

**INTERIM FINANCIAL STATEMENTS**  
FOR THE FIRST 6 MONTHS OF THE FISCAL YEAR  
ENDED 31 DECEMBER 2010

**POWER ENGINEERING  
CONSULTING JOINT STOCK  
COMPANY 4**

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**REPORT OF THE DIRECTORS**

The Directors of the company present this report together with the financial statements for the first 6 months of the fiscal year ended 31 December 2010 reviewed by Auditing and Consulting Co., Ltd. (A&C).

**Business highlights**

Power Engineering Consulting Joint Stock Company 4 was established on the basis of transforming state - owned company namely Power Engineering Consulting Company 4 to joint stock company.

Power Engineering Consulting Joint Stock Company 4 has official operated from 1 August 2007 in line with the business registration certificate No. 3703000280 dated 1 August 2007, the first time on 19 May 2008, the second time on 12 June 2009 and the third time on 5 December 2009 granted by Khanh Hoa Investment and Planning Department.

Power Engineering Consulting Joint Stock Company 4 has inherited all the interests of Power Engineering Consulting Company 4 starting from the date of business registration certificate for joint stock company.

Prescribed capital of the company in line with business registration certificate for third time is as follows:

Shareholders	Share capital (VND)	Rate (%)
Electricity of Vietnam (EVN)	18.102.000.000	52,78
Others	16.193.500.000	47,22
<b>Total</b>	<b>34.295.500.000</b>	<b>100,00</b>

Shares of the company (code: TV4) have been registered and official listed at Hanoi Securities Trading Centre.

Business industry as in business registration certificate:

- Providing consulting service for power project, network, lightening and new and renewable energy.
- Design of hydraulic projects.
- Establishment of power development plan for the region, provinces, cities, districts and precincts and development plan for new and renewable energy.
- Topographical investigation and survey investigation of works, hydrogeology, geotechnics.
- Hydrometeorology investigation, measurement and observation for projects.
- Treatment for foundation consolidation, comprising of measuring and plotting geological map for works, hydrogeology, boring, investigation excavation, geophysics, construction materials investigation and grouting.
- Providing service for measuring and plotting topographical map and land survey map, works deformation control.
- Project supervision and investigation.
- Providing consulting service for establishment of pre-feasibility study report, feasibility study report, technical design, working drawings, total invested capital, total cost estimate, estimated cost; establishment of bidding documents, tender documents evaluation; project construction supervision.
- Supervision of power project, networks, civil industry and hydraulics works.
- Providing consulting service for design of tertiary highway construction, designing on structure for tertiary civil works to 6 floors, quadruple industrial works, designing on architecture for tertiary civil and industrial works.

**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**  
**REPORT OF THE DIRECTORS (CONT.)**

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- Testing on physical-mechanical properties of soils and rocks, works' foundation and construction materials, testing and verifying project quality.
- Testing, analyzing and evaluating environmental criteria, environmental impacts investigation and evaluation, environmental supervision.
- Providing consulting service for examination, evaluation of pre-feasibility study report, feasibility study report, technical design, working drawings, total invested capital, total cost estimate, estimated cost; bidding documents for construction projects.
- Providing consulting service on management of construction investment.
- Testing, analyzing and evaluating environmental criteria.
- Environmental supervision.
- Producing and trading electricity.
- Trading activities involved to equipment materials import and export.
- Trading software and IT equipments.
- Processing and manufacturing power components, materials.
- Power installation.
- Trading hotel.
- Transporting goods by cars.
- Trading real estate and leasing office.

**Registered office**

Address : 11 Hoang Hoa Tham St., – Nha Trang City – Khanh Hoa Province  
Tel : (058) 2220 405  
Fax : (058) 2220 400  
Website : www.pecc4.com.vn

**Affiliates:**

<u>Branches</u>	<u>Address</u>
Branch in Northern	No. 10-A4 Dam Trau Town - Bach Dang Ward - Hai Ba Trung District - Hanoi City
Branch in Southern	No. 46/8 Tran Quy Khoach St - Tan Dinh Ward - District 1 - Ho Chi Minh City

**Financial position and business results**

The financial position as of 30 June 2010, the business results and the cash flows for the first 6 months of the fiscal year ended 31 December 2010 of the company have been expressed in the financial statements attached to this report (from page 08 to page 30).

**Subsequent events**

Pursuant to Resolution of Shareholder's annual meeting dated 24 April 2010, the shareholders have passed the plan of dividend payment of the year 2009 by bonus shares at rate of 20% (shareholders possessing 100 shares will received 20 new shares) and agreed to pass plan of issuing bonus shares for the company's employees from bonus funds of the company.

On 10 August 2010, the company has sent the Report to the State Securities Committee on results of issuing shares for dividend payment and bonus shares for employees in the year 2009, according to those, number of shares registered to additional issues are 828.450 shares equivalent to VND 8.284.500.000 (amount from retained earnings and bonus and welfare funds are VND 6.773.980.000 and VND1.510.520.000 respectively). Issuing 828.450 shares, the company's prescribed capital increases from VND 34.295.500.000 up to VND 42.580.000.000. At present, the company has performed the necessary procedures to change its business registration certificate on increasing its prescribed capital.



Apart from the events said above, the Directors of the company hereby ensure that there have been no events from 30 June 2010 to the date of this report which need to make adjustments on the figures or the disclosures in the interim financial statements.

**The Board of Management and the Executive Officers**

The Board members and the Directors of the company during the year and to the date of this report include:

***Board of Management***

Full names	Position	Appointing date	Resigning date
Mr. Pham Minh Son	Chairman	10 July 2007	-
Mr. Tran Van Tho	Member	10 July 2007	-
Mr. Van Cong Minh	Member	26 April 2008	-
Mr. Nguyen Duc Hoa	Member	26 April 2008	-
Mr. Luong Van Dai	Member	30 June 2008	-

***The Directors***

Full names	Position	Appointing date	Resigning date
Mr. Pham Minh Son	General Director	16 August 2007	-
Mr. Tran Van Tho	Deputy General Director	16 August 2007	-
Mr. Tran Hoai Nam	Deputy General Director	16 August 2007	-
Mr. Vu Thanh Danh	Chief Accountant	16 August 2007	-

**Confirmation of the Directors**

The Directors of the company are responsible for the preparation of the financial statements to give a true and fair view on the financial position, the business results and the cash flows of the company for each of the company's fiscal year. In order to prepare these financial statements, the Directors must:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- Announce the accounting standards to be followed for the material issues to be disclosed and explained in the financial statements;
- Prepare the financial statements of the company on the basis of the going-concern assumption, except for the cases that the going-concern assumption is considered inappropriate.

