18 December 2009

VinaLand Limited

Audited financial results for the twelve months ended 30 June 2009

VinaLand Limited (the 'Company' or 'VNL'), the AIM-quoted investment vehicle established to target key growth segments within Vietnam's emerging real estate market, including residential, office, retail, industrial, and leisure projects, today announces its audited financial results for the twelve months ended 30 June 2009 ('the Period').

Financial highlights

- Net loss for the period of USD201.6 million, due to unrealised write-downs reflecting market conditions (2008: USD248.2 million net profit).
- Net Asset Value ('NAV') of USD660 million (2008: USD 804 million).
- Losses per share (basic and diluted) of USD0.26 for the period.
- Cash and cash equivalents as at 30 June 2009 of USD50.3 million.
- Low debt at fund level (7.6 percent of NAV); total project-level debt 17.0 percent of NAV.

Operational highlights

- Sale of stake in Hilton Hanoi Opera Hotel for IRR of 23 percent.
- Residential sales underway at four projects – Central Gardens, The Garland, Golden Westlake and The Ocean Villas.
- Two hotels – Sheraton Nha Trang Hotel and Spa, and Mercure Hanoi La Gare – nearing completion.
- Robert Gordon and Michael Arnold joined the Board as independent directors

Commenting, Don Lam, Director of VinaLand Limited, said:

"Despite the continuation of tough conditions over the past year, VNL has maintained its position as the leading foreign investor in Vietnam's burgeoning real estate sector. I am pleased with the Company's progress over the Period - particularly as regards to our residential projects, in which we have witnessed strong demand and rising prices. We will continue to pursue our strategy of focusing on the most profitable urban districts whilst maximising returns through divestment from selected projects."

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Notes to Editors:

VinaCapital Group is a leading asset management, investment banking and real estate consulting firm with unrivalled experience in the Vietnamese market. VinaCapital Group was founded in 2003 and has grown from a single USD10 million fund to a diversified investment firm with over USD1.8 billion in assets under management as of October 2009.

VinaCapital Investment Management Ltd manages three closed-end funds trading on the AIM Market of the London Stock Exchange. These are:

- Vietnam Opportunity Fund (VOF) is a USD833 million diversified investment fund that has consistently been among the top performing Vietnam funds.
- VinaLand Limited (VNL) is a USD655 million real estate fund that was the top performing Vietnam investment fund in 2008.
- Vietnam Infrastructure Limited (VNI) is a USD265 million fund established in July 2007 as the first overseas fund to invest solely in Vietnam's infrastructure sector.

VinaCapital also co-manages the USD32 million DFJ VinaCapital technology venture capital fund with Draper Fisher Jurvetson, and owns a dominant stake in VinaSecurities JSC, a brokerage. More information is available at www.vinacapital.com.

More information on VNL is available at www.vinacapital.com/vnl.

Chairman's Statement

Dear shareholders,

We are pleased to present the annual report of VinaLand Limited (AIM: VNL.L) for the year ended 30 June 2009.

Vietnam's real estate market was among the sectors most visibly affected by the tightened financial policies implemented by the government in early 2008 to control run-away inflation. By the beginning of the 2009 financial year, inflation had peaked at almost 30 percent year-on-year. Under strict credit controls, real estate project financing all but dried up and speculators disappeared from the market.

Residential housing prices, led by high-end condominiums, were the first to suffer, with price declines of 30-40 percent and a much lower volume of transactions. Then, following the onset of the global financial crisis in the second half of 2008, the office and hotel sectors also saw reduced performance.

Finally, the expected 2008 increase in retail sector development following WTO commitments to open the retail market did not materialise, as major international retailers facing great pressure in their home markets halted expansion plans.

In early 2009, therefore, it was not surprising to see investor confidence sapped to the breaking point. VNL at the end of March 2009 traded at a substantial discount of 79 percent. Investors around the world clearly did not have confidence that real estate investment funds would be able to realise and return their declared values.

However, international sentiment did not match actual events in Vietnam. Furthermore, throughout the ups-and-downs of the market over the past two years, VNL has in fact been remarkably stable in its performance. VNL's net asset value declined by 17.9 percent to USD660 million (USD1.32 per share) at 30 June 2009, from USD804 million (USD1.61 per share) at 30 June 2008. This essentially means the fund gave up most of the USD176 million in gains recorded during the 2008 financial year. At the end of 2007, the fund's NAV stood at USD628 million, some 5.1 percent below where it stands now.

The nearly level performance of the fund over the past two years – in the face of considerable market turbulence – is due to several factors, including VNL's conservative valuation policy, the low debt at project holding company level and lack of leverage at the fund level, as well as the continued ability to move projects forward and realise exits even in the midst of a 'down' market. The manager's report on the following pages will describe these points in more detail. Of importance to note here is that, despite the broader market slowdown, positive progress was recorded in the past year on numerous VNL projects.

During 2009, construction work began on three projects, bringing the number of projects under construction to nine, including two hotels – the Sheraton Nha Trang Hotel and Spa, and Mercure Hanoi La Gare Hotel – both due to open in the fourth quarter of 2009.

In the third quarter of 2009, the marketing and sale of residential units at the Central Garden, Golden Westlake and The Ocean Villas (Danang Beach Resort) saw positive results. The strong sales bode very well for VNL's immediate prospects, as the fund has numerous residential projects that will help meet the pent-up demand for new, modern living space in Vietnam.

Beyond residential unit sales, other deal activity has also picked up. Shortly after the financial year ended, VNL announced the sale of its equity stake in the Hilton Hanoi Opera Hotel, and other exits are being finalised and will be announced soon.

VNL continues to benefit from the excellent team of investment managers, which was strengthened this year by the addition of David Henry as Managing Director of VinaCapital Real Estate Ltd. At the board level, two new independent directors were added, with Michael Arnold and Robert Gordon replacing NK Tong and Bruno Schopfer.

As a much more positive picture of Vietnam's growth prospects emerged at the end of the 2009 financial year, VNL's depressed share price began to look like an unprecedented bargain. One investor that took advantage of this was the VinaCapital Vietnam Opportunity Fund Ltd (AIM: VOF.L), which announced its intention to acquire shares in VNL given their undervalued price and excellent potential over the medium to long term.

Clearly, the depressed trading in VNL shares in early 2009 did not match the potential of the fund to generate investor returns. The directors of the fund, along with the investment manager, remain convinced as ever that VNL's diversified portfolio of real estate assets remains the best means of gaining exposure to the inevitable growth and transformation of Vietnam's built environment.

Thank you for your continued support.

Horst Geicke
Chairman
VinaLand Limited

18 December 2009

Consolidated Balance Sheet

	Note	**30 June 2009 USD'000**	30 June 2008 USD'000 (Reclassified)
ASSETS			
Non-current			
Investment properties	8	**489,068**	579,356
Property, plant and equipment	9	**72,161**	135,106
Intangible assets	10	**12,091**	6,421
Investments in associates	11	**104,764**	26,270
Goodwill	12	**-**	2,939
Prepayments for operating lease assets	13	**17,334**	19,635
	14		
Prepayments for acquisitions of investments		**66,097**	88,512
Deferred tax assets		**286**	310
Other long-term financial assets		**1,112**	1,077
Non-current assets		**762,913**	859,626
Current			
Inventories		**146**	310
Trade and other receivables	15	**109,901**	146,750
Receivables from related parties	16	**2,572**	21,930
Short-term investments	17	**34,888**	57,027
Financial assets at fair value through income statement	18	**46,298**	61,924
Cash and cash equivalents	19	**50,274**	80,806
Current assets		**244,079**	368,747
Assets classified as held for sale	21	**85,321**	-
Total assets		**1,092,313**	1,228,373

	Note	30 June 2009	30 June 2008
		USD'000	USD'000 (Reclassified)
EQUITY			
Equity attributable to shareholders of the parent			
Share capital	22	**4,999**	4,999
Additional paid-in capital	23	**588,870**	588,870
Revaluation reserve	24	**10,799**	13,844
Translation reserve		**(16,147)**	(4,623)
Retained earnings		**72,008**	201,437
		660,529	804,527
Minority interests		**166,445**	219,868
Total equity		**826,974**	1,024,395
LIABILITIES			
Non-current			
Long-term borrowings and debts	25	**21,841**	21,673
Long-term payables to related party	29	**65,018**	66,367
Deferred tax liabilities	26	**14,629**	29,959
Other liabilities		**912**	1,044
Non-current liabilities		**102,400**	119,043
Current			
Short-term borrowings and debts	27	**20,584**	275
Trade and other payables	28	**74,354**	34,491
Payable to related parties	29	**49,943**	50,169
Current liabilities		**144,881**	84,935
Liabilities included in disposal group held for sale	21	**18,058**	-
Total liabilities		**265,339**	203,978
Total equity and liabilities		**1,092,313**	1,228,373
Net assets per share attributable to equity shareholders of the parent (USD per share)	38	**1.32**	1.61

Consolidated Statement of Changes in Equity

	Equity attributable to shareholders of the parent					Minority interests	Total equity
	Share capital USD'000	Additional paid-in capital USD'000	Revaluation reserve USD'000	Translation reserve USD'000	Retained earnings USD'000	USD'000	USD'000
1 July 2007	4,999	588,870	777	(530)	34,756	54,011	682,883
Currency translation	-	-	-	(4,093)	-	(1,957)	(6,050)
Revaluation gains on buildings (Note 24)	-	-	13,067	-	-	11,633	24,700
Net income/(expense) recognised directly in equity	-	-	13,067	(4,093)	-	9,676	18,650
Profit for the year ended 30 June 2008	-	-	-	-	167,698	80,485	248,183
Total recognised income and expense for the year	-	-	13,067	(4,093)	167,698	90,161	266,833
Acquisitions of subsidiaries	-	-	-	-	-	34,768	34,768
Capital contributions in subsidiaries	-	-	-	-	-	41,981	41,981
Reduction in retained earnings on liquidation of subsidiary	-	-	-	-	(1,017)	(340)	(1,357)
Dividend distribution to minority interests	-	-	-	-	-	(713)	(713)
30 June 2008	4,999	588,870	13,844	(4,623)	201,437	219,868	1,024,395
1 July 2008	**4,999**	**588,870**	**13,844**	**(4,623)**	**201,437**	**219,868**	**1,024,395**
Currency translation	**-**	**-**	**-**	**(11,524)**	**-**	**(6,129)**	**(17,653)**
Revaluation losses on buildings (Note 24)	**-**	**-**	**(3,045)**	**-**	**-**	**(2,544)**	**(5,589)**
Net expenses recognised directly in equity	**-**	**-**	**(3,045)**	**(11,524)**	**-**	**(8,673)**	**(23,242)**
Losses for the year ended 30 June 2009	**-**	**-**	**-**	**-**	**(129,429)**	**(72,194)**	**(201,623)**
Total recognised income and expense for the year	**-**	**-**	**(3,045)**	**(11,524)**	**(129,429)**	**(80,867)**	**(224,865)**
Acquisitions of subsidiaries	**-**	**-**	**-**	**-**	**-**	**12,553**	**12,553**
Capital contributions in subsidiaries	**-**	**-**	**-**	**-**	**-**	**15,935**	**15,935**
Dividend distribution to minority interests	**-**	**-**	**-**	**-**	**-**	**(1,044)**	**(1,044)**
30 June 2009	**4,999**	**588,870**	**10,799**	**(16,147)**	**72,008**	**166,445**	**826,974**

Consolidated Statement of Income

	Note	Year ended 30 June 2009 USD'000	30 June 2008 USD'000 (Reclassified)
Revenue		**28,014**	35,968
Cost of sales	30	**(15,711)**	(17,916)
Gross profit		**12,303**	18,052
Operating, selling and administration expenses	30	**(35,611)**	(76,508)
Net (losses)/gains on fair value adjustments of investment properties	31	**(153,544)**	274,520
Other net changes in fair value of financial assets at fair value through income statement	32	**(4,754)**	16,869
Other income	33	**2,591**	44,605
Other expenses	34	**(38,067)**	(11,594)
Operating (loss)/profit from continuing operations		**(217,082)**	265,944
Financial income	35	**11,972**	18,751
Financial costs	36	**(6,735)**	(6,991)
Share of (losses)/profits of associates	11	**(3,342)**	53
		1,895	11,813
(Loss)/profit from continuing operations before tax		**(215,187)**	277,757
Tax income/(expense)	37	**13,564**	(29,574)
Net (loss)/profit for the year from continuing and total operations		**(201,623)**	248,183
Attributable to equity shareholders of the parent		**(129,429)**	167,698
Attributable to minority interests		**(72,194)**	80,485
		(201,623)	248,183
Earnings per share – basic and diluted (USD per share)	38	**(0.26)**	0.34

