

**FPT CORPORATION**



# **DOCUMENTS**

## **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

April 2012



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8. Proposal of issuance and listing of shares for employees with notable achievements in 2011
9. Amendment of the Charter of FPT Corporation
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## AGENDA

### 2012 ANNUAL GENERAL SHAREHOLDERS MEETING

**Time:** 8:00a.m., Saturday, April 14<sup>th</sup> 2012

**Venue:** Van Mieu Ballroom, 2<sup>nd</sup> floor, Horison Hotel, 40 Cat Linh, Ha Noi

**Details:**

No.	Time	Description (Proposed)	In charge
1.	08:00 – 09:00	Registration	
2.	09:00 – 09:05	Opening ceremony	
3.	09:05 – 09:10	Report on the validity of GSM	Supervisory Board
4.	09:10 – 09:15	Nomination of the secretary, election of the voting committee and approval of the meeting agenda	Chairman
5.	09:15 – 09:25	Presentation of 2011 Director Board's Report. Budget and remuneration for Director Board in 2012	BOD
6.	09:25 – 09:35	Presentation of Management Board's Report on business activities and audited financial statements in 2011	BOM
7.	09:35 – 09:40	Presentation of 2011 Supervisory Board's Report. Budget and remuneration for Supervisory Board in 2012	Supervisory Board
8.	09:40 – 09:45	Presentation of 2011 Profit Distribution Plan	BOD
9.	09:45 – 09:50	Proposal of cash dividend payment 2012	BOD
10	09:50 – 09:55	Proposal of issuance and listing of shares for employees with notable achievements in 2011	BOD
11	09:55 – 10:00	Modification of the Charter of FPT Corporation	BOD
12	10:00 – 10:30	<i>Discussion</i>	Chairman
13	10:30 – 10:45	Voting	Voting Committee
14	10:45 – 11:00	Election of BOD and Supervisory Board term 2012 - 2017	BOD
15	11:00 – 11:30	<i>Tea break</i>	Chairman
16	11:30 – 11:40	Declaration of voting results & Election	Voting Committee
17	11:40 – 11:45	Introduction of BOD and Supervisory Board term 2012 - 2017	Voting Committee
18	11:45 – 11:50	Approval of Resolution of 2012 Annual General Meeting of Shareholders	BOD
19	11:50 – 11:55	Approval of Minutes of 2012 Annual General Meeting of Shareholders	Secretary
20	11:55 – 12:00	Closing	Chairman



## **REPORT OF FPT CORPORATION'S BOARD OF DIRECTORS**

### **I. ASSESSMENT OF 2011 BUSINESS AND ACTIVITIES**

#### **1. 2011 business results: Maintaining growth in a difficult context**

In the difficult context of the economy in 2011, the Board of Directors has closely monitored and coordinated with the Board of Management in all production and business activities since the beginning of the year, revised the plan in mid-2011 and consistently tended to the target of high growth rate, creating a strong basis for the implementation of OneFPT Strategy right from the first year.

Consequently, by the end of 2011 financial year, FPT's total revenue was VND 25,978 billion, equivalent to 105.87% of the target approved by the Board of Directors at the beginning of the year, more than 97% of the mid-year revised target, up for more than 27% year on year.

FPT's profit before tax was recorded at VND 2,502 billion, an increase of 23.6% compared to 2010, or 103.3% of the target at the beginning of the year, equivalent to 95% of the mid-year revised target. Profit after tax was over VND 2,079 billion, an increase of 22.9% compared to 2010. Profit after tax belonging to shareholders of parent company was over VND 1,681 billion, an increase of 33% compared to 2010, equivalent to 96.1% of the revised target. Earnings per share were VND 7,861, up 19% over the previous year.

The result showed a great effort of the Board of Directors and FPT employees in bringing the highest benefits to shareholders.

#### **2. Business highlights**

##### **a. Ownership restructuring in FPT Software, FPT IS, and FPT Trading**

The Board of Directors had proposed a restructuring plan for the company and an increase of charter capital at the last Annual General Shareholders Meeting as part of OneFPT Strategy's implementation. Specifically, FPT issued new shares to exchange for shares of minority shareholders in FPT Software, FPT IS, and FPT Trading. After completing the procedures, in September 2011, these companies were transformed into Single limited liability companies with 100% FPT ownership. With the objectives of centralizing management to maximize synergy on technology basis, the restructuring decision aimed at promoting and creating a foundation for breakthroughs in growth of these major companies in the coming years. With this new model, the



synergy between member companies of FPT has achieved many significant results over the past year, mainly in the following areas:

- Exploiting client resources of each member companies effectively.
- Conducting coordinated sales, marketing, customer care, and research and development programs.
- Coordinating research activities, approaching new markets and customers effectively.
- Taking advantage of financial resources at member companies through flexible reallocation to maximize benefits.

**b. Changing the Board of Management of FPT and some member companies**

In March 2011, as part of the leadership transfer process, Mr. Nguyen Thanh Nam left the position of President and CEO for the task of developing new markets; Mr. Truong Dinh Anh was appointed for replacement. The new Board of Management currently has 3 members including the President and two Executive Vice Presidents, Ms. Chu Thi Thanh Ha and Mr. Nguyen The Phuong.

