

PNC: Explanation for business result in Q2.2013

Phuong Nam Cultural Joint Stock Corporation (PNC) explained the difference in profit after tax between Quarter 2/2013 and Quarter 2/2012 (parent company and consolidated) as follows:

1. PNC explained the difference in profit after tax between Quarter 2/2013 and Quarter 2/2012 of parent company

By: VND

Item	Quarter 2/2013	Quarter 2/2012	+/-	Rate
Revenue from selling and service supply	81,258,162,554	83,765,590,225	(2,507,427,671)	(3.00)
Deductions	885,731,473	609,014,350	276,717,123	45.40
Net revenue from selling and service supply	80,372,431,081	83,156,575,875	(2,784,144,794)	(3.30)
Cost of goods sold	52,981,600,946	53,818,078,659	(836,477,713)	(1.60)
Gross profit from selling and service supply	27,390,830,135	29,338,497,216	(1,947,667,081)	(6.60)
Financial income	855,467,629	1,600,564,217	(745,096,588)	(46.60)
Financial expenses	3,604,776,525	5,236,658,345	(1,631,881,820)	(31.20)
Interest expenses	3,558,308,324	5,189,460,744	(1,631,152,420)	(31.40)
Selling expenses	24,962,598,472	23,312,360,730	1,650,237,742	7.10
General & administrative expenses	4,486,111,312	4,005,268,246	480,843,066	12.00
Net profit	(4,807,188,545)	(1,615,225,888)	(3,191,962,657)	197.60
Other income	487,109,422	94,298,793	392,810,629	416.60
Other expenses	669,266,966	322,085,315	347,181,651	107.80
Other profit	(182,157,544)	(227,766,522)	45,608,978	(20.00)
Profit before tax	(4,989,346,089)	(1,842,992,410)	(3,146,353,679)	170.70

Profit before tax in Quarter 2/2013 decreased VND3,146,353,679 compared to in Quarter 2/2012 because:

- Economic difficulties, leading to revenue decreased VND2,784,144,794 or 3%.

- Profit from subsidiaries decreased, leading to financial income decreased VND745,096,588.
- Selling expenses and general & administrative expenses increased 7.8% because salary expense increased.

1. PNC explained the difference in consolidated profit after tax between Quarter 2/2013 and Quarter 2/2012

By: VND

Item	Quarter 2/2013	Quarter 2/2012	+/-	Rate
Revenue from selling and service supply	91,459,746,638	90,278,967,635	1,180,779,003	1.31
Deductions	7,618,073,123	2,957,978,685	4,660,094,438	157.54
Net revenue from selling and service supply	83,841,673,515	87,320,988,950	(3,479,315,435)	(3.98)
Cost of goods sold	54,660,200,813	56,601,682,434	(1,941,481,621)	(3.43)
Gross profit from selling and service supply	29,818,472,702	30,719,306,516	(900,833,814)	(5.01)
Financial income	892,704,164	753,482,537	139,221,627	18.48
Financial expenses	3,608,038,985	5,245,158,624	(1,637,119,639)	(31.21)
Interest expenses	3,555,590,223	5,189,460,744	(1,633,870,521)	(31.29)
Selling expenses	24,884,934,747	23,945,914,670	939,020,077	8.10
General & administrative expenses	5,470,299,217	5,376,229,045	94,070,172	1.75
Net profit	(4,889,096,083)	(3,094,513,286)	(1,794,582,797)	57.99
Other income	500,527,712	3,256,451,459	(2,755,923,747)	(84.63)
Other expenses	669,267,007	2,230,993,657	(1,561,726,650)	(70.00)
Other profit	(168,739,295)	1,025,457,802	(1,194,197,097)	(116.46)
Profit before tax	(5,057,835,378)	(2,069,055,484)	(2,988,779,894)	144.45

Profit before tax in Quarter 2/2013 decreased VND2,988,779,894 compared to in Quarter 2/2012 because:

- Economic difficulties, leading to revenue decreased VND3,479,315,435 or 4%.
- Selling expenses and general & administrative expenses increased 8% and 2%.

- Other income in Quarter 2/2012 had VND1,100,000 because the company liquidated assets.