



Ho Chi Minh City Securities Corporation

Report of the Board of Directors and
Audited financial statements

for the financial year ended 31 December 2009

Ho Chi Minh City Securities Corporation

CONTENTS

	<i>Pages</i>
REPORT OF THE BOARD OF DIRECTORS	1 - 2
AUDITED FINANCIAL STATEMENTS	
Independent auditors' report	3
Balance sheet	4 - 10
Income statement	11 - 12
Cash flow statement	13 - 14
Notes to the financial statements	15 - 36

12/12/2018 10:00:00 AM

Ho Chi Minh City Securities Corporation

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Ho Chi Minh City Securities Corporation ("the Company") is pleased to present its report and the financial statements of the Company as at 31 December 2009 and for the year then ended.

THE COMPANY

The Company is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to the Business Registration Certificate No. 4103001573 issued by the Ho Chi Minh City Department of Planning and Investment on 23 April 2003 and Business License No. 11/UBCK-GPHDKD issued by the State Securities Commission on 29 April 2003.

The principal activities of the Company are brokerage services, securities trading, underwriting for share issues, custodian services, finance and investment advisory services.

The Company's head office is located at Floor 1, 2 and 3 at 6 Thai Van Lung, District 1, Ho Chi Minh City and its branch is located in Ha Noi, and transaction office in Ho Chi Minh City and Ha Noi.

RESULTS AND DIVIDENDS

		VND
	2009	2008
Net profit for the year	278,119,318,635	23,543,011,112
Dividend paid during the year	20,769,370,960	38,019,370,900
Dividend declared but not paid at the end of the year	42,405,496,459	11,949,619,419
Retained earnings at the end of the year	328,805,412,265	132,269,417,751

SIGNIFICANT EVENTS

The Company's shares were officially listed on the Ho Chi Minh Stock Exchange according to Decision No. 27/QD-SGDHCM dated 20 April 2009 and started trading from 19 May 2009.

On 23 December 2009, the Ho Chi Minh Stock Exchange noticed the last registered date, which bonus shares of the Company from share premium were issued to the existing shareholders with the number of the bonus shares of 19,699,386 shares and the total listed value of VND 196,993,860,000, was on 29 December 2009 pursuant to the Notice No.784/TB-SGDHCM. The Company was in the process to complete the registered documents for the Ho Chi Minh Stock Exchange to list the bonus shares.

BOARD OF DIRECTORS

The Members of the Board of Directors during the year 2009 and at the date of this report are:

Ms Ngo Kim Lien	Chairwoman	Appointed on 30 June 2007
Mr Do Hung Viet	Deputy Chairman	Appointed on 30 June 2007
Mr Le Anh Minh	Deputy Chairman	Appointed on 30 June 2007
Mr Nguyen Quyet Chien	Member	Reappointed on 30 June 2007
Mr Johan Nyvene	Member	Appointed on 30 June 2007
Mr Pham Nghiem Xuan Bac	Member	Reappointed on 30 June 2007
Mr Hoang Dinh Thang	Member	Appointed on 30 June 2007
Mr Nguyen Huu Thanh	Member	Resigned on 24 April 2009

Ho Chi Minh City Securities Corporation

REPORT OF THE BOARD OF DIRECTORS (continued)

EVENTS SINCE THE BALANCE SHEET DATE

On 01 February 2010, the Company received the Decision No. 19/QD-SGDHCM from the Ho Chi Minh Stock Exchange which approved the Company to additionally list the bonus shares and the Notice No. 79/TB-SGDHCM on listing and officially trading the bonus shares on the Ho Chi Minh Stock Exchange on 09 February 2010. The number of the bonus shares for additional listing was 19,699,386 units.

AUDITORS

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

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

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

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

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

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


APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Company as at 31 December 2009, and the results of its operations and the cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards and System, and accounting policies according to Circular No. 95/2008/TT-BTC issued by the Ministry of Finance on 24 October 2008 and comply with the relevant statutory requirements.

On behalf of the Board of Directors:




Ms. Ngo Kim Lien
Chairwoman


Mr. Johan Nyvane
Member

Ho Chi Minh City, Vietnam
09 February 2010

BALANCE SHEET
as at 31 December 2009

VND

Code	ASSETS	Notes	31 December 2009	31 December 2008
100	A. CURRENT ASSETS		1,992,037,321,030	424,512,702,959
110	I. Cash and cash equivalents	4	826,814,983,238	134,722,054,635
111	1. Cash		826,814,983,238	134,722,054,635
112	2. Cash equivalents		-	-
120	II. Short-term financial investments	6.1	267,505,454,106	179,621,648,637
121	1. Short-term investments		348,596,184,618	369,171,202,766
129	2. Provision for short-term investments		(81,090,730,512)	(189,549,554,129)
130	III. Short-term receivables		888,641,398,684	98,966,106,292
131	1. Trade receivables	7	1,129,867,100	2,974,849,166
132	2. Advances to suppliers		150,000,000	41,746,440
133	3. Receivables from related parties		-	-
135	4. Receivables from securities trading	7	655,156,686,651	47,317,151,378
138	5. Other receivables	7	253,052,082,667	81,286,304,031
139	6. Provision for doubtful debts	7	(20,847,237,734)	(32,653,944,723)
140	IV. Inventories		-	-
150	V. Other current assets		9,075,485,002	11,202,893,395
151	1. Short-term prepaid expenses		3,647,183,496	2,543,001,944
152	2. Value added tax deductible		-	3,444,081
154	3. Tax and other receivables from the State		4,151,843,810	7,675,279,835
158	4. Other current assets	8	1,276,457,696	981,167,535

BALANCE SHEET (continued)
as at 31 December 2009

VND

Code	ASSETS	Notes	31 December 2009	31 December 2008
200	B. NON-CURRENT ASSETS		97,500,118,701	1,054,696,973,332
210	I. Long-term receivables		-	-
211	1. Long-term trade receivables		-	-
212	2. Paid-in capital in wholly-owned subsidiaries		-	-
213	3. Long-term receivables from related parties		-	-
218	4. Other long-term receivables		-	-
219	5. Provision for doubtful long-term receivables		-	-
220	II. Fixed assets		18,187,800,019	15,706,708,794
221	1. Tangible fixed assets	9	8,150,351,057	7,794,520,395
222	- Cost		16,659,017,280	12,702,454,983
223	- Accumulated depreciation		(8,508,666,223)	(4,907,934,588)
224	2. Financial leases		-	-
225	- Cost		-	-
226	- Accumulated depreciation		-	-
227	3. Intangible fixed assets	10	7,907,930,446	7,107,457,937
228	- Cost		12,022,890,751	8,645,993,297
229	- Accumulated amortization		(4,114,960,305)	(1,538,535,360)
230	4. Constructions in progress	11	2,129,518,516	804,730,462
240	III Investment properties		-	-
241	- Cost		-	-
242	- Accumulated amortization		-	-
250	IV. Long-term financial investments		52,671,336,384	1,029,296,669,128
251	1. Investments in subsidiaries		-	-
252	2. Investments in associates, jointly controlled entities		-	-
253	3. Long term securities		-	-
254	- Available-for-sale securities	6.2	52,671,336,384	1,029,296,669,128
255	- Held-to-maturity securities		-	-
258	4. Other long-term investments		-	-
259	5. Provision for long-term financial investments		-	-
260	V. Other long-term assets		26,640,982,298	9,693,595,410
261	1. Long-term prepaid expenses	12	21,929,076,164	7,501,290,698
262	2. Deferred tax assets		-	-
263	3. Deposits to Settlement Support Fund	13	2,339,036,386	1,124,409,808
268	4. Other long-term assets	14	2,372,869,748	1,067,894,904
270	TOTAL ASSETS		2,089,537,439,731	1,479,209,676,291

