

Refrigeration Electrical Engineering Corporation

Interim consolidated financial statements

30 June 2014



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Refrigeration Electrical Engineering Corporation

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Refrigeration Electrical Engineering Corporation

GENERAL INFORMATION

THE COMPANY

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 1506/GP-UB issued on 25 December 1993 by the People's Committee of Ho Chi Minh City and the latest amended Business Registration Certificate No. 0300741143 issued by the Department of Planning and Investment of Ho Chi Minh City on 25 April 2014.

The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with the License No. 01/GPPH issued by the State Securities Commission on 2 June 2000.

The current principal activities of the Company and its subsidiaries ("the Group") are mechanical and electrical engineering services (M&E), manufacturing, assembling and sale of air-conditioner systems, real estate development and management, and strategic financial investments in infrastructure-related sectors.

The Company's head office is located at 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Madam Nguyen Thi Mai Thanh	Chairwoman
Mr Dominic Scriven	Vice chairman
Mr David Alexander Newbigging	Vice chairman
Mr Nguyen Ngoc Thai Binh	Member
Mr Dang Hong Tan	Member

BOARD OF SUPERVISION

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

Madam Do Thi Trang	Head of the Board of Supervision
Mr Le Anh Tuan	Member
Ms Nguyen Thi Huong Giang	Member

MANAGEMENT

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

Madam Nguyen Thi Mai Thanh	General Director
Mr Huynh Thanh Hai	Deputy General Director
Mr Quach Vinh Binh	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Madam Nguyen Thi Mai Thanh.

AUDITORS

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

Refrigeration Electrical Engineering Corporation

REPORT OF MANAGEMENT

Management of Refrigeration Electrical Engineering Corporation ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") for the six-month period ended 30 June 2014.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the interim consolidated financial statements of the Group which give a true and fair view of the consolidated state of affairs of the Group and of the consolidated results of its operations and its consolidated cash flows for the period. In preparing those interim consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements; and
- prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

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

Management confirmed that it has complied with the above requirements in preparing the accompanying interim consolidated financial statements.

STATEMENTS BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2014 and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.

On behalf of the management: *ml*



Nguyễn Thị Mai Thanh
General Director

14 August 2014



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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Refrigeration Electrical Engineering Corporation

We have reviewed the accompany interim consolidated financial statements of Refrigeration Electrical Engineering Corporation and its subsidiaries (collectively referred to as "the Group") as set out on pages 4 to 49 which comprise the interim consolidated balance sheet as at 30 June 2014, and the interim consolidated income statement and interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

The preparation and presentation of these interim consolidated financial statements are the responsibility of management. Our responsibility is to issue a report on these interim consolidated financial statements based on our review.

We conducted our review in accordance with Vietnamese Standard on Auditing No. 910 – Engagements to Review Financial Statements. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim consolidated financial statements are free from material misstatement. A review is limited primarily to inquiries of the Group's management and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2014, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.



Ernst & Young Vietnam Limited

Mai Viet Hung Tran
Deputy General Director
Audit Practicing Registration Certificate
No. 0048-2013-004-1

Pham Thi Cam Tu
Auditor
Audit Practicing Registration Certificate
No. 2266-2013-004-1

Ho Chi Minh City, Vietnam

14 August 2014

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2014

VND

Code	ASSETS	Notes	30 June 2014	31 December 2013
100	A. CURRENT ASSETS		2,973,930,690,841	2,561,941,483,792
110	I. Cash and cash equivalents	5	962,044,058,016	535,795,614,565
111	1. Cash		111,499,319,713	67,561,903,838
112	2. Cash equivalents		850,544,738,303	468,233,710,727
120	II. Short-term investments	14	251,044,928,015	416,693,781,070
121	1. Short-term investments		337,222,979,402	507,361,493,412
129	2. Provision for diminution in value of investments		(86,178,051,387)	(90,667,712,342)
130	III. Accounts receivable		1,048,038,752,721	1,002,628,925,985
131	1. Trade receivables		620,428,293,011	685,334,062,970
132	2. Advances to suppliers	6	66,605,555,723	107,603,315,922
134	3. Construction contract receivables		382,625,485,884	271,275,647,307
135	4. Other receivables	7	42,642,447,981	17,821,338,112
139	5. Provision for doubtful debts		(64,263,029,878)	(79,405,438,326)
140	IV. Inventories	8	653,611,268,381	544,225,294,953
141	1. Inventories		704,961,478,024	587,081,594,462
149	2. Provision for inventory obsolescence		(51,350,209,643)	(42,856,299,509)
150	V. Other current assets		59,191,683,708	62,597,867,219
151	1. Short-term prepaid expenses		2,885,203,154	2,299,243,483
152	2. Value-added tax deductible		16,153,038,520	11,218,307,369
154	3. Tax receivables from the State		3,309,798,698	2,667,098,231
158	4. Other current assets	9	36,843,643,336	46,413,218,136
200	B. NON-CURRENT ASSETS		4,769,033,357,417	4,392,508,231,553
220	I. Fixed assets		512,951,406,308	41,715,151,193
221	1. Tangible fixed assets	10	469,196,252,886	20,694,232,156
222	Cost		1,449,260,372,320	50,258,821,108
223	Accumulated depreciation		(980,064,119,434)	(29,564,588,952)
227	2. Intangible fixed assets	11	35,976,339,335	13,868,087,324
228	Cost		47,849,374,380	22,682,697,804
229	Accumulated amortisation		(11,873,035,045)	(8,814,610,480)
230	3. Construction in progress	12	7,778,814,087	7,152,831,713
240	II. Investment properties	13	661,534,505,594	688,047,083,066
241	1. Cost		1,012,711,006,936	1,012,711,006,936
242	2. Accumulated depreciation		(351,176,501,342)	(324,663,923,870)
250	III. Long-term investments	14	3,464,924,543,591	3,628,846,104,921
252	1. Investments in joint ventures and associates		2,701,333,716,381	2,848,097,188,076
258	2. Other long-term investments		837,328,383,210	854,925,101,755
259	3. Provision for long-term investments		(73,737,556,000)	(74,176,184,910)
260	IV. Other long-term assets		39,803,497,721	33,899,892,373
261	1. Long-term prepaid expenses		408,098,170	467,827,702
262	2. Deferred tax assets	24.2	34,572,525,941	28,609,191,061
268	3. Other long-term assets		4,822,873,610	4,822,873,610
269	V. Goodwill	4	89,819,404,203	-
270	TOTAL ASSETS		7,742,964,048,258	6,954,449,715,345

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2014

VND

Code	RESOURCES	Notes	30 June 2014	31 December 2013
300	A. LIABILITIES		2,121,276,565,885	1,753,250,803,816
310	i. Current liabilities		1,802,321,944,110	1,420,506,538,305
311	1. Short-term loans	15	415,145,152,509	285,115,492,833
312	2. Trade payables		197,964,710,826	168,707,988,402
313	3. Advances from customers		830,555,691,340	562,524,966,309
314	4. Statutory obligations	16	63,971,186,496	31,148,901,117
315	5. Payables to employees		12,557,868,180	4,497,156,182
316	6. Accrued expenses	17	195,438,896,577	236,429,736,434
318	7. Construction contract payables based on agreed progress billings		21,094,987,334	30,044,289,809
319	8. Other payables	18	36,165,914,750	81,266,863,259
320	9. Short-term provision		24,696,029,271	19,439,676,451
323	10. Bonus and welfare fund		4,731,506,827	1,331,467,509
330	ii. Non-current liabilities		318,954,621,775	332,744,265,511
333	1. Other long-term liabilities	19	98,296,091,255	94,975,996,441
334	2. Long-term loans	20	220,658,530,520	237,768,269,070
400	B. OWNERS' EQUITY	21	5,211,199,024,929	5,196,623,129,512
410	i. Capital		5,211,199,024,929	5,196,623,129,512
411	1. Share capital		2,656,515,390,000	2,636,863,850,000
412	2. Share premium		1,002,906,058,786	1,002,906,058,786
414	3. Treasury shares		(31,342,660)	(31,342,660)
416	4. Foreign exchange difference reserves		580,292,035	526,675,337
417	5. Investment and development fund		70,417,784,211	70,417,784,211
418	6. Financial reserve fund		165,192,463,450	132,211,138,788
420	7. Undistributed earnings		1,315,618,379,107	1,353,728,965,050
439	C. MINORITY INTERESTS		410,488,457,444	4,575,782,017
440	TOTAL LIABILITIES AND OWNERS' EQUITY		7,742,964,048,258	6,954,449,715,345

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2014

OFF INTERIM CONSOLIDATED BALANCE SHEET ITEM

ITEM	30 June 2014	31 December 2013
Foreign currencies:		
- United States Dollar ("US\$")	1,650,398	5,693,295
- Euro ("EUR")	14,375	988,750
- Singapore Dollar ("SGD")	-	987
- Japanese Yen ("JPY")	-	17,280,800



