SAIGON SECURITIES INC. (SSI)

ANNUAL REPORT 2011

WWW.SSI.COM.VN



ANNUAL REPORT 2011

SAIGON SECURITIES INC. (SSI)

www.ssi.com.vn
Headquarter: 72 Nguyen Hue, District 1, Ho Chi Minh City
Tel: +84 8 38242897 - Fax: +84 8 38242997

VISION

THE BUSINESS OF SUCCESS

SSI operates based on the vision “The Business of Success”.

At the heart of all our products and services is a drive for making success happen. We help unlock opportunities in financial markets, and turn it into prosperity and growth.

We put all our resources and ideas behind bringing success to our clients, our people, our shareholders and the communities we operate in.

MISSION

CONNECTING CAPITAL TO OPPORTUNITIES

SSI’s reason for existence is to connect capital to opportunities.

This purpose unifies all businesses that come under the SSI brand, and will guide any future diversification that the brand may undertake.

CORE VALUES

SOLUTIONS-LED: We are focused on the outcome of making our customers successful, and we prioritize their individual needs over existing products or processes.

SKILLED: We are experts in our industry and in our markets, and will continually enhance our professional skills to provide the highest standards of service to our customers.

INVENTIVE: We empower and encourage our people to find creative new ways to bring success to SSI and its customers.

TABLE OF CONTENT

VISION - MISSION

Chairman’s Message 02
Development Milestones 06
Key Business Units 08
Financial Highlights 10

12 MANAGEMENT STRUCTURE

Organisational Structure 14
Board of Directors 16
Board of Directors' Activities 18
Supervisory Board's Activities 20
Executive Board 22

24 BUSINESS ENVIRONMENT AND PROSPECTS

2011 Economy Overview 26
2012 Outlook 32

38 BUSINESS PERFORMANCE

Securities Services 40
Investment Banking 46
Asset Management 52
Treasury 56

60 RISK MANAGEMENT

Summary of Risk Management In SSI 62
Market Risk 63
Credit Risk 64
Liquidity Risk 65
Operational Risk 66
Information Technology Risk 66
Compliance Risk 67
Branding Risk 68
Human Resource Risk 69
Legal Risk 70
2012 Development Plan 71

72 ENABLERS

Information Technology 74
Human Resource Management 78
Investor Relations 80
Corporate Culture 82
Corporate Responsibilities 84

86 AUDITED FINANCIAL REPORTS

General Information 88
Report Of Management 90
Independent Auditors’ Report 91
Consolidated Balance Sheet 92
Consolidated Income Statement 96
Consolidated Cash Flow Statement 98
Consolidated Statement Of Changes In Owners’ Equity 100
Notes To The Consolidated Financial Statements 102

146 OTHER DATA

Shareholder Information And Management Level 148
Corporate Information 154
Network 156

CHAIRMAN'S MESSAGE

> "While there will still be difficulties in the near term, but we believe in the growth potential of Vietnam over the long term. With the message of 2012 **"Finding opportunities in difficulties"**, we believe we are well-positioned to face the challenges and to realize the near and long term market opportunities available."

NGUYEN DUY HUNG
Chairman cum CEO



Dear fellow shareholders,

2011 was a tough year for global and local economies. The global economy was negatively impacted by a range of factors: rising commodity prices, mounting inflation, natural disaster in Japan, S&P's downgrade of US government debt, Europe's sovereign debt crisis, political unrest in North Africa, and the slowdown of China's economy. Vietnam, with an import & export structure greater than 160% GDP, the weakening global economy partially impacted the country's GDP growth. While still impressive, Vietnam's 2011 GDP growth was only 5.89%, lower than the government's targeted number at the beginning of the year and lower than all other years post 2000, excluding 2009's financial crisis related growth of 5.3%. Inflation increased as high as 18.13% year on year in 2011. Rising prices and measures to curb inflation took their toll on the economy, in both short and long term.

The somber macroeconomic landscape and poor business performance deeply hurt the market and investors' confidence in 2011. Investors during the year seesawed between optimism about the direction of government policies and fears of the possible effects that it could have on the economy and the stock market. The lack of confidence in the economy and the currency had domestic investors essentially move to the sidelines. The lack of investors' interest can also be seen in the immaterial net flows into the stock market, which were VND 320 billion and VND 1,460 billion for domestic and international investors, respectively. The VN-Index for the year lost 30% while almost 50% of HNX index value evaporated in 2011.

In the difficult environment, SSI focused more on restructuring our internal organization, streamlining our business operations, making it more efficient, cutting costs where we believed were not efficient, developing new products to enhance clients' experience at SSI, and investing more in technology. In the past few years, we have also prepared ourselves to deal with adverse conditions so that we can mitigate the downside and if possible, position the firm to take advantage of the opportunities presented by improving markets. With this strategy along with active and strong risk management, SSI ended 2011 with a profit. For the year, SSI earned VND 848,043 billion in revenue, declining 43.59% compared to 2010 and VND 126.6 billion in earnings before tax, 86% lower than that of 2010. With the strategy of consolidating some of our investment into SSI's earnings, we were able to credit back VND 161 billion of reserve.

Although our revenue and profit declined, clients as well as investors applauded our efforts. At the end of 2011, SSI reclaimed our number 1 position in brokerage market share at Ho Chi Minh Stock Exchange with remarkable rate of 13.21%. 2011 total trading volume for the whole market declined 60% compared to 2010, but at SSI's Brokerage Services department, trading volume only declined 40%. In a year that was considered to be a tough year for raising capital, the Investment Banking team successfully helped Hoang Anh Gia Lai Joint Stock Company raise USD 90 million via offshore bond offering. The Investment Banking team also successfully advised Petrolimex with its IPO in July. At the end of summer 2011, SSI Principal Investment team officially became members of SSI Asset Management (SSIAM) and all listed investments transferred over to SSIAM for management. The SSIAM team restructured the principal investment portfolio quite a bit with a strategy focusing more on long term.

Despite the economic woes, there were some bright points in 2011 that are worth highlighting. Vietnam's long competitive edge in agriculture recorded high export volume and a trade surplus, re-asserting its position in the country's development









strategy and a competitive advantage for Vietnam on the global agricultural map. Export sectors like textiles, footwear, and seafood also surpassed others and received a great deal of investment. With a longstanding investment philosophy of investing in the country's competitive advantages, outstanding results from these sectors in 2011 helped SSI tremendously in recognizing return on investment.

Quality of investment is very important to us, thus even though we saw the market trading at a very low PE compared to our neighbouring countries and some of the stocks were even traded under their book value, we did not invest in them. Some of these stocks get to where they are because they were traded so high during the high time and didn't deliver the performance that they had promised. For that reason while we have seen a lot of opportunities, we have been selective in our investment and we have advised our clients to do the same. This is an element that has differentiated us from others.

In 2012, we believe global and domestic economies will continue facing challenges. The first and most urgent task for Vietnam is to restore macro-economic stability, control inflation, and resume growth. The government will also focus on economic restructuring, growth renovation, fast and sustainable development. The objective of economic restructuring and growth model renovation is to speed up the transformation of economic and sector structures in order to increase productivity, quality, efficiency and competitiveness on both domestic and international markets to enable local producers to join in certain stages of the regional and global production network and value chain. With this objective, the process of economic restructuring will be focusing on improving quality, productivity, and efficiency of industry, services, and agriculture sectors. We believe that if these three issues can be improved, the growth in these three sectors will be tremendous in the long run. With these prospects, we will continue as we have always done in the past co-investing and helping enterprises to map out long-term strategy as well as finding strategic investment partners.

2012 may also be another difficult year for capital access as financial market remains unstable and tightening credit continues. The nation's squeeze on credit made it difficult for local enterprises and government projects to continue at the end of 2011; thus searching for outside capital became very popular. Many foreign enterprises with strategy to have a position in Vietnam took this opportunity to lock in strategic investment deals. We believe that strategic investment deals will increase in number and scale in 2012 as banks continue to be tough with lending as well as Vietnam Government continues to restructure the economy. With the advantage of having deep local knowledge and large client pool, we should be able to work with our international as well as domestic partners to help them find the perfect match.

The financial market and financial services industry will continue to deal with the significant effects of the economic changes that are undergoing domestically and globally. Some will fight the changes given the uncertainty that comes with it, but our role as an advisor, a financier, a market maker, and an asset manager embracing the change early has been fundamental to our success. Staying close to our clients and listening to their evolving needs reinforces our willingness to accept and adapt to change. This is the key to SSI's success.

While there will still be difficulties in the near term, but we believe in the growth potential of Vietnam over the long term. With the message of 2012 "**Finding opportunities in difficulties**", we believe we are well-positioned to face the challenges and to realize the near and long term market opportunities available.

On behalf of Board of Directors, we would like to sincerely thank our valued Shareholders, Clients, and Partners who have always supported SSI in the past years. We are also grateful to our employees for all their dedication, creativity, and effort helping SSI to overcome all challenges and to carry out the mission of "**Connecting capital to opportunities**".

Warmest regards,

Ho Chi Minh, 9 March 2012.
Chairman cum CEO



Nguyen Duy Hung

DEVELOPMENT MILESTONES

1999 - 2011

1999 - 2000

- 30/12/1999: SSI was founded with the head office based in Ho Chi Minh City, and two main operations: Brokerage services & Investment Advisory. The initial chartered capital was VND 6,000,000,000.

2001

- 02/2001: Chartered capital reached VND 9,000,000,000.
- 07/2001: Chartered capital was raised to VND 20,000,000,000 with 4 main operations as follows: Investment Advisory, Brokerage Services, Principal Investment & Securities Depository.

2002

- 09/07/2002: SSI established its branch in Hanoi, expanding its networks to Northern areas.

2004

- 04/2004: Chartered capital reached VND 23,000,000,000.



2005

- 02/2005: Chartered capital was raised to VND 26,000,000,000 with 5 main operations: Investment Advisory, Brokerage Services, Principal Investment, Securities Depository and Investment Portfolio Management.
- 06/2005: SSI raised chartered capital to VND 52,000,000,000 with 6 services inclusive of Underwriting Service.

2006

- 02/2006: Chartered capital reached VND 120,000,000,000.
- 05/2006: Chartered capital reached VND 300,000,000,000.
- 09/2006: Chartered capital reached VND 500,000,000,000.
- 15/12/2006: SSI's stock was listed on the Hanoi Securities Trading Center (now known as Hanoi Stock Exchange) .

2007

- 07/2007: Chartered capital reached VND 799,999,170,000.
- 03/08/2007: The establishment of SSIAM Co. Ltd.
- 29/10/2007: SSI was officially listed on Hochiminh Stock Exchange.

2008

- 03/03/2008: Chartered capital reached VND 1,199,998,710,000.
- 16/04/2008: Chartered capital reached VND 1,366,666,710,000.
- SSI received the "Best Broker in Vietnam", presented by the prestigious FinanceAsia magazine.

2009

- 30/01/2009: Chartered capital reached VND 1,533,334,710,000.
- SSI was awarded the "Best Broker in Vietnam" and the "Best Equity House in Vietnam". These awards were presented by the famous FinanceAsia for the second consecutive year.

2010

- 03/03/2010: Chartered capital reached VND 1,755,558,710,000.
- 18/05/2010: Chartered capital reached VND 3,511,117,420,000.
- SSI was in the list of the Top 10 companies contributing the highest amount of tax to the Government.
- SSI was awarded the "Best Broker in Vietnam" and the "Best Equity House in Vietnam". These awards were presented by FinanceAsia for the third consecutive year. SSI is the first company to receive the "Best Investment Bank in Vietnam" prize.
- SSI Asset Management Ltd. (SSIAM) was honored to be the first asset management company to win the "Best Vietnam Onshore Fund House" presented by the Asian Investor magazine.

2011

- SSI was honored to receive the Third Labor Medal for outstanding achievements in construction and development the stock market in the period of 2000-2010.
- SSI was awarded the "Best Investment Bank in Vietnam" and "Best Broker in Vietnam" by FinanceAsia for the fourth consecutive year.
- SSI was the only company to receive 3 awards of Alpha South East Asia magazine: "Best Investment bank in Vietnam", "Best bond house in Vietnam" and "Best High Yield Bond Deal of the Year in Southeast Asia".
- SSI was the only company that won 2 awards "Best Domestic Investment bank in Vietnam" and "Best Equity House in Vietnam" of The Asset.

30/01/2012: Chartered capital reached VND 3,526,117,420,000.



KEY
BUSINESS UNITS

Saigon Securities Inc. (SSI - HOSE) is a leading and reputable financial corporation in the Vietnamese market. SSI provides a wide range of products, financial services with international standards for institutional, individual, domestic and foreign customers, including:

SECURITIES SERVICES

- Basic products and services for listed stocks include securities accounts opening, securities services, order trading services, cash transactions, securities depository, OTC transactions consultancy and support.
- Financial corporate investment services and support for customers in securities trading.
- E-trading services which include Smart Trading, Web Trading, Contact Center, SMS.
- Market summaries, business sector analysis, stock reports, on-site visits to companies and workshops on investment opportunities for both institutional and individual customers.

INVESTMENT BANKING

- Corporate finance advisory: Business evaluation, corporate financial restructuring, mergers and acquisitions (M&A), business dissolution and division, etc.
- Capital raising advisory in domestic and foreign capital markets, including equity capital market and debt capital market: Equitization advisory, stock issuance advisory and underwriting (IPO and other issuances), stock listing advisory, corporate restructuring advisory and derivatives products.

SSI ASSET MANAGEMENT (SSIAM)

- Fund management includes middle and long term onshore and offshore fund management.
- Portfolio management includes full and specific portfolio management services for institutional and individual, domestic and foreign customers.
- Assets management for high-income clients.
- Efficient value-added services for investors.

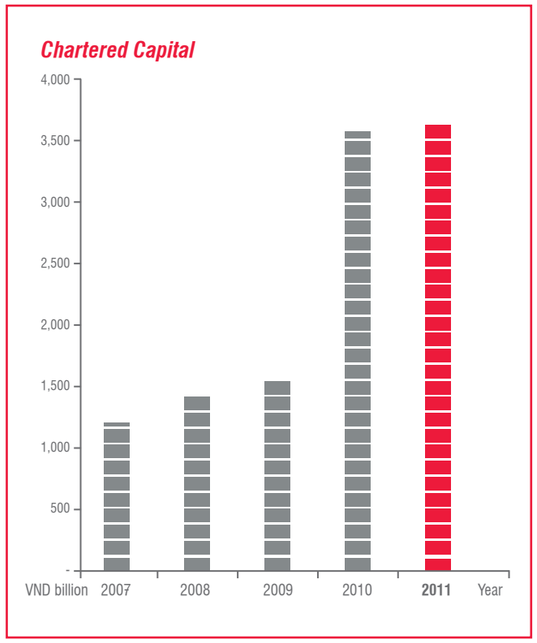


FINANCIAL HIGHLIGHTS

BUSINESS OPERATION RESULTS	2009	2010	2011
Net revenue (VND)	1,121,526,055,660	1,503,616,689,880	848,042,922,890
Net profit from operating activities (VND)	881,789,621,544	899,895,527,639	163,330,324,796
Profit before tax (VND)	955,711,514,448	902,819,486,257	126,604,379,877
Profit after tax (VND)	804,079,895,938	689,469,002,878	82,753,235,555
BALANCE SHEET	**2009**	**2010**	**2011**
Total assets (VND)	7,076,985,421,509	8,792,894,565,983	6,507,513,198,854
Chartered capital (VND)	1,533,334,710,000	3,511,117,420,000	3,526,117,420,000(*)
Weighted average of total stocks in the market	153,322,201	350,711,972	349,611,742
Total equity (VND)	4,818,501,330,788	5,459,312,028,182	5,080,665,298,616
OTHERS	**2009**	**2010**	**2011**
Asset Structure			
Short-term assets/Total assets	66.25%	72.40%	49.54%
Long-term assets/Total assets	33.75%	27.60%	50.46%
Capital Structure			
Total liabilities/ Total assets	31.91%	37.08%	20.75%
Total owners' equity/ Total assets	68.09%	62.09%	78.07%
PROFIT RATIOS	**2009**	**2010**	**2011**
Profit after tax/Total assets (ROA)	11.36%	7.84%	1.27%
Profit after tax/Total equity (ROE)	16.69%	12.63%	1.63%
Profit after tax/Chartered capital	52.44%	19.64%	2.35%
Profit after tax/Net revenue	71.70%	45.85%	9.76%
Earnings per share (EPS) (VND)	5,360	1,982	227

(*) Chartered capital on 31/12/2011: On 30/01/2012, Chairman of State Securities Commission of Vietnam granted License number 72/GPĐC-UBCK to amend Operating License number 03/GPHĐKD of Saigon Securities Inc. in order to remark the new chartered capital at VND 3,526,117,420,000 (says three thousand five hundred twenty six billion, one hundred and seventeen million, four hundred and twenty thousand dong).









I

MANAGEMENT

STRUCTURE

Organisational Structure **14**

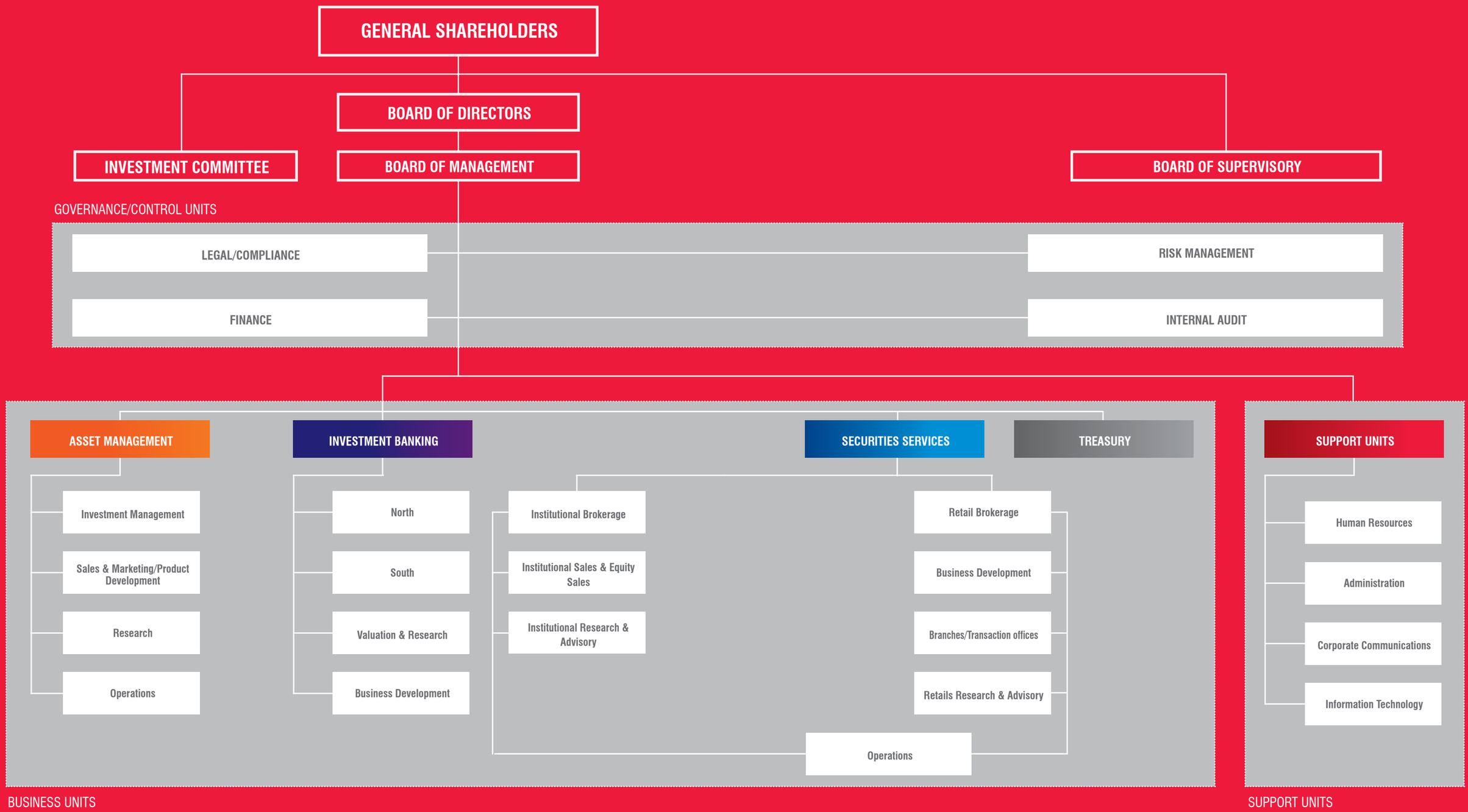
Board of Directors **16**

Board of Directors' Activities **18**

Supervisory Board's Activities **20**

Executive Board **22**

ORGANISATIONAL STRUCTURE



BOARD OF DIRECTORS



Mr. Nguyen Duy Hung

Chairman cum CEO

Mr. Nguyen Duy Hung is the Chairman and the CEO of SSI. He is also the SSI's founder.



Mr. Ngo Van Diem

Board Member

Mr. Ngo Van Diem has more than 30 years of experience in Vietnam investment industry as well as international financial market. He was appointed as manager and senior manager in a corporation innovation program, an industrial zone development scheme and economic integration projects of Government Agencies.
He was formerly Director of the State Committee Office of Investment Cooperation Department, Director of the State Evaluation Council, Director of Vietnam Industrial Zones Board of Management and Vice Director of Research Department of Prime Minister.
Mr. Diem graduated from Leipzig University and graduated with Doctor Degree in Economics from Martin Luther University Halle in Germany.



Mr. Nguyen Hong Nam

Board Member

Mr. Nguyen Hong Nam is a successful manager in many business areas. He graduated with an MA from Lugansk University in Ukraine.



Ms. Dam Bich Thuy

Board Member

Ms. Dam Bich Thuy currently is General Director of ANZ Vietnam. Ms. Thuy was formerly Director of the Natural Resources Department, a loan scheme from ANZ Singapore Investment Banking supporting Asia and member of ANZ Finance Cooperation.
Ms. Thuy graduated with MBA from The Wharton School of Business, the US.



Mr. Bui Quang Nghiem

Board Member

Mr. Bui Quang Nghiem is Director of Nghiem & Chinh Law Partnership and Vice Chairman of Ho Chi Minh Law Association.
Mr. Nghiem graduated from Halle University – Germany.



Mr. Yoshio Urata

Board Member

Mr. Urata currently is Chairman of Daiwa Capital Markets Hong Kong Limited. He is a banking expert in Japan. Mr. Urata has been a member of Daiwa for many years. Prior to his current role, Mr. Urata was appointed as many key positions at Daiwa Capital Markets.



Mr. Alistair Marshall Bulloch

Board Member

Mr. Bulloch is ANZ Chief Executive Officer and Senior Advisor in Asia – Pacific Region, Europe and America of ANZ. He has more than 30 years of experience in the banking sector.

Fullname	Position	Degree of independence (*)	Appointment date
Mr. Nguyen Duy Hung	Chairman	Chairman cum CEO, related party to major shareholder of Nguyen Duy Hung Co.Ltd	Appointed on 1 November 1999 Re-appointed on 27 September 2003 Re-appointed on 28 April 2010
Mr. Ngo Van Diem	Board member	Non – executive, Independent Board Member	Appointed on 21 April 2007
Mr. Nguyen Hong Nam	Board member	Executive Board Member	Appointed on 1 November 1999 Re-appointed on 24 April 2009
Ms. Dam Bich Thuy	Board member	Non-executive, related party to major shareholder	Appointed on 24 April 2009
Mr. Bui Quang Nghiem	Board member	Non-executive, Independent Board Member	Appointed on 24 April 2009
Mr. Yoshio Urata	Board member	Non-executive, related party to major shareholder	Appointed on 28 November 2011 (temporarily appointed by Daiwa Securities Group Inc.)
Mr. Alistair Marshall Bulloch	Board member	Non-executive, related party to major shareholder	Appointed on 19 October 2010 and approved in the Annual General Meeting on 28 April 2011

(*) Independent Board Member is determined, pursuant to point d, item 1 of Article 2 of the Regulation of corporate governance applicable to listed companies issued together with Decision No. 12/2007/QD-BTC dated March 13, 2007 of the Minister of Finance.

BOARD OF DIRECTORS' ACTIVITIES

According to ongoing operation principles for many years, the Board of Directors always:

- Acts for the best interest of stakeholders;
- Be full responsible for company business, including operating, organizing and supervising company business activities;
- Respects the interest of shareholders by complying with laws, regulations, ethical and professional standards.

The Board currently comprises of seven members, five Non Executive Directors and two Independent Members; all of them have roles and responsibilities, in compliance with the law and company's regulations. Independent Members are not Executive Directors, major shareholders or related to major shareholders. All of the Board members are experienced in business and financial management, macroeconomic research and legal consulting. Their effective contribution to company's strategy is remarkable in recent difficult and competitive market conditions. One achievement of the Board in 2011 was to implement ongoing risk management policy and process, in which market share was not the company's first priority. Actual 2011 business results confirmed the appropriateness of this policy, and helped preserving the safety of the company's assets and operations during a period of instability in the market.

Ensuring good information flows between the Board, reports were sent to all members in advance by the 10th of every month to review financial performance, to follow-up the progress achieved in the implementation of the Board's decisions and the action plan of the Board in the following month. The Board members are continually updated through written and verbal reports. Internal control policy allows the Board Member to deal directly with any manager of the company in order to request information and data, while respecting the management authority of the CEO.

Resolutions of the Board in 2011

No.	Resolution ref. number	Dated	Governing
1	01/2011/NQ-HDQT	28/02/2011	Approval on conversion price of SSICB2010 in to common shares is VND 35,639/share
2	02/2011/NQ-HDQT	15/7/2011	Approval on implementing margin trading service and personal portfolio management according to the laws on securities
3	03/2011/NQ-HDQT	20/10/2011	Approval on right issue for senior managers
4	04/2011/NQ-HDQT	28/11/2011	• Approval on resignation of Mr. Yuichi Akai • Appointment of a member of the Board, Mr. Yoshio Urata since 28 Nov. 2011 • Closedown of Quang Ninh Branch by 31 Dec. 2011



The Board had meetings at the end of each quarter to discuss on the market situations, to give guidelines to the Executive Board for implementing. The Board has issued four Resolutions on: conversion price of SSICB2010 convertible bonds; the approval on implementing margin trading; the approval on Employee Stock Ownership Plan (ESOP) proposal; the replacement of a member of the Board and the closedown of Ham Long Branch.

In 2011, regarding the inspection of the Company's management by the Board: SSICB2010 convertible bond principal was repaid; purchase of 3 million treasury shares, improvement in risk management procedures, monthly financial performance and provision for decline in the market price of securities, implementation of cost saving scheme, 2012 business plan proposal in preparation of the 2012 Annual Shareholders' Meeting, implementation of reduction of the workforce, as part of the restructuring program while preserving the rights and benefits of employees according to labor laws and implementation of margin financing service.

The Board postposed the establishment of remuneration committee, audit committee, nomination committee and bonus committee due to undesirable situation in the company.

SUPERVISORY BOARD'S ACTIVITIES

In 2011, the effective contribution of the Supervisory Board is a key success of the Company.

With experience, extensive knowledge and expertise in their fields, the Supervisory Board Members have been efficient representatives of shareholders to control activities of the Board of Directors, compliance with the laws and with the decision of the Annual Shareholders' Meeting. The Board of Directors and Management have supported members of the Supervisory Board in their roles and responsibilities in the performance of the activities of the Supervisory Board, in accordance with the company's Corporate Governance and other internal corporate regulations.

Besides implementing the control activities upon the request of shareholders, the Supervisory Board regularly attend the meetings of the company's Management and the Board of Directors or through the monitoring of the meeting materials and written reports.

Activities of the Internal Control Department of the Company also helped the Supervisory Board. The system of internal control system was set up based on Regulations governing Organization and Operation of securities companies under the Decision No. 27/2007/QD-BTC by the Minister of the Ministry of Finance dated 24 April 2007. The Internal Control Department has experienced staff with professional certificates to fulfill its duties to maintain the compliance with the company's internal regulations. The report from Internal Control Department is a crucial source for the Supervisory Board in the performance of its responsibilities.

