



e-IR NEWSLETTER No.06 – Q3/2009

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**THUDUC HOUSING DEVELOPMENT
CORPORATION**



CANTAVIL PREMIER PROJECT - DISTRICT 2

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IR TEAM

Mr. Le Chi Hieu – CEO - Head of Investor Relations Team

Email: thuduchouse@hcm.vnn.vn

Mr. Nguyen Khac Son – Manager of Finance Department – Deputy Head of Investor Relations Team

Email: khacson@hcm.vnn.vn

Ms. Quan Diem Trang – Finance Department

Email: trangquan@thucduchouse.com

Website: www.thuduchouse.com

Head office: 384 Vo Van Ngan Street, Binh Tho Ward, Thuduc District, HCMC

Tel: 84 – 8 – 38966 676 Fax: 84 – 8 - 38961 123

Branch: 74 Pham Ngoc Thach Street, Ward 6, District 3, HCMC

Tel: 84 – 8 – 38202 775 Fax: 84 – 8 – 38202 776

e-IR NEWSLETTER

THUDUC HOUSE NEWS

GROUND BREAKING CANTAVIL PREMIER PROJECT:

On September 8th 2009, Daewon – Thu Duc Housing Development Joint Stock Company formally celebrated the ground breaking ceremony for Cantavil Premier Project – Phase 2, located at District 2, HCMC with total investment capital of 47 million USD. According to the approved master plan, Cantavil Premier will include two blocks of 36 floor and two basements on the total land area of 11,170.3 sqm. The detailed information of project as follows:

- 1st floor – 3rd floor: International commercial centre and children playground
- 4th floor – 5th floor: Food court and modern cinema.
- 6th floor – 7th floor: Offices for lease.
- 8th floor – 9th floor: Swimming pool, public amenities and other services.
- 10th floor – 36th floor: Apartments and Penthouse (184 high grade apartments and 16 penthouses).

Cantavil Premier Project with modern architecture style and high aestheticism will promise to bring residents a civilized, comfortable, friendly and pure living environment.



✚ STARTING CONSTRUCTION OF MARKET C:

After six years of operation, Thuduc Agricultural Wholesale Market has affirmed its position as one of three largest wholesale markets in HCMC. Being aware of the importance and effect of market business, Thuduc House continued to start construction of market C on September 25th 2009.

Total investment capital of market C is 30 bn VND, built on land area of 6,277.8 sqm, total floor construction area of 3,095.8 sqm with 70 kiosks and each kiosk has the area between 9.9 sqm to 16 sqm. Market C will be served for traders specializing in food – agricultural products and types of flowers. The expected completion period is in Q1/2010.



✚ STARTING CONSTRUCTION OF TDH-PHUOC BINH APARTMENT BUILDING:

In the morning of September 26th 2009, Thuduc House formally started construction of TDH-Phuoc Binh Apartment Building, located at Phuoc Binh Ward, District 9, HCMC.

This is a favorable position with dense and crowded residents; convenient for move around the central city. TDH-Phuoc Binh includes 13 floor with 86 apartments, built on the land area of 2,324.7 sqm with total expected investment capital of 108.7 bn VND.



CONSOLIDATED INCOME STATEMENT

Unit: Billion VND

CONTENT	QUARTER 3			NINE MONTHS ENDED			COMMENT
	2008	2009	% Change	2008	2009	% Change	
1. Net sales and services	103.476	153.693	Up 48.53%	323.530	379.992	Up 17.45%	* In Q3/2009, the company recognized the revenue from following projects: - Binh An 2 project: 109.5 bn VND - Binh Chieu project: 12.8 bn VND - Kiosk for lease of Market A and Market B: 9.7bn VND
2. Gross profit	46.062	89.616	Up 94.56%	154.796	204.219	Up 31.93%	
3. Net operating profit	44.839	107.027	Up 138.69%	127.901	228.583	Up 78.72%	* In comparison with the same period of 2008, revenue of financial activities increases 206.7%, mainly comes from earnings of stock investment activity of 21.1 bn VND * In Q3/2009, the company refunded provision for reduction of long-term investment securities of 1.05 bn VND. Until 30/9/2009, provision for reduction of listed stocks is 16.3 bn VND
4. Pre-tax Profit	46.651	144.200	Up 209.10%	132.751	269.879	Up 103.3%	*In comparison with Q3/2008, other income in Q3/2009 increases due to the difference of assets re-evaluation of land usage right of 36.4 bn VND
5. After-tax profit	32.869	118.862	Up 261.62%	85.277	222.982	Up 161.48%	
6. After-tax profit of Parent company's shareholders (*)	32.366	118.251	Up 265.35%	84.116	219.623	Up 161.1%	
7. Earning per share (EPS)	1,425.21	2.610,81	Up 83.18%	4,143.04	6,147.67	Up 48.39%	

