		-	-
6. Foreign exchange differences	416		-	-
7. Business promotion fund	417		-	-
8. Financial reserved fund	418	V.36	23.765.156.863	23.765.156.863
9. Other funds	419	V.36	20.651.091.956	20.651.091.956
10. Retained earnings	420	V.36	254.519.380.408	227.373.596.551
11. Construction investment fund	421		-	-
12. Business arrangement supporting fund	422		-	-
<b>II. Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Sources of expenditure	432		-	-
2. Fund to form fixed assets	433		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b>4.845.765.139.292</b>	<b>4.766.736.995.978</b>

**GEMADEPT CORPORATION**

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

Ho Chi Minh City, 25 April 2011

\_\_\_\_\_  
**Truong Nhu Nguyen**  
Preparer

\_\_\_\_\_  
**Nguyen Minh Nguyet**  
Chief Accountant

\_\_\_\_\_  
**Do Van Minh**  
General Director

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**THE FINANCIAL STATEMENTS**

For the first quarter of the fiscal year ended 31 December 2011

**INCOME STATEMENT**

For the first quarter of the fiscal year ended 31 December 2011

Unit: VND

	ITEMS	Quarter I		Accumulated from the beginning of the year	
		Current year	Previous year	Current year	Previous year
1	<b>Sales</b>	<b>316.143.221.608</b>	<b>315.065.157.845</b>	<b>316.143.221.608</b>	<b>315.065.157.845</b>
2	Deductions				
3	<b>Net sales</b>	<b>316.143.221.608</b>	<b>315.065.157.845</b>	<b>316.143.221.608</b>	<b>315.065.157.845</b>
4	Costs of goods sold	283.033.600.841	275.037.280.753	283.033.600.841	275.037.280.753
5	<b>Gross profit</b>	<b>33.109.620.767</b>	<b>40.027.877.092</b>	<b>33.109.620.767</b>	<b>40.027.877.092</b>
6	<b>Financial income</b>	<b>42.948.430.990</b>	<b>15.645.010.688</b>	<b>42.948.430.990</b>	<b>15.645.010.688</b>
7	<b>Financial expenses</b>	<b>38.390.060.599</b>	<b>18.455.781.685</b>	<b>38.390.060.599</b>	<b>18.455.781.685</b>
	In which:			0	-
	- <i>Loan interest expenses</i>	15.427.213.958	9.758.918.219	15.427.213.958	9.758.918.219
8	Selling expenses	1.214.124.558	120.267.920	1.214.124.558	120.267.920
9	<b>Administrative overheads</b>	<b>11.436.618.634</b>	<b>12.932.177.142</b>	<b>11.436.618.634</b>	<b>12.932.177.142</b>
10	<b>Net operating profit</b>	<b>25.017.247.966</b>	<b>24.164.661.033</b>	<b>25.017.247.966</b>	<b>24.164.661.033</b>
11	Other income	2.896.742.894	699.362.146	2.896.742.894	699.362.146
12	Other expenses	1.818.182	54.704.435	1.818.182	54.704.435
13	<b>Other profit</b>	<b>2.894.924.712</b>	<b>644.657.711</b>	<b>2.894.924.712</b>	<b>644.657.711</b>
14	<b>Total accounting profit before tax</b>	<b>27.912.172.678</b>	<b>24.809.318.744</b>	<b>27.912.172.678</b>	<b>24.809.318.744</b>
15	Current corporate income tax	766.388.821	1.579.737.300	766.388.821	1.579.737.300
	Deferred corporate income tax			0	-
16	<b>Profit after tax</b>	<b>27.145.783.857</b>	<b>23.229.581.444</b>	<b>27.145.783.857</b>	<b>23.229.581.444</b>

Ho Chi Minh City, 25 April 2011

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## THE FINANCIAL STATEMENTS

For the first quarter of the fiscal year ended 31 December 2011

**CASH FLOW STATEMENT**

(Indirect method)