Members of the Supervisory Board

Full name	Position	Level of independence	Appointment date
Mr. Nguyen Van Khai	Head of the Supervisory Board	Is not an employee of the company	Elected on 01 Nov. 1999 Re-elected on 08 April 2006 Re-elected on 28 April 2011
Mr. Dang Phong Luu	Member of the Supervisory Board	Is not an employee of the Company	Elected on 26 March 2005 Re-elected on 28 April 2010
Ms. Ho Thi Huong Tra	Member of the Supervisory Board	Is not an employee of the Company	Elected on 21 April 2007

CHANGES OF KEY PERSONNEL

Changes in the Board of Directors, the Supervisory Board, the Executive Management and the Chief Accountant:

- In 2011, there was a change in the Board of Directors: Mr. Yuichi Akai officially resigned on 28 November 2011 and Mr. Yoshio Urata was contemporarily appointed as a replacement.
- There was no change in the Supervisory Board, the Executive Management and Chief Accountant.
- The Company disclosed the replacement of the Board member on official letter number 1246/2011/CV-SSIHO dated 28 November, 2011.



EXECUTIVE BOARD

Board of Directors



Mr. Nguyen Duy Hung
Chairman cum CEO



Mr. Nguyen Hong Nam
Deputy CEO

Governance / Control Units



Mr. Nguyen Kim Long
Director - Legal & Internal Control



Mr. Tran Duong Anh Viet
Director - Internal Audit



Ms. Nguyen Thi Thanh Ha
CFO



Ms. Hoang Thi Minh Thuy
Chief Accountant

Business Units

ASSET MANAGEMENT



Ms. Le Thi Le Hang
CEO



Mr. Nguyen Khac Hai
Deputy CEO



Mr. Pham Truong Son
Deputy CEO



Mr. Nguyen Thanh Tung
Deputy CEO



Mr. Nguyen Phan Dung
Director - Investment

INVESTMENT BANKING



Ms. Nguyen Thanh Huong
Managing Director



Ms. Nguyen Ngoc Anh
Director - Northern Region



Mr. Pham Quang Thang
Acting Director - Northern Region



Mr. Peter Sorensen
Director - Business Development



Mr. Pham Dinh Huy
Director

SECURITIES SERVICES



Mr. Bui The Tan
Managing Director



Mr. Mai Hoang Khanh Minh
Director - Equity Sales



Ms. Hoang Thi Xuan
Director - Operations



Mr. Pham Ngoc Bich
Managing Director
Institutional Sales



Ms. Do Thi Thanh Thuy
Director
Business Development



Ms. Hoang Viet Phuong
Director - Institutional Research & Investment Advisory



Mr. Nguyen Duc Hung Linh
Director - Retails Research & Investment Advisory

TREASURY



Ms. Nguyen Vu Thuy Huong
Managing Director

Suppot Units



Ms. Than Hien Anh
COO - Managing Director, Corporate Communications



Ms. Dang Hong Ngoc
Acting CPO



Ms. Ngo Thi Thanh Tam
Deputy Director - Corporate Communications



Mr. Bui Viet Dung
CIO



Ms. Tran Thi Huong Quyen
Director - Administration

KEY PERSONS AT BRANCHES AND TRANSACTION OFFICES



Ms. Tran Thi Thuy
Director - Hanoi Branch



Mr. Huynh Thanh Nam
Director - Vung Tau Branch



Mr. Vu Van Hoan
Associate Director - My Dinh Branch



Mr. Lam Thien Phi
Director - Hong Bang Transaction Office



Ms. Dao Nhat Mai
Director - Nguyen Cong Tru Branch



Mr. Phan Ngoc Son
Director - Nha Trang Branch



Mr. Nguyen Chi Trung
Director - Hai Phong Branch



Mr. Than Duc Cuong
Deputy Director - Tran Binh Trong Transaction Office

II

BUSINESS ENVIRONMENT AND PROSPECTS

2011 Economy Overview **26**
2012 Outlook **32**



2011 ECONOMY

OVERVIEW

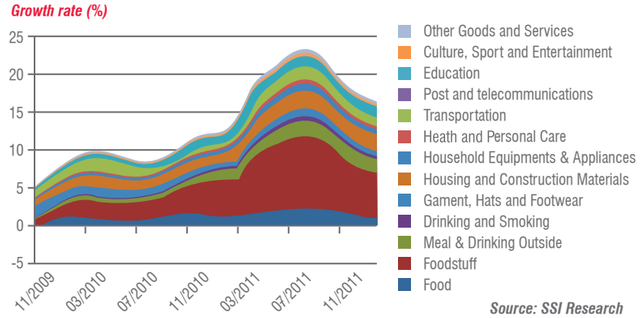
2011 MACRO - ECONOMICS
BOTH INFLATION AND MONETARY POLICY IN PLAY

2011 was a very difficult year for Vietnam economy, particularly because of high inflation. To control the high inflation situation, the Government implemented a tightening monetary policy in order to manage the economy. This was the main cause of the significant changes in the key macro-economic indicators during 2011.

Soaring inflation kept interest rates at an elevating level

In 2011, CPI rose 18.13% versus 2010 (2011 average CPI grew 18.58% YoY), which was double the Government's initial target for the year. Top 4 leading movers in CPI basket were Foods and Foodstuff (24.8%), Education (20.41%), Transportation (19.04%) and Housing & Construction Materials (17.29%). If Food and Foodstuff had not been accounted, CPI would have risen only about 7.8% in 2011. 2011 CPI followed an abnormal trend compared with previous years, as price levels rose after the Tet holiday and then stabilized at the end of the year. The abrupt hike in utilities prices, primarily electricity rates and petrol prices and the 9% currency depreciation in February were the main reasons for this unusual trend.

2009-2011 CPI breakdown by groups of goods and merchandise



Source: SSI Research

Monetary policy played a too large role

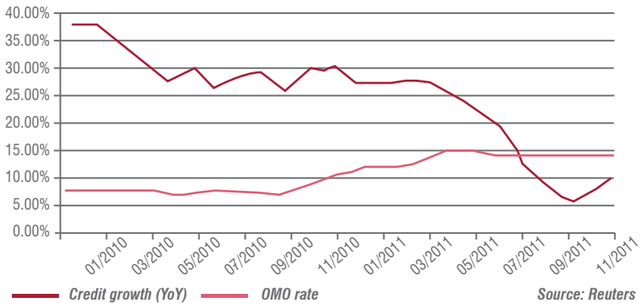
To curb high inflation, State Bank of Vietnam (SBV) applied a tightening monetary policy with a series of initiatives: increased policy interest rates with OMO interest rates as a major policy rate, which was raised 6 times; the refinancing rate was also used, but mostly after each OMO rate revision; non-production lending limitation; establishment of a number of administrative tools including imposing a 14% ceiling deposit interest rate, a firm control of gold bar trading activities and the forex market; reduction of credit growth in 2011.

Particularly in early 2011, some commercial banks often breached regulations with respect to the ceiling interest rate and pushed up deposit rates to around 20%. Interbank interest rates sometimes climbed to a peak of 30-40% for small banks, which used short term deposits as the main source of funds to finance medium and long term loans. Consequently, SBV had to trigger a restructuring plan in the banking industry in order to resolve the liquidity shortage issue.

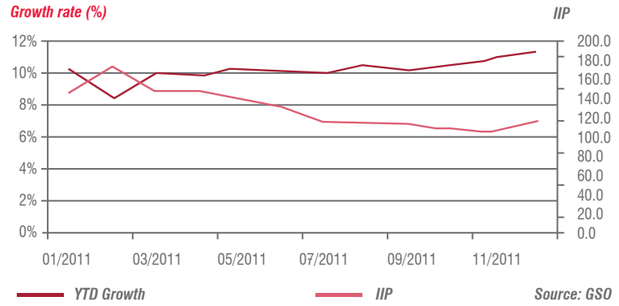




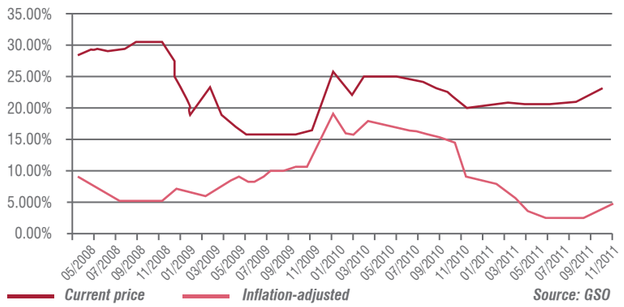
Credit growth (YoY) and OMO rate



Industrial Production Index and its YTD growth in 2011



Retail sale growth at current price and adjusted inflation from 2008-2011

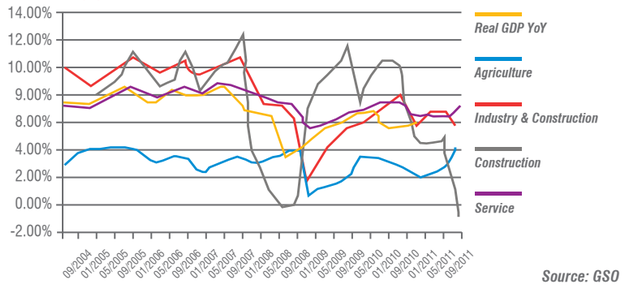


GDP growth rate slowed down, retail sales weakened and inventory piled up

The Government initially targeted GDP growth rate of 6-6.5% and then lowered it to 6%. 2011 actual GDP came out at 5.89% YoY, in line with our expectations. However, 2011 stock market was not very sensitive to the GDP target. Macro-economic stability was the priority of the Government, in order to maintain the confidence of local and foreign investors.

The industrial and construction sectors were poor performers; especially the construction sector suffered negative growth in 2011 and was particularly hard hit in Q4, during a traditionally busiest season of the year. The downturn was the result of the tightening monetary policy with high lending interest rates, causing the real estate market to stagnate and forced some private investments to be out of business. On the other hand, agriculture sector growth picked up during the year due to favorable weather and improved productivity in rice production and fisheries farming.

GDP growth by sectors 2004-2011



Industrial production index, based on a new calculation method implemented since June 2011 edged up only 6.8% YoY on average, after growing 7.1% and 9.3% YoY in 2009 and 2010, respectively. In major subsectors, including Oil and Gas, Cement, Steel and Pharmaceuticals, the slowdown was caused by a weak demand and resulted in a pile-up of inventories (also seen in retail sales).





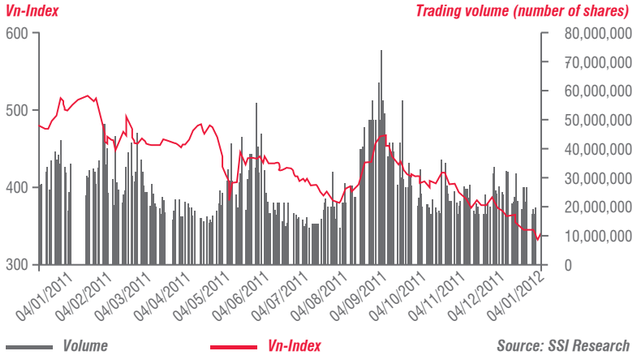


2011 VIETNAM STOCK MARKET

2011 Stock market: Back to 2006 level

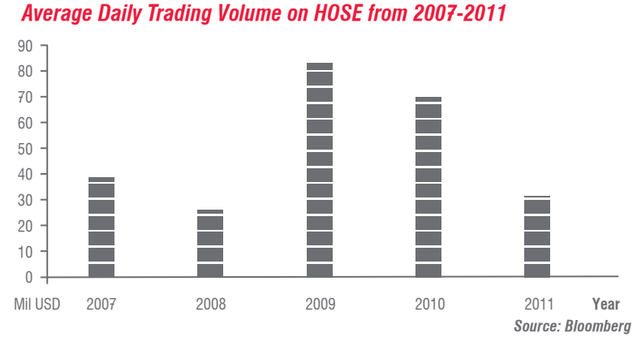
In 2011, VNI-Index decreased by 27.7% from 485.97 to 351.55, back to 2006 level just before the market reached a peak of 1,158 on 13 March, 2007.

2011 Stock Market



Liquidity on the stock market also dropped in 2011 with average daily trading volume of USD 30.8 million on HOSE. Roughly 50% of daily trading volume belonged to 20 big cap stocks out of 302 stocks listed in HOSE.

Average Daily Trading Volume on HOSE from 2007-2011



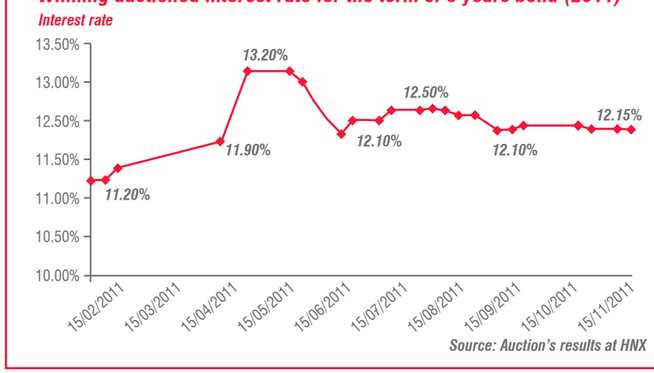
Reducing confidence of investors in the stock market caused the stock prices to slump quicker than the decline in profit of listed companies. In fact, the reduction in profit of listed companies began in Q2 2011 and will likely last until Q1 2012, creating the record of lowest PE and PB. According to SSI, on 17 January, 2012 estimated market index was 7.22x comparing with 7.94x in 2011, 10.71x in 2010 and 12.55x in 2009.

Bond market

In 2011, the issuance of government bonds and corporate bonds moved in opposite directions.

There was an improvement in government bond issuance. In 2011, the total volume of government bonds and government-guaranteed bonds which were successfully auctioned was VND 81,715 billion, accounting for 42.77% of the volume of auctioned bonds. This was a significant improvement compared to similar ratio of 32.2% in 2010. The winning rate was at a low level and formed the declining trend. The 5-year bond yield, for instance, reached a peak at 13.2% in Q2 2011 and declined to 12.15% in Q4 2011.

Winning auctioned interest rate for the term of 5 years bond (2011)



In 2011, there were more than 150 government and government guaranteed bond issuances, accounting for VND 191,050 billion. The total value of expired government and government guaranteed bonds during the year was VND 46,021 billion.

The volume of successful auctioned bonds was higher than in 2010 but the secondary trading activity contracted. While 2010 total trading volume surged over VND 90,000 billion with the average trading volume of VND 490 billion per session, 2011 volume were VND 87,000 billion and VND 240 billion respectively.

Corporate bonds diminished strongly in terms of quantity and volume: The mobilized capital was estimated at about VND 7,000 billion in 2011, equal to 12.5% of it in 2010 (source: Vietnam Bond Market Association – VBMA). The contraction of the bond market in 2010 resulted from a number of reasons including the global debt crisis and the global economic slowdown which had significant effect on the demand for investments in bonds; the pressure from the huge volume of expiring bonds along with the high budget deficit and high inflation rate; tightening monetary policy; worsening of transparency of information in the market due to the purchase of corporate bonds as a way to go around the cap limit on credit growth imposed by bank regulators.





2012 OUTLOOK

MACRO - ECONOMY

2012 YEAR WILL CONTINUE TO BE A CHALLENGING YEAR FOR THE ECONOMY

2011 Vietnam's economy was somewhat similar to what happened in 2008 for the following reasons: GDP growth declined, construction sector growth was almost flat; high inflation rate which was almost 20%, State bank of Vietnam raised interest rates, causing deposit interest rates to escalate consequently, depositors were able to negotiate interest rates with banks, gasoline and foodstuff prices were again major leading movers in CPI; demand was quite weak with single digit inflation-adjusted retail sale growth; currency depreciated about 10% and gold price was quite volatile.

If the year of 2008 had some similarities to the year of 2011, would the year of 2012 be a replica of the year of 2009? SSI forecasts the 2012 economy will suffer more challenge than 2009 one because quantitative easing program and tightening economy policy will be impossible to be reapplied globally.

Public investment will reduce in 2012. SSI believes 2012 public investments cannot improve much and under stricter investment criteria by the Government. Private sector role would slowly expand, either in the form of PPP or the stock market. This is a positive signal as the ICOR rate in the economy could be reduced, as the private sector have been more efficient than the public sector. However, the efficiency of investments will not likely increase in the short term.

Inflation has been on the downtrend. We see the following impacts on inflation in 2012, including a lower pressure from commodity prices; an increase in basic salary of about 26% from May 2012; an increase in electricity prices; a higher credit growth target in 2012 (15%); no potential fiscal stimulus by the Government and possible contraction in Government spendings. Existing pressures on consumer prices are less serious than they were in 2011 as the price increase happened primarily this year. SSI now expects 2012 CPI growth to be lower than in 2011, but still much higher than in 2009 when CPI only rose modestly by 6.52%.

2012 Credit growth target will be at 15% after the lowest credit growth rate at 10.9% in 2011. In fact, 2012 credit growth target is much more modest than in 2009 (37.73%), at which time a 4% interest rate subsidy was provided by the Government. In 2012, some small banks will suffer high bad debts and liquidity difficulties. Consequently, high credit growth such as in 2009 will not be feasible. Liquidity supports will likely be provided to some selected groups.

Banking sector and SOEs are the main targets of government restructuring scheme. The scheme has some differences from the one announced in 2009. The restructuring scheme will be more challenging and will last longer. Additionally, property market recently suffers many difficulties. For the first time in history, housing price in Hanoi decreased and this trend continues without any positive signals of market recovery. The banking reform started in December 2011 and may take up to 3 years to complete. The classification of asset quality in banking system will be the most challenge in the reform.





SOE restructuring scheme: According to the Ministry of Planning & Investment, total investments in non-core business of 11 largest corporates reached VND 19,500 billion (nearly US$1 billion). More specifically, Petro Vietnam has the largest investments in non-core businesses (VND 6,708 billion), followed by Rubber Corporation (VND 3,848 billion). All investments in non-core business must be divested by SOE groups by 2015.

There are some other important aspects of 2012 economy, including:

Trade deficit: Exports might face some difficulties in 2012, including affected sectors such as textiles and garment, footwear and rice. For the first two sectors, salary and input prices are rising (as we are dependent on imports of raw materials) and global demand could be weaker, particularly in US, EU and Japan. The inevitable global downturn may occur and trading growth will be lower than that in 2011, estimatedly.

Gold exports partly caused a decline in the trade deficit since July 2011. Main factors affecting imports in 2012 include: (1) gold export value might be lower than gold import one; (2) downward pressure on imports resulting from weak domestic demand. In fact, many economy sectors depend heavily on imported raw materials (50-60% of imports are machineries, materials and other input for production/export). Trade deficit decline might not be a positive thing at all.

Overall, SSI expects the trade deficit to widen in 2012. Imports might be re-emerged again in terms of nominal value while trading increases and import growth rate is higher than export growth rate.

Exchange rate: SBV moved to a flexible mechanism in dealing with exchange rates and a one-time large depreciation in 2011 may not occur and the depreciation would decline step by step. The SBV governor announced a 3% depreciation target for VND.

2011's balance of payment improved thanks to a lower trade deficit, higher remittances (around US$9 billion, despite of the loss of some large labor markets) and stable FDI disbursements. Gold and USD trading would be more strictly controlled in 2012 to have positive impact on exchange rate although this action can put more pressure on the official import channel of gold.

More importantly, the evolution of inflation will need close monitoring because it traditionally has the largest impact on the exchange rate.

Interest rates: Vietnamese enterprises were hardly hit by high lending rates and weak demand from the vast majority of economic sectors in 2011. There will be little chance for fiscal stimulus by the government but support for important business lines, such as agriculture, exports related sectors or even some sub-sectors of real estate may be available.

Inflation pressure eased of late 2011, thanks to the tight monetary policy as well as the downtrend in global commodities prices, however pressures still exist.

Lowering interest rates might not happen quickly, due to the problems in the banking sector. Within the easing mode in monetary policies around the world, State Bank of Vietnam already cut policy interest rates by 1% in March 2012 and will likely make another 1% as soon as inflation trends allow such cut. There will be a lag for the rate cuts to become effective, as it would take some time for enterprises to get access to credits at an affordable interest rate, given the continued weakness in the economy.

SSI forecasts a modest outlook for Vietnam's economy in 2012 as the restructuring process may take time and another global downturn is not impossible. In the medium term, interest rates may gradually reduce in support of economic growth, while inflation pressures will likely decline for a more sustainable development of economy.





2012 STOCK MARKET OUTLOOK

Stock market: Be cautious with investment decisions

SSI believes that an aggressive monetary easing policy or a generous stimulus packages as witnessed in 2008-2009 will unlikely happen again. On the contrary, the government likely to adopt a prudent monetary policy and any loosening monetary policy in Q2 2012 would only be temporary and limited. Therefore, 2012 is expected to be a special year with following themes:

Banking reform: This reform directly relates to vital question from investors on when and how interest rate can be reduced. In fact, we see the banking reform as the base for a sustainable reduction in interest rate. From SSI point of view, the reform will include 3 phases: (1) classification of bank health according to its financial position, (2) increase in M&A activity in banking sector and, (3) recapitalization of banks (this phase will go together with M&A activity). The reform will likely last for several years and we are just in the early stage of such reforms.

Liquidity issue will remain in 2012 in banking system: As current Loan-to-Deposit ratio (LDR) of banking system has remained high at around 100%, so the chance for high credit growth is low while this is the key earning driver for banks. Attracting deposits in such a tightened monetary policy environment would create liquidity difficulties. Liquidity can be criteria for SBV to implement stress-tests and force the M&A process.

Interest rate reduction will be among the key positive catalysts that the market expects. However, under liquidity difficulties and banking reform, it is very difficult to implement for an easing in monetary policy in the half year of 2012. The first expected move may occur in Q2 2012 in which State – owned commercial banks will gradually reduce lending rates for selective borrowers.

SOE restructuring: While the total credits to SOEs account for a large proportion of total credits in the economy, the restructuring scheme will have the following impacts on the market: (1) the market will require time and resources to absorb the divestment from SOEs, (2) the process may create additional pressures to cash flows of SOEs and delay their CAPEX plans in 2012, (3) the scheme will improve the efficiency of public investment sector in the long-term.

A number of close-end funds may disinvest in 2012: This will add selling pressure in the market although this is an opportunity for institutional investors to purchase additional shares at current low market value.

Our 2012 forecast suggests 2012 P/E of 61 companies in research with market cap accounting for over 70% of total market cap was 7.22x on 17 January, 2012 or 6.10x excluding MSN, VIC and BVH.

The low valuation did not mean that we have hit the market bottom as the market is also influenced by other factors as mentioned above. Regarding earning, the vast majority of companies know that they are in a challenging business environment; therefore, they propose very conservative objectives for 2012.

The low valuation of the market could be an opportunity for long-term investors once the banking issues can be resolved and the confidence of investors is gained back. When interest rates reduce, investors will look for alternative investment forms, in which equity is a great choice as the market values were low even lower than their book values.

Therefore, M&A will become more active, especially in both banking and real estate sectors and will be the key driver for stock prices.

While we keep a conservative view on the market due to mentioned reasons, Consumer Staple, Pharmaceuticals and Agriculture sectors will continue to be our favorite sectors at this time based on high sustainability and stable domestic demand.

Fast growth in bond market is unlikely

Hoping to boost transparency and effectiveness in bond market management, government bodies have been trying to initiate more interactions between VBMA and market participants and government bodies. In addition, Ministry of Finance has restructured the bond types/trading products and market participants (implementation of primary dealer mechanism). Based on these initiatives, the bond market has more potential for further development.

However, we believe that in 2012, the bond market might not enjoy high growth due to ongoing difficulties:

- The State Bank of Vietnam continues to tighten monetary policy;
- More stringent regulations on credit activities relating to corporate bonds;
- Limited market participants;
- Continued concern for forex risk for frustrated foreign investors;
- Transparency risk among corporates and the absence of a rating agency for bond issuers in Vietnam.

> "The low valuation of the market should be an opportunity for long term investors because prices of many stocks were much lower than their book values."



III

BUSINESS PERFORMANCE

Securities Services **40**
Investment Banking **46**
Asset Management **52**
Treasury **56**



SECURITIES SERVICES

2011 OPERATING RESULTS

Prolonged decline and sluggish condition of the local market in background of difficult domestic and oversea economies, accompanied by unimpressive business results of many listed companies in 2011 negatively affected investors' sentiment. In such a challenging business environment, SSI Securities Services timely applied synchronized measurements and policies to weather through difficulties.

Positive results in 2011 reaffirmed SSI Brokerage Services' position and its effort – an inspiration for the Brokerage Services team during the tough market condition

Market trading value plunged 60% in 2011 compared to 2010. However, transaction value through SSI only decreased by 40% respectively, 20% lower than market's decline. Furthermore, given the fact that sales revenues of many securities companies were not sufficient to offset costs, SSI's positive returns in the Securities Services business and related value added services have demonstrated the appropriateness and timely of its applied measures, such as systematic policies to constantly improve service quality to clients, product diversification to create multiple sources of income, suitable employee policy for brokers in each stage of market development and implementation of strict cost and efficiency control. In terms of revenue structure of SSI Securities Services in 2011, brokerage services played a key role in generating revenues, financial service products also contributed considerably due to high interest rate level in 2011.

Maintaining the leader position in brokerage market share on HOSE for stocks, investment fund certificates and bonds throughout 2011

As the local market faced increased difficulties, competition among securities companies also became more intense. Despite such challenging environment, SSI dominated 13.21% in brokerage market share on HOSE for stocks and investment fund certificates, 39.33% respectively for bonds in 2011. These outstanding figures reaffirmed investors' confidence and loyalty to SSI.

SSI has always been recognized and highly regarded by clients for efficient trading execution of large orders with practices and procedures in accordance with strict international standards.

2011 HIGHLIGHTS

Maintained SSI's **No.1** position in brokerage market share on HOSE.

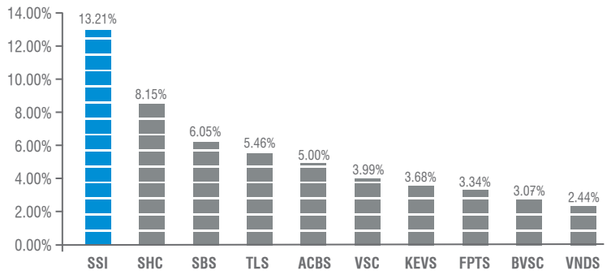
Continued dominating the foreign investors' brokerage segment with market share of **38.12%**.

Awarded "**Best Broker in Vietnam**" for four consecutive years (2008, 2009, 2010, 2011) by Finance Asia, a prestigious and professional magazine.



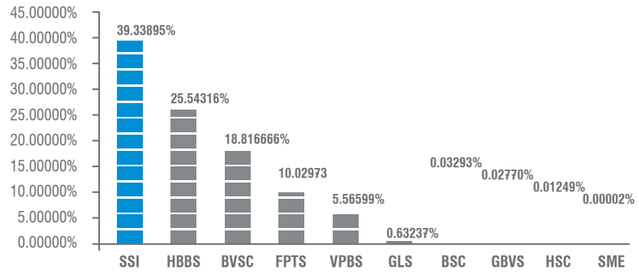


Top 10 securities companies in brokerage market share for stock and investment fund certificates listed on HOSE in 2011



Source: Hochiminh Stock Exchange.

Top 10 securities companies in brokerage market share for bonds listed on HOSE in 2011



Source: Hochiminh Stock Exchange.

However, SSI brokerage market share on HNX slipped in ranking to No. 6 in 2011 with market share of 3.73%, lower than the year's target. This result could be explained as institutional investors accounted for a significant proportion of SSI's transaction value while this particular type of investor, especially foreign institutional investors who aimed at investing long-term and in fundamental stocks, did not show keen interests on stocks listed on HNX. SSI Research and Investment Advisory Team were also conservative in our investment views for 2011 and SSI Retail Brokerage segment was not able to achieve desired performance for the year.

Restructuring SSI Securities Services coupled with boosting development of supporting tools aimed at bringing more investment convenience and efficient supports to clients

In 2011, SSI Securities Services separated the division of Research and Investment Advisory Department into Institutional Client Research segment (Institutional Research) and the Retail Client Research segment (Retailed Research). The restructuring enabled SSI to closely approach and better understand our clients' demands and from there, be able to timely develop and introduce new products suitable for the constantly developing market. SSI released 5 more research products for our institutional clients, bringing the total number of research products for institutional clients up to 10 different types of reports and received very positive feedbacks. As for the retail segment, SSI also focused on developing customized products to serve our large and frequently trading individual clients, namely, daily reports with timely market news and investment recommendations. With unceasing efforts, SSI Research and Investment Advisory continued to lead the market with our system of professional and diversified report products.



Besides promoting research and investment advisory services, SSI emphasized on the development of innovative e-trading tools to provide clients with speedy trading via friendly applications. In 2011, clients who utilized our E-trading products surged 30% across all client segments compared to 2010. This is a motivation for SSI to continue developing this trading channel in the future.