After their appointments, under the close guidance of the Board of Directors and Standing Committee, the Board of Management has quickly taken over the tasks and launched a campaign to strongly accelerate the company's businesses. The previously-approved 2011 business plan was revised upward with sales growth adjusted from 20% year on year to a challenging figure of 30%. In the context of prolonged economic recession, decisions of the Board of Management showed the determination and wills of FPT's leaders at all levels. The resulting 27% growth rate in 2011 was indeed achieved with great efforts of leaders at all levels from planning to supervise the execution of production and business activities, together with flexible reactions to complicated market fluctuations.

**c. The decision of withdrawing from the investment in EVN Telecom**

In October 2010, the Board of Directors decided to invest in EVN Telecom, aiming at holding a majority of interest in the company. However, through studying the feasibility and getting a more thorough understanding of the operational and financial situations of EVN Telecom, certain financial indicators were found not to meet FPT's expectations. At the same time, some negotiation terms in the initial agreement were not achieved due to various subjective and



objective reasons. In April 2011, the Board of Directors decided to withdraw from the investment project. All the money transferred to EVN Telecom (VND 708.8 billion) as preliminary financial capacity proof was returned to FPT in late 2011.

### **3. Activities of the Board of Directors in 2011**

In 2011, FPT Corporation's Board of Directors held quarterly meetings, ad hoc meetings and collected written opinions for timely activity conducts regarding:

- Ratifying business reports, financial reports, audit reports and 2010 profit allocation proposal.
- Approving OneFPT Strategy for the 2011 – 2024 period
- Appointing the new President and CEO of FPT, new leaders for FPT Software
- Conducting ownership restructuring in three member companies (FPT Software, FPT IS, FPT Trading)
- Approving the establishment of FPT Technology Solution Co., Ltd., and FPT Digital Retail Joint Stock Company
- Approving the 2012 business plan

#### *Decisions of the Board of Directors*

In 2011, the Board of Directors promulgated various decisions for detailed execution of the above mentioned issues. Other decisions made:

- Regulations on planning key staff, and managing high-level officers.
- Regulations on organizing OneFPT activities and task assignments.
- Regulations on FPT Leader Institute's training activities
- Dismissals, appointments of several management positions such as the Chief Accountant of FPT, Director and Vice Director of FPT branch in Hochiminh city, Head of Technology and Information Department, Head of Quality Assurance Department, leaders of FPT Hoa Lac High-tech Park Development Company Limited, and of FPT Real Estate Company Limited



- Replacements of the Head of the Internal Audit Committee and Personnel Committee, appointments of internal auditors at all member companies
- Contributing capital to establish FPT Investment Company with Mr. Le Quang Tien as FPT Corporation's representative.
- Restructuring 89 Lang Ha project
- Ratifying the centralized communication policy of FPT
- Approving the remuneration policy for FPT IS, FPT Telecom, FPT Software, FPT Trading, FPT University
- Increasing the charter capital

#### **4. Activities of Committees under the Board of Directors**

##### **4.1. The Standing Committee**

With the change of the President and CEO position since March 2011, there were also changes in the members of Standing Committee. Accordingly, Mr. Nguyen Thanh Nam and Mr. Hoang Minh Chau were no longer members of the Committee. Currently, the Standing Committee includes the following members:

- Mr. Truong Gia Binh
- Mr. Le Quang Tien
- Mr. Bui Quang Ngoc
- Mr. Truong Dinh Anh

The Standing Committee meets weekly. Mr. Truong Dinh Anh, representative of the Board of Management, accompanied by other members if necessary, updates and reports monthly/quarterly business results of every member company, discussing issues occurred. Through this regular communication, the Standing Committee thoroughly understand the operations and administration of the member companies and FPT as a whole to make timely guidance and proper adjustments in order to improve the operation efficiency and ensure that the preset targets and strategies are consistently followed.



The Standing Committee executed its tasks through reviewing, discussing, and making decisions/suggestions regarding the proposed remuneration, personnel, restructuring policy, new business projects... On that basis, it then made approvals for issues under its authority or gave its opinions on issues beyond its authority before discussing them at the Board of Directors' meetings, or at the Annual General Shareholders Meeting.

#### **4.2. The Personnel Committee**

In October 2011, Mr. Hoang Minh Chau transferred the Chairman position of the Personnel Committee to Mr. Bui Quang Ngoc. In 2011, the Personnel Committee re-examined personnel process and remuneration policy, issued several important and supplemental policies such as regulations on managing high-level officers; regulations on managing, appointing, and dismissing officers; regulations on managing future key staff.. and conducted some significant projects such as constructing job descriptions for high-level officers, constructing remuneration policy...

The Personnel Committee has proposed 11 detailed action plans for 2012, including major personnel programs in OneFPT Strategy in order to meet personnel needs for accomplishing the OneFPT goal of all FPT employees.

#### **4.3. The Internal Audit Committee**

In October, 2011, Mr. Bui Quang Ngoc transferred the Chairman position of the Internal Audit Committee to Mr. Nguyen Diep Tung. Mr. Bui Quang Ngoc continued to be a member of the Committee.

In 2011, the Internal Audit Committee conducted exclusive audits on the administration and control at member companies regarding organizational structure; functions and roles of the representative of FPT, operations of the Internal control and audit committees, etc Audited member companies included: FPT HO, FPT Telecom, FPT Software in Hanoi, FPT Education, FPT Trading HCM, exclusive control assessment on warehouse management at FPT Services.

Moreover, in 2011, the Committee also executed the following tasks: publicizing relevant interests of all FPT employees; reviewing and supporting member companies to amend their Charter; rectifying FPT's financial control system.