BALANCE SHEET (continued)
as at 31 December 2009

VND

Code	RESOURCES	Notes	31 December 2009	31 December 2008
300	A. LIABILITIES		541,145,556,242	155,761,925,505
310	I. Current liabilities		539,363,206,242	154,427,388,005
311	1. Short-term loans and borrowings		-	-
312	2. Trade payables		161,048,250	190,744,300
313	3. Advances from customers		-	889,892,000
314	4. Statutory obligations	15	35,830,723,378	1,555,221,261
315	5. Payables to employees		-	1,710,350,258
316	6. Accrued expenses	16	9,216,419,476	749,578,520
317	7. Payables to related parties		-	-
320	8. Payables to securities trading		448,761,967,063	135,195,579,351
321	9. Dividend, principal and interest payables		1,898,531,325	1,210,851,120
322	10. Payables to securities issuers		-	-
328	11. Other payables	17	43,494,516,750	12,925,171,195
329	12. Short-term provision		-	-
330	II. Non-current liabilities		1,782,350,000	1,334,537,500
331	1. Long-term trade payables		-	-
332	2. Long-term payables to related parties		-	-
333	3. Other long-term liabilities		-	-
334	4. Long-term loans and debts		-	-
335	5. Deferred tax liabilities		-	-
336	6. Provision for retrenchment allowance		1,782,350,000	1,334,537,500
337	7. Long-term provision		-	-
339	8. Provision for compensation of investors		-	-
400	B. OWNERS' EQUITY		1,548,391,883,489	1,323,447,750,786
410	I. Capital	18	1,538,496,366,573	1,316,045,764,658
411	1. Share capital		394,634,000,000	394,634,000,000
412	2. Share premium		757,828,775,000	757,828,775,000
413	3. Other capital belonging to owners' equity		-	-
414	4. Treasury shares (buy back shares)		(1,941,442,200)	(645,000,000)
415	5. Asset revaluation reserve		-	-
416	6. Foreign exchange differences reserve		-	-
417	7. Investment and development fund		3,961,374,994	3,961,374,994
418	8. Financial reserve		54,097,834,988	26,458,301,498
419	9. Other funds belonging to owners' equity		1,110,411,526	1,538,895,415
420	10. Undistributed earnings		328,805,412,265	132,269,417,751
430	II. Bonus and welfare funds	18	9,895,516,916	7,401,986,128
440	TOTAL RESOURCES		2,089,537,439,731	1,479,209,676,291

BALANCE SHEET (continued)
as at 31 December 2009

OFF BALANCE SHEET ITEMS

VND

Code	ITEMS	31 December 2009	31 December 2008
001	1. Fixed assets under operating lease	-	-
002	2. Goods, valuable certificates held under trust	-	-
003	3. Assets held by the Company on consignment	-	-
004	4. Bad debts written off	-	-
005	5. Foreign currencies	91,436,195	122,452,190
006	6. Custody securities	2,041,245,200,000	2,195,049,720,000
	<i>Included:</i>		
007	6.1. Trading securities	1,883,991,420,000	2,084,337,220,000
008	6.1.1. Trading securities of custody members	144,269,780,000	1,350,616,510,000
009	6.1.2. Trading securities of local investors	1,667,783,750,000	716,019,430,000
010	6.1.3. Trading securities of foreign investors	71,920,890,000	17,701,280,000
011	6.1.4. Trading securities of other organizations	-	-
012	6.2. Temporarily un-tradable securities	85,951,930,000	-
013	6.2.1. Temporarily un-tradable securities of custody members	1,680,000,000	-
014	6.2.2. Temporarily un-tradable securities of local investors	82,997,690,000	-
015	6.2.3. Temporarily un-tradable securities of foreign investors	1,274,240,000	-
016	6.2.4. Temporarily un-tradable securities of other organizations	-	-
017	6.3. Mortgaged securities	43,909,450,000	23,713,200,000
018	6.3.1. Mortgaged securities of custody members	-	-
019	6.3.2. Mortgaged securities of local investors	43,909,450,000	23,713,200,000
020	6.3.3. Mortgaged securities of foreign investors	-	-
021	6.3.4. Mortgaged securities of other organizations	-	-
022	6.4. Temporarily blocked securities	-	-
023	6.4.1. Temporarily blocked securities of custody members	-	-
024	6.4.2. Temporarily blocked securities of local investors	-	-
025	6.4.3. Temporarily blocked securities of foreign investors	-	-
026	6.4.4. Temporarily blocked securities of other organizations	-	-
027	6.5. Securities awaiting for settlement	27,409,400,000	86,999,300,000
028	6.5.1. Securities awaiting for settlement of custody members	4,606,100,000	51,682,000,000
029	6.5.2. Securities awaiting for settlement of local investors	22,722,100,000	34,628,800,000
030	6.5.3. Securities awaiting for settlement of foreign investors	81,200,000	688,500,000
031	6.5.4. Securities awaiting for settlement of other organizations	-	-

BALANCE SHEET (continued)
as at 31 December 2009

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	31 December 2009	31 December 2008
032	6.6. <i>Frozen securities awaiting for withdrawal</i>	-	-
033	6.6.1. Frozen securities awaiting for withdrawal of custody members	-	-
034	6.6.2. Frozen securities awaiting for withdrawal of local investors	-	-
035	6.6.3. Frozen securities awaiting for withdrawal of foreign investors	-	-
036	6.6.4. Frozen securities awaiting for withdrawal of other organizations	-	-
037	6.7. <i>Securities awaiting for trading</i>	-	-
038	6.7.1. Securities awaiting for trading of custody members	-	-
039	6.7.2. Securities awaiting for trading of local investors	-	-
040	6.7.3. Securities awaiting for trading of foreign investors	-	-
041	6.7.4. Securities awaiting for trading of other organizations	-	-
042	6.8. <i>Securities mortgaged for a loan</i>	-	-
043	6.8.1. Securities mortgaged for a loan of custody members	-	-
044	6.8.2. Securities mortgaged for a loan of local investors	-	-
045	6.8.3. Securities mortgaged for a loan of foreign investors	-	-
046	6.8.4. Securities mortgaged for a loan of other organizations	-	-
047	6.9. <i>Securities for correcting transaction errors</i>	-	-
050	7. Unlisted custody securities	33,059,090,000	-
	<i>Included:</i>		
051	7.1. <i>Trading securities</i>	32,930,290,000	-
052	7.1.1. Trading securities of custody members	-	-
053	7.1.2. Trading securities of local investors	31,623,970,000	-
054	7.1.3. Trading securities of foreign investors	1,306,320,000	-
055	7.1.4. Trading securities of other organizations	-	-