For the first quarter of the fiscal year ended 31 December 2011

Unit: VND

ITEMS	Code	Note	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		27.912.172.678	115.016.436.327
2. Adjustments			-	
- Depreciation of fixed assets	02		25.975.991.896	91.929.598.196
- Provisions	03		8.898.723.165	84.071.951.477
- Gain/ (loss) from foreign exchange differences	04		(192.635.556)	(1.622.626.576)
- Gain/ (loss) from investing activities	05		(26.662.270.119)	(207.141.269.884)
- Loan interest expenses	06		15.427.213.958	73.562.775.097
3. Operating profit before changes of working capital	08		51.359.196.022	155.816.864.638
- Increase/ (decrease) of accounts receivable	09		25.534.851.719	(218.035.521.061)
- Increase/ (decrease) of inventories	10		(7.790.476.885)	(3.638.174.785)
- Increase/ (decrease) of accounts payable	11		(86.349.348.933)	43.755.221.976
- Increase/ (decrease) of prepaid expenses	12		(6.956.940.860)	(6.826.533.374)
- Loan interests already paid	13		(11.103.640.860)	(67.990.110.263)
- Corporate income tax already paid	14		(2.963.572.126)	(13.322.558.828)
- Other gains	15		54.320.965.350	124.265.106.682
- Other disbursements	16		(7.449.682.700)	(164.622.262.475)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>8.601.350.728</b>	<b>(150.597.967.489)</b>
<b>II. Cash flows from investing activities</b>			-	
1. Purchases and construction of fixed assets and other long-term assets	21		(84.924.262.070)	(38.242.199.581)
2. Gains from disposals and liquidation of fixed assets and other long-term assets	22		-	8.710.904.268
3. Loans given and purchases of debt instruments of other entities	23		(266.290.978.872)	(274.786.391.123)
4. Recovery of loans given and disposals of debt instruments of other entities	24		294.414.307.068	19.866.626.298
5. Investments into other entities	25		(287.109.255.339)	(867.103.214.048)
6. Withdrawals of investments in other entities	26		-	1.913.512.142
7. Receipts of loan interests, dividends and profit shared	27		26.662.270.119	149.886.298.515
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(317.247.919.094)</b>	<b>(999.754.463.529)</b>

ITEMS	Code	Note	<u>Current year</u>	<u>Previous year</u>
<b>III. Cash flows from financing activities</b>				
1. Gains from stock issuance and capital contributions from shareholders	31		-	1.327.253.124.000
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Short-term and long-term loans received	33		<b>238.405.150.465</b>	984.492.008.257
4. Loan principal amounts repaid	34		<b>(93.796.061.068)</b>	(984.833.255.677)
5. Payments for financial leasehold assets	35		<b>(1.054.088.100)</b>	(5.999.703.133)
6. Dividends and profit already paid to the owners	36		-	(1.000.000.000)
<b>Net cash flows from financing activities</b>	<b>40</b>		<u><b>143.555.001.297</b></u>	<u><b>1.319.912.173.447</b></u>
<i>Net cash flows during the year</i>	<b>50</b>		- <b>165.091.567.069</b>	<b>169.559.742.429</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>V.1</b>	<b>261.855.538.610</b>	<b>92.732.327.324</b>
Effects of fluctuations in foreign exchange rates	61			(436.531.143)
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>V.1</b>	<u><u><b>96.763.971.541</b></u></u>	<u><u><b>261.855.538.610</b></u></u>

Ho Chi Minh City, 25 April 2011

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### **THE FINANCIAL STATEMENTS**

For the first quarter of the fiscal year ending 31 December 2011

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## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the first quarter of the fiscal year ending 31 December 2011**

#### **I. OPERATION FEATURES**

- 1. Investment form** : Joint stock company.
- 2. Operating field** : Port operation, cargo transportation and logistics 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, container yard, and depot; to provide customs brokerage.
  - To provide shipping agency services, container liner agency, freight forwarding services, 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 estate, office buildings, hotels, resorts, 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.

#### **II. FISCAL YEAR AND STANDARD CURRENCY USED IN ACCOUNTING**

- 1. Fiscal year**  
The fiscal year of the company is from 01 January to 31 December annually.
- 2. Standard currency unit**  
The standard currency unit used is Vietnam Dong (VND).