The Directors hereby ensure that all the requirements above have been followed when the interim financial statements are prepared, that all the accounting books have been fully recorded by the company and can fairly reflect the financial position of the company at any time, and that all the interim financial statements have been prepared in compliance with the prevailing Vietnamese accounting system and standards.

The Directors of the company are also responsible for protecting the company's assets and consequently have taken appropriate measures to prevent and detect events causing loss and damages to the company's assets, frauds and other irregularities.

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**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**  
**REPORT OF THE DIRECTORS (CONT.)**

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We, the Directors of the company, confirm that all the accompanying interim financial statements have been properly prepared and have given a true and fair view on the financial position as of 30 June 2010, the business results and the cash flows for the first 6 months of the fiscal year ended 31 December 2010 of the company, in compliance with the prevailing Vietnamese accounting system and standards as well as other related regulations.

For and on behalf of the Directors,



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**Pham Minh Son**  
**General Director**

Date: 19 August 2010





**BAKER TILLY  
A&C**

**CÔNG TY TNHH KIỂM TOÁN VÀ TƯ VẤN  
AUDITING AND CONSULTING CO., LTD.**



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[www.a-c.com.vn](http://www.a-c.com.vn)

No. 0841/2010/BCTC-KTTV

## **REVIEW ENGAGEMENT REPORT**

### **ON INTERIM FINANCIAL STATEMENTS FOR THE FIRST 6 MONTHS OF THE FISCAL YEAR ENDED 31 DECEMBER 2010 OF POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

#### **THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE DIRECTORS POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

We have reviewed the interim financial statements for the first 6 months of the fiscal year ended 31 December 2010 of Power Engineering Consulting Joint Stock Company 4 including interim balance sheet as of 30 June 2010, the interim income statement, the interim cash flows statement and the notes to the interim financial statements for the first 6 months of the fiscal year ended 31 December 2010, which was prepared on 20 July 2010 (from page 08 to page 30).

The preparation and presentation of these interim financial statements are the responsibility of the company's Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with Vietnamese Auditing Standard applicable to review engagements. These standards require that we plan and perform the review to obtain a reasonable assurance that the interim financial statements are free from material mistakes. A review is limited primarily to inquiries of the company's personnel 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.

During our engagement, we found that the company has estimated expenses of projects in progress as of 30 June 2010 based on sales expecting to perform in the quarter 3 of the year 2010; those are based on the signed contract and contract period. We do not have enough conditions to examine and appreciate the conformity of these estimations.

Based on our review, except for effect of the matter said above, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial positions in all material respect, in accordance with the Vietnamese Accounting Standards and System as well as other related regulations.



Without qualifying opinion said above, we would like to draw the attention of the readers of the financial statements to the fact that the company has not still completed procedures taken over assets and source of capital from Power Engineering Consulting Company 4. Some items on these interim financial statements can be changed when there are difference between assets and sources of capital taken over according to take-over documents officially approved and figures temporarily recorded to financial statements as at the date of take-over.

This report is made in two languages (Vietnamese and English), both of equal validity. The Vietnamese version will be the original for reference when needed.

**Auditing and Consulting Co., Ltd. (A&C)**



**Nguyen Chi Dung - Deputy General Director**  
*Audit Certificate No. Đ.0100/KTV*

**Doan Nguyen Hieu Hanh - Auditor**  
*Audit Certificate No. 1248/KTV*

Ho Chi Minh City, 19 August 2010

**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**INTERIM BALANCE SHEET****(Full form)****As of 30 June 2010**

Unit: VND

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>99.126.108.895</b>	<b>112.512.263.766</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>10.452.856.226</b>	<b>20.554.939.053</b>
1. Cash	111		10.452.856.226	7.554.939.053
2. Cash equivalents	112		-	13.000.000.000
<b>II. Short-term investments</b>	<b>120</b>		-	-
1. Short-term investment	121		-	-
2. Provision for devaluation of short-term	129		-	-
<b>III. Accounts receivable</b>	<b>130</b>		<b>77.336.807.626</b>	<b>86.269.590.198</b>
1. Receivable from customers	131	V.2	81.344.486.491	93.698.113.679
2. Prepayments to suppliers	132	V.3	3.105.011.288	2.989.497.797
3. Inter-company receivable	133		-	-
4. Receivable according to the progress of	134	V.4	2.200.000.000	-
5. Other receivable	135	V.5	665.632.848	819.812.603
6. Provision for bad debts	139	V.6	(9.978.323.001)	(11.237.833.881)
<b>IV. Inventories</b>	<b>140</b>		<b>9.256.150.505</b>	<b>4.347.249.847</b>
1. Inventories	141	V.7	9.256.150.505	4.347.249.847
2. Provisions for devaluation of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>2.080.294.538</b>	<b>1.340.484.668</b>
1. Short-term prepaid expenses	151		-	8.914.000
2. VAT to be deducted	152		-	-
3. Taxes and accounts receivable to the State	154		-	-
4. Transactions of repurchasing Governmental bonds	157		-	-
5. Other current assets	158	V.8	2.080.294.538	1.331.570.668

**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Interim balance sheet (cont.)**

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>B- LONG-TERM ASSETS</b>	<b>200</b>		<b>48.139.940.644</b>	<b>35.550.480.443</b>
<b>I. Long-term accounts receivable</b>	<b>210</b>		<b>4.048.969.157</b>	<b>4.048.969.157</b>
1. Long-term receivable from customers	211	V.9	4.048.969.157	4.048.969.157
2. Capital in subsidiaries	212		-	-
3. Inter-company receivable	213		-	-
4. Other long-term receivable	218		-	-
5. Provision for bad debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>23.824.146.938</b>	<b>24.118.847.800</b>
1. Tangible assets	221	V.10	7.572.816.858	7.744.068.464
<i>Historical costs</i>	222		27.105.641.470	25.987.430.696
<i>Accumulated depreciation</i>	223		(19.532.824.612)	(18.243.362.232)
2. Financial leasehold assets	224		-	-
<i>Historical costs</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.11	16.251.330.080	16.374.779.336
<i>Initial costs</i>	228		17.515.099.487	17.515.099.487
<i>Accumulated amortization</i>	229		(1.263.769.407)	(1.140.320.151)
4. Construction in progress	230		-	-
<b>III. Investment property</b>	<b>240</b>		<b>-</b>	<b>-</b>
Historical costs	241		-	-
Accumulated depreciation	242		-	-
<b>IV. Long-term investments</b>	<b>250</b>		<b>19.116.430.000</b>	<b>6.058.000.000</b>
1. Investment in subsidiaries	251		-	-
2. Investment in business concerns, joint venture	252		-	-
3. Other long-term investments	258	V.12	19.116.430.000	6.058.000.000
4. Provision for devaluation of long-term investments	259		-	-
<b>V. Other long-term assets</b>	<b>260</b>		<b>1.150.394.549</b>	<b>1.324.663.486</b>
1. Long-term prepaid expenses	261	V.13	1.070.394.549	1.244.663.486
2. Deferred income tax	262		-	-
3. Other long-term assets	268		80.000.000	80.000.000
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>147.266.049.539</u></b>	<b><u>148.062.744.209</u></b>