Through controlling activities, the proposal to publicize relevant interests, the amendment of charter and regulations..., the Internal Audit Committee succeeded in communicating FPT





regulations to member companies, departments and individuals, ensuring that FPT Management system's regulations were properly followed by member companies; amending and supplementing the regulations of FPT Management system toward practicality.

#### **4.4. The Strategy Committee**

With the change of Chairman position in some member companies, there were respective changes in Strategy Committee's members:

1. Mr. Truong Gia Binh
2. Mr. Le Quang Tien
3. Mr. Bui Quang Ngoc
4. Mr. Nguyen Thanh Nam
5. Mr. Do Cao Bao
6. Mr. Hoang Nam Tien
7. Mr. Nguyen Diep Tung
8. Mr. Truong Dinh Anh
9. Mr. Le Truong Tung
10. Mr. Tran Quoc Hoai

The Strategy Committee meets regularly and is responsible for ratifying strategies of FPT and member companies, which creates the foundation for the annual planning of FPT. The Strategy Committee discussed, reached mutual agreements and ratified all revised versions of the OneFPT Strategy in 2011, including Regulations on OneFPT's organization and operation and assigned tasks for the detailed implementation of OneFPT strategy.

The Strategy Committee and the Strategy Office (CSO) plays the role of the strategic advisor for research and development projects as well as monitoring the implementation, assuring the success of OneFPT Strategy with the highest quality.

#### **4.5. The Strategy Office**



Strategy Office is a department under the direct supervision of the Board of Directors, headed by the Chief Strategy Officer. The Strategy Office supports, proposes the formation of OneFPT Strategy at the corporation level; supervises and manages the implementation of the approved strategic plans and assigned them to relevant departments for execution. The Strategy Office is also a department that provides effective supports and consultation for all units in FPT in researching activities, exploring new trends in different businesses, applying modern management theories and international standards which are useful for the research and development of new business models and management policies.

#### **4.6. The Office of the Board of Directors (OBD)**

The OBD supports the Chairman and the Board of Directors in the organization of regular and ad hoc meetings, collecting written opinions of members of the Board, if necessary, preparing and issuing documents, resolutions of the Board of Directors which are in compliance with the Operation Regulations and Charter of the company, the Enterprise Law and other legal regulations. The OBD is also responsible for conducting a number of feasibility studies as per request of the Chairman of the Board of Directors.

Annually, the OBD takes the main responsibility and cooperates with relevant units to organize the Annual General Shareholders Meeting (or ad hoc meeting, if requested), FPT Strategy Conference, etc.

### **5. Benefits and compensations policies for Board of Directors**

The 2011 Annual General Shareholders Meeting approved a benefits and compensations budget of VND 5.4 billion. Detail of disbursement in 2011 is VND 5.38 billion.

## **II. DIRECTIONS AND STRATEGY 2012**

### **1. Macroeconomic situation**

2012 is forecast to be a year of continued challenges for the world economy, with worsening conditions compared to 2011. Two major risks are the decrease in global economic growth, especially at growth centers (the US, EU, Japan, China), and the increasing instability with the threat of double – dip recession.



Besides external challenges, Vietnam's economy had experienced the year 2011 with increasing uncertainty stemming from the financial and banking system, high inflation and surging interest rate. Forecasts by experts point to many potential uncertainty in 2012.

In this difficult context, the socio-economic targets set by the Government are: prioritizing inflation control with CPI below 10%; stabilizing macroeconomic conditions; maintaining a GDP growth rate of 6% - 6.5%; tightening monetary policies with a low target of credit growth between 15% and 17%.

## **2. Industry outlook**

Vietnam's Information and Communication Technology (ICT) plays an important role in the economy with a significant contribution to GDP growth. In recent years, according to the statistics of Ministry of Information and Communications, Information technology has recorded an average revenue growth rate at 20-25% on average, three times higher than GDP growth rate.

Information technology is conceived as the infrastructure of the modern economy, the "infrastructure of infrastructure", the most powerful driving force of rapid, sustainable development, and the essence of modernization. Developing Information technology is the shortest path for Vietnam to avoid being lagged behind, avoiding the middle income trap.

Resolution 13-NQ/TW issued on Jan 16, 2012 in the 4th Conference of the Party's Central Committee XI: "Accelerating the application of Information technology in management, development and operation of the social-economic infrastructure system and the economy as a whole. Developing and applying Information technology must be considered as the top priority in the industrialization and modernization process of every industry and area".

With the determination to develop the Information technology and telecommunications industry, in 2010, the Government approved the project "Transforming Vietnam into an advanced ICT country". The objectives are to develop ICT human resources to meet international standards; to make Information technology, especially software and digital content services, become key economic sectors contributing to GDP growth and exports; to establish Broad-band infrastructure nationwide; to effectively apply Information technology in all aspects of the economy, the society, the national security, ...; to maintain the growth rate of the industry at a level of doubling, tripling the GDP growth rate. Prospects of ICT industry are specified as below:



*Broad-band Internet and value-added services:* Penetration rate of Broad-band Internet in Vietnam has remained relatively low compared to other countries in the same region as well as over the world. Thus, the sector has considerable growth potential. In Vietnam, the rate is only 4.6%, while it is 6.1% in Philippines, 11.9% in China, 26.2% in Malaysia (Source: BMI).

