

**Saigon General Service Corporation**

Separate financial statements  
for the year ended 31 December 2012

## Saigon General Service Corporation Corporate information

<b>Decision No.</b>	3448/QD-UB	9 July 2004
	3449/QD-UB	9 July 2004

These decisions were issued by the Ho Chi Minh City People's Committee.

<b>Business Licence</b>	4103002955	15 December 2004
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The Company's business licence has been amended several times, the most recent of which is by business licence No. 0301154821 dated 15 October 2009. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

<b>Board of Management</b>	Mr. Nguyen Vinh Tho	Chairman
	Mr. Nguyen Binh Minh	Member
	Mr. Ta Phuoc Dat	Member
	Mr. Vo Hien	Member
	Mr. Te Tri Dung	Member
	Mr. Luong Quang Hien	Member
	Mr. Le Hung	Member

<b>Board of Directors</b>	Mr. Nguyen Vinh Tho	General Director
	Mr. Nguyen Binh Minh	Deputy General Director
	Mr. Ta Phuoc Dat	Deputy General Director
	Mr. Vo Hien	Deputy General Director
	Mr. Phan Tuan Dung	Deputy General Director
	Mr. Mai Viet Ha	Deputy General Director

<b>Supervisory board</b>	Mr. Le Xuan Duc	Head of the Board
	Ms. Nguyen Phuong Loan	Member
	Mr. Nguyen Cong Binh	Member

<b>Registered Office</b>	68 Nam Ky Khoi Nghia Street District 1, Ho Chi Minh City Vietnam
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<b>Auditors</b>	KPMG Limited Vietnam
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**Saigon General Service Corporation**  
**Statement of the Board of Directors**

The Board of Directors is responsible for the preparation and presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements. In the opinion of the Board of Directors:

- (a) the separate financial statements set out on pages 4 to 51 are prepared and presented so as to give a true and fair view of the separate financial position of the Company as at 31 December 2012, and of the separate results of operations and the cash flows of the Company for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these separate financial statements for issue.

On behalf of the Board of Directors

Nguyen Vinh Tho  
*General Director*

Ho Chi Minh City, 18 March 2013

## **INDEPENDENT AUDITORS' REPORT**

### **To the Shareholders Saigon General Service Corporation**

#### **Scope**

We have audited the accompanying separate balance sheet of Saigon General Service Corporation ("the Company") as of 31 December 2012 and the related separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's management on 18 March 2013, as set out on pages 4 to 51. These separate financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these separate financial statements based on our audit.

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

#### **Audit opinion**

In our opinion, the separate financial statements give a true and fair view of the unconsolidated financial position of Saigon General Service Corporation as of 31 December 2012 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements.

#### **KPMG Limited**

Vietnam

Investment Certificate No: 011043000345

Audit Report No: 12-01-325

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Chang Hung Chun  
CPA No. N0863/KTV  
*Deputy General Director*

Ho Chi Minh City, 18 March 2013

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Le Duc Phong  
CPA No. 0465/KTV

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2012**

**Form B 01 – DN**

	<b>Code</b>	<b>Note</b>	<b>31/12/2012 VND</b>	<b>31/12/2011 VND</b>
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>106,291,440,413</b>	<b>168,108,111,315</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>4,455,549,627</b>	<b>10,048,378,526</b>
Cash	111		4,455,549,627	9,598,378,526
Cash equivalents	112		-	450,000,000
<b>Short-term investments</b>	<b>120</b>	<b>5</b>	<b>12,880,000,000</b>	<b>31,174,899,000</b>
Short-term investments	121		54,800,000,000	65,730,739,308
Allowance for diminution in the value of short-term investments	129		(41,920,000,000)	(34,555,840,308)
<b>Accounts receivable – short-term</b>	<b>130</b>	<b>6</b>	<b>84,755,837,466</b>	<b>111,854,016,382</b>
Accounts receivable – trade	131		14,296,090,285	11,413,308,057
Prepayments to suppliers	132		20,750,113,731	40,631,312,832
Other receivables	135		49,709,633,450	59,809,395,493
<b>Inventories</b>	<b>140</b>	<b>7</b>	<b>106,619,587</b>	<b>10,030,892,733</b>
<b>Other current assets</b>	<b>150</b>		<b>4,093,433,733</b>	<b>4,999,924,674</b>
Short-term prepayments	151		7,916,671	108,636,367
Deductible value added tax	152		917,360,319	1,092,864,564
Other current assets	158		3,168,156,743	3,798,423,743

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2012 (continued)**

**Form B 01 – DN**

	<b>Code</b>	<b>Note</b>	<b>31/12/2012 VND</b>	<b>31/12/2011 VND</b>
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 250 + 260)	<b>200</b>		<b>1,286,666,428,487</b>	<b>1,352,903,828,290</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>6</b>	<b>62,845,621,247</b>	<b>43,064,994,071</b>
Other long-term receivables	218		62,845,621,247	43,064,994,071
<b>Fixed assets</b>	<b>220</b>		<b>539,390,473,363</b>	<b>491,961,809,424</b>
Tangible fixed assets	221	8	3,106,895,739	3,914,990,931
<i>Cost</i>	222		10,843,930,349	11,376,771,945
<i>Accumulated depreciation</i>	223		(7,737,034,610)	(7,461,781,014)
Intangible fixed assets	227	9	43,961,077,356	44,747,675,028
<i>Cost</i>	228		47,084,099,490	47,084,099,490
<i>Accumulated amortisation</i>	229		(3,123,022,134)	(2,336,424,462)
Construction in progress	230	10	492,322,500,268	443,299,143,465
<b>Investment property</b>	<b>240</b>	<b>11</b>	<b>185,143,232,657</b>	<b>192,660,607,952</b>
<i>Cost</i>	241		224,224,251,966	224,224,251,966
<i>Accumulated depreciation</i>	242		(39,081,019,309)	(31,563,644,014)
<b>Long-term investments</b>	<b>250</b>	<b>12</b>	<b>493,817,114,738</b>	<b>616,331,064,926</b>
Investments in subsidiaries	251		157,072,107,279	128,263,107,279
Investments in associates	252		58,230,309,000	141,080,309,000
Other long-term investments	258		303,954,496,328	371,311,265,631
Allowance for diminution in the value of long-term investments	259		(25,439,797,869)	(24,323,616,984)
<b>Other long-term assets</b>	<b>260</b>		<b>5,469,986,482</b>	<b>8,885,351,917</b>
Long-term prepayments	261		-	1,791,093,605
Deferred tax assets	262	13	4,259,486,482	5,163,758,312
Other long-term assets	268		1,210,500,000	1,930,500,000
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1,392,957,868,900</b>	<b>1,521,011,939,605</b>