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**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Interim balance sheet (cont.)**

LIABILITIES AND OWNER'S EQUITY	Code	Note	Ending balance	Beginning balance
<b>A - LIABILITIES</b>	<b>300</b>		<b>93.448.606.704</b>	<b>94.186.900.100</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>83.145.896.481</b>	<b>83.810.393.877</b>
1. Short-term debts and loans	311		-	-
2. Payable to suppliers	312	V.14	5.501.390.844	8.634.236.411
3. Advances from customers	313	V.15	33.386.880.502	27.001.221.672
4. Taxes and other obligations to the State Budget	314	V.16	5.836.003.236	6.514.419.819
5. Payable to employees	315	V.17	9.518.801.282	19.659.579.140
6. Accrued expenses	316	V.18	11.749.679.809	-
7. Inter-company payable	317		-	-
8. Payable according to the progress of construction contract	318		-	-
9. Other payable	319	V.19	11.386.764.599	16.809.311.907
10. Provision for short-term payable	320		-	-
11. Bonus and welfare funds	323	V.20	5.766.376.209	5.191.624.928
12. Transactions of Governmental bonds	327		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>10.302.710.223</b>	<b>10.376.506.223</b>
1. Payable to suppliers	331		-	-
2. Long-term inter-company payable	332		-	-
3. Other payable	333		-	-
4. Long-term loans and debts	334	V.21	10.000.000.000	10.000.000.000
5. Deferred corporate income tax payable	335		-	-
6. Unemployment fund	336	V.22	302.710.223	376.506.223
7. Provision for long-term payable	337		-	-
8. Unearn revenue	338		-	-
9. Funds for development of science and technology	339		-	-
<b>B - OWNER'S EQUITY</b>	<b>400</b>		<b>53.817.442.835</b>	<b>53.875.844.109</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>53.817.442.835</b>	<b>53.875.844.109</b>
1. Capital	411	V.23	34.295.500.000	34.295.500.000
2. Share premiums	412		-	-
3. Other capital	413		-	-
4. Treasury stocks	414	V.23	(526.180.060)	(504.830.060)
5. Differences on asset revaluation	415		-	-
6. Foreign exchange differences	416	V.23	-	387.169.518
7. Business promotion fund	417	V.23	8.348.357.892	4.416.700.630
8. Financial reserved fund	418	V.23	2.825.014.566	1.473.732.004
9. Other funds	419	V.23	565.002.912	294.746.400
10. Retained earnings	420	V.23	8.309.747.525	13.512.825.617
11. Construction investment fund	421		-	-
12. Funds for supporting enterprise arrangement	422		-	-
<b>II. Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Sources of expenditure	432		-	-
2. Fund to form fixed assets	433		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b>147.266.049.539</b>	<b>148.062.744.209</b>



**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Interim balance sheet (cont.)**

**OFF-INTERIM BALANCE SHEET ITEMS**

<b>ITEMS</b>	<b>Ending balance</b>	<b>Beginning balance</b>
1. Leasehold assets	-	-
2. Materials and goods kept or processed for others	-	-
3. Goods deposited by others	-	-
4. Bad debts already treated	-	-
5. Foreign currencies USD		
6. Estimated operation expenses	2.344,56	193.367,02

Khanh Hoa, 20 July 2010



**Tran Le Thanh Binh**  
Preparer



**Vu Thanh Danh**  
Chief Accountant



**Phạm Minh Sơn**  
General Director

**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM INCOME STATEMENT**


For the first 6 months of the fiscal year ended 31 December 2010

**INTERIM INCOME STATEMENT****(Fully form)****For the first 6 months of the fiscal year ended 31 December 2010**


Unit: VND

ITEMS	Code	Note	Accumulation from beginning year to ending period	
			Current year	Previous year
1. Sales	01	VI.1	57.140.339.717	50.069.332.543
2. Deductions	02		-	-
3. Net sales	10	VI.1	57.140.339.717	50.069.332.543
4. Costs of goods sold	11	VI.2	39.254.179.119	36.372.534.292
5. Gross profit/ (loss)	20		17.886.160.598	13.696.798.251
6. Financial income	21	VI.3	1.247.183.072	71.462.594
7. Financial expenses	22	VI.4	633.270.834	630.222.222
In which: Loan interest expenses	23		633.270.834	630.222.222
8. Selling expenses	24		55.181.820	85.440.865
9. Administrative overheads	25	VI.5	7.366.698.649	5.923.004.420
10. Net operating profit/(loss)	30		11.078.192.367	7.129.593.338
11. Other income	31		1.471.000	32.187.084
12. Other expenses	32		-	3.118.182
13. Other profit	40		1.471.000	29.068.902
14. Profit/ (loss) before tax	50		11.079.663.367	7.158.662.240
15. Current corporate income tax	51	V.16	2.769.915.842	1.789.665.560
16. Deferred corporate income tax	52		-	-
17. Profit/(loss) after tax	60		<u>8.309.747.525</u>	<u>5.368.996.680</u>
18. Earning per share	70	VI.6	<u>2.452</u>	<u>1.634</u>


Khanh Hoa, 20 July 2010



Tran Le Thanh Binh  
Preparer



Vu Thanh Danh  
Chief Accountant



Pham Minh Son  
General Director



**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM INCOME STATEMENT**

For the first 6 months of the fiscal year ended 31 December 2010

**INTERIM CASH FLOWS STATEMENT****(Full form)****(Indirect method)****For the first 6 months of the fiscal year ended 31 December 2010**

Unit: VND

ITEMS	Code	Note	Accumulation from beginning year to ending period	
			Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit/ (loss) before tax	01		11.079.663.367	7.158.662.240
2. Adjustments				
- Depreciation of fixed assets	02	V.10, 11	1.412.911.636	1.942.106.006
- Provisions	03		(1.259.510.880)	-
- Gain/ (loss) from unrealized foreign exchange difference	04		-	-
- Gain/ (loss) from investing activities	05		(617.192.778)	(71.462.594)
- Loan interest expenses	06	VI.4	633.270.834	630.222.222
3. Operating profit/ (loss) before changes of working capital	08		11.249.142.179	9.659.527.874
- Increase/ (decrease) of accounts receivable	09		9.443.569.582	(5.078.065.119)
- Increase/ (decrease) of inventories	10		(4.908.900.658)	(1.856.258.047)
- Increase/ (decrease) of accounts payable	11		(8.959.378.372)	5.304.660.005
- Increase/ (decrease) of prepaid expenses	12		183.182.937	113.423.810
- Loan interests already paid	13		(1.099.368.056)	(649.444.444)
- Corporate income tax already paid	14	V.16	(1.401.928.025)	(1.430.194.779)
- Other gains	15		6.000.000	7.000.000
- Other disbursements	16		(616.890.000)	(268.800.000)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>3.895.429.587</b>	<b>5.801.849.300</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other long-term assets	21		(1.147.755.674)	(296.051.020)
2. Gains from disposals and liquidation of fixed assets and other long-term assets	22		-	-
3. Loans given and purchases of debt instruments of other entities	23		(2.000.000.000)	-
4. Recovery of loans given and disposals of debt instruments of other entities	24		2.000.000.000	-
5. Investments into other entities	25		(13.058.430.000)	(2.000.000.000)
6. Withdrawals of investments in other entities	26		-	-
7. Receipts of loan interests, dividends and profit shared	27		617.192.778	71.462.594
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(13.588.992.896)</b>	<b>(2.224.588.426)</b>