Consolidated Statement of Cash Flows

	Note	**30 June 2009 USD'000**	30 June 2008 USD'000 (Reclassified)
Operating activities			
Net (loss)/profit for the year before tax		**(215,187)**	277,757
Adjustments	39	**198,636**	(327,957)
Net (loss)/profit before changes in working capital		**(16,551)**	(50,200)
Change in trade and other assets		**48,906**	(167,585)
Change in inventory		**131**	(34)
Change in trade and other liabilities		**15,432**	142,065
Cash and cash equivalents classified as held for sale assets		**(19,858)**	-
Corporate income tax paid		**(1,352)**	(1,854)
Cash flow from operating activities		**26,708**	(77,608)
Investing activities			
Interest received		**7,420**	16,546
Purchases of investment property, plant, equipment, and other non-current assets		**(80,023)**	(69,618)
Acquisitions of subsidiaries, net of cash	7	**(7,189)**	(59,707)
Proceeds from disposals of property, plant and equipment		**-**	108
Proceeds from disposals of investments		**5,132**	10,188
Deposits for acquisitions of investments		**(11,664)**	(5,214)
Proceeds/(purchases) of financial assets		**10,873**	(22,220)
Investments in associates	11	**(61,962)**	(26,217)
Acquisitions of long-term assets		**(5,774)**	(7,284)
Proceeds/(deposits) from/for short-term investments		**22,139**	(57,027)
Net cash receipts from related parties for real estate projects		**16,072**	13,046
Cash flow from investing activities		**(104,976)**	(207,399)
Financing activities			
Additional capital contributions from minority shareholders		**15,935**	-
Loan proceeds from banks		**42,305**	22,197
Loan repayments to banks		**(8,488)**	(6,343)
Dividends paid to minority interests		**(1,044)**	(450)
Loans proceeds from minority shareholders		**1,481**	-
Interest paid		**(2,453)**	(489)
Cash flow from financing activities		**47,736**	14,915
Net change in cash and cash equivalents		**(30,532)**	(270,092)
Cash and cash equivalents at the beginning of the year		**80,806**	350,898
Cash and cash equivalents at end of the year	19	**50,274**	80,806

Notes to the Consolidated Financial Statements

1 General information

VinaLand Limited is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands. The Company's primary objective is to focus on key growth segments within Vietnam's emerging real estate market, namely residential, office, retail, industrial and leisure projects in Vietnam and the surrounding countries in Asia. The Company is listed on the AIM Market of the London Stock Exchange under the ticker symbol VNL.

The consolidated financial statements for the year ended 30 June 2009 were authorised for issue by the Board of Directors on 18 December 2009.

2 Statement of compliance with IFRS and adoption of new and amended standards and interpretations

2.1 Statement of compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.2 Changes in accounting policies

2.2.1 Overall considerations

The IASB and the International Financial Reporting Interpretations Committee have issued various standards and interpretations with an effective date after the date of this financial information. The Group has not early adopted the standards and interpretations that have been issued as they are not yet effective. The most relevant for the Group are amendment to IAS 1 (Revised 2007) "Presentation of the Financial Statements" (effective for annual periods beginning on or after 1 January 2009), and IFRS 8 "Operating Segments" (effective for annual periods beginning on or after 1 January 2009).

The adoption of IAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. Upon adoption of IFRS 8, the Group will disclose segmental information when evaluating performance and deciding how to allocate resources to operations.

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the consolidated financial statements in the period of initial application.

Annual Improvements 2008

The IASB has issued Improvements for International Financial Reporting Standards 2008. Most of these amendments become effective in annual periods beginning on or after 1 January 2009. The Group has opted for early adoption of IAS 23 Borrowing Costs (Revised 2007) and IAS 40 Investment Property (Amended) to the consolidated financial statements. Smaller amendments are made to several other standards, however, these amendments are not expected to have a material impact on the Group's consolidated financial statements.

2.2.2 Early adoptions of revised and amended standards

IAS 23 Borrowing Costs (Revised 2007)

IAS 23 Borrowing Costs (Revised 2007) requires the capitalisation of borrowing costs to the extent they are directly attributable to the acquisition, production or construction of qualifying assets that need a substantial period of time to get ready for their intended use or sale. In accordance with the transitional provisions, no retrospective restatement of borrowing costs has been made. Borrowing costs have been capitalised only for qualifying assets that primarily related to some of the Group's development projects.

Adoption of IAS 40 Investment Property (Amended)

The amended standard introduces changes to classify the property that is being constructed or developed for future as an investment property to investment property. Where the fair value model is applied, such property under construction is measured at fair value if reliably measurable. The Group applies IAS 40 Investment Property (Amended) to investment properties under construction provided that the fair values of these investment properties under construction can be determined.

2.2.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

IFRS 3 Business Combinations (Revised 2008) (effective from 1 July 2009)
The standard is applicable for business combinations occurring in reporting periods beginning on or after 1 July 2009 and will be applied prospectively. The new standard introduces changes to the accounting requirements for business combinations, but still requires use of the purchase method, and will have a significant effect on business combinations occurring in reporting periods beginning on or after 1 July 2009. The Group is required to adopt Revised IFRS 3 for business combinations when the acquisition date is on or after 1 July 2009, with prospective application required.

IAS 27 Consolidated and Separate Financial Statements (Revised 2008)
(effective from 1 July 2009)
The revised standard introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. The Group's directors do not expect the standard to have a material effect on the Group's consolidated financial statements.

IAS 1 Presentation of the Financial Statements (Revised 2007)
(effective for annual periods beginning on or after 1 January 2009)
The revised standard introduces changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. Disclosures are made for capital management objectives, policies and procedures in each annual financial report, capital movements and other gains and losses, which presented separately in the statement of changes in equity and statement of recognised income and expenses. The Group selects to adopt IAS 1 (Revised) from the effective date of the standard.

IFRS 8 Operating Segments
(effective for annual periods beginning on or after 1 January 2009)
The new standard, which replaces IAS 14 Segment Reporting, requires more comprehensive segmental information to be disclosed in evaluating performance and deciding how to allocate resources to operations. The Group selects to adopt the IFRS 8 from the effective date of the standard.

Amendment to IFRS 7 Financial Instruments: Disclosures: Improving disclosures about financial instruments (effective for annual periods beginning on or after 1 January 2009)
The amendment requires enhanced disclosures regarding fair value measurements and liquidity risk. It will not affect the financial position of the Group but will give rise to additional disclosures.

3 Summary of significant accounting policies
3.1 Presentation of consolidated financial statements

The consolidated financial statements are presented in United States Dollars (USD) and all values are rounded to the nearest thousand ('000) unless otherwise indicated.

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The consolidated financial statements have been prepared using the historical cost convention, as modified by the revaluation of investment property, leasehold land and certain financial assets and financial liabilities, the measurement bases of which are described in the accounting policies below.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain accounting estimates and assumptions. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4 to the consolidated financial statements.

3.2 Basis of consolidation

The consolidated financial statements of the Group for the year ended 30 June 2009 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

3.3 Subsidiaries

Subsidiaries are all entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. In assessing control, potential voting rights that presently are exercisable or convertible, along with contractual arrangements, are taken into account. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that the control ceases.

In addition, acquired subsidiaries are subject to application of the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their revalued amounts, which are also used as the basis for subsequent measurement in accordance with the Group's accounting policies. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Negative goodwill is immediately allocated to the statement of income as at the acquisition date.

All inter-company balances and significant inter-company transactions and resulting unrealised profits or losses (unless losses provide evidence of impairment) are eliminated on consolidation.

A minority interest represents the portion of the profit or loss and net assets of a subsidiary attributable to an equity interest that is not owned by the Group. It is based upon the minority's share of post-acquisition fair values of the subsidiary's identifiable assets and liabilities, except where the losses applicable to the minority in the subsidiary exceed the minority interest in the equity of that subsidiary. In such cases, the excess and further losses applicable to the minority are taken to the consolidated statement of income, unless the minority has a binding obligation to, and is able to, make good the losses. When the subsidiary subsequently reports profits, the profits applicable to the minority are taken to the consolidated statement of income until the minority's share of losses previously taken to the consolidated statement of income is fully recovered.

Changes in ownership interests in a subsidiary that do not result in gaining or losing control of the subsidiary are accounted for using the parent entity method of accounting whereby the difference between the consideration paid and the proportionate change in the parent entity's interest in the carrying value of the subsidiary's net assets are recorded as changes in goodwill. No adjustment is made to the carrying value of the subsidiary's net assets as reported in the consolidated financial statements.

3.4 Associate entities

Associates are those entities over which the Group is able to exert significant influence, generally accompanying a shareholding of between 20% to 50% of voting rights, but which are neither subsidiaries nor investments in joint ventures. In the consolidated financial statements, investments in associates are initially recorded at cost and subsequently accounted for using the equity method.

Under the equity method, the Group's interest in an associate is carried at cost and adjusted for the post-acquisition changes in the Group's share of the associate's net assets less any identified impairment loss, unless it is classified as held for sale or included in a disposal group that is classified as held for sale. The consolidated statement of income includes the Group's share of the post-acquisition, post-tax results of the associate entity for the year, including any impairment loss on goodwill relating to the investment in associate recognised for the year.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has legal or constructive obligations, or made payments, on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group, plus any costs directly attributable to the investment.

Goodwill is included within the carrying amount of an investment and is assessed for impairment as part of the investment. After the application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. At each balance sheet date, the Group determines whether there is any objective evidence that an investment in an associate is impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount of the associate and its respective carrying amount.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in an associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

3.5 Functional and presentation currency

The consolidated financial statements are presented in United States Dollars (USD) ("the presentation currency"). The financial statements of each consolidated entity are prepared in either USD or the currency of the primary economic environment in which the entity operates ("the functional currency"), which for most investments is United States Dollars. USD is used as the presentation currency because it is the primary basis for the measurement of the performance of the Group (specifically changes in the Net Asset Value of the Group) and a large proportion of significant transactions of the Group are denominated in USD.

3.6 Foreign currency translation

In the individual financial statements of entities, transactions arising in currencies other than the functional currency of the individual entity are translated at exchange rates in effect on the transaction dates. Monetary assets and liabilities denominated in currencies other than the functional currency of the individual entity are translated at the exchange rates in effect at the balance sheet date. Translation gains and losses and expenses relating to foreign exchange transactions are recorded in the consolidated statement of income.

In the consolidated financial statements all separate financial statements of subsidiaries, if originally presented in a currency different from the Group's presentation currency, are converted into USD. Assets and liabilities are translated into USD at the closing rate of the balance sheet date. Income and expenses are converted into the Group's presentation currency at the average rates over the reporting period. Any differences arising from this translation are charged to the currency translation reserve in equity.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated at the balance sheet date). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

3.7 Revenue recognition

Sale of goods and rendering of services
Revenue from sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership of goods have passed to the buyer. Revenue from services rendered is recognised in the statement of income in proportion to the stage of completion of the transaction at the balance sheet date. No revenue is recognised if there are significant uncertainties regarding the ultimate receipt of the proceeds or the reasonable estimation of the associated costs of the sale, or the possibility of the return of the goods.

In relation of the hotel and related hotel services, revenue is recognised as and when the services are rendered.

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

Interest income
Interest income is recognised on an accrual and effective yield basis.

Dividend income
Dividend income is recorded when the Group's right to receive the dividend is established.

3.8 Expense recognition

Borrowing costs
Borrowing costs, comprising interest and related costs, are recognised as an expense in the period in which they are incurred, except for borrowing costs relating to qualifying assets that need a substantial period of time to get ready for their intended use or sale to the extent that they are directly attributable to the acquisition, production or construction of such assets. These costs are capitalised as a cost of the related assets from 1 January 2009. No retrospective restatement is made for borrowing costs that have been expensed for qualifying assets before 1 January 2009.