*Digital Content:* According to BMI statistics, as of October 2011, total Internet users in Vietnam were more than 30.5 million. Given the young age structure of the country, the demand for using internet for work, entertainment, etc. is likely to keep growing. Therefore, the digital content sector, though newly established, has achieved an average growth rate at over 40%/year (IT White Book 2011) and is promising to make great breakthroughs in the coming years.

*Software outsourcing:* Vietnam has a lot of potential in software outsourcing. According to A.T.Kearney's ranking, Vietnam was at the 8th position among the most attractive countries in terms of software outsourcing potential. The relatively small scale currently in Vietnam versus the enormous market size world-wide promises a continued high-growth rate for the sector in the future.

*System integration services and software solutions:* Vietnam is a developing country with a moderate level of Information technology application within Government entities and enterprises. With the Government's target to make Information technology the "infrastructure of infrastructure", there will be big opportunities for businesses in this field.

*Education and Training:* There are about 1.2 million high school graduates every year. Given the increasing trend of socializing education, university education and vocational training have great potential Vietnam.

*Distribution and manufacturing of IT products:* Vietnam is ranked at the 13th most populous country in the world with a young population structure, increasing GDP per capita, especially rising income of the middle class, supported by the stable growth of the economy. Therefore, the distribution and retail industry of IT and mobile products is a very promising sector.

### **3. FPT's opportunity and OneFPT strategic direction 2012**

Although 2012 is forecast to be another difficult year for Vietnam's economy, FPT - as a leading company –aligning with Government's determination of developing ICT industry – are faced with challenges as well as opportunities: FPT need to sustain the growth rate at three times higher than GDP growth by quickly acquiring and applying the world's most advanced



technologies; at the same time, strive to develop Information technology and telecommunication products and services under FPT's brand serving the expanding domestic market as well as overseas markets. This year will mark a milestone for various strategic programs in order to position FPT as a Vietnamese leading global corporation.

### ***Focus on technology: “Be Smarter”***

The slogan “Be Smarter” can be perceived simply as increasing productivity via knowledge and technology application. Specifically, we will gather and exploit comprehensive, systematic data for innovating, modeling and converting it into advanced knowledge, creating better efficiency and higher quality.

The essence of OneFPT Technology's strategy (2011-2014) “Acquiring, mastering, creating the most advanced and practical technology and knowledge to become a Vietnamese leading global corporation” must be expressed in all business sectors, products and services of FPT. We must become the supplier of the most advanced technology solutions, products and services.

In 2012, FPT will invest 5% profit in R&D activities for new technological products.

### ***2012 – The milestone for growth in OneFPT strategy's timeline***





FPT cannot successfully implement OneFPT strategy and achieve growth targets without adequate investment in technology development both intensively and extensively. Top strategic priorities for the Corporation's technology during 2011-2014 period include:

Establish **FPT Technology Solutions Company**, with focus on implementing important projects under **Advanced Technology Solutions** model: strive to be the leading company in the ICT infrastructure development; invest in public service projects in key economic sectors to reduce pressure on Government expenditure, accelerate infrastructure development and provide value – added services to improve the public's standards of living and create breakthroughs in revenue growth.

Promote R&D, manufacture and distribute of “Made-by-FPT” products. Of which, developing advanced software, diversified applications' store and value-added services on mobile smart devices are the key task that helps differentiate the products, aiming at conquering target markets.

In the Telecommunication sector, FPT aims to penetrate intensively into wireless Broad-band market, take advantage of mergers and acquisitions opportunities and concentrating maximum resources to participate in the market of providing digital content products/services on wireless broadband platform, bringing applications onto modern devices on a broad coverage basis.

### ***Globalization: Finding New Homeland***

Apart from promoting the current globalization programs, in 2012, FPT will focus on exploring countries less developed compared to Vietnam yet having large population and fair average income to roll out key businesses like software, IT services, telecommunications, training, distribution...comprehensively.

## **4. 2012 Plan**

### **4.1. Business plan**

With opportunities and challenges ahead, FPT's Board of Directors and Board of Management are still determined to pursue a high business growth target in 2012. However, as Vietnam's macroeconomic conditions are forecast with a lot of uncertainty, FPT's Board of Directors and Board of Management will focus on low-risk segments and project different scenarios to deal with different cases of the economy. Key directions in 2012: Continue to exploit on and promote traditional core businesses, focusing on developing technology.

- Promote and expand into new markets/ products/ services.
- Accelerate the development of Telecommunication, digital content, software, IT service and training segments.
- Focus on operation control and risk management
- Some specific directions in 2012 for FPT's business segments:
  - Telecom: Invest in telecom backbone network, continue to expand coverage, increase bandwidth capacity and provide various value-added services.
  - Software: Penetrate further into large markets, invest in human resource and improve service quality. Focus on providing mobility and cloud computing solutions.



- Digital content: Accelerate core businesses such as online games, online advertising, payment services, ecommerce ...
- System integration and IT services: Develop core solutions and core applications for industries; accelerate public services; expand businesses overseas.
- Training: Accelerate IT training services, expand vocational colleges.
- Trading and manufacturing of technology products: Explore new categories; continue to position “Made by FPT” products and focus on smart devices.