#### **III. ACCOUNTING SYSTEM AND STANDARDS**

- 1. Accounting system**  
The company has been applying the Vietnamese accounting system, which has been issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance

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### **THE FINANCIAL STATEMENTS**

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**Notes to the financial statements** (cont.)

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as well as the circulars giving guidance on the amendments and supplementations of the Vietnamese accounting system.

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

The Directors 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 financial statements.

#### **3. Accounting form**

General journal recording.

### **IV. ACCOUNTING POLICIES**

#### **1. Accounting convention**

All the financial statements are prepared in accordance with the accrual basis (except for the information related to cash flows).

The affiliates have had their own accounting sections but they cannot do the accounting works independently. The company's financial statements are prepared on the basis of the combination of the financial statements of the affiliates. The inter-company sales and balances are excluded when the combined financial statements are prepared.

#### **2. 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.

#### **3. 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.

#### **4. Trade receivable and other receivable**

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

Provision is made for each bad debt basing on the debt age or the estimated loss.

#### **5. Tangible fixed assets**

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### THE FINANCIAL STATEMENTS

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Notes to the financial statements (cont.)

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Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the corporation 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 tangible fixed assets	05 - 25

#### 6. 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.

#### 7. Operating leasehold assets

##### *The company 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 company 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.

#### 8. Investment property

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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 company 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.

#### **9. Intangible fixed assets**

Intangible fixed assets are determined by their initial costs less accumulated amortization. Intangible fixed assets of the company 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***

Computer software includes all the expenses paid by the company until the date the software is put into use. Computer software is amortized in 03 years.

#### **10. Borrowing costs**

Borrowing costs are included into expenses as actually generated. 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.

#### **11. Financial investments**

Investments into securities, subsidiaries, associates and jointly-controlled entities 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. Provisions for loss of investments in other economic organizations are made when these organizations suffer from loss (except for the loss as expected in the company's business budgets before making the

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investments) at the rate equivalent to the rate of capital contribution of the company in these organizations.

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

#### **12. Long-term prepaid expenses**

##### *Designing expenses*

Designing expenses are allocated in accordance with the straight-line method for the period of 02 years.

##### *Ship repairing expenses*

Ship repairing expenses are allocated in accordance with the straight-line method for the period of 02 years.

##### *Financial lease interests*

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

#### **13. Accrued expenses**

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

#### **14. 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 company for 12 months or more until 31 December 2008. The rates of extraction for this fund are from 1% 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 company before 01 January 2009 is the average salary in 6 consecutive months before the resigning date.

#### **15. Convertible bonds**

Convertible bonds are those which can be converted into common shares of the company 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

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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.

#### **16. Capital - Funds**

The company's sources of capital include:

- Capital: recorded according to the amount actually invested by shareholders.
- 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 the company.

#### **17. Dividends**

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

#### **18. 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.

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#### **19. 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.

The exchange rates used as of:

31 December 2010 :	VND 18.932/USD
30 March 2011 :	VND 20.703/USD

#### **20. 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.

#### **21. 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.7.

##### ***Interests***

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

##### ***Dividends and profit shared***

Dividends and profit shared are recognized when the company has the right to receive dividends or profit from the capital contribution. Particularly, as for the dividends received in form of shares, the company only follow up the increase in the number of shares instead of recording into income.

#### **22. Segment reporting**

A business segment is a distinguishable component of the company that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the company that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

#### **23. Related parties**

A party is considered a related party of the company in case that party is able to control the company or to cause material effects on the financial decisions as well as the operations of the

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company. A party is also considered a related party of the company in case both that party and the company are under the same control or have to be subject to the same material effects.

In the consideration of the relationship between the company and the related parties, the nature of the relationship is focused more than the legal form of that relationship.

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

	<b>Ending Balance</b>	<b>Beginning balance</b>
Cash on hand	7,853,795,315	4,582,889,224
Cash in bank	88,731,343,575	88,631,079,443
Cash in transit	178,832,651	54,772,891
Cash equivalents (*)	-	168,586,797,052
<b>Total</b>	<b><u>96,763,971,541</u></b>	<b><u>261,855,538,610</u></b>

(\*) Under-3-month deposit.