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**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

**INTERIM INCOME STATEMENT**

For the first 6 months of the fiscal year ended 31 December 2010

**Interim cash flows statement (cont.)**

ITEMS	Code	Note	Accumulation from beginning year to this ending period	
			Current year	Previous year
<b>III. Cash flows from financing activities</b>				
1. Gains from stock issuance and capital contributions from shareholders	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32	V.23	(21.350.000)	(418.620.060)
3. Short-term and long-term loans received	33		16.000.000.000	9.000.000.000
4. Loan principal amounts repaid	34		(16.000.000.000)	(9.000.000.000)
5. Payments for financial leasehold assets	35		-	-
6. Dividends and profit already paid to the owners	36		-	-
<i>Net cash flows from financing activities</i>	<b>40</b>		<u>(21.350.000)</u>	<u>(418.620.060)</u>
<b>Net cash flows during the year</b>	<b>50</b>		<b>(9.714.913.309)</b>	<b>3.158.640.814</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>V.1</b>	<b>20.554.939.053</b>	<b>713.499.346</b>
Effects of fluctuations in foreign exchange rates	61		(387.169.518)	
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>V.1</b>	<u><b>10.452.856.226</b></u>	<u><b>3.872.140.160</b></u>

Khanh Hoa, 20 July 2010



Tran Le Thanh Binh  
Preparer



Vu Thanh Danh  
Chief Accountant



Phạm Minh Sơn  
General Director

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# **POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

## **INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

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### **NOTES TO THE INTERIM FINANCIAL STATEMENTS** **For the first 6 months of the fiscal year ended 31 December 2010**

#### **I. OPERATION FEATURES**

1. **Investment form** : Joint stock company.
2. **Operating fields** : Consulting service.
3. **Business industry** : Consulting, investigating, designing power

#### **II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING**

1. **Fiscal year**  
The fiscal year of the company is from 01 January to 31 December annually.
2. **Standard currency unit**  
The standard currency unit used is Vietnam Dong (VND).

#### **III. ACCOUNTING SYSTEM AND STANDARDS**

1. **Accounting system**  
The company has been applying the Vietnamese accounting system.
2. **Accounting form**  
The company has applied the voucher recording form. The bookkeeping works are done on the computer software.
3. **Statement on the compliance with the Vietnamese Accounting System and Standards**  
The Directors ensure to follow all the requirements of the prevailing Vietnamese accounting system and standards in the preparation of these interim financial statements.

#### **IV. ACCOUNTING POLICIES**

1. **Accounting convention**  
All the financial statements are prepared in accordance with the historical cost convention.
2. **Cash and cash equivalents**  
Cash and cash equivalents include cash on hand, cash in bank, cash in transit and short-term investments of which the due dates can not exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash.



## POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

### INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

#### Notes to the interim financial statements (cont.)

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### 3. Trade receivable and other receivable, provision for bad debts

Trade receivable and other receivable are recognized at the values on supporting documents and invoices.

Provisions for bad debts are made on the basis of the evaluation on the estimated loss.

Provision for bad debts is made for each particular type of bad debt on the basis of the overdue time of each debt or loss rate can cause, details are as follows:

- For overdue debts:
  - 30% value of overdue debts under 1 year.
  - 50% value of overdue debts from 1 year to under 2 years.
  - 70% value of overdue debts from 2 years to under 3 years.
- For accounts receivable not yet to be due to pay but not capacity to recover: based on the loss rate to make provisions.

### 4. Inventories

Inventories are determined on the basis of their historical costs. Costs include purchasing expenses, processing expenses and other directly related costs to bring the inventories to the current positions and conditions.

Costs of inventories are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Provision for devaluation of inventories is recognized when their costs are higher than their net realizable values. Net realizable values are the estimated selling prices of inventories less the estimated expenses on product completion and other necessary expenses on product consumption.

### 5. Tangible fixed assets

Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses during the period.

When a fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/ (loss) arisen are posted into the income or the expenses during the period.

Fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Building and structure	05 – 25
Machinery and equipment	06 – 06
Vehicle	06
Office equipment	03 – 06

## POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

### INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

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#### 6. Intangible fixed assets

##### *Value of land use right*

Land use right includes all the actual expenses related to the land being used such as expenses to obtain the land use right, expenses for house removal and land clearance, expenses on ground leveling, registration fees, etc. Fixed - term land use right is amortized for the use period. Long-term land use right is not applied amortization.

Long-term land use right taken over state-owned company is determined in line with documents of evaluating company's value in order to conduct equitization as of 31 December 2005.

##### *Computer software*

Computer software includes all the expenses paid until the date the software is put into use. Computer software is amortized for the period from 3 to 5 years.

#### 7. Operating leasehold assets

A lease of asset is considered an operating lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessor. The lease expenses are allocated in the company's operating expenses in accordance with the straight-line method over the leasing period and are not subject to the method of lease payment.

#### 8. Borrowing costs

Borrowing costs will be recognized into expenses during the period. Borrowing costs will be capitalized when they are directly related to the construction or the production of an asset in progress, which has taken a substantial period of time (over 12 months) to get ready for intended use or sales of the asset.

In the event of general borrowings which are partly used for acquiring, constructing or producing an asset in progress, the costs eligible for capitalization will be determined according to the capitalization rates applied to average accumulated expenditure on that asset. The capitalization rates are computed at the average interest rates on the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

#### 9. Financial investments

Investments into securities are recorded at their original costs.

Provision for devaluation of investment in security is made for each particular type of securities in the market and for which the market value decreases in comparison with the book value.

When an investment is liquidated, the differences between net liquidation values and book values are recorded into income or expenses during the period.

#### 10. Long-term prepaid expenses

##### *Tool expenses*

Expenses on tools being put into use are allocated into expenses during the period in accordance with the straight-line method for the period from 24 months.