BALANCE SHEET (continued)
as at 31 December 2009

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	31 December 2009	31 December 2008
056	7.2. <i>Temporarily un-tradable securities</i>	76,600,000	-
057	7.2.1. Temporarily un-tradable securities of custody members	-	-
058	7.2.2. Temporarily un-tradable securities of local investors	76,600,000	-
059	7.2.3. Temporarily un-tradable securities of foreign investors	-	-
060	7.2.4. Temporarily un-tradable securities of other organizations	-	-
061	7.3. <i>Mortgaged securities</i>	-	-
062	7.3.1. Mortgaged securities of custody members	-	-
063	7.3.2. Mortgaged securities of local investors	-	-
064	7.3.3. Mortgaged securities of foreign investors	-	-
065	7.3.4. Mortgaged securities of other organizations	-	-
066	7.4. <i>Temporarily blocked securities</i>	-	-
067	7.4.1. Temporarily blocked securities of custody members	-	-
068	7.4.2. Temporarily blocked securities of local investors	-	-
069	7.4.3. Temporarily blocked securities of foreign investors	-	-
070	7.4.4. Temporarily blocked securities of other organizations	-	-
071	7.5. <i>Securities awaiting for settlement</i>	52,200,000	-
072	7.5.1. Securities awaiting for settlement of custody members	-	-
073	7.5.2. Securities awaiting for settlement of local investors	52,200,000	-
074	7.5.3. Securities awaiting for settlement of foreign investors	-	-
075	7.5.4. Securities awaiting for settlement of other organizations	-	-
076	7.6. <i>Frozen securities awaiting for withdrawal</i>	-	-
077	7.6.1. Frozen securities awaiting for withdrawal of custody members	-	-
078	7.6.2. Frozen securities awaiting for withdrawal of local investors	-	-
079	7.6.3. Frozen securities awaiting for withdrawal of foreign investors	-	-
080	7.6.4. Frozen securities awaiting for withdrawal of other organizations	-	-
081	7.7. <i>Securities for correcting transaction errors</i>	-	-

BALANCE SHEET (continued)
as at 31 December 2009

OFF BALANCE SHEET ITEMS (continued)

VND

	ITEMS	31 December 2009	31 December 2008
082	8. Uncustodied securities of customers	-	-
083	9. Uncustodied securities of securities companies	-	-
084	10. Entrusted securities for auction	-	-

Mr. Lam Huu Ho
Chief Financial Officer



Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

09 February 2010

INCOME STATEMENT
for the financial year ended 31 December 2009

VND

Code	ITEMS	Notes	2009	2008
01	1. Revenue			
	<i>Included:</i>			
01.1	Revenue from brokerage services		121,204,323,347	32,600,815,140
01.2	Revenue from securities investment		267,795,435,514	229,535,249,035
01.3	Revenue from securities underwriting services		150,000,000	-
01.4	Revenue from securities issuance agency services		52,741,959	1,222,102,790
01.5	Revenue from finance advisory services		2,674,026,591	4,555,892,822
01.6	Revenue from securities custody services		-	-
01.7	Revenue from trust auction activities		270,024,519	2,940,794,984
01.8	Revenue from property lease		-	-
01.9	Other revenue	19	99,131,623,782	93,479,469,324
02	2. Deductions		-	-
10	3. Net revenues from operating activities		491,278,175,712	364,334,324,095
11	4. Operating expenses	20	(131,126,700,465)	(265,127,698,274)
	<i>In which:</i>			
	<i>Operating expenses</i>		(281,416,752,641)	(292,071,855,839)
	<i>Reversal of provision for a decline in value of short-term investments</i>		150,290,052,176	26,944,157,565
20	5. Gross profit from operating activities		360,151,475,247	99,206,625,821
25	6. General and administrative expenses	21	(38,272,543,336)	(75,659,385,515)
	<i>In which:</i>			
	<i>General and administration expenses</i>		(51,130,997,336)	(75,659,385,515)
	<i>Reversal of provision for doubtful debts</i>		12,858,454,000	-

INCOME STATEMENT (continued)
for the financial year ended 31 December 2009

VND

Code	ITEMS	Notes	2009	2008
30	7. Net profit from operating activities		321,878,931,911	23,547,240,306
31	8. Other income		14,434,532,505	166,349,412
32	9. Other expenses		-	(170,578,606)
40	10. Other profit/(loss)	22	14,434,532,505	(4,229,194)
50	11. Accounting profit before tax		336,313,464,416	23,543,011,112
51	12. Current enterprise income tax expense	23	(58,194,145,781)	-
52	13. Deferred income tax expense		-	-
60	14. Net profit after enterprise income tax		278,119,318,635	23,543,011,112
70	15. Earnings per share			
	- <i>Basic</i>	24	7,056	601
	- <i>Diluted</i>	24	4,704	400



Mr. Lam Huu Ho
Chief Financial Officer




Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

09 February 2010

CASH FLOW STATEMENT
for the financial year ended 31 December 2009

VND

Code	ITEMS	Notes	2009	2008
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		336,313,464,416	23,543,011,112
	2. Adjustments for:			
02	- Depreciation and amortization	9, 10	6,226,131,251	3,938,505,396
03	- Reversals/(provisions)		(119,817,718,106)	191,055,977,813
04	- Unrealised foreign exchange gains/(losses)		-	-
05	- Profits from investing activities		(150,415,279,815)	(232,496,640,919)
06	- Interest expense		-	-
08	3. Operating profit/(loss) before changes in working capital		72,306,597,746	(13,959,146,598)
09	- (Increase)/decrease in receivables		(768,646,700,578)	183,350,295,844
10	- (Increase)/decrease in inventories		-	-
11	- Increase/(decrease) in payables (other than interest, enterprise income tax)		311,936,583,035	(83,464,251,627)
12	- Increase in prepaid expenses		(15,531,967,018)	(1,987,955,950)
13	- Interest paid		-	-
14	- Enterprise income tax paid	23.2	(19,802,631,429)	(14,935,361,705)
15	- Other cash inflows from operating activities		-	8,200,000
16	- Other cash outflows from operating activities		(3,009,443,076)	(1,435,501,590)
20	Net cash flows (used in)/from operating activities		(422,747,561,320)	67,576,278,374
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase and construction of fixed assets and other long-term assets		(8,707,222,476)	(10,099,708,714)
22	2. Proceeds from disposals of fixed assets and other long-term assets		-	-
23	3. Loans to other entities and payments for purchase of debt instruments of other entities		(563,890,140,078)	(2,776,343,824,478)
24	4. Collections from borrowers and proceeds from sale of debt instruments of other entities		1,659,338,591,821	1,944,618,962,832
25	5. Payments for investments in other entities		(907,951,063,720)	(280,351,895,332)
26	6. Proceeds from sale of investments in other entities		897,772,762,942	278,292,419,915
27	7. Interest and dividends received		59,482,174,594	97,441,724,739
30	Net cash outflows from/(used in) investing activities		1,136,045,103,083	(746,442,321,038)