**2. Short-term investments**

	<b>Ending balance</b>	<b>Beginning balance</b>
Short-term investments in shares	263,022,641,871	272,182,317,096
Term deposit	163,986,704,466	23,315,706,616
Short-term investment into TML	487,500,000,000	487,500,000,000
Other investments	75,000,000,000	75,000,000,000
	<b><u>989,509,346,337</u></b>	<b><u>857,998,023,712</u></b>

**3. Provisions for devaluation of short-term investments**

This is an additional provision on stock market. Details of increase/(decrease) of provision for devaluation of short-term investments are as follows:

<b>Beginning balance</b>	<b>75.245.515.996</b>
Additional extractions	8.898.723.165
<b>Ending balance</b>	<b><u>84.144.239.161</u></b>

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**Notes to the financial statements (cont.)****4. Receivable from customers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Receivable for acting as shipping agent	2,130,000,000	3,314,876,327
Receivable for transportation activities	207,025,120,385	198,750,549,547
Receivable for services of asset leasing	36,450,000,000	18,003,934,480
Receivable for services of exploiting port, container yards and other related services	19,263,984,498	59,645,298,421
<b>Total</b>	<b><u>264,869,104,883</u></b>	<b><u>279,714,658,775</u></b>

**5. Prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Bason Company Limited	2,481,856,626	-
Galaxy Maritime Corporation	38,000,000,000	38,000,000,000
Phuoc Long Port Co., Ltd.	24,948,168,662	34,179,996,948
Saigon Xanh Trading and Service JSC	9,130,000,000	6,848,000,000
Cty TNHH kỹ thuật dịch vụ Song Long	3,388,756,800	3,388,756,800
Portcoast Consultant Corporation	-	1,250,000,000
Saigon EVN LTD.,	1,894,672,355	-
Bong Sen Vang JSC	12,350,252,000	-
Others	7,517,979,389	3,565,866,824
<b>Total</b>	<b><u>99,711,685,832</u></b>	<b><u>87,232,620,572</u></b>

**6. Other receivable**

	<u>Ending balance</u>	<u>Beginning balance</u>
Receivable for payments on others' behalf to providing agency services	9,090,148,064	13,825,077,091
Receivable from securities trading	3,500,000,000	3,500,000,000
Receivable from subsidiaries, associates and business co-operations	226,773,550,443	236,160,669,987
Dividends and profit shared	-	9,260,618,700

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Estimated receivable from interest on government bonds	-	6,234,829,842
Others	<u>16,573,865,754</u>	<u>23,622,880,673</u>
<b>Total</b>	<b><u>255,937,564,261</u></b>	<b><u>292,604,076,293</u></b>

**7. Provision for bad debts**

	<u>Ending balance</u>	<u>Beginning balance</u>
South Asia Maritime Joint Stock Company	333.125.000	333.125.000
Nguyen Tran International Forwarding Co., Ltd.	190.500.000	190.500.000
H.T.N Transportation and Construction Co., Ltd.	14.091.000	14.091.000
Ha Hai Transportation Services Joint Stock Company	84.500.000	84.500.000
Binh An Edible Oil Company	33.663.006	33.663.006
Nghia Hung Transportation Co., Ltd.	20.412.000	20.412.000
Vinatrans Regional Container Lines	12.655.566	12.655.566
Nguyen Duc Hung (Ha Noi branch)	<u>140.112.750</u>	<u>140.112.750</u>
<b>Total</b>	<b><u>829.059.322</u></b>	<b><u>829.059.322</u></b>

**8. Inventories**

Fuel stored on ships.

**9. Short-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Ship repairing expenses	3,982,310,985	4,246,532,992
Insurance costs	6,950,680,046	2,082,876,829
Others	4,863,299,930	1,230,146,258
<b>Total</b>	<b><u>15,796,290,961</u></b>	<b><u>7,559,556,079</u></b>

**10. Taxes and other accounts receivable from State**

Corporate income tax excessively paid in Vietnam and at the branch in Cambodia.