##### *Goodwill*

Goodwill is determined in line with the Minutes of evaluating the company's value to conduct the equitization as of 31 December 2005. Goodwill are recorded in line with straight line method for the period of 5 years.

## POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

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### 11. Trade payable and other payable

Trade payable and other payable are recognized at the values on supporting invoices and documents.

### 12. Accrued expenses

Accrued expenses are recorded based on reasonable estimates on the amounts payable for goods and services already used during the period.

### 13. Appropriation for unemployment fund

Unemployment fund is used to pay for severance and unemployment allowances for employees working at the company prior 01 January 2009. The rate of extraction for this fund is 3% basic salary of social insurance payment and is included into the company's expenses during the year in line with the Circular No. 82/2003/TT-BTC dated 14 August 2003 of the Ministry of Finance. In case that the unemployment fund is not enough for subsidizing resigned employees, the insufficient difference is recorded into expenses.

### 14. Owner's equity - funds

Capital of the company is owner's equity recorded in accordance with the amount of capital already invested by shareholders.

These funds are made and used in line with the company's Charter.

### 15. Treasury stocks

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is classified as a treasury stocks and are recorded as a decrease in owner's equity.

### 16. Dividends

Dividends are recorded as an amount payable in the period during which the dividends are disclosed.

### 17. Corporate income tax

The company is responsible to pay corporate income tax at the rate of 25% on taxable income.

Corporate income tax during the period includes current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income during the period at the tax rates applied as of the balance sheet date. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used.



# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

### Notes to the interim financial statements (cont.)

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Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

#### 18. Foreign currency translation

The transactions in foreign currencies during the year are converted at the actual exchange rates ruling as of the transaction dates. The balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

The differences on foreign exchange and those due to the revaluation of the ending balances of the monetary items are included in income or expenses during the period.

The exchange rates used as of:	31 December 2009 :	VND 17.941 /USD
	30 June 2010 :	VND 18.544 /USD

#### 19. Recognition of sales

Sales of service provision are recognized when there are no uncertain factors related to payments or additional costs. In case that the services are to be provided in many accounting periods, the determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date.

Interests are recorded based on the accrual basis and determined based on the balance of deposit accounts and the interest rates applied.

Dividends and profit shared are recognized when the shareholders or the investors have the rights to receive dividends or profit from the capital contribution. Gains from other investments are recorded when the company have the rights to receive interest.

#### 20. Construction contracts

When the results from the contract implementations are reliably estimated:

- For the contracts stipulating that the contractors are paid according to the planned progress, income and expenses related to these contracts are recognized correspondingly to the works already completed as determined by the company itself.
- For the contracts stipulating that the contractors are paid according to the works actually done, income and expenses related to these contracts are recognized correspondingly to the works already completed as confirmed during the period in the invoices made by the customers.

When the results from the contract implementations cannot be reliably estimated:

- Income is recognized correspondingly to the expenses incurred, of which the repayment is rather reliably made.
- Expenses are only recognized during the period as actually incurred.

The difference between the accumulated income from the contract already recognized and the accumulated amount in the invoices according to the planned progress of contract implementation is recognized as an amount receivable or an amount payable according to the planned progress of implementation of the construction contracts.

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## POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

### INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

#### Notes to the interim financial statements (cont.)

#### 21. Related parties

A party is considered a related party of the company in case that party is able to control the company or to cause material effects on the financial decisions as well as the operations of the company.

The related parties of the company are presented in Note VII.3.

#### V. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM BALANCE SHEET

##### 1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	334.399.000	792.000
Cash in bank	10.118.457.226	7.554.147.053
Cash equivalents (under 3-months deposits)	-	13.000.000.000
<b>Total</b>	<b><u>10.452.856.226</u></b>	<b><u>20.554.939.053</u></b>

##### 2. Receivable from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Vietnam Power Construction Corporation	6.494.121.336	6.494.121.336
Northern Power Development and Investment JSC 1	6.384.387.366	6.384.387.366
Nho Que Hydroelectricity Joint Stock Company 1	6.037.929.873	4.752.760.473
La Ngau Hydroelectricity Joint Stock Company	6.010.808.709	6.010.808.709
Others	56.417.239.207	70.056.035.795
<b>Total</b>	<b><u>81.344.486.491</u></b>	<b><u>93.698.113.679</u></b>

##### 3. Prepayments to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
Hanoi - Energy Construction Consulting Co., Ltd.	400.000.000	400.000.000
Le Nguyen Construction Co., Ltd.	397.101.100	397.101.100
CAVICO	344.673.082	344.673.082
Energy Institute	300.000.000	300.000.000
Others	1.663.237.106	1.547.723.615
<b>Total</b>	<b><u>3.105.011.288</u></b>	<b><u>2.989.497.797</u></b>

##### 4. Receivable according to construction contract progress

	<u>Ending balance</u>	<u>Beginning balance</u>
Trung Son Hydroelectricity Management Board	1.000.000.000	-
Central Power Project Mangement Board	1.200.000.000	-
<b>Total</b>	<b><u>2.200.000.000</u></b>	<b><u>-</u></b>



# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

### 5. Other receivable

	<u>Ending balance</u>	<u>Beginning balance</u>
Personal income tax of staffs	-	138.008.000
Binh Nguyen Geography Co., Ltd.	230.000.000	230.000.000
Others	435.632.848	451.804.603
<b>Total</b>	<b><u>665.632.848</u></b>	<b><u>819.812.603</u></b>

### 6. Provision for bad debts

Details of provision are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Overdue debts under 1 year	-	232.858.263
Overdue debts from 1 to 2 years	4.434.755.405	7.450.017.594
Overdue debts from 2 to 3 years	5.200.266.796	3.422.252.396
Overdue debts over 3 years	343.300.800	132.705.628
<b>Total</b>	<b><u>9.978.323.001</u></b>	<b><u>11.237.833.881</u></b>

### 7. Inventories

	<u>Ending balance</u>	<u>Beginning balance</u>
Materials and supplies	782.073.160	619.555.925
Tools	23.861.870	22.753.424
Work-in-progress	8.450.215.475	3.704.940.498
<b>Total</b>	<b><u>9.256.150.505</u></b>	<b><u>4.347.249.847</u></b>

### 8. Other current assets

Advances to employees

### 9. Long-term receivable from customers

This item reflects amount of project guarantee to be received from customers:

	<u>Ending balance</u>	<u>Beginning balance</u>
Management Board of Hydroelectricity 1	1.845.788.202	1.845.788.202
Nho Que Power Development and Investment JSC	1.532.762.821	1.532.762.821
Trung Son Hydroelectricity Management Board	506.106.834	506.106.834
Management Board of Hydroelectricity 2	156.818.300	156.818.300
Management Board of Son La Hydroelectricity Factory	7.493.000	7.493.000
<b>Total</b>	<b><u>4.048.969.157</u></b>	<b><u>4.048.969.157</u></b>

