

**Binh Chanh Construction Investment
Joint Stock Company**

Separate financial statements

31 December 2014



Building a better
working world

Binh Chanh Construction Investment Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1
Report of management	2
Independent auditors' report	3 - 4
Separate balance sheet	5 - 6
Separate income statement	7
Separate cash flow statement	8 - 9
Notes to the separate financial statements	10 - 38

Binh Chanh Construction Investment Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Binh Chanh Construction Investment Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 056668 issued by the Department of Planning and Investment of Ho Chi Minh City on 24 December 1999, as amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with trading code BCI in accordance with Decision No. 128/QD-SGDHCM issued by the General Director of HOSE on 25 December 2008.

The Company's current principal activities are to develop and trade real estate properties including house, land use rights and infrastructure, to provide construction consulting, site clearance and brokerage on land properties.

The Company's registered head office is located at No. 550, Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Nguyen Van Le	Chairman	
Mr Tran Ngoc Henri	Vice Chairman	
Mr Tram Be	Member	
Mr Pham Minh Duc	Member	
Ms Nguyen Thi Kim Thoa	Member	
Ms Pham Thi Cam Nhung	Member	appointed on 24 April 2014
Ms Trinh Quynh Giao	Member	appointed on 24 April 2014
Mr Hoang Dinh Thang	Member	resigned on 24 April 2014
Mr Nguyen Hoang Thuc	Member	resigned on 24 April 2014

BOARD OF SUPERVISION

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

Mr Tran Ngoc Tien	Head	
Ms Tran Nguyen Ngoc Thien Huong	Member	
Ms Nguyen Thi Quynh Anh	Member	appointed on 24 April 2014
Mr Do Van Cuong	Member	resigned on 24 April 2014

MANAGEMENT

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

Mr Nguyen Thuy Nhan	General Director
Ms Truong My Linh	Deputy General Director
Ms Nguyen Thi Kim Thoa	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Nguyen Thuy Nhan.

AUDITORS

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

Binh Chanh Construction Investment Joint Stock Company

REPORT OF MANAGEMENT

Management of Binh Chanh Construction Investment Joint Stock Company ("the Company") is pleased to present its report and the separate financial statements of the Company for the year ended 31 December 2014.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company and of the separate results of its operations and its separate cash flows for the year. In preparing those separate 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 separate financial statements; and
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company 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 separate financial statements.


STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2014 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and statutory requirements relevant to preparation and presentation of separate financial statements.

The Company prepared and issued the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Users of these separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

For and on behalf of Management:



Thuy Nhan

Nguyen Thuy Nhan
General Director

11 March 2015



Building a better
working world

Ernst & Young Vietnam Limited
28th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

Tel: +84 8 3824 5252
Fax: +84 8 3824 5250
ey.com

Reference: 60933602/16997008

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Binh Chanh Construction Investment Joint Stock Company

We have audited the accompanying separate financial statements of Binh Chanh Construction Investment Joint Stock Company ("the Company") as prepared on 11 March 2015 and set out on pages 5 to 38, which comprise the separate balance sheet as at 31 December 2014, the separate income statement and separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Building a better
working world

Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2014, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2.1 of the separate financial statements. The Company prepared and issued the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements. We have audited these consolidated financial statements and our auditors' report dated 11 March 2015 has expressed an unqualified opinion. Users of the accompanying separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

Ernst & Young Vietnam Limited



Lê Thị Tuyết Mai
Deputy General Director
Audit Practicing Registration Certificate
No. 1575-2013-004-1

Doan Thi Thu Thuy
Auditor
Audit Practicing Registration Certificate
No. 1070-2013-004-1

Ho Chi Minh City, Vietnam

11 March 2015

SEPARATE BALANCE SHEET
as at 31 December 2014

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		2,455,054,721,067	2,634,609,264,855
110	I. Cash and cash equivalents	4	82,201,886,893	173,675,445,273
111	1. Cash		908,491,593	10,775,549,973
112	2. Cash equivalents		81,293,395,300	162,899,895,300
120	II. Short-term investments		-	58,600,000,000
121	1. Short-term investments		-	58,600,000,000
130	III. Current accounts receivable		245,552,521,732	248,447,941,175
131	1. Trade receivables	5	215,697,626,403	220,092,768,526
132	2. Advances to suppliers		8,428,331,833	8,657,744,439
135	3. Other receivables	6	30,779,730,466	32,345,830,100
139	4. Provision for doubtful debts	5, 6	(9,353,166,970)	(12,648,401,890)
140	IV. Inventories		2,120,217,509,259	2,147,174,452,500
141	1. Inventories	7	2,120,217,509,259	2,147,174,452,500
150	V. Other current assets		7,082,803,183	6,711,425,907
152	1. Value-added tax deductible		3,968,580,116	4,229,579,984
154	2. Tax and other receivables from the State		2,241,270,726	-
158	3. Other current assets		872,952,341	2,481,845,923
200	B. NON-CURRENT ASSETS		702,133,197,616	622,079,605,653
220	I. Fixed assets		238,426,249,725	242,555,011,650
221	1. Tangible fixed assets	8	27,324,733,093	31,337,840,425
222	Cost		75,030,189,625	74,715,214,573
223	Accumulated depreciation		(47,705,456,532)	(43,377,374,148)
227	2. Intangible assets	9	80,527,133	92,193,545
228	Cost		1,645,748,781	1,560,403,786
229	Accumulated amortisation		(1,565,221,648)	(1,468,210,241)
230	3. Construction in progress	10	211,020,989,499	211,124,977,680
240	II. Investment properties	11	94,400,871,519	97,313,281,763
241	1. Cost		150,001,804,114	149,900,363,205
242	2. Accumulated depreciation		(55,600,932,595)	(52,587,081,442)
250	III. Long-term investments		368,417,938,506	281,265,307,529
251	1. Investment in subsidiaries	12.1	297,000,000,000	207,000,000,000
252	2. Investments in associates	12.2	81,257,440,060	81,257,440,060
258	3. Other long-term investments	12.3	3,135,455,455	4,025,535,894
259	4. Provision for diminution in value of long-term investments		(12,974,957,009)	(11,017,668,425)
260	IV. Other long-term assets		888,137,866	946,004,711
261	1. Long-term prepaid expenses		616,712,251	815,735,427
262	2. Deferred tax assets	26.3	238,499,853	97,343,522
268	3. Other long-term assets		32,925,762	32,925,762
270	TOTAL ASSETS		3,157,187,918,683	3,256,688,870,508