Strategy of SSI Securities Services focused on continuous expansion of client network and maintaining current revenue structure in the tough market condition

In 2011, SSI faced difficulties in generating new clients due to weak investors' confidence in the local market. Although the number of new accounts opened in 2011 was only 51% of the figure in 2010, the number of institutional accounts surged compared to 2010, reflecting the efforts and effective operation of SSI's newly established Institutional Sales team in the year. In parallel with the focus on client expansion, SSI Securities Services was able to maintain brokerage revenue structure with the ratio of 60:40 between institutional and retail clients in 2011, among that, foreign clients accounted for over 50%. These figures once again reaffirmed SSI's prestige and leading position among foreign institutions, of which, many are renowned financial institutions such as Deutsche Bank London, Van Eck, KITMC, Daiwa, Templeton, Horizon, Credit Suisse, Lion Capital, Fullerton, Prudential Vietnam, Société Générale, Morgan Stanley, HSBC, CLSA, Manulife Vietnam, etc.

SSI Services securities was awarded "Best Broker in Vietnam" for four consecutive years (2008, 2009, 2010, 2011) by Finance Asia, a prestigious and professional magazine

2011 was the 4th consecutive year SSI Securities Services was awarded by Finance Asia for Best Broker in Vietnam, reflecting international institutions' trust and confidence in SSI Securities Services. The award is a great motivation as well as a true challenge, demanding SSI Securities Services to constantly develop and improve in service quality to meet and even lead the development of the market as well as to continue to affirm SSI's leading position and prestige among local and foreign investors.

2012 DEVELOPMENT PLAN

Maintaining No. 1 position in brokerage market share on HOSE and top 10 position on HNX, in which SSI continues to dominate the foreign investors' brokerage segment with market share of over 35% is the first and foremost important target for SSI Securities Services in 2012. Being well-awared that local and global economies still contain various uncertainties and challenges, SSI aims at implementing consistent strategies with strong coordination between synchronized client policies and diversified products and services on the basis of advanced technology and strict risk management.

Unceasing expansion of domestic and foreign client network. Being able to develop and maintain a vast client-base is one of the prerequisites to guarantee the successful operation of SSI Securities Services. Besides current policies to ensure that existing clients are well-taken care of, SSI shall selectively expand new clients via median organizations and partners as well as our professional team of brokers.

The development and expansion of foreign clients will continue to hold priority and remain as core strength of SSI. SSI shall focus on expansion of new foreign clients via median organizations of potential markets such as America, Japan, Europe, Hong Kong, Singapore, etc. and promoting Vietnam's financial market side-by-side along with our international partners. With new legal provisions in place allowing investors to open multiple trading accounts at different securities companies, SSI has also been able to reach out to and provide services to existing clients of other securities companies.

Boosting development of investment advisory and financial products as well as E-trading and Contact Center systems to maximize SSI's capability to meet clients' demands and escalate sales revenues for SSI Securities Services. In particular, investment advisory activities will continue to be enhanced in both quality and variety of reports. A close cooperation with our brokers will help us efficiently distribute our products to clients. At the same time, SSI Research and Investment Advisory team will also actively expand the product business to generate additional revenues for SSI Securities Services.



Promotion of risk management and applications to control risk.

Coupled with enhancement in practicability and efficiency of operating procedures, SSI shall continue to perform well in risk management and shall promote investments in technology and development of support systems to better serve brokers in trading and minimize risks arising from trade execution.

Standardization of operation models of SSI's branches and transaction offices in the direction of operational restructuring aims at ensuring business operation to be in consistent with company's objectives, is economic efficient and suitable for current market situation.

Human resources are the most important factor for SSI to achieve the objectives set out for our Securities Services business.

SSI Securities Services has always aimed at building the image of a professional team of investment advisors and brokers to offer clients the best services. Apart from highly selective recruitments, SSI Securities Services constantly provides various training courses to update and enhance our employees in specialized knowledge, soft skills as well as working ethics. Fieldtrips and study courses in which SSI organizes in cooperation with our foreign partners shall be further emphasized to provide our employees with unique and beneficial learning and experiencing opportunities of the securities market, financial products and services as well as trading systems and platforms.





INVESTMENT BANKING

2011 OPERATING RESULTS

Due to the impact of the macro economy downturn and the sharp decline of the Vietnamese securities market, SSI Investment Banking's 2011 performance declined accordingly in comparison to 2010 result, which was considered as a successful year of Investment Banking services. At the end of 2011, SSI had 58 new mandates with the total revenue of VND 44.5 billion booked for 2011. Although the revenue decreased in 2011, SSI Investment Banking has marked our new turn indiversifying new products and services in market.

Maintaining the leading position in the targeted mission of connecting capital from investors to issuers

In an environment where Vietnamese enterprises faced many difficulties in raising capital locally, with SSI Investment Banking's support, Hoang Anh Gia Lai Joint Stock Company successfully issued USD 90 million bonds to international bond market. This was the first time that a Vietnamese private enterprise mobilized capital successfully in the international market. This success marked a significant milestone for Vietnamese private enterprises to participate in the larger capital market, which requires higher standards in the context of the global capital turmoil in general and many difficulties in the Vietnamese capital market in particular, especially with the low Vietnamese credit rating, the earthquakes in Japan, the tsunamis and the European debt crisis. In addition, the success of this issuance showed the level of interest of international investors in the potential development of Vietnamese corporates and the Vietnamese financial market. The success of this transaction helped SSI to overcome other candidates with larger deals' size from China, Indonesia, India, etc… to receive the prize "Best High Yield Bond Deal of the year in Southeast Asia", awarded by the Alpha Southeast Asia.

Also in 2011, SSI successfully ran Petrolimex's Initial Public Offering (IPO) in July when the capital market was under pressure. The success once again confirmed the interest of investors in the upcoming SOEs' equitizations. The IPO sold 100% of 27.4 million bid shares, equal to VND 412 billion mobilized capitals. The Petrolimex's IPO, therefore, was considered as the second large transaction amount in the market (the first one belonged to BIDV in December 2011).

Providing customers with various and international - standard - investment banking services

Continuing with the strategy of providing various financial advisory products in accordance with the international standards, in 2011, SSI continued to implement various types of financial advisory services to raise capital in domestic and foreign capital market as follows:

- Convertible bond issuance: SSI successfully mobilized nearly VND 1,400 billion for big listed companies such as Hoang Anh Gia Lai Group (HAG – HOSE), Dabaco Group (DBC – HNX)...
- Bond issuance: Along with Credit Suisse, SSI was the only domestic financial

2011 HIGHLIGHTS

Continued to be the leading Vietnamese Investment Bank.

Being the pioneer in market product by successfully done the first private company's international bond issuance amounted to USD 90 million.

Continuously **received prestigious international awards** given out by the Finance Asia, the Asset and the Alpha South East Asia.



consultant for the successful issuance of 90 million USD of international bonds to Hoang Anh Gia Lai Joint Stock Company (HAG – HOSE).

- Following on offering (private and public): SSI successfully raised more than 720 billion VND for big and prestigious companies such as Dabaco Group (DBC-HNX), Dai Chau Joint Stock Company (DCS – HNX) etc. In addition, in 2012, SSI will continue to work with a number of large deal size mandates in 2011.
- IPO advisory: SSI consulted for two IPOs with the total value of 413 billion VND.
- Listing consulting service: In 2011, SSI successfully consulted three listed companies, with the total capitalization value counted on 31 Dec 2011 up to VND 541 billion.
- M&A service: The stock value falling sharply in 2011opened up many opportunities for M&A between domestic companies and between foreign investors and potential companies in Vietnam. Therefore, SSI will strengthen and expand the operation of this service. In 2011, SSI has participated in about 10 M&A deals, of which some mandates will be processed in 2012.

Receiving prestigious international awards

2011 was a difficult year for investment banking business in Vietnam. However, with constant efforts, 2011 was the year which marked a numerous prizes to SSI, awarded by many prestigious global institutions as follows.

- The prize “Best Investment Bank in Vietnam” awarded by the FinanceAsia magazine. This is the second consecutive year that SSI received this award.
- The prize “Best Domestic Investment Bank in Vietnam” and “Best Equity House in Vietnam”, awarded by the Asset.
- The prize “ Best Investment Bank in Vietnam”, “Best Bond House in Vietnam” and “Best High Yield Bond Deal of the year in Southeast Asia”, awarded by the Alpha Southeast Asia.



TYPICAL PROJECTS IN 2011

Hoang Anh Gia Lai Joint Stock Company	Convertible bond issuance advisory in the international market
• Real estate • Mineral • Rubber • Hydropower • Manufacturing	• Issuance value: USD 90 million • Nominal interest rate: 9.875% • Term: 5 years • First issuance price: USD 95.76 with yield to maturnity 11%

BIDV Insurance Corporation	Listing consulting service
• Non-life insurance • Reinsurance • Financial investment • Other activities	• Chartered capital: VND 660 billion • Listed volume: 66,000,000 shares • Listed time: September 2011 • Capitalization value (at time of listing): VND 607 billion

Vietnam National Petrolium Group	IPO advisory
• Import/export and trading fuel oil • Investment in others companies in the same industry	• Chartered capital: VND 10,700 billion • Auction volume: 27,425,933 shares • Successful average auction price: VND 15,032/share • Successful rate: 100% • Mobilized capital volume: VND 412,270,065,000

Dabaco Group	Convertible bonds issuance
• Production of animal feed • Manufacturing and trading poultry, seafood…	• Total issuing value: VND 254.5 billion • Issuance price: VND 100,000/bond • Term: 2 years • Conversion rate: 70% of the market price at the time of issuance • Successful rate: 100%

Hung Vuong Seafood JSC	M&A service
• Culture seafood for exportation • Processing aquatic food and poultry • Processing aquatic food for exportation	• Acquirer: Hung Vuong Seafood (HVG) • Target company: Ben Tre Fishery and Forestry Import and Export Corporation • Total deal value: VND 60.2 billion

2012 DEVELOPMENT PLAN

In 2012, SSI will apply simultaneously many solutions to pursue the mission of "Connecting capital to opportunities", to continue retaining its top position and to promote the development of these activities.

Diversifying services, focusing on professional and high added value services. In 2012, SSI will focus on professional banking services such as restructuring financial consulting services, capital restructuring, M&A, hybrid products, structured product combining equity with fixed in come, etc. In addition, SSI will continue to research and design new and diversified products to meet the increasing demands of customers as well as the demand of the market in order to connect foreign investors to domestic enterprises and to take advantage of capital cash flow from the international market. SSI will focus on consulting services to improve the financial systems and financial management according to the international standards as well as preparation steps to help enterprises raise capital in foreign markets.

M&A activities continue to be the priority. Difficult economic period recently witnessed many ineffective companies. However, there are many good enterprises needing financial support to expand their market share and improve their scales. This fact has led to many opportunities for M&A activities in 2012. SSI, with deep understanding of the operational model, financial management model, corporate finance, long-term advisory experiences and an available resource of domestic customers and foreign investment banks, will attempt to connect between many cooperation needs to bring high benefits to both buyers and sellers.



Focusing on finding customers, that are large-scale, prestigious and sustainable developed enterprises operating in fundamental sectors - the strength of the country, to provide financial products and financial solutions to support their development.

Expanding of cooperation with leading financial institutions such as JP Morgan, Daiwa Securities, Nomura, Credit Suisse, etc. to exchange experiences and to promote investment opportunities, so that SSI can provide clients with many professional financial products according to the international standards.

Investing in the development of human resource is a strategic activity, a foundation to create competitive advantage in harshly business environment among securities companies. Therefore, SSI will focus on training people to help them to have fully qualified expertise, soft skills according to international standards combining with a deep understanding of the local market.





ASSET MANAGEMENT

2011 OPERATING RESULTS

Stock market recession during 2011 posed challenges to the operations of Fund Managerments in Vietnam. Fund and portfolio management faced various difficulties due to the market's volatility and illiquidity. Vietnam's economic difficulties and deteriorating operations by companies refrained local and international investors from making investment before economic recovery. These difficulties significantly impacted capital mobilization during 2011.

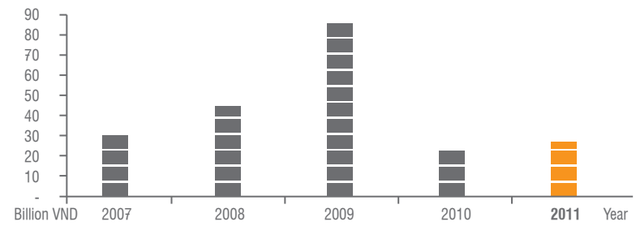
In the context of overall market distress, SSI Asset Management Company (SSIAM) managed to make its funds and portfolios perform efficiently, as well as mobilized more capital from SSI and other entrustors. SSIAM achieved certain success during 2011 and paved the way for substantial developments in the coming years.

Revenue growth in difficult market conditions

Overcoming general market hurdles, SSIAM 2011 revenue increased by 10% to 37.2 billion and profit before tax was 5.1 billion (after taking provision for stock impairment). The Company mobilized 768 billion in 2011, raising total assets under management to more than 3,500 billion.

Furthermore, SSIAM actively sought for new investment opportunities, disbursed Funds and portfolios in accordance with approved Investment Plan, and prepared for mobilization of new Fund which included the preparation of technical and technology infrastructure for the coming of Open - ended Fund.

Revenue from Management of Funds and Portfolios



Source: SSIAM

Prudent and long-term investment strategy in fund management resulted in highly efficient operations in 2011 market conditions

Fund and portfolio management operations were focused on being prudent, efficient, and long-term growth potential. SSIAM accordingly restructured funds and portfolios under its management. By the end of 2011, NAV of most funds and portfolios managed by SSIAM out-performed the market. In comparison with VN-Index, which decreased by 28% in 2011, SSI Vision Fund (SSIVF) NAV only declined 14%. Portfolios such as Dividend Portfolio and Balanced Portfolio all out-performed VN-Index by 20% - 40%.

2011 HIGHLIGHTS

Entrusted assets increased by VND 768 billion compared to 2010, total assets under SSIAM management up to over **VND 3,500 billion**.

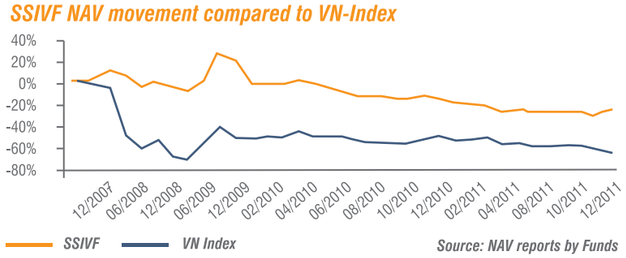
Funds and portfolios managed by SSIAM **over-performed the market**, with SSI Vision Fund (SSIVF) remained an efficient local fund.

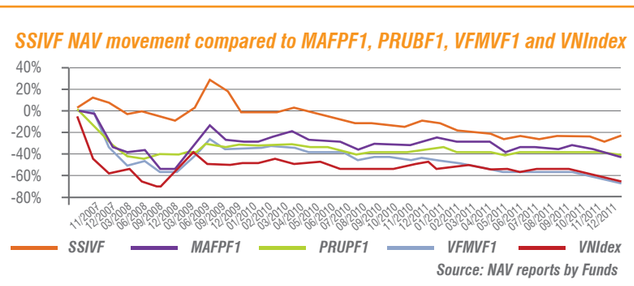
Disbursement of most of SSI Investment Member Fund (SSIIMF).

Perfection of operation processes and technology infrastructure.









Despite difficult market conditions, SSIAM believes that investment opportunities still exist, especially when good companies are trading at low PE, andt have good long - term growth potential. This is evidenced by the fact that during 2011, DSCAP-SSIAM Vietnam Growth Fund (co-managed by Daiwa Corporate Investment Ltd) and SSI Investment Member Fund (SSIIMF) continued to disburse cash for new investments.

Strengthening capital mobilization and investment portfolio management

By mid of 2011, SSIAM started managing a major part of SSI's investment portfolio, its parent company. Being a seasoned, professional and prestigious fund manager in the market, SSIAM is committed to effectively manage this portfolio in order to increase efficiency and transparency in SSI's investment activities.

During 2011, SSIAM focused on expanding investment portfolio management product by establishing portfolio management product package SSI Prestige, which targets individual affluent and institutional customers. This product provides customers with all-rounded investment solution, including advisory, financial planning, investment strategy constructing and investment execution...

Upgrading operation processes and technology infrastructure

SSIAM remains one of the pioneering fund managers in applying and developing IT in business. The Company successfully developed in-house software of fund and portfolio management and transaction warning, as well as customer care system. This is one important step in the Company's continuous effort to enhance asset management service and investment efficiency and transparency. This also provides critical technical base for the operation of Open Fund expected to be launched in 2012.

2012 DEVELOPMENT PLAN

The world in general and Vietnam in particular are still facing many economic difficulties in 2012. This nevertheless opens new investment opportunities, especially when many companies with high development potential are undervalued. A series of regulatory documents will be released in 2012 which will pave the way for long-anticipated products such as: open funds, real-estate trusted funds and stock investment companies. These documents will enable local fund managers to provide new products and services to customers. If combined with more favorable macro-economic conditions of 2012, this will create significant development in mobilizing capital for trust funds and portfolio management, and in the establishment of new funds.

With a view that economic and financial market conditions continue to be difficult in 2012, SSIAM has drawn on 2012 business plan as below:

Safe and flexible investment, developing with companies

In addion to searching for new investment opportunities and cash imbursement in accordance with planned agenda, SSIAM will continue to enhance its risk management, and manage funds with a long-term and safe view as well as flexibly enough to match with market environment. SSIAM's investment view is long-term, company-partnering, helping companies to devise substantial business strategies, focusing on core business to strengthen their positions in the sectors that they operate in. This view makes SSIAM believe that portfolios under SSIAM's management will result in investment efficiency and high returns.

Attracting more trusted assets from institutional customers

In line with the development of the local economy and the financial market, the demand for professional asset managers will be on the rise. SSIAM sees Vietnam remain to be a potential investment point for international investors.
With advantages leveraged from parent company SSI, large and extended network of partners and SSIAM's brand name in the field of asset management, SSIAM will remain to be the choice of local and international customers.

Focusing on high networth individual customer market

High networth individual customer market is currently unattended and poses many potentials. SSIAM will, in 2012, continue to perfect and introduce products targeting this kind of customers. The Company will also corporate with commercial banks and insurers to diversify products for these customers.

Resource readiness for Open Fund

Legal framework has been in place for Open - ended Funds. SSIAM is set to seize opportunities and take early advantages by making human and technical resource ready for the launch of this product in 2012.

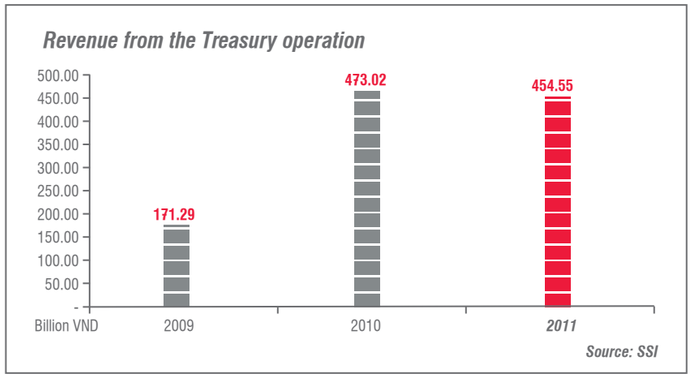




TREASURY

2011 OPERATING RESULTS

In 2011, overcoming fluctuation in interest rate, liquidity constraints in currency market and the decline of the stock market, SSI treasury maintained profitability ratio, contributed to the profitable business results of SSI.



Ensuring liquidity and asset safety for investors

In 2011, the liquidity in money market was difficult, leading to erratic interest rate changes with high gap between banks and between locations. For over a dozen years, the year 2011 marked interbank bad debts and loss of liquidity, in which banks could not repay loans in the second market. It was also the first time since the establishment of the stock market in 1999 that securities firms lost liquidity capacity and their depository services were stopped. In that situation, the target of managing the investors' asset safely, ensuring to meet timely payment requirement of the customers, was the top priority in the operation of treasury and finance department of SSI.

To accomplish this goal, SSI focused on the selection of banks having high credibility, good liquidity, and outstanding service quality to manage investors' deposits. In 2011, SSI did not have any delays or lack of money for investors' payment requests, as well as no need support emergency payment from the indicated payment banks. In particular, SSI did not have any claim related to the deposit management. The business results in 2011 affirmed the efforts to improve operational efficiency in the treasury and finance department in the context which the money market and the stock market were unstable.

Maximizing customers' benefits through financial products

In 2011, SSI continued to maintain the investment support services to help customers maximize the efficiency and the profitability of the idle capital, while ensuring the maximum flexibility to use funds for others purposes through the product Investlink with an attractive fixed rates, flexible time and investment procedures.

Customers of SSI also benefited from using margin trading business implemented



by the Securities Commission in 2011 because the interest is paid from T+3. This is a complex operation regarding the liquidity regulation due to disbursement, unplanned loan withdrawal, and then it requires SSI to manage efficiently the treasury to optimize all account balance, harmony balance clearing to bring benefit to customers.

Safe financial business and profitable performance, contributing to the overall business results of SSI

SSI maintained a rich cash amount, which was a considerably profitable source in 2011. This amount of cash was flexibly used in capital investment such as bank deposits, bonds purchase, repo activities, collateral lending, investment cooperation…Besides this cash amount, SSI always maintained a great amount of assets with high liquidity to make provision for liquidity need and to ensure effective financial business, maximize the investment opportunities in the market if necessary.

In the bank deposits operation, with an average cash of VND 1,500 billion, SSI maintained the balance between the plan of capital using and financial investment in appropriate time, selected the best interest rate with banks having high credibility. In reality, although some big banks also faced bad debts in the interbank market, SSI did not suffer any bad debts or late payment from banks/ partners for all type of financial investments. SSI always early identified banks with high liquidity risks via regular evaluation to establish deposits limits.

A large size of equity, rich cash, an effective management brought SSI high revenue from financial business, which was VND 454.4 billion, equal to 53.6% of the total revenue in 2011.

Transferring the majority of SSI's portfolio to SSIAM to increase the specialization

In mid of 2011, SSI transferred the majority of SSI's portfolio to SSIAM. Currently, the portfolio in SSI is only VND 2,717 billion, of which the majority is bond and unlisted shares. The company will continue to transfer the remaining categories listed to SSIAM and consider moving the unlisted portfolio to SSIAM as well.

2012 DEVELOPMENT PLAN

Diversifying product structure, building new and flexible products

The money market in 2012 tends to have interest rate reduced and strong competition in the development of customer size. SSI aims at diversifying product structure and financial business, building new and flexible products to take advantage of the loan demand as well as capital investment in the market with an optimal interest rate, having reasonable term structure to promote consultancy activities, introducing more efficient products to the customer network and to the partners.

Investing capital with careful view

Concerning about the liquidity risk in some banks, SSI will deploy carefully activities in the treasury and financial business, through evaluation of partners; transaction structure to preserve capital. SSI will continue to perform its important task which is balancing the cash flow to fully maximize the idle capital and simultaneously ensuring the liquidity for SSI and the investors.



IV
RISK MANAGEMENT

Summary of Risk Management in SSI **62**
Market Risk **63**
Credit Risk **64**
Liquidity Risk **65**
Operational Risk **66**
Information Technology Risk **66**
Compliance Risk **67**
Branding Risk **68**
Human Resource Risk **69**
Legal Risk **70**
2012 Development Plan **71**



SUMMARY OF SSI RISK MANAGEMENT

In the situation of instability in the economy and financial markets, SSI has emphasized risk management to ensure secure operation of the business. At SSI, risk management is performed from top management level (Board of Directors, Board of Management) to each department level, in conjunction with inspection and periodic controls by the Legal & Compliance Department and the Internal Audit Department. Through the establishment of risk management policy and process covering the entire operation, SSI has reduced the negative impacts which could have affected the financial situation and business results of the company.

SSI's Risk Management Model

BOARD OF DIRECTORS, BOARD OF MANAGEMENT	• Establish Business Strategy and Risk Management Policy
DIRECTOR OF RISK MANAGEMENT, HEAD OF DEPARTMENT	• Identify Risks • Develop Risk Management Models and Processes • Monitor Risk Management Processes
DEPARTMENTS	• Implement the Risk Management Process to reduce Risk • Uncover new Risks • Contribute to development of Risk Management System

MARKET RISK

Market risk is related to potential changes in factors in the economy in general and particularly in the financial markets including changes in fiscal policy, monetary policy and market management regulations of the Government, which can have a direct effect on the operations of SSI. These changes are seen in factors such as interest rates, the exchange rate, level of risk, market liquidity, credit availability, cost of funds…, which can lead to the fluctuations in the value of financial investments. The investments of SSI in securities and other investment products cannot avoid the risk related to reduced market prices, interest rate changes or a lack of liquidity.

Regarding market risk, SSI uses scenario development and analyses to quantify the impact of market risk on SSI financial assets including loans. Therefore, SSI sets the highest acceptable level of risk based on the characteristics of each type of risk and the appropriate risk prevention plans to minimize potential losses.

Market risks will directly affect SSI through two major activities as follows:

Deposit investment: Risk will arise in case of a gap in cash flows, when short-term funding is invested for longer term while interest rates fluctuate. SSI manages this kind of risk by matching funding and bank deposits through appropriate maturity allocation to minimize the potential impact of interest rate movements. As a result in 2011, SSI did not incur any losses in these activities.

Stock investment: This activity bears a high level of risk when the stock prices decrease in comparison with purchase cost. Especially in 2011, according to the SSI's assessment, the economy was strongly affected by inflation and the exchange rate; therefore SSI has carefully identified investment points and always had a backup plan such as focusing on value investing strategy, in industry sectors which were less affected by the economic crisis and on mobilizing funds for investments abroad…

SSI has identified that in 2012 and in the subsequent years, the on-going restructuring of the economy will create more risks in general. Consequently, SSI maintains a prudent investment approach, orients towards value investing principles and focuses on becoming a strategic investor in companies that have a strong fundamental, good potential growth with the objective of supporting these companies in their business development plans.







CREDIT RISK

Credit risk affects directly the business operations and the profitability of SSI through direct effects on three activities including: loan/deposits, margin financing and bond investments.

Lending/deposit risk arises when partners cannot complete their settlement obligations. However, in 2011, although money markets faced liquidity problems, SSI did not have any bad debts or delays in loan payments. To achieve this result, SSI have been diversifying counterparty risk exposures, rating the credit strengths of customers and counterparties based on market information, customers' information, and past experience in dealing with them. SSI allocated credit limits for each counterparty, each customer and these quota limits have been monitored through daily reports. Regrading counterparties in bank deposits, SSI established a series of evaluation criteria to assess the credit risk of financial institutions and only cooperated with carefully selected and reputable counterparties that have strong financial situation.

Margin financing risk arises when customers do not provide additional asset collaterals or do not reduce debts when the market value of securities held on margin drops below the loan value. In the risk management of margin financing, SSI performs a series of coordinated tools including the establishment of reserves in compliance with the State Securities Commission requirements. In addition, the list of stocks held on margin must meet certain pre-established risk management standards including liquidity, price volatility and stock valuations, based on analysis reports covering the financial situation of the related company. Customers using margin financing service must qualify according to certain criteria and subject to loan management monitoring and warning signals in accordance with SSI pre-established principles. SSI uses an automatic quota management and monitoring system through daily reports. SSI maintains at all times, a prudent limit on advances in margin financing. By performing a series of coordinated measures, as mentioned above, in 2011, SSI did not suffer any losses of capital and the balance of total margin loans was maintained between 6% and 10% of total equity.

Bond investment risk arises when a bond issuer suffers from liquidity shortage, which could lead to a drop in liquidity of the bond on the market. To mitigate these risks, SSI formed an Investment Committee to review all investment proposals before implementation. Before that, the investment proposal was simply submitted based on an assessment analysis of the business. Since investment decisions require the consensus of the Investment Committee members, SSI has been able to minimize potential risk. In 2011, SSI did not expand its bond investment portfolio.

LIQUIDITY RISK

Liquidity risk occurs when SSI loses the ability to satisfy debt obligations upon maturity of these debts. SSI liquidity could be impaired in case it cannot react to major events on the market in general or events affecting a particular asset. Besides, if many other investors are also looking to sell the same assets at the same time, the ability to liquidate assets to generate liquidity of SSI will be negatively affected.

Liquidity risk has a direct impact on lending/deposit activities and cash flow management of SSI. In particular, the risk of lending/deposits activities occurs when the counterparties have liquidity difficulties and do not pay on time as stated in the credit risk management program.