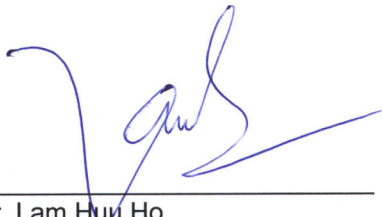
CASH FLOW STATEMENT (continued)
for the financial year ended 31 December 2009


VND

Code	ITEMS	Notes	2009	2008
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Capital contribution and issuance of shares	18.1	-	270,034,696,000
32	2. Capital redemption	18	(435,242,200)	(215,000,000)
33	3. Drawdown of borrowings		-	-
34	4. Repayment of borrowings		-	-
35	5. Payment of finance lease liabilities		-	-
36	6. Dividends paid to equity holders		(20,769,370,960)	(38,019,370,900)
40	Net cash flows (used in)/from financing activities		(21,204,613,160)	231,800,325,100
50	Net increase/(decrease) in cash and cash equivalents		692,092,928,603	(447,065,717,564)
60	Cash and cash equivalents at the beginning of the year		134,722,054,635	581,787,772,199
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at the end of the year		826,814,983,238	134,722,054,635

NON-MONETARY TRANSACTION

ITEMS	2009	2008
Transfer from other payables to share capital	-	427,060,794,000


Mr. Lam Hui Ho
Chief Financial Officer


Mr. Johan Nyvene
Chief Executive Officer



Ho Chi Minh City, Vietnam

09 February 2010

NOTES TO THE FINANCIAL STATEMENTS

as at and for the financial year ended 31 December 2009

1. CORPORATE INFORMATION

The Company is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 4103001573 issued by the Ho Chi Minh City Department of Planning and Investment on 23 April 2003 and Business Licence No. 11/UBCK-GPHDKD issued by the State Securities Commission on 29 April 2003.

The principal activities of the Company are brokerage services, securities trading, underwriting for share issues, custodian services, finance and investment advisory services.

The Company's head office is located at Floor 1, 2 and 3 at 6 Thai Van Lung, District 1, Ho Chi Minh City and its branch is located in Ha Noi, and transaction office in Ho Chi Minh City and Ha Noi.

The number of Ho Chi Minh City Securities Corporation's employees as at 31 December 2009 is 212 persons (31 December 2008: 169 persons).

2. BASIS OF PREPARATION**2.1 Accounting Standards and System**

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

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

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

Year 2009 is the first year that the Company applies the Circular No. 95/2008/TT-BTC dated 24 October 2008 guiding on the accounting policies for securities companies.

2.2 Registered accounting documentation system

The Company's registered accounting documentation system is the General Journal system.

2.3 Fiscal year

The Company's fiscal year starts on 01 January and ends on 31 December.

2.4 Accounting currency

The Company maintains its accounting records in VND.

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 *Comparative figures*

A number of comparative figures of prior year have been represented to be in accordance with the current year figures when the Company applied the Circular No. 95/2008/TT-BTC dated 24 October 2008 on the accounting guidance applicable to the securities companies.

3.2 *Cash and cash equivalents*

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

Cash and cash equivalents also include investors' deposits for trading securities.

3.3 *Receivables*

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

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

The Company provides the provision for doubtful debts in accordance with the Circular No 228/2009/TT-BTC by Ministry of Finance dated 07 December 2009. Accordingly, the provision rates for the doubtful debts are applied as follows:

<i>Overdue time</i>	<i>Provision rate</i>
From six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
More than three (03) years	100%

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

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

3.5 *Operating lease*

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

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

3.7 *Depreciation and amortization*

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

Means of transportation	6 years
Office equipments	3 - 5 years
Computer software	3 - 4 years

3.8 *Prepaid expenses*

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

The following types of expenses are recorded as long-term prepaid expense and are amortised to the income statement over two (02) to three (03) years:

- ▶ Office renovation costs;
- ▶ Office rentals; and
- ▶ Office equipment costs

3.9 *Short-term and long-term investment securities*

The Circular No. 95/2008/TT-BTC allows securities companies to recognise securities investments under either cost accounting method or fair value accounting method. Therefore, the Company selects the cost accounting method to recognise its securities investments.

Short-term financial investments

Short-term financial investments include those that are held for trading and recognized at cost at transaction date. These securities are subsequently measured at the lower between historical cost and market value. Any decrease arising from impairment or decline in market value of such investments are recognized in the income statement. Equity securities' dividends received are recognized as a deduction in carrying value trading securities for the portion incurred before the purchasing date and as an investment income for the portion incurred since the purchasing date.

Long-term financial investment securities

Long-term financial investment securities include the investment in bond which is initially recognised at historical cost. In subsequent periods, long-term financial investment securities are measured at historical cost minus (-) the provision for long-term financial investments, if any. Debt securities' interests received are recognized as a deduction in carrying value trading securities for the portion incurred before the purchasing date and as an investment income for the portion incurred since the purchasing date.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Short-term and long-term investment securities* (continued)

Provision for short-term investment

Provision for diminution is made for individual stocks which have market values lower than book values.

The market prices of listed securities are determined based on the price on stock markets (which are the average prices on Hanoi Stock Exchange and the closing prices on Ho Chi Minh Stock Exchange) as at 31 December 2009.

The market prices of unlisted shares which are registered for trading on the UPCoM market are determined based on the average trading prices in the system as at the closing date.

The market prices of unlisted securities which are not registered for trading on the UPCoM market are determined based on the average quoted prices obtained from at least three large-scaled securities companies on the stock market. Otherwise, securities are stated at cost.

For the unlisted securities which are not registered trading on UPCoM as well as trading publicly on market, provision for impairment is made if the investees incur net loss (except for the loss is incurred in line with the business plan before the investment) in accordance with the Circular 228/2009/TT-BTC issued by Ministry of Finance on 07 December 2009. The level of provision for impairment loss is equal (Total actual capital contributions of all parties to the investee minus (-) Owners' equity of the investee) multiplied (x) (Investment capital of the Bank and subsidiaries/Total actual capital contributions of all parties to the investee).