SEPARATE BALANCE SHEET (continued)
as at 31 December 2014

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		1,513,696,343,623	1,599,052,168,662
310	I. Current liabilities		572,120,206,603	745,221,333,390
311	1. Short-term loans and debts	14	107,009,112,858	332,215,172,037
312	2. Trade payables	15	69,793,603,596	75,154,916,839
313	3. Advances from customers		102,539,000	116,942,969
314	4. Statutory obligations	16	1,925,605,688	4,426,825,611
315	5. Payables to employees		10,771,560,889	7,080,066,001
316	6. Accrued expenses	17	110,490,322,567	134,851,551,489
319	7. Other payables	18	268,180,898,045	186,458,271,805
323	8. Bonus and welfare fund		3,846,563,960	4,917,586,639
330	II. Non-current liabilities		941,576,137,020	853,830,835,272
333	1. Other long-term liabilities		9,798,421,793	9,874,388,988
334	2. Long-term loans and debts	19	336,511,634,050	182,773,915,000
338	3. Unearned revenues	20	595,266,081,177	661,182,531,284
400	B. OWNERS' EQUITY		1,643,491,575,060	1,657,636,701,846
410	I. Capital	21.1	1,643,491,575,060	1,657,625,244,703
411	1. Share capital	21.2	722,670,000,000	722,670,000,000
412	2. Share premium		610,750,058,000	610,750,058,000
417	3. Investment and development fund		147,097,134,354	142,313,571,835
418	4. Financial reserve fund		84,252,267,674	79,468,705,155
419	5. Other funds		12,332,000,000	12,332,000,000
420	6. Undistributed earnings		66,390,115,032	90,090,909,713
430	II. Other fund		-	11,457,143
432	1. Subsidised fund		-	11,457,143
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,157,187,918,683	3,256,688,870,508

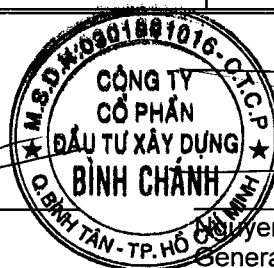
OFF BALANCE SHEET ITEM

ITEM	Ending balance	Beginning balance
Bad debts written-off (VND)	2,469,845,243	-

Nguyen Kim Phung
Preparer

Nguyen Duong An
Chief Accountant

Nguyen Thuy Nhan
General Director

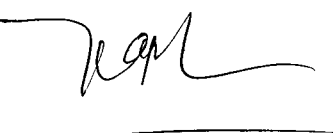


11 March 2015

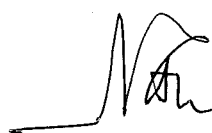

SEPARATE INCOME STATEMENT
for the year ended 31 December 2014

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	22.1	236,248,567,098	348,990,456,107
02	2. Deductions	22.1	(46,156,110)	(153,878,240)
10	3. Net revenue from sale of goods and rendering of services	22.1	236,202,410,988	348,836,577,867
11	4. Cost of goods sold and services rendered	23	(122,211,186,210)	(224,081,047,900)
20	5. Gross profit from sale of goods and rendering of services		113,991,224,778	124,755,529,967
21	6. Finance income	22.2	13,866,979,854	27,125,502,442
22	7. Finance expenses	24	(11,409,866,611)	(35,549,840,519)
23	<i>In which: Interest expense</i>		(7,122,431,812)	(32,609,928,082)
24	8. Selling expenses		(4,873,903,437)	(11,914,842,236)
25	9. General and administrative expenses		(46,938,225,300)	(37,927,526,444)
30	10. Operating profit		64,636,209,284	66,488,823,210
31	11. Other income	25	1,050,339,219	755,873,037
32	12. Other expenses	25	(232,016,947)	(104,036,312)
40	13. Other profit		818,322,272	651,836,725
50	14. Profit before tax		65,454,531,556	67,140,659,935
51	15. Current corporate income tax expense	26.2	-	(1,661,357,962)
52	16. Deferred income tax benefit	26.3	141,156,331	24,756,545
60	17. Net profit after tax		65,595,687,887	65,504,058,518