Risk in cash flow management occurs when SSI has difficulty in paying on time due to errors in cash flow management. In 2011, SSI did not have this liquidity problem thanks to the use of an efficient liquidity risk management practice. In fact, the company implemented a strictly discipline of internal payment operations. The cash balance is performed daily with general information from all revenues – expenditures, projected revenues – projected expenditures. Cash flow statements are also used as a basis for the Treasury department in making decisions about the terms of bank deposits.

In addition, SSI always maintains a reasonable ratio of assets versus liabilities, applies basic principles of liquidity risk management including the investment in liquid assets. To assure the ability to arrange short term funding, SSI keeps an asset portfolio that includes Cash, Bank Deposits, Government bonds and other valuable papers that have high liquidity. In the long term, SSI enjoys credit lines provided by various credit institutions in the market and has overdraft facilities at different banks. The methods to arrange funding, to ensure the solvency of SSI also include the use of derivative instruments such as Repos, Forward transactions, issuing valuable papers to mobilize capital in the medium and long term. In recent years, SSI has offered financial products to individual customers to achieve two goals in parallel: diversify product offerings to meet customer needs and increase liquidity.



OPERATIONAL RISK

In the conduct of business activities, SSI may face operational risk including the risk of theft or fraud, invalid behavior of employees, illegal transactions or illegal retrieval and storage of information, errors in evaluation and accounting of transactions. These risks may cause SSI to incur financial losses, which could affect the reputation of the company and even could require intervention of the authorities.

To limit operational risk, besides continuous training to improve the level of professionalism of staff, the Risk Management Department has the responsibility to establish compulsory rules such as defining the authorities and responsibilities of each individual, each department; the departments that are responsible for the development of daily business operations, the requirement of cross-checking of all transactions and automation to reduce errors in manual processes. In 2011, SSI has successfully built an Operations Center to control daily activities at branches and transaction offices, which can help reduce operational risk.

Operational risk is also controlled through the internal control system, which is presented in the Risk Compliance section of this report.

INFORMATION TECHNOLOGY RISK

Being a brokerage firm, systemic risk and confidentiality of information are always the greatest risks and challenges, which SSI IT team must cope with to ensure two vital elements: highest possible protection of customer information and transactions and rigid daily operations to guarantee peak performance of the system while avoiding any service disruptions. Such disruptions could result in financial damages to both customers and SSI, which could be detrimental to the public image of SSI.



SSI IT Department always performs tight procedures to preserve confidentiality of information and continuously monitors all systems to avoid potential vulnerabilities such as security holes, system intrusions and viruses. SSI also regularly works with leading security firms to get comprehensive assessments of the systems and to develop security strategies to ensure that sound risk management of the IT system is constantly reviewed, revised and updated.

In 2011, SSI accomplished a major milestone in protecting information and controlling risk by automating significant numbers of business processes along with successfully deploying a real-time disaster recovery system. System automation allows SSI to have sophisticated cross checks and consolidations between multiple entities and parties while the disaster recovery system ensures information integrity and business continuity. In 2012, SSI will continue focusing on these areas to achieve higher levels of automation and protection.

COMPLIANCE RISK

Compliance risk is the risk incurred when the company fails to comply with the laws relating to its operation, or the employees of the company fail to comply with the laws or internal regulations of the company. Consequences of the compliance risk could lead to damages in property, reputation; lost of business opportunities or even deprivation of the securities service licenses of the company.

According to SSI's assessment, 2011 was the year during which there were many potential compliance risks due to the difficult market conditions, which forced the securities firms, employees and investors to look for ways to survive. A case in point is the series of violations at securities firms and their staff as reported on the mass media and the disputes between investors and securities firms. An inspection report by the SSC, which was posted on 8 Feb 2012 of SSC website (www.ssc.gov.vn), noted that "the violations in the market have become more sophisticated, more complex, especially that violations can easily arise in the context of a market in great difficulties".



At SSI, the internal control system which was established for many years is an important component of risk management system. The system consists of 10 employees including 4 employees performing internal audit and 6 employees performing internal control, which encompasses supervision of compliance with laws, procedures and internal regulations. Control processes are conducted on regular basis at all departments to ensure a high level of compliance. The internal control calendar is periodically made to detect and prevent from risks. The reports help all the departments review, revisit business processes and propose measures to overcome shortcomings and to reduce risks.

In an effort to limit Compliance risk, the company management has been enforcing awareness of risks in the entire company. The policies and information from the Board of Management have been diffused to each department through the department head and the information exchange from staffs has been updated to the Board of Management through management meetings or through the company's intranet. The risk management division reviews regularly the risk assessment of every operation in the company to ensure compliance. All business decisions and processes are cautiously built to promote compliance with the law.

In 2012, the Company plans to continue reviewing and adjusting documents and processes to improve the effectiveness of the internal control systems.

BRANDING RISK

The Branding risk is the loss due to the changes in customer perception about the company. These changes may affect the demand for products and services of the company and could therefore affect the operations of the company. Especially for a financial institution, the risk associated with the spread of information, false rumors, miscommunications about the image of the company could cause unpredictable consequences such as a decrease of the confidence of investors, shareholders and communities, leading to financial losses for SSI.

SSI continues to build and develop strict regulations concerning branding and observes strictly regulations on information disclosure. SSI periodically performs measures to evaluate the “health” as well as the weaknesses of SSI's brand to have plan to cope with these weaknesses. In daily activities, the brand standard of SSI is complied with by the entire SSI team to maintain the professional image of SSI.

In addition, the information disclosure of SSI is always complete, including regular and irregular information, as prescribed by the law, but promptly and pro-actively in case of false information and rumors. The financial information, periodic audited financial statements are also published to the investors to maintain the information transparency, accuracy and timeliness. SSI staffs are proud to uphold the spirit of the brand, they are awared of the value of the brand that SSI has been building and have been acting carefully to assure avoidance of unfortunate risks.



HUMAN RESOURCE RISK

During a period of great difficulties, not only the financial institutions but also the securities firms have high demand of talent employees. Particularly, studies on the labor market recently showed that SSI has been facing risk in HR management as follows:

- The labor market has been short of top managers and experts, particularly in the financial sector. The intense competition for talents may lead to key talents of the Company becoming the object of hunting by foreign financial institutions with strong financial capability.

- The staff turnover in the financial sector is still very high at 13.70% in the six months of 2011, while the average rate of whole market is 8.8% according to the Mercer’s survey findings. Especially, according to the Tower Watson Vietnam studies, this rate reached to 17.8%. This may cause destabilization in the organization of the company.

Facing these potential risks, SSI aims at building competitive remuneration policies to retain talent, while emphasizes training policies as a key factor to improve staff knowledge and to help them fulfill their potentials. SSI will continuously focus on recruitment to attract qualified candidates with experience who are suitable with the long-term development strategy of the company.

Performance appraisal program has been improved constantly due to the increased motivation for exploring power of existing human resources. Moreover, reward policies have been periodically reviewed to keep updated with the long term development plan of the company.

The Company always attempts to create an ideal work environment which focuses on creativeness, friendliness, fairness and favorable conditions to help staff complete their work with high results and also boost their careers, as SSI believes that these are good solutions for the development of human resources. Team building activities have also been promoted by the Company in order to build strong relationships among employees after working hours.





LEGAL RISK

SSI is a securities company operating in a business environment in which the legal systems is in the process of being completed, with many legal documents issued each year, macro policy changes with flexibility in short-term.

In such conditions, some specific risks may arise, for example, legal changes can affect the activities of the company or the company has not kept up with changes in the law or wrongly interprets the law in specific cases…

To limit these legal risks, SSI established the Legal Department, which performs the function of internal lawyer and uses advisory services of professional law firms. Legal Department and consulting units are responsible for updating new legal documents issued to the Board of Directors, Board of Management and the relevant departments; studying the effects of legal documents during its upcoming draft to have a proper preparation. In addition, this department is also responsible for participating in the process of building legal documents in relation to the operations of the Company, by participating in workshops for comments and suggestions for the legal draft documents, in cooperation with the units in the industry, members of professional associations, synthesis of problems arising from the application of existing rules, reporting to the Government and proposing feasible solutions.

In fact, in 2011, the Company has actively completed the restructuring of business activities to be consistent with changes in the law and avoid all damages due to these changes.

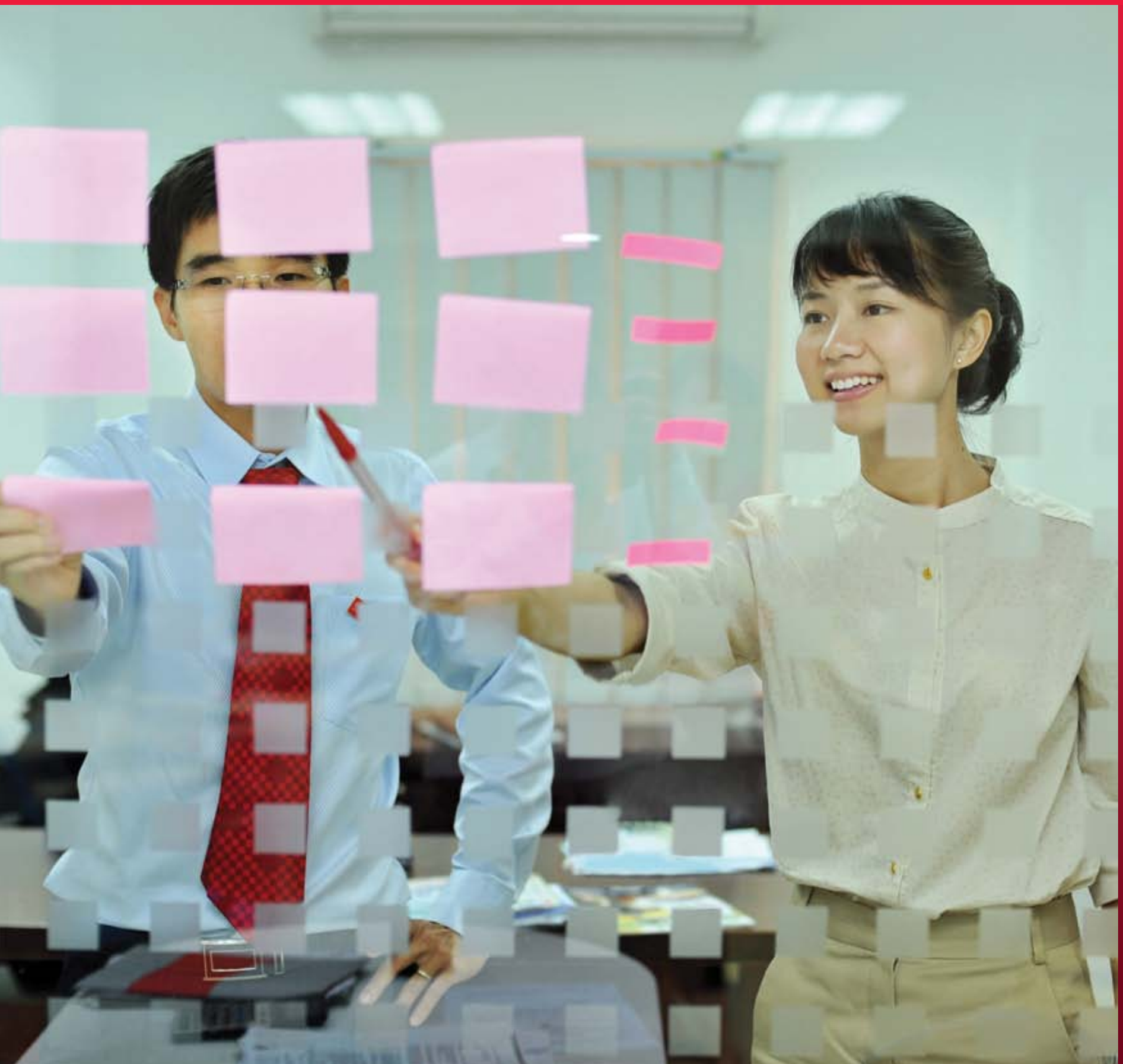
2012 DEVELOPMENT PLAN

SSI has plans for a sustainable development in the long term. The company's market development and the business profit must be within safe limits for customers, shareholders, partners and employees of the company. SSI will always keep its position as a securities firm with the top quality risk management systems and practices.

Currently, SSI is building a risk management system based on the training program of the State Securities Commission and the VIE026 project. This system will cover all risk aspects of SSI.

SSI continues to develop the Risk Management Department with the slogan of independence, expertise and flexibility. The operation of this division will take advantages of the available human resources, especially experienced management human resource, besides the functions of supervision and consultation of the Risk Management Department. To ensure the safety of daily activities, the Risk Management Department plays an important role in helping SSI maintain its current position and for a sustainable development in the future.





V
ENABLERS

Information Technology **74**
Human Resource Management **78**
Investor Relations **80**
Corporate Culture **82**
Corporate Responsibilities **84**

INFORMATION TECHNOLOGY

Tough business condition in 2011 uniquely presented great challenges to the Information Technology system: How to maintain undisrupted, safe and effective operations of the system? How to achieve best possible compliance and risk control? How to continue providing new products and services to satisfy customers's demands? And most importantly: How to do all that with limited investment and resources? In 2011, SSI's IT totally transformed itself to meet head on with the challenges, and to set a concrete foundation for 2012 and the future.





Restructuring to have a compact but highly specialized human resource structure

Focusing on human resource as the most important factor, SSI's IT completed restructuring and refining every single IT's position in 2011. Each job description was rewritten with clear and unambiguous tasks and responsibilities. Performance matrices were formed to create a fair, competitive and motivated environment. While enforcing strict compliance and discipline in day-to-day operations, IT does promote an open environment where individual's creativities are encouraged and new technologies are updated constantly via seminars, workshops and trainings.

Maintaining a stable, high performance and secured infrastructure to meet the high demand of daily operations

SSI's infrastructure including servers, firewalls, network devices and network connections continuously gets upgraded and modernized not only to meet the current demand but also to ensure the capacity for future expansion. In 2011, SSI deployed a central operation control to monitor every single element on the system. The health of system is being checked 24/7 to alert administrators for suspicious and out-of- the-ordinary activities to minimize operational risks that may occur.

Being a securities firm, SSI holds highly sensitive and important information relating to customers' accounts. SSI puts great efforts into protecting this most valuable asset by implementing strict backup and restore procedures along with constantly monitoring and scanning for potential vulnerabilities such as security holes, intrusions and viruses. Regularly, SSI cooperates with leading IT security firms to evaluate the system and develop overall security strategies.

In 2011, SSI successfully launched the Trading Disaster Recovery (DR) system operating in real-time with the main system. The DR system ensures SSI's business continuity even if disaster strikes. In 2012, SSI will finalize and release the Business Continuity Planning (BCP) to meet the high standard set by leading securities firms in the world.

Upgrading and developing modern IT system to maximize support to SSI's growth

In 2011, SSI did a major upgrade to the trading system, doubling its processing power and capacity. Software system also gets developed, updated and upgraded on continuous basis to deliver constant enhancements. SSI is always one of the first companies to comply and pass the tests with the State Securities Commission, Exchanges, Depository and other parties whenever changes occur.

SSI also did a major upgrade in 2011 to the software system that served SSI's customers via Internet and other channels. Smart Trading, Web Trading, Contact Center and SMS software got new functionalities and utilities to work smarter, faster and more secured. In 2012, SSI will continue focusing on bringing unified and integrated solutions to customers.



Fully realizing the power of the Internet portal, SSI has been focusing on developing and upgrading the website to provide an effective communication channel to customers, shareholders and the public regarding company's official information. SSI's web portal also provides investment tools and other useful utilities to help investors with decision making process.

Not only focusing on bringing essential values to customers, SSI also defines IT as the company's backbone for business operations. Various projects such as Domain consolidation, Exchange system, Intranet on Microsoft SharePoint and Oracle Finance ERP were successfully launched in 2011 to streamline company's processes and operations. With these well-integrated foundations, SSI is looking forward to 2012 and the years to come to build great products and services to the SSI itself and its customers and partners.

Optimizing processes, automating system and adding risk valuation to IT policy to ensure effectiveness

In the ever changing IT environment, the continuous process of risk valuation is critical to the risk management. In 2012, SSI is placing this process into IT policies to ensure that it will be done correctly, regularly and systematically.

Another crucial item towards the better risk control is to establish clear and rigid operation procedures in order to minimize dependency on particular personnel. SSI's policy also requires regular check up on human resource backup plan.

In 2011, SSI successfully developed and deployed a software system that automated significant numbers of business processes. The system enabled SSI to have sophisticated and multi-dimensional cross checks and consolidations to impose better risk control. In 2012, SSI will continue directing efforts toward this end.



IT governance

SSI continues promoting the strategic role of the Information Technology Committee with the responsibility to consult with the CEO in the planning of Information Technology development strategies and issuing investment decisions on key IT projects and related management and personnel decisions.

The Information Technology Committee also performs the role of monitoring and evaluating the efficiency of the implemented projects, assisting the CIO in the management and operation of the IT personnel system and solving problems which occur during the operation and implementation of projects.



HUMAN RESOURCE MANAGEMENT

Recognizing that the core values of the Company is generated from employees, SSI has always focused on building a comprehensive personnel policy in order to create effective, fair, and responsible working environment which advocates creativeness. In 2011, SSI reformed Human Resource management with highlighted activities as follows:



Investing in recruitment, strengthening training and compensation policies to attract and retain talents

Recruitment at SSI follows the procedure closely, with the evaluation criteria are designed to suit each position. Because of need in business development, in 2011, the company hired 61 employees who had good qualifications, graduated from prestigious universities locally as well as abroad, and has achieved professional certification in finance i.e. brokerage and investment etc.

In order to help new employees understand and integrate quickly into the working environment, SSI provided orientation training courses for them to understand the organization and operation of the Company, brand culture, as well as internal regulations and operating procedures relating to their working positions. Beside specialized and compulsory courses relating to professional certificates according to the law, the Company encourages and supports staffs to obtain international financial certificates such as CFA, ACCA as well as advanced training programs for employees in soft skills such as effective communication skills, presentation skills, negotiation skills, etc.. Particularly, in 2011, SSI held professional selling skills training for brokers to enhance customer care. In addition, SSI emphasizes the role of self-learning, and encourages employees to invest time in research, knowledge improvement as well as experience accumulation.

Executing job evaluation and reforming the internal grading systems throughout the Company according to international standards (i.e. Mercer International Position Evaluation) and improving the remuneration policies

In 2011, SSI developed salary structure based on position evaluation results in accordance with Mercer methodology (i.e. Mercer IPE). Accordingly, the internal hierarchy was reformed according to international standards, enabled the management of personnel policies and benefits to be more effective. The company adjusted remuneration policy based on result of benchmarking against market data especially in financial service industry in 2010-2011. By then, remuneration policy was linked to job requirements and job value, to ensure internal equity and help improve the Company's competitiveness in the labor market.

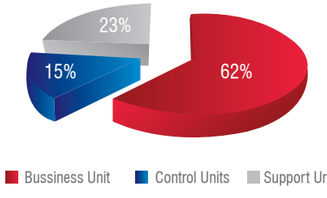
With the aim at building a culture of efficiency, SSI has improved performance appraisal system, to ensure recognition of employee contributions and identify the areas that must be addressed or the skills need to be improved to develop appropriate training programs which enhance employees' improvement in the next coming years. Such evaluation results are the basements for the application of reward policies including salary, bonus, and promotion in order to encourage individuals to attempt to achieve high performance, contributing to the Company's development.

Improving benefit regime

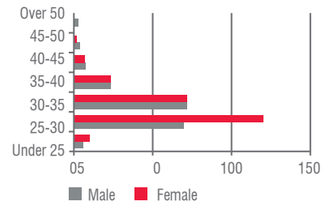
SSI still keeps additional health insurance for employees with high benefits and good coverage so that employees can concentrate on their work.

In 2011, SSI conducted Employee Stock Ownership Program for key persons to attract, retain and motivate talents and senior staff. Thus, they would shall devote and commit to the development of the Company. In addition, the program also connected labor efficiency with common interests and the development of SSI, sharing success for SSI and staffs now and future .

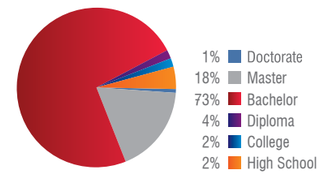
Staff ratio by Units



Staff number by gender and ages



Staff number by education



INVESTOR RELATIONS

SSI respects our valued shareholders and realizes our responsibility to provide and disclose transparent, accurate, adequate and timely information. SSI recognizes the importance of information exchange between the company and our shareholders, which enables our shareholders to better understand SSI's operations and limit potential arising risks which may negatively affect the company's image and reputation. With this in mind, SSI always appreciates the significance of investor relations activities and is always encouraged to organize various activities to promote relationship between SSI and our shareholders.





Disclosing proactive, timely and accurate information to valued shareholders

The "Investor Relations" section on SSI website generates all information and data about SSI including those published information, financial data, annual reports, documents of shareholders' meeting over the years, stock historical prices and price volatility… important documents of the company such as the company's Charter, regulations on corporate governance and related reports… The above information is regularly updated in both Vietnamese and English to ensure interested local and foreign shareholders and investors can acquire information upon demands.

Publishing Annual Reports is mandatory for listed companies. We, SSI, have always taken the best efforts to provide our shareholders and investors with the most professional and adequate Annual Reports with the primary purpose of conveying the most accurate overview of SSI's business operation in the past one year as well as SSI's business direction in next year. SSI's efforts have been proven by being honored "Best Annual Report of the year" for two consecutive years (2010 and 2011). SSI's Annual Report is presented in two versions of English and Vietnamese, and is distributed at our Annual General Shareholders' Meetings or sent directly to our shareholders and investors upon request. The soft copy is also available on SSI's website.

Promoting active information exchange between SSI and shareholders

In addition to proactively providing and disclosing information to shareholders and investors via SSI's various publications and website, SSI strongly promotes information exchange activities between the company and our shareholders.

SSI's General Shareholders' Meeting organized every year is a fine opportunity for shareholders to meet and forwardly discuss with the Board of Directors about business operation of the company. Being a public company with foreign shareholders accounting for nearly 49% of chartered capital, SSI prepares documents for the Meeting in both English and Vietnamese; dual language live interpretation is also provided to facilitate our foreign shareholders throughout the Meeting. Information on SSI is also available in workshops, seminars and meetings between SSI representatives and investors which take place several times a year.

Apart from finding information on SSI via the above channels and methods, shareholders and investors are able to send questions and queries directly to SSI via email address of our Investor Relations Department or request for a face-to-face meeting with SSI's Board of Directors, Supervisory Board and CEO. Rights of our shareholders are well recognized and details are available in SSI's corporate governance regulations which are published on our website for shareholders and investors' reference. In 2011, SSI addressed all queries of shareholders and investors sent via email and did not receive any inquiries to arrange face-to-face meetings with the Board of Directors, Supervisory Board and CEO or request to review or excerpt information of any documents provided by SSI.

SSI's contacts for official information and queries on SSI:

- SSI's authorized person to announce official information: Mr. Nguyen Hong Nam, Deputy CEO.
- SSI Website: www.ssi.com.vn
- Email address of the IR Department: investorrelation@ssi.com.vn
- Address: 72 Nguyen Hue,District 1, Ho Chi Minh City and 1C Ngo Quyen St., Hoan Kiem District, Hanoi.



CORPORATE CULTURE

After 12 years of development, SSI has established its own corporate culture, forming the core value of human resource in SSI. These values are highly appreciated and exist in daily activities. Therefore, it is the foundation for the Company to overcome many difficulties and go towards a sustainable development in future.





Teamwork, sharing, cooperation and responsibility are the dominant culture of the company

SSI promotes team spirit, team work to improve work efficiency. Each individual in the group with his/her own strengths and weaknesses presents his/her idea to have an appropriate initiative. Each staff member in SSI whom is assigned specific task is responsible for his/her work. The company understands that a strong group needs to be formed on the spirit of cooperation, sharing and having a same orientation.

The two-way information sharing between the board of management and the employees are highly encouraged via, direct mail, online voting or via intranet. Officers and employees of all levels can express directly their opinions to their leaders about daily activities, contribute initiatives to improve the efficiency of the Company. Through these initiatives, the board of management will execute appropriate action plan. The leaders themselves also frequently update business situation, new policy to staffs via email and periodic meetings.

In 2012, SSI plans to build more internal communication channel to expand opportunities to exchange information between all company members.

Maintaining a rich spiritual and cultural life in the company

SSI maintains the Annual meeting program to review a year of operation, to set target for the next year, and it is also a chance for all SSI members in all over the country to meet, to exchange ideas, to participate in collective actions, to show artistic talent. In addition to this program, each division, each department is encouraged to strengthen its own exchange activities to enhance the teamwork in small groups and in the company as a whole.

Beside working hours, employees participate actively in sport activities like football to increase exchange relation between departments in the company and in the industry as well. In 2011, SSI participated in many football matches with other securities firms, commercial banks and other units.

Caring and ensuring maximum interest for employees

Besides giving the competitive earning to employees, ensuring workers' benefits as prescribed by law, SSI strengthens health care for employees with its own programs. Comprehensive health exam for employees is operated annually. In addition, the company offers all employees a specific health insurance to ensure SSI staffs can use the better and the most modern health services today.



CORPORATE RESPONSIBILITIES

One of the 9 core business principles of SSI is "**We strive to better the communities in which we work**". Following that principle, SSI has focused on the education and physical development programs for young people, as well as actvities for the community to help build a better society.





Schools and storm shelters construction project at Ha Tinh province

For the year 2011, SSI's most important project was the implementation of the idea of building schools which could also be storm shelters for people to avoid flood disaster in four districts of Huong Khe, Huong Son, Vu Quang and Duc Tho of Ha Tinh province. This project was conducted with the strictly supervision of SSI from the last month of 2010.

And with the endless effort, on August 23th 2011, the project of building 4 schools completed. At the Inauguration Ceremony, Chairman of Ha Tinh People Committee awarded merit certificates to SSI in assisting people in Ha Tinh remedial flood in 2010. With fully equipped facilities, pupils and people in that area can be assured of living in better conditions.

In addition, during this project, SSI staffs also visited the kindergardens in Hoa Hai, Huong Khe district - one of the four new schools and gave some studying stationary and toys to help children to have better condition in learning and development.

Other community projects

- Continuing the donation projects for the difficult cases in Viet Duc Hospital, National Institute of Burns, Cancer Institution, Gia Dinh Hospital,…
- Continuing to participate in charitable activities that contribute significantly for the community: educational support program for Mu Cang Chai area, Children Fund of District 1 (HCMC), programs of Vietnam Blind Association, the charity music night,...
- Continuing the traditional to give the charity gifts for the poor families at the end of the year.
- Funding the construction of community education center at Quang Han, Tra Linh district, Cao Bang province.





VI

AUDITED FINANCIAL REPORTS

General Information	88
Report of Management	90
Independent Auditors' Report	91
Consolidated Balance Sheet	92
Consolidated Income Statement	96
Consolidated Cash Flow Statement	98
Consolidated Statement of Changes in Owners' Equity	100
Notes to the Consolidated Financial Statements	102

GENERAL INFORMATION

THE COMPANY

The Company is a joint stock company established in Vietnam under the Incorporation License No. 3041/GP-UB dated 27 December 1999 issued by the Hochiminh City People's Committee and the first Operating Licence No. 056679 dated 30 December 1999 issued by Hochiminh City Department of Planning and Investment. The Company then received the Operating License No. 03/GPHDKD issued by the State Securities Commission on 05 April 2000 and subsequently amended licenses.

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

The Company's shares were officially listed on Hanoi Securities Trading Center (now Hanoi Stock Exchange) from 15 December 2006. On 29 October 2007 the listing was switched to the Hochiminh Stock Exchange.

The Company's Head Office is located at 72 Nguyen Hue, District 1, Hochiminh City. The Company also has branches based in Hochiminh City, Hanoi, Hai Phong, Vung Tau, Nha Trang and Quang Ninh.

BOARD OF DIRECTORS

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

Name	Title	Election/Appointment/Dismiss date
Mr. Nguyen Duy Hung	Chairman	Re-elected on 28 April 2010
Mr. Nguyen Hong Nam	Member	Re-elected on 24 April 2009
Mr. Ngo Van Diem	Member	Elected on 21 April 2007
Mr. Alistar Marshall Bulloch	Member	Appointed on 19 October 2010 Approved by Shareholders' Meeting on 28 April 2011
Ms. Dam Bich Thuy	Member	Elected on 24 April 2009
Mr. Bui Quang Nghiem	Member	Elected on 24 April 2009
Mr. Yuichi Akai	Member	Elected on 28 April 2010 Dismissed on 28 April 2011
Mr. Yoshio Urata	Member	Appointed on 28 Nov 2011

BOARD OF SUPERVISION

Members of Board of Supervision during the year and at the date of this report are:

Name	Title	Election/Appointment/Dismiss date
Mr. Nguyen Van Khai	Head of the Board of Supervision	Re-elected on 28 April 2011
Mr. Dang Phong Luu	Member	Re-elected on 28 April 2010
Ms. Ho Thi Huong Tra	Member	Elected on 21 April 2007

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Name	Title	Election/Appointment/Dismiss date
Mr. Nguyen Duy Hung	Chief Executive Officer	Appointed on 05 March 2007
Mr. Nguyen Hong Nam	Deputy Chief Executive Officer	Re-appointed on 05 September 2003

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Nguyen Duy Hung, who is concurrently Chairman of Board of Directors and Chief Executive Officer.