Pham Thi Uyen Phuong
Preparer



Ho Tran Dieu Linh
Chief Accountant



Nguyen Thi Mai Thanh
General Director

14 August 2014

INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
01	1. Revenues from sale of goods and rendering of services	22.1	1,171,961,408,671	1,123,664,064,771
02	2. Deductions	22.1	(881,080,133)	(901,162,794)
10	3. Net revenues from sale of goods and rendering of services	22.1	1,171,080,328,538	1,122,762,901,977
11	4. Costs of goods sold and services rendered		(835,771,178,000)	(824,513,192,728)
20	5. Gross profit from sale of goods and rendering of services		335,309,150,538	298,249,709,249
21	6. Finance income	22.2	199,039,055,485	141,458,150,863
22	7. Finance expenses	23	(19,940,623,979)	(33,128,934,105)
23	<i>In which: Interest expense</i>		(21,163,789,234)	(27,347,726,877)
24	8. Selling expenses		(22,591,017,842)	(23,698,076,035)
25	9. General and administrative expenses		(28,075,363,396)	(69,889,121,422)
30	10. Operating profit		463,741,200,806	312,991,728,550
31	11. Other income		55,585,152,550	3,353,112,284
32	12. Other expenses		(2,275,253,577)	(818,557,523)
40	13. Other profit		53,309,898,973	2,534,554,761
45	14. Shares in net profit of associates	14.2	1,956,656,943	382,041,661,970
50	15. Profit before tax		519,007,756,722	697,567,945,281
51	16. Current corporate income tax expense	24.1	(88,058,149,868)	(64,270,430,389)
52	17. Deferred income tax benefit	24.2	5,963,334,880	5,784,595,242

INTERIM CONSOLIDATED INCOME STATEMENT (continued)
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
60	18. Net profit after tax <i>Attributable to:</i> 18.1 <i>Minority interests</i> 18.2 <i>The Company's shareholders</i>		436,912,941,734 (614,028,785) 437,526,970,519	639,082,110,134 6,207,934 639,075,902,200
70	19. Earnings per share <i>Basic</i> <i>Diluted</i>	30	 1,657 1,630	 2,613 2,414


Pham Thi Uyen Phuong
Preparer

Ho Tran Dieu Linh
Chief AccountantNguyen Thi Mai Thanh
General Director

14 August 2014

INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		519,007,756,722	697,567,945,281
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	10,11,13	30,588,147,719	30,928,755,664
03	Reversal of provisions		(14,283,247,773)	(1,128,199,571)
04	Unrealised foreign exchange differences		172,268,154	393,412,776
05	Gains from investing activities		(186,602,067,653)	(520,064,409,634)
06	Interest expense	23	21,163,789,234	27,347,726,877
08	Operating income before changes in working capital		370,046,646,403	235,045,231,393
09	Decrease (increase) in receivables		81,608,422,205	(42,793,166,552)
10	(Increase) decrease in inventories		(108,360,156,628)	1,723,142,404
11	Increase in payables		180,549,525,479	37,245,877,419
12	Increase in prepaid expenses		(526,230,139)	(2,563,572,913)
13	Interest paid		(17,138,962,433)	(12,112,233,474)
14	Corporate income tax paid	24.1	(75,503,056,016)	(42,882,936,433)
15	Other cash inflows from operating activities		6,365,766,586	4,773,514,921
16	Other cash outflows from operating activities		(3,340,214,377)	(26,971,115,484)
20	Net cash flows from operating activities		433,701,741,080	151,464,741,281
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(7,573,684,819)	(3,550,574,897)
25	Payments for purchase of shares in subsidiaries, other entities and bank term deposits		(144,380,418,197)	(801,074,726,220)
26	Collection from bank term deposits and proceeds from divestment in other entities		257,404,335,939	829,892,648,720
27	Interest and dividends received		158,576,241,327	139,947,033,711
30	Net cash flows from investing activities		264,026,474,250	165,214,381,314

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
	Capital contribution from minority interests		31,979,472,164	-
33	Drawdown of borrowings		838,739,721,876	283,007,451,083
34	Repayment of borrowings		(725,819,800,750)	(288,071,293,953)
36	Dividends paid	21.2	(417,039,106,196)	(386,361,276,898)
40	Net cash flows used in financing activities		(272,139,712,906)	(391,425,119,768)
50	Net increase (decrease) in cash and cash equivalents		425,588,502,424	(74,745,997,173)
60	Cash and cash equivalents at beginning of period	5	535,795,614,565	834,707,800,990
61	Impact of exchange rate fluctuation		659,941,027	63,921,973
70	Cash and cash equivalents at end of period	5	962,044,058,016	760,025,725,790



Pham Thi Uyen Phuong
Preparer



Ho Tran Dieu Lynh
Chief Accountant



Nguyen To Mai Thanh
General Director

14 August 2014

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at and for the six-month period ended 30 June 2014

1. **CORPORATE INFORMATION**

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established under the Law on Enterprise of Vietnam pursuant to the Business Registration No. 1506/GP-UB issued on 25 December 1993 by the People's Committee of Ho Chi Minh City and the latest amended Business Registration Certificate No. 0300741143 issued by the Department of Planning and Investment of Ho Chi Minh City on 25 April 2014.

The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with the License No.01/GPPH issued by the State Securities Commission on 2 June 2000.

The current principal activities of the Company and its subsidiaries ("the Group") are mechanical and electrical engineering services (M&E), manufacturing, assembling and sale of air-conditioner systems, real estate development and management, and strategic financial investments in infrastructure-related sectors.

The Company's head office is located at 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 30 June 2014 was 1,189 (31 December 2013: 1,239 employees).

Corporate structure

As at 30 June 2014, the Group's corporate structure includes twelve direct subsidiaries, as follows:

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Business activities</i>	<i>% holding</i>
(1) R.E.E Real Estate Co., Ltd.	Ho Chi Minh City	Office building management	100.00
(2) Trans Orient Pte Ltd.	Singapore	Trading and logistics	100.00
(3) R.E.E Mechanical and Engineering Joint Stock Company	Ho Chi Minh City	Mechanical and Engineering	99.99
(4) R.E.E Electric Appliances Joint Stock Company	Ho Chi Minh City	Electric Appliances	99.99
(5) Eastrade International Ltd.	British Virgin Islands	Trading and logistics	99.99
(6) R.E.E Land Corporation	Ho Chi Minh City	Real estate	99.90
(7) Vinh Thinh Corporation	Ho Chi Minh City	Electric Appliances	99.96
(8) Song Thanh Real Estate Joint Stock company	Ho Chi Minh City	Real estate	73.83
(9) Song Mai Real Estate Joint Stock Company	Ho Chi Minh City	Real estate	73.91
(10) Vietnam Water Investment Corporation	Ho Chi Minh City	Water supply	99.97
(11) RMC Trading & Service Company Limited	Ho Chi Minh City	Trading	50.99
(12) Thac Ba Hydropower Joint-Stock Company	Yen Bai Province	Power	58.14

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The interim consolidated financial statements of the Group, expressed in Vietnam Dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No. 27 - Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

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

2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the voucher journal system.

2.3 *Fiscal year*

The Group's fiscal year starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The interim consolidated financial statements are prepared in VND which is also the Group's accounting currency.

2.5 *Basis of consolidation*

The interim consolidated financial statements comprise the interim financial statements of the parent company and its subsidiaries as at 30 June 2014.

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

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

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

Minority interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the interim consolidated income statement and in the interim consolidated balance sheet, separately from parent shareholders' equity.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Inventories*

Inventories are stated at the lower of cost which comprises all costs of purchase and other direct costs incurred in bringing each product to its present location and condition, and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows.

Raw materials, consumables and goods for resale	- cost of purchase on a first-in, first-out basis.
Finished goods and work-in-process	- cost of direct materials and labour plus attributable overheads based on the normal level of activities on a first-in, first-out basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the interim consolidated income statement.

3.3 *Receivables*

Receivables are presented in the interim consolidated financial statements at the carrying amounts due from customers and other debtors, along with the provision for doubtful debts.

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recorded as general and administrative expense in the interim consolidated income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

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

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the interim consolidated balance sheet and any gain or loss resulting from their disposal is included in the interim consolidated income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Where the Group is the lessor

Assets subject to operating leases are included as the Group's fixed assets in the interim consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim consolidated income statement as incurred.

Lease income is recognised in the interim consolidated income statement on a straight-line basis over the lease term.

Where the Group is the lessee

Rentals under operating leases are charged to the interim consolidated income statement on a straight-line basis over the lease term.

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

When intangible fixed assets are sold or retired, their costs and accumulated amortisation are removed from the interim consolidated balance sheet and any gain or loss resulting from their disposal is included in the interim consolidated income statement.

Land use rights

The land use rights represents the cost to acquire the right to use land and is amortised over the remaining useful life of the land of 36 years and three months starting from August 2007.