**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Notes to the interim financial statements (cont.)****10. Tangible fixed assets**

	<u>Buildings &amp; structures</u>	<u>Machinery &amp; equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
<b>Historical costs</b>					
Beginning balance	6.063.541.735	8.450.682.678	9.679.610.309	1.793.595.974	25.987.430.696
New investment	317.547.273	421.363.500	225.000.000	154.300.001	1.118.210.774
<b>Ending balance</b>	<b><u>6.381.089.008</u></b>	<b><u>8.872.046.178</u></b>	<b><u>9.904.610.309</u></b>	<b><u>1.947.895.975</u></b>	<b><u>27.105.641.470</u></b>
<i>In which:</i>					
Fully depreciated but still being in use	251.729.530	4.631.962.297	4.767.546.729	825.929.187	10.477.167.743
<b>Depreciation</b>					
Beginning balance	1.584.201.213	7.303.134.562	8.141.307.064	1.214.719.393	18.243.362.232
Depreciation	175.186.542	456.210.992	522.508.118	135.556.728	1.289.462.380
<b>Ending balance</b>	<b><u>1.759.387.755</u></b>	<b><u>7.759.345.554</u></b>	<b><u>8.663.815.182</u></b>	<b><u>1.350.276.121</u></b>	<b><u>19.532.824.612</u></b>
<b>Net books value</b>					
Beginning balance	4.479.340.522	1.147.548.116	1.538.303.245	578.876.581	7.744.068.464
<b>Ending balance</b>	<b><u>4.621.701.253</u></b>	<b><u>1.112.700.624</u></b>	<b><u>1.240.795.127</u></b>	<b><u>597.619.854</u></b>	<b><u>7.572.816.858</u></b>
<i>In which:</i>					
Temporarily not yet used	-	-	-	-	-
Waiting for liquidation	-	-	-	-	-

**11. Intangible fixed assets**

	<u>Long-term land use right</u>	<u>Fixed-term land use right</u>	<u>Computer's software</u>	<u>Total</u>
<b>Initial costs</b>				
Beginning balance	6.970.774.045	9.586.688.955	957.636.487	17.515.099.487
<b>Ending balance</b>	<b><u>6.970.774.045</u></b>	<b><u>9.586.688.955</u></b>	<b><u>957.636.487</u></b>	<b><u>17.515.099.487</u></b>
<i>In which:</i>				
Fully depreciated but still being in use	-	-	815.455.381	815.455.381
<b>Amortization</b>				
Beginning balance	-	279.891.705	860.428.446	1.140.320.151
Amortization	-	99.752.400	23.696.856	123.449.256
<b>Ending balance</b>	<b><u>-</u></b>	<b><u>379.644.105</u></b>	<b><u>884.125.302</u></b>	<b><u>1.263.769.407</u></b>
<b>Net books value</b>				
Beginning balance	6.970.774.045	9.306.797.250	97.208.041	16.374.779.336
<b>Ending balance</b>	<b><u>6.970.774.045</u></b>	<b><u>9.207.044.850</u></b>	<b><u>73.511.185</u></b>	<b><u>16.251.330.080</u></b>



**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Notes to the interim financial statements (cont.)****12. Other long-term investments**

	<u>Ending balance</u>	<u>Beginning balance</u>
Contributing capital into EVN Land Nha Trang Immovable Property Joint Stock Company	1.500.000.000	1.500.000.000
Contributing capital into Buon Don Hydroelectricity Joint Stock Company (see Note VII.2)	16.616.430.000	3.558.000.000
Time-deposits	1.000.000.000	1.000.000.000
<b>Total</b>	<b><u>19.116.430.000</u></b>	<b><u>6.058.000.000</u></b>

**13. Long-term prepaid expenses**

	<u>Beginning balance</u>	<u>Increase</u>	<u>Allocation</u>	<u>Ending balance</u>
Goodwill	844.353.412	-	(202.911.912)	641.441.500
Tools	400.310.074	170.851.091	(142.208.116)	428.953.049
<b>Total</b>	<b><u>1.244.663.486</u></b>	<b><u>170.851.091</u></b>	<b><u>(345.120.028)</u></b>	<b><u>1.070.394.549</u></b>

**14. Payable to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Power Engineering Consulting JSC 1	983.545.000	983.545.000
Agriculture 1 - Hoa Binh Map Measure Enterprise	765.398.010	1.356.212.010
Hydraulic Construction Consulting Company 1	548.352.630	695.352.630
Others	3.204.095.204	5.599.126.771
<b>Total</b>	<b><u>5.501.390.844</u></b>	<b><u>8.634.236.411</u></b>

**15. Advances from customers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Central Power Project Management Board	11.559.074.282	8.287.749.171
Trung Son Hydroelectricity Management Board	4.696.335.767	8.437.328.375
Mott MacDonald Ltd.	3.621.288.625	3.275.792.580
Others	13.510.181.828	7.000.351.546
<b>Total</b>	<b><u>33.386.880.502</u></b>	<b><u>27.001.221.672</u></b>

**16. Taxes and other obligations to the State budget**

Fulfillment of taxes and other obligations to the State budget is as follows:

	<u>Beginning balance</u>	<u>Amount payable</u>	<u>Amount already paid</u>	<u>Ending balance</u>
VAT on local sales	5.326.946.601	4.059.038.909	(5.914.791.309)	3.471.194.201
Corporate income tax	993.131.218	2.769.915.842	(1.401.928.025)	2.361.119.035
Personal income tax	194.342.000	954.303.792	(1.144.955.792)	3.690.000
Property taxes	-	7.655.000	(7.655.000)	-
Other taxes	-	168.260.532	(168.260.532)	-
<b>Total</b>	<b><u>6.514.419.819</u></b>	<b><u>7.959.174.075</u></b>	<b><u>(8.637.590.658)</u></b>	<b><u>5.836.003.236</u></b>

**Value added tax**

The company has paid value added tax in line with deduction method. Tax rate applied for service of design and investigation consultancy is 10%.

# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham - Nha Trang City - Khanh Hoa Province

## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

### Corporate income tax

See Note No. IV.17.

Estimated corporate income tax payable during the year is as follows:

	Accumulation	
	Current year	Previous year
Total accounting profit before tax	11.079.663.367	7.158.662.240
Increases, decreases of accounting profit to determine income subject to corporate income tax	-	-
Total taxable income	11.079.663.367	7.158.662.240
Corporate income tax rate	25%	25%
<b>Estimated corporate income tax payable</b>	<b>2.769.915.842</b>	<b>1.789.665.560</b>

### Property tax

Land rental is paid in line with the Custom's notice.

### Other taxes

The company has paid and declared these taxes in line with prevailing regulations.