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

3.9 Goodwill

Goodwill represents the excess of the cost of acquisition of subsidiary companies and associated companies over the Group's share of the fair value of their identifiable net assets at the date of acquisition.

Goodwill is recognised at cost less any accumulated impairment losses. The carrying value of goodwill is subject to an annual impairment review and whenever events or changes in circumstances indicate that it may not be recoverable. An impairment charge will be recognised in the statement of income when the results of such a review indicate that the carrying value of goodwill is impaired (see accounting policy 3.15).

Negative goodwill represents the excess of the Group's interest in the fair value of identifiable net assets and liabilities, and contingent liabilities over costs of acquisition. It is recognised directly in the statement of income at the date of acquisition.

Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity disposed of.

3.10 Investment property

Investment properties are properties owned or held under finance lease to earn rentals or capital appreciation, or both, or held for a currently undetermined use. Property held under operating leases (including leasehold land) that would otherwise meet the definition of investment property is classified as investment property on a property by property basis. If a leased property does not meet this definition it is recorded as an operating lease.

The property under construction or development for future use as investment property is treated as investment property and is measured at fair value where the fair value of the investment property under construction or development for future use is reliably determined.

Investment properties are stated at fair value. Two independent valuation companies with appropriately recognised professional qualifications and recent experience in the location and category being valued undertake a valuation of every property each year. On the valuation date the fair value is estimated assuming there is an agreement between a willing buyer and a willing seller in an arm's length transaction after proper marketing; wherein the parties have each acted knowledgeably, prudently and without compulsion. The valuations are prepared based upon direct comparison with sales of other similar properties in the area and the expected future discounted cash flows of a property using a yield that reflects the risks inherent therein. Valuations are reviewed by the Valuation Committee and approved by the Board of Directors. Discount rates from 13% to 16% are considered appropriate for properties in different locations. Where the Valuation Committee consider the discount rate applied by the independent valuers to be too low or if there are factors that the external independent valuers have not considered in their determination of a property's fair value, they will adjust the discount rate upwards in the discounted cash flow projections, whereby decreasing the property's net present valuation.

Any gain or loss arising from a change in fair value is recognised in the statement of income. Rental income from investment property is accounted for as described in the accounting policy 3.7.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal of the item the gain is transferred to retained earnings. Any loss arising in this manner is recognised in the statement of income immediately.

Property where more than 10% of the property is occupied by the Group for the production or supply of goods and services, or for administration purposes, is accounted for as property, plant and equipment (see accounting policy 3.11).

All costs directly associated with the purchase and construction of an investment property, and all subsequent capital expenditures for the development qualifying as acquisition costs are capitalised.

Borrowing costs for property under construction or development are capitalised if they are directly attributable to the acquisition, construction or production of that qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs continues until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of the development cost financed out of general funds, to the average rate.

3.11 Property, plant and equipment

Owned assets
All property, plant and equipment, except buildings and leasehold land improvements, are stated at cost less accumulated depreciation and impairment losses (see accounting policy 3.15). The cost of self-constructed assets includes the cost of materials, direct labour, overheads and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

Buildings and leasehold lands improvements are revalued to fair value in accordance with the methods set out in accounting policy 3.10. Any surplus arising on the revaluation is recognised in a revaluation reserve within equity, except to the extent that the surplus reverses a previous revaluation deficit on the building charged to the consolidated statement of income, in which case a credit to that extent is recognised in the consolidated statement of income. Any deficit on revaluation is charged in the consolidated statement of income except to the extent that it reverses a previous revaluation surplus on a building, in which case it is taken directly to the revaluation reserve. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

If an investment property is reclassified as property, plant and equipment its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets
Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Property, plant and equipment and investment property acquired by way of a finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Subsequent expenditure
The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. The carrying values of any parts replaced as a result of such replacements are expensed at the time of replacement. All other costs

associated with the maintenance of property, plant and equipment are recognised in the statement of income as incurred.

Depreciation
Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of property, plant and equipment, and major components that are accounted for separately. The estimated useful lives are as follows:

Buildings	33 to 50 years
Equipment	4 to 20 years
Furniture and fixtures	3 to 25 years
Motor vehicles	5 to 10 years

Material residual value estimates and estimates of useful lives are reviewed at least annually, irrespective of whether assets are revalued.

Assets held under finance leases which do not transfer title to the assets to the Group at the end of the lease are depreciated over the shorter of the estimated useful lives shown above and the term of the lease.

3.12 Intangible assets

Intangible assets comprise software and casino licence. Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses, except for casino licence holding at hospitality entities. The carrying value of the assets is reviewed annually for impairment.

Casino licences are revalued to fair value in accordance with the methods set out in accounting policy 3.10. Any surplus arising on the revaluation is recognised in a revaluation reserve within equity, except to the extent that the surplus reverses a previous revaluation deficit on the licence charged to the consolidated statement of income, in which case a credit to that extent is recognised in the consolidated statement of income. Any deficit on revaluation is charged in the consolidated statement of income except to the extent that it reverses a previous revaluation surplus on a licence, in which case it is taken directly to the revaluation reserve.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. The estimated useful lives are as follows:

Gaming licences	16 to 30 years
Software	5 years

3.13 Leases

Leases under the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases (see accounting policy 3.11).

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases. Where the Group has the use of an asset held under an operating lease, payments made under the lease are charged to the statement of income on a straight line basis over the term of the lease. Prepayments for operating leases represent property held under operating leases where a portion, or all, of the lease payments have been paid in advance, and the properties cannot be classified as an investment property.

3.14 Financial assets

Financial assets are divided into the following categories: loans and receivables, financial assets at fair value through income statement, and held-to-maturity investments.

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired. Where allowed and appropriate management re-evaluates this designation at each reporting date. The designation of financial assets is based on the investment strategy set out in the Group's Admission Document to the London Stock Exchange's Alternative Investment Market, dated 16 March 2006.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. When financial assets are recognised initially, they are measured at fair value.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expires or are transferred and substantially all of the risks and rewards of ownership have been transferred. At each balance sheet date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised based on the classification of the financial assets.

The Group's financial assets consist primarily of unlisted equities, bonds, loans and receivables.

Loans and receivables
All loans and receivables, except trustee loans, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss statement. Discounting, however, is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment when they are overdue or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and other available features of shared credit risk characteristics. The percentage of the write down is then based on recent historical counterparty default rates for each identified group. Impairment of trade and other receivables are presented within "other expenses".

Financial assets at fair value through income statement
Financial assets at fair value through income statement include financial assets that are either classified as held for trading or are designated by the entity to be carried at fair value through statement of income upon initial recognition. Other financial assets at fair value through income statement held by the Group include listed and unlisted securities and trustee loans.

Financial assets at fair value through income statement include trustee loans to banks and other parties where the Group receives interest and other income on the loans calculated based on the proceeds from the sales of specific assets held by the counterparties. Fair value is determined based on the expected future discounted cash flows from each loan.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities. Investments are classified as held-to-maturity if it is the intention of the Group to hold them until maturity. The Group currently holds bonds which fall within this category of financial assets. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest rate method. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in the statement of income.

3.15 Impairment of assets
The Group's goodwill, operating lease prepayments, property, plant and equipment, intangible assets and interests in associates are subject to impairment testing.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

Goodwill and intangible assets with an indefinite life are tested for impairment annually, while other assets are tested when there is an indicator of impairment.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount unless the relevant asset is carried at a revalued amount under the Group's accounting policy, in which case the impairment loss is treated as a revaluation decrease according to that policy. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

3.16 Prepayments for acquisitions of investments

Prepayments for acquisition of investments are initially measured at cost until such times as approval is obtained or the conditions are met, at which point they are transferred to investment properties and accounted for accordingly. Such payments are made to vendors for land clearance and other related costs, professional fees directly attributed to the projects where the final transfer of the property is pending the approval of the relevant authorities and/or is subject to either the Group of the vendor completing certain performance conditions. The prepayments are presented within other long-term investments.

3.17 Income taxes

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in the statement of income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date. Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

3.18 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as short-term highly liquid investments such as money market instruments and bank deposits with an original maturity term of not more than three months.

3.19 Non-current assets and liabilities classified as held for sale

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if the carrying amount will principally be recovered through sale, they are available for immediate sale in their present condition subject only to terms that are usual and customary for sale of such assets and sale is highly probable at the balance sheet date, the asset or disposal group is classified as "held for sale" and presented separately in the consolidated balance sheet in accordance to IFRS 5 "Non-current assets held for sale and discontinued operations".

Liabilities are classified as "held for sale" and presented as such in the consolidated balance sheet if they are directly associated with a disposal group.

Assets classified as “held for sale” are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair values less costs to sell. However, some “held for sale” assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy for those assets. No assets classified as “held for sale” are subject to depreciation or amortisation, subsequent to their classification as “held for sale”.

3.20 Equity

Share capital is determined using the nominal value of shares that have been issued. Additional paid-in capital includes any premiums received on the initial issuance of the share capital. Any transaction costs associated with the issuing of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Revaluation reserve represents the surplus arising on the revaluation of the Group’s owned buildings which are classified under property, plant and equipment.

Currency translation differences on net investment in foreign operations are included in the translation reserve.

Retained earnings include all current and prior period results as disclosed in the consolidated statement of changes in equity.

3.21 Financial liabilities

The Group's financial liabilities include trade and other payables, borrowings and other liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in finance costs in the statement of income.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are raised for support of long term funding of the Group’s investments and are recognised at fair value plus direct transaction costs on initial recognition and thereafter at amortised cost under the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.22 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group that can be reliably estimated. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Long-term provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of Group’s management.

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events that's existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses their existence when inflows of economic benefits are probable, but not virtually certain.

3.23 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Parties are considered to be related to the Group if:

1. directly or indirectly, a party controls, is controlled by, or is under common control with the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
2. a party is a jointly-controlled entity;
3. a party is an associate;
4. a party is a member of the key management personnel of the Group; or
5. a party is a close family member of the above categories.

3.24 Earnings per share and net asset value per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Net asset value (NAV) per share is calculated by dividing the net asset value attributable to ordinary shareholders of the Company by the number of outstanding ordinary shares as at the balance sheet date. Net asset value is determined as total assets less total liabilities and minority interests.

3.25 Segment reporting

A business segment is a group of assets that are subject to risks and returns that are different from those of other business segments.

A geographical segment is a particular economic environment that is subject to risks and return that are different from those of segments operating in other economic environments.

4 Critical accounting estimates and judgements

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and may not equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Fair value of investment properties, leasehold land and buildings

The investment properties, leasehold land and buildings of the Group are stated at fair value in accordance with accounting policy 3.10. The fair values of investment properties, leasehold land and buildings have been determined by independent professional valuers including: CB Richard Ellis, Savills, Jones Lang LaSalle, Colliers, Sallmanns and HVS. These valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. Valuations are reviewed by the Valuation Committee and approved by the Board of Directors. Discount rates from 13% to 16% are considered appropriate for properties in different locations. Where the Valuation Committee considers the discount rate applied by the independent valuers to be too low or if there are factors that the external independent valuers have not considered in their determination of a property's fair value, they will adjust the discount rate and other assumptions in the discounted cash flow projections, whereby decreasing the property's valuation. In making its judgement, the Valuation Committee considers information from a variety of sources, including:

(i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

(ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices;

(iii) recent developments and changes in laws and regulations that might affect zoning and/or the Group's ability to exercise its rights in respect to properties and therefore fully realise the estimated values of such properties; and
(iv) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of external evidence such as current market rents and sales prices for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Impairment
Investment properties, leasehold land and buildings
Whenever there is an indication of impairment of an investment property, leasehold land and buildings the Valuation Committee and management will assess the need for an impairment adjustment. The estimation of impairment adjustments is based on the same principles used to adjust the periodic independent valuations mentioned above.

Trade and other receivables
The Group's management determines the provision for impairment of trade and other receivables on a regular basis. This estimate is based on the credit history of its customers and prevailing market conditions.