3.7 *Depreciation and amortisation*

Depreciation of tangible fixed assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings & structures	5 - 50 years
Plant & machinery	7 years
Motor vehicles	6 years
Office equipment	3 - 5 years
Land use rights	36 years
Software	1 - 3 years
Others	4 years

The useful life of the fixed assets and depreciation rates are reviewed periodically to ensure that the method and the year of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Investment properties*

Investment properties are buildings or part of a building or both and infrastructure held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services; administration purposes or sale in the ordinary course of business.

Investment properties are stated at cost including transaction costs less accumulated depreciation.

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

Depreciation of investment properties is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings & structures	5 - 50 years
Machinery & equipment	5 - 10 years
Office equipment	3 - 6 years
Others	2 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim consolidated income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are directly attributable to the construction or production of any qualified assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the interim consolidated income statement when incurred.

3.10 *Business combination and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. Goodwill is amortised over a maximum period of ten (10) years from the acquisition date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investment in associates*

Investments in associates are accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, investments in associates are carried in the interim consolidated balance sheet at cost plus post acquisition changes in the Company's share of net assets of the associates. Goodwill relating to the associates is included in the carrying amount of the investments and is amortized over a maximum period of ten (10) years. The interim consolidated income statement reflects the Group's share of the results of operations of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

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

3.12 *Investment in joint ventures*

Joint ventures are contractual arrangements whereby two or more parties undertake an economic activity which is subject to joint control. Investments in joint ventures are accounted for using the equity method of accounting.

3.13 *Investment in securities and other investments*

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the investments at the balance sheet date in accordance with the guidance under the Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009 and the Circular No. 89/2013/TT-BTC issued by the Ministry of Finance on 28 June 2013. Increases and decreases to the provision balance are recorded as finance expenses in the interim consolidated income statement.

3.14 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

3.15 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at buying exchange rate announced by the commercial bank where the Group maintains bank accounts ruling at the balance sheet date. All realised and unrealised foreign exchange differences are taken to the interim consolidated income statement.

3.16 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Appropriation of net profit*

Net profit after tax is available for appropriation to investors/shareholders after approval by the appropriate level of authority in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

▶ *Financial reserve fund*

This fund is set aside to protect the Group's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.

▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits. In accordance with the Circular No. 244/2009/TT-BTC on 26 November 2009, the fund was reclassified to liability account in the interim consolidated balance sheet.

3.18 *Revenue recognition*

Revenue is recognised in the interim consolidated income statement when it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue is recognised when services have been rendered.

Revenue from supply and installation contracts

Where the outcome of a construction contract can be estimated reliably and certified by customers, revenue and costs are recognised by reference to the amount of work completed at the balance sheet date. Variations in contract work and claims are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are probable will be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

Difference between the cumulative revenue of a construction contract recognised to date and the cumulative amount of progress billings of that contract was presented as construction contract receivable based on agreed progress billings in the interim consolidated balance sheet.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Revenue recognition* (continued)

Office rental income

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

Revenue from Business Co-operation Contract ("BCC")

Revenue is recognised when the BCC declares the profit available to parties.

Investment gain

Gain from investments is recognised as income when the investment is sold.

Interest income

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectibility is in doubt.

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

Bonus shares or stock dividends

Income is not recognised when the Group is entitled as an investor to receive bonus shares or stock dividends. The number of shares received as bonus or dividends is disclosed on the relevant note to the interim consolidated financial statements.

3.19 *Earnings per share*

Basic earnings per share amount is computed by dividing net profit for the period attributable to ordinary equity holders of the Company before any appropriation of bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible bonds) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.20 *Taxation*

Current income tax

Current income assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the interim consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Taxation (continued)

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred income tax is also dealt with in the equity account.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority or when the Group intends either settle current tax liabilities and assets on a net basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 *Financial instruments*

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the interim consolidated financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loan receivables, quoted and unquoted financial instruments.

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the interim consolidated financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost plus directly attributable transaction costs.

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

Financial instruments – subsequent measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

4. BUSINESS COMBINATION

Acquisition of interests in Thac Ba Hydropower Joint-Stock Company

On 22 May 2014, the Company acquired additional 21,700,000 shares of Thac Ba Hydropower Joint-Stock Company ("Thac Ba"), thereby increasing its ownership in Thac Ba from 23.97% to 58.14%.

The provisional fair values of the identifiable assets and liabilities of Thac Ba as at the date of acquisition are as follows:

	VND
	<i>Provisional fair value recognized on acquisition</i>
Assets	
Cash and cash equivalents	338,635,534,874
Net accounts receivable	92,202,314,861
Inventories	7,742,907,169
Tangible fixed assets	441,494,639,430
Intangible fixed assets	18,892,576,234
Construction in progress	7,350,924,879
Investments	32,619,000,000
Other assets	913,185,011
	939,851,082,458
Liabilities	
Current liabilities	(44,561,503,890)
Total identifiable net assets at fair value	895,289,578,568
Minority interests	(374,754,287,728)
Net assets acquired	520,535,290,840
Goodwill arising on acquisition	89,819,404,203
Purchase consideration	610,354,695,043

5. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2014	31 December 2013
Cash on hand	1,565,915,392	426,403,439
Cash in banks	106,591,724,651	67,135,500,399
Cash equivalents	850,544,738,303	468,233,710,727
Cash in transit	3,341,679,670	-
TOTAL	962,044,058,016	535,795,614,565

Cash equivalents mainly represent the short-term bank deposits with maturity of less than 3 months which are readily convertible into known amounts of cash without any significant risk of changes in value, and earn an average interest rate from 5% to 7% p.a.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

6. ADVANCES TO SUPPLIERS

	VND	
	30 June 2014	31 December 2013
Advances to third parties	51,776,647,681	89,378,202,905
Advances to related parties (Note 27)	14,828,908,042	18,225,113,017
TOTAL	66,605,555,723	107,603,315,922

7. OTHER RECEIVABLES

	VND	
	30 June 2014	31 December 2013
Amount due from a related party (Note 27)	9,352,005,000	-
Unbilled revenue	8,957,962,515	-
Advances to BCC 414 No Trang Long (i)	7,589,054,747	7,589,054,747
Advances to BCC 11 Doan Van Bo (ii)	4,200,000,000	4,400,000,000
Interest income	3,278,218,818	3,614,348,150
Others	9,265,206,901	2,217,935,215
TOTAL	42,642,447,981	17,821,338,112

(i) On 25 March 2008, R.E.E Land Corporation, a subsidiary of the Company, entered into a business cooperation contract ("BCC") with Bach Tuyet Paint Joint Stock Company to build and operate a building at 414 No Trang Long Street, Ward 13, Binh Thanh District, Ho Chi Minh City. In accordance with this BCC, R.E.E Land Corporation paid consulting fee, land compensation and other costs aggregating to VND 7,589,054,747. However, as at the balance sheet date, this BCC is still waiting for the approval from the People's Committee of Ho Chi Minh City.

(ii) On 11 October 2012, R.E.E Land Corporation, a subsidiary of the Company, entered into a business cooperation contract ("BCC") with Friendship Trading-Industrial Joint Stock Company to develop, operate and manage a building at 11 Doan Van Bo Street, Ward 12, District 4, Ho Chi Minh City. In accordance with this BCC, R.E.E Land Corporation paid consulting fee, land compensation and other costs aggregating to VND 4,200,000,000. However, as at the balance sheet date, this BCC is still waiting for the approval from the People's Committee of Ho Chi Minh City.

8. INVENTORIES

	VND	
	30 June 2014	31 December 2013
Work in process	357,326,617,067	330,516,654,070
Raw materials	159,087,780,674	116,764,558,124
Finished goods	127,202,121,351	103,739,146,403
Goods in transit	60,621,203,697	35,725,950,936
Tools and supplies	723,755,235	335,284,929
TOTAL	704,961,478,024	587,081,594,462
Provision for inventory obsolescence	(51,350,209,643)	(42,856,299,509)
NET	653,611,268,381	544,225,294,953

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

9. OTHER CURRENT ASSETS

	VND	
	30 June 2014	31 December 2013
Advances for land compensation	29,403,340,900	29,403,340,900
Advances to employees	7,341,296,436	15,721,393,434
Deposits	99,006,000	1,288,483,802
TOTAL	<u>36,843,643,336</u>	<u>46,413,218,136</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