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2012 (continued)**

Form B 01 – DN

	Code	Note	31/12/2012 VND	31/12/2011 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>738,251,609,891</b>	<b>870,823,688,655</b>
<b>Current liabilities</b>	<b>310</b>		<b>352,884,769,949</b>	<b>460,063,931,289</b>
Short-term borrowings	311	14	93,686,173,330	235,127,329,526
Accounts payable – trade	312		10,232,605,647	4,959,773,687
Advances from customers	313		34,993,474,130	44,268,042,953
Taxes payable to State Treasury	314	15	21,282,623,305	9,974,381,188
Payables to employees	315		28,015,582,862	29,864,621,225
Accrued expenses	316	16	15,289,381,947	5,511,571,652
Other short-term payables	319	17	144,919,337,824	126,244,948,661
Bonus and welfare fund	323	18	4,465,590,904	4,113,262,397
<b>Long-term liabilities</b>	<b>330</b>		<b>385,366,839,942</b>	<b>410,759,757,366</b>
Other long-term liabilities	333	19	114,501,317,327	111,707,395,567
Long-term borrowings	334	20	214,459,700,672	194,281,092,890
Unearned revenue	338	21	56,405,821,943	104,771,268,909
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>654,706,259,009</b>	<b>650,188,250,950</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>654,706,259,009</b>	<b>650,188,250,950</b>
Share capital	411	23	249,955,730,000	249,955,730,000
Capital surplus	412		317,064,858,303	317,064,858,303
Treasury shares	414	23	(690,474,358)	(690,474,358)
Investment and development fund	417		12,469,151,903	12,469,151,903
Financial reserve	418		12,469,151,903	12,469,151,903
Retained profits	420		63,437,841,258	58,919,833,199
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>1,392,957,868,900</b>	<b>1,521,011,939,605</b>

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2012 (continued)**

**Form B 01 – DN**

**OFF BALANCE SHEET ITEM**

	<b>Note</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
Foreign currencies included in cash:			
USD		681	703
EUR		-	5

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18 March 2013

Prepared by:

Approved by:

Hoang Thi Thao  
*Chief Accountant*

Nguyen Vinh Tho  
*General Director*



**Saigon General Service Corporation**  
**Separate statement of income for the year ended 31 December 2012**

Form B 02 – DN

	Code	Note	2012 VND	2011 VND
<b>Total revenue</b>	<b>01</b>	<b>24</b>	<b>91,934,395,742</b>	<b>140,176,007,609</b>
<b>Less revenue deductions</b>	<b>02</b>		<b>(96,464,520)</b>	<b>(90,679,715)</b>
<b>Net revenue (10 = 01 + 02)</b>	<b>10</b>	<b>24</b>	<b>91,837,931,222</b>	<b>140,085,327,894</b>
<b>Cost of sales</b>	<b>11</b>	<b>25</b>	<b>(49,160,637,023)</b>	<b>(93,939,257,096)</b>
<b>Gross profit (20 = 10 +11)</b>	<b>20</b>		<b>42,677,294,199</b>	<b>46,146,070,798</b>
Financial income	21	26	47,829,155,885	73,617,980,990
Financial expenses	22	27	(99,653,967,010)	(84,203,213,243)
<i>In which: Interest expense</i>	23		(67,469,727,289)	(76,549,443,949)
Selling expenses	24		(1,045,665,276)	(3,035,294,894)
General and administration expenses	25		(39,929,137,547)	(31,817,075,018)
<b>Net operating (loss)/profit (30 = 20 + 21 + 22 + 24 + 25)</b>	<b>30</b>		<b>(50,122,319,749)</b>	<b>708,468,633</b>
Other income	31	28	116,302,234,120	49,573,994,078
Other expenses	32		(3,185,024,906)	(917,886,917)
<b>Results of other activities (40 = 31 + 32)</b>	<b>40</b>		<b>113,117,209,214</b>	<b>48,656,107,161</b>
<b>Profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>62,994,889,465</b>	<b>49,364,575,794</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>29</b>	<b>(8,127,773,455)</b>	<b>(5,173,950,000)</b>
<b>Income tax expense – deferred</b>	<b>52</b>	<b>29</b>	<b>(904,271,830)</b>	<b>(6,607,942,788)</b>
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>53,962,844,180</b>	<b>37,582,683,006</b>
<b>Basic earnings per share</b>	<b>70</b>	<b>30</b>	<b>2,161</b>	<b>1,505</b>

18 March 2013

Prepared by:

Approved by:

Hoang Thi Thao  
*Chief Accountant*

Nguyen Vinh Tho  
*General Director*

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Separate statement of cash flow for the year ended 31 December 2012**  
**(Indirect method)**

**Form B 03 – DN**

	<b>Code</b>	<b>Note</b>	<b>2012 VND</b>	<b>2011 VND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>62,994,889,465</b>	<b>49,364,575,794</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		9,213,303,085	10,228,514,797
Allowances and provisions	03		8,480,340,577	1,085,217,937
Gains on disposal of fixed assets	05		(3,957,948,227)	-
Gains on partial disposal of investments in associate	05		-	(20,695,800,000)
Dividend and interest income	05		(26,980,505,563)	(39,516,115,567)
Losses/(gains) on trading securities	05		13,116,458,898	(7,654,448,170)
Interest expense	06		67,469,727,289	76,549,443,949
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>130,336,265,524</b>	<b>69,361,388,740</b>
Change in receivables and other current assets	09		86,947,027,411	36,486,177,477
Change in inventories	10		9,924,273,146	(4,970,561,570)
Change in payables and other liabilities	11		(107,140,167,972)	45,981,296,874
			<b>120,067,398,109</b>	<b>146,858,301,521</b>
Interest paid	13		(67,920,505,208)	(75,635,108,723)
Corporate income tax paid	14		(1,017,236,047)	(5,358,816,548)
Other payments for operating activities	16		(8,205,939,794)	(8,592,341,506)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>42,923,717,060</b>	<b>57,272,034,744</b>

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Separate statement of cash flow for the year ended 31 December 2012**  
**(Indirect method - continued)**

Form B 03 – DN

	Code	Note	2012 VND	2011 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(54,721,555,999)	(153,716,937,698)
Change in other non-current assets			720,000,000	593,000,000
Proceeds from disposals of investments in securities	22		152,339,211,000	48,454,142,290
Proceeds from disposals of fixed assets and other long-term assets	22		12,996,394,441	-
Proceeds from disposal of investments in associate	23		-	105,202,800,000
Payments for investments in other entities	25		(28,809,000,000)	(27,639,251,074)
Receipts of dividends and interest income	27		27,684,213,513	37,713,297,497
<b>Net cash flow from investing activities</b>	<b>30</b>		<b>110,209,262,955</b>	<b>10,607,051,015</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from short-term and long-term borrowings	33		277,636,800,034	291,919,108,626
Payments to settle debts	34		(398,899,348,448)	(326,053,907,789)
Payments of dividends	36		(37,463,260,500)	(37,436,928,000)
<b>Net cash flow from financing activities</b>	<b>40</b>		<b>(158,725,808,914)</b>	<b>(71,571,727,163)</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>(5,592,828,899)</b>	<b>(3,692,641,404)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>10,048,378,526</b>	<b>13,741,019,930</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 )</b>	<b>70</b>	<b>4</b>	<b>4,455,549,627</b>	<b>10,048,378,526</b>

18 March 2013

Prepared by:

Approved by:

Hoang Thi Thao  
*Chief Accountant*

Nguyen Vinh Tho  
*General Director*

*The accompanying notes are an integral part of these separate financial statements*

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**

**Form B 09 – DN**

These notes form an integral part of, and should be read in conjunction with, the accompanying separate financial statements.

**1. Reporting Entity**

Saigon General Service Corporation (“the Company”) was incorporated as a joint-stock company under Decision No. 3448/QD-UB issued by the Ho Chi Minh City People’s Committee on 9 July 2004 and amended by Decision No. 3449/QD-UB on the same day. The principal activities of the Company are:

- Service and trading: trading, distribution, repair and maintenance of cars, motorbikes and spare parts of Toyota, Ford, GM, Suzuki, Hyundai, SYM, Yamaha; providing diversified services with international standards; providing taxi service;
- Investment property services: investment, development of real estate projects such as office buildings, trading centres, apartments, villas and high-class resorts;
- Financial services: investing in subsidiaries, associates and in shares of other entities operating in trading and services, real estates, infrastructures and finance.