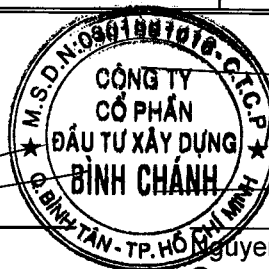


Nguyen Kim Phung
Preparer

Nguyen Duong An
Chief Accountant

Nguyen Thuy Nhan
General Director



11 March 2015

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2014

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		65,454,531,556	67,140,659,935
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	8, 9, 11	7,438,944,944	8,353,378,805
03	(Reversal of provisions) provisions		(1,337,946,336)	1,967,304,336
04	Unrealised foreign exchange losses	24	1,187,563,650	1,053,131,807
05	Gains from investing activities		(12,976,899,415)	(27,130,420,676)
06	Interest expense	24	7,122,431,812	32,609,928,082
08	Operating profit before changes in working capital		66,888,626,211	83,993,982,289
09	Decrease (increase) in receivables		3,821,613,931	(47,337,453,920)
10	Decrease in inventories		62,468,138,628	118,108,637,817
11	Decrease in payables		(74,056,127,270)	(116,918,616,212)
12	Decrease (increase) in prepaid expenses		199,023,176	(662,391,647)
13	Interest paid		(56,625,558,367)	(57,034,446,377)
14	Corporate income tax paid	26.2	(1,930,155,994)	(61,188,732,915)
16	Other cash outflows from operating activities		(8,533,380,209)	(6,944,489,949)
20	Net cash flows used in operating activities		(7,767,819,894)	(87,983,510,914)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(397,772,775)	(332,423,763)
22	Proceeds from disposals of fixed assets		-	23,500,000
23	Receipt (payments) for bank term deposits		58,600,000,000	(58,600,000,000)
25	Payments for investments in other entities		(20,000,000,000)	(1,000,000,000)
27	Interest and dividends received		15,254,669,168	27,675,168,388
30	Net cash flows from (used in) investing activities		53,456,896,393	(32,233,755,375)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		353,136,563,895	60,029,144,862
34	Repayment of borrowings		(425,792,467,674)	(32,562,288,732)
36	Dividends paid	21.2	(64,506,731,100)	(69,625,225,800)
40	Net cash flows used in financing activities		(137,162,634,879)	(42,158,369,670)

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2014

VND

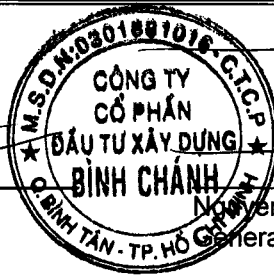
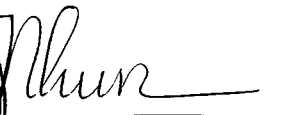
Code	ITEMS	Notes	Current year	Previous year
50	Net decrease in cash and cash equivalents		(91,473,558,380)	(162,375,635,959)
60	Cash and cash equivalents at beginning of year		173,675,445,273	336,051,081,232
70	Cash and cash equivalents at end of year	4	82,201,886,893	173,675,445,273



Nguyen Kim Phung
Preparer



Nguyen Duong An
Chief Accountant

Nguyen Thuy Nhan
General Director

11 March 2015

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at and for the year ended 31 December 2014

1. CORPORATE INFORMATION

Binh Chanh Construction Investment Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 056668 issued by the Department of Planning and Investment of Ho Chi Minh City on 24 December 1999, as amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with trading code BCI in accordance with Decision No. 128/QD-SGDHCM issued by the General Director of HOSE on 25 December 2008.

The Company's current principal activities are to develop and trade real estate properties including house, land use rights and infrastructure, to provide construction consulting, site clearance and brokerage on land properties.

The Company's registered head office is located at No. 550 Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2014 was 142 (31 December 2013: 145).

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The separate financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards ("VAS") 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 separate balance sheet, separate income statement, separate 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 separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

The Company prepared and issued the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Users of these separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

2. BASIS OF PREPARATION (continued)

2.2 *Applied accounting documentation system*

The Company's applied accounting documentation system is the Journal Ledger system.

2.3 *Fiscal year*

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The separate financial statements are prepared in VND which is also the Company's accounting currency.

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*

Inventory properties, comprising mainly real estate properties, acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value.

Cost includes:

- Land use rights;
- Construction and development cost; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes and other related costs.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when paid.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the balance sheet date and discounted for the time value of money (if material), less costs to completion and the estimated costs of sale.

The cost of inventory recognized in the separate income statement on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

3.3 *Receivables*

Receivables are presented in the separate financial statements at the carrying amounts due from customers and other debtors, after the provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortisation.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the 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 separate income statement as incurred.

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

3.5 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 and structures	10 – 20 years
Machinery and equipment	3 – 10 years
Motor vehicles	6 – 10 years
Office equipment	3 – 7 years
ISO certificate and computer software	3 – 10 years

3.6 Investment properties

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 Company.

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

Factory buildings	25 – 46 years
Infrastructure	25 – 46 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 separate income statement in the year 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 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 Company is the lessee

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

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment properties in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred.

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

3.8 Borrowing costs

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

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.9 Prepaid expenses

Prepaid expenses are reported as long-term prepaid expenses on the separate balance sheet and amortised over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

3.10 Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost. Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

3.11 Investments in associates

Investments in associates over which the Company has significant influence are accounted for under the cost method of accounting.

Distributions from the accumulated net profits of the associates arising subsequent to the date of acquisition by the Company are recognized as income in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

3.12 Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Provision for diminution in value of investments*

Provision is made for any diminution in value of the investments at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the separate 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 Company.

3.15 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have been being in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Any increase to the accrued amount will be taken to the separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.16 *Foreign currency transactions*

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

3.17 *Appropriation of net profit*

Net profit after tax (excluding unrealised exchange gains as at the balance sheet date) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Appropriation of net profit (continued)

The Company maintains the following reserve funds which are appropriated from the Company'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 Company'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 Company'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, and presented as a liability on the balance sheet.

▶ Other fund

This fund is set aside for future use in case the Company will need to increase its share capital.

3.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 completed property

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognized only when all the significant conditions are satisfied.

Rental income

Rental income arising from operating leases is recorded to the separate income statement and accounted for on a straight-line basis over the lease term.

Rendering of services

Revenues are recognised upon completion of the services provided.

Interest

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

Dividend

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



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years 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 separate 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 Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred 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.

Deferred 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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.

The carrying amount of deferred 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 tax 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 tax assets to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Company intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 *Financial instruments*

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance 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 separate 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.

The Company's financial assets include cash and short-term deposits, trade and other 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 separate financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost.