10. TANGIBLE FIXED ASSETS

						VND
	<i>Buildings & structures</i>	<i>Plant & machinery</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost:						
As at 1 January 2014	15,535,842,267	14,614,440,275	14,316,796,529	5,215,272,037	576,470,000	50,258,821,108
Additions	631,366,927,631	743,165,107,463	19,417,413,048	4,961,683,885	117,454,545	1,399,028,586,572
<i>In which:</i>						
Newly purchased	-	4,741,248,455	1,693,236,364	94,200,000	-	6,528,684,819
Addition from subsidiary's acquisition	628,205,339,302	738,423,859,008	17,724,176,684	4,867,483,885	117,454,545	1,389,338,313,424
Newly constructed	3,161,588,329	-	-	-	-	3,161,588,329
Write-off	-	-	-	(27,035,360)	-	(27,035,360)
As at 30 June 2014	<u>646,902,769,898</u>	<u>757,779,547,738</u>	<u>33,734,209,577</u>	<u>10,149,920,562</u>	<u>693,924,545</u>	<u>1,449,260,372,320</u>
<i>In which:</i>						
Fully depreciated	3,605,254,100	2,611,485,845	1,967,094,335	757,430,923	576,470,000	9,517,735,203
Accumulated depreciation:						
As at 1 January 2014	10,026,252,947	7,394,263,470	7,941,719,098	3,625,883,437	576,470,000	29,564,588,952
Additions	378,882,325,796	551,888,574,024	14,722,267,514	5,007,850,948	25,547,560	950,526,565,842
<i>In which:</i>						
Charges for the period	318,315,674	1,083,545,163	879,613,397	401,417,614	-	2,682,891,848
Addition from subsidiary's acquisition	378,564,010,122	550,805,028,861	13,842,654,117	4,606,433,334	25,547,560	947,843,673,994
Write-off	-	-	-	(27,035,360)	-	(27,035,360)
As at 30 June 2014	<u>388,908,578,743</u>	<u>559,282,837,494</u>	<u>22,663,986,612</u>	<u>8,606,699,025</u>	<u>602,017,560</u>	<u>980,064,119,434</u>
Net carrying amount:						
As at 1 January 2014	<u>5,509,589,320</u>	<u>7,220,176,805</u>	<u>6,375,077,431</u>	<u>1,589,388,600</u>	<u>-</u>	<u>20,694,232,156</u>
As at 30 June 2014	<u>257,994,191,155</u>	<u>198,496,710,244</u>	<u>11,070,222,965</u>	<u>1,543,221,537</u>	<u>91,906,985</u>	<u>469,196,252,886</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

11. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Software</i>	<i>VND Total</i>
Cost:			
As at 1 January 2014	11,592,038,449	11,090,659,355	22,682,697,804
Newly constructed	4,608,354,176	-	4,608,354,176
Addition from subsidiary's acquisition	<u>20,558,322,400</u>	<u>-</u>	<u>20,558,322,400</u>
As at 30 June 2014	<u>36,758,715,025</u>	<u>11,090,659,355</u>	<u>47,849,374,380</u>
<i>In which:</i>			
Fully amortised	-	215,770,773	215,770,773
Accumulated amortisation:			
As at 1 January 2014	1,884,296,896	6,930,313,584	8,814,610,480
Charges for the period	161,000,533	1,231,677,866	1,392,678,399
Addition from subsidiary's acquisition	<u>1,665,746,166</u>	<u>-</u>	<u>1,665,746,166</u>
As at 30 June 2014	<u>3,711,043,595</u>	<u>8,161,991,450</u>	<u>11,873,035,045</u>
Net carrying amount:			
As at 1 January 2014	<u>9,707,741,553</u>	<u>4,160,345,771</u>	<u>13,868,087,324</u>
As at 30 June 2014	<u>33,047,671,430</u>	<u>2,928,667,905</u>	<u>35,976,339,335</u>

12. CONSTRUCTION IN PROGRESS

	<i>VND</i>	
	<i>30 June 2014</i>	<i>31 December 2013</i>
Building	4,502,326,140	-
Enterprise Resource Planning Project	427,889,208	427,889,208
Others	<u>2,848,598,739</u>	<u>6,724,942,505</u>
TOTAL	<u>7,778,814,087</u>	<u>7,152,831,713</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

13. INVESTMENT PROPERTIES

	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
					VND
Cost:					
As at 1 January 2014 and at 30 Jun 2014	774,201,284,293	237,873,019,188	90,250,454	546,453,001	1,012,711,006,936
<i>In which:</i>					
<i>Fully depreciated</i>	15,083,156,719	22,801,892,676	90,250,454	546,453,001	38,521,752,850
<i>Collateral (Note 20)</i>	9,437,896,861	-	-	-	9,437,896,861
Accumulated depreciation:					
As at 1 January 2014	211,608,275,600	112,418,944,815	90,250,454	546,453,001	324,663,923,870
Charges for the period	15,759,021,147	10,753,556,325	-	-	26,512,577,472
As at 30 June 2014	227,367,296,747	123,172,501,140	90,250,454	546,453,001	351,176,501,342
Net carrying amount:					
As at 1 January 2014	562,593,008,693	125,454,074,373	-	-	688,047,083,066
As at 30 June 2014	546,833,987,546	114,700,518,048	-	-	661,534,505,594

The fair value of the investment properties was not formally assessed and determined as at 30 June 2014. However, given the present high occupancy rate of these properties, it is management's assessment that these properties' market values are higher than their carrying value as at the balance sheet date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

14. INVESTMENTS

	VND	
	30 June 2014	31 December 2013
Short-term investments		
Marketable equity securities (Note 14.1)	198,320,379,402	293,296,279,587
Bank-term deposit	138,652,600,000	156,206,000,000
Other short-term investment	250,000,000	-
Trust investments	-	57,859,213,825
Provision for diminution in value of equity securities	(86,178,051,387)	(90,667,712,342)
Net value of short-term investments	251,044,928,015	416,693,781,070
Long-term investments		
Investments in associates and joint venture (Note 14.2)	2,701,333,716,381	2,848,097,188,076
Other long-term equity investments (Note 14.3)	837,328,383,210	854,925,101,755
Provision for diminution in value of long-term investments	(73,737,556,000)	(74,176,184,910)
Net value of long-term investments	3,464,924,543,591	3,628,846,104,921
TOTAL	3,715,969,471,606	4,045,539,885,991

14.1 Marketable equity securities

Securities	30 June 2014		31 December 2013	
	Quantity (shares)	Amount (VND)	Quantity (shares)	Amount (VND)
Ut Xi Aquatic Products Processing Joint Stock Company	1,491,176	60,411,760,000	1,491,176	60,411,760,000
Khanh Hoa Water Supply Joint Stock Company	4,060,600	53,193,860,000	4,060,600	53,193,860,000
Saigon Posts And Telecommunications Service Joint Stock Corporation	1,078,845	48,000,000,000	1,078,845	48,000,000,000
Vang Danh Coal Joint Stock Company	1,329,000	14,039,257,345	1,329,000	14,039,257,345
Ree Power Joint Stock Company	781,599	7,815,990,000	781,599	7,815,990,000
Cuu Long PetroGas Transportation Joint Stock Company	638,180	6,226,146,342	1,151,260	11,231,804,877
Mang Canh Joint Stock Company	500,000	5,000,000,000	500,000	5,000,000,000
Others	301,638	3,633,365,715	6,853,586	93,603,607,365
TOTAL	10,181,038	198,320,379,402	17,246,066	293,296,279,587

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

14. INVESTMENTS (continued)

14.2 Investments in associates and joint venture

Name	30 June 2014		31 December 2013		Business scope
	% of interest	Carrying value of investments VND	% of interest	Carrying value of investment VND	
Associates					
Pha Lai Therma Power Joint Stock Company	22.37	1,179,839,380,047	22.37	1,206,817,318,391	Power
Thac Mo Hydropower Joint-Stock Company	39.02	397,946,818,740	35.48	333,897,933,962	Power
Thu Duc Water B.O.O Corporation	42.10	374,452,183,643	42.10	349,597,976,134	Water supply
Vietnam Infrastructure and Real Estate Joint Stock Company	46.37	164,094,968,437	46.37	164,458,336,855	Real estate
Srok Phu Mieng Hydropower Joint-Stock Company	34.24	154,257,068,153	33.85	153,057,104,039	Power
Nui Beo Coal Joint Stock Company	23.81	80,287,963,452	23.62	85,974,944,278	Coal Mining
Deo Nai Coal Joint Stock Company	24.01	66,564,970,526	24.01	74,276,928,023	Coal Mining
Ninh Binh Thermal Electricity Joint Stock Company	29.44	66,130,916,166	29.44	66,849,671,976	Power
Saigon Water Investment and Trading Joint Stock Company	40.00	60,947,129,617	30.00	46,012,592,781	Water supply
Saigon Real Estate Joint Stock Company	28.87	60,208,255,401	28.87	62,674,195,177	Real estate
Thu Duc Water Supply Joint Stock Company	43.11	54,911,598,508	43.11	56,800,812,652	Water supply
Doan Nhat Mechanical Electrical Joint Stock Company	35.00	20,013,729,031	35.00	24,566,214,974	Mechanical and Engineering
Tan Hiep Water Investment Joint Stock Company	32.00	17,304,075,970	-	-	Water supply
Quality Mechanical Electrical Joint Stock Company	35.62	2,599,924,819	35.62	2,885,966,064	Mechanical and Engineering
Hop Phat Mechanical Electrical Joint Stock Company	35.00	1,774,733,871	35.00	2,242,500,267	Mechanical and Engineering
Thac Ba Hydropower Joint-Stock Company (*)	-	-	23.97	217,736,579,551	Power
TOTAL ASSOCIATES		2,701,333,716,381		2,847,849,075,124	
Joint venture					
Building at 41B Ly Thai To, Hanoi	-	-	40.00	248,112,952	Real estate
TOTAL		2,701,333,716,381		2,848,097,188,076	