The Company’s shares are listed on the Ho Chi Minh City Stock Exchange.

As at 31 December 2012, the Company had 86 employees (31 December 2011: 134 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements.

**(b) Basis of measurement**

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

**(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

**(d) Accounting currency**

The financial statements are prepared and presented in Vietnam Dong (“VND”).

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
**(continued)**

**Form B 09 – DN**

**3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Company in the preparation of these separate financial statements.

**(a) Foreign currency transactions**

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates of exchange ruling at the transaction dates.

All foreign exchange differences are recorded in the separate statement of income.

**(b) Cash and cash equivalents**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**(c) Trading securities, short-term and long-term investments**

**(i) Classification**

The Company classifies its investments in shares listed or non-listed, as short-term investments or long-term investments depending on the Company's intention and investment strategy in respect of relevant investees.

**(ii) Recognition**

The Company recognises trading securities, short-term and long-term investments on the date it becomes a party to the contractual provisions of the investments (trade date accounting).

**(iii) Measurement**

Trading securities, short-term and long-term investments are stated at cost less allowance for diminution in value.

Cost of trading securities, short-term and long-term investments are determined on a weighted average basis.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
**(continued)**

**Form B 09 – DN**

**(iv) Impairment**

The allowance for diminution of publicly traded securities is made in accordance with the current regulations as issued by the Ministry of Finance. The allowance is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

**(v) Derecognition**

Trading securities, short-term and long-term investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

**(d) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis for merchandise inventories and weighted average basis for other items and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Company applies the perpetual method of accounting for inventories.

**(f) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
**(continued)**

**Form B 09 – DN**

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

- buildings 6 – 42 years
- office equipment 3 – 10 years
- motor vehicles 6 years

**(g) Intangible fixed assets**

**(i) Land use rights**

Land use rights with indefinite period are stated at cost. Land use rights with definite period are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use right. Amortisation is computed on a straight-line based over 50 years.

**(ii) Software**

Cost of acquisition of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

**(h) Construction in progress**

Construction in progress represents the costs of construction which have not been fully completed. No depreciation is provided for construction in progress during the period of construction.

**(i) Investment property**

**(i) Cost**

Investment property is stated at cost less accumulated depreciation. The initial cost of an investment property comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after the investment property has been put into operation, such as repairs and maintenance, is charged to the separate statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property, the expenditure is capitalised as an additional cost of the investment property.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
**(continued)**

**Form B 09 – DN**

**(ii) Depreciation**

Land use rights with indefinite period are not amortised. Land use rights with definite period are stated at cost less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

- land use rights 18 – 50 years
- buildings 5 – 36 years

**(j) Trade and other payables**

Trade and other payables are stated at their cost.

**(k) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

***Severance allowance***

Under the Vietnamese Labour Code, when an employee who have worked for 12 months or more (“the eligible employee”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their current salary level.

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Company and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of an employee’s basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Company is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to the existing eligible employees as of 31 December 2012 will be determined based on the eligible employees’ years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

**(l) Classification of financial instruments**

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company’s separate financial position and separate results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follow:



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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(i) *Financial assets***

*Financial assets at fair value through profit or loss*

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
  - it is acquired principally for the purpose of selling it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

*Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates as at fair value through profit or loss;
- those that the Company designates as available-for-sale; and
- those that meet the definition of loans and receivables.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Company intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;
- that the Company upon initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

**(ii) *Financial liabilities***

*Financial liabilities at fair value through profit or loss*

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
  - it is incurred principally for the purpose of repurchasing it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

*Financial liabilities carried at amortised cost*

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

**(m) *Taxation***

Income tax on the separate profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Equity funds**

Allocations are made to equity funds from retained profits each year based on percentage decided by the shareholders in their annual ordinary general meeting.

**(o) Revenue**

**(i) Goods sold**

Revenue from the sale of goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

**(ii) Services rendered**

Revenue from services rendered is recognised in the separate statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) Rental income**

Rental income from leased property is recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(p) Financial income**

**(i) Interest income**

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**(ii) Revenue from security trading**

Revenue from security trading activities is recognised in the separate statement of income when significant risks and rewards of ownership have been transferred to the buyer. Significant risks and rewards of ownership have been transferred upon the completion of trading transaction (for listed securities) or the completion of the agreement on transfer of assets (for non-listed securities).

**(iii) Dividend income**

Dividend income is recognised when the right to receive dividends is established.

**(q) Operating lease payments**

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense.

**(r) Borrowing costs**

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

**(s) Earnings per share**

The Company presents basic earnings per share (EPS) for its ordinary shares which is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The Company does not have any potentially dilutive ordinary shares.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**4. Cash and cash equivalents**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	843,102,398	830,115,739
Cash in banks	3,612,447,229	8,768,262,787
Cash equivalents	-	450,000,000
	<hr/>	<hr/>
	4,455,549,627	10,048,378,526
	<hr/> <hr/>	<hr/> <hr/>

**5. Short-term investments**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Short-term investments in:		
• Listed shares	31,500,000,000	42,430,739,308
• OTC shares	23,300,000,000	23,300,000,000
	<hr/>	<hr/>
	54,800,000,000	65,730,739,308
Allowance for diminution in value of short-term investments	(41,920,000,000)	(34,555,840,308)
	<hr/>	<hr/>
	12,880,000,000	31,174,899,000
	<hr/> <hr/>	<hr/> <hr/>

Short-term investments represented investments in the following shares:

	<b>31/12/2012</b>	
	<b>Quantity</b>	<b>VND</b>
Equity instruments – short-term investments in shares of:		
- Orient Securities Corporation	2,400,000	31,500,000,000
- Vietnam Investment Construction and Trading Joint Stock Company	500,000	14,000,000,000
- Toan Cau Insurance Company	180,000	6,300,000,000
- Merufa Joint Stock Company	110,000	3,000,000,000
	<hr/>	<hr/>
	3,190,000	54,800,000,000
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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Movements in the allowance for diminution in value of short-term investments during the year were as follows:

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Opening balance	34,555,840,308	12,963,221,528
Increase in allowance during the year	15,940,000,000	11,452,618,780
Reclassification from allowance for diminution in value of long-term investments	-	10,140,000,000
Written back	(8,575,840,308)	-
	<hr/>	<hr/>
Closing balance	41,920,000,000	34,555,840,308
	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2012 short-term investments with a carrying value of VND12,880 million (31 December 2011: VND26,660 million) were pledged with banks as security for loans granted to the Company.

**6. Accounts receivable – short-term and long-term**

Accounts receivable – trade as of 31 December 2012 included VND6,057 million (31 December 2011: VND5,206 million) due from related parties.

Prepayments to suppliers as of 31 December 2012 included amounts prepaid for acquisition of buildings and construction services of VND6,981 million (31 December 2011: VND5,754 million).

Other receivables as of 31 December 2012 included VND70,839 million (31 December 2011: VND40,385 million) due from related parties.