Other assets
The Group's goodwill, intangible assets, operating lease prepayments, other assets and interests in associates in associates is subject to impairment testing in accordance with the accounting policy 3.15.

Business combinations
On initial recognition, the assets and liabilities of the acquired business are included in the consolidated statement of financial position at their fair values. In measuring fair value management uses estimates about future cash flows and discount rates or independent valuation for investment properties and buildings.

Useful lives of depreciable assets
Management reviews useful lives of depreciable assets at each reporting date. At 30 June 2009, management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts are analysed in Notes 9 and Note 10.

5 Segment reporting

Segment information is presented in respect to the Group's investment and geographical segments. The primary reporting format, investment segments, is based on the investment manager's management and monitoring of investments. Investments are allocated into five main segments: four real estate sectors: commercial; residential; hospitality; and mixed use, and cash (including term deposits including deposits having maturity term below three months). The Group's secondary reporting format, geographical segments, includes north, central and south Vietnam, and the regions outside Vietnam.

	As at 30 June 2009				
	Vietnam			Outside Vietnam	Total
	North USD'000	Central USD'000	South USD'000	USD'000	USD'000
Assets					
Real estate					
Commercial	**-**	**-**	**30,822**	**-**	**30,822**
Residential	**51,095**	**92,734**	**175,815**	**-**	**319,644**
Hospitality	**139,146**	**95,069**	**51,038**	**-**	**285,253**
Mixed used	**35,021**	**103,743**	**267,556**	**-**	**406,320**
Cash	**2,829**	**7,596**	**22,452**	**17,397**	**50,274**
	228,091	**299,142**	**547,683**	**17,397**	**1,092,313**

	North	Central	South	Outside Vietnam	Total
		For the year ended 30 June 2009			
Net (loss)/profit					
Real estate					
Commercial	**(2,663)**	**(1,583)**	**17,498**	**(2)**	**13,250**
Residential	**(2,348)**	**(37,926)**	**(48,052)**	**95**	**(88,231)**
Hospitality	**(2,523)**	**(37,478)**	**(2,654)**	**(32)**	**(42,687)**
Mixed used	**(609)**	**(89,129)**	**5,766**	**17**	**(83,955)**
Net (loss)/profit	**(8,143)**	**(166,116)**	**(27,442)**	**78**	**(201,623)**

For the comparative reporting year:

		As at 30 June 2008 (Reclassified)			
		Vietnam		Outside Vietnam	Total
	North	Central	South		
	USD'000	USD'000	USD'000	USD'000	USD'000
Assets					
Real estate					
Commercial	15,909	-	14,095	-	30,004
Residential	23,021	239,688	171,718	-	434,427
Hospitality	108,325	58,176	50,260	-	216,761
Mixed used	55,015	131,016	280,344	-	466,375
Cash	8,802	4,443	56,609	10,952	80,806
	211,072	433,323	573,026	10,952	1,228,373
		For the year ended 30 June 2008 (Reclassified)			
Net profit/(loss)					
Real estate					
Commercial	(6,475)	10,722	25,322	-	29,569
Residential	17,777	11,608	51,210	-	80,595
Hospitality	(19)	1,513	595	(269)	1,820
Mixed used	(3,176)	144,612	(5,237)	-	136,199
Net profit/(loss)	8,107	168,455	71,890	(269)	248,183

To determine the geographical segments for investments and cash the following rules have been applied:

- Real estate − location of property; and
- Cash − place of deposit.

The above segmental reporting information has not been presented in accordance with the requirements of IAS 14 Segment reporting as the Board of Directors believes that the current presentation gives more appropriate and relevant information to the users of the financial statements and is in accordance with the way the Investment Manager manages and monitors the risks and returns of the Group's investments.

6 Subsidiaries

Acquisition of Vindemia Property Limited (Big C Project)

On 24 August 2008, the Group acquired a 100% interest in Vindemia Property Limited, a company incorporated in Hong Kong, which owns 65% interest in Thang Long Property Co. Ltd. (Big C Project). The principal activity of Thang Long Property Co. Ltd. is to construct and manage a mixed-use development of 40,000 m2 in Hanoi, Vietnam. The total cost of acquisition was USD24.8 million, out of which USD16.1 million was settled in cash and USD8.7 million will be settled in November 2009.

The Group's share of fair value amounts recognised for each class of the acquiree's assets, liabilities and contingent liabilities at the acquisition date were as follows:

Assets	**USD'000**
Current assets	
Cash and cash equivalent	**1**
Non-current assets	**-**
Leasehold land	**1,719**
Investment property	**22,977**
Total assets	**24,767**
Liabilities	**-**
Net assets	**24,767**

Vindemia Property Limited and Thang Long Property Co. Ltd. contributed losses of USD175,424 to the consolidated result for the period from 24 August 2008 to the balance sheet date.

Acquisition of Hoang Phat Investment Joint Stock Company (Hoang Van Thu Project)
On 1 August 2008, the Group acquired a 60% of Hoang Phat Investment Joint Stock Company (Hoang Van Thu Project), a company incorporated in Vietnam. The principal activity of this company is to construct and manage a 4-star international hotel in Ho Chi Minh City, Vietnam. The total cost of acquisitions was USD5.3 million, out of which USD3.0 million was settled in cash and USD2.3 million will be settled in December 2009. Positive goodwill arose on this transaction of USD572,278 which was recognised in the consolidated balance sheet (Note 12).

The Group's share of fair value amounts recognised for each class of the acquiree's assets, liabilities and contingent liabilities at the acquisition date were as follows:

Assets	**USD'000**
Current assets	
Cash and cash equivalents	**7**
Receivables	**875**
Total current assets	**882**
Non-current asset	
Leasehold land	**3,796**
Total assets	**4,678**
Liabilities	**-**
Net assets	**4,678**

Hoang Phat Investment Joint Stock Company contributed a loss of USD10,056 to the consolidated result for the period from 1 August 2008 to the balance sheet date.

Acquisition of Cam Ranh Tourism Development Corporation (Bai Dong Project)
On 8 August 2008, the Group acquired a 100% interest in Cam Ranh Tourism Development Corporation (Bai Dong project), a company incorporated in Vietnam. The principal activity of this company is to construct and operate a resort, sport and restaurant complex in Cam Ranh, Vietnam. The total cost of acquisition was USD1.8 million which was settled in cash. Negative goodwill of USD940,832 arising on this transaction was recognised in the consolidated statement of income (Note 33).

The Group's share of fair value amounts recognised for each class of the acquiree's assets, liabilities and contingent liabilities at the acquisition date were as follows:

Assets	**USD'000**
Current assets	
Cash and cash equivalents	**31**
Receivables	**13**
Total current assets	**44**
Non-current asset	
Investment property	**2,714**
Total assets	**2,758**
Liabilities	**-**
Net assets	**2,758**

Additional acquisition of Golden Gain Vietnam Co. Ltd. (My Dinh 2.5ha Project)

As at 30 June 2008, the Group owned a 70% interest in Thang Long Tung Shing Joint Venture Company. The joint venture company was entitled to develop the Hanoi Opera Plaza, an office and retail project on a site of 1,700m2 in the centre of Hanoi. Subsequent to 30 June 2008, as the site has considerable heritage value to the country, the Hanoi People's Committee requested that the Company swap the land for another site. The Company has accepted this offer and received land near the Hanoi Convention Centre in My Dinh District, Hanoi, Vietnam. The new land is held under Golden Gain Vietnam Co. Ltd. which is owned 70% interest by the Group. The remaining 30% interest is owned by a third party. On 4 August 2008, the Group acquired the remaining 30% interest in this company. As a result, the total interest of the Group in this project has increased to 100% at the balance sheet date.

Particulars of principal subsidiaries of the Group at of 30 June 2009 are as follows:

Name	Place of incorporation/operations	Share capital (USD/ USD equivalents)	Percentage interest held by the Group	Principal activities
Onshine Investments Limited	BVI	1	100%	Property investment
Vietnam Property Holdings Ltd.	BVI	100	75%	Property investment
Prosper Big Investment Limited	BVI	50,000	75%	Property investment
Best Faith Consultant Ltd.	BVI	10	100%	Property investment
VinaCapital Danang Resorts Limited	BVI	4	75%	Property investment
VinaCapital Commercial Center Limited – Phase I (*)	BVI	28,094,769	38.25%	Property investment
VinaCapital Commercial Center Limited – Phase II (*)	BVI	1,623,702	75%	Property investment
Bates Assets Limited	BVI	4	100%	Property investment
Proforma Asia Limited	BVI	4	100%	Property investment
Cypress Assets Limited	BVI	10,000	77%	Property investment
Roxy Assets Limited	BVI	4	75%	Property investment
VinaCapital Hoi An Resort Limited	Vietnam	5,900,000	80%	Hospitality
VinaCapital Danang Golf Course Limited	Vietnam	18,083,192	75%	Property investment
Maplecity Investments Limited	BVI	4	75%	Property investment
Henry Enterprise Group Limited	BVI	11,460,100	61.5%	Property investment
VinaCapital Danang Resort Limited	Vietnam	13,502,000	75%	Property investment
VinaCapital Commercial Center Limited (Vietnam) – Phase I	Vietnam	27,428,535	38.25%	Property investment
VinaCapital Commercial Center Limited (Vietnam) – Phase II	Vietnam	-	75%	Property investment

Name (continued)	Place of incorporation/operations	Share capital (USD/ USD equivalents)	Percentage interest held by the Group	Principal activities
Tungshing International Investment Limited	BVI	1,915,345	100%	Property investment
International Consultant Company Limited	Vietnam	1,237,241	100%	Property investment
Dien Phuoc Long Real Estate Company Limited	Vietnam	2,474,482	100%	Property investment
VinaCapital Phuoc Dien Co. Ltd.	Vietnam	2,827,500	100%	Property investment
VinaCapital Long Dien Co. Ltd.	Vietnam	3,142,375	100%	Property investment
East Ocean Real Estate and Tourism Joint Stock Company	Vietnam	22,439,160	62.55%	Hospitality
Vina Properties (Singapore) Pte. Ltd.	Singapore	1	75%	Property investment
21st Century International Development Company Inc.	Vietnam	35,369,206	61.5%	Property investment
Thang Long Tungshing JV Company	Vietnam	4,116,671	70%	Property investment
Roxy Vietnam Co. Ltd.	Vietnam	6,748,923	55.6%	Hospitality
Top Star International	Hong Kong	13	75%	Hospitality
Opera Hotel Ltd. (formerly known as SRLHO)	Vietnam	24,711,683	52.5%	Hospitality
A-1 International (Vietnam) Corporation Limited	Vietnam	16,700,000	52.5%	Hospitality
Dong Binh Duong Urban Development Co. Ltd.	Vietnam	7,324,043	70%	Property investment
Ha Trading Co. Ltd.	Vietnam	2,337,516	99.99%	Hospitality
Orchid House Co. Ltd.	Vietnam	565,206	55.56%	Hospitality
Vina Dai Phuoc Corporation	Vietnam	73,046,074	54%	Property investment
Prodigy Pacific Vietnam Co. Ltd.	Vietnam	1,500,000	100%	Property investment
Pavia Properties Ltd.	BVI	1,896,462	100%	Property investment
Nguyen Du Joint Venture Company	Vietnam	2,324,834	65%	Hospitality
SIH Investment Limited	Singapore	8,379,168	56.25%	Property investment
SAS Hanoi Royal Hotel Ltd. (**)	Vietnam	12,000,000	39.37%	Hospitality
Viet Land Development Corporation	Vietnam	2,500,000	60%	Property investment
VinaLand Espero Ltd.	BVI	100	75%	Property investment
Vinh Thai Urban Development Corporation	Vietnam	37,348,756	51%	Property investment
Thang Long Property Co. Ltd.	Vietnam	4,908,979	65%	Property investment
Hoang Phat Investment Joint Stock Company	Vietnam	2,985,075	60%	Hospitality
Avila Co. Ltd.	Vietnam	2,500,000	80%	Property investment
Golden Gain Enterprises Limited	BVI	50,000	100%	Property investment
Golden Gain Vietnam Co. Ltd.	Vietnam	8,741,500	100%	Property investment

(*) In the prior year, the Group sold 3,675 Class A shares in VinaCapital Commercial Center Limited. Under the Share Sale and Purchase Agreement, the Buyer has been granted the right to acquire an additional 3,675 Class B shares in this company from the Group.