**11. Other current assets**

	<u>Ending balance</u>	<u>Beginning balance</u>
Advances	18,192,734,767	16,205,159,446
Short-term deposits and mortgages	<u>36,293,485,806</u>	<u>86,830,070,205</u>
<b>Total</b>	<b><u>54,486,220,573</u></b>	<b><u>103,035,229,651</u></b>

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**Notes to the financial statements (cont.)****12. 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	<u>18.000.000.000</u>	<u>18.000.000.000</u>
<b>Total</b>	<b><u><u>37.000.000.000</u></u></b>	<b><u><u>37.000.000.000</u></u></b>

**13. Increases/ (decreases) of tangible fixed assets**

	<u>Buildings and Structure</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
<b>Historical Cost</b>					
Beginning Balance	76.358.214.834	106.792.649.915	912.185.574.234	12.129.303.978	1.107.465.742.961
Increase	4.060.726.132	-	69.178.695.890	437.948.810	73.677.370.832
<i>Additional</i>	<i>4.060.726.132</i>		<i>69.101.572.382</i>	<i>423.984.475</i>	<i>73.586.282.989</i>
<i>Other increases</i>			<i>77.123.508</i>	<i>13.964.335</i>	<i>91.087.843</i>
Decrease	-	-		(265.755.504)	(265.755.504)
<i>Disposal and liquidation</i>				<i>(265.755.504)</i>	<i>(265.755.504)</i>
<b>Ending Balance</b>	<b><u><u>80.418.940.966</u></u></b>	<b><u><u>106.792.649.915</u></u></b>	<b><u><u>981.364.270.124</u></u></b>	<b><u><u>12.301.497.284</u></u></b>	<b><u><u>1.180.877.358.289</u></u></b>
<b>Depreciation</b>					
Beginning Balance	31.992.806.047	78.067.415.571	330.951.051.099	9.600.376.688	450.611.649.405
Increase	622.269.099	2.022.026.880	18.752.991.612	571.725.250	21.969.012.841
<i>Depreciation</i>	<i>622.269.099</i>	<i>2.022.026.880</i>	<i>18.733.425.161</i>	<i>557.760.915</i>	<i>21.935.482.055</i>
<i>Other increases</i>			<i>19.566.451</i>	<i>13.964.335</i>	<i>33.530.786</i>
Decrease	-	-	-	(265.755.504)	(265.755.504)
<i>Disposal and liquidation</i>				<i>(265.755.504)</i>	<i>(265.755.504)</i>
<b>Ending Balance</b>	<b><u><u>32.615.075.146</u></u></b>	<b><u><u>80.089.442.451</u></u></b>	<b><u><u>349.704.042.711</u></u></b>	<b><u><u>9.906.346.434</u></u></b>	<b><u><u>472.314.906.742</u></u></b>

**14. 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	-	991,179,435	
<b>Ending balance</b>	<b><u><u>23,890,768,666</u></u></b>	<b><u><u>17,615,109,271</u></u></b>	<b><u><u>6,275,659,395</u></u></b>

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**Notes to the financial statements** (cont.)**15. Increases/ (decreases) of intangible fixed assets**

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
<b>Initial Costs</b>			
Beginning Balance	7,352,483,410	9,751,837,761	17,104,321,171
Increase	-	-	-
Disposal and liquidation	-	-	-
<b>Ending Balance</b>	<b>7,352,483,410</b>	<b>9,751,837,761</b>	<b>17,104,321,171</b>
<b>Amortization</b>			
Beginning Balance	-	2,169,141,448	2,169,141,448
Amortization	-	308,526,078	308,526,078
<b>Ending Balance</b>	<b>-</b>	<b>2,477,667,526</b>	<b>2,477,667,526</b>
<b>Net book values</b>			
Beginning Balance	7,352,483,410	7,582,696,313	14,935,179,723
<b>Ending Balance</b>	<b>7,352,483,410</b>	<b>7,274,170,235</b>	<b>14,626,653,645</b>