3.10 *Reverse repurchase agreements*

Securities purchased under agreements to resell at a specified future date ("reverse repos") (if any) are not recognised on the balance sheet. The corresponding cash paid is recognised as an asset in the balance sheet. The difference between the purchasing price and the reselling price is accrued to the income statement over the life of the agreement using the straight-line method. For the overdue agreements, the difference between the reselling prices and the purchasing price is only recognized in the income statement when the Company receives.

3.11 *Payable and accrual*

Payable and accrual are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company.

3.12 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting period for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, and related implementing guidance. Commencing from 01 January 2009, the Company accrues for unemployment insurance according to the Decision No. 127/2008/ND-CP dated 12 December 2008. Accordingly, employees contribute unemployment insurance by 1% of monthly salary while employer contribute 1% of total salary fund for employees and the Government subsidizes from State Treasury with 1% of total salary fund for employees who engage in this unemployment insurance.

3.13 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at inter-bank exchange rates ruling at the balance sheet date. All realized and unrealized foreign exchange differences are taken to the income statement.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Treasury shares (buy-back shares)*

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

3.15 *Appropriation of net profits*

Net profit after tax is available for appropriation to investors after approval by the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

3.16 *Revenue recognition*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from brokerage services

Revenue from brokerage services is recognized in the income statement when the securities transaction of the customer has been processed.

Revenue from securities investment

Revenue from securities investment is determined by the differences between selling prices and the average cost of securities sold.

Dividend

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

Interest

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

Rendering of services

Where the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

3.17 *Cost of securities sold*

The Company applies the moving weighted average method to calculate cost of equity securities sold and the weighted average method to calculate long-term debt securities sold.

3.18 *Taxation*

Current income tax

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

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

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

4. CASH AND CASH EQUIVALENTS

	VND	
	31 December 2009	31 December 2008
Cash on hand	288,475,354	406,867,526
Cash at banks	826,526,507,884	134,315,187,109
TOTAL	826,814,983,238	134,722,054,635

At 31 December 2009, cash at banks included term deposits with period from one (01) to two (02) months with the interest rate ranging from 10.47% p.a. to 13.00% p.a.

5. VALUE AND VOLUME OF TRADING RESULTS IN THE YEAR

	Volume	Value
a. Trading result of the Company		
- Shares	36,457,137	1,769,392,681,200
- Bonds	19,340,000	2,140,621,070,000
b. Trading result of the investors		
- Shares	1,510,079,116	60,686,113,731,500
- Bonds	29,184,742	3,094,283,192,000
TOTAL	1,595,060,995	67,690,410,674,700

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

6. FINANCIAL INVESTMENTS

	Quantity	Value	Compare to the market		Total market value
			Increase	Decrease	
I. Short-term investments					
- Listed shares	3,348,070	180,807,607,116	1,583,069,966	(23,505,513,982)	158,885,163,100
- Unlisted shares	5,081,861	167,788,577,502	6,319,512,398	(57,585,216,530)	116,522,873,370
TOTAL		348,596,184,618	7,902,582,364	(81,090,730,512)	275,408,036,470
II. Long-term investments					
Available-for-sale securities					
- Bonds	520,745	52,671,336,384	-	-	52,671,336,384

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

6. FINANCIAL INVESTMENTS (continued)

6.1 Short-term investments

Detail of short-term investments of the Company are as follow:

	VND	
	31 December 2009	31 December 2008
Short-term investments in securities	348,596,184,618	369,171,202,766
Provision for a decline in value of short-term investments	<u>(81,090,730,512)</u>	<u>(189,549,554,129)</u>
Net value of short-term investments	<u>267,505,454,106</u>	<u>179,621,648,637</u>

Detail of movements of provision for a decline in value of short-term investments:

	VND	
	31 December 2009	31 December 2008
Balance at beginning of the year	189,549,554,129	32,082,058,539
Add: Provision created during the year	41,831,228,559	184,411,653,155
Less: Reversal of provision during the year	<u>(150,290,052,176)</u>	<u>(26,944,157,565)</u>
Balance at the end of the year	<u>81,090,730,512</u>	<u>189,549,554,129</u>

6.2 Available-for-sale securities

	VND	
	31 December 2009	31 December 2008
Government bonds	20,596,836,384	931,435,755,000
Local bonds	32,074,500,000	32,074,500,000
Corporate bonds	<u>-</u>	<u>65,786,414,128</u>
TOTAL	<u>52,671,336,384</u>	<u>1,029,296,669,128</u>

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

7. SHORT-TERM RECEIVABLES

ITEMS	Beginning balance			Movement			Ending balance			Provision amount
	Total	Overdue	Doubtful	Increase	Decrease	Total	Overdue	Doubtful		
1. Trade receivables	2,974,849,166	-	-	62,677,027,744	64,522,009,810	1,129,867,100	1,000,000,000	129,667,100	129,667,100	
- Receivables from advisory services	944,982,066	-	-	4,062,054,134	5,007,036,200	-	-	-	-	
- Receivables from securities investment	2,029,867,100	-	-	58,614,973,610	59,514,973,610	1,129,867,100	1,000,000,000	129,667,100	129,667,100	
2. Receivables from securities trading	47,317,151,378	-	35,338,236,723	22,104,489,123,847	21,460,101,297,238	655,156,686,651	-	15,781,390,634	15,781,390,634	
- Receivables from foreign investors	290,961,042	-	-	35,725,516,350	35,536,495,402	479,981,990	-	-	-	
- Receivables from advances to investors	47,093,590,336	-	35,338,236,723	4,500,994,204,063	4,467,142,252,983	44,397,250,080	-	15,781,390,634	15,781,390,634	
- Receivables from investment co-operation contracts	(67,400,000)	-	-	17,400,354,117,339	16,790,062,882,758	610,223,834,581	-	-	-	
- Receivables from investors trading OTC shares	-	-	-	167,415,286,095	167,359,666,095	55,620,000	-	-	-	
3. Other receivables	81,286,304,031	40,527,189,405	-	1,513,001,869,956	1,341,236,091,320	253,052,082,667	27,893,372,903	-	4,936,180,000	
- Deposits for auction	2,259,671,282	-	-	-	2,259,671,282	-	-	-	-	
- Deposit of purchasing assets	5,610,000,000	-	-	-	5,610,000,000	-	-	-	-	
- Bond interest receivables	6,338,771,770	-	-	938,185,392,928	939,247,268,927	5,276,895,771	-	-	-	
- Term deposit interest receivables	6,580,000,000	-	-	9,027,343,768	12,744,038,620	2,863,305,148	-	-	-	
- Receivables from reverse repurchase agreements	60,239,155,974	40,527,189,405	-	565,696,013,610	381,041,796,681	244,893,372,903	27,893,372,903	-	4,936,180,000	
- Other short-term receivables	258,705,005	-	-	93,119,650	333,315,810	18,508,845	-	-	-	
TOTAL	131,578,304,575	40,527,189,405	35,338,236,723	23,680,168,021,547	22,865,859,398,368	909,338,636,418	28,893,372,903	15,911,057,734	20,847,237,734	