(**) At the balance sheet date, the Group has a 39.37% equity interest in SAS Hanoi Royal Hotel Ltd., but it has the control through the majority voting rights in this company. Therefore, the Group's management considers this company as a subsidiary holding.

7 Net cash for acquisition of subsidiaries

	30 June 2009	30 June 2008
	USD'000	USD'000
Cost of investment in the subsidiaries:		
Vindemia Property Limited (Big C Project)	**24,767**	-
Hoang Phat Investment JSC (Hoang Van Thu Project)	**5,250**	-
Cam Ranh Tourism Development Corporation (Bai Dong Project)	**1,817**	-
Ha Trading Co. Ltd. (Danang 15ha Project)	**-**	8,901
Orchid House Co. Ltd. (HBT Court Project)	**-**	1,506
Nguyen Du Joint Venture Company (Nguyen Du Building Project)	**-**	4,200
Vinh Thai Urban Development Corporation (Vinh Thai Urban Residential Project)	**-**	36,723
International Consultant Company Limited (Long Dien Project)	**-**	2,395
Dien Phuoc Long Real Estate Company Limited (Phuoc Dien Project)	**-**	3,107
SAS Hanoi Royal Hotel Ltd. (Novotel Hanoi Project)	**-**	4,518
East Ocean Real Estate and Tourism Joint Stock Company (Sheraton Nha Trang Hotel Project)	**-**	4,013
	31,834	65,363
Less:		
Cash and cash equivalents at the date of acquisition	**(43)**	(5,656)
Cost of acquisitions settled in prior years	**(13,618)**	-
Acquisition costs not yet settled	**(10,984)**	-
Cost of investments settled in cash	**7,189**	59,707

8 Investment properties

	30 June 2009	30 June 2008
	USD'000	USD'000
		(Reclassified)
Opening balance (*)	**579,356**	99,692
Acquisitions of subsidiaries	**41,074**	102,598
Additions during the year	**31,166**	113,919
Net (loss)/gain from fair value adjustments of investment properties (Note 31) (*)	**(153,544)**	274,520
Net loss from liquidation of investment property (Note 34)	**(1,618)**	-
Transferred from prepayments for operating lease assets (Note 13)	**2,589**	-
Investment property disposed in the year	**(2,714)**	-
Reclassification to prepayments for acquisitions of investments (**)	**-**	(10,569)
Translation differences	**(7,241)**	(804)
Closing balance (*)	**489,068**	579,356

(*) The comparative figures have been adjusted for the classification of the deferred tax liabilities as outlined in Note 26.

(**) Given the significant number of prepayments for acquisitions of investments at 30 June 2009, the Group's management considers it more appropriate to present these as a separate line in the consolidated balance sheet. At 30 June 2008, a deposit for the acquisition of an investment of USD10.6 million had been made to the Long Truong Project (Dien Phuoc Long Real Estate Company Limited) which falls into this category and as such it has been reclassified in the comparative figures.

The leasehold land held by Vinh Thai Urban Development Corporation with a carrying value of USD61.3 million as at 30 June 2009 is pledged as security for bank borrowing disclosed in Note 25. Under the contractual arrangements agreed between the parties and a decision issued by the People's Committee of Khanh Hoa Province, the land held by Vinh Thai Urban Development Corporation in Nha Trang City, referred to as Vinh Thai Urban Residential project, will receive the land use right from a local partner once the issuance of the land use right is approved by the Prime Minister of Vietnam.

9 Property, plant and equipment

	Buildings	Equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Gross carrying amount						
1 July 2008	137,808	17,858	1,875	1,385	17,550	**176,476**
Additions	4,029	5,857	1,197	115	36,717	**47,915**
Classified as held for sale	(70,668)	(9,564)	(8)	-	(718)	**(80,958)**
Property exchanged (Note 15)	-	-	-	-	(8,592)	**(8,592)**
Reclassifications	-	551	(10)	(551)	-	**(10)**
Disposals	(635)	165	(1,026)	(52)	593	**(955)**
Translation differences	-	(1)	(12)	(5)	(765)	**(783)**
30 June 2009	70,534	14,866	2,016	892	44,785	**133,093**
Depreciation and impairment						
1 July 2008	(24,796)	(14,726)	(1,623)	(225)	-	**(41,370)**
Charge for the year	(3,673)	(2,167)	(107)	(103)	-	**(6,050)**
Asset impairments (*)	(10,868)	-	-	-	(25,045)	**(35,913)**
Classified as held for sale	12,996	7,631	4	-	-	**20,631**
Reclassifications	-	(50)	23	27	-	**-**
Disposals	212	603	924	27	-	**1,766**
Translation differences	-	-	3	1	-	**4**
30 June 2009	(26,129)	(8,709)	(776)	(273)	(25,045)	**(60,932)**
Carrying amount 1 July 2008	113,012	3,132	252	1,160	17,550	**135,106**
Carrying amount 30 June 2009	44,405	6,157	1,240	619	19,740	**72,161**

(*) These amounts represent impairments of hotel assets held by hospitality subsidiaries of the Group at the balance sheet date, mainly comprising East Ocean Real Estate and Tourism Joint Stock Company (Sheraton Nha Trang project) of USD24.8 million, Roxy Vietnam Co. Ltd. (Movenpick Hanoi Hotel project) of USD5.4 million, and Opera Hotel Ltd. (Hilton project) of USD5.1 million. The assets are all tested for impairment in accordance with Note 3.15.

Buildings and construction in progress, which belong to East Ocean Real Estate and Tourism Joint Stock Company with a carrying value of USD14.8 million as at 30 June 2009 (30 June 2008: USD14.2 million), are pledged as security for bank borrowing disclosed in Note 25.

Buildings and construction in progress, which belong to Roxy Vietnam Co. Ltd. with a carrying value of USD19.9 million as at 30 June 2009, are pledged as security for bank borrowing disclosed in Note 25.

For the comparative year, the carrying amount can be presented as follows:

	Buildings	Equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	USD'000	USD'000	USD'000	USD'00 0	USD'000	USD'000
Gross carrying amount						
1 July 2007	119,495	20,264	1,584	664	10,333	152,340
Acquisitions of subsidiaries	-	2	31	1	5,434	5,468
Additions	415	546	150	1,154	6,126	8,391
Reclassifications	(6,802)	(210)	210	-	-	(6,802)
Disposals and written-off	-	(2,744)	(100)	(434)	(4,343)	(7,621)
Revaluation gains	24,700	-	-	-	-	24,700
30 June 2008	137,808	17,858	1,875	1,385	17,550	176,476
Depreciation and impairment						
1 July 2007	(20,690)	(15,648)	(1,409)	(546)	-	(38,293)
Charge for the year	(4,106)	(1,253)	(276)	(90)	-	(5,725)
Disposals and written-off	-	2,175	62	411	-	2,648
30 June 2008	(24,796)	(14,726)	(1,623)	(225)	-	(41,370)
Carrying amount 1 July 2007	98,805	4,616	175	118	10,333	114,047
Carrying amount 30 June 2008	113,102	3,132	252	1,160	17,550	135,106

If the cost model had been used, the carrying amount of buildings would be as follows:

	USD'000
Buildings at 30 June 2009	
At cost	**72,926**
Accumulated depreciation	**(11,739)**
Net carrying amount	**61,187**
Buildings at 30 June 2008	
At cost	118,963
Accumulated depreciation	(22,761)
Net carrying amount	96,202

10 Intangible assets

	Gaming licences USD'000	Software USD'000	Total USD'000
Gross carrying amount			
1 July 2008	6,802	8	**6,810**
Additions	-	223	**223**
Revaluation gains	5,898	-	**5,898**
Reclassifications	-	10	**10**
Translation differences	-	(2)	**(2)**
30 June 2009	12,700	239	**12,939**
Amortisation and impairment			
1 July 2008	(388)	(1)	**(389)**
Charge for the year	(408)	(51)	**(459)**
30 June 2009	(796)	(52)	**(848)**
Carrying amount 1 July 2008	6,414	7	**6,421**
Carrying amount 30 June 2009	11,904	187	**12,091**

For the comparative year, the carrying amount can be presented as follows:

	Gaming licences USD'000	Software USD'000	Total USD'000
Gross carrying amount			
1 July 2007	-	-	-
Additions	-	8	8
Reclassification	6,802	-	6,802
30 June 2008	6,802	8	6,810
Amortisation and impairment			
1 July 2007	-	-	-
Charge for the year	(388)	(1)	(389)
30 June 2008	(388)	(1)	(389)
Carrying amount 1 July 2007	-	-	-
Carrying amount 30 June 2008	6,414	7	6,421

11 Investments in associates

	30 June 2009 USD'000	30 June 2008 USD'000
Opening balance	**26,270**	-
Additions during the year (*)	**61,962**	26,217
Transferred from prepayments for acquisitions of investments (Note 14)	**19,874**	-
Share of associates' (losses)/profits	**(3,342)**	53
Closing balance	**104,764**	26,270

(*) The additions for the year comprise:

- USD12.8 million capital contributions to the new associates companies Vina Alliance Co. Ltd. and Savico-Vinaland Co. Ltd. following the receipts of investment licences (Note 14), and

- USD49.2 million additional contributions in the existing associate companies Long An S.E.A Industrial Park Development Co. Ltd., Aqua City Joint Stock Company and Thang Loi Land Joint Stock Company.

The contributions were made in the same proportion as the existing percentage ownership holdings by the Group.

Particulars of operating associates and their summarised financial information, extracted from their financial statements as at 30 June 2009 are as follows:

	Incorpor-ation	Equity interest held %	Principle activity	Assets USD'000	Liabilities USD'000	Revenue USD'000	Profit/ (loss) USD'000	Share of (loss)/ profit to the Group USD'000
Long An S.E.A Industrial Park Development Co. Ltd.	Vietnam	20	Property	**4,126**	**173**	**-**	**(310)**	**(62)**
Aqua City Joint Stock Company (*)	Vietnam	50	Property	**40,608**	**16**	**161**	**(25,888)**	**(12,944)**
Thang Loi Land Joint Stock Company	Vietnam	49	Property	**16,177**	**3**	**243**	**176**	**86**
Romana Resort and Spa (*)	Vietnam	50	Hospitality	**5,460**	**2,710**	**1,835**	**(4,732)**	**(2,366)**
Vina Alliance Co. Ltd.	Vietnam	49	Property	**17,148**	**-**	**35**	**10,492**	**5,141**
Savico-Vinaland Co. Ltd.	Vietnam	49.5	Property	**19,077**	**1**	**9**	**13,743**	**6,803**
				102,596	**2,903**	**2,283**	**(6,519)**	**(3,342)**

(*) The Group has a 50% equity interest in Aqua City Joint Stock Company and Romana Resort and Spa but does not have control or joint control due to their limited representation on the Boards, therefore it considered appropriate to treat these interest as associate holdings.

12 Goodwill

	30 June 2009 USD'000	30 June 2008 USD'000
Opening balance	**2,939**	-
Additions	**572**	2,939
Goodwill impairments (Note 34) (*)	**(3,511)**	-
Closing balance	**-**	2,939

(*) The goodwill impairments of USD3.5 million relates to East Ocean Real Estate and Tourism Joint Stock Company and Hoang Phat Investment Joint Stock Company, subsidiaries of the Group. The impairment losses arose as a result of the low occupancy and reduced room rates in the hospitality sector during the year.

13 Prepayments for operating lease assets

	30 June 2009	30 June 2008
	USD'000	USD'000
Opening balance	**19,635**	13,297
Acquisitions of subsidiaries	**9,083**	-
Additions during the year	**5,774**	7,284
Charge for the year	**(2,270)**	(938)
Transferred to investment properties (Note 8)	**(2,589)**	-
Classified as held for sale (*)	**(4,474)**	-
Impairment of leasehold land (**)	**(5,431)**	-
Leasehold land exchanged (Note 15)	**(2,130)**	-
Translation differences	**(264)**	(8)
Closing balance	**17,334**	19,635

Prepayments for operating leases relates to leasehold land occupied by subsidiaries of the Group.