**7. Inventories**

	<b>31/12/2012</b> <b>VND</b>	<b>31/12/2011</b> <b>VND</b>
Materials	17,925,295	68,774,902
Merchandise inventories	88,694,292	9,962,117,831
	<hr/>	<hr/>
	106,619,587	10,030,892,733
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**8. Tangible fixed assets**

	<b>Buildings VND</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	5,030,443,103	3,407,175,048	2,939,153,794	11,376,771,945
Additions	-	305,950,272	-	305,950,272
Disposals	-	(677,687,132)	(161,104,736)	(838,791,868)
Closing balance	5,030,443,103	3,035,438,188	2,778,049,058	10,843,930,349
<b>Accumulated depreciation</b>				
Opening balance	3,081,235,949	2,072,463,964	2,308,081,101	7,461,781,014
Charge for the year	213,858,276	475,037,851	220,433,991	909,330,118
Disposals	-	(472,971,786)	(161,104,736)	(634,076,522)
Closing balance	3,295,094,225	2,074,530,029	2,367,410,356	7,737,034,610
<b>Net book value</b>				
Opening balance	1,949,207,154	1,334,711,084	631,072,693	3,914,990,931
Closing balance	1,735,348,878	960,908,159	410,638,702	3,106,895,739

Included in the cost of tangible fixed assets were assets costing VND3,121 million which were fully depreciated as of 31 December 2012 (31 December 2011: VND3,096 million), but which are still in active use.

At 31 December 2012 tangible fixed assets with a carrying value of VND1,640 million (31 December 2011: VND1,796 million) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**9. Intangible fixed assets**

	<b>Indefinite land use rights VND</b>	<b>Definite land use rights VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening and closing balance	14,634,054,300	32,014,175,190	435,870,000	47,084,099,490
<b>Accumulated amortisation</b>				
Opening balance	-	2,191,134,462	145,290,000	2,336,424,462
Charge for the year	-	641,307,672	145,290,000	786,597,672
Closing balance	-	2,832,442,134	290,580,000	3,123,022,134
<b>Net book value</b>				
Opening balance	14,634,054,300	29,823,040,728	290,580,000	44,747,675,028
Closing balance	14,634,054,300	29,181,733,056	145,290,000	43,961,077,356

At 31 December 2012 intangible fixed assets with a carrying value of VND29,182 million (31 December 2011: VND44,457 million) were pledged with banks as security for loans granted to the Company.

**10. Construction in progress**

	<b>2012 VND</b>	<b>2011 VND</b>
Opening balance	443,299,143,465	344,762,062,959
Additions during the year	56,206,699,332	114,072,049,783
Transfers to investment property	(7,183,342,529)	(15,534,969,277)
Closing balance	492,322,500,268	443,299,143,465

At 31 December 2012 construction in progress with a carrying value of VND81,978 million (31 December 2011: VND144,312 million) was pledged with banks as security for loans granted to the Company.

During the year, borrowing costs capitalised into construction in progress amounted to VND20,870 million (2011: VND17,015 million).



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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**11. Investment property**

	<b>Land use rights VND</b>	<b>Buildings VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	132,036,608,908	92,187,643,058	224,224,251,966
Transfers from construction in progress	7,183,342,529	-	7,183,342,529
Disposals	(7,183,342,529)	-	(7,183,342,529)
	<hr/>		
Closing balance	132,036,608,908	92,187,643,058	224,224,251,966
<b>Accumulated depreciation</b>			
Opening balance	5,788,997,145	25,774,646,869	31,563,644,014
Charge for the year	4,237,389,780	3,279,985,515	7,517,375,295
	<hr/>		
Closing balance	10,026,386,925	29,054,632,384	39,081,019,309
<b>Net book value</b>			
Opening balance	126,247,611,763	66,412,996,189	192,660,607,952
Closing balance	122,010,221,983	63,133,010,674	185,143,232,657
	<hr/> <hr/>		

The Company's investment properties represented buildings held for earning rental income.

The fair value of investment properties has not been determined as there were no recent market transactions for similar properties in the same location as the Company's investment properties and there is no active market for such properties.

Included in the cost of investment properties were assets costing VND10,345 million which were fully depreciated as of 31 December 2012 (31 December 2011: VND7,198 million), but which are still in active use.

At 31 December 2012 investment properties with a carrying value of VND106,523 million (31 December 2011: VND72,595 million) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**12. Long-term investments**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Long-term equity investments in:		
• Subsidiaries	157,072,107,279	128,263,107,279
• Associates	58,230,309,000	141,080,309,000
Other long-term investments	303,954,496,328	371,311,265,631
	<hr/>	<hr/>
	519,256,912,607	640,654,681,910
Allowance for diminution in value of long-term investments	(25,439,797,869)	(24,323,616,984)
	<hr/>	<hr/>
	493,817,114,738	616,331,064,926
	<hr/>	<hr/>

Included in other long-term investments are investments in shares of other entities (listed and unlisted) with carrying amount of VND37,605 million, for which the fair value based on quoted market price of these instruments as of 31 December 2012 was VND37,092 million. The remaining long-term investments represented the Company's investments in real-estate business cooperation contracts.

Movements in the allowance for diminution in value of long-term investments during the year were as follows:

	<b>2012</b>	<b>2011</b>
	<b>VND</b>	<b>VND</b>
Opening balance	24,323,616,984	44,831,017,827
Reclassification to allowance for diminution in value of short-term investments	-	(10,140,000,000)
Increase in allowance during the year	13,198,161,992	-
Written back	(12,081,981,107)	(10,367,400,843)
	<hr/>	<hr/>
Closing balance	25,439,797,869	24,323,616,984
	<hr/>	<hr/>

At 31 December 2012 investments in associates with a carrying value of VND16,798 million and other long-term investments with a carrying value of VND13,500 million (31 December 2011: VND16,798 million and VND123,848 million, respectively) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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Details of the investments in subsidiaries and associates are as follows:

