

*Ho Chi Minh City, on the 31<sup>st</sup> of March, 2009*

## REPORT

### THE IMPLEMENTATION OF THE 9<sup>TH</sup> MEETING OF SHAREHOLDERS' RESOLUTION OF 2008

#### **Attention: PNC'S MEETING OF SHAREHOLDERS**

The Board of Directors of Phuong Nam Cultural Corporation would like to present to the Meeting of Shareholders about the implementation of resolution of the 9<sup>th</sup> Meeting of Shareholders held on March 22<sup>nd</sup>, 2008 as follows:

#### **1- IMPLEMENTATION OF PRODUCTION PLAN OF 2008**

*Unit: VND*

No.	Item	Budget Amount	Actual Amount	Actual-to-Budget Rate
<b>1</b>	<b>Net revenue</b>	<b>325,118,326,000</b>	<b>272,431,095,642</b>	<b>83%</b>
2	Gross profit	89,891,507,000	76,636,369,666	85%
<b>3</b>	<b>Pre-tax profit</b>	<b>20,086,138,395</b>	<b>5,850,080,849</b>	<b>29%</b>
4	Income tax	3,462,575,480	223,139,000	
<b>5</b>	<b>After-tax profit</b>	<b>16,623,562,915</b>	<b>3,735,182,957</b>	<b>22%</b>

#### **2- REPORT OF TRANSFERRING 10% OF PNC'S CAPITAL IN MEGASTAR JOINT VENTURE COMPANY**

Transferred the amount of investment capital on June 30<sup>th</sup>, 2008; received US\$ 400,000 equivalent to VND 6,402,000,000 and booked it to revenue from financing activities.

#### **3- IMPLEMENTATION OF INVESTMENT PLAN OF 2008**

1. Projects which were conducted as planned

*Unit: million VND*

No.	INVESTMENT PROJECT	BUDGET	ACTUAL	NOTE
<b>A.</b>	<b>Projects which were started in 2007 continued to 2008</b>	<b>17,800</b>	<b>21,377</b>	
1	Phuong Nam Bookstore – Nha Trang : opened in 05/2008	7,800	13,272	Expansion of the area for business; Increase in materials price
2	Phuong Nam Bookstore – Nguyen Oanh : opened in	5,000	8,105	Opened 3 month late due to partner's delay in transferring

	10/2008			the land Expansion of the area for café business (Book Café)
3	Can Tho Bookstore – Book café	3,000		Moved to 2010's plan
4	Office 1 project	2,000		Not yet conducted, moved to 2010's plan
<b>B</b>	<b><i>Projects which were started in 2008</i></b>	<b>45,700</b>	<b>3,359</b>	
1	Perfect the identification series of the bookstore system	5,000	465	
	<b><i>Develop the network</i></b>			
2	Binh Duong Bookstore	1,200	1,396	Finished in 02/2008
3	Parson Bookstore – Le Thanh Ton : opened in 11/2008	1,500	430	Not achieved the agreed area for business (achieved 100 m2/ agreed 200 m2) The land was delayed in transferring
4	Parkson Bookstore – Tan Son Nhat	1,500		Canceled due to not reach the agreement of the area for business
5	Lotte Bookstore – District 7	3,000		Canceled due to not reach the agreement for business conditions
6	Bookstore at 01 Nguyen Hue, Hue City	21,000	193	Not yet conducted, moved to 2010's plan
7	Phan Thiet Bookstore	5,000		Not yet conducted due to not reach the agreement of business land, move to 2009's plan
2	Parkson Bookstore – Hai Phong : opened in 10/2008	1,500	875	Decreased investment budget due to the decrease of development tendency of Hai Phong City
9	Hanoi 1 Bookstore	6,000		Not yet conducted due to not found the suitable land, moved to 2010's plan
<b>C.</b>	<b><i>Investing in subsidiaries and cooperating companies</i></b>	<b>18,400</b>	<b>3,535</b>	
1	Phuong Nam Stationery Company (PNSC)	6,800		
2	Phuong Nam Print Company (PNP)	1,850	950	
3	Phuong Nam Film Company (PNF)	750	1,000	Import disc
4	Phuong Nam Brand	1,000	1,585	Advance to the partner for the

	Company (PNBC)			expense of Office1 project's establishment
5	Phuong Nam Media Joint Stock Company (PNC owns 40%)	4,000		Not yet conducted, moved to 2010's plan to extend the investment process according to the current condition
6	Mega Phuong Nam Joint Stock Company (PNC owns 40%)	4,000		Not yet conducted, moved to 2009's plan to extend the investment process according to the current condition
	<b>TOTAL</b>	<b>81,900</b>	<b>28,271</b>	

#### **4- ADDITIONAL STOCK OFFER TO INCREASE PAID-IN CAPITAL IN 2008**

Non Applicable

#### **5- LOAN FOR IMPROVEMENT/ADAPTATION**

Non Applicable

#### **6- SELECTION OF AUDITING COMPANY**

According to the resolution of the 9<sup>th</sup> Meeting of Shareholders, the Board of Directors and the Board of Supervisors have selected Auditing and Accounting Financial Consulting Company (AFC) as the company's auditing organization for fiscal year 2008.

#### **7- AMENDMENT TO THE REGULATIONS**

According to the resolution of the 9<sup>th</sup> Meeting of Shareholders, the company has completed the contents of the company's regulations which will be applied right after this Meeting of Shareholders.

Above is the report of implementation of the 9th Meeting of Shareholders' resolution of Phuong Nam Cultural Corporation which is presented to the Meeting of Shareholders.

*Sincerely,*

**Received:**

- *PNC's Shareholders*
- *Filing*

**On behalf of the Board of Directors  
CHAIRMAN**

**PHAN THI LE**