Leasehold land held by Roxy Vietnam Co. Ltd. with a carrying value of USD1.9 million as at 30 June 2009 is pledged as security for bank borrowing disclosed in Note 25.

(*) This amount represents leasehold land held by Opera Hotel Ltd. (Hilton project) which is classified as held for sale at the balance sheet date.

(**) Included in the amount, USD4.6 million represents the impairment of the leasehold land held by East Ocean Real Estate and Tourism Joint Stock Company (Sheraton Nha Trang project). The carrying value of this leasehold land of USD3.8 million as at 30 June 2009 (30 June 2008: USD6.5 million) is pledged as security for bank borrowing disclosed in Note 25.

14 Prepayments for acquisitions of investments

	30 June 2009	30 June 2008
	USD'000	USD'000
		(Reclassified)
Prepayments for acquisitions of investments	**91,131**	83,103
Reclassification from investment property	**-**	10,569
Transferred to investments in associates (Note 11) (*)	**(19,874)**	-
	71,257	93,672
Allowance for loss on prepayments for acquisitions of investments	**(5,160)**	(5,160)
	66,097	88,512

These prepayments are payments made by the Group to property vendors where the final transfer of the property is pending the approval of the relevant authorities and/or is subject to either the Group or the vendor completing certain performance conditions set out in agreements.

(*) This amount represents the reclassification of USD6.1 million and USD13.7 million of prepayments for acquisitions of investments in the Savico-Vinaland and Vina Alliance projects, respectively, to investments in associates as the investment licences for these projects were granted by the local authorities.

15 Trade and other receivables

	30 June 2009 USD'000	30 June 2008 USD'000
Trade receivables	**294**	916
Loans to third parties (*)	**42,922**	87,412
Advances to property vendors and contractors	**20,644**	19,710
Receivable as compensation for property exchanged (Note 45) (**)	**10,723**	-
Receivables from minority shareholders	**16,366**	25,505
Other receivables	**13,318**	4,330
Interest receivables	**7,132**	3,678
Other current assets	**56**	5,215
	111,455	146,766
Receivables allowance	**(1,544)**	(16)
	109,901	146,750

(*) This represents short-term loans to third parties, which are to be repaid in the next 12 months. The loans are unsecured, interest free or bear interest rates ranging from 7.5% to 15% per annum. Their carrying value is considered a reasonable approximation of their expected recovery.

(**) The amount comprises USD2.1 million relating to prepayments for leasehold land and USD8.6 million relating to construction costs incurred by SAS Hanoi Royal Hotel Ltd. (Novotel Hanoi project).

All other trade and other receivables are short-term in nature, their carrying value is considered a reasonable approximation of their fair value at balance sheet date.

16 Receivables from related parties

	Relationship	**Transactions**	**30 June 2009 USD'000**	30 June 2008 USD'000
VinaCapital Vietnam Opportunity Fund Limited	Under common control	Loan advance to projects	**-**	3,000
		Expenses paid for projects	**1,863**	2,965
		Cash advance for investments in projects	**-**	14,600
Romana Resort and Spa	Associate	Shareholder loan	**709**	709
VinaCapital Real Estate Vietnam Co. Ltd.	Under common control	Cash advance for projects	**-**	378
Vietnam Infrastructure Fund Limited	Under common control	Cash advance for projects	**-**	217
Lam Co Company Limited	Related party	Share premium receivable	**-**	61
			2,572	21,930

All receivables from related parties are short-term in nature, their carrying value is considered a reasonable approximation of their fair value at balance sheet date.

17 Short-term investments

	30 June 2009	30 June 2008
	USD'000	USD'000
Short-term deposits	**21,865**	23,735
Bank secured deposit (*)	**13,023**	33,292
	34,888	57,027

As short-term deposits have terms to maturity between than three months and one year, their carrying value is considered a reasonable approximation of their fair value as at balance sheet date.

(*) On 8 December 2007, the Group deposited VND560.8 billion (equivalent to USD35 million) with a local bank. Under the terms of the original agreement, the deposit would earn interest at 13% and was repayable within one year. Under the terms of the agreement, the deposit could be withdrawn by Thai Thinh Capital Joint Stock Company (TTC), provided that it was fully replenished before the due date. The bank guaranteed to ensure the full repayment of the deposit and associated accrued interest thereon to the Group upon expiry of the deposit term.

On expiry of the deposit term, TTC was unable to replenish the deposit account and associated accrued interest. Since that date VND328.9 billion (equivalent to USD19 million) has been repaid to the Group under this arrangement and the parties have held formal negotiations to enable the full recovery of the remaining outstanding balance. Any such arrangement may result in the Group accepting alternative assets with a fair value at least equal to the carrying value of the outstanding deposit and associated accrued interest. The parties are in the process of finalising a repayment plan to facilitate the recovery of the outstanding amounts, however the terms and obligations of each party under the original agreement will continue to prevail, including the bank guarantee.

18 Financial assets held at fair value through income statement

	30 June 2009	30 June 2008
	USD'000	USD'000
Designated at fair value through income statement:		
Financial assets in Vietnam		
Trustee loans	**41,266**	46,409
Ordinary shares – unlisted	**5,032**	5,257
Corporate bonds	**-**	10,258
Total financial assets designated at fair value through income statement	**46,298**	61,924

These financial assets are denominated in the following currencies:

	30 June 2009	30 June 2008
	USD'000	USD'000
United States Dollars	**41,266**	46,409
Vietnam Dong	**5,032**	15,515
	46,298	61,924

The carrying amounts disclosed above are the Group's maximum possible credit risk exposure in relation to these instruments. See Note 44 for further information on the Group's exposure to credit risk.

19 Cash and cash equivalents

	30 June 2009 USD'000	30 June 2008 USD'000
Cash on hand	**139**	84
Cash at banks	**33,972**	36,006
Cash equivalents	**16,163**	44,716
	50,274	80,806

20 Categories of financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	Notes	30 June 2009 USD'000	30 June 2008 USD'000
Financial assets			
Financial assets held for trading (carried at fair value through income statement)			
Ordinary shares – unlisted	18	**5,032**	5,257
Corporate bonds	18	**-**	10,258
Trustee loans	18	**41,266**	46,409
		46,298	61,924
Loans and receivables			
Trade and other receivables	15,16	**112,473**	168,680
Other long-term financial assets		**1,112**	1,077
Short-term investments	17	**34,888**	57,027
Cash and cash equivalents	19	**50,274**	80,806
		198,747	307,590
		245,045	369,514
Financial liabilities			
Financial liabilities measured at amortised cost:			
Non-current:			
Debts and borrowings	25	**21,841**	21,673
Payable to related party	29	**65,018**	66,367
Other liabilities		**912**	1,044
		87,771	89,084
Current:			
Debts and borrowings	27	**20,584**	275
Trade and other payables	28,29	**124,297**	84,660
		144,881	84,935
		232,652	174,019

The fair values are presented in the related notes. A description of the Group's risk management objectives and policies for financial instruments is given in Note 44.

21 Assets and liabilities classified as held for sale

Summary of the assets/(liabilities) held for sale at the balance sheet date is as follows:

	30 June 2009					30 June 2008
				Attributable to		
	Assets classified as held for sale	**Liabilities classified as held for sale**	**Net assets classified as held for sale**	**Minority interests**	**Equity shareholders of the parent**	
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**	USD'000
Opera Holel Ltd. (formerly known as SRLHO)	**85,321**	**(33,892)**	**51,429**	**24,429**	**27,000**	-
Long-term loan in Opera Hotel Ltd. transferred to the Purchaser (*)	**-**	**15,834**	**15,834**	**-**	**15,834**	-
	85,321	**(18,058)**	**67,263**	**24,429**	**42,834**	-

In May 2009, the Group entered into a principal agreement to dispose of its 52.5% interest in Opera Hotel Ltd. (Hilton Project), however, the ownership of the interest will not pass to the Purchaser until after the balance sheet date when all of the terms in the agreement are met. Consequently, the assets and liabilities of the subsidiary and inter-group loan receivable, which belong to Opera Hotel Ltd., are classified as held for sale assets and liabilities at the balance sheet date and are valued at the lower of the carrying value and fair value.

(*) This amount is the long-term loan which Opera Hotel Ltd. borrowed from Maplecity Investments Limited, which are both subsidiaries of the Group and is therefore eliminated on consolidation.

The net profit of Opera Hotel Ltd. which is included in the Group's consolidated statement of income can be summarised as follows:

	Year ended 30 June 2009 USD'000	Year ended 30 June 2008 USD'000 (Reclassified)
Sales of goods and rendering of services	**14,282**	17,659
Cost of goods sold and service rendered	**(6,982)**	(8,331)
Other income	**239**	92
Other expenses	**(3,704)**	(4,399)
Profit before tax	**3,835**	5,021
Income tax income/(expense)	**(801)**	(3,207)
Net profit after tax for the year	**3,034**	1,814
Attributable to equity shareholders of the parent	**1,593**	952
Attributable to minority interests	**1,441**	862
	3,034	1,814

22 Share capital

	30 June 2009 Number of shares	30 June 2009 USD'000	30 June 2008 Number of shares	30 June 2008 USD'000
Authorised:				
Ordinary shares of USD0.01 each	**500,000,000**	**5,000**	500,000,000	5,000
Issued and fully paid:				
Opening balance	**499,967,622**	**4,999**	499,967,622	4,999
Closing balance	**499,967,622**	**4,999**	499,967,622	4,999

23 Additional paid-in capital

Additional paid-in capital represents the excess of consideration received over the par value of shares issued.

	30 June 2009 USD'000	30 June 2008 USD'000
Opening balance	**588,870**	588,870
Closing balance	**588,870**	588,870

24 Revaluation reserve

	30 June 2009 USD'000	30 June 2008 USD'000
Opening balance	**13,844**	777
(Reversal)/revaluation gains on leasehold land and buildings	**(5,589)**	24,700
Share of revaluation reversal/(gain) attributable to minority interests	**2,455**	(11,633)
Closing balance	**10,799**	13,844

The Group's share of valuation gains resulting from the revaluation of subsidiaries' hospitality properties has been recorded directly in the Group's revaluation reserve under shareholders' equity.

25 Long-term borrowings and debts

	30 June 2009 USD'000	30 June 2008 USD'000
Financial liabilities measured at amortised cost:		
Long-term borrowings and debts of:		
- Maplecity Investments Ltd. [1]	**14,473**	18,813
- Roxy Vietnam Co. Ltd. [2]	**4,948**	-
- East Ocean Real Estate and Tourism Joint Stock Company [3]	**15,834**	2,982
- Vinh Thai Urban Development Corporation [4]	**5,689**	-
- Orchid House Co. Ltd.	**-**	153
- Debts borrowed from minority shareholders [5]	**1,481**	-
	42,425	21,948
Current portion of long-term borrowings and debts of:		
- Maplecity Investments Ltd. (Note 27)	**(14,473)**	-
- Vinh Thai Urban Development Corporation (Note 27)	**(3,511)**	-
- Roxy Vietnam Co. Ltd. (Note 27)	**(2,600)**	-
- East Ocean Real Estate and Tourism Joint Stock Company	**-**	(188)
- Orchid House Co. Ltd.	**-**	(87)
	(20,584)	(275)
Total long-term borrowings and debts	**21,841**	21,673

The long-term borrowings and debts are denominated in the following currencies:

	30 June 2009 USD'000	30 June 2008 USD'000
Vietnam Dong	**23,471**	3,135
United States Dollars	**18,954**	18,813
	42,425	21,948

[(1)] The long-term loan of Maplecity Investments Ltd., a subsidiary of the Group, was received from Taipei Fubon Commercial Bank Co. Ltd. The loan was payable in full on 11 July 2009 and bears interest based on LIBOR plus 1.18% per annum. The loan is carried at amortised cost at the balance sheet date. In July 2009, the Group repaid the full amount to the Bank.