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

Subsequent re-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 separate 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.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	44,829,365	49,770,366
Cash in banks	863,662,228	10,725,779,607
Cash equivalents	<u>81,293,395,300</u>	<u>162,899,895,300</u>
TOTAL	<u>82,201,886,893</u>	<u>173,675,445,273</u>

Cash equivalents represent short-term bank deposits with original maturities of less than three months and earn interest at the rate ranging from 4% to 5.3% per annum.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

5. TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Related parties (<i>Note 28</i>)	4,942,958,500	-
Third parties	210,754,667,903	220,092,768,526
TOTAL	215,697,626,403	220,092,768,526
Provision for doubtful debts	(1,567,166,970)	(3,765,554,890)
NET	214,130,459,433	216,327,213,636

6. OTHER RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances for development of projects	12,091,209,582	11,634,813,505
Provisional corporate income tax (*)	8,823,804,698	9,433,778,540
Late payment interest charges	8,794,268,760	8,794,268,760
Interest income	653,159,904	2,030,586,186
Others	417,287,522	452,383,109
TOTAL	30,779,730,466	32,345,830,100
Provision for doubtful debts	(7,786,000,000)	(8,882,847,000)
NET	22,993,730,466	23,462,983,100

(*) In accordance with Circular No. 78/2014/TT-BTC issued by the Ministry of Finance on 18 June 2014 which provides guidelines for implementation of the Law on Corporate Income Tax ("CIT"), the Company is entitled to provisionally pay tax at the rate of 1% on cash collections from its customers pending the appropriate recognition of sales and cost of sales from those transactions.

7. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Real estate properties in progress (*)	2,107,122,307,749	2,131,444,268,652
Real estate properties available for sale	12,715,218,796	15,426,018,796
Raw materials	379,982,714	304,165,052
TOTAL	2,120,217,509,259	2,147,174,452,500

(*) This represents development and construction costs of the on-going residential area projects. Parts of these projects were pledged to obtain loans from banks (*Note 19*).

Binh Chanh Construction Investment Joint Stock Company

B09-DN

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

8. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	VND Total
Cost:					
Beginning balance	24,220,961,187	37,852,472,674	10,520,713,433	2,121,067,279	74,715,214,573
New purchase	-	106,614,000	-	-	106,614,000
Transfer from construction in progress	208,361,052	-	-	-	208,361,052
Ending balance	24,429,322,239	37,959,086,674	10,520,713,433	2,121,067,279	75,030,189,625
<i>In which:</i>					
Fully depreciated	15,575,635,799	4,351,765,953	3,085,866,422	2,121,067,279	25,134,335,453
Accumulated depreciation:					
Beginning balance	(7,465,276,313)	(26,218,994,197)	(7,662,100,777)	(2,031,002,861)	(43,377,374,148)
Depreciation for the year	(1,147,811,953)	(2,058,778,420)	(1,031,427,593)	(90,064,418)	(4,328,082,384)
Ending balance	(8,613,088,266)	(28,277,772,617)	(8,693,528,370)	(2,121,067,279)	(47,705,456,532)
Net carrying amount:					
Beginning balance	16,755,684,874	11,633,478,477	2,858,612,656	90,064,418	31,337,840,425
Ending balance	15,816,233,973	9,681,314,057	1,827,185,063	-	27,324,733,093

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

9. INTANGIBLE ASSETS

	VND		
	<i>ISO certificate</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Beginning balance	331,744,151	1,228,659,635	1,560,403,786
Transfer from construction in progress	-	85,344,995	85,344,995
Ending balance	<u>331,744,151</u>	<u>1,314,004,630</u>	<u>1,645,748,781</u>
<i>In which:</i>			
Fully amortised	331,744,151	1,228,659,635	1,560,403,786
Accumulated amortisation:			
Beginning balance	(331,744,151)	(1,136,466,090)	(1,468,210,241)
Amortisation for the year	-	(97,011,407)	(97,011,407)
Ending balance	<u>(331,744,151)</u>	<u>(1,233,477,497)</u>	<u>(1,565,221,648)</u>
Net carrying amount:			
Beginning balance	-	92,193,545	92,193,545
Ending balance	-	<u>80,527,133</u>	<u>80,527,133</u>

10. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Le Minh Xuan Industrial Park	210,738,596,773	210,638,080,203
Others	282,392,726	486,897,477
TOTAL	<u>211,020,989,499</u>	<u>211,124,977,680</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

11. INVESTMENT PROPERTIES

	<i>Factories</i>	<i>Infrastructure</i>	<i>VND</i> <i>Total</i>
Cost:			
Beginning balance	7,146,210,413	142,754,152,792	149,900,363,205
Additions	-	101,440,909	101,440,909
Ending balance	<u>7,146,210,413</u>	<u>142,855,593,701</u>	<u>150,001,804,114</u>
Accumulated depreciation:			
Beginning balance	(5,631,975,208)	(46,955,106,234)	(52,587,081,442)
Depreciation for the year	(126,186,268)	(2,887,664,885)	(3,013,851,153)
Ending balance	<u>(5,758,161,476)</u>	<u>(49,842,771,119)</u>	<u>(55,600,932,595)</u>
Net carrying amount:			
Beginning balance	<u>1,514,235,205</u>	<u>95,799,046,558</u>	<u>97,313,281,763</u>
Ending balance	<u>1,388,048,937</u>	<u>93,012,822,582</u>	<u>94,400,871,519</u>

The fair value of the investment property as at 31 December 2014 had not yet been formally assessed and determined, but the management believed that it was much higher than the property's carrying value considering that the investment property (an industrial park) has been almost fully rented out as at balance sheet date.

12. LONG-TERM INVESTMENTS

12.1 Investment in subsidiaries

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>VND</i>	<i>% of interest</i>	<i>VND</i>	<i>% of interest</i>
BCI Corporation	286,000,000,000	97	206,000,000,000	69
BCCI Development Investment Company Limited	11,000,000,000	100	1,000,000,000	100
TOTAL	297,000,000,000		207,000,000,000	
Provision for diminution in value long-term investments	(11,959,631,554)		(9,025,052,531)	
NET	285,040,368,446		197,974,947,469	

BCI Corporation ("BCI"), a joint stock company, was established in accordance with Business Registration Certificate No. 4103009299 issued by the DPI of Ho Chi Minh City on 31 January 2008, as amended. BCI's registered office is located at 510 Kinh Duong Vuong Street, An Lac A Ward, Binh Tan District, Ho Chi Minh City, Vietnam. BCI's principal activities are to invest and trade real estates.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

12. LONG-TERM INVESTMENTS (continued)

12.1 *Investment in subsidiaries* (continued)

BCCI Development Investment Company Limited ("DVI"), a limited liability company with one member, was established in accordance with Business Registration Certificate No. 0312212779 issued by the DPI of Ho Chi Minh City on 1 April 2013, as amended. DVI's registered office is located at 550 Kinh Duong Vuong Street, An Lac Ward, Binh Tan District, Ho Chi Minh City, Vietnam. DVI's principal activities are to trade real estate properties and farming.