Name	Principal activity	Investment license	% of ownership	Amount	
				31/12/2012 VND	31/12/2011 VND
<b>Subsidiaries</b>					
Saigon Ford Co., Ltd. (SAIGON FORD)	Trading FORD cars and spare parts, providing maintenance services.	Business Registration Certificate No. 4102001544 issued by Ho Chi Minh City Planning and Investment Department on 30 June 2000, amended on 5 March 2003, 22 October 2003, 26 April 2005 and 9 October 2010.	52.05%	33,312,000,000	8,328,000,000
Toyota Giai Phong Joint Venture Company (TGP)	Trading TOYOTA cars and spare parts, providing maintenance services.	Business Licence No. 14/GP-HN issued by the People's Committee of Hanoi City on 22 January 1998.	51%	9,248,504,000	9,248,504,000
East City Co., Ltd. (GM)	Trading GM cars and spare parts, providing maintenance services.	Business Registration Certificate No.4102014294 issued by Ho Chi Minh City Planning and Investment Department on 5 March 2003 and amended on 22 October 2003 and 5 December 2011.	55%	4,400,000,000	4,400,000,000
City Automobile Corporation (HYUNDAI)	Trading HYUNDAI cars and spare parts, providing maintenance services.	Business Registration Certificate No. 0309553786 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2009 and amended on 2 February 2010.	51%	5,100,000,000	5,100,000,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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Name	Principal activity	Investment license	% of ownership	Amount	
				31/12/2012 VND	31/12/2011 VND
Saigon Service Trading Limited Company (YAMAHA Can Tho)	Trading YAMAHA motorbikes and spare parts, providing maintenance services.	Business Registration Certificate No. 5702001169 issued by Can Tho City Planning and Investment Department on 11 August 2006 and amended on 23 June 2011.	63.64%	3,500,000,000	3,500,000,000
Saigon Star Corporation	Trading SUZUKI, HONDA and YAMAHA motorbikes and spare parts, providing maintenance services.	Business Licence No. 4103007242 issued by the Planning and Investment Department of Ho Chi Minh City on 9 July 2007 and amended on 28 May 2008.	55%	8,250,050,000	8,250,050,000
Savico Hanoi Corporation	Operating business centre, providing hotel services; civil constructions, industrial projects; agents and consignments; import and export activities; trading and maintenance automobile, providing engines rental; transportation and car parking service.	Business Registration Certificate No. 0103018056 issued by Hanoi City Planning and Investment Department on 19 June 2007 and amended on 28 October 2009.	70%	56,000,000,000	56,000,000,000
Han River Automobile Corporation	Trading and maintenance automobiles, motorbikes, spare parts; trading electrical engines, building materials; agents and consignment; providing automobile rental, transportation services.	Business Registration Certificate No. 401337755 issued by Da Nang City Planning and Investment Department on 8 Feb 2010.	51%	5,100,000,000	5,100,000,000
Toyota Can Tho Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services.	Investment Licence No. 571022000005 issued by the People's Committee of Can Tho City on 18 April 2007 and amended on 9 September 2009.	51%	25,309,668,000	25,309,668,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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Name	Principal activity	Investment license	% of ownership	Amount	
				31/12/2012 VND	31/12/2011 VND
Saigon Services Co., Ltd. (SSC)	Construction of civil, industrial projects and providing office for lease and entertainment services.	Business Licence No. 4102003457 issued by Ho Chi Minh City Planning and Investment Department on 9 January 2001.	99%	3,026,885,279	3,026,885,279
Savico Vinh Long Company Limited	Trading automobile, motorbikes and spare parts; providing maintenance and repairing services.	Business Registration Certificate No. 1500764333 issued by Vinh Long Province Planning and Investment Department on 30 June 2011 and amended on 28 December 2011.	51%	2,295,000,000	-
Savico-Mekong General Trade Service Limited Company	Trading automobile, motorbikes and spare parts; providing maintenance and repairing services.	Business Registration Certificate No. 1801231071 issued by Can Tho City Planning and Investment Department on 31 December 2011 and amended on 13 January 2012.	51%	1,530,000,000	-
				157,072,107,279	128,263,107,279
<b>Associates</b>					
Super Car Joint Stock Co.	Trading cars' spare parts and interior decorative materials.	Business Licence No. 4103008825 issued by Ho Chi Minh City Planning and Investment Department on 21 December 2007 and amended on 6 March 2008.	37.5%	2,400,000,000	2,400,000,000
Savico Ben Thanh Co., Ltd. (SYM)	Trading SYM motorbikes and spare parts, providing maintenance services.	Business Licence No. 4102036521 issued by Ho Chi Minh City Planning and Investment Department on 25 January 2006.	37.33%	1,120,000,000	1,120,000,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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Name	Principal activity	Investment license	% of ownership	Amount	
				31/12/2012 VND	31/12/2011 VND
Dana Joint Stock Company (DANA FORD)	Trading FORD cars and spare parts, providing maintenance services.	Business Licence No. 044937 issued by the Planning and Investment Department of Da Nang City on 16 June 1998 and amended on 25 June 2007.	40.27%	3,221,600,000	3,221,600,000
ComfortDelgro Savico Taxi Company	Providing taxi transportation and related services in Vietnam.	Business Licence No. 824/GP-HCM issued by the People's Committee of Ho Chi Minh City on 28 March 2005.	40%	31,750,000,000	31,750,000,000
Toyota East Saigon Joint Stock Company (TESC)	Trading TOYOTA cars and spare parts, providing maintenance services.	Business Licence No. 4103001903 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2003 and amended on 14 July 2005 and 14 November 2007.	35.16%	16,798,709,000	16,798,709,000
Khanh Hoi Saigon General Service Co., Ltd.	Trading, providing consultancy and tender real estate services, advertising.	Business Licence No. 0309535441 issued by Ho Chi Minh City Planning and Investment Department on 4 January 2010.	49%	2,940,000,000	2,940,000,000
Savico-Vinaland Co., Ltd. (*)	Constructing and managing the business centre, providing office for lease and related services.	Investment License No. 411022000214 issued by the People's Committee of Ho Chi Minh City on 3 October 2008.	25%	-	82,850,000,000
				58,230,309,000	141,080,309,000

(\*) During the year, the Company reclassified the long-term equity investments in Savico-Vinaland Co., Ltd., an associate, to other long-term investments. The Company signed an agreement with another investor in the investee, whereby the Company will receive fixed income from the investee.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**13. Deferred tax assets**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Tax loss carried-forwards	-	4,858,317,540
Accrued expenses	4,259,486,482	305,440,772
	<hr/>	<hr/>
	4,259,486,482	5,163,758,312
	<hr/>	<hr/>

**14. Short-term borrowings**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Short-term borrowings	73,336,389,502	212,619,631,526
Current portion of long-term borrowings (Note 20)	20,349,783,828	22,507,698,000
	<hr/>	<hr/>
	93,686,173,330	235,127,329,526
	<hr/>	<hr/>

Short-term borrowings are secured by short-term investments, investment in associate and other long-term investments with carrying amounts of VND12,880 million, VND16,798 million and VND13,500 million respectively (31 December 2011: secured by short-term investments, intangible fixed assets, investment in associate and other long-term investments with carrying amounts of VND26,660 million, VND14,634 million, VND16,798 million, and VND63,722 million respectively).

These loans bore interests at rates ranging from 13% to 15% (2011: 14% to 23%) per annum.

**15. Taxes payable to State Treasury**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Value added tax	23,473,508	30,499,035
Corporate income tax	11,984,487,408	4,873,950,000
Personal income tax	1,376,725,865	809,968,110
Other obligations	7,897,936,524	4,259,964,043
	<hr/>	<hr/>
	21,282,623,305	9,974,381,188
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**16. Accrued expenses**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Interest on borrowings	4,062,359,218	4,513,137,137
Rental fees	2,242,277,729	667,117,515
Professional service fees	8,984,745,000	331,317,000
	<hr/>	<hr/>
	15,289,381,947	5,511,571,652
	<hr/> <hr/>	<hr/> <hr/>

**17. Other short-term payables**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	353,093,225	450,797,700
Payables to related parties (a)	79,385,775,020	65,017,842,614
Capital support from third parties (b)	28,734,520,722	43,944,471,342
Payments on behalf of related parties	11,916,813,137	12,682,992,137
Financial support payable to a customer for cancellation of land use rights transfer contract	5,856,400,000	-
Short-term deposits received for Tam Binh Residential Project	15,758,850,000	-
Others	2,913,885,720	4,148,844,868
	<hr/>	<hr/>
	144,919,337,824	126,244,948,661
	<hr/> <hr/>	<hr/> <hr/>

- a. Payables to related companies as of 31 December 2012 included VND835 million which was interest free and VND78,551 million which bore interest at rates ranging from 12.5% to 18.5% per annum (2011: from 16% to 20.5% per annum).
- b. Capital support from third parties as of 31 December 2012 bore interest at rates ranging from 15% to 18% per annum (2011: from 3% to 20% per annum).