With the above directions, The Board of Directors has approved the following business plan for 2012:

*(Unit: VND billion)*

No.	Segment	Revenue		Profit before tax	
		Growth rate	Growth rate	Value	Growth rate
	<b>FPT</b>	<b>31,300</b>	<b>21%</b>	<b>3,000</b>	<b>22%</b>
1.	Telecom	3,000	27%	710	29%
2.	Digital content	1,800	59%	315	26%
3.	Software development	2,328	24%	608	22%
4.	System integration	4,024	22%	469	19%
5.	Training	540	36%	165	23%
6.	Manufacture and distribution of IT and telecom products	17,680	13%	604	17%
7.	Others	1,928	50%	130	-16%

#### 4.2 Investment plan

In order to implement the 2012 plan and OneFPT strategic roadmap to 2014, FPT aim at many business expansion and M&A activities as follows:

- Invest in the submarine fiber-optic cable system Asia Pacific Gateway (APG), expected to be in service by 2014, shore landing point in Da Nang.
- Expanding and upgrading internet backbone infrastructure
- Invest in North- South telecom backbone



- Building campuses for FPT University and FPT Software at Hoa Lac High Tech Park.
- Building offices for Ho Chi Minh City branches in Tan Thuan Export Processing Zone, District 7, Ho Chi Minh City
- Invest in developing FPT Retail stores with a chain of 150 stores in the next two years.
- Acquire potential companies through M&A
- Invest in infrastructure technology solutions

FPT Board of Directors will focus on prompt direction to make sure plan completion and commit to maximize shareholders' benefit.

FPT Corporation expects to receive kind supports and long term commitment of shareholders, partner and all FPT employees.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**  
  
**TRUONG GIA BINH**







Hanoi, 30<sup>th</sup> March 2012

**THE STATEMENT TO THE  
2012 ANNUAL GENERAL SHAREHOLDERS MEETING  
FPT CORPORATION**

*About: Ratify 2012 remuneration budget for Board of Directors*

Kindly submit to the 2012 Annual General Shareholders Meeting,

- According to the Charter of FPT Corporation;
- According to Board of Directors Resolution No 01.03-2012/NQ-FPT-HĐQT dated 28 March 2012,

Board of Directors kindly submits to the General Shareholders Meeting to ratify 2011 remuneration budget of **VND 5.4 billion** for Board of Directors (*5 billion four hundred million dong*).

Kindly submit to General Shareholders Meeting to approve.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**  
  
**TRUONG GIA BINH**





*Hanoi, 30<sup>th</sup> March 2012*

## **2011 REPORT OF SUPERVISORY BOARD**

FPT Corporation Supervisory Board report to General Meeting shareholders' the situation and the performance of the Supervisory Board in 2011 as follows:

### **1. Main activities of the Supervisory Board in 2011**

In 2011, the Supervisory Board met quarterly and maintained other frequent exchanges and emails to implement the following main actions in order to protect shareholders' interests:

- Ensured compliance with the Enterprise Law, Company Policies, and resolutions issued by the 2011 Annual General Shareholders Meeting.
- Participated in regular Board meetings, and proposed ideas in accordance with their responsibilities and authorities.
- Participated in some work meetings of the Board of Directors to develop strategies and business plans for the year. Participated in FPT Strategic Conference in October 2011 at Ha Long and contribute idea for strategy implementation.
- Examined quarterly financial and business reports prepared by the Board of Directors and by the Finance and Accounting Department to update information that serves the Board's own supervisory activities
- Initiated the examination of independent audit reports and reports of other departments and contributed ideas. In 2011, the Board examined the independent audit report from Deloitte regarding the Corporation's financial situation in the first six, nine months and the whole year 2011

### **2. Results from supervision of financial and business situation**

By the end of 2011, the Supervisory Board did not discover any irregularities in FPT's financial activities. All activities complied with internal administrative regulations.

The Supervisory Board acknowledged efforts by the Corporation's internal auditing system, especially the effort by the Internal Control Committee, who promptly discovered issues and offered suitable solutions. The Supervisory Board met with the Internal Control Committee to cooperate and investigate cases examined by the Committee during the year.

The Supervisory Board collaborated with the Corporation's independent auditor to study and clarify problems arising during the auditing process, especially problems pointed out in the 'Letter to Management' of the independent audit. The Supervisory Board fundamentally agreed with the report by the independent auditor and by the Corporation itself.



The Supervisory Board monitored the Corporation's compliance with government regulations and its fulfillment of enterprise duties, including tax duty, social security, medical insurance, and other financial responsibilities. In 2011, the Company fulfilled all its tax obligations. No fraudulent activities were found.

In 2011, the company has got back the deposit placed for implementing investment project with EVN Telecom. The Supervisory Board acknowledged efforts made by Board of Management in this issue.

However, under the current fluctuations in both the domestic and global economies, the capital and credit markets are rife with risks and uncertainties. The Supervisory Board maintains that the Board of Directors prepare and present to shareholders the implementation plans for major upcoming projects in 2012 and years to come, and preparation must be made for the maturity of VND 1,800 billion worth of convertible bonds in October 2012.

### **3. Results from the supervision of the Board of Directors, the Board of Management, and other managers**

In 2011, Mr. Truong Dinh Anh was appointed to be CEO in replacement for Mr. Nguyen Thanh Nam; newly appointed CFO and COO - Mr. Nguyen The Phuong and Ms. Chu Thanh Ha, there is no instability signal in operation management. Especially, the completion of 2011 challenging business plan should be acknowledged achievement of the BOM in 2012.

During the year, the Supervisory Board did not record any improper activities by members of the Board of Directors or the Board of Management, or other managers of the Corporation.