**16. Construction-in-progress**

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Ending Balance</u>
Acquisition of fixed assets	9.395.025.911	11.512.646.742	20.907.672.652,89
Construction-in-progress	28.268.261.864		28.268.261.864,00
- Northern Rach Chiec Area, District 9, Ho Chi Minh City	20.746.655.945		20.746.655.945,00
- Expenses on consultancy and investment in Le Loi Building	2.694.479.091		2.694.479.091,00
- Gemadept Hi-tech park	3.658.444.173		3.658.444.173,00
- Others	1.168.682.655		1.168.682.655,00
<b>Total</b>	<b>37.663.287.775</b>	<b>11.512.646.742</b>	<b>49.175.934.517</b>

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	<u>Historical costs</u>	<u>Depreciation</u>	<u>Net book values</u>
Beginning balance	279,448,439,795	28,354,171,622	251,094,268,173
Increases	-	2,973,029,046	
<b>Ending balance</b>	<b><u>279,448,439,795</u></b>	<b><u>31,327,200,668</u></b>	<b><u>248,121,239,127</u></b>

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

	<u>Current year</u>	<u>Previous year</u>
Gain from the lease	22,740,381,922	111,727,417,634
Direct expenses related to the gain from the lease	7,819,573,650	34,327,579,765

**18. Investments in subsidiaries**

	<u>Ending balance</u>	<u>Beginning balance</u>
	<u>Amount</u>	<u>Amount</u>
Dung Quat International Port Joint Stock Company	36.900.000.000	36.900.000.000
V.N.M General Transportation Service Co., Ltd.	5.000.000.000	5.000.000.000
Gemadept (Malaysia) Ltd.	15.206.200.000	15.206.200.000
Gemadept (Singapore) Ltd.	15.207.300.000	15.207.300.000
Gemadept Nhon Hoi International Port Joint Stock Company	6.600.000.000	6.600.000.000
Phuoc Long Port Co., Ltd.	- 100.000.000.000	100.000.000.000
ISS - Gemadept Co., Ltd.	- 1.637.304.000	1.637.304.000
Gemadept Logistics Co., Ltd.	- 80.000.000.000	80.000.000.000

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Gemadept – Vung Tau Corporation	67.200.000.000	67.200.000.000
Hoa Sen - Gemadept Logistics and International Port	72.126.807.812	72.126.807.812
Gemadept Infrastructures Development and Investment Construction J.S.C.	60.000.000.000	60.000.000.000
Gemadept Hai Phong Co., Ltd	23.924.332.310	23.924.332.310
Lion Lord Corporation	700.000.000	700.000.000
Truong Tho Tourism and Transportation J.S.C	27.600.000.000	27.600.000.000
Nam Hai Port Corporation	424.383.000.000	424.383.000.000
Pacific Marine Co., Ltd.	-	-
	<u>3.500.000.000</u>	<u>500.000.000</u>
<b>Total</b>	<b><u>939.984.944.122</u></b>	<b><u>936.984.944.122</u></b>

**19. Investments in business concerns and joint ventures**

	Ending balance		Beginning balance	
	Ownership rate	Amount	Ownership rate	Amount
Golden Globe Trading Co., Ltd.		42,761,600,000		42,761,600,000
Vung Tau Commercial Port J.S.C (VCP)		9,642,000,000		9,642,000,000
MBN-GMD VIETNAM Vinh Hao Mineral Water J.S.C		1,534,080,000		1,534,080,000
Nam Hai Port Corporation		-		-
Minh Dam Tourism J.S.C		18,264,608,143		18,264,608,143
Potraco		23,236,200,000		23,236,200,000
Schenker Gemadept Logistics Vietnam Co., Ltd.		11,882,010,000		11,882,010,000

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Huyn dai Merchant Marine Vietnam Co., Ltd.	2,371,845,000	2,371,845,000
Saigon Cargo Service Corporation	86,250,000,000	86,250,000,000
Falcon Ha Dong Investment and Trading JSC	29,375,000,000	29,375,000,000
Sinokor Vietnam Co., Ltd. Food Association Joint Stock Company	49,825,280,000	49,825,280,000
<b>Total</b>	<b><u>309,669,472,143</u></b>	<b><u>309,669,472,143</u></b>

**20. Other long-term investments**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Investments in shares	203,374,669,600	203,374,669,600
Term deposits	161,600,000,000	161,600,000,000
Others	446,301,779,833	321,827,175,285
<b>Total</b>	<b><u>811,276,449,433</u></b>	<b><u>686,801,844,885</u></b>