**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**18. Bonus and welfare fund**

Movements in bonus and welfare fund during the year were as follows:

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Opening balance	4,113,262,397	4,635,119,545
Appropriation from retained profits	8,558,268,301	5,542,477,453
Utilised during the year	(8,205,939,794)	(6,064,334,601)
	<hr/>	<hr/>
Closing balance	4,465,590,904	4,113,262,397
	<hr/>	<hr/>

**19. Other long-term liabilities**

	<b>31/12/2012</b> <b>VND</b>	<b>31/12/2011</b> <b>VND</b>
Long-term deposits received	12,628,622,829	11,701,852,154
Other long-term payables	101,872,694,498	100,005,543,413
	<hr/>	<hr/>
	114,501,317,327	111,707,395,567
	<hr/>	<hr/>

Other long-term payables represented amounts contributed by partners for participation in the Company's property projects and were interest free.

**20. Long-term borrowings**

	<b>31/12/2012</b> <b>VND</b>	<b>31/12/2011</b> <b>VND</b>
Long-term borrowings		
• Secured long-term borrowings	134,809,484,500	99,288,790,890
• Unsecured long-term borrowings	-	17,500,000,000
	<hr/>	<hr/>
	134,809,484,500	116,788,790,890
Long-term bonds issued	100,000,000,000	100,000,000,000
	<hr/>	<hr/>
	234,809,484,500	216,788,790,890
Repayable within twelve months (Note 14)	(20,349,783,828)	(22,507,698,000)
	<hr/>	<hr/>
Repayable after twelve months	214,459,700,672	194,281,092,890
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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Secured long-term borrowings are secured by assets with carrying amounts of VND144,223 million (31 December 2011: VND248,526 million).

These loans bore interest at rates ranging from 14.5% to 16.6% (2011: from 16.8% to 24.5%) per annum.

The long-term bonds were issued in July 2010 at its nominal value. The bonds will mature in July 2015 and are redeemable at its nominal value. The bonds are secured by assets with carrying amounts of VND75,100 million (31 December 2011: VND60,126 million) and bore interest at rate 15% per annum (2011: 19% per annum).

**21. Unearned revenue**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Unearned revenue from land rental charged to Toyota Can Tho Company Limited	55,713,333,316	56,933,333,320
Income from Savico-Vinaland Project represented gain on contributed asset	-	47,046,852,000
Others	692,488,627	791,083,589
	<hr/>	<hr/>
	56,405,821,943	104,771,268,909
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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**22. Changes in owners' equity**

	<b>Share capital VND</b>	<b>Share premium VND</b>	<b>Treasury shares VND</b>	<b>Investment and development fund VND</b>	<b>Financial reserve VND</b>	<b>Retained profits VND</b>	<b>Total VND</b>
<b>Balance at 1 January 2011</b>	249,955,730,000	317,064,858,303	(690,474,358)	14,731,614,307	5,218,459,791	59,371,371,259	645,651,559,302
Net profit for the year	-	-	-	-	-	37,582,683,006	37,582,683,006
Appropriation to equity funds	-	-	-	-	4,988,229,708	(4,988,229,708)	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(5,542,477,453)	(5,542,477,453)
Conversion to financial reserves	-	-	-	(2,262,462,404)	2,262,462,404	-	-
Dividends	-	-	-	-	-	(24,975,507,000)	(24,975,507,000)
Board of Management fee and bonus	-	-	-	-	-	(2,528,006,905)	(2,528,006,905)
<b>Balance at 1 January 2012</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	58,919,833,199	650,188,250,950
Net profit for the year	-	-	-	-	-	53,962,844,180	53,962,844,180
Appropriation to bonus and welfare fund	-	-	-	-	-	(8,558,268,301)	(8,558,268,301)
Dividends (Note 33)	-	-	-	-	-	(37,463,260,500)	(37,463,260,500)
Board of Management fee and bonus	-	-	-	-	-	(3,423,307,320)	(3,423,307,320)
<b>Balance at 31 December 2012</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	63,437,841,258	654,706,259,009

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**23. Share capital**

The Company's authorised and issued share capital are:

	31/12/2012		31/12/2011	
	Number of shares	VND	Number of shares	VND
Authorised share capital	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Issued ordinary shares	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Treasury ordinary shares	(20,066)	(690,474,358)	(20,066)	(690,474,358)
Ordinary shares currently in circulation	24,975,507	249,265,255,642	24,975,507	249,265,255,642

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

There were no movements in share capital during the year.

**24. Total revenue**

Total revenue represented the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised of:

	2012 VND	2011 VND
Total revenue		
• Sales	17,999,109,321	75,650,072,555
• Services	62,589,280,319	64,525,935,054
• Sales of real estate	11,346,006,102	-
	91,934,395,742	140,176,007,609
Less revenue deductions	(96,464,520)	(90,679,715)
Net revenue	91,837,931,222	140,085,327,894

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**25. Cost of sales**

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Merchandise goods sold	15,336,381,798	69,865,051,980
Services provided	19,123,537,401	15,939,151,671
Depreciation charge of investment property	7,517,375,295	8,135,053,445
Real estate sold	7,183,342,529	-
	<hr/> 49,160,637,023	<hr/> 93,939,257,096 <hr/> <hr/>

**26. Financial income**

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Interest income from deposits	206,584,132	1,059,306,450
Income from security trading	6,890,172,740	13,404,147,750
Income from other investments	8,674,580,114	20,695,800,000
Dividends	26,773,921,431	38,456,809,117
Foreign exchange gains	1,592,111,357	1,917,673
Other financial income	3,691,786,111	-
	<hr/> 47,829,155,885	<hr/> 73,617,980,990 <hr/> <hr/>

**27. Financial expenses**

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Interest expense	67,469,727,289	76,549,443,949
Losses from disposals of securities	20,006,631,638	5,749,699,580
Allowance for short-term and long-term investments	8,480,340,577	1,085,217,937
Security trading expenses	2,690,831,840	280,344,246
Foreign exchange losses	1,006,435,666	538,507,531
	<hr/> 99,653,967,010	<hr/> 84,203,213,243 <hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**28. Other income**

	<b>2012 VND</b>	<b>2011 VND</b>
Income from Savico-Vinaland Project (*)	47,046,852,000	47,228,238,000
Support from Vinaland Investments Limited during construction period of Savico-Vinaland Project	36,930,300,000	-
Proceeds from disposals of tangible fixed assets	1,650,388,339	-
Compensation received from a customer for cancellation of contract (**)	30,000,000,000	-
Others	674,693,781	2,345,756,078
	<hr/> 116,302,234,120	<hr/> 49,573,994,078 <hr/>

(\*) This income represented gain on asset contributed to Savico-Vinaland Co., Ltd., an associate, as part of the Company's capital contributions to the associate.

(\*\*) This income represented the compensation received from a customer for breach of land use rights transfer contract – National Highway Thirteen Project in Hiep Binh Phuoc Ward, Thu Duc District dated 11 October 2011. This compensation has been agreed between two parties according to the agreement minute dated 15 May 2012 and the land use rights transfer cancellation agreement dated 23 May 2012 at the Notary Public's Office 4, Ho Chi Minh City.