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

8. OTHER CURRENT ASSETS

	<i>31 December 2009</i>	<i>VND 31 December 2008</i>
Shortage of assets awaiting for resolution	166,200,000	166,200,000
Advances	312,279,535	206,761,874
Deposits of house rentals, software	797,978,161	608,205,661
TOTAL	<u>1,276,457,696</u>	<u>981,167,535</u>

9. TANGIBLE FIXED ASSETS

	<i>Means of transportation</i>	<i>Office equipment</i>	<i>VND Total</i>
Cost:			
As at 01 January 2009	3,219,787,884	9,482,667,099	12,702,454,983
- Newly purchased	-	3,793,835,974	3,793,835,974
- Transferred from constructions in progress	-	162,726,323	162,726,323
As at 31 December 2009	<u>3,219,787,884</u>	<u>13,439,229,396</u>	<u>16,659,017,280</u>
<i>In which:</i>			
<i>Fully depreciated</i>	-	2,913,809,063	2,913,809,063
Accumulated depreciation:			
As at 01 January 2009	881,648,738	4,026,285,850	4,907,934,588
Depreciation for the year	538,904,652	3,061,826,983	3,600,731,635
As at 31 December 2009	<u>1,420,553,390</u>	<u>7,088,112,833</u>	<u>8,508,666,223</u>
Net carrying amount:			
As at 01 January 2009	<u>2,338,139,146</u>	<u>5,456,381,249</u>	<u>7,794,520,395</u>
As at 31 December 2009	<u>1,799,234,494</u>	<u>6,351,116,563</u>	<u>8,150,351,057</u>

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

10. INTANGIBLE FIXED ASSETS

	VND
	<i>Computer softwares</i>
Cost:	
As at 01 January 2009	8,645,993,297
- Newly purchased	2,253,289,641
- Transferred from constructions in progress	1,172,582,484
- Written off	<u>(48,974,671)</u>
As at 31 December 2009	<u>12,022,890,751</u>
Accumulated amortization:	
As at 01 January 2009	1,538,535,360
- Amortization for the year	2,625,399,616
- Written off	<u>(48,974,671)</u>
As at 31 December 2009	<u>4,114,960,305</u>
Net carrying amount:	
As at 1 January 2009	<u>7,107,457,937</u>
As at 31 December 2009	<u>7,907,930,446</u>

11. CONSTRUCTIONS IN PROGRESS

	VND	
	<i>31 December 2009</i>	<i>31 December 2008</i>
Solution for financial and securities information	1,762,604,605	-
Purchases of other tangible fixed assets	<u>366,913,911</u>	<u>804,730,462</u>
TOTAL	<u>2,129,518,516</u>	<u>804,730,462</u>

12. LONG-TERM PREPAID EXPENSES

	VND	
	<i>31 December 2009</i>	<i>31 December 2008</i>
Office rentals (*)	18,595,617,764	1,310,423,274
Prepaid expenses of office equipments	1,789,733,574	1,545,819,710
Office renovation costs	<u>1,543,724,826</u>	<u>4,645,047,714</u>
TOTAL	<u>21,929,076,164</u>	<u>7,501,290,698</u>

(*): This included the 10% of advance payment for lease of 1,802 m2 in AB Tower for the period of 40 years amounting to 11 billion Vietnam dong.

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

13. DEPOSITS TO SETTLEMENT SUPPORT FUND

Deposits to Settlement Support Fund represent deposits at the Ho Chi Minh Stock Exchange.

According to the Decision No. 60/2004/QĐ-BTC dated 15 July 2004 and the Decision No. 72/2005/QĐ-BTC dated 21 October 2005 issued by the Ministry of Finance and the Decision No. 17/2007/QĐ-TTLK dated 02 April 2005 issued by the Custody Centre of State Securities Commission, the Company is required to deposit an initial amount of VND 120 million at each stock exchange and an annual additional contribution of 0.01% (in 2008: 0.008%) of total value trading of dealing and brokered securities in prior year.

Movements of deposits to Settlement Support Fund during the year was as follows:

	VND	
	31 December 2009	31 December 2008
Opening balance	120,000,000	120,000,000
Additional contribution	2,140,647,805	978,922,732
Interest income in 2006 and 2007	25,487,076	25,487,076
Interest received in 2009	52,901,505	-
Ending balance	<u>2,339,036,386</u>	<u>1,124,409,808</u>

14. OTHER LONG-TERM ASSETS

This represented long-term deposits for the leases of the Company's offices.

15. STATUTORY OBLIGATIONS

	VND	
	31 December 2009	31 December 2008
Enterprise income tax (Note 23.2)	30,716,234,517	-
Personal income tax	318,119,895	-
Value added tax	84,967,998	231,025,959
Other taxes	4,711,400,968	1,324,195,302
TOTAL	<u>35,830,723,378</u>	<u>1,555,221,261</u>

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

16. ACCRUED EXPENSES

	VND	
	31 December 2009	31 December 2008
Allowance for working completion payables to employees	7,167,892,437	-
Brokerage fee payables to Stock Exchange	1,925,527,037	653,578,520
Brokerage commission payables	-	80,000,000
Other accrued expenses	123,000,002	16,000,000
TOTAL	<u>9,216,419,476</u>	<u>749,578,520</u>

17. OTHER PAYABLES

	VND	
	31 December 2009	31 December 2008
Dividend payables to shareholders	42,405,496,459	11,949,619,419
Trade union	650,236,221	512,795,771
Social insurance	137,363,075	174,878,436
Health insurance	115,988,459	112,065,900
Unemployment insurance	74,745,260	-
Other payables	110,687,276	175,811,669
TOTAL	<u>43,494,516,750</u>	<u>12,925,171,195</u>