12.2 *Investments in associates*

	<u>Ending balance</u>		<u>Beginning balance</u>	
		% of		% of
		VND interest		VND interest
Saigon Asia Investment and Realty Corporation	4,000,000,000	50	4,000,000,000	50
Espace Big C An Lac	57,197,127,688	20	57,197,127,688	20
Green Buildings Company Limited	<u>20,060,312,372</u>	20	<u>20,060,312,372</u>	20
TOTAL	<u>81,257,440,060</u>		<u>81,257,440,060</u>	

Saigon Asia Investment and Realty Corporation ("Saigon Asia Real Estate") is a joint stock company established in accordance with Business Registration Certificate No. 4103007346 issued by the DPI of Ho Chi Minh City on 19 July 2007, as amended. Saigon Asia Real Estate's registered office is located at No. 115 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam. Saigon Asia Real Estate's principal activities are to invest and trade real estate properties.

Espace Big C An Lac ("Big C") is a limited liability company with two or more members established in accordance with Investment Licence No. 2013/GP issued by the Ministry of Planning and Investment on 16 December 1997, as amended. Big C's registered office is located at No. 1231 National Road 1A, Quarter 5, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam. Big C's principal activity is to develop and operate supermarket chains with retail and wholesale shops, warehouses and processing workshops.

Green Buildings Company Limited ("GB") is a limited liability company with two or more members established in accordance with Investment Certificate No. 411022000448 dated 14 August 2010 issued by the Ho Chi Minh City People's Committee. GB's registered office is located at No. 1231 National Road 1A, Quarter 5, Binh Tri Dong Ward, Binh Tan District, Ho Chi Minh City, Vietnam. GB's principal activity is to develop an apartment project for sale named Green Building in Ho Chi Minh City.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

12. LONG-TERM INVESTMENTS (continued)

12.3 Other long-term investments

	Ending balance		Beginning balance	
	Quantity	Value	Quantity	Value
Investment in securities				
- Thu Duc Housing Development Corporation ("TDH")	15,300	1,312,145,455	15,300	1,312,145,455
- Ho Chi Minh City Development Joint Stock Bank ("HDB")	12,331	123,310,000	12,331	123,310,000
Other long-term investments		1,700,000,000		2,590,080,439
TOTAL		3,135,455,455		4,025,535,894
Provision for long-term investments		(1,015,325,455)		(1,992,615,894)
NET AMOUNT		2,120,130,000		2,032,920,000

13. CAPITALISED BORROWING COST

During the year, the Company capitalized interest expenses of VND 35,472,195,387 (for the year ended 31 December 2013: VND 20,563,973,062). These interest costs were relating to borrowings to finance the construction and development of Phong Phu 4 Residential project, Binh Hung 11A Residential project and An Lac Plaza Complex project.

14. SHORT-TERM LOANS AND DEBTS

	VND	
	Ending balance	Beginning balance
Short-term loan	17,765,312,858	-
Current portion of long-term loans and debts (Note 19)	89,243,800,000	332,215,172,037
TOTAL	107,009,112,858	332,215,172,037

Details of the short-term loan from bank are as follows:

Bank	Ending balance	Principal repayment term	Purpose	Interest rate	Description of collateral
VND					
Vietnam Prosperity Joint Stock Commercial Bank – Ho Chi Minh Branch					
Loan agreement No. 014/2014/HDTD/CMB-HCM dated 17 January 2014	17,765,312,858	From 23 March 2015 to 30 June 2015	To finance working capital	Fund transfer pricing plus 2% per annum	Unsecured

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

15. TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
A related party (Note 28)	1,832,997,566	-
Third parties	67,960,606,030	75,154,916,839
TOTAL	<u>69,793,603,596</u>	<u>75,154,916,839</u>

16. STATUTORY OBLIGATIONS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Value-added tax	1,318,636,477	3,654,520,205
Personal income tax	541,032,405	423,408,368
Natural resource tax	65,936,806	50,037,928
Corporate income tax	-	298,859,110
TOTAL	<u>1,925,605,688</u>	<u>4,426,825,611</u>

17. ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Project costs	107,653,717,390	118,014,187,267
Loan interest	2,728,423,359	16,710,091,495
Others	108,181,818	127,272,727
TOTAL	<u>110,490,322,567</u>	<u>134,851,551,489</u>

18. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Due to related party (Note 28)	49,200,000,000	-
Land compensation payables (*)	84,569,677,499	84,569,677,499
Dividend payables	73,525,644,600	65,765,375,700
Others	60,885,575,946	36,123,218,606
TOTAL	<u>268,180,898,045</u>	<u>186,458,271,805</u>

(*) This represents land compensation payable to owners of raw land that the Company is going to develop as Hamlet 2 Tan Tao Residential Project. This payable will be subsequently paid out in the form of developed land lots from the said project.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
 as at and for the year ended 31 December 2014

19. LONG-TERM LOANS AND DEBTS

	Ending balance	Beginning balance
Loans from banks (i)	333,899,719,050	122,600,935,687
Loans from other entities (ii)	4,331,915,000	6,051,915,000
Debt from Department of Finance Ho Chi Minh City (iii)	87,523,800,000	86,336,236,350
Bonds issued	-	300,000,000,000
TOTAL	425,755,434,050	514,989,087,037
<i>In which:</i>		
Current portion (Note 14)	89,243,800,000	332,215,172,037
Non-current portion	336,511,634,050	182,773,915,000