### 17. Payable to employees

Salary fund during the period is determined in line with the Board's meeting minutes dated 16 March 2010. The unit price of salary for sales recorded during the year is as follows:

- Survey: VND 530 / VND 1.000 sales
- Design: VND 510 / VND 1.000 sales

The ending balance is salary fund not yet paid to employees.

### 18. Accrued expenses

Fees for sub-consultancy of hydroelectricity project in Bac Ai.

### 19. Other payable

	Ending balance	Beginning balance
Excess assets for treatment	214.964.407	214.964.407
Trade Union's Expenditure	745.359.995	1.153.665.648
Social Insurance	39.924.447	24.009.190
Payable for EVN on equitization	1.187.287.429	1.187.287.429
Amount contributed capital into BuonDon Hydroelectricity Joint Stock Company taken from other shareholders (see Note VII.2)	344.880.000	12.084.440.000
Payable for EVN on long-term loan interest	612.377.889	1.078.475.111
Payable for EVN on dividends	848.531.000	848.531.000
Dividends in 2009 of shareholders given by bonus shares	6.773.988.000	-
Dividends given from Electricity Finance Joint Stock Company payable for employees	472.311.000	-
Others	147.140.432	217.939.122
<b>Total</b>	<b>11.386.764.599</b>	<b>16.809.311.907</b>



**POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4**

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**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2010

**Notes to the interim financial statements (cont.)****20. Bonus and welfare funds**

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	5.191.624.928	6.241.795.517
Funds extracted from profit of previous year	675.641.281	450.033.369
Taken bonus from EVN	6.000.000	7.000.000
Issuance of bonus shares during the period	-	(1.359.100.000)
Funds paid during the period	<u>(106.890.000)</u>	<u>(35.800.000)</u>
<b>Ending balance</b>	<b><u>5.766.376.209</u></b>	<b><u>5.303.928.886</u></b>

**21. Long-term debts and loans**

This item reflects long-term loans from EVN to supplement working capital for loan period of 6 years; interest rate is calculated by 12 months deposit and late payment, interest paid after reference average of 4 Commercial Banks plus 1,2%.

**22. Unemployment funds**

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	376.506.223	246.071.795
Payment for subsidizing resigned employees	<u>(73.796.000)</u>	<u>(79.273.000)</u>
<b>Ending balance</b>	<b><u>302.710.223</u></b>	<b><u>166.798.795</u></b>

**23. Owner's equity**

*Statements of fluctuation in owner's equity* : see Appendix attached.

*Details of owner's equity*

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Share capital</u>	<u>Rate (%)</u>	<u>Share capital</u>	<u>Rate (%)</u>
Electricity of Vietnam	18.102.000.000	52,78	18.102.000.000	52,78
Other shareholders	16.193.500.000	47,22	16.193.500.000	47,22
<b>Total</b>	<b><u>34.295.500.000</u></b>	<b><u>100,00</u></b>	<b><u>34.295.500.000</u></b>	<b><u>100,00</u></b>

All outstanding shares are common shares at face value of VND 10.000/share.

*Shares*

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares allowed to be issued	3.429.550	3.429.550
Number of shares sold to public	3.429.550	3.429.550
- Common shares	3.429.550	3.429.550
- Preferred shares	-	-
Number of shares repurchased	42.556	40.421
- Common shares	42.556	40.421
- Preferred shares	-	-
Number of outstanding shares	3.386.994	3.389.129
- Common shares	3.386.994	3.389.129
- Preferred shares	-	-

# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

### *Purposes of appropriation for business promotion fund, financial reserved fund and other funds*

Business promotion fund is used to supplement the company's prescribed capital.

Financial reserved fund is used to:

- Compensate losses, damages of assets and liabilities unable to be recovered during the operations;
- Compensate the losses of the company according to the decision of the Board of management.

Other funds of owners (the prescribed capital reserve fund) are used for supplementing the prescribed capital.

## VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM INCOME STATEMENT

### 1. Net sales

	Accumulation from beginning year to ending period	
	Current year	Previous year
Gains from survey	13.848.007.961	14.131.475.606
Gains from design	43.292.331.756	35.937.856.937
<b>Total</b>	<b>57.140.339.717</b>	<b>50.069.332.543</b>

### 2. Costs of goods sold

	Accumulation from beginning year to ending period	
	Current year	Previous year
Gains from survey	9.254.043.115	9.297.086.675
Gains from design	30.000.136.004	27.075.447.617
<b>Total</b>	<b>39.254.179.119</b>	<b>36.372.534.292</b>

### 3. Financial income

	Accumulation from beginning year to ending period	
	Current year	Previous year
Bank interest income	661.250.686	71.462.594
Gains from realized foreign exchange difference	585.932.386	-
<b>Total</b>	<b>1.247.183.072</b>	<b>71.462.594</b>

### 4. Financial expenses

	Accumulation from beginning year to ending period	
	Current year	Previous year
Loan interest expenses for long-term contract of EVN (see Note V.21)	563.000.000	604.888.889
Other short-term loan expenses	70.270.834	25.333.333
<b>Total</b>	<b>633.270.834</b>	<b>630.222.222</b>

# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

### 5. Administrative overheads

	Accumulation from beginning year to ending period	
	Current year	Previous year
Expenses for employees	4.842.153.249	3.533.360.770
Supplies and office equipments	140.183.065	119.937.672
Depreciation of fixed assets	139.611.595	240.721.557
External service rendered	357.894.950	269.774.467
Other expenses	1.886.855.790	1.759.209.954
<b>Total</b>	<b>7.366.698.649</b>	<b>5.923.004.420</b>

### 6. Earning per shares

	Accumulation from beginning year to ending period	
	Current year	Previous year
Accounting profit after corporate income tax	8.309.747.525	5.368.996.680
Increase/(decrease) of accounting profit to determine profit attribute shareholders owned ordinary shares	-	-
Profit attribute shareholders owned ordinary shares	8.309.747.525	5.368.996.680
Outstanding average ordinary shares during the year	3.388.283	3.284.809
<b>Earning per shares</b>	<b>2.452</b>	<b>1634</b>

Outstanding average common shares during the year is as follows:

	Accumulation from beginning year to ending period	
	Current year	Previous year
Outstanding common shares at beginning year	3.389.129	3.293.640
Effects of common shares repurchased during the year	(846)	(22.422)
Effects of common shares additional issued during the period	-	13.591
<b>Outstanding average common shares during the period</b>	<b>3.388.283</b>	<b>3.284.809</b>

## VII. OTHER INFORMATION

### 1. Subsequent events

Pursuant to Resolution of Shareholder's annual meeting dated 24 April 2010, the shareholders have passed the plan of dividend payment of the year 2009 by bonus shares at rate of 20% (shareholders possessing 100 shares will received 20 new shares) and agreed to pass plan of issuing bonus shares for the company's employees from bonus funds of the company.