(*): Including: profit is divided to corporate business and capital contribution parties: Q1/2009 is 11.2 bn VND + Q2/2009 is 866.8 million VND + Q3/2009 is 52.3 bn VND

CONSOLIDATED BALANCE SHEET

Unit: Billion VND

CONTENT	1/1/2009	30/9/2009	COMMENT
A. Current assets	703.519	821.043	
1.1 Cash and cash equivalents	103.748	105.983	Including: - Cash: 1.39 bn VND - Cash in bank: 76.2 bn VND - Cash equivalent: 28.3 bn VND
1.2 Short-term financial investment	80.807	36.328	Including: - Flexi deposit: 1.5 bn VND - Short-term loans: 34.4 bn VND
1.3 Receivables	123.011	249.882	Including: - Customer Receivables: 157.4 bn VND - Advanced payments to suppliers : 41.9 bn VND - Other receivables: 50.5 bn VND (mainly comes from capital receivables, dividends and divided profits of 31.5 bn VND)
1.4 Inventories	395.311	425.783	Higher due to cost for work in progress up 8.27% in comparison with the beginning of the year, mainly from the projects such as TDH-Truong Tho apartment building, TDH-Phuoc Binh apartment building, TDH-Phuoc Long apartment building, Hiep Phu apartment building ...
B. Non - current assets	729.460	932.675	
2.1 Fixed assets	76.628	69.164	Lower due to: - Tangible fixed assets reduced from 58.2 bn VND to 50.8 bn VND - Intangible fixed assets decreased from 5.3 bn VND to 3.1 bn VND
2.2 Long-term financial investment	624.495	836.240	Higher. Compare Q3/2009 with Q2/2009 due to: - Investing into subsidiary entities increase from 49.8 bn VND to 111.8 bn VND, mainly from investing into Phuc Thinh Duc Investment Co., Ltd. - Investing into associate and joint venture companies: increase from 149.8 bn VND to 240 bn VND, mainly from investing into Phong Phu Development Investment JSC and Daewon-Thuduc Housing Development JSC.
TOTAL ASSETS:	1,432.980	1,753.719	

CONSOLIDATED BALANCE SHEET

Unit: Billion VND

CONTENT	1/1/2009	30/9/2009	COMMENT
<u>A. LIABILITIES:</u>	411.688	561.623	
<i>1. Short-term liabilities</i>	200.874	327.696	
1.1 Short-term borrowings	14.000	11.000	Lower when comparing Q3/2009 to Q2/2009: - The company already paid short-term loans of 26.8 bn VND to EXIMBANK
1.2 Tax and other payables	39.050	49.047	Corporate income tax must pay for Q3/2009 is 48.05 bn VND
1.3 Deferred revenue	123.255	195.091	
<i>2. Long-term liabilities</i>	210.813	233.927	
2.1 Other long-term payables	143.588	158.669	
2.2 Long-term borrowings	66.536	74.350	
<u>B. OWNER'S EQUITY:</u>	1,001.009	1,175.956	
<u>I. Owner's equity</u>	986.949	1,162.534	
+ Legal capital	252.500	252.500	
+ Capital surplus	509.135	561.349	Increasing 52.2 bn VND due to recognized from selling treasury stocks
+ Treasury stocks	-68.488	0.000	Due to the sale of all treasury stocks
+ Financial provident funds	27.539	26.322	
+ Retained earnings	153.112	115.932	
<u>II. Budget Sources:</u>	14.059	13.422	
<u>C. PROFIT OF MINORITY SHAREHOLDERS</u>	20.283	16.138	
<u>TOTAL CAPITAL SOURCES</u>	1,432.980	1,753.719	

LIST OF OTC STOCKS (As of 30/09/2009)