**29. Income tax**

**(a) Recognised in the statement of income**

	<b>2012 VND</b>	<b>2011 VND</b>
<b>Current tax expense</b>		
Current year	10,610,317,779	5,173,950,000
Over provision in prior years	(2,482,544,324)	-
	<hr/> 8,127,773,455	<hr/> 5,173,950,000 <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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	<b>2012</b>	<b>2011</b>
	<b>VND</b>	<b>VND</b>
<b>Deferred tax expense</b>		
Origination of temporary differences	(4,259,486,482)	(7,520,992,886)
Reversal of temporary differences	305,440,772	8,101,829,354
Benefit of tax losses utilised/(recognised)	3,476,940,507	(1,188,445,794)
Write down of deferred tax assets	1,381,377,033	7,215,552,114
	<hr/>	<hr/>
	904,271,830	6,607,942,788
	<hr/>	<hr/>
Income tax expense	9,032,045,285	11,781,892,788
	<hr/>	<hr/>

**(b) Reconciliation of effective tax rate**

	<b>2012</b>	<b>2011</b>
	<b>VND</b>	<b>VND</b>
Profit before tax	62,994,889,465	49,364,575,794
	<hr/>	<hr/>
Tax at the Company's tax rate	15,748,722,366	12,341,143,949
Tax incentives	-	(3,714,889,788)
Non-deductible expenses	1,077,970,568	747,187,653
Non-taxable income	(6,693,480,358)	(4,807,101,140)
Write down of deferred tax assets	1,381,377,033	7,215,552,114
Over provision in prior years	(2,482,544,324)	-
	<hr/>	<hr/>
	9,032,045,285	11,781,892,788
	<hr/>	<hr/>

**(c) Applicable tax rate**

Under the terms of its Business Licence the Company has an obligation to pay the government income tax at the rate of 25% of taxable profits.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**30. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2012 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

*(i) Net profit attributable to ordinary shareholders*

	<b>2012</b>	<b>2011</b>
	<b>VND</b>	<b>VND</b>
Net profit for the year	53,962,844,180	37,582,683,006

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*(ii) Weighted average number of ordinary shares*

	<b>2012</b>	<b>2011</b>
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares at the beginning and the end of the year	24,975,507	24,975,507

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As of 31 December 2012, the Company did not have potentially dilutive ordinary shares.

**31. Financial instruments**

**(a) Financial risk management**

*(i) Overview*

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks.

The Company's Board of Management oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.



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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(ii) Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

**(i) Exposure to credit risk**

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2012 VND	31/12/2011 VND
Cash and cash equivalents	(ii)	3,612,447,229	9,218,262,787
Trade and other receivables – short-term and long-term	(iii)	126,851,344,982	114,287,697,621
		130,463,792,211	123,505,960,408

**(ii) Cash and cash equivalents**

The cash and cash equivalents in banks of the Company are mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(iii) Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables are due within 30 days from the date of billing. Debtors with balances that are more than 30 days outstanding are requested to settle the balances before further credit is granted. No collateral is collected from the customers.

Trade and other receivables – short-term and long-term – that are neither past due nor impaired are mostly companies with good collection track records with the Company. Management believes that those receivables are of high credit quality.

The aging of trade and other receivables – short-term and long-term – at the balance sheet date was as follows:

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Not past due	117,131,242,353	109,556,304,625
Past due 0 – 30 days	-	39,640,000
Past due 31 – 180 days	9,720,102,629	4,691,752,996
	<hr/>	<hr/>
	126,851,344,982	114,287,697,621
	<hr/>	<hr/>

There were no impairments of receivables as of 31 December 2012.

**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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As at 31 Dec 2012, the financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

**31 December 2012**

	<b>Carrying Amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Trade and other short-term payables	155,151,943,471	157,927,860,138	157,927,860,138	-	-	-
Short-term borrowings	93,686,173,330	98,762,961,234	98,762,961,234	-	-	-
Payables to employees	28,015,582,862	28,015,582,862	28,015,582,862	-	-	-
Accrued expenses	15,289,381,947	15,289,381,947	15,289,381,947	-	-	-
Long-term bonds issued	100,000,000,000	138,541,666,666	15,208,333,333	15,208,333,333	108,125,000,000	-
Long-term borrowings	114,459,700,672	187,157,221,996	19,423,423,265	38,928,183,185	94,556,928,004	34,248,687,542
Other long-term liabilities	114,501,317,327	114,501,317,327	61,209,517,434	12,628,622,829	-	40,663,177,064
	<b>621,104,099,609</b>	<b>740,195,992,170</b>	<b>395,837,060,213</b>	<b>66,765,139,347</b>	<b>202,681,928,004</b>	<b>74,911,864,606</b>

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**Notes to the separate financial statements for the year ended 31 December 2012 (continued)**

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**31 December 2011**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Trade and other payables	131,204,722,348	137,436,201,800	137,436,201,800	-	-	-
Short-term borrowings	212,619,631,526	221,350,128,452	221,350,128,452	-	-	-
Payables to employees	29,864,621,225	29,864,621,225	29,864,621,225	-	-	-
Accrued expenses	5,511,571,652	5,511,571,652	5,511,571,652	-	-	-
Long-term bonds issued	100,000,000,000	167,150,684,932	19,000,000,000	19,000,000,000	129,150,684,932	-
Long-term borrowings	116,788,790,890	199,225,310,956	48,006,116,112	39,894,717,259	78,770,476,085	32,554,001,500
Other long-term liabilities	111,707,395,567	111,707,395,567	62,080,628,506	11,701,852,154	-	37,924,914,907
	<b>707,696,733,208</b>	<b>872,245,914,584</b>	<b>523,249,267,747</b>	<b>70,596,569,413</b>	<b>207,921,161,017</b>	<b>70,478,916,407</b>

The Company manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments.

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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(d) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(i) Currency risk**

The Company is exposed to currency risk on investments that are denominated in a currency other than the accounting currency of the Company, the VND. The currency in which these transactions primarily are denominated are USD.

The Company's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

*Exposure to currency risk*

The Company had the following net monetary asset position exposed to currency risk:

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>USD</b>	<b>USD</b>
Cash	681	703
Other receivables	1,767,000	2,730,000
Other long-term liabilities	(353,300)	(1,263,300)
	<hr/>	<hr/>
	1,414,381	1,467,403
	<hr/>	<hr/>

The following was the significant exchange rate applied by the Company:

	<b>Exchange rate as at</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
USD 1	20,815	20,828
	<hr/>	<hr/>

The possible impact on the net profit of the Company, after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at 31 December 2012, is not significant.

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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(ii) Interest rate risk**

No policy in place pertaining to the mitigation of any potential volatility of the interest rate. At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Carrying amount	
	31/12/2012 VND	31/12/2011 VND
Fixed rate instruments		
Other short-term payables	(95,746,177,972)	(99,314,174,277)
<hr/>		
Variable rate instruments		
Cash in bank	3,612,447,229	9,218,262,787
Short-term borrowings	(93,686,173,330)	(235,127,329,526)
Long-term borrowings	(114,459,700,672)	(94,281,092,890)
Long-term bonds issued	(100,000,000,000)	(100,000,000,000)
<hr/>		
	(304,533,426,773)	(420,190,159,629)
<hr/>		

An increase of 100 basis points in interest rates would have decreased the net profit of the Company by VND1,873 million (2011: VND2,078 million). This analysis assumes that all other variable, in particular foreign currency rates, remain constant.

**(e) Fair values**

**(i) Fair values versus carrying amounts**

As at 31 December 2012, the fair values of short-term financial assets and liabilities were not significantly different to their carrying values.