### **4. Evaluation of the coordination between the Supervisory Board and the Board of Directors and the Board of Management**

In 2011, the Supervisory Board was fully updated on the Board of Directors' decisions, participated in all Board meetings, and contributed many ideas on the administration of the Corporation to the Board of Directors and the Board of Management.

Supervisory Board participated regularly in press conference announcing business result quarterly. Advisory Board highly appreciates the opening and transparency of the BOM, which rising shareholders' trust in company's management.

There were frequent information exchanges among the Supervisory Board, the Board of Directors, and the Management Board through various channels. Arising issues were resolved promptly and efficiently

The Supervisory Board made the following proposals to the Board of Directors and the Board of Management:

- The Supervisory Board recognized that the supervisory boards of member companies (which are now limited companies) do not function very effectively. There is no



connection with corporate advisory board. The Board of Directors and Board of Management need to find a solution for this problem

- The Internal Control Committee's activities are very necessary and effective. However, by the end of 2011, due to personality changing, these activities have not been concerned properly. Advisory Board proposes to recover and maintain Internal Control Committee in the coming time.

#### **5. Operating costs of the Supervisory Board in 2011**

General Meeting of Shareholders in 2011 approved an annual operating budget and remuneration for Supervisory Board is VND 388.2 million. In 2011, the budget which the Supervisory Board used to pay remuneration to the members is VND 245.76 million.

**HEAD OF SUPERVISORY BOARD**



**NGUYEN VIET THANG**



Hanoi, March 30<sup>th</sup>, 2012

## **2012 PLAN OF SUPERVISORY BOARD**

Supervisory Board asks for approval of Activities Plan and Budget for Supervisory Board in 2012. Details are follows:

### ***1. Main and regular activities:***

To co-ordinate with the Organization Committee to ensure the seriousness and proper of the Annual and Extraordinary General Shareholders Meeting (if any).

- To evaluate the accuracy and validity of the participants during the annual shareholders meeting and extraordinary (if any).
- To supervise the accuracy of voting and voting result in Annual and Extraordinary General Shareholders Meeting as well as asking for shareholders' written opinion (if any).

To participate in BOD's periodical and extraordinary meeting and other meetings to ensure the transparency of BOD's activities. In authorization prescribed, Supervisory Board provides opinion to protect shareholders' rights.

To audit and evaluate the seriousness, fair and transparency of bonus and preferred share issuance for FPT staffs with notable achievements in 2009 following Resolution of General Shareholders Meeting 2010.

To evaluate the suggestions from the independent auditor submitted by the Board of Management proposing to the General Assembly of Shareholders.

To set up communication channels to independently get the opinions of shareholders, combining with the official channels through existing departments. To give comment and supervise the solving process of the Board of Management.

### ***2. Supervising company's operation and finance.***

To co-ordinate with independent audit to review the financial report, study and clarify issues raised by the auditor.

To co-ordinate with the Planning and Finance Department to supervise the implementation of committed financial norm.

To participate in reviewing the financial regulation issued by the Corporation, ensure the compliance of legal regulation, operating regulation and resolution issued by General Shareholder Meeting and Board of Directors.

Enhancing the monitoring and reporting activities for the *subordinate units* and units with the dominant share of the Group.

To supervise the observance of the obligations regulated by law, including: tax and duty, social insurance, health insurance and other financial obligation.



Supervising the utilization of 1,800 billion VND raising from issuance of convertible bond in 2009.

Researching on and working with legal consultant on any arising issue (if any).

### **3. Enhancing the co-ordination among Supervisory Board and BOD, BOM**

To participate in all BOD meetings to contribute for company governance.

To establish smoothly communication channel for Supervisory Board, BOD and BOM to process promptly and efficiently arising issues.

Set up a mechanism of providing detailed reports and plans between the Supervisory Board and Board of Management to help work go smoothly and avoid overlap.

### **4. Budget for Supervising Board's activities in 2012**

2012 is the first year of the new term. Supervisory Board being voted by the shareholder is expected to build the mechanism of action and assign work after new staffing situation.

Maintain and develop hiring consultant to implement jobs out of members' specific knowledge, especially jobs relating to law to ensure the legality

For 2012, Supervisory Board proposes budget as follow: (equal to 2011)

<b>No.</b>	<b>Description</b>	<b>Unit</b>	<b>Quantity</b>	<b>Unit Price (VND)</b>	<b>Amount (VND)</b>
1	High Professional Consultants	H	46	1,300,000	59,800,000
2	Remuneration for Supervisory Board members (3 pp * 6h/m * 12 <sup>months</sup> )	H	216	1,150,000	248,400,000
3	Travelling expense (HN-HCM)	Times	8	10,000,000	80,000,000
	<b>Total</b>				<b>388,200,000</b>

**HEAD OF SUPERVISORY BOARD**



**NGUYEN VIET THANG**



Hanoi, 30<sup>th</sup> March 2012

**THE STATEMENT TO THE  
2012 ANNUAL GENERAL SHAREHOLDERS MEETING  
FPT CORPORATION**

*About: Ratify the plan for 2011 profit distribution*

Kindly submit to the 2012 Annual General Shareholders Meeting,

- According to the Charter of FPT Corporation;
- According to 2011 audited Financial Statement;
- According to cash dividend payment policy ratified by FPT 2011 Annual General Shareholders Meeting;
- According to Board of Directors Resolution No 01.03-2012/NQ-FPT-HDQT dated 28 March 2012,