No.	COMPANY	NUMBER OF SHARE	INVESTMENT VALUE	NOTES
1.	Orient Commercial Bank (OCB)	2,655,650	26,556,500,000	Strategic shareholder
2.	Housing Development Commercial J.S Bank (HDB)	6,466,967	64,669,670,000	Strategic shareholder
3.	ThuDuc Water BOO Corporation	5,000,000	50,000,000,000	Foundation shareholder
4.	Da Nui Nho Joint Stock	37,611	1,018,086,200	Investment. Prepare to be listed in 2010
5.	An Binh Commercial Bank	2,951	29,510,000	Investment
6.	Thua Thien Hue Import – Export Joint Stock Company	300,000	4,500,000,000	Strategic shareholder
7.	Golden Lotus Securities Corporation	2,688,800	23,220,200,000	Foundation shareholder
8.	Viet Long Fund Management	3,000,000	30,450,000,000	TDH bought 1,500,000 shares; the remaining shares mandated by other company.
9.	The Civil Engineering Construction & Investment Joint Stock 135	1,728,000	27,936,000,000	Strategic shareholder. Prepare to be listed in 2010
10.	Phong Phu Corporation	2,700,000	33,779,700,000	Strategic shareholder
11.	HCMC Housing Development & Property Business Joint Stock	240,000	2,400,000,000	Foundation shareholder
12.	Hue House Construction and Development Corporation	200,000	2,000,000,000	
	TOTAL		266,559,666,200	

+ THUDUC HOUSE ADVANCED 1ST DIVIDEND PAYMENT FOR 2009

- Ex-right date: August 26th 2009
- Record date: August 28th 2009
- Purpose: Advance 1st dividend payment in cash for 2009
- Dividend pay-out ratio: 15%/ par value (1,500 VND/share)
- Payment date: September 21st 2009

THUDUC HOUSE WILL ISSUE 12.625 MILLION ADDITIONAL BONUS SHARES WITH THE RATIO 2:1

According to the BOD's Resolution of Thuduc Housing Development Corporation (Thuduc House), the company will issue 12.625 million additional bonus shares for the existing shareholders in order to increase charter capital from 252.5 bn VND to 378.75 bn VND, with the ratio 2:1 (a shareholder owned 2 shares will receive 1 share).

Whole bonus shares will be registered additionally on Ho Chi Minh City Stock Exchange (HOSE), the expected time is in Q4/2009.

BOD unifies to celebrate unusual shareholder's meeting to approve the plan by getting shareholders' idea in writing.

THE FINAL RECORD DATE FOR GETTING SHAREHOLDERS' IDEA IN WRITING

- Ex-right date: October 2nd 2009
- Final record date : October 6th 2009
- Purpose: Getting shareholders' idea in writing of distributing bonus shares for existing shareholders with ratio 2:1 and registering to list additional issuing shares in Ho Chi Minh City Stock Exchange (HOSE).
- Execution date: October 15th 2009 – October 31st 2009.

INFORMATION ON PROGRESS OF PROJECTS

(As of September 30th 2009)

No	Project Name	Total Investment Capital	Area (sqm)	Usage Area (sqm)	Amount of kiosks/ apartments	Progress
1	Projects are being carried out					
1	TDH - Truong Tho Apartment Building - HCMC (TDH:100%)	314 Bil VND	6,994	25,645	262 apartments	* Being finished the project
2	Cantavil Phase 2 - HCMC (TDH: 40%)	60 Mil USD	11,170	* Apartment: 26,140sqm * Office for lease & commercial center: 23,723sqm	184 apartments and 16 penthouses	* Already ground breaking on August 9th 2009
3	La Sapinette Project - Da Lat City (TDH:39%)	150 Bil VND	7,902	* Commercial center: 5.214m2 * Hotel: 91 rooms		* Already finished the construction. Being finished the project * According to the plan, the project will be put into operation in Q4/2009. * Currently, the rate of premise rent is 90% for commercial center.
4	Market B (TDH: 100%)	45 Bil VND	21,438	5,340	258 kiosks	* Already signed lease contract about 85% on total area of kiosks
5	Market C (TDH:100%)	30 Bil VND	6,278	1,900	70 kiosks	* Already started construction on August 25th 2009 * Already executed pile joints and ground beams. * Being prepared to pour ground floor
6	TDH - Phuoc Binh Apartment Building - HCMC (TDH: 100%)	108.7 Bil VND	2,325	7,297	86 apartments	* Already started construction on August 26th 2009 * Being implemented pile joints

INFORMATION ON PROGRESS OF PROJECTS

(As of September 30th 2009)