AUDITORS

The auditor of the Company is Ernst and Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of Saigon Securities Incorporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2011.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated state of affairs of the Company and its subsidiaries, of the consolidated results of their operations, the consolidated cash flows and the consolidated movement of their owner's equity for the year. In preparing those consolidated financial statements, the Management is required to:

- Select suitable accounting policies and 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 consolidated financial statements; and
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

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

The Management confirmed that it has complied with the above requirements in preparing the consolidated financial statements for the fiscal year ended 31 December 2011.

STATEMENT BY MANAGEMENT

The Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2011, of the consolidated results of their operations, the consolidated cash flows and the consolidated movement of their owner's equity for the year then ended in accordance with the Vietnamese Accounting Standards and System, the accounting policies applicable to the securities company as prescribed in Circular No. 95/2008/TT-BTC dated October 24, 2008 issued by Ministry of Finance and its supplements and amendment and comply with relevant statutory requirements.

For and on behalf of the Management:

Mr. Nguyen Duy Hung
Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

Reference: 60755007/15374503

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
Saigon Securities Incorporation

We have audited the consolidated financial statements of Saigon Securities Incorporation ("the Company") and its subsidiaries as set out on page 92 to 144 which comprise the consolidated balance sheet as at 31 December 2011, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in owners' equity for the year then ended and the notes thereto.

The preparation and presentation of these consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Basis of Opinion

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 about whether the consolidated financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2011, of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System, the accounting policies applicable to the securities company as prescribed in Circular No. 95/2008/TT-BTC dated 24 October, 2008 and Circular No. 162/2010/TT-BTC dated 20 October, 2010 issued by Ministry of Finance and comply with relevant statutory requirements.

Ernst & Young Vietnam Limited

Vo Tan Hoang Van
Deputy General Director
Auditor Certificate No: 0264/KTV

Nguyen Phuong Nga
Auditor in charge
Auditor Certificate No: 0763/KTV

Hanoi, Vietnam
19 March 2012

CONSOLIDATED
BALANCE SHEET
AS AT 31 DECEMBER 2011

Currency: VND

Code	Assets	Notes	31 December 2011	31 December 2010 Restated
100	**A. CURRENT ASSETS**		**3,223,900,965,471**	**6,366,260,016,716**
110	**I. CASH AND CASH EQUIVALENTS**	**4**	**1,945,764,811,547**	**2,969,211,607,544**
111	1. Cash in hand		730,095,592,831	1,242,775,103,795
112	2. Cash equivalents		1,215,669,218,716	1,726,436,503,749
120	**II. SHORT-TERM FINANCIAL INVESTMENTS**		**869,367,192,516**	**2,547,214,987,361**
121	1. Short-term investments	6.1	1,053,037,748,335	2,663,571,961,736
122	2. Short-term investments of trustees	7	119,452,989,696	111,601,461,516
129	3. Provision for short-term investments	6.2	(303,123,545,515)	(227,958,435,891)
130	**III. SHORT-TERM RECEIVABLES**		**397,623,486,933**	**833,140,464,747**
131	1. Receivables from customers	8	291,054,053,897	701,200,855,316
132	2. Advances to suppliers	8	2,223,755,828	5,381,629,435
135	3. Receivables from securities trading activities	8	677,728	12,115,851
138	4. Other receivables	8	122,281,746,055	126,545,864,145
139	5. Provision for doubtful receivables	9	(17,936,746,575)	-
150	**IV. OTHER CURRENT ASSETS**	**10**	**11,145,474,475**	**16,692,957,064**
151	1. Prepaid expenses		5,334,439,840	14,234,333,847
152	2. Value-added tax deductible		85,921,890	-
154	3. Tax and statutory obligations	32	3,347,725,304	-
158	4. Other current assets		2,377,387,441	2,458,623,217
200	**B. NON-CURRENT ASSETS**		**3,283,612,233,383**	**2,426,634,549,267**
220	**I. FIXED ASSETS**		**165,128,640,442**	**179,887,068,428**
221	1. Tangible fixed assets	11	35,668,894,339	40,419,238,801
222	*Cost*		*97,855,281,879*	*89,554,391,895*
223	*Accumulated depreciation*		*(62,186,387,540)*	*(49,135,153,094)*
227	2. Intangible fixed assets	12	128,541,196,863	128,833,600,459
228	*Cost*		*154,196,831,839*	*145,785,353,179*
229	*Accumulated amortization*		*(25,655,634,976)*	*(16,951,752,720)*
230	3. Construction in progress		918,549,240	10,634,229,168
240	**II. INVESTMENT PROPERTIES**	**13**	**275,387,155,603**	**33,671,559,285**
241	1. Cost		282,497,013,600	33,671,559,285
242	2. Accumulated depreciation		(7,109,857,997)	-
250	**III. LONG-TERM FINANCIAL INVESTMENTS**		**2,772,963,610,114**	**2,159,596,487,905**
251	1. Investments in subsidiaries		-	-
252	2. Investments in associates and joint-ventures	14	1,062,004,865,058	567,438,087,550
253	3. Long-term securities investments	6.1	1,128,856,979,464	1,439,817,191,957
254	*Available-for-sale securities*		*1,128,856,979,464*	*1,439,817,191,957*
255	*Held-to-maturity securities*		-	-
258	4. Other long-term investments	6.1	749,788,390,000	226,171,390,000
259	5. Provision for long-term investments	6.2	(167,686,624,408)	(73,830,181,602)
260	**IV. OTHER LONG-TERM FIXED ASSETS**		**47,687,800,202**	**53,479,433,649**
261	1. Long-term prepaid expenses	15	20,282,431,210	30,696,711,905
262	2. Deferred tax asset	31	8,330,545,610	5,532,841,362
263	3. Payment for Settlement Assistance Fund	16	12,889,932,650	10,389,932,650
268	4. Other long-term assets		6,184,890,732	6,859,947,732
269	**V. GOODWILL**		**22,445,027,022**	**-**
270	**TOTAL ASSETS**		**6,507,513,198,854**	**8,792,894,565,983**

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

B01-CTCK

Currency: VND

Code	Resources	Notes	31 December 2011	31 December 2010 Restated
300	**A. LIABILITIES**		**1,350,341,790,438**	**3,260,700,650,860**
310	**I. CURRENT LIABILITIES**		**1,180,434,253,286**	**3,118,393,046,643**
311	1. Short-term loans	17	-	2,000,000,000,000
312	2. Payables to suppliers		2,844,837,415	6,371,739,825
313	3. Advances from customers	18	73,489,828,832	56,382,853,469
314	4. Statutory obligations	19	5,642,394,016	26,349,567,740
315	5. Payables to employees		19,057,374	24,348,181
316	6. Accrued expenses	20	6,182,323,553	69,046,222,196
319	7. Other short-term payables	21	416,679,318,364	46,261,088,245
320	8. Payables to securities trading activities	22	577,727,624,842	835,511,208,250
321	9. Dividend and interest payables	23	6,476,918,423	4,261,464,657
322	10. Payables to securities issuers		605,427,160	2,398,853,100
323	11. Bonus and welfare fund	24	90,064,800,637	69,431,253,766
328	12. Short-term unearned revenue		701,722,670	2,354,447,214
330	**II. NON-CURRENT LIABILITIES**		**169,907,537,152**	**142,307,604,217**
333	1. Other long-term payables	25	577,091,185	13,068,415,136
334	2. Long-term loans and debts		-	-
335	3. Deferred income tax payables	31	43,592,871,995	881,886,941
336	4. Provisions for termination allowance		3,233,478,696	3,759,653,696
341	5. Funds received from trust investors	26	122,504,095,276	124,597,648,444
400	**B. OWNERS' EQUITY**	**27**	**5,080,665,298,616**	**5,459,312,028,182**
410	**I. OWNERS' EQUITY**		**5,080,665,298,616**	**5,459,312,028,182**
411	1. Chartered capital		3,526,117,420,000	3,511,117,420,000
412	2. Share premium		340,921,476,378	340,921,476,378
413	3. Other owners' capital		383,614,879	-
414	4. Treasury shares		(88,591,286,000)	(12,365,677,000)
416	5. Foreign exchange differences reserve		-	-
418	6. Financial and statutory reserves		289,383,181,436	220,524,469,842
419	7. Other funds belonging to owners' equity		-	-
420	8. Undistributed earnings		1,012,450,891,924	1,399,114,338,962
500	**C. NON-CONTROLLING INTERESTS**	**32**	**76,506,109,799**	**72,881,886,941**
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**6,507,513,198,854**	**8,792,894,565,983**

(*) The restatement in the opening balances represents the presentation of unearned revenue as a separate line on the balance sheet in accordance with the Circular 162/2010/TT-BTC dated on the 20 October 2010 of the Ministry of Finance, which has been effective from the 1 January 2011 (See the Note 2.6 and 21).

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

OFF BALANCE SHEET ITEMS

Currency: VND

Code	Items	31 December 2011	31 December 2010
001	**1. Leased fixed assets**	-	-
002	**2. Pledged materials and valuable papers**	-	-
003	**3. Security assets**	-	-
004	**4. Bad debts written off**	-	-
005	**5. Foreign currencies**	-	-
006	**6. Custody securities**	**12,020,499,450,000**	**11,820,316,310,000**
	In which		
007	***6.1 Tradable securities***	***10,468,549,880,000***	***9,076,671,230,000***
008	6.1.1 Tradable securities of custody members	442,902,530,000	765,510,730,000
009	6.1.2 Tradable securities of local investors	8,440,746,120,000	6,943,224,410,000
010	6.1.3 Tradable securities of foreign investors	1,584,901,230,000	1,367,936,090,000
011	6.1.4 Tradable securities of other entities	-	-
012	***6.2 Temporarily untradeable securities***	***427,008,780,000***	***2,100,775,920,000***
013	6.2.1 Temporarily untradeable securities of custody members	1,000,000,000	5,000,000,000
014	6.2.2 Temporarily untradeable securities of local investors	420,463,780,000	2,074,807,380,000
015	6.2.3 Temporarily untradeable securities of foreign investors	5,545,000,000	20,968,540,000
016	6.2.4 Temporarily untradeable securities of other entities	-	-
017	***6.3 Mortgaged securities***	***947,988,450,000***	***378,700,390,000***
018	6.3.1 Mortgaged securities of custody members	-	-
019	6.3.2 Mortgaged securities of local investors	947,988,450,000	378,700,390,000
020	6.3.3 Mortgaged securities of foreign investors	-	-
021	6.3.4 Mortgaged securities of other entities	-	-
022	***6.4 Suspended securities***	-	-
027	***6.5 Securities awaiting for settlement***	***168,833,120,000***	***246,968,100,000***
028	6.5.1 Securities awaiting for settlement of custody members	401,000,000	91,296,100,000
029	6.5.2 Securities awaiting for settlement of local investors	167,869,720,000	150,535,200,000
030	6.5.3 Securities awaiting for settlement of foreign investors	562,400,000	5,136,800,000
031	6.5.4 Securities awaiting for settlement of other entities	-	-
032	***6.6 Isolated securities awaiting for withdrawal***	-	-
037	***6.7 Securities awaiting for trading***	***8,119,220,000***	***17,200,670,000***
038	6.7.1 Securities awaiting for trading of custody members	-	-
039	6.7.2 Securities awaiting for trading of local investors	3,962,860,000	16,716,960,000
040	6.7.3 Securities awaiting for trading of foreign investors	4,156,360,000	483,710,000
041	6.7.4 Securities awaiting for trading of other entities	-	-
042	***6.8 Securities collateralized for borrowings***	-	-
047	***6.9 Securities used to correct trading errors***	-	-
050	**7. Custody securities of unlisted public company**	**303,065,520,000**	**191,936,160,000**
	In which:		
051	***7.1 Tradable securities***	***302,130,730,000***	***190,637,660,000***
052	7.1.1 Tradable securities of custody members	31,250,000	11,347,210,000
053	7.1.2 Tradable securities of local investors	291,003,630,000	173,917,160,000
054	7.1.3 Tradable securities of foreign investors	11,095,850,000	5,373,290,000
055	7.1.4 Tradable securities of other entities	-	-
056	***7.2 Temporarily untradeable securities***	***405,190,000***	***522,900,000***
057	7.2.1 Temporarily untradeable securities of custody members	-	-
058	7.2.2 Temporarily untradeable securities of local investors	405,190,000	522,900,000
059	7.2.3 Temporarily untradeable securities of foreign investors	-	-
060	7.2.4 Temporarily untradeable securities of other entities	-	-
061	***7.3 Collateral securities***	***309,600,000***	***309,600,000***
066	***7.4 Temporarily held securities***	-	-
071	***7.5 Securities awaiting for settlement***	***220,000,000***	***466,000,000***
072	7.5.1 Securities awaiting for settlement of custody members	-	-
073	7.5.2 Securities awaiting for settlement of local investors	220,000,000	466,000,000
074	7.5.3 Securities awaiting for settlement of foreign investors	-	-
075	7.5.4 Securities awaiting for settlement of other entities	-	-
076	***7.6 Isolated securities awaiting for withdrawal***	-	-
081	***7.7 Securities used to adjust trading errors***	-	-
082	**8. Securities not in custody of investors**	-	-
083	**9. Securities not in custody of securities corporations**	-	-
084	**10.Trusted securities used for auction**	-	-
TOTAL OFF-BALANCE SHEET ITEMS		**12,323,564,970,000**	**12,012,252,470,000**

Preparer

Ms. Hoang Thi Minh Thuy
Chief Accountant

Approver

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Approver

Mr. Nguyen Duy Hung
Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

B01-CTCK

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

CONSOLIDATED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

Currency: VND

Code	Items	Notes	Current year	Prior year
01	**1. Revenue**	28	**848,048,772,890**	**1,503,616,689,880**
	In which:			
01.1	- Revenue from brokerage services		96,005,005,216	176,043,714,129
01.2	- Revenue from securities investments and capital contribution		227,702,451,908	710,010,595,072
01.3	- Revenue from securities underwriting services		6,420,000,000	13,140,023,320
01.4	- Revenue from investment portfolio management services for entrust investors		18,328,050,969	19,811,488,075
01.5	- Revenue from advisory services		38,076,296,310	108,242,078,334
01.6	- Revenue from securities custody services		2,487,230,802	2,421,084,957
01.7	- Revenue from entrusted auction services		-	-
01.8	- Revenue from property lease		4,478,427,405	930,873,701
01.9	- Other revenue		454,551,310,280	473,016,832,292
02	**2. Deductions**	28	**5,850,000**	**250,000,000**
10	**3. Net revenue**	28	**848,042,922,890**	**1,503,366,689,880**
11	**4. Operating expenses**	29	**656,773,739,348**	**592,325,572,635**
	In which:			
	- Direct operating expenses		487,752,186,918	406,339,977,085
	- Securities provision expenses		169,021,552,430	185,985,595,550
20	**5. Gross profit from operating activities**		**191,269,183,542**	**911,041,117,245**
25	**6. General and administrative expenses**	30	**27,938,858,746**	**11,145,589,606**
30	**7. Net profit from operating activities**		**163,330,324,796**	**899,895,527,639**
31	**8. Other income**		**553,902,871**	**5,826,330,656**
32	**9. Other expenses**		**680,706,469**	**5,638,799,981**
40	**10.Other profit/(loss)**		**(126,803,598)**	**187,530,675**
41	**11.Share of profit/(loss) in associates**	14	**(36,599,141,321)**	**2,736,427,943**
50	**12.Profit before tax**		**126,604,379,877**	**902,819,486,257**
51	**13.Current corporate income tax**	31	**3,937,863,518**	**195,700,683,962**
52	**14.Deferred corporate income tax**	31	**39,913,280,804**	**17,649,799,417**

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

Currency: VND

Code	Items	Notes	Current year	Prior year
60	**15.Profit after tax**		**82,753,235,555**	**689,469,002,878**
61	**16.Non-controlling interests**	32	**3,624,222,810**	**881,886,941**
62	**17.Profit after tax attributable to equity holders of the parent**		**79,129,012,745**	**688,587,115,937**
70	**18.Basic earnings per share**	36	**227**	**1,982**

Preparer	Approver	Approver
Ms. Hoang Thi Minh Thuy Chief Accountant	Ms. Nguyen Thi Thanh Ha Chief Financial Officer	Mr. Nguyen Duy Hung Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

CONSOLIDATED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

Currency: VND

Code	Items	Notes	Current year	Prior year
	I. CASH FLOW FROM OPERATING ACTIVITIES			
01	**1. Total accounting profit before tax**		**126,604,379,877**	**902,819,486,257**
	2. Adjustments for		**177,342,019,957**	**(264,214,675,780)**
02	Depreciation of fixed assets		31,684,925,138	22,079,250,762
03	Provisions		186,958,299,005	185,985,595,550
04	Unrealized foreign exchange gain/(loss)		(94,937,598)	4,692,095,549
05	Gain/(loss) from investing activities		(59,784,044,364)	(541,749,415,450)
06	Interest expenses		18,577,777,776	64,777,797,809
08	**3. Operating income before changes in working capital**		**303,946,399,834**	**638,604,810,477**
09	(Increase)/decrease in receivables		390,332,648,163	(520,433,692,386)
10	(Increase)/decrease in trading securities		1,036,658,022,705	(1,207,906,296,852)
11	Increase/(decrease) in payables (exclusive of interest payables, Corporate income tax payable)		(36,359,436,956)	(562,771,659,083)
12	(Increase)/decrease in prepaid expenses		19,258,359,982	(33,486,758,656)
13	Interest paid		(80,975,944,421)	(30,372,378,398)
14	Corporate income tax paid		(22,900,576,918)	(230,330,622,825)
15	Other gains from operating activities		7,500,000	20,900,000
16	Other payments for operating activities		(30,070,439,246)	(41,881,240,175)
20	**Cash flow from/(used in) operating activities**		**1,579,896,533,143**	**(1,988,556,937,898)**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(263,542,218,009)	(69,145,751,017)
22	Gains from fix assets disposal		901,636,358	4,953,545,455
23	Loan note issue, debt instrument purchase of other entities		(12,500,000,000)	(49,273,190,684)
24	Loan collections, debt instrument sales of other entities		38,610,684,983	20,808,931,503
25	Payments for investments in associates		(466,671,076,887)	(652,820,981,370)

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

Currency: VND

Code	Items	Notes	Current year	Prior year
26	Collections from investments in other entities		387,760,777,945	1,164,542,233,334
27	Interests, dividends and distributed profit		130,279,911,870	151,333,746,803
30	**Net cash flows used in investing activities**		**(185,160,283,739)**	**570,398,534,024**
	III. CASH FLOW FROM FINANCING ACTIVITIES			
31	Proceeds from share issuance, capital contribution		15,000,000,000	963,585,000
	Capital contribution of minority shareholders		-	72,000,000,000
32	Capital repayments to shareholders, payments for treasury shares		(85,816,286,000)	(2,775,000,000)
33	Proceeds from loans		60,000,000,000	2,000,000,000,000
34	Loan repayments		(2,060,000,000,000)	-
36	Dividends paid to shareholders		(347,461,697,000)	(328,127,562,750)
40	**Net cash flows from/ (used in) financial activities**		**(2,418,277,983,000)**	**1,742,061,022,250**
50	**Net increase/(decrease) in cash and cash equivalents during the period**		**(1,023,541,733,596)**	**323,902,618,376**
60	**Cash and cash equivalents at the beginning of the period**	4	**2,969,211,607,544**	**2,650,001,084,717**
61	Effects of foreign exchange		94,937,598	(4,692,095,549)
70	**Cash and cash equivalents at the end of the period**	4	**1,945,764,811,547**	**2,969,211,607,544**

Preparer	Approver	Approver
Ms. Hoang Thi Minh Thuy	Ms. Nguyen Thi Thanh Ha	Mr. Nguyen Duy Hung
Chief Accountant	Chief Financial Officer	Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

CONSOLIDATED STATEMENT
OF CHANGES IN OWNERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2011

Items	Note	Opening balance		Increase/Decrease	Increase/Decrease			Ending balance	
		1 January 2010	1 January 2011	Year 2010	Year 2010	Year 2011		31 December 2010	31 December 2011
				Increase	Decrease	Increase	Decrease		
A	B	1	2	3	4	5	6	7	8
1. Chartered capital	27	1,533,334,710,000	3,511,117,420,000	1,977,782,710,000	-	15,000,000,000	-	3,511,117,420,000	3,526,117,420,000
2. Share premium	27	2,095,966,265,902	340,921,476,378	513,920,476	(1,755,558,710,000)	-	-	340,921,476,378	340,921,476,378
3. Other owners' capital		-	-	-	-	383,614,879	-	-	383,614,879
4. Treasury shares	27	(449,664,524)	(12,365,677,000)	(12,365,677,000)	449,664,524	(76,225,609,000)	-	(12,365,677,000)	(88,591,286,000)
5. Asset revaluation reserve		-	-	-	-	-	-	-	-
6. Foreign exchange differences reserve		-	-	-	-	-	-	-	-
7. Development fund		-	-	-	-	-	-	-	-
8. Financial and statutory reserve	27	140,116,480,248	220,524,469,842	80,407,989,594	-	68,858,711,594	-	220,524,469,842	289,383,181,436
9. Other funds belonging to owners' equity		-	-	-	-	-	-	-	-
10. Undistributed earnings	27	1,049,533,539,162	1,399,114,338,962	688,728,798,534	(339,147,998,730)	81,058,284,480	(467,721,731,467)	1,399,114,338,962	1,012,450,891,924
TOTAL	**27**	**4,818,501,330,788**	**5,459,312,028,182**	**2,735,067,741,604**	**(2,094,257,044,206)**	**89,075,001,952**	**(467,721,731,467)**	**5,459,312,028,182**	**5,080,665,298,616**

Preparer

Ms. Hoang Thi Minh Thuy
Chief Accountant

Approver

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Approver

Mr. Nguyen Duy Hung
Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

The accompanying notes from 1 to 40 form part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2011 AND FOR THE YEAR THEN ENDED

1. THE COMPANY

The Company is a joint stock company established in Vietnam under the Corporate Law of Vietnam and the Operation License No. 3041/GP-UB dated 27 December 1999 issued by the Hochiminh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Hochiminh City Department of Planning and Investment. The Company then received the Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 05 April 2000 and subsequently amended licenses.

The primary businesses of the Company are brokerage service, securities trading, finance and investment advisory service, custodian service, and underwriting for securities issues.

The Company's shares were officially listed on Hanoi Securities Trading Center (now Hanoi Stock Exchange) from 15 December 2006. On 29 October 2007 the listing was switched to the Hochiminh Stock Exchange.

The Company's Head Office is located at 72 Nguyen Hue, District 1, Hochiminh City. The Company also has branches based in Hochiminh City, Hanoi, Hai Phong, Vung Tau, Nha Trang and Quang Ninh.

Chartered Capital

According to the Business Registration No. 056679 dated 30 December 1999 issued by Hochiminh City Department of Planning and Investment, the Company's chartered capital was initially VND 6,000,000,000. The chartered capital has been supplemented over time in accordance with the amended licenses. As at 31 December 2011, the Company's total chartered capital as stated in its latest Amended license No. 322/UBCK-GP by the Chairman of State Securities Commission dated 18 May 2010 was VND 3,511,117,420,000.

In December 2011, the Company offered 1,500,000 shares to the Company's key personnel in accordance with the Shareholders Meeting Resolution No. 01/2011/NQ-DHDCD dated 28 April 2011 and relevant decisions made by the Chairman of Board of Directors. After the offering, the Company's capital increased by VND 15,000,000,000. However, by 31 December 2011, the Company has not been granted new amended license for the issuance of additional shares, hence the Company's total chartered capital remains the same as the pre-offering's balance.

Location and network

The Company's Head Office is located in 72 Nguyen Hue, District 1, Hochiminh City, Vietnam. As at 31 December 2011, the Company has one (01) Head Office, one (01) branch and two (02) transaction offices in Hochiminh City, two (02) branches and one (01) transaction office in Hanoi, one (01) branch in Hai Phong, one (01) branch in Vung Tau, one (01) branch in Nha Trang and one (01) branch in Quang Ninh.

B09-CTCK

Subsidiaries

As at 31 December 2011, the Company has two (02) directly owned subsidiaries as follows:

Company name	Established under	Business sector	Chartered capital	% holding
SSI Asset Management Company Ltd. (SSIAM).	Operating License No.19/UBCK- GP dated 3 August 2007.	Investment fund management and investment portfolio management.	VND 30 billion.	100%
SSI Investment Member Fund (SSI IMF).	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010.	Investments in securities and other assets, including real estates.	VND 360 billion.	80%

As at 31 December 2011, the Company has one (01) indirectly owned subsidiary as follows:

Company name	Established under	Business sector	Maximum investment capital	% holding
SSI International Corporation (SSI IC).	Register No. SRV 090813396-4724807 dated 27 August 2009 in Delaware, USA. Foreign Investment License No. 249/BKH-DTRNN issued by Ministry of Planning and Investment dated 03 July 2009, and: Amendment Certificate No. 249/BKH-ĐTRNN-ĐC1 issued by Ministry of Planning and Investment dated 31 August 2010.	Investments in real estates and office buildings in the United States.	USD 18.5 million.	80%, indirectly owned through SSI IMF.

Associates and Joint Ventures

SSI Vision Fund

In 2007, the Company committed to investment in SSI Vision Fund with a total capital contribution of VND 485 billion, accounting for 28.53% of the Fund's charter capital. SSI Vision Fund is a closed – end member fund with a total initial investment capital of VND 1,700,000,000,000. The operating life of the Fund is 5 years with a possible extension of 2 years. The Fund was established under the Incorporation and Operating Licence No.126/TB-UBCK issued by the State Securities Commission on 14 November 2007. In 2010, the Company acquired 16 million Fund certificates from Credit Suisse AG – Singapore branch. Accordingly, as at 31 December 2011, the Fund is 37.94% owned by the Company.

Bentre Aquaproduct Import and Export Joint Stock Company

As at 30 September 2011, total investment of the Company and its subsidiaries in Bentre Aquaproduct Import and Export JSC (stock code ABT) is VND 139,825,864,611, accounting for 26.73% of total number of ABT shares in circulation. The Company intends to hold the investment for the long-term. Hence, this investment has become an associate of the Company since 30 September 2011.

In the 4th quarter of 2011, Bentre Aquaproduct Import and Export JSC bought treasury shares. Accordingly, as at 31 December 2011, the holding percentage of the Company and its subsidiaries in Bentre Aquaproduct Import and Export JSC is 28.45%. Bentre Aquaproduct Import and Export JSC is a listed company in Hochiminh Stock Exchange. Its chartered capital as of 31 December

2011 is VND 136,072,070,000. Its major operations comprise of processing and exporting seafood, importing materials and commodities; aquaculture; foods and drinks, and other services.

Hung Vuong Corporation

As at 31 December 2011, total investment of the Company and its subsidiaries to Hung Vuong Corporation (stock code HVG) is VND 381,165,255,115, which accounts for 20.01% of total number of HVG shares in circulation. The Company intends to hold the investment for the long-term. And therefore, this investment has become an associate since 31 December 2011. Hung Vuong Corporation is a listed company in Hochiminh Stock Exchange. Its chartered capital as of 31 December 2011 is VND 659,980,730,000. Its main businesses are raising and processing seafood for export; producing foods for aquaculture, livestock and poultry; providing cold storage services and real estates.

Pan-Pacific Corporation

As at 31 December 2011, total investment of the Company and its subsidiaries in Pan-Pacific Corporation (stock code PAN) is VND 36,954,806,246, which accounts for 21.90% of total number of PAN shares in circulation. The Company intends to hold the investment for the long-term. Accordingly, this investment has become an associate since 31 December 2011. Pan-Pacific Corporation is a listed company in Hochiminh Stock Exchange. Its chartered capital as of 31 December 2011 is VND 115,500,000,000. Its major operations are purchasing chemicals (except severely toxic chemicals), consignment; house cleaning services, trading industrial cleaning equipment; trading industrial - forestry - construction equipment; commercial services; installing, repairing and maintaining machinery, industrial equipment, electronics (excluding casting, metal rolling, stamping, mounding, welding, painting; electroplating; waste recycling at the office); home maintenance services; insecticide service; housing decoration, landscape, garden, rockery, parks, zoos; real estate investment; buildings, apartments management; car leasing.