(*) The investment in this entity was presented under corporate structure (Note 1) following the Company's additional acquisitions to obtain control rights during the period.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

14. INVESTMENT (continued)

14.2 Investments in associates and joint venture (continued)

Details of these investments in associates which were consolidated by applying equity method are presented as follows:

	Thac Ba Hydropower Joint-Stock Company	Thu Duc Water B.O.O Corporation	Saigon Real Estate Joint Stock Company	Vietnam Infrastructure and Real Estate Joint Stock Company	Thac Mo Hydropower Joint- Stock Company	Ninh Binh Thermal Power Joint-Stock Company	Srok Phu Mieng Hydropower Joint- Stock Company	Pha Lai Thermal Power Joint Stock Company	Deo Nai Coal Joint Stock Company	Nui Beo Coal Joint Stock Company	Others	Total
Cost of investment												
As at 1												
January 2014	223,379,420,325	409,901,420,000	54,457,202,000	170,195,680,000	276,730,483,764	86,358,149,275	171,263,421,175	719,898,599,438	46,029,841,350	58,880,268,170	125,557,382,705	2,322,651,868,202
Additions	373,682,118,249	-	-	-	29,587,419,468	-	1,751,750,000	-	-	508,762,000	34,265,991,640	439,796,041,357
Reclassification	(597,061,538,574)	-	-	-	-	-	-	-	-	-	-	(597,061,538,574)
As at 30 June 2014	-	409,901,420,000	54,457,202,000	170,195,680,000	306,317,903,232	86,358,149,275	173,015,171,175	719,898,599,438	46,029,841,350	59,389,030,170	159,823,374,345	2,165,386,370,985
Accumulated share in post-acquisition profit (loss) of the associates												
As at 1												
January 2014	(5,642,840,774)	(60,303,443,866)	8,216,993,177	(5,737,343,145)	57,167,450,198	491,522,701	(18,206,317,136)	486,918,718,953	28,247,086,673	27,094,876,108	6,950,704,033	525,197,206,922
Dividend received during the period	(21,307,843,200)	-	(1,905,094,000)	-	-	(4,115,930,000)	-	(56,925,656,000)	(3,457,890,000)	(9,260,438,600)	(12,080,923,100)	(109,053,774,900)
Share in profit (loss) of associates for the period	18,157,202,443	24,854,207,509	(560,845,776)	(363,368,418)	34,461,465,310	3,397,174,190	(551,785,886)	29,947,717,656	(4,254,067,497)	3,064,695,774	2,858,036,538	111,010,431,843
Reclassification	8,793,481,531	-	-	-	-	-	-	-	-	-	-	8,793,481,531
As at 30 June 2014	-	(35,449,236,357)	5,751,053,401	(6,100,711,563)	91,628,915,508	(227,233,109)	(18,758,103,022)	459,940,780,609	20,535,129,176	20,898,933,282	(2,272,182,529)	535,947,345,396
Carrying amount												
As at 1												
January 2014	217,736,579,551	349,597,976,134	62,674,195,177	164,458,336,855	333,897,933,962	66,849,671,976	153,057,104,039	1,206,817,318,391	74,276,928,023	85,974,944,278	132,508,086,738	2,847,849,075,124
As at 30 June 2014	-	374,452,183,643	60,208,255,401	164,094,968,437	397,946,818,740	66,130,916,166	154,257,068,153	1,179,839,380,047	66,564,970,526	80,287,963,452	157,551,191,816	2,701,333,716,381

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

14. INVESTMENTS (continued)

14.3 Other long-term equity investments

Securities	30 June 2014		31 December 2013	
	Quantity (shares)	Amount (VND)	Quantity (shares)	Amount (VND)
Quang Ninh Thermal Power Joint Stock Company	42,085,353	470,646,304,200	42,085,353	470,646,304,200
Sonadezi Chau Duc Shareholding Company	10,463,500	183,876,590,000	10,463,500	183,876,590,000
Others	10,776,788	182,805,489,010	17,423,423	200,402,207,555
TOTAL	63,325,641	837,328,383,210	69,972,276	854,925,101,755

15. SHORT-TERM LOANS

	VND	
	30 June 2014	31 December 2013
Short-term loans from banks	381,152,874,499	251,571,946,603
Current portion of long-term loans (Note 20)	33,992,278,010	33,543,546,230
TOTAL	415,145,152,509	285,115,492,833

The short-term loans represent the unsecured bank loans for the purpose of financing the Group's working capital requirements and bear the interest at average rate ranging of 5.5% p.a to 7.5% p.a for VND-loans and from 2.7% p.a to 4% p.a for US\$-loans. Details are as follows:

Lenders	Amounts (VND)	Maturity date
Joint Stock Commercial Bank For Foreign Trade of Vietnam ("VCB")	217,687,861,633	From 3 September 2014 to 9 January 2015
HSBC Bank (Vietnam) Limited	22,391,173,488	From 23 July 2014 to 26 October 2014
ANZ Bank (Vietnam) Limited	31,893,856,000	From 14 July 2014 to 21 October 2014
Vietnam International Commercial Joint Stock Bank	34,639,659,145	From 13 September 2014 to 18 December 2014
Vietnam Joint Stock Commercial Bank for Industry and Trade	66,315,071,553	16 October 2014
Military Commercial Joint Stock Bank	8,225,252,680	26 November 2014
TOTAL	381,152,874,499	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

16. STATUTORY OBLIGATIONS

	VND	
	30 June 2014	31 December 2013
Corporate income tax (Note 24.1)	56,051,920,924	28,918,761,947
Value-added tax	4,823,385,975	1,442,227,021
Personal income tax	904,612,469	709,374,182
Import duties	175,102,848	-
Other fees and obligations	2,016,164,280	78,537,967
TOTAL	<u>63,971,186,496</u>	<u>31,148,901,117</u>

17. ACCRUED EXPENSES

	VND	
	30 June 2014	31 December 2013
Costs of supply and installation services	178,188,710,251	224,481,947,605
Interest expense	5,115,453,710	1,259,270,909
Promotion expense	5,002,478,342	7,284,522,690
Others	7,132,254,274	3,403,995,230
TOTAL	<u>195,438,896,577</u>	<u>236,429,736,434</u>

18. OTHER PAYABLES

	VND	
	30 June 2014	31 December 2013
Dividend payable	18,017,649,407	12,562,318,176
Guarantee expense	5,267,988,735	5,267,988,735
Social & health insurance and trade union	2,861,935,099	946,281,948
Convertible bonds interest expense	3,168,644,000	3,000,000,000
Deposits received from tenants	602,660,000	676,616,850
Performance bonus	-	52,351,701,802
Payables for purchase of securities	-	1,384,577,000
Others	6,247,037,509	5,077,378,748
TOTAL	<u>36,165,914,750</u>	<u>81,266,863,259</u>

19. OTHER LONG-TERM LIABILITIES

Other long-term liabilities mainly represent deposits received from office tenants.

20. LONG-TERM LOANS

	VND	
	30 June 2014	31 December 2013
Convertible bonds (*)	138,900,000,000	138,900,000,000
Long-term loans from banks (**)	115,750,808,530	132,411,815,300
TOTAL	<u>254,650,808,530</u>	<u>271,311,815,300</u>
<i>In which:</i>		
Current portion (Note 15)	33,992,278,010	33,543,546,230
Non-current portion	220,658,530,520	237,768,269,070

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

20. LONG-TERM LOANS (continued)

(*) Convertible bonds:

In accordance with the Board of Directors' Resolution No.10/2012/HĐQT-NQ-REE dated 14 November 2012 and the approval by the State Securities Commission of Vietnam through its Official Letter No. 4963/UBCK-QLPH dated 7 December 2012, on 20 December 2012, the Company issued 557,846 3-year convertible bonds totaling VND 557,846,000,000 to Platinum Victory Pte. Ltd with interest at 6% per annum paid in arrears. The bonds will be automatically converted into shares when there is a room for foreign ownership in the Company's shares at conversion date. The conversion price is VND 22,000 per share which will be subject to conversion adjustments as set out in schedule of convertible bond subscription agreement.

The Company issued 19,043,000 new shares at the price of VND 22,000 per share to convert 418,946 out of 557,846 convertible bonds on 19 December 2013.