[(2)] The long-term loan of Roxy Vietnam Co. Ltd., a subsidiary of the Group, represents a loan received from Seabank – Ho Chi Minh City branch. The loan is for a period of six years from 11 June 2009 and is repayable in 12 semi-annual amounts. The loan bears a floating interest rate based on the 12-month saving rate of the bank plus a 2.5% margin for the Vietnam Dong (VND) and USD amounts. The loan is secured by the property held by the subsidiary (Note 9 and Note 13). The loan is carried at amortised cost at the balance sheet date.

[(3)] The long-term loan of East Ocean Real Estate and Tourism Joint Stock Company, a subsidiary of the Group, represents the loan received from Eximbank – Ho Chi Minh City branch. The loan is for a period of 15 years and is quarterly repayments. The loan bears a floating interest rate based on the bank's 12-month savings rate plus a 4% margin for VND amount and 2% margin for USD amount. The loan is secured by leasehold property and the value of constructions on such property by the subsidiary (Note 9 and Note 13). The loan is carried at amortised cost at the balance sheet date.

[(4)] The long-term loan of Vinh Thai Urban Development Corporation, a subsidiary of the Group, represents a loan obtained from Dong A bank – Ho Chi Minh City branch. The loan is for a period of three years from 12 December 2008 and bears interest at 15% for the first year. The loan is subject to quarterly repayments from 12 March 2010. The interest rate for subsequent years is calculated based on the base rate of the State Bank of Vietnam. The loan is secured by the property held by the subsidiary (Note 8). The loan is carried at amortised cost at the balance sheet date.

[(5)] During the year, two minority shareholders of the SAS Hanoi Royal Hotel Ltd. (Novotel Hanoi Hotel Project) made loans to this Group subsidiary to finance its operations during the construction period. These are not eliminated on consolidation balance sheet since the minority shareholder companies are not included in the Group consolidation.

26 Deferred tax liabilities

	30 June 2009 USD'000	30 June 2008 USD'000 (Reclassified)
Opening balance	**29,959**	2,507
(Utilised)/increase during the year for fair value adjustments of investment properties (Note 37)	**(15,354)**	27,452
Addition	**24**	-
Closing balance	**14,629**	29,959

On recognition of investment properties, leasehold land and buildings at their fair value, the future recovery of the carrying amount of these assets will result in a taxable flow of economic benefits to the entity and the amount that will be deductible for tax purposes would differ from the amount of those economic benefits. The difference between the carrying amount of the revalued asset and its tax base is a temporary difference and gives rise to a deferred tax liability.

27 Short-term borrowings and debts

	30 June 2009 USD'000	30 June 2008 USD'000
Financial liabilities measured at amortised cost:		
Current portion of long-term borrowings and debts of:		
- Maplecity Investments Ltd. (Note 25)	**14,473**	-
- Vinh Thai Urban Development Corporation (Note 25)	**3,511**	-
- Roxy Vietnam Co. Ltd. (Note 25)	**2,600**	-
- East Ocean Real Estate and Tourism Joint Stock Company	**-**	188
- Orchid House Co. Ltd.	**-**	87
Total short-term borrowings and debts	**20,584**	275

28 Trade and other payables

	30 June 2009 USD'000	30 June 2008 USD'000
Trade payables	**8,549**	2,010
Payables for property acquisitions and land compensations	**37,739**	18,813
Advances from property buyers (*)	**8,967**	-
Payable to minority shareholders	**6,471**	6,147
Tax payable	**1,015**	2,445
Payable to suppliers	**728**	-
Other accrued liabilities	**8,020**	2,692
Other payables	**2,865**	2,384
	74,354	34,491

(*) This amount represents the initial advances received from the buyers of Opera Hotel Ltd. (Hilton Project) of USD4 million and Golden Gain Vietnam Co. Ltd. (My Dinh 2.5ha Project) of USD4.9 million at the balance sheet date.

As all trade and other payables are short-term in nature, their carrying values are considered a reasonable approximation of their fair values as at balance sheet date.

29 Payable to related parties

	Relationship	**Transactions**	**30 June 2009 USD'000**	30 June 2008 USD'000 (Reclassified)
Non-current				
VinaCapital Vietnam Opportunity Fund Limited	Under common control	Shareholder loans payable (*)	**65,018**	66,367
			65,018	66,367
Current				
VinaCapital Vietnam Opportunity Fund Limited	Under common control	Dividends from a subsidiary	**613**	263
		Advances for real estate projects	**2,971**	-
VinaCapital Investment Management Ltd.	Under common control	Management fees	**2,158**	1,409
		Performance fees	**43,218**	48,218
		Advances for real estate projects	**983**	279
			49,943	50,169

(*) This represents shareholder loans granted by VinaCapital Vietnam Opportunity Fund Limited (VOF) to subsidiaries of the Group. VOF are minority shareholders in these companies. The loans are to finance real estate projects which are co-invested with VOF. The loans are carried at amortised cost in the balance sheet. In the prior year, these shareholder loans were classified as current assets, however these are now considered non-current assets and for comparative purposes, USD67.9 million has been reclassified to long-term shareholder loans payable to related parties.

30 Cost of sales, operation, selling and administration expenses

	Year ended 30 June 2009 USD'000	Year ended 30 June 2008 USD'000 (Reclassified)
Management fees	**14,889**	13,916
Depreciation and amortisation (*)	**9,364**	7,052
General and administration expenses (*)	**7,912**	3,318
Staff costs (*)	**7,331**	6,687
Outside service costs (*)	**4,777**	7,644
Professional fees	**4,578**	3,079
Material costs (*)	**2,471**	4,510
Performance fees (**)	**-**	48,218
	51,322	94,424

(*) These costs primarily relate to the operating activities of the Group's subsidiaries.

(**) There was no performance fee charged for the year as the fund did not achieve the required performance in accordance with the Management Agreement (Note 41).

31 Net (loss)/gain on fair value adjustments of investment properties

	30 June 2009 USD'000	30 June 2008 USD'000 (Reclassified)
By real estate sector:		
Commercial	**13,136**	31,100
Hospitality	**(5,522)**	4,282
Residential	**(81,594)**	69,392
Mixed used	**(79,564)**	169,746
Net (loss)/gain on fair value adjustments of investment properties	**(153,544)**	274,520

The net gain on fair value adjustments of investment properties for the year ended 30 June 2008 is adjusted for with deferred tax liabilities of USD27.4 million for comparison with current year's presentation (Note 37).

32 Other net changes in fair value of financial assets at fair value through income statement

	30 June 2009 USD'000	30 June 2008 USD'000
Gains/(losses) on disposals/valuation of corporate bonds	**1,084**	(2,868)
Unrealised (losses)/gains from trustee loans' revalued	**(5,838)**	18,686
Unrealised gains from ordinary shares revalued	**-**	1,051
	(4,754)	16,869

33 Other income

	Year ended 30 June 2009 USD'000	Year ended 30 June 2008 USD'000
Negative goodwill	**941**	27,166
Gain on disposals of fixed assets	**99**	108
Gain on disposals of investments	**-**	15,976
Other income	**1,551**	1,355
	2,591	44,605

34 Other expenses

	Year ended 30 June 2009 USD'000	Year ended 30 June 2008 USD'000
Allowances for impairments of assets (*)	**31,402**	-
Goodwill impairments (Note 12)	**3,511**	-
Loss from liquidation investment property, net	**1,618**	-
Loss on disposal of investments and fixed assets	**1,040**	6,226
Allowance for loss on prepayments for acquisition of investment	**-**	5,160
Other expenses	**496**	208
	38,067	11,594

(*) This amount mainly includes USD29.3 million relating to the impairment of the construction in progress asset and leasehold land held by East Ocean Real Estate and Tourism Joint Stock Company (Sheraton Nha Trang project), a subsidiary of the Group (Note 9 and Note 13).

35 Financial income

	30 June 2009 USD'000	30 June 2008 USD'000
Interest income	**10,874**	18,599
Realised gains on foreign exchange differences	**850**	152
Others	**248**	-
	11,972	18,751

36 Financial costs

	30 June 2009 USD'000	30 June 2008 USD'000
Realised losses on foreign exchange differences	**3,069**	174
Unrealised losses on foreign exchange differences	**1,983**	4,892
Interest expense	**1,683**	1,485
Others	**-**	440
	6,735	6,991

37 Corporate income tax

VinaLand Limited is domiciled in the Cayman Islands. Under the current laws of the Cayman Islands, there is no income, state, corporation, capital gains or other taxes payable by the Company.

The majority of the Group's subsidiaries are domiciled in the British Virgin Islands (BVI) and under BVI rules are not subject to Corporate Income Tax. A number of subsidiaries are established in Vietnam and are subject to corporate income tax in Vietnam at the regular tax rate of 25% (30 June 2008: 28%). A current tax provision of USD1,790 has been made for these Vietnamese subsidiaries of the Group for the year ended 30 June 2009 (30 June 2008: USD2,122,000).

The relationship between the expected tax expense based on the applicable tax rate of 0% and the tax expense actually recognised in the consolidated statement of income can be reconciled as follows:

	30 June 2009	30 June 2008
	USD'000	USD'000
		(Reclassified)
Group (loss)/profit before tax	**(215,187)**	277,757
Group (loss)/profit multiplied by applicable tax rate (0%)	**-**	-
Current income tax on Vietnamese subsidiaries	**(1,790)**	(2,122)
Deferred income tax income/(expense) (*)	**15,354**	(27,452)
Tax income/(expense)	**13,564**	(29,574)

(*) This amount represents the deferred income tax income/(expense) arose from the (losses)/gains on fair value adjustments of investment properties in the year.

The details of deferred income tax income/(expense) are as follows:

	30 June 2009	30 June 2008
	USD'000	USD'000
		(Reclassified)
Net (losses)/gains on fair value adjustments of investment properties	**(153,544)**	274,520
Deferred income tax (utilisation)/provision (effective rate of 10%)	**(15,354)**	27,452

Under the law of Vietnam, tax losses can be carried forward to offset against future taxable income for five years from the year a loss is incurred. Unrecognised deferred tax assets for the current year tax losses of USD10,402,000 (30 June 2008: USD7,329,000) relating to losses carried forward have not been recognised due to uncertainties as to their recoverability.

38 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Group by the weighted average number of ordinary shares on issue during the year.

	30 June 2009	30 June 2008
(Loss)/profit attributable to equity holders of the Company from continuing and total operations (USD'000)	**(129,429)**	167,698
Weighted average number of ordinary shares on issue	**499,967,622**	499,967,622
Basic (loss)/earnings per share from continuing and total operations (USD per share)	**(0.26)**	0.34

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has no category of potential dilutive ordinary shares. Therefore, diluted earnings per share are equal to basic earnings per share.

(c) Net asset value per share

Net asset value (NAV) per share is calculated by dividing the net asset value attributable to ordinary shareholders of the Company to the number of outstanding ordinary shares as at the balance sheet date. Net asset value is determined as total assets less total liabilities and minority interests.

	30 June 2009	30 June 2008
Net asset value attributable to ordinary shareholders of the Company (USD'000)	**660,529**	804,527
Number of outstanding ordinary shares	**499,967,622**	499,967,622
Net asset value per share (USD/share)	**1.32**	1.61

39 Cash flows statement

The following non-cash flow adjustments have been made to the pre-tax result for the year to arrive at operating cash flow:

	30 June 2009 USD'000	30 June 2008 USD'000 (Reclassified)
Depreciation and amortisation	**8,779**	7,052
Other net changes in fair value of financial assets at fair value through income statement	**5,838**	(16,869)
(Gains)/losses on fair value adjustments of investment properties	**153,544**	(274,520)
Gain on realisations of financial assets	**(1,084)**	-
Gain from liquidations of subsidiaries	**(128)**	(1,080)
Losses/(gains) from written-off/disposed investment properties, net	**1,618**	(14,681)
Allowances for impairments of assets	**31,402**	5,160
Negative goodwill	**(941)**	(27,166)
Goodwill impairments	**2,939**	-
Net losses from written-off account balances	**267**	168
Share of associate's loss/(profit)	**3,342**	(53)
Losses on disposals and written-off property, plant and equipment	**268**	5,814
Unrealised losses on foreign exchange differences	**1,983**	4,892
Amortised cost of loans receivable	**-**	440
Interest expense	**1,683**	1,485
Interest income	**(10,874)**	(18,599)
	198,636	(327,957)

40 Directors and management' remuneration

The emoluments entitled to the Group's Board of Director members that payable during the year were as follows:

	30 June 2009 USD'000	30 June 2008 USD'000
Nguen Khoong Tong	**28**	20
Bruno Schoepfer	**8**	20
Robert Gordon	**15**	-
Michael Arnold	**12**	-
Nicholas Brooke	**40**	20
	103	60

The Board of Management and certain other individuals who act on behalf of the Group are remunerated by the Investment Manager, however it is not possible to specifically allocate the cost to the Group. Part of the management fees disclosed in Note 41 can be allocated to remuneration of these individuals.