**21. Provision for devaluation of long-term investment**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Provision for devaluation of long-term securities investments	36.792.330.200	36.792.330.200
Provision for loss from subsidiaries	21.303.348.530	21.303.348.530
Provision for loss from associates , joint - ventures	11.225.057.453	11.225.057.453
Provision for loss from other long-term securities investments	5.469.404.773	5.469.404.773
<b>Total</b>	<b><u>74.790.140.956</u></b>	<b><u>74.790.140.956</u></b>

Detail of increase/ decrease is as follows :

<b>Beginning Balance</b>	<b>74.790.140.956</b>
Additional extraction	
<b>Ending Balance</b>	<b><u>74.790.140.956</u></b>

**22. Long-term prepaid expenses**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Ship repairing expenses	7,642,956,331	8,832,114,060
Interests on financial leases		90,636,293
<b>Total</b>	<b><u>7,642,956,331</u></b>	<b><u>8,922,750,353</u></b>

**23. Other long-term assets**

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**Notes to the financial statements (cont.)**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Deposits at airlines to guarantee the payment of freights	757,280,000	757,280,000
Deposits for ship chartering	37,864,000,000	37,864,000,000
Other long-term deposits	315,747,120	270,567,120
<b>Total</b>	<b><u>38,937,027,120</u></b>	<b><u>38,891,847,120</u></b>

**24. Short-term loans and debts**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Short-term loans from banks		
- The loans from Vietnam	313,260,736,996	280,320,012,198
- The loans from Cambodia	150,541,864,500	39,927,588,000
<b>Total</b>	<b><u>463,802,601,496</u></b>	<b><u>320,247,600,198</u></b>

**25. Payable to suppliers**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Payable to subsidiaries, associates and business co-operations	3,074,728,994	2,406,101,682
<i>Gemadep Infrastructure Development and Investment Construction J.S.C</i>	305,346,703	305,346,703
<i>Gemadep Hai Phong Co., Ltd.</i>	2,581,793,209	1,962,065,359
<i>Gemadep Logistics Co., Ltd.</i>	-	33,396,048
<i>Nam Hai Port Corporation</i>	187,589,082	105,293,572
Others	109,544,613,978	109,334,130,407
<b>Total</b>	<b><u>112,619,342,972</u></b>	<b><u>111,740,232,089</u></b>

**26. Advances from customers**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Advances from customers	9,569,269,662	4,540,635,640
<b>Total</b>	<b><u>9,569,269,662</u></b>	<b><u>4,540,635,640</u></b>

**27. Taxes and other obligations to the State Budget**

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**Notes to the financial statements** (cont.)

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Taxes and other obligations to the State Budget	5,620,700,681	4,657,817,782
<b>Total</b>	<b><u>5,620,700,681</u></b>	<b><u>4,657,817,782</u></b>

**28. Payable to employees**

This item includes the salary to be paid to employees.

**29. Accrued expenses**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Loan interest expenses	8,348,701,296	7,120,776,825
Stevedoring and storage expenses	2,233,051,943	5,012,734,633
Fuel expenses	6,685,244,832	-
Others	7,313,219,614	1,947,787,978
<b>Total</b>	<b><u>24,580,217,685</u></b>	<b><u>14,081,299,436</u></b>

**30. Other short-term accounts payable**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Receipts on others' behalf to provide agency services	19,743,584,436	30,744,708,032
Payable to subsidiaries, associates and business co-operations	150,133,322,555	215,336,499,341
Others	6,774,747,154	27,729,312,837
<b>Total</b>	<b><u>176,651,654,145</u></b>	<b><u>273,810,520,210</u></b>

**31. Bonus and welfare funds**

<b>Beginning Balance</b>	<b>6,675,813,335</b>
Increase due to extraction from profit	
Disbursement	<u>(1,067,811,608)</u>
<b>Ending balance</b>	<b><u>5,608,001,727</u></b>

**32. Other long-term payable**

<u>Ending balance</u>	<u>Beginning balance</u>
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**Notes to the financial statements** (cont.)