No	Project Name	Total Investment Capital	Area (sqm)	Usage Area (sqm)	Amount of kiosks/ apartments	Progress
II Projects are going to be invested						
1	TDH - Phuoc Long Apartment Building - HCMC (TDH:100%)	146 Bil VND	3,573	12,173		* Already pressed pile joints * Currently, the Design Consultant is studying to choose method of pile joints on the large scale
2	Centum Wealth High-Grade Apartment (TDH: 51%)	60 Mil USD	11,582	44,319	343 apartments	* Being implemented basic design
3	TDH - Binh Chieu Apartment Building - HCMC (TDH:51%)	422 Bil VND	10,502	na		* Being designed
4	Minh Khai Project - Ha Noi (TDH: 14%)	94,3 Mil USD	28,726	Office and Commercial Center: 28,875 sqm Apartments: 76,668 sqm Garden Houses: 3,600 sqm		* Already approved master plan * Being set up procedure of land transfer
5	Dong Mai Industrial Zone - Ha Noi (TDH: 10%)	1,265 Bil VND	2,250,000	na		* Doing procedures to transfer the land purpose from industrial zone to residential area
6	Gia Kiem Industrial Zone - Thong Nhat District - Dong Nai province (TDH: 51%)	Na	1,000,000	na		* Submitting master plan 1/2000

INFORMATION ON PROGRESS OF PROJECTS

(As of September 30th 2009)

No	Project Name	Total Investment Capital	Area (sqm)	Usage Area (sqm)	Progress
II	Projects are going to be invested				
7	Phuoc Long B Residential & Commercial Project (TDH: 50%)	1,000 bil.VND	37,140	na	* Being Executed master plan 1/500 and assessed the value of the land
8	Office, Commercial, Hotel & Apartment for lease - Lang Co - Hue (TDH:100%)	150 Mil USD	137,840	na	* Already had decision of land withdrawal. * Being tested actual state and put compensate price for residents.
9	Ben Luc Project - Long An (Phase 2) (TDH:49%)	234,4 Bil VND	267,000	125,803	* Already compensated about 80% * Being leveled premises and invested other infrastructure
10	Tam Tan Project - Cu Chi (TDH:40%)	1,012 Bil VND	200,000	na	* Executing investment procedures
11	Phuoc Long A Apartment Building (TDH: 70%)	105 Bil VND ⁽²⁾	14,680	na	* Already signed investment corporation contract * Executing investment procedures
12	La Sapinette Resort - Hue province	na	50,000	na	* Already approved construction site * Being submitted investment license and set up the company

Notes: (1) & (2): Compensation payments for factory land, not including land use right money which pays to the Government

INSIDER TRADING AND AFFILIATED PERSON:

No	TRADER	OWNING VOLUME BEFORE TRADING (Shares)	VOLUME REGISTERED TO BUY/SELL (Shares)	OWNING VOLUME AFTER TRADING (Shares)	TRADING PERIOD
1	DAEWON-THUDUC HOUSING DEVELOPMENT JOINT STOCK COMPANY (Affiliated Person: Mr. Pham Dinh Khang Position: Member of BOM – Vice General Director)	106,590	Sell 106,590	0	12/10/2009 - 31/03/2010
2	EXIMBANK (Affiliated Person: Mr. Ton That Dien Khoa Position: Member of Board of Supervisors)	576,150	Buy 200,000	776,150	20/8/2009 - 20/11/2009
3	PHAM QUOC THANG (Affiliated Person: Mr. Pham Dinh Khang Position: Member of BOM – Vice General Director)	157,242	Sell 157,240	2	24/09/2009
4	PHONG PHU CORPORATION (Affiliated Person: Mr. Tran Quang Nghi Position: Member of BOM)	271,700	Sell 101,700	170,000	01/09/2009
5	EXIMBANK (Affiliated Person: Mr. Ton That Dien Khoa Position: Member of Board of Supervisors)	876,150	Sell 300,000	576,150	17/08/2009
6	PHONG DUC CONSTRUCTION CO. LTD (Affiliated Person: Mr. Pham Dinh Khang Position: Member of BOM – Vice General Director)	212,900	Sell 212,900	0	12/08/2009
7	TRAN THI TIEN (Affiliated Person: Mr. Tran Quang Nghi Position: Member of BOM)	114,914	Sell 114,910	4	22/07/2009

✚ TRADING RESULTS OF MAJOR SHAREHOLDERS:

❖ Red River Holding:

- Owing volume before trading: 1,419,940 shares ; owning ratio: 5.62 %
- Owing volume after trading: 1,689,060 shares ; owning ratio: 6.69 %
- Trading period: 11/06/2009 – 24/07/2009.