(i) Details of the long-term loans from banks are as follows:

Banks	Ending balance	Principal repayment term	Purpose	Interest rate	Description of collateral
VND					
Military Commercial Joint Stock Bank – Cho Lon Branch					
Loan agreement No. 89.14.701.479633. TDTH dated 26 June 2014	131,932,448,535	From 5 April 2016 to 1 July 2019	An Lac Plaza Complex project	Savings deposit interest plus 3.5% per annum.	Land use right of 7,648.6 m ² and associated assets at An Lac A Ward, Binh Tan District, Ho Chi Minh City belonging to An Lac Plaza Complex project
Loan agreement No. 90.14.701.479633. TDTH dated 26 June 2014	150,000,000,000	From 5 April 2016 to 1 July 2019	Binh Hung 11A residential project and Tan Tao Residential project	Savings deposit interest plus 3.5% per annum.	Land use right of 17,244 m ² No T00013/ 1aQSDD/ 4028/UB and 1,148 m ² No. 00230/ 2aQSDD/ 2580/UB at No. 158A, An Duong Vuong Street, An Lac Ward, Binh Tan District belonging to 158 An Duong Vuong project.
Saigon Thuong Tin Commercial Joint Stock Bank - Binh Tan Transaction office					
Loan agreement No. LD1424800048 dated 5 September 2014	51,967,270,515	From 5 September 2016 to 5 September 2019	Phong Phu 4 Residential project	Savings deposit interest plus 3.2% per annum	Land use rights of 20,996 m ² at Phong Phu Ward, Binh Tan District belonging to Phong Phu 4 Residential project
TOTAL	333,899,719,050				

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

19. LONG-TERM LOANS AND DEBTS (continued)

(ii) Details of the long-term loan from other entity are as follows:

Name of entity	Ending balance	Principal repayment terms	Purpose	Interest rate	Description of collateral
VND					
Ho Chi Minh City Finance and Investment State Owned Company					
Loan agreement No. 17/2010/ HDTD-QDT-TD dated 27 May 2010	4,331,915,000	From 15 March 2015 to 15 June 2017	Wastewater treatment project in Le Minh Xuan Industrial Park	10.8% per annum	Land use right of 4,086.1 m ² No.BB971671 at An Lac Ward, Binh Tan District, Ho Chi Minh City belonging to BCCI apartment project
<i>In which:</i>					
<i>Current portion</i>	<u>1,720,000,000</u>				
TOTAL	<u>4,331,915,000</u>				
<i>In which:</i>					
<i>Current portion</i>	1,720,000,000				
<i>Non-current portion</i>	2,611,915,000				

(iii) This is a debt from the Department of Finance Ho Chi Minh City relating to land rental amounting to US\$ 4,095,000 which was used as the Company's capital contribution when its affiliate, Big C An Lac was established. This is in accordance with the Land Lease Contract No. 6063/HD-GTD dated 30 October 1998 with the Department of Land and Housing of Ho Chi Minh City. This is a non-interest bearing debt that matured on 16 December 2010 but remained unpaid at the balance sheet date.

20. UNEARNED REVENUES

	VND	
	Ending balance	Beginning balance
Advances received for transfer of land lots, houses (*)	383,068,735,882	443,152,815,148
Advances received for land leases of Le Minh Xuan Industrial Park	<u>212,197,345,295</u>	<u>218,029,716,136</u>
TOTAL	<u>595,266,081,177</u>	<u>661,182,531,284</u>

(*) This represents advances from customers who buy land lots and houses for which the Company has issued the corresponding invoices.

Binh Chanh Construction Investment Joint Stock Company

B09-DN

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

21. OWNERS' EQUITY

21.1 Movements in owners' equity

	Share capital	Share premium	Investment and development fund	Financial reserve fund	Other funds	Undistributed earnings	Total	VND
Previous year								
Beginning balance	722,670,000,000	610,750,058,000	136,210,275,252	73,365,408,572	12,332,000,000	175,891,901,309	1,731,219,643,133	
Net profit for the year	-	-	-	-	-	65,504,058,518	65,504,058,518	
Appropriation of net profit	-	-	6,103,296,583	6,103,296,583	-	(12,206,593,166)	-	
Transfer to bonus and welfare fund	-	-	-	-	-	(9,017,856,948)	(9,017,856,948)	
Dividends declared	-	-	-	-	-	(130,080,600,000)	(130,080,600,000)	
Ending balance	722,670,000,000	610,750,058,000	142,313,571,835	79,468,705,155	12,332,000,000	90,090,909,713	1,657,625,244,703	
Current year								
Beginning balance	722,670,000,000	610,750,058,000	142,313,571,835	79,468,705,155	12,332,000,000	90,090,909,713	1,657,625,244,703	
Net profit for the year	-	-	-	-	-	65,595,687,887	65,595,687,887	
Appropriation of net profit	-	-	4,783,562,519	4,783,562,519	-	(9,567,125,038)	-	
Transfer to bonus and welfare fund	-	-	-	-	-	(7,462,357,530)	(7,462,357,530)	
Dividends declared	-	-	-	-	-	(72,267,000,000)	(72,267,000,000)	
Ending balance	722,670,000,000	610,750,058,000	147,097,134,354	84,252,267,674	12,332,000,000	66,390,115,032	1,643,491,575,060	

During the year, the Company appropriated investment and development fund and financial reserve fund from its undistributed earnings in accordance with Shareholders Meeting Minutes dated 24 April 2014.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

21. OWNERS' EQUITY (continued)

21.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
Contributed share capital		
Beginning and ending balances	<u>722,670,000,000</u>	<u>722,670,000,000</u>
Dividends declared	(72,267,000,000)	(130,080,600,000)
Dividends paid	(64,506,731,100)	(69,625,225,800)