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	21,711,212,611	22,941,117,275
Receipt of the deposit for lease of other long-term assets		25,368,880
<b>Total</b>	<b>21,711,212,611</b>	<b>22,966,486,155</b>

**33. Long-term debts and loans**

	<u>Ending balance</u>	<u>Beginning balance</u>
Long-term loans from banks	84,997,045,000	84,997,045,000
- <i>Navibank</i>	72,000,000,000	72,000,000,000
- <i>VIB Bank – Saigon Branch</i>	12,997,045,000	12,997,045,000
Convertible bonds	396,787,000,000	396,787,000,000
<b>Total</b>	<b>481,784,045,000</b>	<b>481,784,045,000</b>

**34. 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	69.388.382.902			69.388.382.902
Financial Reserved Fund	23.765.156.863			23.765.156.863
Other funds	20.651.091.956			20.651.091.956
Retained earnings	227.373.596.551	27.145.783.857		254.519.380.408
<b>Total</b>	<b>3.510.338.814.672</b>	<b>27.145.783.857</b>	<b>-</b>	<b>3.537.484.598.529</b>

*Dividends*

Gemadept Corp. has not paid dividend to shareholders by cash during the first quarter of 2011.

*Cổ phiếu*

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Number of shares registered to be issued	100.000.000	47.500.000
Number of shares already issued	100.000.000	47.500.000
- <i>Common shares</i>	100.000.000	47.500.000
- <i>Preferred shares</i>	-	-
Number of shares re-purchased	-	-
- <i>Common shares</i>	-	-
- <i>Preferred shares</i>	-	-
Number of outstanding shares	100.000.000	47.500.000
- <i>Common shares</i>	100.000.000	47.500.000
- <i>Preferred shares</i>	-	-

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**Notes to the financial statements** (cont.)

Face value of outstanding share: VND 10.000.

***Purposes of appropriation for funds***

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 company according to the decision of the Board of Management.

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

	<b>For the first quarter of 2011</b>
Sales	316.143.221.608
- Sales from transportation services, lease of assets, exploitation of ports, repairs and others	281.919.038.652
- Sales from agency activities and forwarding services	11.252.332.078
- Sales from leasing offices	22.971.850.878
<b>Total</b>	<b>316.143.221.608</b>

**2. Costs of goods**

	<b>For the first quarter of 2011</b>
Costs of transportation service, lease of assets, exploitation of ports, others	270.312.041.126
Cost of agency activities and forwarding services	5.701.479.883
Cost of from leasing offices	7.020.079.832
<b>Total</b>	<b>283.033.600.841</b>

**3. Financial income**

	<b>For the first quarter of 2011</b>
Gain from securities investments	471.926.963
Realized exchange gains	15.814.233.908
Interests on bank deposits	9.466.798.307
Gains from capital contribution in business concerns and joint ventures	17.195.471.812
<b>Total</b>	<b>42.948.430.990</b>

**4. Financial expenses**

	<b>For the first quarter of 2011</b>
Loan interest expenses	15.427.213.958

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**Notes to the financial statements** (cont.)

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	<b>For the first quarter of 2011</b>
Realized exchange loss	8.390.241.331
Loss from investment in securities	5.673.882.145
Provision for securities	8.898.723.165
<b>Total</b>	<b>38.390.060.599</b>

  

	<b>For the first quarter of 2011</b>
Salary of office staff	5.393.875.824
Expenses of material for administration	176.372.945
Stationery expenses	41.451.655
Depreciation of fixed assets	2.211.506.009
External service rendered	3.613.412.201
<b>Total</b>	<b>11.436.618.634</b>

**6. Earning per share**

This item is not included in Separate Financial Statement. In accordance with Vietnamese system and standard No. 30 “ Earning per share” , in case the company have to prepare both Financial Statement and Consolidated Financial Statement, this item is only presented in Consolidated Financial Statement.

Ho Chi Minh City, 25 April 2011

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**Truong Nhu Nguyen**  
**Preparer**

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**Nguyen Minh Nguyet**  
**Chief Accountant**

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**Do Van Minh**  
**General Director**