❖ Citigroup Global Market Ltd (CGML) & Citigroup Global Market Financial Product Ltd (CGMFP):

- Owing volume before trading: 1,251,973 shares ; owning ratio: 5.22 %
- Owing volume after trading: 1,191,973 shares ; owning ratio: 4.97 %
- Trading period: 04/09/2009

❖ Deutsche bank Aktiengesellschaft, Deutsche Asset Management (Asia) Limited:

- Owing volume before trading: 1,801,281 shares ; owning ratio: 7.13 %, including:
 - Deutsche bank Aktiengesellschaft: 703,411 shares; owing ratio 2.78%
 - Deutsche Asset Management (Asia) Ltd: 1,097,870 shares; owing ratio 4.35%
- Owing volume after trading: 1,953,091 shares ; owning ratio: 8.14 %; including:
 - Deutsche bank Aktiengesellschaft: 862,111 shares; owing ratio 3.60%
 - Deutsche Asset Management (Asia) Ltd: 1,090,980 shares; owing ratio 4.54%
- Trading period as of September 17th 2009

TRADING OF TREASURY STOCK OF PARENT COMPANY:

- Owning volume before trading:: 1,250,226 shares
- Volume registered to sell: 1,250,226 shares
- Owning volume after trading: 0 shares
- Finish date: October 2nd 2009.

PROPERTY - FINANCE NEWS

PROPERTY NEWS

- **TRADING HOUSES AT CHEAP PRICE IS EXEMPTED FROM PAYING INCOME TAX**

Ministry of Finance has just promulgated Circular No. 181 dated September 15th 2009, instructs tax exemption and reduction according to the stimulus program of the Government, and comes into effect on October 28th 2009. Thus, business income items which are exempted in 2009 include: income from investing, trading houses for rent to pupils, students and workers or houses for sale to low-income people.

Before now, the Government also decided to allow individuals, organizations, enterprises that trade house for low-income being reduced 50% value added tax (VAT) from July 22nd 2009 to December 31st 2009.

- **COLLECT TAX FOR INCOMES FROM REAL ESTATE TRANSFERENCE**

According to Circular No.161, instructs individuals income tax for transference cases, inheritance receipt situations, presents that are property, promulgated in the middle of August in 2009 by Ministry of Finance; individuals who have valid documents and regular receipts to make ground for determination, will pay tax rate of 25% on taxable income. The remaining cases will be applied tax rate of 2%. The 2% level is based on land price which is set by People's Committee of provinces and cities.

FINANCE NEWS

• **SITUATION OF FOREIGN INVESTMENT IN THE NINE MONTHS OF 2009**

In the first nine months of 2009, it's estimated that foreign direct investment (FDI) disbursed 7.2 bn USD, equivalent to 88.9% in comparison with the year 2008. By comparison with the target of disbursement of 10 bn USD in 2009, on the whole foreign direct investment projects which are executing in accordance with the expected progress.

According to the report received, in the first nine months of 2009, the country has 583 new projects which are issued with Investment Certificate with total registered capital of 7.67 bn USD. That figure is only equal to 14.3 % compared with the same period of 2008; but so 7.67 bn USD is also rather high figure in current situation of economic crisis.

In the first nine months of 2009, there are 168 projects which raise investment capital with the additional registered capital of 486 bn USD, increasing 7% in comparison with the same period 2008, expressing belief of the investment in recovery and development potentiality of Vietnam economy.

To add new issue and increased capital, in the first nine months of 2009, the foreigners registered to invest into Vietnam with 12.541 bn USD, equivalent to 21.4% in comparison with the same period 2008.

(Source: Foreign Investment Agency)

• **REAL ESTATE CREDIT: LOWER HEAT, CHOOSE FOCUS**

Mr. Nguyen Ngoc Bao, Head of Monetary Policies Department (State Bank of Vietnam), says that credit growth still expects about 30% in this year. Currently, credit growth is about 26%, thus the speed of the end months of this year will be slow.

According to the data from representative of State Bank of Vietnam; credit growth of investment loan activities, property business continue to increase but the speed was slow in comparison with mutation in the end of Q2/2009.

Concretely, until August, outstanding loans is about 157,000 bn VND, increasing 14% in comparison with the beginning of the year, account for nearly 11% on total outstanding loans of whole system for economy. In there, the highest ratio is loans to buy and

repair houses, occupying 48,000 billion VND; urban construction or office construction investment borrows 20,000 billion VND for each sector.

According to the opinion of leaders of some commercial banks, outstanding loans for house purchase, property investment and trade is actively kept the level under 15% on total outstanding loans. Obviously, limits and disbursement depend on each time and consider risky factors.

(Source: Vneconomy)

- **KEEP BASIC INTEREST RATE AT 7%**

According to State Bank of Vietnam, basic interest rate continues to maintain at 7% from October 1st 2009. On that basic, maximum mobilization interest rate and lending interest rate are 10.5%/year. According to the latest statistic, short-term lending interest rate in VND is common from 9.5 to 10.5%/year, middle and long-term is widespread at 10-10.5%/year.