(**) Details of the long-term loans are as follows:

<i>Lenders</i>	<i>Amounts (VND)</i>	<i>Term and maturity date</i>	<i>Interest rate (%/p.a)</i>	<i>Description of collateral</i>
Joint Stock Commercial Bank for Foreign Trade of Vietnam (i)	64,000,000,000	1 June 2018	9.80%	Unsecured
Commonwealth Bank of Australia – Ho Chi Minh City Branch (ii)	51,750,808,530	7 March 2017	6.20%	Assets at 180 Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City
TOTAL	<u>115,750,808,530</u>			

In which:

Current portion

(Note 15) 33,992,278,010

Non-current portion 81,758,530,520

- (i) On 31 March 2010, the Company signed an agreement with VCB for a VND 200 billion credit facility to finance the construction of the Ree Tower at 9 Doan Van Bo Street, District 4, Ho Chi Minh City. The term of the borrowing is 96 months from the date of the first draw down which was made on 1 June 2010. The loan will be repaid on a quarterly basis in accordance with the repayment schedule approved by VCB to be issued after the grace period of 24 months expires from the first drawdown. The loan is unsecured but VCB reserves the right to receive any insurance proceeds from the assets financed by this loan. The loan bears an interest rate equal to the 12-month deposit rate announced by VCB plus 2.8% per annum for amounts drawn in Vietnamese Dong or at VCB 12-month deposit rate plus 2.5% per annum for amounts drawn in United States Dollar.
- (ii) On 3 March 2012, the Company signed an agreement with Commonwealth Bank of Australia ("CBA") – Ho Chi Minh City Branch – for VND 73 billion to finance the construction of the Ree Tower at 9 Doan Van Bo Street, District 4, Ho Chi Minh City. The term of the borrowing is 60 months from the date of the first draw down which was made on 7 March 2012. The loan will be repaid on a quarterly basis in accordance with the repayment schedule approved by CBA to be issued after the grace period of 12 months expires from the first drawdown. The loan is secured by assets at 180 Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City amounting to VND 9,437,896,861 (Note 13). The loan bears an interest rate equal to the 3-month deposit rate announced by CBA plus 2.5% per annum.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

21. OWNERS' EQUITY

21.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Foreign exchange difference reserves	Investment and development fund	Financial reserve fund	Undistributed earnings	Total	VND
For the six-month period ended 30 June 2013:									
As at 1 January 2013	2,446,433,850,000	774,390,058,786	(788,258,632)	436,153,470	70,417,784,211	98,766,347,977	826,054,523,021	4,215,710,458,833	
Net profit for the period	-	-	-	-	-	-	639,075,902,200	639,075,902,200	
Foreign currency differences	-	-	-	89,388,695	-	-	-	89,388,695	
Declared dividends	-	-	-	-	-	-	(391,425,020,800)	(391,425,020,800)	
Appropriation to funds	-	-	-	-	-	33,444,790,811	(33,444,790,811)	-	
Appropriation to bonus and welfare funds	-	-	-	-	-	-	(21,747,062,255)	(21,747,062,255)	
As at 30 June 2013	<u>2,446,433,850,000</u>	<u>774,390,058,786</u>	<u>(788,258,632)</u>	<u>525,542,165</u>	<u>70,417,784,211</u>	<u>132,211,138,788</u>	<u>1,018,513,551,355</u>	<u>4,441,703,666,673</u>	
For the six-month period ended 30 June 2014:									
As at 1 January 2014	2,636,863,850,000	1,002,906,058,786	(31,342,660)	526,675,337	70,417,784,211	132,211,138,788	1,353,728,965,050	5,196,623,129,512	
Net profit for the period	-	-	-	-	-	-	437,526,970,519	437,526,970,519	
Issue ESOP shares	19,651,540,000	-	-	-	-	-	-	19,651,540,000	
Foreign currency differences	-	-	-	53,616,698	-	-	-	53,616,698	
Declared dividends	-	-	-	-	-	-	(421,893,820,800)	(421,893,820,800)	
Appropriation to funds	-	-	-	-	-	32,981,324,662	(32,981,324,662)	-	
Appropriation to bonus and welfare funds	-	-	-	-	-	-	(20,762,411,000)	(20,762,411,000)	
As at 30 June 2014	<u>2,656,515,390,000</u>	<u>1,002,906,058,786</u>	<u>(31,342,660)</u>	<u>580,292,035</u>	<u>70,417,784,211</u>	<u>165,192,463,450</u>	<u>1,315,618,379,107</u>	<u>5,211,199,024,929</u>	

Par value of the Company's shares is VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

21. OWNERS' EQUITY (continued)

21.2 Capital transactions with shareholders and distribution of dividends

	VND	
	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
Contributed capital		
Beginning balance	2,636,863,850,000	2,446,433,850,000
Share issuance	19,651,540,000	-
Ending balance	<u>2,656,515,390,000</u>	<u>2,446,433,850,000</u>
Dividends		
Dividends declared	421,893,820,800	391,425,020,800
Dividends paid	417,039,106,196	386,361,276,898

21.3 Shares

	Number of shares	
	30 June 2014	31 December 2013
Authorised shares	265,651,539	263,686,385
Shares issued and fully paid		
<i>Ordinary shares</i>	265,651,539	263,686,385
Shares in circulation		
<i>Ordinary shares</i>	265,648,792	263,683,638

22. REVENUES

22.1 Revenues from sale of goods and rendering of services

	VND	
	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
Gross revenues	1,171,961,408,671	1,123,664,064,771
Of which:		
<i>Supply & installation services</i>	702,018,506,487	644,438,744,114
<i>Revenue from services (office leasing and related services)</i>	234,862,169,072	233,787,642,030
<i>Sale of goods</i>	235,080,733,112	245,437,678,627
Deductions	(881,080,133)	(901,162,794)
Sales returns	(881,080,133)	(853,625,610)
Special sales tax	-	(47,537,184)
NET REVENUES	<u>1,171,080,328,538</u>	<u>1,122,762,901,977</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

22. REVENUES

22.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Dividend income	152,148,733,978	86,230,647,673
Gains from sale of equity securities	20,818,430,003	21,492,787
Interest income	15,443,383,017	53,146,937,876
Foreign exchange gains	10,628,508,487	2,010,002,079
Others	-	49,070,448
TOTAL	<u>199,039,055,485</u>	<u>141,458,150,863</u>

23. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Interest expense	21,163,789,234	27,347,726,877
Loss from disposal of equity securities	1,467,943,936	1,252,274,196
Foreign exchange losses	1,721,056,353	4,564,858,407
Reversal of provision for the diminution in value of investments	(4,928,289,865)	(1,625,794,289)
Others	516,124,321	1,589,868,914
TOTAL	<u>19,940,623,979</u>	<u>33,128,934,105</u>

24. CORPORATE INCOME TAX

The Company and its subsidiaries ("the Group"), except for Trans Orient Pte. Ltd and Eastrade International Ltd., have the obligation to pay corporate income tax ("CIT") at the rate of 22% of taxable profits.

Trans Orient Pte. Ltd, established in Singapore, has the obligation to pay CIT at the rate of 17% of taxable income. Trans Orient Pte. Ltd is entitled to 75% reduction on CIT for taxable income up to SGD 10,000 and 50% reduction on CIT for taxable income up to SGD 290,000.

Eastrade International Ltd was established in British Virgin Islands and is exempt from CIT in accordance with the BVI Business Companies Act.

The tax returns of the Group are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, the amounts reported in the interim consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

24. CORPORATE INCOME TAX (continued)

24.1 Current CIT

The current tax payable is based on taxable profit for the period. The taxable profit of the Group for the period differs from the profit as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Summary of CIT computation is presented below:

	VND	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Profit before tax	519,007,756,722	697,567,945,281
Adjustments to increase (decrease) accounting profit		
Permanent differences	(151,645,954,749)	(466,783,981,665)
Dividends income not subject to CIT	(152,148,733,978)	(86,133,872,273)
Shared profit from associates	(1,956,656,943)	(382,041,661,970)
Other non-deductible expenses	2,459,436,172	1,391,552,578
Temporary differences	27,185,915,515	23,346,882,324
Profit of unbilled contract revenues	10,110,117,005	7,306,382,711
Provision for doubtful debts	9,096,426,800	(3,242,452,225)
Accrued expenses	5,047,150,604	(6,094,920,560)
Accrued interest expenses on convertible bonds	4,167,000,000	16,735,380,000
Provision for inventory obsolescence	2,630,228,683	2,656,232,661
Movement of unrealised profit	(614,165,697)	5,303,047,740
Unrealised foreign exchange differences	(1,631,601,885)	683,211,997
Remuneration of the Board of Directors	(1,750,300,000)	-
Others	131,060,005	-
Adjusted net profit before tax	394,547,717,488	254,130,845,940
Add back tax losses of subsidiaries	1,443,181,688	2,679,305,130
Estimated current taxable profit	395,990,899,176	256,810,151,070
Estimated current CIT	86,659,366,120	63,918,423,444
Adjustments for accruals of CIT from previous periods	1,398,783,748	352,006,945
Estimated current CIT after adjustment	88,058,149,868	64,270,430,389
CIT payable at beginning of the period	28,852,499,620	12,369,957,195
CIT payable from a subsidiary's acquisition	14,541,496,218	-
CIT paid during the period	(75,503,056,016)	(42,882,936,433)
CIT payable at end of period	55,949,089,690	33,757,451,151
<i>In which:</i>		
CIT receivable at end of period	102,831,234	-
CIT payable at end of period (Note 16)	56,051,920,924	33,757,451,151

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

24. CORPORATE INCOME TAX (continued)

24.2 *Deferred CIT* (continued)

The following are the deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior reporting period.