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

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Financial reserve	Bonus and welfare funds	Other funds belonging to owners' equity	Undistributed earnings	Total	VND
For the financial year ended 31 December 2008										
Beginning balance	200,000,000,000	236,099,785,000	-	3,976,374,994	10,717,087,214	3,140,567,259	914,643,935	194,595,180,551	649,443,638,953	
- Increase in capital	184,634,500,000	512,460,990,000	-	-	-	-	-	-	697,095,490,000	
- Profit for the year	-	-	-	-	-	-	-	23,543,011,112	23,543,011,112	
- Creation of reserves and fund	-	-	-	-	15,741,214,284	13,214,514,798	1,321,451,480	(30,277,180,562)	-	
- Utilisation of funds	-	9,268,000,000	-	(15,000,000)	-	(9,383,095,929)	(697,200,000)	-	(827,295,929)	
- Purchase of treasury shares	-	-	(645,000,000)	-	-	430,000,000	-	-	(215,000,000)	
- Bonus shares	9,999,500,000	-	-	-	-	-	-	(9,999,500,000)	-	
- Dividends declared	-	-	-	-	-	-	-	(47,316,077,100)	(47,316,077,100)	
- Other adjustments	-	-	-	-	-	-	-	1,723,983,750	1,723,983,750	
Ending balance	394,634,000,000	757,828,775,000	(645,000,000)	3,961,374,994	26,458,301,498	7,401,986,128	1,538,895,415	132,269,417,751	1,323,447,750,786	

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

18. OWNERS' EQUITY (continued)

18.1 Increase and decrease in owners' equity (continued)

	Share capital	Share premium	Treasury shares	Investment and development fund	Financial reserve	Bonus and welfare funds	Other funds belonging to owners' equity	Undistributed earnings	Total	VND
For the financial year ended 31 December 2009										
Beginning balance	394,634,000,000	757,828,775,000	(645,000,000)	3,961,374,994	26,458,301,498	7,401,986,128	1,538,895,415	132,269,417,751	1,323,447,750,786	
- Profit for the year	-	-	-	-	-	-	-	278,119,318,635	278,119,318,635	
- Purchase of treasury shares	-	-	(1,296,442,200)	-	-	861,200,000	-	-	(435,242,200)	
- Creation of reserves and funds for 2008	-	-	-	-	(172,398,374)	2,354,301,112	235,430,111	(2,417,332,849)	-	
- Temporary creation of reserves and fund for 2009	-	-	-	-	27,811,931,864	-	-	(27,811,931,864)	-	
- Utilisation of funds	-	-	-	-	-	(721,970,324)	(663,914,000)	-	(1,385,884,324)	
- Dividends declared	-	-	-	-	-	-	-	(51,225,248,000)	(51,225,248,000)	
- Other adjustments	-	-	-	-	-	-	-	(128,811,408)	(128,811,408)	
Ending balance	394,634,000,000	757,828,775,000	(1,941,442,200)	3,961,374,994	54,097,834,988	9,895,516,916	1,110,411,526	328,805,412,265	1,548,391,883,489	

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

18. OWNERS' EQUITY (continued)**18.2 Share capital**

	31 December 2009		31 December 2008		VND
	Total	Ordinary shares	Total	Ordinary shares	
Contributed by shareholders	394,634,000,000	394,634,000,000	394,634,000,000	394,634,000,000	
Share premium	757,828,775,000	757,828,775,000	757,828,775,000	757,828,775,000	
Treasury shares	(1,941,442,200)	(1,941,442,200)	(645,000,000)	(645,000,000)	
TOTAL	<u>1,150,521,332,800</u>	<u>1,150,521,332,800</u>	<u>1,151,817,775,000</u>	<u>1,151,817,775,000</u>	

18.3 Capital transactions with share capital and distribution of dividends

	VND	
	2009	2008
Share capital		
Beginning balance	394,634,000,000	200,000,000,000
Increase	-	194,634,000,000
Ending balance	<u>394,634,000,000</u>	<u>394,634,000,000</u>
Dividends paid	<u>20,769,370,960</u>	<u>38,019,370,900</u>

18.4 Dividends

	VND	
	2009	2008
Dividends declared and paid during the financial reporting year		
<i>Dividends on ordinary shares</i>		
Interim dividends for 2007: VND 500 per share	35,354,000	-
Interim dividends for 2008: VND 700 per share	9,473,877,270	-
Final dividend for 2008: VND 300 per share (2007: VND 500 per share)	11,260,139,690	19,673,172,800
Interim dividends for 2009: VND 1,000 per share (2008: VND 700 per share)	-	18,346,198,100

18.5 Shares

	31 December 2009 Share	31 December 2008 Share
Authorized shares	39,463,400	39,463,400
Issued shares		
<i>Issued and paid-up shares</i>		
Ordinary shares	39,463,400	39,463,400
Treasury shares		
<i>Held by the Company</i>		
Ordinary shares	64,628	21,500
Shares in circulation		
Ordinary shares	39,398,772	39,441,900

Par value of outstanding share: VND 10,000 per share.

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

18. OWNERS' EQUITY (continued)

18.6 Funds belonging to owners' equity

The Company uses profit after tax to create the funds in accordance with the Decision No. 27/2007QĐ-BTC issued by Ministry of Finance on 24 April 2007 as below.

	<i>Percentage of profit after tax</i>	<i>Maximum level</i>
Charter capital supplementary reserve	5%	100% of charter capital
Financial reserve	5%	10% of charter capital

18.7 Other funds belonging to owners' equity

Other funds belonging to owners' equity are created as the resolution of the Annual General Meeting.

19. OTHER REVENUE

	2009	VND 2008
Interest income from deposits at banks	55,390,431,049	62,932,334,059
Revenue from investment co-operation contracts	31,411,370,930	-
Revenue from reverse repurchase agreements	6,010,703,454	25,013,885,696
Revenue from advances to investors	4,811,538,359	4,465,331,590
Other revenue	1,507,579,990	1,067,917,979
TOTAL	99,131,623,782	93,479,469,324

20. OPERATING EXPENSES

	2009	VND 2008
Securities investment expenses (*)	172,770,586,748	78,742,599,987
Staff cost	28,259,600,083	11,444,045,092
Brokerage expenses	26,787,034,698	6,813,568,572
Outsourced services	6,739,331,892	3,554,532,103
Depreciation and amortisation	3,325,595,986	1,760,901,166
Office supplies	318,102,575	140,886,653
Other expenses	1,385,272,100	5,203,669,111
Provision for a decline in value of short-term investments	41,831,228,559	184,411,653,155
Reversal of provision for a decline in value of short-term investments	(150,290,052,176)	(26,944,157,565)
TOTAL	131,126,700,465	265,127,698,274

(*): According to Circular 95/2008/TT-BTC dated 24 October 2008 issued by Ministry of Finance guiding on the accounting policies for securities companies, gains (selling price more than purchased cost) on securities investment trading are recognised in revenue from securities investment and losses (selling price less than purchased cost) are recognised in securities investment expenses.