Employees

Total number of employees of the Company and its subsidiaries as at 31 December 2011 was 400 (as at 31 December 2010, total number of employees is 520).

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Company and its subsidiaries expressed in Vietnam dong ("VND") are prepared in accordance with the accounting policies for securities companies as set out in the Circular No. 95/2008/TT-BTC dated 24 October 2008 by the Ministry of Finance (in replacement of Decision No. 99/2000/QD-BTC dated 13 June 2000 by the Ministry of Finance), Circular No. 162/2010/TT-BTC dated 20 October 2010 by the Ministry of Finance 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).

At the reporting date, the investor's deposits for securities trading were presented on the consolidated balance sheet of the Company under the item "Cash at bank" since these bank accounts are still maintained under the Company's name.

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

2.2 Applied accounting documentation system

The applied accounting documentation system is the General Journal system.

2.3 Fiscal year

The Company's fiscal year starts on 1 January and ends on 31 December. The Company also prepares interim financial statements for the six-month period ended 30 June annually.

2.4 Accounting currency

The Company maintains its accounting records in VND.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the Parent Company) and its subsidiaries for the year ended 31 December 2011.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period and using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealised gains or losses ensuing from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity.

2.6 Restatement of opening balance

The Company has added Short-term unearned revenue line on the balance sheet in accordance with the guidance of Circular 162/2010/TT-BTC issued by the Ministry of Finance on 20 October 2010. As the result, this item has been separately presented from Other short-term payables on the consolidated balance sheet of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Changes in accounting policies and disclosures

The accounting policies adopted by the Company and its subsidiaries in preparation of the consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2010 except for the changes in the accounting policies in relation to the following.

3.1.1. Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") with effectiveness from financial years beginning on or after 1 January 2011.

The adoption of Circular 210 results in new disclosures being added to the consolidated financial statements as shown in Note 34.

Circular 210 only regulates the presentation of financial statements and disclosures financial instruments, therefore, the definitions of financial assets, financial liabilities and other relating definitions presented in Note 34 to the consolidated financial statements are applied solely for the preparation of such note. The Company's assets and liabilities are still recognized and recorded in accordance with Vietnamese Accounting Standards and System applicable for securities companies.

3.1.2. Circular 162/2010/TT-BTC dated 20 October 2010 by Ministry of Finance regarding amendments and supplements to Circular 95/2008/TT-BTC dated 24 October 2008 providing accounting guidance applicable for securities companies

On 20 October 2010, the Ministry of Finance issued Circular No. 162/2010/TT-BTC providing amendments and supplements to Circular No. 95/2008/TT-BTC dated 24 October 2008 on the accounting guidance applicable to the securities company and effective from 1 January 2011. Circular 162/2010/TT-BTC requires to present additional statetment of changes in owners' equity as well as some additional explanations.

The Company has applied Circular 162 and presented additional notes in this consolidated financial statements.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, investors' deposits for securities trading, highly liquid short-term 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.

3.3 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts at any time.

Provision for doubtful debts is made based on either aging method as for overdue receivables or potential loss estimate as per performing receivables whose borrowing institutions are under bankruptcy or dissolution, whose borrowers either disappear, or decamp, or involve in prosecution, trial or execution, or die. Provision expense is recognized into "General and administrative expense" of the period.

As for overdue receivables, provision level is prescribed in Circular 228/2009/TT-BTC issued by Ministry of Finance on 7 December 2009 as follows:

Age of the overdue receivable	Provision level
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.

Cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the asset into working condition as its intended use.

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

When tangible fixed assets are sold or disposed, their costs and accumulated depreciation are written off and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.5 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 to bring the asset into working condition as its intended use.

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

When the intangible fixed assets are sold or disposed, their costs and accumulated amortisation are written off and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.6 Depreciation and amortisation

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:

Buildings and architectures	6 years
Office machineries	3 years
Means of transportation	6 years
Office equipments	3 - 5 years
Software	3 - 5 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	5 - 7 years

3.7 Investment properties

Investment properties are stated at cost, inclusive of related transaction fees less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of the property is calculated on a straight-line basis over the estimated useful life of each asset. Amortization period is 20 years.

3.8 Operating lease

Rentals respective to operating leases are included in the consolidated income statement on a straight-line basis over the term of the lease.

3.9 Financial investments and provision for diminution in price of securities

Circular No. 95/2008/TT-BTC allows securities companies to account for securities investments under either cost accounting method or fair value accounting method. Accordingly, the Company chooses the cost accounting method to record its securities investments.

Trading securities and long-term investment securities are initially recognized at cost. These securities are continually recognized at cost less accumulated gains before purchase date, if any.

Provision for diminution in price of securities is made for individual stocks whose market values are lower than book values.

The market prices of listed equity securities are determined based on the matching prices on stock markets (which are average prices on Hanoi Stock Exchange and closing prices on Hochiminh Stock Exchange) as at 31 December 2011.

Market prices of unlisted equity securities are referenced to average trading prices quoted on the trading market of unlisted public companies' securities (UPCoM) for registered members, or the average price of public quotations from at least three securities companies as at 31 December 2011 for unregistered members.

Provision for bonds are made for individual bonds based on the Company's judgement of its recoverability in the future.

For securities which have no reference prices from the above sources, the impairment level is determined based on the financial performance and book value of securities issuers as at 31 December 2011.

3.10 Investments in associates

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post-acquisition changes in the

Company's share of net assets of the associates. Goodwill arising on acquisition of the associate is amortized over 3-year period. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting year as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

The Company's associates are listed in Note 14.

3.11 Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specified future date ("repos") are not recognized on the consolidated balance sheet. The corresponding cash receipt is recognized as a liability in the consolidated balance sheet, the difference between the selling price and repurchasing price is recognized as an asset/ an expense pending for allocation and is allocated to the consolidated income statement over the life of the agreement.

Securities purchased under agreements to resell at a specified future date ("reverse repos") (if any) are not recognized in the consolidated balance sheet. The corresponding cash payment is recognized as an asset in the consolidated balance sheet, the difference between the purchasing price and reselling price is recognized as an income/ a liability pending for allocation and is allocated to the consolidated income statement over the life of the agreement.

3.12 Payables and accrued expenses

Payables and accrued expenses are recognized for amounts to be paid in the future for interest of convertible bonds, goods and services received, whether or not billed to the Company.

3.13 Accruals for severance pay

The severance payment 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 of the 6-month period up to the termination for each year of service in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Commencing from 1 January 2009, the average monthly salary used for this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Any changes to the accrued amount will be taken to the consolidated income statement.

3.14 Foreign currency transactions

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

3.15 Treasury shares

Owners' 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 destruction of the Company's own equity instruments.

3.16 Appropriation of net profits

After making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements, net remaining profit after tax is distributed in accordance with resolutions of the General Shareholders' Meeting.

3.17 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. Revenue is measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognized:

Rendering of services

Revenue is recognized to the extent of work-completeness when the result of the contract can be ensured. In case when the contractual result cannot be ensured, the revenue will only be recognized to the extent of recovery of recorded expenses.

Revenue from trading securities

Revenue from trading securities are determined by the differences between selling prices and the weighted average cost of securities sold.

Repurchase and reverse repurchase agreement

Revenue is taken into the consolidated income statement on a straight-line basis over the term of agreements.

Interest

Revenue is recognized in the consolidated income statement on accrual basis (taking into account the effective yield on the asset), except for cumulative gains before purchase date (which is recognized as deductions to cost of securities) or doubtful collectability.

Dividend

Revenue is recognized when the Company's entitlement as an investor to receive the dividend is established, except for dividends received in form of stocks, the number of received stocks is accounted for in notes to the financial statements without recognition of value of received stocks or financial revenue or an increase in investment value.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the term of the lease.

3.18 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (or

recovered from) 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 taken to 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.

Deferred income 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 income 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 affects neither the accounting profit nor taxable profit or loss upon the incurrence of the related transaction; and
- In respect of taxable temporarily differences associated with investments in subsidiaries and associates, and capital contributions in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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; and
- In respect of deductible temporarily differences associated with investments in subsidiaries, associates, and capital contributions in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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 utilized. Previously unrecognized deferred income tax assets are reassessed 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 is 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 and the Company intends to settle its current tax assets and liabilities on a net basis.

3.19 Reserves

In accordance with the Circular No. 11/2000/TT-BTC issued by Ministry of Finance on 1 February 2000, the Company uses retained earnings to create reserves as follow:

	Percentage of profit after tax	Maximum level
Capital Supplementary Reserve	5%	10% of chartered capital
Statutory Reserve	5%	10% of chartered capital

Other reserves and funds are created in accordance with resolutions of Shareholders' Meetings.

4. CASH AND CASH EQUIVALENTS

	31 December 2011 (VND)	31 December 2010 (VND)
Cash in hand	**152,163,551**	**339,243,758**
Cash at bank	**729,943,429,280**	**1,242,435,860,037**
In which:		
- *Cash at bank of the Company*	*88,757,731,296*	*239,629,743,431*
- *Cash at bank of trustees*	*39,347,154,701*	*12,741,193,422*
- *Cash at bank for trading securities of investors (investors' deposit)*	*601,838,543,283*	*990,064,923,184*
Cash equivalents	**1,215,669,218,716**	**1,726,436,503,749**
- *Term deposits due within 3 months*	*1,215,669,218,716*	*1,726,436,503,749*
- *Term deposits of trustees*	-	-
	1,945,764,811,547	**2,969,211,607,544**

5. TRADING VALUE AND TRADING VOLUME IN THE YEAR

	Trading volume during the period (Units)	Trading value during the period (VND)
The Company	**65,499,652**	**2,586,798,495,325**
- *Shares*	*40,356,722*	*1,073,759,692,339*
- *Bonds*	*14,435,050*	*1,472,348,858,986*
- *Others (investment fund certificates)*	*10,707,880*	*40,689,944,000*
Investors	**2,194,096,271**	**55,109,028,916,344**
- *Shares*	*2,103,510,825*	*48,219,909,010,710*
- *Bonds*	*66,405,606*	*6,748,125,888,634*
- *Others (investment fund certificates)*	*24,179,840*	140,994,017,000
	2,259,595,923	**57,695,827,411,669**

6. FINANCIAL INVESTMENTS

6.1 Financial investments

Company's investment portfolio at 31 December 2010 is as followed:

Items	Quantity	Book value	In comparison with market value		Market value
			Appreciation	Depreciation	
I. Short-term investment					
Trading securities	***48,217,355***	***1,052,561,099,307***	***15,286,727,179***	***(303,123,545,516)***	***764,724,280,970***
Listed shares	44,540,705	873,223,160,334	15,286,727,179	(292,141,620,516)	596,368,266,998
Unlisted shares	3,017,150	93,173,000,000	-	(10,981,925,000)	82,191,075,000
Bonds					
- *Portion whose market value is determinable.*	-	-	-	-	-
- *Portion whose market value is undeterminable (*)*	*659,500*	*86,164,938,973*	-	-	*86,164,938,973*
Fund certificates	-	-	-	-	-
Other short-term investments	**-**	***476,649,028***	**-**	**-**	***476,649,028***
Term deposits due in more than 3 months	-	476,649,028	-	-	476,649,028
	48,217,355	**1,053,037,748,335**	**15,286,727,179**	**(303,123,545,516)**	**765,200,929,998**
II. Long-term investments					
Securities available for sale	***22,456,423***	***1,128,856,979,464***	***3,163,320,881***	***(166,853,124,408)***	***965,167,175,937***
Listed shares	9,195,965	346,141,584,971	3,163,320,881	(133,643,284,762)	215,661,621,090
Unlisted shares	6,355,458	87,791,294,397	-	(14,220,179,920)	73,571,114,477
Bonds					
- *Portion whose market value is determinable.*	*600,000*	*63,298,865,753*	-	*(18,989,659,726)*	*44,309,206,027*
- *Portion whose market value is undeterminable (*)*	*6,305,000*	*631,625,234,343*	-	-	*631,625,234,343*
Fund certificates	-	-	-	-	-
Securities held-to-maturity	**-**	**-**	**-**	**-**	**-**
Listed shares	-	-	-	-	-
Unlisted shares	-	-	-	-	-
Bonds	-	-	-	-	-
Fund certificates	-	-	-	-	-
Other long-term investment	**32,622,499**	**749,788,390,000**	**-**	**(833,500,000)**	**748,954,890,000**
When the market value is determinable based on net asset value	22,355,499	226,171,390,000	-	(833,500,000)	225,337,890,000
- *Vissai Cement Central Region Joint stock Company*	*900,000*	*10,000,000,000*	-	*(833,500,000)*	*9,166,500,000*
- *Petrolimex Group Commercial J.S Bank*	*19,955,500*	*201,171,400,000*	-	-	*201,171,400,000*
- *SSI Real Estates Joint stock Company*	*1,499,999*	*14,999,990,000*	-	-	*14,999,990,000*
When the market value is not determinable (*)	10,267,000	523,617,000,000	-	-	523,617,000,000
- *Hoang Anh Gia Lai Rubber Joint Stock Company*	*10,267,000*	*523,617,000,000*	-	-	*523,617,000,000*
	55,078,922	**1,878,645,369,464**	**3,163,320,881**	**(167,686,624,408)**	**1,714,122,065,937**

(*) Market value of securities whose market values are undeterminable is stated at their carrying value due to unavailability of market information.

Company's investment portfolio at 31 December 2010 is as followed:

Items	Quantity	Book value	In comparison with market value		Market value
			Appreciation	Depreciation	
I. Short-term investment					
Trading securities	***63,825,031***	***1,950,141,961,736***	***12,009,682,811***	***(227,958,435,891)***	***1,734,193,208,656***
Listed shares	44,795,733	1,156,347,569,054	12,009,682,811	(219,948,936,180)	948,408,315,685
Unlisted shares	12,908,423	571,005,729,998	-	(8,009,499,711)	562,996,230,287
Bonds (*)	6,120,875	222,788,662,684	-	-	222,788,662,684
Fund certificates	-	-	-	-	-
Other short-term investments	***-***	***713,430,000,000***	***-***	***-***	***713,430,000,000***
Term deposits due in more than 3 months	-	713,430,000,000	-	-	713,430,000,000
	63,825,031	**2,663,571,961,736**	**12,009,682,811**	**(227,958,435,891)**	**2,447,623,208,656**
II. Long-term investments					
Securities available for sale	***32,914,955***	***1,439,817,191,957***	***36,342,922,051***	***(73,830,181,602)***	***1,402,329,932,406***
Listed shares	18,279,498	646,290,077,926	36,342,922,051	(61,649,284,780)	620,983,715,197
Unlisted shares	7,855,457	111,103,013,936	-	(12,180,896,822)	98,922,117,114
Bonds (*)	6,780,000	682,424,100,095	-	-	682,424,100,095
Fund certificates	-	-	-	-	-
Securities held-to-maturity	***-***	***-***	***-***	***-***	***-***
Listed shares	-	-	-	-	-
Unlisted shares	-	-	-	-	-
Bonds	-	-	-	-	-
Fund certificates	-	-	-	-	-
Other long-term investment	***22,355,499***	***226,171,390,000***	***-***	***-***	***226,171,390,000***
- Petrolimex Group Commercial J.S Bank	*19,955,500*	*201,171,400,000*	-	-	*201,171,400,000*
- Vissai Cement Central Region Joint stock Company	*900,000*	*10,000,000,000*	-	-	*10,000,000,000*
- SSI Real Estates Joint stock Company	*1,499,999*	*14,999,990,000*	-	-	*14,999,990,000*
	55,270,454	**1,665,988,581,957**	**36,342,922,051**	**(73,830,181,602)**	**1,628,501,322,406**

(*) Market value of securities whose market values are undeterminable is stated at their carrying value due to unavailability of market information.

Other long-term investments represent the Company's contributions in investees for long-term purposes.

- Petrolimex Group Commercial Joint-stock Bank formerly was the Dong Thap Muoi Commercial Joint-stock Bank, a rural bank established in 1993. In 2006, when this Bank increased their charter capital in order to become an urban bank, SSI contributed capital to the bank as a strategic shareholder and has one representative in the Board of Directors. The main activity of Petrolimex Group Commercial Joint-stock Bank is providing banking services and related financial services in Vietnam. During 2010, the Company contributed VND 99,777,500,000 more in the Bank. Percentage holding of the Company remains unchanged at 9.98%.

- On 16th December 2011, the Company contributed capital to the Hoang Anh Gia Lai Rubber Joint Stock Company. According to the contract, the Company's capital contribution accounts for 2.62% of the chartered capital of Hoang Anh Gia Lai Rubber JSC. The main operations of the investee include: planting rubber trees and other perennials; planting and protecting forests; rubber trading, seed producing and trading; other plating services, production of fertilizers and nitrogen compounds; industrial equipment trading, mining, forestry and construction; trading of other building materials and equipment; trading of agricultural and forestry materials (except wood, bamboo), stone mining, buy, sell, consign goods; buy, sell, export rubber liquid with legal origin, production and processing of rubber; mining chemical and fertilizer mineral; exploitation and collection of peat coal, iron ore, nonferrous metals and production of precious metals, production of iron and steel.

- The investment in Vissai Cement Central Region Joint stock Company, previously Dai Viet Construction and Investment Company, was made in 2007. Main activities of this company are construction materials, interior and exterior decoration materials exploiting, producing and trading; executing, installing, improving and decorating for construction buildings.

- The Company also contributed capital in SSI Real Estates Joint stock Company in 2007 as a foundation shareholder. Currently, the Chairman of the SSI is also the chairman of SSI Real Estates Joint stock Company. Main activities of SSI Real Estates Joint stock Company are houses, industry parks, residential quarters, office buildings investment and trading; lands and offices leasing and managing services.

6.2 Provision for investment diminution

Provision for short-term investments

Items	Quantity	Book value	Depreciation in comparison with market value	Market value
Listed shares				
DAC	47,366	2,251,325,570	(1,351,371,570)	899,954,000
DBC	2,728,233	67,877,636,822	(33,774,724,322)	34,102,912,500
DCC	226,120	6,131,898,718	(3,983,758,718)	2,148,140,000
DTL	617,180	14,032,594,892	(4,528,022,892)	9,504,572,000
ELC	1,835,960	74,662,992,562	(16,830,252,562)	57,832,740,000
FPT	815,412	40,824,272,333	(472,914,549)	40,351,357,784
HAI	251,906	7,509,687,439	(1,463,902,991)	6,045,784,448
NSC	1,620,363	70,117,538,742	(3,744,901,289)	66,372,637,453
NSP	418,273	4,182,730,000	(3,513,493,200)	669,236,800
NTP	646,230	30,685,666,984	(9,553,945,984)	21,131,721,000
PDN	105,750	3,213,235,281	(104,185,281)	3,109,050,000
PRUBF1	4,754,730	30,164,291,773	(6,390,641,773)	23,773,650,000
SSC	1,845,924	62,566,430,675	(12,300,712,476)	50,265,718,199
SVC	1,401,372	43,394,760,568	(18,870,750,569)	24,524,009,999
TMT	2,500,238	65,813,021,526	(48,546,140,241)	17,266,881,285
VCS	1,743,992	52,897,804,468	(34,235,970,207)	18,661,834,261
VFMVF4	14,226,250	124,687,062,241	(79,163,062,241)	45,524,000,000
VHL	142,439	7,860,558,847	(3,544,657,147)	4,315,901,700
VSH	2,000,000	25,843,964,013	(9,243,964,013)	16,600,000,000
Others	599,354	21,246,448,295	(524,248,490)	20,722,199,805
	38,527,092	**755,963,921,749**	**(292,141,620,516)**	**463,822,301,233**
Unlisted shares				
E Den JSC	199,650	4,650,000,000	(2,753,325,000)	1,896,675,000
AGF Delta Investment and Construction JSC	200,000	2,000,000,000	(1,905,600,000)	94,400,000
Pythis JSC	190,000	3,268,000,000	(323,000,000)	2,945,000,000
Flux Fertilizer JSC	2,000,000	53,000,000,000	(6,000,000,000)	47,000,000,000
	2,589,650	**62,918,000,000**	**(10,981,925,000)**	**51,936,075,000**
Bonds	-	-	-	-
Total			**(303,123,545,516)**	

Provision for long-term investments

Items	Quantity	Book value	Depreciation in comparison with market value	Market value
Listed shares				
DCC	398,470	11,324,672,774	(7,539,207,774)	3,785,465,000
HAG	3,571,654	168,907,913,443	(99,260,660,445)	69,647,252,998
PDN	1,134,721	38,486,340,864	(5,125,543,464)	33,360,797,400
DBC	1,262,133	31,299,191,230	(15,522,528,730)	15,776,662,500
ELC	195,000	7,650,000,000	(1,507,500,000)	6,142,500,000
FPT	338,910	17,563,228,640	(719,401,640)	16,843,827,000
PVD	938,836	34,387,038,072	(3,216,930,976)	31,170,107,096
VNM	154,770	14,139,116,732	(751,511,732)	13,387,605,000
	7,994,494	**323,757,501,755**	**(133,643,284,762)**	**190,114,216,994**
Unlisted shares				
Viet Tin JSC	6,299	6,654,826,397	(1,453,742,100)	5,201,084,297
Viet thai JSC	700,000	10,500,000,000	(452,200,000)	10,047,800,000
An Lac Real Estate JSC	3,750,000	37,500,000,000	(637,500,000)	36,862,500,000
Viglacera Dap Cau Glass JSC	800,000	15,200,000,000	(9,344,000,000)	5,856,000,000
Cat Ba Tourism JSC	999,999	11,999,988,000	(2,177,997,820)	9,821,990,180
Noi Bai Commodity Service JSC	49,160	2,686,480,000	(154,740,000)	2,531,740,000
	6,305,458	**84,541,294,397**	**(14,220,179,920)**	**70,321,114,477**
Bonds				
Vinashin bonds	600,000	63,298,865,753	(18,989,659,726)	44,309,206,027
	600,000	**63,298,865,753**	**(18,989,659,726)**	**44,309,206,027**
Capital contribution				
Vissai Cement Central Region Joint Stock Company	900,000	10,000,000,000	(833,500,000)	9,166,500,000
	900,000	**10,000,000,000**	**(833,500,000)**	**9,166,500,000**
Total			**(167,686,624,408)**	

Provision for diminution in price of securities is made for individual stocks whose market values are lower than book values.

The market prices of listed equity securities are determined based on the matching prices on stock markets (which are average prices on Hanoi Stock Exchange and closing prices on Hochiminh Stock Exchange) as at 31 December 2011.

Market prices of unlisted equity securities are referenced to average trading prices quoted on the trading market of unlisted public companies' securities (UPCoM) for registered members, or the average price of public quotations from at least three securities companies as at 31 December 2011 for unregistered members.

For securities which have no reference prices from the above sources, the impairment level is determined based on the financial performance and book value of securities issuers as at 31 December 2011.

Provision for bonds is made for each individual bond based on the Company's assessment of its recoverability in the future. Accordingly, the Company has made provision for Vinashin bonds held by the Company as at 31 December 2011 at the rate of 30% of the total investment value.

7. SHORT-TERM INVESTMENTS OF TRUSTEES

	31 December 2011 (VND)	31 December 2010 (VND)
Listed shares	109,975,989,696	81,586,751,516
Unlisted shares	9,477,000,000	29,780,710,000
Others	-	234,000,000
	119,452,989,696	**111,601,461,516**

8. SHORT-TERM RECEIVABLES

	31 December 2011 (VND)	31 December 2010 (VND)
Receivables from investors	291,054,053,897	701,200,855,316
- *Advances to investors*	*26,751,833,547*	*38,485,273,958*
- *Receivables from cooperation and margin contracts*	*260,956,194,312*	*657,874,361,876*
- *Receivables from advisory services*	*2,323,014,127*	*1,697,000,000*
- *Receivables from portfolio and fund management services*	*625,397,883*	*487,203,174*
- *Other receivables*	*397,614,028*	*2,657,016,308*
Advances to suppliers	2,223,755,828	5,381,629,435
Receivables from securities activities	677,728	12,115,851
- *Receivables from Stock Exchanges*	-	-
- *Receivables from investors regarding securities trading activities*	*677,728*	*12,115,851*
Other receivables	122,281,746,055	126,545,864,145
- *Interest receivables*	*6,586,311,679*	*34,830,697,536*
- *Receivables from securities issuers (bond coupons, dividends, bill interests)*	*51,594,391,003*	*48,910,424,579*
- *Receivables from reversed repurchase agreements*	*54,005,000,000*	*28,897,544,000*
- *Fee receivables from cooperation contracts*	*6,440,323,295*	*11,148,249,713*
- *Social insurance receivable*	*75,982,084*	-
- *Other receivables*	*3,579,737,994*	*2,758,948,317*
	415,560,233,508	**833,140,464,747**

9. PROVISION FOR DOUBTFUL RECEIVABLES

	Current year (VND)	Prior year (VND)
Beginning balance	-	-
Reversion of provision during the year	-	-
Charge of provision during the year	17,936,746,575	-
Ending balance	**17,936,746,575**	**-**

The provision for doubtful receivables at 31 December 2011 comprises provision for coupon receivable of Vinashin bonds which has been accrued since 2010, and provision for receivables from reversed repurchase agreements.

10. OTHER CURRENT ASSETS

	31 December 2011 (VND)	31 December 2010 (VND)
Advances to employees	1,828,282,441	1,904,906,217
Short-term prepaid expenses	5,334,439,840	14,234,333,847
Short-term pledges and deposits	549,105,000	553,717,000
Corporate income tax deductible	3,347,725,304	-
Value-added tax deductible	85,921,890	-
	11,145,474,475	**16,692,957,064**

11. TANGIBLE FIXED ASSETS

	Buildings and architectures (VND)	Office machineries (VND)	Means of transportation (VND)	Office equipments (VND)	Total (VND)
Cost					
As at 01/01/ 2011	2,609,391,520	68,300,664,775	16,875,816,403	1,768,519,197	89,554,391,895
Increases	-	11,427,075,154	-	140,639,200	11,567,714,354
Purchases	-	*11,427,075,154*	-	*140,639,200*	*11,567,714,354*
Decreases	-	(3,266,824,370)	-	-	(3,266,824,370)
Disposals	-	*(3,266,824,370)*	-	-	*(3,266,824,370)*
As at 31/12/2011	2,609,391,520	76,460,915,559	16,875,816,403	1,909,158,397	97,855,281,879
Accumulated depreciation					
As at 01/01/ 2011	855,111,469	38,270,847,918	8,760,878,331	1,248,315,376	49,135,153,094
Increases	449,269,148	12,449,203,709	2,671,832,562	268,029,468	15,838,334,887
Charges	*449,269,148*	*12,449,203,709*	*2,671,832,562*	*268,029,468*	*15,838,334,887*
Decreases	-	(2,787,100,441)	-	-	(2,787,100,441)
Disposals	-	*(2,787,100,441)*	-	-	*(2,787,100,441)*
As at 31/12/2011	1,304,380,617	47,932,951,186	11,432,710,893	1,516,344,844	62,186,387,540
Net book value					
As at 01/01/2011	1,754,280,051	30,029,816,857	8,114,938,072	520,203,821	40,419,238,801
As at 31/12/2011	1,305,010,903	28,527,964,373	5,443,105,510	392,813,553	35,668,894,339

12. INTANGIBLE FIXED ASSETS

	Softwares (VND)	Land use right with indefinite life (VND)	Other tangible fixed assets (VND)	Total (VND)
Cost				
As at 01/01/2011	34,424,368,491	109,671,558,000	1,689,426,688	145,785,353,179
Increases	8,444,328,660	-	-	8,444,328,660
Purchases	8,444,328,660	-	-	8,444,328,660
Decreases	-	-	(32,850,000)	(32,850,000)
As at 31/12/2011	42,868,697,151	109,671,558,000	1,656,576,688	154,196,831,839
Accumulated depreciation				
As at 01/01/2011	15,440,654,216	-	1,511,098,504	16,951,752,720
Increases	8,660,905,756	-	75,826,500	8,736,732,256
Charges	8,660,905,756	-	75,826,500	8,736,732,256
Decreases	-	-	*(32,850,000)*	(32,850,000)
As at 31/12/2011	24,101,559,972	-	1,554,075,004	25,655,634,976
Net book value:				
As at 01/01/2011	18,983,714,275	109,671,558,000	178,328,184	128,833,600,459
As at 31/12/2011	18,767,137,179	109,671,558,000	102,501,684	128,541,196,863

13. INVESTMENT PROPERTIES

	Buildings and lands (*) (VND)	Others investment properties (VND)	Total (VND)
Cost			
As at 01/01/2011	33,671,559,285	-	33,671,559,285
Increases	248,825,454,315	-	248,825,454,315
Purchases	*248,825,454,315*	-	*248,825,454,315*
Decreases	-	-	-
As at 31/12/2011	282,497,013,600	-	282,497,013,600
Accumulated depreciation			
As at 01/01/2011	-	-	-
Increases	7,109,857,997	-	7,109,857,997
Charges	*7,109,857,997*	-	*7,109,857,997*
Decreases	-	-	-
As at 31/12/2011	7,109,857,997	-	7,109,857,997
Net book value:			
As at 01/01/2011	33,671,559,285	-	33,671,559,285
As at 31/12/2011	275,387,155,603	-	275,387,155,603

(*) Included in this item are six (06) buildings in the United States, which were bought by SSI International Company for the purpose of leasing. The cost of those assets is USD 13,769,423.66, in which land value is USD 4,010,038.09 and building value is USD 9,759,385.57. Revenue from leasing in 2011 is VND 3,443,942,428.