Board of Directors kindly submits to the General Shareholders Meeting to ratify 2010 profit distribution plan. Detail as follows:

**1. TOTAL SHAREHOLDERS' INCOME IN 2011**

No.	Section	2011 (Billion VND)
1	Profit after tax of FPT Corporation	1,681.8
2	Other funds from profit after tax from FPT Corporation	
	2.1 Bonus and welfare funds (10%)	168.2
	2.2 Provision fund for additional chartered capital	0.3
3	Earnings available for shareholders	1,513.3
4	Total shareholders' income (2.2+3)	1,513.6
5	The advanced dividends in 2011(10% per par value)	216.1
6	The rest shareholders' income (4-5)	1,297.6
7	Rate of shareholders' income per average chartered capital	70.7%
8	Rate of shareholders' income per current chartered capital	70.1%

**2. PROPOSAL FOR 2011 PROFIT DISTRIBUTION PLAN**

**2.1 Cash dividend payment**



In 2011, base on the results of production and business activities of the Corporation, Board of Directors (BOD) has paid cash dividend advance once to shareholders: 10% per par value (1,000 VND per share)

Based on the audited business results in 2011, the BOD proposes the payment of cash dividends total for the year 2011 is 20% (2,000 VND per share), including:

- Paid advanced dividends: 10 % per par value (1,000 VND per share)
- The rest dividend to pay: 10 % per par value (1,000 VND per share)
  - Time: in Quarter 2/2011.
  - Authorize Director Board to decide details and implement

For the rest profits, BOD proposes to retain to ensure the capital for Company development, investment and business activities in the coming years.

## **2.2 Share Dividend payment:**

In order to increase Charter Capital, raising capital for business operation of the company, BOD proposes share dividend payment plan for current shareholder as below:

- Share dividend payment from retain earnings at 25% (04 current shares get 01 new share). Newly issued shares will be listed right after issuance.
- Exercised Shareholders list finalization and payment will be carried out in Q2/2012.
- Authorize Director Board to decide details and implement share dividend payment

## **Panel of Proposal for 2011 profit distribution**

No.	Section	2011 (billion VND)
1	Total shareholders income	1,513.6
2	Dividend by cash paid (10% par value-paid)	216.1
3	Dividend by cash to be paid (10% par value-paid in plan)	216.0
4	Dividend by share (25% in plan)	540.2
5	The rest of shareholders' income	541.3

Kindly submit to General Shareholders Meeting to approve.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**

**TRUONG GIA BINH**





Hanoi, 30<sup>th</sup> March 2012

**THE STATEMENT  
TO 2012 ANNUAL GENERAL SHAREHOLDERS MEETING OF  
FPT CORPORATION**

*About: Ratify the plan for cash dividend payment in 2012*

Kindly submit to Annual General Shareholders Meeting,

- According to the Charter of FPT Corporation;
- According to Enterprises Laws;
- According to 2012 Business Plan;
- According to Board of Directors Resolution NO. 01.03-2012/NQ-FPT-HĐQT dated 28 March 2012,

Based on 2012 business plan, Board of Directors kindly submits to the GSM to approve the Plan for cash dividend payment in 2012 as below:

**1. The base of the proposal:**

- Planned Earning per share (EPS) after dilute (bonus shares issuance): VND 7.466 /share.
- Investment and business enhancement plan

**1. The content of cash dividend payment plan in 2012:**

- The rate of cash dividend payment in 2012: not less than 1,500 VND/share (15% percent per par value) and not exceed 3,000 VND/share (30% percent per par value).
- Board of Directors based on actual business results to decide the interim dividend at the appropriate time of year as well as other related issues, ensuring to not affect on the business activities of company. Total interim dividend does not exceed 3,000 VND/share.
- The rate of dividend in cash of the 2012 will be decided by 2013 Annual General Shareholders Meeting.

Kindly submit to General Shareholders Meeting to approve.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**

  
  
**TRƯƠNG GIA BÌNH**



Hanoi, 30<sup>th</sup> March 2012

**STATEMENT TO  
THE 2012 ANNUAL GENERAL SHAREHOLDERS MEETING  
FPT CORPORATION**

*About: Ratify shares issuance plan  
for employees with notable achievements in 2011*

Kindly submit to the 2012 Annual General Meeting of Shareholders,

- According to the Charter of FPT Corporation;
- According to Enterprise Law;
- According to BOD Resolution No 01.03-2012/NQ-FPT-HĐQT, dated 28th March 2012

To encourage, motivate and increase commitment of employees to FPT as well as attracting talented people for the development of the company, Director Board proposed share issuance plan for employees as follows:

- Issue ordinary shares at par value for FPT employees having notable achievements in 2011 with total number of shares not exceeding 1% of chartered capital on issuance date. These additional ordinary shares will be listed right after the issuance
- Issue preference shares Type 1 (regulated at Article 5, Company Charter) at par value for FPT employees having notable achievements in 2011 with total number of shares not exceeding 0.4% chartered capital on issuance date.
- Authorize Director Board to decide details and implement.
- Issuance date: In 2012.