41 Related party transactions

Management fees

The Group is managed by VinaCapital Investment Management Limited (the "Investment Manager"), an investment management company incorporated in the British Virgin Islands ("BVI"), under a management agreement dated 16 March 2006 (the "Management Agreement"). The Investment Manager receives a fee based on the net asset value of the Group, payable monthly in arrears, at an annual rate of 2% (30 June 2008: 2%).

Total management fees for the year amounted to USD14,889,000 (30 June 2008: USD13,916,000), with USD2,158,000 (30 June 2008: USD1,409,000) in outstanding accrued fees due to the Investment Manager at the balance sheet date.

Performance fees
In accordance with the Management Agreement, the Investment Manager is also entitled to a performance fee equal to 20% of the annual increase in net asset value over the higher of an realised returns over an annualised hurdle rate of 8% (30 June 2008: hurdle rate of 8%) and a high water-mark.

There were no performance fee charged for the year (30 June 2008: USD48,218,000) with USD43,218,000 (30 June 2008: USD48,218,000) in outstanding accrued fees due to the Investment Manager at the balance sheet date.

Other related party transactions and balances

Shares purchase
During the year, VinaCapital Vietnam Opportunity Fund Limited, a fund under common management control, purchased 14,749,044 ordinary shares of the Company for USD9,917,000. As a result, the Fund has 2.95% interest in the Company as at 30 June 2009. Subsequent to the balance sheet date, further 8,492,839 ordinary shares were purchased by VinaCapital Vietnam Opportunity Fund Limited, bringing the total number of shares held by this related party to 23,241,883 ordinary shares at the date of approval of the consolidated financial statements. This represents a 4.65% holding in the Company.

Disposal of a subsidiary
In April 2009, the Group sold Bai Dong project at the market value to Linksys Architects Limited, a company held 100% by a director of the Group. The gain on disposal of the subsidiary company was USD128,000.

Other related parties transactions and balances are disclosed in Notes 11, Note 16, and Note 29.

42 Contingent assets and liabilities

Taxation
Although the Company and its direct subsidiaries are incorporated in the Cayman Islands and the British Virgin Islands where they are exempt from tax, the Group's activities are primarily focused on Vietnam. In accordance with the prevailing tax regulations in Vietnam, if an entity was treated as having a permanent establishment, or as otherwise being engaged in a trade or business in Vietnam, income attributable to or effectively connected with such permanent establishment or trade or business may be subject to tax in Vietnam. As at the date of this report the following information can not be determined:

- Whether the Company and/or its subsidiaries are considered as having permanent establishments in Vietnam; and
- The amount of tax that may be payable, if the income is subject to tax.

The implementation and enforcement of tax regulations in Vietnam can vary depending on numerous factors, including the identity of the tax authority involved. The administration of laws and regulations by government agencies may be subject to considerable discretion, and in many areas, the legal framework is vague, contradictory and subject to interpretation. The Directors believe that it is unlikely that the Group will be exposed to tax liabilities in Vietnam, and in the worse case, if tax is imposed on income arising in Vietnam it will not be applied retrospectively.

As at 30 June 2009, due to the uncertainties mentioned above, except for corporate income taxes provided for entities incorporated and operated in Vietnam as disclosed in Note 37, no liability in relation to taxation of the incorporated entities outside Vietnam of the Group has been recognised in the consolidated financial statements.

43 Commitments

At the balance sheet date, the Group was committed under non-cancellable operating lease agreements to paying the following future amounts:

	30 June 2009 USD'000	30 June 2008 USD'000
Within one year	**919**	1,422
From two to five years	**3,407**	3,505
Over five years	**12,776**	13,830
	17,102	18,757

As at 30 June 2009, the Group was also committed under construction agreements to paying USD17.9 million (30 June 2008: USD31.9 million) for future construction works of the Group's properties held by subsidiaries.

The Group has a broad range of commitments under investment licences it has received, and other agreements it has entered into, to acquire and develop, or make additional investments in investment properties and leasehold land in Vietnam. Further investment in any of these arrangements is at the Group's discretion.

44 Risk management objectives and policies

The Group invests in a diversified property portfolio in Vietnam and neighbouring countries with the objective of providing investors with an attractive level of investment income, together with the potential for capital growth.

The Group is exposed to a variety of financial risks: market risk (including currency risk and interest rate risk); credit risk; and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's risk management is coordinated by its Investment Manager who manages the distribution of the assets to achieve the investment objectives. The most significant financial risks to which the Group is exposed to are described below:

Foreign currency sensitivity
The Group's exposure to risk resulting from changes in foreign currency exchange rates is moderate as although transactions in Vietnam are settled in Vietnam Dong, the value of the Vietnam Dong has historically been closely linked to that of USD, the reporting currency.

The Group's financial assets and liabilities exposure to risk of fluctuations in foreign currency exchange rates at the balance sheet date are as follows:

	Short-term exposure		**Long-term exposure**	
	VND USD'000	**Others USD'000**	**VND USD'000**	**Others USD'000**
30 June 2009				
Financial assets	**103,131**	**140,802**	**1,112**	**-**
Financial liabilities	**(71,498)**	**(73,383)**	**(19,753)**	**(68,018)**
Net exposure	**31,633**	**67,419**	**(18,641)**	**(68,018)**
30 June 2008				
Financial assets	212,686	155,751	1,077	-
Financial liabilities	(28,619)	(56,316)	(3,045)	(86,039)
Net exposure	184,067	99,435	(1,968)	(86,039)

Sensitivity analysis to a reasonably possible change in exchange rates
Property valuations in Vietnam are based on a combination of factors linked to both the USD and VND. Assuming all properties are valued based on VND cash flow, a 5% weakening of the VND against USD at the end of the year ended 30 June 2009 and 30 June 2008 would have impacted net income of the Group's equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	30 June 2009	30 June 2008
	USD'000	USD'000
	Net loss	Net loss
5% devaluation of the Vietnam Dong	**(650)**	(9,105)

A 5% strengthening of the VND against USD would have had the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

Price risk sensitivity
Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As the majority of the Group's financial instruments are carried at fair value with fair value changes recognised in the income statement, all changes in market conditions will directly affect net investment income.

The Group invests in real estate projects and is exposed to market price risk. If the prices of the real estate were to fluctuate by 10%, the impact on profit or loss statement and equity would amount to approximately USD51.6 million (2008: USD65 million).

Cash flow and fair value interest rate sensitivity
The Group's exposure to interest rate risk is related to interest bearing financial assets and financial liabilities. Cash and cash equivalents, bank deposits and bonds are subject to interest at fixed rates. They are exposed to fair value changes due to interest rate changes. The Group currently has some financial liabilities with floating interest rates which are disclosed in the Notes to the consolidated financial statements. This is the maximum exposure of the Group to cash flow interest rate risk.

Credit risk analysis
Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the Group at the balance sheet date.

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below:

	30 June 2009	30 June 2008
	USD'000	USD'000
Classes of financial assets – carrying amounts:		
Ordinary shares – unlisted	**5,032**	5,257
Trustee loans	**41,266**	46,409
Corporate bonds	**-**	10,258
Long-term financial assets	**1,112**	1,077
Short-term investments	**34,888**	57,027
Cash and cash equivalents	**50,274**	80,806
Trade and other receivables	**112,473**	168,680
	245,045	369,514

The carrying amount of trade and other receivables and loans represent the Group's maximum exposure to credit risk in relation to its financial assets.

At 30 June 2009, the amounts of trade receivables that are overdue but not impaired are insignificant.

The Group has no other significant concentrations of credit risk.

In accordance with the Group's policy, the Investment Manager continuously monitors the Group's credit position on a monthly basis, identified either individually or by group, and incorporates this information into its credit controls.

The Group's Investment Manager reconsiders the valuations of financial assets that are impaired or overdue at each reporting date based on the payment status of the counterparties, recoverability of receivables, and prevailing market conditions.

Liquidity risk analysis
Liquidity risk is the risk that the Group will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with investments and financial instruments. There is an inherent liquidity risk associated with the Company's primary business, being property investment. As a consequence, the value of the majority of the Company's investments cannot be realised as quickly as other investments such as cash or listed equities. Furthermore, the development and realisation of the Company's property investments will normally require access to debt financing at a reasonable cost or shareholder loans from the Company's surplus funds and its co-investors.

The Company seeks to minimise liquidity risk through:

- Preparing and monitoring cash flow forecasts for each investment project and the Company on a consolidated basis;
- Arranging financing to fund real estate developments as required; and
- Providing amble lead times for the disposal of assets and realisation of cash.

At the balance sheet date, the Group's financial liabilities have contractual maturities which are summarised follows:

	Current		**Non-current**	
	Within 6 months	**6 to 12 months**	**From 1 to 5 years**	**Over 5 years**
	USD'000	**USD'000**	**USD'000**	**USD'000**
30 June 2009				
Trade and other payables	**74,354**	**-**	**-**	**-**
Short-term borrowings	**20,584**	**-**	**-**	**-**
Payables to related parties (*)	**49,943**	**-**	**65,018**	**-**
Long-term borrowings and debts	**-**	**-**	**5,765**	**14,595**
Long-term payables to minority shareholders	**-**	**-**	**1,481**	**-**
Other liabilities	**-**	**-**	**912**	**-**
	144,881	**-**	**73,176**	**14,595**

This compares to the maturity of the Group's financial liabilities in the previous year as follows:

	Current		Non-current	
	Within 6 months	6 to 12 months	From 1 to 5 years	Over 5 years
	USD'000	USD'000	USD'000	USD'000
30 June 2008				
Trade and other payables	34,491	-	-	-
Short-term borrowings	275	-	-	-
Payables to related parties (*)	-	50,169	66,367	-
Long-term borrowings and debts	-	-	21,673	-
Other liabilities	-	-	1,044	-
	34,766	50,169	89,084	-

(*) Payables to related parties are primarily shareholder loans from related parties to jointly owned subsidiaries. These loans are not repayable until the respective subsidiaries have sufficient cash to repay these obligations.

The above contractual maturities reflect the gross cash flows, which may differ to the carrying value of the liabilities at the balance sheet date.

Capital management
The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern;
- To provide investors with an attractive level of investment income; and
- To preserve a potential capital growth level.

The Group considers the capital to be managed as equal to the net assets attributable to the holders of ordinary shares. The Group has engaged the Investment Manager to allocate the net assets in such a way so as to generate investment returns that are commensurate with the investment objectives outlined in the Group's offering documents.

45 Subsequent events after the balance sheet date

Hilton Project

On 4 May 2009, the Group entered into a principle agreement with the buyer to sell its stake in Opera Hotel Ltd. (formerly known as SRLHO) (Hilton Hanoi Opera Hotel) (Note 21) and received a deposit of USD4 million as of 30 June 2009 (Note 28). Subsequent to the balance sheet date, the Group received further payments of USD23 million, bringing the total received amount of USD27 million up to the date of approval of this report. The control of the assets of this project was passed to the buyer on 14 August 2009.

SAS Hanoi Royal Hotel Project

As at 30 June 2009, the Group owned 56.25% of SIH Investment Ltd. which has a 70% interest in SAS Hanoi Royal Hotel Ltd. (SAS Hanoi Royal Hotel Project). The planned project was to build and manage a four-star hotel on a 10,331 square meter of land in Hanoi, Vietnam. However, as the site has been reserved as a public area, the Hanoi People's Committee requested the Group swap the land for another site. On 28 August 2009, the Group received a letter from the Hanoi People's Committee granting it an alternative site. The Investment Manager has estimated that the value and future potential benefits of the new land is not less than costs incurred on the properties which will be exchanged.