14. INVESTMENTS IN ASSOCIATES

Investments in associate of the Company as at 31 December 2011 and for the year then ended are as follows:

	Voting rights of the Company (%)	Holding of the Company (%)	31 December 2011 (VND)	31 December 2010 (VND)
SSI Vision Fund	37.94%	37.94%	483,846,448,559	567,438,087,550
Ben Tre Aquaproduct Import and Export JSC	28.45%	27.12%	112,461,220,086	-
Hung Vuong Corporation	20.01%	20.00%	410,758,104,260	-
Pan-pacific Corporation	21.90%	21.48%	54,939,092,152	-
			1,062,004,865,058	**567,438,087,550**

Profit/ (loss) from investment in associates (including goodwill/negative goodwill at acquisition and share of profit/loss from the acquisition date) charged to the consolidated income statement for the year 2011 under the equity method of accounting are shown below:

	Current year (VND)
SSI Vision Fund	(83,591,638,990)
Ben Tre Aquaproduct Import and Export JSC	(584,637,381)
Hung Vuong Corporation	29,592,849,145
Pan-pacific Corporation	17,984,285,906
Net results	**(36,599,141,321)**

15. LONG-TERM PREPAID EXPENSES

	31 December 2011 (VND)	31 December 2010 (VND)
Prepaid advisory fees	14,423,668,784	21,949,061,192
Office maintenance and equipment expense	5,858,762,426	8,747,650,713
	20,282,431,210	**30,696,711,905**

16. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

	31 December 2011 (VND)	31 December 2010 (VND)
Initial payment and annual supplements	11,620,436,954	9,120,436,954
Annual allocated interest	1,269,495,696	1,269,495,696
	12,889,932,650	**10,389,932,650**

17. SHORT-TERM LOANS

	Interest rate	31 December 2010	Increase during the year	Decrease during the year	31 December 2011
Loans from banks		**-**	**60,000,000,000**	**(60,000,000,000)**	**-**
Loans from EXIMBANK	16% p.a	-	60,000,000,000	(60,000,000,000)	-
Loans from other entities		**2,000,000,000,000**	**-**	**(2,000,000,000,000)**	**-**
Convertible bond SSICB2010	4% p.a	2,000,000,000,000	-	(2,000,000,000,000)	-
		2,000,000,000,000	**60,000,000,000**	**(2,060,000,000,000)**	**-**

Balance of short-term loans as at 31 December 2010 was the principal of 2,000,000 convertible bonds coded SSICB2010 whose face value was VND 1,000,000 and coupon rate was at 4% per annum. On 28 March 2011, the Company repaid the principal and coupon in full to the bondholders.

18. ADVANCES FROM CUSTOMERS

	31 December 2011 (VND)	31 December 2010 (VND)
Advances regarding advisory services	4,995,842,440	4,933,308,000
Advances regarding securities purchases of customers	65,009,400,000	45,180,000,000
Management fee prepaid by SSI Vision Fund to SSIAM	3,484,586,392	6,269,545,469
	73,489,828,832	**56,382,853,469**

19. STATUTORY OBLIGATIONS

	31 December 2011 (VND)	31 December 2010 (VND)
Value added tax (VAT)	378,513,020	1,565,617,793
Corporate income tax (*)	-	17,494,080,074
Personal income tax	3,160,205,887	5,741,963,172
Other taxes	2,103,675,109	1,547,906,701
	5,642,394,016	**26,349,567,740**

(*) Estimated current corporate income tax expense is presented in detail in Note 31.

Summary of the Company's statutory obligations to National Budget for the year ended 31 December 2011 is presented as follows:

No.	Items	31 December 2010 (VND)	Payable in the period (VND)	Paid in the period (VND)	31 December 2011 (VND)
I	**Tax**	**26,349,567,740**	**66,148,749,099**	**90,203,648,127**	**2,294,668,712**
1	Value added tax on domestic goods and services	1,565,617,793	8,473,729,496	9,660,834,269	378,513,020
2	Value added tax on imported goods	-	-	-	-
3	Import tax	-	-	-	-
4	Corporate income tax	17,494,080,074	2,058,771,540	22,900,576,918	(3,347,725,304)
5	Land tax	-	-	-	-
6	Land Rentals	-	-	-	-
7	Other taxes	7,289,869,873	55,616,248,063	57,642,236,940	5,263,880,996
	Personal income tax (PIT)	*2,527,026,731*	*20,562,101,642*	*20,340,334,416*	*2,748,793,957*
	PIT of investors	*3,214,936,441*	*17,365,196,738*	*20,168,721,249*	*411,411,930*
	Business registration tax	-	*18,000,000*	*18,000,000*	-
	Others	*1,547,906,701*	*17,670,949,683*	*17,115,181,275*	*2,103,675,109*
II	**Other payables**	-	**10,513,643**	**10,513,643**	-
1	Fees and charges	-	-	-	-
2	Others	-	10,513,643	10,513,643	-
		26,349,567,740	**66,159,262,742**	**90,214,161,770**	**2,294,668,712**

20. ACCRUED EXPENSES

	31 December 2011 (VND)	31 December 2010 (VND)
Accrued convertible bond interest expenses	-	62,483,242,021
Accrued payables to Stock Exchange and Securities Custody Center	2,159,660,934	3,758,643,012
Payable to Custodian Bank	21,000,000	-
Payables to PVFC	7,755,626	91,874,435
Accrued expenses on reverse repurchase contracts and cooperation contracts	1,579,498,264	181,113,793
Payable to training, seminars and consulting expenses	260,000,000	1,400,000,000
Audit fee payable	896,079,600	592,770,750
Commission payable to partners	1,011,901,617	-
Others	246,427,512	538,578,185
	6,182,323,553	**69,046,222,196**

21. OTHER SHORT-TERM PAYABLES

	31 December 2011 (VND)	31 December 2010 (VND)
Payables of repurchase contracts	155,589,925,000	-
Payables of cooperation contracts	204,905,766,183	22,311,739,854
Payables to foreign customers	13,175,868,406	16,359,209,923
Short-term deposits of investors	4,685,000,000	-
Payables regarding securities purchases	36,356,801,104	-
Other payables	1,965,957,671	9,944,585,682
Total balance - Reported	**416,679,318,364**	**48,615,535,459**
Short-term unearned revenue (*)	-	(2,354,447,214)
Total balance - Restated	**416,679,318,364**	**46,261,088,245**

(*) In accordance with the guidance in the Circular 162/2010/TT-BTC issued by the Ministry of Finance on 20 October 2010, the Unearned revenue should be presented separately from Other short-term payables.

22. PAYABLES RELATING TO SECURITIES TRADING ACTIVITIES

	31 December 2011 (VND)	31 December 2010 (VND)
Payable to Hochiminh Stock Exchange	21,916,153,444	37,901,932,740
Securities trading payables to investors	555,811,471,398	797,609,275,510
- *Deposits for securities trading of investors at head office*	*415,294,012,656*	*502,359,236,030*
- *Deposits for securities trading of investors at Hanoi branch*	*60,188,344,404*	*129,743,140,621*
- *Deposits for securities trading of investors at other branches and offices*	*80,329,114,338*	*165,506,898,859*
	577,727,624,842	**835,511,208,250**

23. DIVIDEND AND INTEREST PAYABLES

	31 December 2011 (VND)	31 December 2010 (VND)
Dividend and coupon payables to other shareholders	4,045,926,173	2,480,517,407
Dividends payable to SSI shareholders	2,430,992,250	1,780,947,250
	6,476,918,423	**4,261,464,657**

24. BONUS AND WELFARE FUND

	VND
As at 1st January 2011	69,431,253,766
Creation of bonus and welfare fund	50,701,098,116
Utilization of bonus and welfare fund	30,067,551,245
As at 31 December 2011	**90,064,800,637**

Bonus and welfare fund are mainly utilized for rewarding and salary to the Company's Management, Board of Directors, Board of Supervision, employees and other welfare purposes.

25. OTHER LONG-TERM PAYABLES

	31 December 2011 (VND)	31 December 2010 (VND)
Petrol Vietnam Securities JSC.	-	13,000,000,000
Other long-term pledges and deposits	577,091,185	68,415,136
	577,091,185	**13,068,415,136**

Balance of other long-term payables is the deposit of Petrol Vietnam Securities & Investment Company (PSI) at Saigon Securities Incorporation for the purpose of trading securities with Saigon Securities Incorporation.

26. FUNDS RECEIVED FROM TRUST INVESTORS

	31 December 2011 (VND)	31 December 2010 (VND)
Funds received from trust investment portfolio management contracts	122,504,095,276	124,597,648,444
	122,504,095,276	**124,597,648,444**

All trust management contracts were managed by SSI Asset Management Company Limited, a subsidiary of the Company.

B09-CTCK

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2011 AND FOR THE YEAR THEN ENDED

27. OWNERS' EQUITY

27.1 Movements of Owners' Equity

	Chartered capital (VND)	Share premium (VND)	Other owners' capital (VND)	Treasury shares (VND)	Financial and statutory reserves (VND)	Undistributed earnings (VND)	Total (VND)
For the year ended 31 December 2011							
As at 1st January 2011	3,511,117,420,000	340,921,476,378	-	(12,365,677,000)	220,524,469,842	1,399,114,338,962	5,459,312,028,182
Capital supplement due to issuance of additional shares	15,000,000,000	-	-	-	-	-	15,000,000,000
Creation of statutory reserve and provision according to resolution of General Shareholders' Meeting for 2010	-	-	-	-	68,858,711,594	(68,858,711,594)	-
Creation of welfare fund according to resolution of Shareholders' Meeting	-	-	-	-	-	(50,701,098,116)	(50,701,098,116)
Distribution of 10% dividend for 2010 - under Resolution No, 01/2011/NQ-DHDCD dated 28 April 2011	-	-	-	-	-	(348,111,742,000)	(348,111,742,000)
Adjustment of Corporate Income Tax due to Tax Finalization for year 2010	-	-	-	-	-	1,929,271,735	1,929,271,735
Purchases of treasury shares	-	-	-	(76,225,609,000)	-	-	(76,225,609,000)
Additional corporate income tax for year 2010 according to Decision 4992/QD-CT by Department of Taxation	-	-	-	-	-	(50,179,757)	(50,179,757)
Other capital supplement since an associate purchased treasury shares	-	-	383,614,879	-	-		383,614,879
Profit after tax for the year ended 31 December 2011	-	-	-	-	-	79,129,012,745	79,129,012,745
As at 31 December 2011	**3,526,117,420,000**	**340,921,476,378**	**383,614,879**	**(88,591,286,000)**	**289,383,181,436**	**1,012,450,891,924**	**5,080,665,298,616**

	Chartered capital (VND)	Share premium (VND)	Treasury shares (VND)	Financial and statutory reserves (VND)	Undistributed earnings (VND)	Total (VND)
For the year ended 31 December 2010						
As at 1 January 2010	1,533,334,710,000	2,095,966,265,902	(449,664,524)	140,116,480,248	1,049,533,539,162	4,818,501,330,788
Additions to Corporate Income tax in pursuant with Tax Finalization 2008 and 2009					(2,776,148,543)	(2,776,148,543)
Supplemental capital due to conversion of convertible bonds	222,224,000,000	-	-	-		222,224,000,000
Bonus issuance to existing shareholders, ratio 1:1, sourced by Share premium	1,755,558,710,000	(1,755,558,710,000)	-	-	-	-
Purchases of treasury shares	-	-	(12,365,677,000)	-	-	(12,365,677,000)
Sales of treasury shares	-	513,920,476	449,664,524	-	-	963,585,000
Creation of statutory and financial reserve according to resolution of shareholders' meetings, made out of after-tax profit 2009	-	-	-	80,407,989,594	(80,407,989,594)	-
Creation of welfare fund according to resolution of shareholders' meetings, made out of after-tax profit 2009	-	-	-	-	(80,407,989,594)	(80,407,989,594)
Distribution of 2nd dividend 2009 according to resolution of shareholders' meetings	-	-	-	-	(175,555,871,000)	(175,555,871,000)
5% deferred tax of the unemployment allowance reserve excluded in calculation of Corporate income tax in 2008,	-	-	-	-	141,682,596	141,682,596
Profit after tax for year 2010	-	-	-	-	688,587,115,938	688,587,115,938
As at 31 December 2010	**3,511,117,420,000**	**340,921,476,378**	**(12,365,677,000)**	**220,524,469,842**	**1,399,114,338,962**	**5,459,312,028,182**

27.2 Additional information for Report on Movement of Owner's Equity

Items	Note
1 - Dividend proposed or announced after the report date but before the issuing date	None
2 - Cumulative unrecorded dividend of preference stocks	None
3 - Incomes and expenses, profit or loss that are recognized directly into Owner's Equity	None

27.3 Treasury shares

	31 December 2011	31 December 2010
Number of shares allowed to issue	**352,611,742**	**351,111,742**
Number of shares issued	**352,611,742**	**351,111,742**
Issued shares whose capital was fully contributed	352,611,742	351,111,742
- *Ordinary shares*	*352,611,742*	*351,111,742*
- *Preference shares*	-	-
Issued shares issued whose capital was not fully contributed	-	-
- *Ordinary shares*	-	-
- *Preference shares*	-	-
Number of treasury shares	**(3,000,000)**	**(399,770)**
Treasury shares held by the Company	(3,000,000)	(399,770)
- *Ordinary shares*	*(3,000,000)*	*(399,770)*
- *Preference shares*	-	-
Treasury shares held by subsidiaries of the Company	-	-
- *Ordinary shares*	-	-
- *Preference shares*	-	-
Number of shares under circulation	**349,611,742**	**350,711,972**
- *Ordinary shares*	*349,611,742*	*350,711,972*
- *Preference shares*	-	-

28. REVENUE

	Current year (VND)	Prior year (VND)
Revenue from business operations	**848,048,772,890**	**1,503,616,689,880**
Revenue from brokerage services	96,005,005,216	176,043,714,129
Revenue from securities investments and capital contribution	227,702,451,908	710,010,595,072
- *Dividends*	*102,012,851,566*	*85,226,610,964*
- *Bond coupons*	*76,681,221,020*	*86,296,822,398*
- *Bill coupons*	-	*238,888,889*
- *Gains from sales of shares and bond*	*27,069,379,734*	*513,321,632,833*
- *Gains from securities portfolio trusted to SSIAM*	*21,062,545,191*	*19,363,775,626*
- *Gains from other investment activities*	*876,454,397*	*5,562,864,362*
Revenue from underwriting services	6,420,000,000	13,140,023,320
Revenue from investment portfolio management services for trust investors	18,328,050,969	19,811,488,075
Revenue from advisory services	38,076,296,310	108,242,078,334
Revenue from securities custody services	2,487,230,802	2,421,084,957
Revenue from property lease	4,478,427,405	930,873,701
Others	454,551,310,280	473,016,832,292
- *Deposit interest*	*349,915,821,340*	*363,863,270,171*
- *Revenue from financing services*	*76,286,827,390*	*108,110,455,716*
- *Others*	*28,348,661,550*	*1,043,106,405*
Deductions	**5,850,000**	**250,000,000**
Net revenue	**848,042,922,890**	**1,503,366,689,880**

29. OPERATING EXPENSES

	Current year (VND)	Prior year (VND)
Brokerage and custody expenses	27,024,047,794	35,971,502,034
Securities investment expenses	112,128,653,441	38,178,928,212
Provision expenses	169,021,552,430	185,985,595,550
Capital costs	96,018,703,656	109,003,096,841
Investment advisory, financial advisory and other advisory expense	403,560,250	1,341,597,990
Other direct expenses for operating activities	252,177,221,777	221,844,852,008
- *Staff costs*	*112,668,098,962*	*104,823,936,168*
- *Office supplies*	*3,014,796,536*	*4,429,956,308*
- *Depreciation and amortization*	*36,429,144,908*	*26,093,891,419*
- *Outsourced services*	*65,943,561,622*	*55,214,691,945*
- *Office rental*	*32,629,956,289*	*29,445,252,699*
- *Other expenses*	*1,491,663,460*	*1,837,123,469*
	656,773,739,348	**592,325,572,635**

30. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year (VND)	Prior year (VND)
Staff costs	9,113,451,121	8,831,154,274
Depreciation and amortization	334,425,000	954,118,418
Provision expense	17,936,746,575	-
Outsourced services	554,236,050	1,360,316,914
	27,938,858,746	**11,145,589,606**

Provision expense is the impairment for coupon receivable of Vinashin bonds which were accrued in 2010 and provision for receivables from reversed repurchase agreements. Details are presented in the Note 9.

31. CORPORATE INCOME TAX (CIT)

Corporate income tax

The Company's tax reports are subject to examination by the tax authorities. As the application of tax laws and regulations to various types of transactions is susceptible to various interpretations, the amounts reported in the financial statements are subjected to later change according to final determination of the tax authorities.

31.1 Current corporate income tax

The current tax liability is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expenses that are taxable or deductible in other years as well as items which 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.

The estimated current corporate income tax for the year ended 31 December 2011 and the year end 31 December 2010 is represented in the table below:

	Current year (VND)	Prior year (VND)
Profit before tax	**126,604,379,877**	**902,819,486,257**
Adjustments	**(216,926,467,105)**	**(142,580,659,777)**
Adjustments to increase accounting profit	82,304,498,347	20,496,200,219
- *Loss from subsidiaries*	-	*386,803,686*
- *Provision expenses for unlisted share*	*45,025,264,646*	*20,109,396,533*
- *Loss from associates*	*36,599,141,321*	-
- *Non-deductible expenses*	*680,092,380*	-
Adjustments to decrease accounting profit	(299,230,965,451)	(163,076,859,996)
- *Profit from subsidiaries*	*(17,488,856,427)*	*(27,819,647,766)*
- *Profit from associates*	-	*(2,736,427,943)*
- *Income from CIT exempted activities – Dividends*	*(100,209,611,566)*	*(76,134,278,797)*
- *Reversion of provision expenses for unlisted shares (taxed in prior year)*	*(20,109,396,533)*	*(55,574,822,490)*
- *Reversion of provision expenses of associates*	*(160,611,417,925)*	-
- *Severance benefit expenses created before 2008, taxable in the current year*	*(811,683,000)*	*(811,683,000)*
Estimated current taxable income	**(90,322,087,228)**	**760,238,826,480**
Tax rate	25%	25%
- *Estimated CIT expenses of the Parent Company*	-	*190,059,706,620*
- *Estimated CIT expenses of the subsidiaries*	*3,937,863,518*	*5,640,977,343*
Current CIT payable	**3,937,863,518**	**195,700,683,962**
Opening CIT Payables	**17,494,080,074**	**48,781,140,010**
Adjustment for prior year CIT	(1,929,271,735)	3,342,878,926
Additional CIT for 2010 according to Decision 4992/QD-CT by the Department of Taxation	50,179,757	-
CIT paid in the period	(22,900,576,918)	(230,330,622,825)
Ending CIT payables	**(3,347,725,304)**	**17,494,080,074**

Tax losses carried forward

The Company is entitled to carry tax losses forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company has accumulated tax losses of VND 90,322,087,228 which is available for offset against future taxable profits. Details are as follows:

Originating year	Can be utilized up to	Tax loss amount (*) (VND)	Utilized up to 31 December 2010 (VND)	Unutilized at 31 December 2011 (VND)
2011	2016	**(90,322,087,228)**	-	**(90,322,087,228)**
Total		**(90,322,087,228)**	-	**(90,322,087,228)**

(*) Estimated tax loss as the Company's Corporate Income Tax declared for the year ended 31 December 2011 has not been audited by the local tax authorities at the balance sheet date.

At the date of consolidated financial statements, no deferred income tax assets were recognized in respect of the tax losses carried forward because future taxable profit to use up this tax loss is not ascertained.

31.2 Deferred corporate income tax

The following are the deferred tax assets and liabilities during 2011:

	Amount (VND)
Deferred tax assets	
As at 1 January 2011	5,532,841,362
Deferred CIT expense charged to severance benefit for 2008	(202,920,750)
Deferred CIT expenses of subsidiaries	3,000,624,998
As at 31 December 2011	**8,330,545,610**

Movement of deferred CIT payable during 2011 is presented below:

	Amount (VND)
Deferred tax payable	
As at 1 January 2011	881,886,941
Deferred CIT expense relating to subsidiaries	2,690,898,407
Deferred CIT expense relating to associates	40,020,086,647
As at 31 December 2011	**43,592,871,995**

32. NON-CONTROLLING INTERESTS

	Amount (VND)
As at 1 January 2011	72,881,886,941
Share of current year's profit	3,624,222,810
As at 31 December 2011	**76,506,109,799**

33. FINANCIAL RISK MANAGEMENT POLICIES

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to maintain an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for monitoring each of these risks associated with business activities which are summarized below.

33.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, short-term and available-for-sale investments.

The sensitivity analyses in the following sections relate to the position as at 31 December 2011 and 31 December 2010.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

In calculating the sensitivity analyses, the Management assumed that:

- The sensitivity of the balance sheet relates to available-for-sale debt instrument;
- The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held by the Company and its subsidiaries at 31 December 2011 and 31 December 2010.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cooperation contracts, trade and other receivables, cash and short-term deposits and financial loans and borrowings. These investments are mainly short term in nature and they are not held for speculative purposes. Financial liabilities has fixed interest rates.

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favorable for its purposes within its risk management limits.

Interest rate sensitivity

No analysis on interest sensitivity was performed for the year ended 31 December 2011 since a significant portion of borrowings are fixed rate during that period.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in which revenue or expense is denominated in a different currency from the Company's accounting currency.

Foreign currency sensitivity

At the reporting date, SSI Member Fund and SSI International Corporation, which are subsidiaries of the Company, possessed USD 3,459,652.21, equivalent to VND 72,057,636,230 as converted at interbank exchange rate effective on 31 December 2011 which is VND 20,828/USD. The 10% increase (or decrease) of the interbank exchange rate possibly results in an increase (or decrease) of VND 7,205,763,623 in the Company's total assets and net profit.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities.

At the reporting date, the fair value of listed shares is VND 793,579,840,028 (at 31 December 2010: VND 1,521,039,426,020). The 10% increase (or decrease) of market index possibly results in a respective increase (or decrease) of the Company's operating revenue, depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

33.2 Commodity price risk

The Company is not exposed to commodity price risk.

33.3 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company based on its established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. Due to the fact that the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's accounting and treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting date is the book value. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

33.4 Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents deemed adequate by the Management to

finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand (VND)	Less than 3 months (VND)	From 3 months to 12 months (VND)	From 1 to 5 years (VND)	Total (VND)
31 December 2011					
Loans and borrowings	-	-	-	-	-
Payables relating to securities trading activities	555,811,471,398	21,916,153,444	-	-	577,727,624,842
Accrued expenses	3,501,916,461	2,515,367,192	165,039,900	-	6,182,323,553
Other payable	220,047,509,259	196,631,809,105	-	-	416,679,318,364
	779,360,897,118	**221,063,329,741**	**165,039,900**	**-**	**1,000,589,266,759**
31 December 2010					
Loans and borrowings	-	-	2,000,000,000,000	-	2,000,000,000,000
Payables relating to securities trading activities	797,609,275,510	37,901,932,740	-	-	835,511,208,250
Accrued expenses	5,522,169,711	63,524,052,485	-	-	69,046,222,196
Other payable (*)	46,237,324,493	23,763,752	-	-	46,261,088,245
	849,368,769,714	**101,449,748,977**	**2,000,000,000,000**	**-**	**2,950,818,518,691**

(*) Restated. Details are presented in the Note 21.

The Company assessed the concentration of risk with respect to refinancing its debt, payables regarding securities trading activities are investors' deposits which are monitored separately from the Company's deposits and for which the Company always maintains an available cash balance at banks.

33.5 Collaterals

At the reporting date, the Company had committed to a number of repurchase contracts. List of assets used as underlying collaterals are presented as below.

Collateralized assets	Quantity	Start date	End date	Sales value	Repurchase value
BID1_206	525,000	30/12/2011	13/01/2012	52,281,600,000	52,451,700,000
BID1_206	525,000	28/12/2011	11/01/2012	52,223,325,000	52,406,025,000
BID1_206	500,000	15/12/2011	16/01/2012	49,935,000,000	50,601,000,000
HAG	10,000	24/05/2011	30/01/2012	440,000,000	685,696,000
SSIREIT	35,500	25/08/2011	30/01/2012	710,000,000	837,800,000
	1,595,500			**155,589,925,000**	**156,982,221,000**

In addition to this, as at 31 December 2011, the Company held VND 4,685,000,000 as customer's collaterals for contractual obligations of reversed repurchase contracts.

34. ADDITIONAL INFORMATION ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES UNDER CIRCULAR NO. 210/2009/TT-BTC

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") with effectiveness from financial years beginning on or after 1 January 2011.

The Circular 210 only regulates the presentation of financial statements and disclosures financial instruments, therefore, the below definitions of financial assets, financial liabilities and other relating definitions are applied solely for the preparation of this note. The Company's assets and liabilities are still recognized and recorded in accordance with Vietnamese Accounting Standards and System applicable to securities companies.

Financial assets

In accordance with the Circular 210/2009/TT-BTC, financial assets of the Company and its subsidiaries include cash, deposits at credit institutions, trading securities, available for sale securities, long-term investments, customer receivables and other receivables (excluding advances to customers).

Financial assets within the scope of Circular 210/2009/TT-BTC are classified, for disclosures in the notes to the consolidated financial statements, are classified into either of the followings:

- ***Financial asset at fair value through profit or loss:***

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

a) It is classified as held for trading. A financial asset is classified as held for trading if:
   - ✓ It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
   - ✓ There is evidence of a recent actual pattern of short-term profit-taking; or
   - ✓ It is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).

b) Upon initial recognition, it is designated by the entity as at fair value through profit or loss.

- ***Held-to-maturity investments***

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

a) Those that the entity upon initial recognition designates as at fair value through profit or loss;
b) Those that the entity designates as available for sale; and
c) Those meet the definition of loans and receivables.

- ***Receivables:***

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than:

a) Those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss;
b) Those that the entity upon initial recognition designates as available for sale; or
c) Those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale.

- ***Available-for-sale financial assets:***

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

a) Loans and receivables;
b) Held-to-maturity investments;
c) Financial assets at fair value through profit or loss.

Financial liabilities

Within the scope of Circular 210/2009/TT-BTC, financial liabilities of the Company and its subsidiaries include borrowings from credit institutions, customer's deposits, funds received from trust investors, accrued expenses and other payables.