As at 31 December 2012, the fair values of long-term bonds and long-term borrowings – categorised as liabilities at amortised cost – based on present value of future principal and interest cash flows, discounted at the market rate of interest at 31 December 2012 were not significantly different to their carrying values.

The Company has not determined fair values of other long-term liabilities for disclosure in accordance with Article 28 of Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance because (i) quoted prices in active market is not available for these financial liabilities; and (ii) Vietnamese Accounting Standards and the Vietnamese Accounting System do not provide guidance on measurement of fair values in the case where quoted prices in active market is not available. Fair values of these financial instruments may be different from their carrying values.

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**Notes to the separate financial statements for the year ended 31 December 2012**  
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**(ii) Basis for determining fair values**

*Investments in equity securities*

The fair value of equity securities is determined by reference to their quoted closing bid price at the balance sheet date. The fair value of the instruments is determined for disclosure purposes only.

*Trade and other receivables – short-term and long-term*

The fair value of trade and other receivables – short-term and long-term, excluding receivables and payables on construction contracts according to stages of completion, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. The fair value of the instruments is determined for disclosure purposes only.

*Non-derivative financial liabilities*

Fair value, which is determined for disclosure purposes only, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. In respect of the liability component of convertible notes, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option. For finance leases the market rate of interest is determined by reference to similar lease agreements.

**32. Non-cash investing activity**

	<b>2012</b> <b>VND</b>
Reinvestments into subsidiary (SAIGON FORD) by dividends	8,328,000,000

**33. Dividends**

The General Meeting of Shareholders of the Company on 6 April 2012 resolved to distribute dividends of 2011 amounting to VND37,463 million, which is equal to 15% of par value of shares in circulation at that time.

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**Notes to the separate financial statements for the year ended 31 December 2012**  
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### 34. Significant transactions with related parties

#### Identity of related parties

The Company has related parties relationship with its major shareholders, its subsidiaries, associates and its key management personnel.

#### Transactions with key management personnel

Total remuneration and business allowances to key management personnel were as follows:

	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
Board of Management	2,526,000,000	3,234,000,000
Board of Directors	828,000,000	970,857,000
Supervisory Board	120,000,000	126,000,000
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	3,474,000,000	4,330,857,000
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#### Other related party transactions

During the year there were the following significant transactions with related parties:

<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2012</b> <b>VND</b>	<b>2011</b> <b>VND</b>
East City Co., Ltd.	Subsidiary	Advances for purchases of merchandise	-	19,300,000,000
		Loan received from subsidiary	25,000,000,000	12,500,000,000
		Other financial income	300,868,749	35,186,667
		Interest expense	279,300,000	-
		Dividends	440,000,000	-
Saigon Service Trading Limited Company	Subsidiary	Dividends	700,000,000	1,750,000,000
		Sales of merchandise to subsidiary	-	49,401,422
Saigon Ford Co., Ltd. (SAIGON FORD)	Subsidiary	Rental charged to subsidiary	3,086,017,185	2,809,744,344
		Dividends	8,328,000,000	3,331,200,000
		Interest expense	999,026,945	316,666,667
		Loan received from subsidiary	51,000,000,000	-
		Capital contribution by cash	16,656,000,000	-



**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012**

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<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2012 VND</b>	<b>2011 VND</b>
		Dividends converted into capital contribution	8,328,000,000	-
Saigon Star Corporation	Subsidiary	Dividends	412,502,500	2,887,517,500
		Rental charged to subsidiary	501,704,000	612,705,454
		Purchases of merchandise from subsidiary	3,397,395,441	4,946,813,238
		Commission received from subsidiary	423,390,843	1,916,057,700
		Other financial income	373,625,000	-
		Interest expense	415,708,333	76,336,111
		Loan received from subsidiary	7,500,000,000	-
Toyota Giai Phong Joint Venture Company (TGP)	Subsidiary	Dividends	2,029,924,997	18,931,913,017
Savico Hanoi Corporation	Subsidiary	Sales of merchandise	27,890,000	30,950,000
		Loan granted to subsidiary	41,500,000,000	38,719,372,824
		Loan received from subsidiary	-	5,000,000,000
		Loan received from Toyota Long Bien	2,000,000,000	14,143,500,000
		Interest income	8,407,378,032	372,289,491
		Interest expense	2,328,333,334	1,245,789,491
City Automobile Corporation (HYUNDAI)	Subsidiary	Rental charged to subsidiary	2,006,816,000	1,996,140,000
		Loan received from subsidiary	27,000,000,000	10,000,000,000
		Other financial income	3,038,861,111	238,433,335
		Interest expense	3,178,894,861	-
		Prepayment to subsidiary	-	12,000,000,000
Han River Automobile Corporation	Subsidiary	Dividends	-	765,000,000
		Loan granted to subsidiary	3,500,000,000	-

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2012**

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<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2012 VND</b>	<b>2011 VND</b>
Savico-Mekong General Trade Service Limited Company	Subsidiary	Loan granted to subsidiary	5,000,000,000	-
		Dividends	183,600,000	-
		Interest income	166,111,111	-
		Capital contribution	1,530,000,000	-
Savico Vinh Long Company Limited	Subsidiary	Loan granted to subsidiary	1,000,000,000	-
		Interest income	79,522,222	-
		Capital contribution	765,000,000	-
Toyota East Saigon Joint Stock Company	Associate	Dividends	5,143,275,000	4,113,720,000
		Acquisition of investment	-	3,314,000,000
		Loan received from associate	121,500,000,000	15,000,000,000
		Interest expense	669,690,757	201,452,055
ComfortDelgro Savico Taxi Company	Associate	Rental charged to associate	2,143,804,600	2,297,918,400
Ben Thanh Savico General Trading & Services Co., Ltd.	Associate	Dividends	-	336,000,000
		Commission received from associate	1,070,045,499	1,367,454,106
Dana Joint Stock Company	Associate	Dividends	906,075,000	1,127,560,000
		Rental charged to associate	-	333,447,292
Khanh Hoi Sai Gon General Service Co., Ltd.	Associate	Dividends	401,674,934	-

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**35. Lease commitment**

The future minimum lease payments under non-cancellable operating leases were:

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>VND</b>	<b>VND</b>
Within one year	7,559,304,280	6,672,829,280
From two to five years	13,269,369,120	18,236,453,120
Over five years	19,011,949,636	19,406,669,916
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	39,840,623,036	44,315,952,315
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**36. Trading and business costs by element**

	<b>2012</b>	<b>2011</b>
	<b>VND</b>	<b>VND</b>
Cost of merchandise goods	15,336,381,798	69,865,051,980
Labour costs and staff costs	14,469,898,921	16,702,423,434
Depreciation and amortisation	9,213,303,085	9,752,017,416
Outside services	30,861,971,477	24,725,279,406
Other expenses	13,078,242,036	7,270,357,392
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**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2012**  
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**37. Corresponding figures**

Certain corresponding figure has been reclassified to conform with the current year's presentation. A comparison of the amounts previously reported and as reclassified is as follows:

	<b>31/12/2011 (As reclassified) VND</b>	<b>31/12/2011 (As previously reported) VND</b>
Other receivables	59,809,395,493	98,528,768,317
Other long-term receivables	43,064,994,071	4,345,621,247
Taxes payable to State Treasury	9,974,381,188	5,714,417,145
Accrued expenses	5,511,571,652	9,771,535,695

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18 March 2013

Prepared by:

Approved by:

Hoang Thi Thao  
*Chief Accountant*

Nguyen Vinh Tho  
*General Director*