21.3 Shares - ordinary shares

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Quantity	Amount VND	Quantity	Amount VND
Shares authorised to be issued	72,267,000	722,670,000,000	72,267,000	722,670,000,000
Shares issued and fully paid				
<i>Ordinary shares</i>	72,267,000	722,670,000,000	72,267,000	722,670,000,000
Shares in circulation				
<i>Ordinary shares</i>	72,267,000	722,670,000,000	72,267,000	722,670,000,000

22. REVENUES

22.1 Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	236,248,567,098	348,990,456,107
<i>Of which:</i>		
<i>Sale of residential land properties</i>	156,752,195,418	276,731,561,225
<i>Rendering of services</i>	59,582,904,203	53,579,262,040
<i>Operating lease of land</i>	11,702,453,997	11,576,616,950
<i>Operating lease of factory and warehouse</i>	8,211,013,480	7,103,015,892
Less	(46,156,110)	(153,878,240)
Sales allowances	<u>(46,156,110)</u>	<u>(153,878,240)</u>
Net revenue	<u>236,202,410,988</u>	<u>348,836,577,867</u>
<i>Of which:</i>		
<i>Sale of residential land properties</i>	156,752,195,418	276,731,561,225
<i>Rendering of services</i>	59,536,748,093	53,425,383,800
<i>Operating lease of land</i>	11,702,453,997	11,576,616,950
<i>Operating lease of factory and warehouse</i>	8,211,013,480	7,103,015,892

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

22. REVENUES (continued)

22.2 Finance income

	VND	
	<i>Current year</i>	<i>Previous year</i>
Dividends earned	7,607,315,850	8,311,349,346
Interest income	6,259,664,004	18,814,153,096
TOTAL	<u>13,866,979,854</u>	<u>27,125,502,442</u>

23. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of residential land properties sold	87,913,978,449	191,264,855,805
Cost of service rendered	30,370,618,868	29,483,546,325
Cost of operating lease of land	3,295,395,167	2,814,522,379
Cost of operating lease of factory and warehouse	631,193,726	518,123,391
TOTAL	<u>122,211,186,210</u>	<u>224,081,047,900</u>

24. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expense	7,122,431,812	32,609,928,082
Provision for diminution in value of investments	1,957,288,584	1,886,780,630
Unrealised foreign exchange losses	1,187,563,650	1,053,131,807
Loss on disposal of investment	890,080,439	-
Others	252,502,126	-
TOTAL	<u>11,409,866,611</u>	<u>35,549,840,519</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

25. OTHER INCOME AND EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	1,050,339,219	755,873,037
Penalty for cancelation of contracts	659,848,450	540,997,961
Proceeds from disposal of fixed assets	-	23,500,000
Others	390,490,769	191,375,076
Other expenses	(232,016,947)	(104,036,312)
Others	(232,016,947)	(104,036,312)
NET	<u>818,322,272</u>	<u>651,836,725</u>

26. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 22% (2013: 25%) of taxable profits.

The Company's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations are susceptible to varying interpretations, amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

26.1 CIT expense

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	-	1,661,357,962
Deferred tax income	(141,156,331)	(24,756,545)
TOTAL	<u>(141,156,331)</u>	<u>1,636,601,417</u>

26.2 Current tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company for the year differs from the profit as reported in the separate 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 Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

26. CORPORATE INCOME TAX (continued)

26.2 Current tax (continued)

A reconciliation between profit before tax and estimated taxable profit is presented below:

	Current year		VND
	Real estate activities	Other activities	
Profit before tax	39,900,903,402	25,553,628,154	67,140,659,935
Adjustments to increase (decrease) accounting profit:			
Non-deductible expenses	1,053,801,121	-	1,053,801,121
Dividend earned	-	(7,607,315,850)	(7,607,315,850)
Change in accruals for severance pay	(418,511,292)	-	(418,511,292)
Accrued interest income	-	1,060,130,977	1,060,130,977
Adjusted net profit before tax loss carried forward	40,536,193,231	19,006,443,281	60,256,018,986
Tax loss carried forward	(40,536,193,231)	(19,006,443,281)	(53,610,587,137)
Estimated taxable profit	-	-	6,645,431,849
Estimated current CIT	-	-	1,661,357,962
CIT payable at beginning of year	-	298,859,110	60,929,347,057
Provisional CIT on cash collection	-	(609,973,842)	(1,103,112,994)
CIT paid during the year	-	(1,930,155,994)	(61,188,732,915)
CIT (receivable) payable at end of year	-	(2,241,270,726)	298,859,110

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

26. CORPORATE INCOME TAX (continued)

26.3 *Deferred tax*

The following are the deferred tax assets recognised by the Company, and the movements thereon, during the current and previous years.

	<i>Separate balance sheet</i>		<i>Separate income statement</i>		VND
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>	
Severance allowance	263,940,215	356,012,699	(92,072,484)	(122,691,520)	
Interest income	(25,440,362)	(258,669,177)	233,228,815	147,448,065	
<i>Deferred tax assets</i>	<u>238,499,853</u>	<u>97,343,522</u>			
<i>Net deferred tax income</i>			<u>141,156,331</u>	<u>24,756,545</u>	

26.4 *Unrecognised deferred tax for tax losses carried forward*

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company had accumulated tax losses of VND 27,355,287,900 (31 December 2013: VND 86,897,924,412) available for offset against future taxable profits. with details are as follows:

<i>Originating year</i>	<i>Can be utilized up to</i>	<i>Tax loss amount</i>	<i>Utilised up to 31 December 2014</i>	VND	
				<i>Forfeited</i>	<i>Unutilised up to 31 December 2014</i>
2012	2017	140,508,511,549	(113,153,223,649)	-	27,355,287,900
TOTAL		<u>140,508,511,549</u>	<u>(113,153,223,649)</u>	<u>-</u>	<u>27,355,287,900</u>

Estimated tax losses as per the Company's CIT declaration have not been audited by the local tax authorities as of the date of these separate financial statements.