B09-CTCK

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2011 AND FOR THE YEAR THEN ENDED

Set out below is a comparison between book value and fair value of the Company's financial instruments as presented in the financial statements:

	Book value		Provision		Fair value	
	31 December 2011 (VND)	31 December 2010 (VND)	31 December 2011 (VND)	31 December 2010 (VND)	31 December 2011 (VND)	31 December 2010 (VND)
Financial assets						
Financial assets at fair value through profit and loss	1,053,037,748,335	2,663,571,961,736	(303,123,545,516)	(227,958,435,891)	765,200,929,998	2,447,623,208,656
- *Held-for-trading investments*	*1,052,561,099,307*	*1,950,141,961,736*	*(303,123,545,516)*	*(227,958,435,891)*	*764,724,280,970*	*1,734,193,208,656*
Listed shares	873,223,160,334	1,156,347,569,054	(292,141,620,516)	(219,948,936,180)	596,368,266,998	948,408,315,685
Unlisted shares	93,173,000,000	571,005,729,998	(10,981,925,000)	(8,009,499,711)	82,191,075,000	562,996,230,287
Bonds (*)	86,164,938,973	222,788,662,684	-	-	86,164,938,973	222,788,662,684
- *Held-to-maturity investments*	*476,649,028*	*713,430,000,000*	-	-	*476,649,028*	*713,430,000,000*
Term deposits	476,649,028	713,430,000,000		-	476,649,028	713,430,000,000
Customer receivables and other receivables	413,336,477,680	827,758,835,312	(17,936,746,575)	-	395,399,731,105	827,758,835,312
Available-for-sale financial assets	1,128,856,979,464	1,439,817,191,957	(166,853,124,408)	(73,830,181,602)	965,167,175,937	1,402,329,932,406
- *Available-for-sale investments*	*1,128,856,979,464*	*1,439,817,191,957*	*(166,853,124,408)*	*(73,830,181,602)*	*965,167,175,937*	*1,402,329,932,406*
Listed shares	346,141,584,971	646,290,077,926	(133,643,284,762)	(61,649,284,780)	215,661,621,090	620,983,715,197
Unlisted shares	87,791,294,397	111,103,013,936	(14,220,179,920)	(12,180,896,822)	73,571,114,477	98,922,117,114
Bonds (*)	694,924,100,096	682,424,100,095	(18,989,659,726)	-	675,934,440,370	682,424,100,095
Other long-term investments	749,788,390,000	226,171,390,000	(833,500,000)	-	748,954,890,000	226,171,390,000
Cash and cash equivalents	1,945,764,811,547	2,969,211,607,544	-	-	1,945,764,811,547	2,969,211,607,544
Total	**5,290,784,407,026**	**8,126,530,986,549**	**(488,746,916,498)**	**(301,788,617,493)**	**4,820,487,538,587**	**7,873,094,973,918**
Financial liabilities (*)						
Loans and borrowings	-	2,000,000,000,000	-	-	-	2,000,000,000,000
Payables to securities trading activities	577,727,624,842	835,511,208,250	-	-	577,727,624,842	835,511,208,250
Payable to securities issuers	605,427,160	2,398,853,100	-	-	605,427,160	2,398,853,100
Accrued expense	6,182,323,553	69,046,222,196	-	-	6,182,323,553	69,046,222,196
Fund received from trust investors	122,504,095,276	124,597,648,444	-	-	122,504,095,276	124,597,648,444
Other payables	423,733,327,972	63,590,968,038	-	-	423,733,327,972	63,590,968,038
Total	**1,130,752,798,803**	**3,095,144,900,028**	**-**	**-**	**1,130,752,798,803**	**3,095,144,900,028**

(*) Fair value of these items is stated as book value since available information is insufficient to determine the fair value.

The fair value of the financial assets and financial liabilities are amounts at which the instrument can be exchanged in a current transaction between willing parties, other than in a mandatory liquidation or sale.

The following method and assumptions were used to estimate the fair value:

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of unlisted equity securities are referenced to average trading prices quoted on the trading market of unlisted public companies' securities (UPCoM) for registered members, or average price of public quotations from at least three securities companies as at 31 December 2011 for unregistered members.
- Fair value of bonds, loans with fixed or floating interest rate is undeterminable due to scarcity of information to apply proper pricing methods.

35. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the year of 2011 are:

Related parties	Relationship	Transactions	Amount (VND)
SSI Vision Fund	Associate	Brokerage service fee	3,101,131,542
Nguyen Duy Hung Company Ltd.	Chairman of SSI Board of Director is capital contributor of the limited company	Payment for principal and interest of convertible bonds	235,040,000,000
		Exercise of cooperation contract	81,593,173,271
		Proportionate/full liquidation of cooperation contract	52,139,768,582
		Dividend payout in cash	28,705,036,000
SSI Real Estates Joint stock (SSIRE)	Investiture having the same Chairman	Exercise of cooperation contract	108,917,436,855
		Proportionate/full liquidation of cooperation contract	48,814,192,344
		Principal payment of reverse repurchase contract	4,892,544,000
		Trading of bonds	39,150,000,000
		Office rental accrued	3,933,474,133
		Office rental paid	3,933,474,133
Pan Pacific Corporation	General Manager of Pan Pacific Corporation is Head of the Board of Supervisors in SSI	Payment for principal and interest of convertible bonds	83,200,000,000
		Exercise of cooperation contract	76,136,262,355
		Proportionate/full liquidation of cooperation contract	38,405,017,355
		Advance of securities sales	25,000,000,000
		Office rental and service fees accrued	1,369,733,777
		Office rental and service fees paid	1,333,697,623
Daiwa Securities Group Inc.	Strategic shareholder	Payment for principal and interest of convertible bonds	248,640,000,000
		Dividend payout in cash	35,471,420,000
ANZ Bank	Strategic Shareholder	Dividend payout in cash	61,934,420,000
Ben Tre SeaFood JSC	Associate Company	Received dividend	4,718,595,000
		Securities trading fee at SSI	223,465,912
		Business cooperation receivables	104,193,212,428
		Business cooperation received	98,140,439,509

Balances with related parties at 31 December 2011 are:

Related party	Relationship	Transactions	Receivables (VND)	Payables (VND)
SSI Real Estates Joint stock (SSIRE)	Investiture with the same Chairman	Capital contribution	14,999,990,000	-
		Excercise of cooperation contracts	-	61,205,780,079
		Interest payable of cooperation contract	-	180,579,666
Nguyen Duy Hung Company Ltd,	Chairman of SSI Board of Director is capital contributor of the limited company	Excercise of cooperation contracts	-	29,453,404,689
		Interest payable of cooperation contract	-	87,728,473
ANZ Bank	Strategic shareholder	Current accounts of investors	531,443,562	-
		Current accounts of the Company	2,315,082,474	-
Pan Pacific Corporation	General Manager of Pan Pacific Corporation is Head of the Board of Supervision of SSI	Business cooperation value	-	37,731,245,000
		Advance of securities sales	-	50,100,000,000
		Office rental	-	36,036,154
		Business cooperation interest receivable	-	367,211,321
		Capital contribution under equity method of accounting	54,939,092,152	-
Ben Tre Seafood JSC	Associate Company	Capital contribution under equity method of accounting	112,461,220,056	-
		Business cooperation receivable	7,153,858,819	-
		Business cooperation interest receivable	5,811,934	-
Hung Vuong Seafood JSC	Associate Company	Capital contribution under equity method of accounting	410,758,104,260	-
SSI Vision Fund	Associate Company	Capital contribution under equity method of accounting	483,846,448,559	-

Transactions with other related parties

Total remuneration of members of Board of Directors and Board of Management during 2011 is VND 12,426,781,224 (inclusive of personal income tax and compulsory insurance).

36. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss after tax attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The Company does not calculate and present diluted earnings per share due to unavailability of relevant guidance issued by Ministry of Finance or scarcity of necessary information in the active market.

The Company used the below information for calculation of basic earnings per share:

	Current year	Prior year
Profit after tax attributable to ordinary shareholders - VND	79,129,012,745	688,587,115,937
Weighted average of the number of ordinary share	348,408,905	347,449,772
Basic earnings per share - VND	227	1,982

37. SEGMENT INFORMATION

	Brokerage and customer services (VND)	Trading activities (VND)	Treasury activities (VND)	Fund management (VND)	Investment banking and others (VND)	Total (VND)
In 2011						
1. Gross revenue	121,532,222,571	243,162,673,129	431,511,323,730	18,328,050,969	49,522,776,267	864,057,046,666
2. Direct expenses	30,138,949,461	339,255,247,495	108,112,221,211	313,684,996	843,876,011	478,663,979,174
3. Depreciation and allocated expenses	147,133,917,176	23,316,825,552	36,787,123,862	18,050,317,907	33,500,503,118	258,788,687,615
Profit before tax	**(55,740,644,066)**	**(119,409,399,919)**	**286,611,978,657**	**(35,951,934)**	**15,178,397,138**	**126,604,379,877**
As at 31 December 2011						
1. Direct segment assets	767,607,023,824	3,865,893,491,022	1,406,121,827,080	159,425,542,267	2,323,014,127	6,201,370,898,320
2. Allocated segment assets	142,210,720,099	16,044,286,370	5,105,000,209	14,585,714,882	24,795,715,299	202,741,436,859
3. Unallocated assets	-	-	-	-	-	103,400,863,675
Total asset	**909,817,743,923**	**3,881,937,777,392**	**1,411,226,827,289**	**174,011,257,149**	**27,118,729,426**	**6,507,513,198,854**
1. Direct segment liabilities	575,836,850,809	86,925,553,444	366,792,198,183	162,706,660,240	6,274,656,295	1,198,535,918,971
2. Allocated segment liabilities	65,456,405,245	7,384,825,207	2,349,717,111	6,713,477,461	11,412,911,684	93,317,336,708
3. Unallocated liabilities	-	-	-	-	-	58,488,534,760
Total liabilities	**641,293,256,054**	**94,310,378,651**	**369,141,915,294**	**169,420,137,701**	**17,687,567,979**	**1,350,341,790,439**

38. COMMITMENTS AND CONTINGENCIES

38.1 Operating lease commitment

The Company leases office under operating lease arrangements. As at 31 December 2011, the rental payable under the operating lease agreements is as follows:

	31 December 2011 (VND)	31 December 2010 (VND)
Less than 1 year	24,863,298,120	28,106,295,744
From 1 - 5 years	63,931,012,480	80,387,468,112
More than 5 years	-	19,797,949,680

These leases above are based on the contract price effective at 31 December 2011.

38.2 Investment cooperation commitments

The Company participated in investment cooperation contracts with investors, in which the Company committed to contribute capital to buy shares.

The capital contribution commitments at 31 December 2011 and 31 December 2010 are as follows:

Branch	31 December 2011 (VND)	31 December 2010 (VND)
Head office (Hochiminh City)	11,805,335	3,236,811,628
Hanoi branch	736,125	148,387,638
Hai Phong	-	220,393,566
Nguyen Cong Tru	9,219,850	9,363,226
Nha Trang	-	13,812,998
Vung Tau	-	12,332,165
Quang Ninh	-	10,413,313
My Dinh	-	14,970,084
Ham Long	-	677,131,884
	21,761,310	**4,343,616,502**

38.3 Margin

During 2011, the Company started rendering margin services for investors. Accordingly, the Company's commitment to outstanding margin contracts as of 31 December 2011 and 31 December 2010 are as follows:

Branch	31 December 2011 (VND)	31 December 2010 (VND)
Head office (Hochiminh City)	2,466,749,515	-
Hanoi	4,524,849,695	-
Hai Phong	135,861,803	-
Nguyen Cong Tru	270,225,814	-
Nha Trang	69,622,417	-
Vung Tau	30,565,645	-
Quang Ninh	55,284,865	-
My Dinh	151,880,195	-
Ham Long	-	-
	7,705,039,949	**-**

39. EVENT AFTER THE BALANCE SHEET DATE

On 30 January 2012, Chairman of State Securities Commission granted the Amended license No. 72/GPDC-UBCK in supplement to the Securities Trading License No. 03/GPHDKD of Saigon Securities Incorporation to acknowledge its new chartered capital of VND 3,526,117,420,000 (Three thousand five hundred and twenty six billion, one hundred and seventeen million, four hundred and twenty thousand dong).

40. COMPARATIVE INFORMATION

The consolidated financial statements as at 31 December 2011 and for the year then ended are prepared in compliance with the 162/2010/TT-BTC dated 20 October 2010 by Ministry of Finance, Circular 210/2009/TT-BTC dated 6 November 2009 by Ministry of Finance, and hence, comparative figures as at 31 December 2010 have been restated to be in conformity with the presentation of this period's consolidated financial statements.

Preparer	Approver	Approver
Ms. Hoang Thi Minh Thuy Chief Accountant	Ms. Nguyen Thi Thanh Ha Chief Financial Officer	Mr. Nguyen Duy Hung Chief Executive Officer

Hochiminh City, Vietnam
19 March 2012

INTERNAL
AUDITOR'S OPINION

General opinion:

The Company's Financial Statements of 2011 fiscal year has reflected a true and fair view on the financial situation as at 31 December 2011, the profit and loss accounts and the cashflow statement in 2011, and in accordance with currently related documents. The Company's working capital and the financial safety ratios were always been maintained as regulated by the Ministry of Finance. Differences in accounting data were immediately improved, corrected according to the suggestions from the Internal Audit.

On behalf of SSI's Internal Audit
Director

Mr. Tran Duong Anh Viet



VII
OTHER DATA

Shareholder Information and Management Level 148
Corporate Information 154
Network 156

SHAREHOLDER INFORMATION AND MANAGEMENT LEVEL

Board of Directors/ Board of Supervisory

- Details on members and structure of Board of Directors (BOD) and Supervisory Board are presented in section "Organizational Structure".
- Members of BOD, BOS and Board of Management (BOM) and employees with a corporate governance certificate:

No.	Full name	Position	Certificate No.	Date of issuance
1	Nguyen Duy Hung	Chairman cum CEO	36 QTCT 21/QD-TTNC	12/11/2009
2	Nguyen Hong Nam	Deputy CEO	22 QTCT 122/QD-TTNC	29/01/2010
3	Ngo Van Diem	BOD's member	10 QTCT 53/QD-TTNC	07/05/2009
4	Bui Quang Nghiem	BOD's member	29 QTCT 158/QD-TTNC	08/09/2009
5	Nguyen Van Khai	Head of BOS	22 QTCT 123/QD-TTNC	29/01/2010
6	Ho Thi Huong Tra	BOS's member	18 QTCT 17/QD-TTNC	20/01/2010
7	Nguyen Thi Thanh Ha	CFO	38 QTCT 21/QD-TTNC	12/11/2009
8	Nguyen Kim Long	Legal & Internal control Director	31 QTCT 96/QD-TTNC	30/06/2009
9	Hoang Thi Minh Thuy	Chief Accountant	61 QTCT 96/QD-TTNC	30/06/2009
10	Tran Thi Thuy	Hanoi branch Director	37 QTCT 21/QD-TTNC	12/11/2009

The number of officers who have received training in corporate governance in 2011 decreased by 1 person compared to 2010 as related the Government agency did not organize any training courses during 2011 and one employee left the company. The foreign BOD members also experienced difficulties in attending the training course because the language and training materials used in the course were in Vietnamese.

Shareholder Information

Sai Gon Securities Incorporation's stocks are listed on the Ho Chi Minh Stock Exchange with the code of SSI and are centrally deposited in the Vietnam Securities Depository – Hochiminh City branch.

Stocks: As at 30/01/2012, the Chartered Capital of SSI was VND 3,526,117,420,000 divided into 352,611,742 common stocks with the par value of VND 10,000. The Company did not issue any other but common stocks. The number of fund securities as at 30/1/2012 was 3,000,000 stocks.

Shareholders' structure: The Company's shareholders' structure and the share ownership percentage rate of internal shareholders are presented in 02 appendix of this Annual Report. The data was updated with the final list of shareholders as at 31/08/2011 and the announcement on the issuance for key employees as at 29/12/2011.

Appendix 1: Trading statistics of Inside shareholders/ major shareholders and affiliated person

Stock tradings:

No	Trader	Affiliated person (AP)	Number of shares before trading	Owner-ship (*)	Number of shares after trading	Owner-ship (*)	Description
1	Pan Pacific Corp.	Mr. Nguyen Van Khai, Head of BOS	999,960	0.285%	660,000	0.188%	Expected date of transaction from 09/12/2010 to 09/2/2011 Transaction report on 28/1/2011
2	Pan Pacific Corp.	Mr. Nguyen Van Khai, Head of BOS	660,000	0.188%	-	0.000%	Expected date of transaction from 17/02/2011 to 17/04/2011 Transaction report on 14/4/2011
3	Nguyen Duy Hung Co. Ltd.,	Major shareholder as well as be company owned by Mr. Nguyen Duy Hung, Chairman cum CEO	28,505,036	8.119%	28,705,036	8.175%	Expected date of transaction from 18/11/2010 to 17/01/2011 Transaction report on 18/01/2010
4	Dang Phong Luu	BOS Member	208,840	0.059%	8,840	0.003%	Transaction registered on 21/7/2011 Transaction report on 03/8/2011
5	Dang Phong Luu	BOS Member	8,840	0.003%	16,840	0.005%	Buying shares following Employee Stock Ownership Plan in December 2011
6	Nguyen Duy Hung	Chairman cum CEO	-	0.000%	186,000	0.053%	Buying shares following Employee Stock Ownership Plan in December 2011
7	Nguyen Hong Nam	BOD Member cum Deputy CEO	15,687,968	4.468%	15,747,968	4.466%	Buying shares following Employee Stock Ownership Plan in December 2011
8	Ngo Van Diem	BOD Member	20,000	0.006%	40,000	0.011%	Buying shares following Employee Stock Ownership Plan in December 2011
9	Nguyen Van Khai	Head of BOS	100,012	0.028%	115,012	0.033%	Buying shares following Employee Stock Ownership Plan in December 2011

No	Trader	Affiliated person (AP)	Number of shares before trading	Owner-ship (*)	Number of shares after trading	Owner-ship (*)	Description
10	Ho Thi Huong Tra	BOS Member	12,168	0.003%	20,168	0.006%	Buying shares following Employee Stock Ownership Plan in December 2011
11	Hoang Thi Minh Thuy	Chief Accountant	200	0.000%	20,200	0.006%	Buying shares following Employee Stock Ownership Plan in December 2011

Note: (*) Calculated on chartered capital at time of changing number of owned shares

Other tradings: (Trading statistics of Inside shareholders/ major shareholders and affiliated person)

Trader	Affiliated Person	Transaction	Trading Volume (VND)
SSI Vision Fund	Associate	Revenue from brokerage services	3,101,131,542
Nguyen Duy Hung Co. Ltd.,	Major shareholder as well as be company owned by Mr. Nguyen Duy Hung, Chairman cum CEO	Payment for principal and interest of convertible bond	235,040,000,000
		Payment for dividend in cash	28,705,036,000
		Payment from Cooperation Contract	81,593,173,271
		Payment for Cooperation Contract	52,139,768,582
SSI Real Estates Joint Stock Company	Invested by SSI and the having the same Chairman with SSI	Payment from Cooperation Contract	108,917,436,855
		Payment for Cooperation Contract	48,814,192,344
		Trading of Vnecobond	39,150,000,000
		Principal payment of reverse repurchase contract	4,892,544,000
		Expense for real estate rent to be paid	3,041,414,338
		Expense for leased real estate had been paid	3,041,414,338
SSI Asset Management Co. Ltd.,	Company 100% owned by SSI	Investment trust was received	962,163,549,666
		Investment trust was liquidated	101,055,090,125
		Profit was transferred to the holding company	50,000,000,000
		Portfolio management fees were deducted in the period	7,893,412,410
		Portfolio management fees were paid in the period	14,960,883,295
ANZ	Major shareholder and affiliated person of BOD member	Payment for dividend in cash	61,934,420,000
Daiwa Securities Group Inc.	Major shareholder and affiliated person of BOD member	Payment for convertible bond and interest	248,640,000,000
		Payment for dividend in cash	35,471,420,000
Pan Pacific Corp.	BOS member	Payment principal and interest of convertible bond	83,200,000,000
		Advance payment from buying securities	25,000,000,000
		Payment from Cooperation contract	76,136,262,355
		Payment for Cooperation contract	38,405,017,355
		Expense for Warehouse rent and service charges payable	1,369,733,777
		Expense paid for Warehouse rent and service charges	1,333,697,623
Nguyen Hong Nam	BOD Member	Payment for dividend in cash	15,687,968,000
Ngo Van Diem	BOD Member	Payment for dividend in cash	20,000,000
Bui Quang Nghiem	BOD Member	Payment for dividend in cash	177,920,000
Nguyen Van Khai	Head of BOS	Payment for dividend in cash	100,012,000
Ho Thi Huong Tra	BOS Member	Payment for dividend in cash	12,168,000
Dang Phong Luu	BOS Member	Payment for dividend in cash	8,840,000
Hoang Thi Minh Thuy	Chief Accountant	Payment for dividend in cash	200,000

Appendix 2: Shareholder structure and ownership on 30/01/2012

Structure and ownership of major shareholders on updating chartered capital of VND 3,526,117,420,000:
(The updated based on the list of shareholders on 31/08/2011, which was finalized by the Vietnam Securities Depository in order to pay dividend in 2010 and the issuance for key employees as at 29/12/2011)

Shareholder Structure:

Items	Local Shareholders		Foreign Shareholders		Total	
	Value	Ratio (%)	Value	Ratio (%)	Value	Ratio (%)
Total Chartered Capital	1,871,753,600,000	53.083%	1,654,363,820,000	46.917%	3,526,117,420,000	100.000%
State ownership	-	-	-	-	-	-
Founding shareholders	-	-	-	-	-	-
Major shareholders (≥ 5%)	287,050,360,000	8.141%	974,058,400,000	27.624%	1,261,108,760,000	35.765%
Shareholders (from 1% to < 5%)	382,861,080,000	10.856%		0.000%	382,861,080,000	10.858%
Shareholders (<1%)	1,171,842,160,000	33.233%	680,305,420,000	19.293%	1,852,147,580,000	52.527%
Company Labour Union ownership	-	-	-	-	-	-
Treasury shares	30,000,000,000	0.850%	-	-	30,000,000,000	0.850%

Major shareholders' ownership percentage after raising chartered capital on 30/01/2012

No	Full name/ Institutional names	Affiliated person	No. of shares holding	Ownership percentage (calculated on chartered capital of VND 3,526,117,420,000)
1	Australia and New Zealand Banking Group	Major shareholder	61,934,420	17.564%
2	Daiwa Securities Group Inc.	Major shareholder	35,471,420	10.060%
3	Nguyen Duy Hung Co. Ltd.,	Major shareholder	28,705,036	8.141%
4	Nguyen Duy Hung	Chairman cum CEO	186,000	0.053%
5	Nguyen Hong Nam	BOD Member cum Deputy CEO	15,747,968	4.466%
6	Ngo Van Diem	BOD Member	40,000	0.011%
7	Bui Quang Nghiem	BOD Member	177,920	0.050%
8	Alistair Marshall Bulloch	BOD Member	0	0.000%
9	Yoshio Urata	BOD Member	0	0.000%
10	Dam Bich Thuy	BOD Member	0	0.000%
11	Nguyen Van Khai	Head of BOS	115,012	0.033%
12	Ho Thi Huong Tra	BOS Member	20,168	0.006%
13	Dang Phong Luu	BOS Member	16,840	0.005%
14	Hoang Thi Minh Thuy	Chief Accountant	20,200	0.006%

The above data based on:

i. List of Saigon Securities Inc. shareholders on 31/08/2011 – payment for dividend in 2010, finalized by the Vietnam Securities Depository;
ii. Report on issuance for key employees on 28/12/2011, which was summited to State Securities Commission of Vietnam, Ho Chi Minh Stock Exchange, and Vietnam Securities Depository.
iii. Disclosure of trading information by major shareholders and inside shareholder (if any).

CORPORATE INFORMATION

Corporate information	
Company name:	Saigon Securities Incorporation
BOD Chairman cum CEO:	Mr. Nguyen Duy Hung
Incorporation Date:	30/12/1999
Chartered Capital (VND) (as at 30/1/2012):	VND 3,526,117,420,000
Head-quarter:	72 Nguyen Hue, District 1, Hochiminh City
No. of employees (as at 31/12/2010):	400 including 124 employees having securities trading certificates

Share information	
No. of common shares outstanding (as at 30/01/2012)	352,611,742
No. of treasury shares (as at 30/01/2012)	3,000,000
Exchange:	Hochiminh Stock Exchange (HOSE)
Ticker:	SSI
Market Price (close price on 30/12/2011):	VND 13,700
Cash dividend in 2010:	10%
Execution date:	22/09/2011
Ex- right trading date:	29/08/2011
Record date for registered shareholders entitled to cash dividend:	31/08/2011
Chartered capital raise due to issuance for key employees	VND 15,000,000,000
Close date of issuance	28/12/2011
No. of issued shares	1,500,000
Par value	10,000
Kind of share	Common and retricted transfer
Time of restriction on transfer	From 28/12/2011 to 28/12/2012
Continued listing	1,500,000 shares
Continued listing date	19/01/2012
Continued transaction date	After ending up the restriction on transfer

Contact information

Corporate Communications – Saigon Securities Inc.

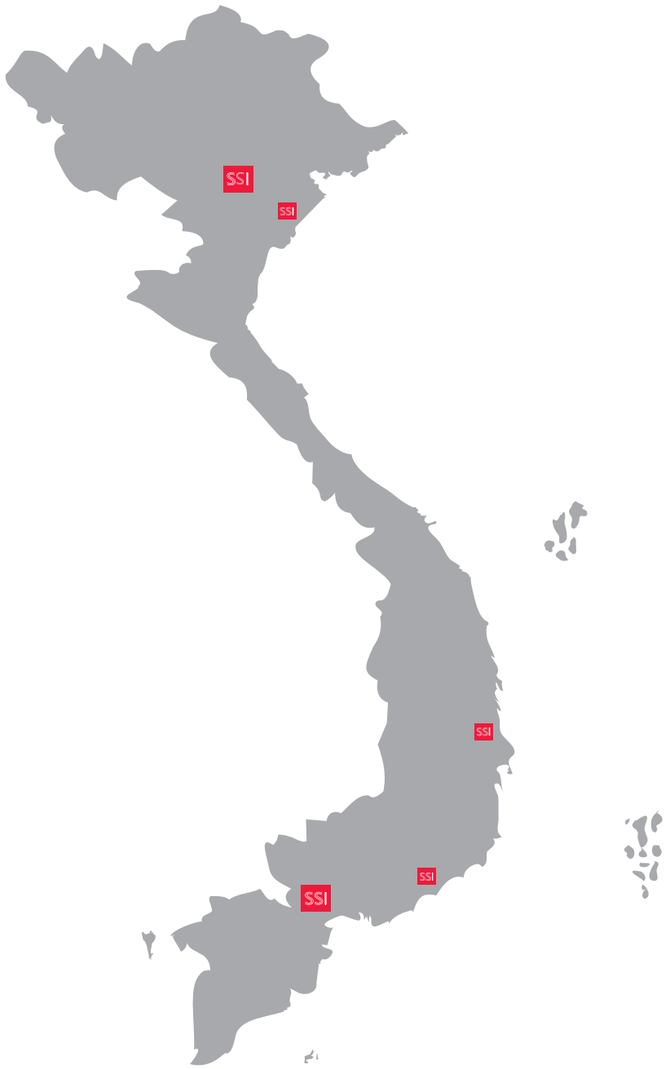
1C Ngo Quyen, Hoan Kiem, Hanoi, Vietnam

Tel: +84 4 3936 6321 Fax: +84 4 3936 6311

www.ssi.com.vn/InvestorRelations/

Email: pr@ssi.com.vn

NETWORK



HEADQUARTER:
72 NGUYEN HUE, DISTRICT 1, HOCHIMINH CITY
TEL: +84 8 3824 2897
FAX: +84 8 3824 2997

NGUYEN CONG TRU BRANCH
92-94-96-98 NGUYEN CONG TRU, DISTRICT 1, HOCHIMINH CITY
TEL: +84 8 3821 8567
FAX: +84 8 3821 3867

VUNG TAU BRANCH
4 LE LOI, VUNG TAU CITY
TEL: +84 64 352 1906
FAX: +84 64 352 1907

NHA TRANG BRANCH
LEVEL 3, QUEEN BUILDING, 50 LE THANH PHUONG, NHA TRANG CITY, KHANH HOA PROVINCE
TEL: +84 58 381 6969
FAX: +84 58 381 6968

SAIGON SECURITIES INC. BRANCH AT HANOI
1C NGO QUYEN, HOAN KIEM DISTRICT, HANOI
TEL: +84 4 3936 6321
FAX: +84 4 3936 6311

MY DINH BRANCH
THE MANOR BUILDING – MY DINH, ME TRI, TU LIEM, HANOI
TEL: +84 4 3794 6699
FAX: +84 4 3794 6677

HAI PHONG BRANCH
22 LY TU TRONG, HONG BANG DISTRICT, HAIPHONG CITY
TEL: +84 31 356 9123
FAX: +84 31 356 9130

TRAN BINH TRONG TRANSACTION OFFICE
25 TRAN BINH TRONG, HOAN KIEM DISTRICT, HANOI
TEL: +84 4 3941 3383
FAX: +84 4 3941 3385

HONG BANG TRANSACTION OFFICE
NO 769, HONG BANG ROAD, WARD 6, DISTRICT 6, HOCHIMINH CITY
TEL: +84 8 3969 5898
FAX: +84 8 3969 5894

SSI ASSET MANAGEMENT COMPANY LTD.
1C NGO QUYEN, HOAN KIEM DISTRICT, HANOI
TEL: +84 4 3936 6321
FAX: +84 4 3936 6337