VND

	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2014</i>	<i>31 December 2013</i>	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Provision for doubtful debts	10,864,797,233	8,863,583,336	2,001,213,897	(810,613,057)
Provision for inventory obsolescence	9,939,689,974	9,361,039,664	578,650,310	664,058,166
Accrued expenses	9,765,875,655	8,601,884,921	1,163,990,734	(1,339,975,071)
Unrealised profit	2,936,644,266	3,071,760,719	(135,116,453)	1,325,761,935
Provision for investments	1,448,575,561	1,448,575,561	-	-
Accrued interest expenses from convertible bonds	977,856,000	61,116,000	916,740,000	4,183,845,000
Unrealised foreign exchange differences	(59,263,660)	481,177,494	(540,441,154)	118,677,660
Profit (loss) of unbilled contract revenue	(1,538,231,979)	(3,762,457,718)	2,224,225,739	3,227,477,906
Others	236,582,891	482,511,084	(245,928,193)	(1,584,637,297)
Net deferred income tax assets	34,572,525,941	28,609,191,061		
<i>Net deferred income tax benefit to the interim separate income statement</i>			5,963,334,880	5,784,595,242

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group also hold available-for-sale investment.

The Group is exposed to market risk, credit risk and liquidity risk.

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

Management reviews and agrees policies for managing each of these risks which are summarized below.

Market risk

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

The sensitivity analyses in the following sections relate to the position as at 30 June 2014 and 31 December 2013.

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

In calculating the sensitivity analyses, management assumed that the statement of the balance sheet relates to available-for-sale debt instrument; the sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 June 2014 and 31 December 2013.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rate relates primarily to the Group's cash and short-term deposits and long-term debt obligations with floating interest rates.

The Group manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favourable for its purposes within its risk management limits. Management considers that the exposure to interest rate risks is insignificant.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of cash, short-term deposits, and long-term debt obligations with floating interest rates. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Interest rate sensitivity (continued)

	<i>Increase/decrease in interest rate (%)</i>	<i>VND Effect on profit before tax</i>
For the six-month period ended 30 June 2014		
VND	+2	2,735,227,145
US\$	+1	(87,767,835)
TOTAL		<u>2,647,459,310</u>
VND	-2	(2,735,227,145)
US\$	-1	87,767,835
TOTAL		<u>(2,647,459,310)</u>
For the six-month period ended 30 June 2013		
VND	+2	14,696,663,729
US\$	+1	(185,542,549)
TOTAL		<u>14,511,121,180</u>
VND	-2	(14,696,663,729)
US\$	-1	185,542,549
TOTAL		<u>(14,511,121,180)</u>

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (certain expenses and incomes of the Group are denominated in currencies other than the VND).

The Group manages its foreign currency exposure by considering the prevailing and expected market situation when it plans for future transactions denominated in foreign currencies. The Group's exposure to foreign currency changes is immaterial.

Equity price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Group manages equity price risk by placing a limit on equity investments. The Group's Board of Directors reviews and approves all equity investment decisions.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Equity price risk (continued)

As at 30 June 2014, the exposure to listed equity securities at fair value was VND 84,367,125,600 (31 December 2013: VND 337,421,621,200). A decrease of 10% on the price of the securities index could have an impact of approximately VND 8,436,712,560 (31 December 2013: VND 33,742,162,120) on the Group's profit before tax, depending on whether or not the decline is significant or prolonged. An increase of 10% in the value of the listed securities would increase Group's profit before tax by VND 8,436,712,560 (31 December 2013: VND 33,742,162,120).

Credit risk

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

Trade receivables

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

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Group seeks to maintain strict control over its outstanding receivables and has a credit control personnel to minimize credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Group's bank balances are mainly maintained with well-known banks in Vietnam. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Notes 5 and 14. The Group evaluates the concentration of credit risk in respect to bank deposit as low.

Other financial instruments

Management evaluates all financial assets are neither past due nor impaired as they related to recognized and creditworthy counterparties except for the receivables which were past due and made provision of VND 64,263,029,878 as at 30 June 2014 (31 December 2013: VND 79,405,438,326).

Liquidity risk

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

The Group monitors its liquidity risk by maintaining a level of cash and cash equivalents and bank loans deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

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

	<i>Less than 1 year</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>VND</i> <i>Total</i>
As at 30 June 2014				
Loans and borrowings	415,145,152,509	81,758,530,520	-	496,903,683,029
Convertible bond	-	138,900,000,000	-	138,900,000,000
Trade payables	197,964,710,826	-	-	197,964,710,826
Accrued expenses and other payables	228,726,332,393	-	-	228,726,332,393
TOTAL	<u>841,836,195,728</u>	<u>220,658,530,520</u>	<u>-</u>	<u>1,062,494,726,248</u>
As at 31 December 2013				
Loans and borrowings	251,571,946,603	60,411,815,300	72,000,000,000	383,983,761,903
Convertible bond	-	138,900,000,000	-	138,900,000,000
Trade payables	168,707,988,402	-	-	168,707,988,402
Accrued expenses and other payables	264,398,615,943	-	-	264,398,615,943
TOTAL	<u>684,678,550,948</u>	<u>199,311,815,300</u>	<u>72,000,000,000</u>	<u>955,990,366,248</u>

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair values of the Group's financial instruments that are carried in the interim consolidated financial statements.

	<i>Carrying amount</i>				<i>Fair value</i>		<i>VND</i>
	<i>30 June 2014</i>		<i>31 December 2013</i>		<i>30 June 2014</i>	<i>31 December 2013</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>			
Financial assets							
Listed shares	75,035,286,262	(2,961,888,020)	290,393,271,144	(7,890,177,885)	84,367,125,600	337,421,621,200	
Unlisted shares	960,613,476,350	(156,953,719,659)	915,694,075,176	(156,953,719,367)	803,659,756,691	758,745,065,514	
Short-term deposits	138,652,600,000	-	156,206,000,000	-	138,652,600,000	156,206,000,000	
Trade receivables	620,428,293,011	(64,263,029,878)	685,334,062,970	(79,405,438,326)	556,165,263,133	605,928,624,644	
Other receivables	42,642,447,981	-	17,821,338,112	-	42,642,447,981	17,821,338,112	
Cash and cash equivalents	962,044,058,016	-	535,795,614,565	-	962,044,058,016	535,795,614,565	
TOTAL	2,799,416,161,620	(224,178,637,557)	2,601,244,361,967	(244,249,335,578)	2,587,531,251,421	2,411,918,264,035	
Financial liabilities							
Loans and borrowings			496,903,683,029	383,983,761,903	496,903,683,029	383,983,761,903	
Convertible bond			138,900,000,000	138,900,000,000	138,900,000,000	138,900,000,000	
Trade payables			197,964,710,826	168,707,988,402	197,964,710,826	168,707,988,402	
Other payables			228,726,332,393	264,398,615,943	228,726,332,393	264,398,615,943	
TOTAL			1,062,494,726,248	955,990,366,248	1,062,494,726,248	955,990,366,248	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

26. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair values of listed shares have been determined based on their closing price in the Ho Chi Minh Stock Exchange or their average trading price in Hanoi Stock Exchange as at the balance sheet date.

Fair values of un-listed shares, which have active market, are the average price quoted by three independent securities companies as at the balance sheet date.

Except for items noted in preceding paragraphs the fair values of the financial assets and liabilities had not yet been formally assessed and determined as at 30 June 2014 and 31 December 2013. However, it is management's assessment that the fair values of these financial assets and liabilities are not materially different from their carrying values as at balance sheet date.

27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related company transactions include all transactions undertaken with other companies to which the Group is related, either through the investor, investee relationship or because they share a common investor and thus are considered to be a part of the same corporate group.