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

21. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	2009	2008
Staff cost	22,606,369,054	15,993,114,336
Office rental	9,765,115,822	5,416,096,757
Outsourced services	8,737,800,103	10,551,030,262
Office renovation expenses	4,931,387,498	5,547,874,071
Depreciation and amortisation	2,900,535,265	2,176,176,512
Taxes and other fees	558,762,469	365,853,097
Office supplies	209,695,521	1,869,755,110
Other expenses	369,584,593	1,085,540,647
Provision for doubtful debts	1,051,747,011	32,653,944,723
Reversal of provision for doubtful debts	(12,858,454,000)	-
TOTAL	<u>38,272,543,336</u>	<u>75,659,385,515</u>

22. OTHER INCOME AND EXPENSES

	VND	
	2009	2008
Other income		
Income from transfer of right of investment (*)	14,424,300,000	-
Other income	10,232,505	166,349,412
	<u>14,434,532,505</u>	<u>166,349,412</u>
Other expenses	-	<u>(170,578,606)</u>
NET	<u>14,434,532,505</u>	<u>(4,229,194)</u>

(*) This was the income from transferring the right of investment in an apartment of the Him Lam Co. Ltd.'s project.

23. ENTERPRISE INCOME TAX ("EIT")

The Company has the obligation to pay EIT with the rate of 20% of taxable profits for the period of the first 10 years and 25% thereafter. According to the articles of the Company's Business Licence, the Company is entitled to an exemption from EIT for two (02) years from the first year of earning profit (2003 - 2004) and a 50% deduction of EIT for the following three (03) years (2005 - 2007).

According to the Circular 03/2009/TT-BTC by the Ministry of Finance dated 13 January 2009, the Company is entitled to a 30% deduction of EIT for the Quarter IV 2008 and the year 2009 as the small and medium enterprise.

23.1 Enterprise income tax expense

	VND	
	2009	2008
EIT expense at rate of 20%	54,485,020,502	-
Adjustment for under accrual of tax from prior years	19,802,631,429	-
Deductible EIT according to the Circular No. 03/2009/TT-BTC	(16,453,506,150)	-
TOTAL	<u>58,194,145,781</u>	<u>-</u>

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

23. ENTERPRISE INCOME TAX ("EIT") (continued)

23.2 Current enterprise income tax

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

A reconciliation between the tax expense and the product of accounting profit/loss multiplied by the applicable tax rate for the year is presented below:

	2009	VND 2008
Profit before tax	336,313,464,416	23,543,011,112
<i>Adjustments to increases:</i>		
Non-deductible expenses	108,000,000	-
<i>Adjustments to decreases:</i>		
Dividend income not subject to EIT	(6,174,580,324)	(20,791,561,083)
Reversal of provision for a decline in value of unlisted securities	(56,021,781,581)	-
Bond interest income not subject to EIT	-	(46,291,543,931)
Estimated current taxable profit	274,225,102,511	(43,540,093,902)
EIT expense at rate of 20%	54,845,020,502	-
Adjustment for under accrual of tax from prior years	19,802,631,429	-
Deductible EIT according to the Circular No. 03/2009/TT-BTC	(16,453,506,150)	-
Estimated current EIT	58,194,145,781	-
EIT (over paid)/payable at the beginning of the year	(7,675,279,835)	7,260,081,870
EIT paid during the year	(19,802,631,429)	(14,935,361,705)
EIT payable/(over paid) at the end of the year	30,716,234,517	(7,675,279,835)

23.3 Deferred enterprise income tax

There was no deferred tax recognized as at 31 December 2009 since there are no significant identified items treated as temporary differences between the carrying value and the tax base of assets and liability in the financial statements.

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

24. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2009	VND 2008
Net profit after tax attributable to ordinary equity holders for basic earnings	278,119,318,635	23,543,011,112
Net profit attributable to ordinary equity holders adjusted for the effect of dilution	278,119,318,635	23,543,011,112
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	39,415,855	39,200,372
<i>Effect of dilution:</i>		
Bonus shares (*)	19,707,927	19,600,186
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	59,123,782	58,800,558

(*): According to the Notice No. 784/TB-SDGHCM dated 23 December 2009 by Ho Chi Minh Stock Exchange, the last registered date was on 29 December 2009 on which bonus shares of the Company from share premium were issued to the existing shareholders with the rate at 2:1 (existing shareholder hold two (02) shares will be received one (01) bonus share).

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

25. TRANSACTIONS WITH RELATED PARTIES

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Dragon Capital Markets Limited (DC)	Shareholder	Dividend	3,666,000,000
		Purchasing securities	19,942,500,000
		Selling securities	71,163,760,000
		Broker fee	127,236,134
Ho Chi Minh City Investment Fund for Urban Development (HIFU)	Shareholder	Dividend	12,000,000,000
		Selling securities	23,137,080,000
		Broker fee	23,137,080

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

25. TRANSACTIONS WITH RELATED PARTIES (continued)

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

	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i> Payable
<i>Payables in securities trading</i>			
Ho Chi Minh City Investment Fund for Urban Development (HIFU)	Shareholder	Deposits for trading securities	11,892,924

Transactions with other related parties

Remuneration to members of the Board of Management and Board of Directors

	<i>2009</i>	<i>VND</i> 2008
Salaries and bonus	<u>6,607,370,305</u>	<u>3,672,890,000</u>

26. COMMITMENTS AND CONTINGENCIES

Operating lease commitment

The Company leases offices under operating lease agreements are as follows:

At Ho Chi Minh City:

- Head office at 6 Thai Van Lung, District 1
- Branch office at 569-571-573 Tran Hung Dao, Cau Kho Ward, District 1
- Transaction office at 36 Hau Giang, Ward 2, District 6
- Branch AB Tower at 76 Le Lai, Ben Thanh Ward, District 1

At Ha Noi:

- Branch office at 6 Le Thanh Tong, Hoan Kiem District
- Branch office at 19 Lang Ha, Ba Dinh District
- Branch office at 193C Ba Trieu, Hai Ba Trung District

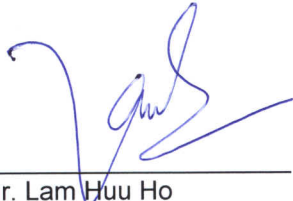
The minimum lease commitment as at 31 December 2009 under the operating lease agreements is as follows:

	<i>31 December 2009</i>	<i>VND</i> <i>31 December 2008</i>
Less than 1 year	2,883,705,300	2,975,592,744
From 1 - 5 years	22,929,088,126	8,832,351,479
More than 5 years	102,144,892,331	-
TOTAL	<u>115,342,078,427</u>	<u>11,807,944,223</u>

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

27. EVENTS AFTER THE BALANCE SHEET DATE

On 01 February 2010, the Company received Decision No. 19/QD-SGDHCM from the Ho Chi Minh Stock Exchange which approved the Company to additionally list the bonus shares and the Notice No. 79/TB-SGDHCM on listing and officially trading the bonus shares on the Ho Chi Minh Stock Exchange on 09 February 2010. The number of the bonus shares additional listing was 19,699,386 units.



Mr. Lam Huu Ho
Chief Financial Officer



Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

09 February 2010