On 10 August 2010, the company has sent the Report to the State Securities Committee on results of issuing shares for dividend payment and bonus shares for employees in the year 2009, according to those, number of shares registered to additional issues are 828.450 shares equivalent to VND 8.284.500.000 (amount from retained earnings and bonus and welfare funds are VND 6.773.980.000 and VND1.510.520.000 respectively). Issuing 828.450 shares, the company's prescribed capital increases from VND 34.295.500.000 up to VND 42.580.000.000. At present, the company has performed the necessary procedures to change its business registration certificate on increasing its prescribed capital.



# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

Notes to the interim financial statements (cont.)

### 2. Commitments

Pursuant to business registration certificate and the Charter of Buon Don Hydroelectricity Joint Stock Company, the company has registered to contribute 6.000.000 stocks at amount of VND 60.000.000.000 equivalent to 17,9% prescribed capital of the company. As of 30 June 2010, the company has only contributed VND 16.616.430.000 (See Note V.12).

In addition, the company has taken delegation of other shareholders of Buon Don Hydroelectricity Joint Stock Company (who are the labors of the company) in contributing prescribed capital of Buon Don Hydroelectricity Joint Stock Company. During the period, the company has transferred the contributed capital to Buon Don Hydroelectricity Joint Stock Company at amount of VND 11.351.570.000. As of 30 June 2010, the company has collected VND 344.880.000 (see Note V.19) from shareholders and will contribute into capital of Buon Don Hydroelectricity Joint Stock Company when the company receives the notice on capital contribution.

### 3. Transaction with related parties

#### *Transaction with key management members*

Key management members and related individuals of the company including Board's members, the Directors and Chief Accountant.

Transactions between the company and key management members include:

<b>Key management members</b>	<b>Transactions</b>
Board of Management and the Controllers	Pursuant to Resolution of the annual meeting of shareholders in the year 2010, remuneration of Board of Management and the Controllers in the year is VND 372.000.000 /year. In the first 6 months of the year 2010, the Board of Management and the Controllers have received the remuneration of the year at amount of VND 93.000.000.
The Directors and Chief Accountant	Income from salary and salary allowances in line with salary regulations of the company. Income of the Directors and of the Chief Accountant in the first 6 months of the year 2010 is VND 1.049.918.000.

#### *Transactions with othe related parties*

<b>Related parties</b>	<b>Relationships</b>
Electricity of Vietnam (EVN)	Shareholders possessing 52,78% stocks (see Note V.23)
Buon Don Hydroelectricity Joint Stock Company	The company registered to possess 17,9% of prescribed capital. Mr. Pham Minh Son – Chairman cum General Director of the company is Chairman of Buon Don Hydroelectricity Joint Stock Company

The material transactions between the company and other related parties during the period are as follows:

<b>Electricity of Vietnam (EVN)</b>	
Loan interest expenses payable	563.000.000
<b>Buon Don Hydroelectricity Joint Stock Company</b>	
Prescribed capital contribution	13.058.430.000

# POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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## INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

### Notes to the interim financial statements (cont.)

As of the balance sheet date, the company has had accounts payable for Electricity of Vietnam (EVN) as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan principle amount payable (see Note V.21)	10.000.000.000	10.000.000.000
Payable for equitizing (see Note V.19)	1.187.287.429	1.187.287.429
Long-term loan interest payable (see Note V.19)	612.377.889	1.078.475.111
Dividends payable for previous year (see Note V.19)	848.531.000	848.531.000
<b>Total</b>	<b><u>12.640.707.318</u></b>	<b><u>12.659.929.540</u></b>

#### 4. Comparative figures

In the year 2010, with related scope, the company has applied regulations in the Circular No. 244/2009/TT-BTC dated 31 December 2009 of Ministry of Finance on amendment and supplement guidance to Enterprise Accounting System. Some items on the financial statements of previous year have been re-classified to be suitable for presentation of interim financial statements in current period.

Khanh Hoa, 20 July 2010



**Tran Le Thanh Binh**  
Preparer



**Vu Thanh Danh**  
Chief Accountant



**Pham Minh Son**  
General Director



## POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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### INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2010

#### Appendix 1: Statement of fluctuation in owner's equity

Unit: VND

	Owner's equity	Treasury stocks	Difference on foreign exchange	Business promotion fund	Financial reserve fund	Other funds	Retained earnings	Total
Beginning balance of previous year	27.500.000.000	-	-	2.868.546.713	573.665.267	114.733.053	8.747.667.370	39.804.612.403
Issuance of bonus shares from retained earnings	5.436.400.000	-	-	-	-	-	(5.436.400.000)	-
Issuance of bonus shares from bonus funds	1.359.100.000	-	-	-	-	-	-	1.359.100.000
Re-purchase of treasury stocks during the period	-	(504.830.060)	-	-	-	-	-	(504.830.060)
Revaluation of foreign currency as at the end year	-	-	387.169.518	-	-	-	-	387.169.518
Profit in current year	-	-	-	-	-	-	13.512.825.617	13.512.825.617
Funds made during the period from the profit of previous year	-	-	-	1.548.153.917	900.066.737	396.013.347	(3.294.267.370)	(450.033.369)
Payment for remuneration of Board of Management and the Controllers	-	-	-	-	-	-	(17.000.000)	(17.000.000)
Funds paid in current year	-	-	-	-	-	(216.000.000)	-	(216.000.000)
<b>Ending balance of previous year</b>	<b>34.295.500.000</b>	<b>(504.830.060)</b>	<b>387.169.518</b>	<b>4.416.700.630</b>	<b>1.473.732.004</b>	<b>294.746.400</b>	<b>13.512.825.617</b>	<b>53.875.844.109</b>
Beginning balance in current year	34.295.500.000	(504.830.060)	387.169.518	4.416.700.630	1.473.732.004	294.746.400	13.512.825.617	53.875.844.109
Refund of foreign exchange difference at beginning period	-	-	(387.169.518)	-	-	-	-	(387.169.518)
Re-purchase of treasury stocks during the period	-	(21.350.000)	-	-	-	-	-	(21.350.000)
Dividends given	-	-	-	-	-	-	(6.773.988.000)	(6.773.988.000)
Funds made during the period from profit of previous year	-	-	-	3.931.657.262	1.351.282.562	270.256.512	(6.738.837.617)	(1.185.641.281)
Profit during the period	-	-	-	-	-	-	8.309.747.525	8.309.747.525
<b>Ending balance</b>	<b>34.295.500.000</b>	<b>(526.180.060)</b>	<b>-</b>	<b>8.348.357.892</b>	<b>2.825.014.566</b>	<b>565.002.912</b>	<b>8.309.747.525</b>	<b>53.817.442.835</b>