Kindly submit to General Shareholders Meeting to approve.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**

**TRUONG GIA BINH**



Hanoi, 30<sup>th</sup> March 2012

**THE STATEMENT  
TO 2012 ANNUAL GENERAL SHAREHOLDERS MEETING OF  
FPT CORPORATION**

*About: Amendment of Charter of FPT Corporation*

Kindly submit to Annual General Shareholders Meeting,

- According to the Charter of FPT Corporation;
- According to Enterprises Laws;
- According to Board of Directors Resolution No 01.03-2012/NQ-FPT-HĐQT dated 28th March 2012,

In order to be accordant with regulation of listed company model business regulation, Board of Directors kindly submits to the GSM to approve the Plan for Amendment of Charter of FPT Corporation as below:

Amend the Article 21: Add detail regulation about ratified voting percentage in case of asking shareholders' voting by document:

“The Decision is ratified via asking shareholders' voting by document if there are shareholders representing for at least 75% of total voting shares agree”

Kindly submit to General Shareholders Meeting to approve.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**



**TRUONG GIA BINH**



**VOTING ISSUES**  
**2012 ANNUAL GENERAL SHAREHOLDERS MEETING**

- Issues 1:** Ratify the 2011 Audited Financial Report, Board of Directors' Report, 2011 Supervisory Board's Report.
- Issues 2:** Ratify the plan for 2011 profit distribution.
- Issues 3:** Ratify the plan for cash dividend payment in 2012.
- Issues 4:** Ratify the shares issuance plan for employees with notable achievement in 2011.
- Issues 5:** Ratify the amendment of Charter of FPT Corporation.
- Issues 6:** Ratify the 2012 remuneration budget of VND5.4 billion for Board of Directors; The 2012 plan, operation and remuneration budget of VND388.2 million for Supervisory Board.

**ON BEHALF OF DIRECTOR BOARD**

**CHAIRMAN**  
  
**TRUONG GIA BINH**



**FPT CORPORATION**

**SOCIAL REPUBLIC OF VIETNAM**

**Independence – Freedom - Happiness**

**DRAFT**

*Hanoi, 14th April 2012*

## **RESOLUTION**

### **THE 2012 ANNUAL GENERAL SHAREHOLDERS MEETING FPT CORPORATION**

Pursuant to:

- Enterprise Law No. 60/2005/QH11 dated 29/11/2005;
- FPT Corporation's Charter approved by General Shareholders Meeting on 23 July 2009;
- Voting Report of 2012 Annual General Shareholders Meeting dated 14 April 2012;
- The 2012 Annual General Shareholders Meeting of FPT Corporation was held at Horison Hotel, Hanoi on 14th April 2012 with ... shareholders and assignees to attend, representing ... shares equivalent to ... of total voting - right shares, who discussed and ratified the following issues:

**1. Ratify the 2011 Audited Financial Report, Board of Directors' Report, 2011 Supervisory Board's Report.**

**2. Ratify the plan for 2011 profit distribution.**

***2.1. Cash dividend payment***

Based on the audited business results in 2011, the BOD proposes the payment of cash dividends total for the year 2011 is 20% (2,000 VND per share), including:

- Paid advanced dividends: 10 % per par value (1,000 VND per share)
- The rest dividend to pay: 10 % per par value (1,000 VND per share)
  - Time: in Quarter 2/2011.
  - Authorize Director Board to decide details and implement

For the rest profits, BOD proposes to retain to ensure the capital for Company development, investment and business activities in the coming years.

***2.2. Share Dividend payment:***

- Share dividend payment from retain earnings at 25% (04 current shares get 01 new share). Newly issued shares will be listed right after issuance.
- Exercised Shareholders list finalization and payment will be carried out in Q2/2012.
- Authorize Director Board to decide details and implement share dividend payment



**3. Ratify the plan for cash dividend payment in 2012.**

- The rate of cash dividend payment in 2012: not less than 1,500 VND/share (15% percent per par value) and not exceed 3,000 VND/share (30% percent per par value).
- Board of Directors based on actual business results to decide the interim dividend at the appropriate time of year as well as other related issues, ensuring to not affect on the business activities of company. Total interim dividend does not exceed 3,000 VND/share.
- The rate of dividend in cash of the 2012 will be decided by 2013 Annual General Shareholders Meeting.

**4. Ratify the ordinary shares issuance plan for employees with notable achievement in 2011.**

- Issue ordinary shares at par value for FPT employees having notable achievements in 2011 with total number of shares not exceeding 1% of chartered capital on issuance date. These additional ordinary shares will be listed right after the issuance
- Issue preference shares Type 1 (regulated at Article 5, Company Charter) at par value for FPT employees having notable achievements in 2011 with total number of shares not exceeding 0.4% chartered capital on issuance date.
- Authorize Director Board to decide details and implement.
- Issuance date: In 2012.

**5. Ratify the amendment of Charter of FPT Corporation.**

Amend the Article 21: Add detail regulation about ratified voting percentage in case of asking shareholders' voting by document:

"The Decision is ratified via asking shareholders' voting by document if there are shareholders representing for at least 75% of total voting shares agree"

**6. Ratify the 2012 remuneration budget of VND5.4 billion for Board of Directors; The 2012 plan, operation and remuneration budget of VND388.2 million for Supervisory Board.**

**7. Ratify the voting result for Board of Directors and Supervisory Board Term 2012 – 2017, encompass:**

*The Resolution was ratified by the 2011 Annual General Shareholders Meeting of FPT Corporation. Board of Directors bases on the Resolution to implement.*

**ON BEHALF OF SECRETARY**

**CHAIRMAN**

**LAI THI HUONG HUYEN**

**TRUONG GIA BINH**