The significant transactions with related parties during the period were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Doan Nhat Mechanical Electrical Joint Stock Company	Associate	Sub-contractor service	(4,978,041,584)
		Dividend income	7,236,075,000
Quality Mechanical Electrical Joint Stock Company	Associate	Sub-contractor service	(8,834,607,561)
		Dividend income	254,684,100
Hop Phat Mechanical Electrical Joint Stock Company	Associate	Sub-contractor service	(894,128,545)
		Dividend income	192,500,000
Saigon Real Estate Joint Stock Company	Associate	Dividend income	1,905,094,000
Thac Mo Hydropower Joint- Stock Company	Associate	Capital contribution	(29,587,419,468)
Ninh Binh Thermal Power Joint- Stock Company	Associate	Dividend income	4,115,930,000
Srok Phu Mieng Hydropower Joint-Stock Company	Associate	Capital contribution	(1,751,750,000)
Pha Lai Thermal Power Joint Stock Company	Associate	Dividend income	56,925,656,000
Deo Nai Coal Joint Stock Company	Associate	Dividend income	3,457,890,000
Nui Beo Coal Joint Stock Company	Associate	Capital contribution	(508,762,000)
		Dividend income	9,260,438,600

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

The significant transactions with related parties during the period were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i>
			<i>Amounts</i>
Thu Duc Water Supply Joint Stock Company	Associate	Capital contribution	(105,991,640)
		Dividend income	4,397,664,000
Tan Hiep Water Investment Joint Stock Company	Associate	Capital contribution	(17,600,000,000)

The amount due to and due from related parties at the balance sheet date as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i>
			<i>Receivable (payable)</i>
<i>Other receivable</i>			
Doan Nhat Mechanical Electrical Joint Stock Company	Associate	Dividend income	5,236,075,000
Ninh Binh Thermal Electricity Joint Stock Company	Associate	Dividend income	4,115,930,000
			<u>9,352,005,000</u>
<i>Advance to suppliers</i>			
Doan Nhat Mechanical Electrical Joint Stock Company	Associate	Advance for sub-contractor service	12,300,349,772
Quality Mechanical Electrical Joint Stock Company	Associate	Advance for sub-contractor service	1,660,629,882
Hop Phat Mechanical Electrical Joint Stock Company	Associate	Advance for sub-contractor service	867,928,388
			<u>14,828,908,042</u>

Transactions with other related parties

Remuneration to members of Management and the Board of Directors during the period is as follows:

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Salaries and bonus	<u>4,109,010,900</u>	<u>9,894,188,750</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

28. COMMITMENTS

28.1 Obligations under operating leases

The Group leases land for its plant in Tan Binh Industrial Zone and offices under operating lease agreements. The minimum lease commitment as at balance sheet date under the operating lease agreements is as follows:

	VND	
	30 June 2014	31 December 2013
Less than one year	14,535,169,353	9,551,527,773
From one to five years	20,548,589,691	21,945,130,130
TOTAL	<u>35,083,759,044</u>	<u>31,496,657,903</u>

28.2 Investment commitment

The Group's investment commitment as at 30 June 2014 comprised the committed amount of VND 73,900,000,000 that will be invested in Song Thanh Real Estate Joint Stock Company in the future.

29. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- ▶ Supply & installation services;
- ▶ Sale of goods;
- ▶ Property leasing; and
- ▶ Investments

Management monitors the operating results of its business units separately for the purposes of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the interim consolidated financial statements. Group financing, including finance costs and finance revenue, and income taxes are managed on a Group basis and are not allocated to operating segments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

29. **SEGMENT INFORMATION** (continued)

The segment results for the six-month period ended 30 June 2014 are as follows:

	VND				
	<i>Supply & installation services</i>	<i>Sale of goods</i>	<i>Property leasing</i>	<i>Investments</i>	<i>Consolidated</i>
<i>Sales</i>					
Total segment sales	838,694,473,941	387,367,855,968	266,076,830,576	-	1,492,139,160,485
Inter-segment sales	<u>(136,675,967,454)</u>	<u>(153,168,202,989)</u>	<u>(31,214,661,504)</u>	-	<u>(321,058,831,947)</u>
TOTAL	<u>702,018,506,487</u>	<u>234,199,652,979</u>	<u>234,862,169,072</u>	<u>-</u>	<u>1,171,080,328,538</u>
<i>Results</i>					
Segment results	123,311,132,790	22,983,169,417	146,470,976,967	168,305,000,036	461,070,279,210
Finance income					26,071,891,504
Finance expenses					(23,400,969,908)
Other income					55,585,152,550
Other expenses					(2,275,253,577)
Income from associates					1,956,656,943
Current and deferred CIT					(82,094,814,988)
Non-controlling interest					<u>614,028,785</u>
Net profit after tax					<u>437,526,970,519</u>

The segment assets and liabilities for as at 30 June 2014 are as follows:

	VND				
	<i>Supply & installation services</i>	<i>Sale of goods</i>	<i>Property leasing</i>	<i>Investments</i>	<i>Consolidated</i>
<i>Segment assets</i>					
Segment assets	1,545,859,716,312	572,945,224,472	917,684,401,906	4,500,791,223,401	7,537,280,566,091
Unallocated assets					<u>205,683,482,166</u>
TOTAL ASSETS					<u>7,742,964,048,257</u>
<i>Segment liabilities</i>					
Segment liabilities	1,284,346,772,502	371,178,607,910	180,665,082,792	240,177,850,530	2,076,368,313,734
Unallocated liabilities					<u>44,908,252,151</u>
TOTAL LIABILITIES					<u>2,121,276,565,885</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

29. **SEGMENT INFORMATION** (continued)

The segment results for the six-month period ended 30 June 2013 are as follows:

					VND
	<i>Supply & installation services</i>	<i>Sale of goods</i>	<i>Property leasing</i>	<i>Investments</i>	<i>Consolidated</i>
<i>Sales</i>					
Total segment sales	758,380,385,926	285,658,856,234	266,842,085,960	-	1,310,881,328,120
Inter-segment sales	(113,941,641,812)	(41,122,340,401)	(33,054,443,930)	-	(188,118,426,143)
TOTAL	644,438,744,114	244,536,515,833	233,787,642,030	-	1,122,762,901,977
<i>Results</i>					
Segment results	65,832,613,767	31,015,508,640	144,616,549,058	50,019,586,371	291,484,257,836
Finance income					54,997,509,044
Finance expenses					(33,502,454,198)
Other income					3,353,112,284
Other expenses					(818,557,523)
Income from associates					382,041,661,970
Current and deferred CIT					(58,485,835,147)
Non-controlling interest					6,207,934
Net profit after tax					639,075,902,200

The segment assets and liabilities as at 31 December 2013 are as follows:

					VND
	<i>Supply & installation services</i>	<i>Sale of goods</i>	<i>Property leasing</i>	<i>Investments</i>	<i>Consolidated</i>
<i>Assets</i>					
Segment assets	1,196,020,123,052	501,150,604,689	911,274,382,217	3,849,278,866,622	6,457,723,976,580
Unallocated assets					496,725,738,765
TOTAL ASSETS					6,954,449,715,345
<i>Liabilities</i>					
Segment liabilities	1,040,446,577,825	255,389,909,014	177,579,341,960	200,558,479,653	1,673,974,308,452
Unallocated liabilities					79,276,495,364
TOTAL LIABILITIES					1,753,250,803,816

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

30. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Basic earnings per share are calculated as follows:

	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Net profit after tax attributable to ordinary equity holders for basic earnings (VND)	437,526,970,519	639,075,902,200
Weighted average number of ordinary shares for basic earnings per share	<u>264,043,589</u>	<u>244,580,638</u>
Basic earnings per share (VND)	<u>1,657</u>	<u>2,613</u>

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible bonds) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. A diluted earnings per share is calculated as follows:

	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Net profit attributable to ordinary equity holders of the parent for basic earnings (VND)	437,526,970,519	639,075,902,200
Interest on convertible bonds (VND)	<u>3,250,260,000</u>	<u>12,551,535,000</u>
Net profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution (VND)	<u>440,777,230,519</u>	<u>651,627,437,200</u>
Weighted average number of ordinary shares for basic earnings per share	264,043,589	244,580,638
Number of ordinary shares from convertible bonds	<u>6,365,529</u>	<u>25,356,636</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	<u>270,409,118</u>	<u>269,937,274</u>
Diluted earnings per share (VND)	<u>1,630</u>	<u>2,414</u>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2014

31. CONTINGENT ASSET

On 28 September 2011, the Company entered into a Restructuring Deed to transfer all of its ownership in Vung Ang II Thermo Electricity Company ("VAPCO"). According to this deed, all risks and rewards of the Company in VAPCO were passed to the buyer on 14 November 2011. Proceeds from disposal amounting to VND 153,323,885,510 was fully collected and this amount is non-refundable in any circumstances.

Also in accordance with this agreement, the Company may receive US\$ 3,779,832 in addition to said transaction upon the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company. All parties will complete related administrative procedures at the completion date of the Deed. Accordingly, management accounted this amount as contingent asset and accordingly disclosed in the interim consolidated financial statements in accordance with Vietnamese Accounting Standard No. 18 - "Provision, Contingent assets and liabilities".

32. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the interim consolidated financial statements.



Pham Thi Uyen Phuong
Preparer



Ho Tran Dieu Lynh
Chief Accountant



Nguyen Thi Mai Thanh
General Director

14 August 2014