No deferred income tax asset was recognised in respect of the accumulated tax losses of VND 27,355,287,900 because future taxable profit cannot be ascertained to utilise these tax losses at this stage.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

27. COMMITMENTS

Capital commitments

As at 31 December 2014, the Company has a commitment of VND 791,711,152 (31 December 2013: VND 882,620,243) principally related to the development of infrastructure of Le Minh Xuan Industrial Park.

Lease commitments

The Company has entered into several operating lease agreements in respect of the lease of land and factory building. The terms of the agreements are generally between 1 and 50 years. The future minimum lease income of the Company under such non-cancellable operating leases are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	6,496,663,188	4,339,772,689
From 1-5 years	15,614,616,757	12,478,992,050
More than 5 years	2,475,646,996	3,135,221,722
TOTAL	<u>24,586,926,941</u>	<u>19,953,986,461</u>

28. TRANSACTIONS WITH RELATED PARTIES

Significant transaction with related parties during the year was as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	VND
			<i>Amount</i>
Espace Big C An Lac	Associate	Dividend received	7,603,000,000
BCCI Development Investment Company Limited	Subsidiary	Capital contribution	10,000,000,000
		Paid on behalf	467,926,836
		Purchase of services	514,517,648
		Rendering of service	143,770,000
		Management fee	58,072,417
		Advance	23,870,748
BCI Corporation	Subsidiary	Payment on behalf	49,200,000,000
Ms Truong My Linh	Related party	Sale of residential land properties	13,999,090,910

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	VND
			<i>Receivable (Payable)</i>
Trade receivables			
BCCI Development Investment Company Limited	Subsidiary	Rendering of service	150,958,500
Ms Truong My Linh	Related party	Sale of residential land properties	4,792,000,000
			<u>4,942,958,500</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

28. **TRANSACTIONS WITH RELATED PARTIES** (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>VND</i>	
			<i>Receivable</i>	<i>(Payable)</i>
<i>Advance to supplier</i>				
BCCI Development Investment Company Limited	Subsidiary	Purchase of services	23,870,748	
<i>Trade payable</i>				
BCCI Development Investment Company Limited	Subsidiary	Purchase of services	(1,832,997,566)	
<i>Other payable</i>				
BCI Corporation	Subsidiary	Payment on behalf	(49,200,000,000)	

Transactions with other related parties

Remuneration to members of the Board of Directors and Management

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Salaries and bonus	10,356,057,784	7,028,449,079

29. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities are loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and development of the Company's property portfolio. The Company has trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company does not hold or issue any derivative financial instruments.

The Company is exposed to market risk, real estate risk, credit risk and liquidity risk.

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 four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

The sensitivity analyses in the following sections relate to the position as at 31 December 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 are all constant.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

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 Company's exposure to market risk for changes in interest rate relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings.

With all other variables held constant, the cost for development of property projects and profit before tax of the Company are mainly affected through the impact on floating rate borrowings because the Company obtained these loans to finance for the development of projects. The impact is disclosed as follows:

	<i>Increase/decrease in basis points</i>	<i>Effect on real estate properties in progress on the separate balance sheet</i>	<i>Effect on profit before tax</i>
			<i>VND</i>
Current year			
VND	+300	8,343,539,320	(1,673,452,252)
VND	-300	(8,343,539,320)	1,673,452,252
Previous year			
VND	+300	4,991,408,095	(7,868,177,426)
VND	-300	(4,991,408,095)	7,868,177,426

Real estate risk

The Company has identified the following risks associated with the real estate portfolio: (i) the cost of the development schemes may increase if there are delays in the planning process; (ii) the exposure of the fair values of the portfolio to market and occupier fundamentals.

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 Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (primarily for deposit with banks).

Credit risks related to receivables resulting from the sale of property inventory

Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's management in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the separate balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

Liquidity risk

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

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

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

	<i>Less than 1 year</i>	<i>From 1 to 5 years</i>	<i>VND</i> <i>Total</i>
Ending balance			
Loans and borrowings	107,009,112,858	336,511,634,050	443,520,746,908
Trade payables	69,793,603,596	-	69,793,603,596
Other payables and accrued expenses	378,671,220,612	-	378,671,220,612
	<u>555,473,937,066</u>	<u>336,511,634,050</u>	<u>891,985,571,116</u>
Beginning balance			
Loans and borrowings	332,215,172,037	182,773,915,000	514,989,087,037
Trade payables	75,154,916,839	-	75,154,916,839
Other payables and accrued expenses	321,309,823,294	-	321,309,823,294
	<u>728,679,912,170</u>	<u>182,773,915,000</u>	<u>911,453,827,170</u>

The Company 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 and debt maturing within 12 months can be rolled over with existing lenders.

Collateral

The Company has pledged its land use right of projects in order to fulfil the collateral requirements for the long-term loans obtained from banks (*Note 19*). The bank has an obligation to return the land use right to the Company. There are no other significant terms and conditions associated with the use of collateral.

The Company did not hold collateral at 31 December 2014 and 31 December 2013.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014


30. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumption were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of borrowings is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities. As at 31 December 2014, the carrying amounts of such borrowings, are not materially different from their calculated fair values.

31. EVENTS AFTER THE BALANCE SHEET DATE

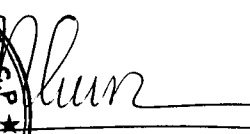
There has not been any other matter or circumstance that has arisen since the balance date that has affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent periods.



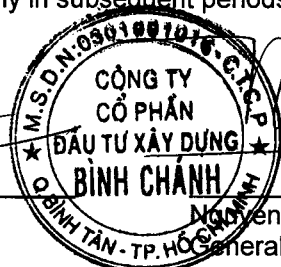
Nguyen Kim Phung
Preparer



Nguyen Duong An
Chief Accountant



Nguyen Thuy Nhan
General Director


M.S.D.N: 0301007016 - C.T.C.P
CÔNG TY
CỔ PHẦN
ĐẦU TƯ XÂY DỰNG
BÌNH CHANH
BÌNH DƯƠNG - TP. HỒ CHÍ MINH

11 March 2015