



EVNPECC4

TẬP ĐOÀN ĐIỆN LỰC VIỆT NAM

CÔNG TY CP TƯ VẤN XÂY DỰNG ĐIỆN 4
POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

FINANCIAL STATEMENTS

FOR THE THIRD QUARTER OF YEAR 2014

Khanh Hoa, October 2014

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

BALANCE SHEET
As of 30 September 2014

Unit: VND

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
A - CURRENT ASSETS	100		125.912.364.730	133.538.384.379
I. Cash and cash equivalents	110		1.829.631.434	4.166.428.330
1. Cash	111	V.1	1.829.631.434	4.166.428.330
2. Cash equivalents	112		-	-
II. Short-term investments	120		-	-
1. Short-term investment	121		-	-
2. Provision for devaluation of long-term investment	129		-	-
III. Accounts receivable	130		100.760.796.000	115.053.459.330
1. Receivable from customers	131	V.2	103.918.626.517	127.042.235.617
2. Prepayments to suppliers	132	V.3	3.757.636.674	5.505.929.961
3. Inter-company receivable	133		-	-
Receivable according to the progress of construction				
4. contract	134		-	-
5. Other receivable	135	V.4	10.706.461.976	127.222.919
6. Provision for bad debts	139		(17.621.929.167)	(17.621.929.167)
IV. Inventories	140		12.438.000.640	12.401.202.367
1. Inventories	141	V.5	12.438.000.640	12.401.202.367
2. Provisions for devaluation of inventories	149		-	-
V. Other current assets	150		10.883.936.656	1.917.294.352
1. Short-term prepaid expenses	151		-	37.937.527
2. VAT to be deducted	152		-	-
3. Taxes and accounts receivable to the State	154		-	316.602.671
4. Other current assets	158	V.6	10.883.936.656	1.562.754.154

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

Balance sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - LONG-TERM ASSETS	200		131.998.066.028	131.964.684.350
I. Long-term accounts receivable	210		2.012.336.984	2.379.832.818
1. Long-term receivable from customers	211	V.7	2.012.336.984	2.379.832.818
2. Capital in subsidiary	212		-	-
3. Inter-company receivable	213		-	-
4. Other long-term receivable	218		-	-
5. Provision for bad debts	219		-	-
II. Fixed assets	220		22.729.637.564	23.877.998.987
1. Tangible assets	221	V.8	7.288.440.873	8.169.779.358
<i>Historical costs</i>	222		29.635.343.953	29.635.343.953
<i>Accumulated depreciation</i>	223		(22.346.903.080)	(21.465.564.595)
2. Financial leasehold assets	224		-	-
<i>Historical costs</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.9	15.441.196.691	15.708.219.629
<i>Initial costs</i>	228		18.725.015.255	18.665.015.255
<i>Accumulated amortization</i>	229		(3.283.818.564)	(2.956.795.626)
4. Construction in progress	230		-	-
III. Investment property	240		-	-
Historical costs	241		-	-
Accumulated depreciation	242		-	-
IV. Long-term investments	250		106.400.000.000	104.966.118.000
1. Investment in subsidiaries	251		-	-
2. Investment in business concerns, joint venture	252	V.10	103.850.000.000	102.416.118.000
3. Other long-term investments	258	V.11	2.550.000.000	2.550.000.000
4. Provision for devaluation of long-term investments	259		-	-
V. Other long-term assets	260		856.091.480	740.734.545
1. Long-term prepaid expenses	261	V.12	771.091.480	650.734.545
2. Deferred income tax	262		-	-
3. Other long-term assets	268		85.000.000	90.000.000
TOTAL ASSETS	270		257.910.430.758	265.503.068.729

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

Balance sheet (cont.)

LIABILITIES AND OWNER'S EQUITY	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
A - LIABILITIES	300		85.782.994.068	102.827.565.699
I. Current liabilities	310		78.388.871.648	92.494.955.201
1. Short-term debts and loans	311	V.13	9.277.311.000	17.729.680.000
2. Payable to suppliers	312	V.14	9.869.171.198	8.593.540.677
3. Advances from customers	313	V.15	26.562.093.986	16.259.635.907
4. Taxes and other obligations to the State Budget	314	V.16	2.860.841.998	3.268.750.179
5. Payable to employees	315		6.763.027.637	15.922.814.435
6. Accrued expenses	316		842.760.000	8.699.754.000
7. Inter-company payable	317		-	-
8. Payable according to the progress of construction	318		-	-
9. Other payable	319	V.17	14.851.271.867	14.556.255.041
10. Provision for short-term payable	320		-	-
11. Bonus and welfare funds	323	V.20	7.362.393.962	7.464.524.962
II. Long-term liabilities	330		7.394.122.420	10.332.610.498
1. Payable to suppliers	331		-	-
2. Long-term inter-company payable	332		-	-
3. Other payable	333		-	-
4. Long-term loans and debts	334	V.18	7.394.122.420	10.332.610.498
5. Deferred corporate income tax payable	335		-	-
6. Unemployment fund	336		-	-
7. Provision for long-term payable	337		-	-
			-	-
			-	-
B - OWNER'S EQUITY	400		172.127.436.690	162.675.503.030
I. Owner's equity	410	V.19	172.127.436.690	162.675.503.030
1. Capital	411		145.996.140.000	145.996.140.000
2. Share premiums	412		(15.784.110.000)	(15.784.110.000)
3. Other capital	413		-	-
4. Treasury stocks	414		(745.850.060)	(745.850.060)
5. Differences on asset revaluation	415		-	-
6. Foreign exchange differences	416		-	-
7. Business promotion fund	417		20.166.292.154	20.166.292.154
8. Financial reserved fund	418		6.586.968.453	6.586.968.453
9. Other funds	419		1.721.694.867	1.721.694.867
10. Retained earnings	420		14.186.301.276	4.734.367.616
11. Construction investment fund	421		-	-
12. Enterprise reorganization support fund	422		-	-
			-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	432		-	-
2. Fund to form fixed assets	433		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		<u>257.910.430.758</u>	<u>265.503.068.729</u>

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

Balance sheet (cont.)

OFF-BALANCE SHEET ITEMS

ITEMS	Note	<u>Ending balance</u>	<u>Beginning balance</u>
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		346,47	314,70
6. Estimated operation expenses		-	-

Nha Trang, 18 October 2014



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

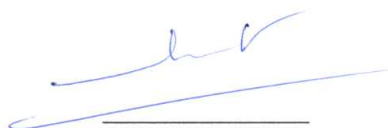
INCOME STATEMENT

Third quarter of year 2014

Unit: VND

ITEMS	Code	Note	Quarter 3		Accumulate to quarter 3	
			Year 2014	Year 2013	Year 2014	Year 2013
1. Sales	01	V1.1	33.684.021.495	33.015.551.842	69.011.156.821	70.037.652.423
2. Deductions	02		-	-	-	-
3. Net sales	10		33.684.021.495	33.015.551.842	69.011.156.821	70.037.652.423
4. Costs of goods sold	11	V1.2	26.253.496.749	21.219.739.608	50.709.085.692	42.992.422.285
5. Gross profit / loss	20		7.430.524.746	11.795.812.234	18.302.071.129	27.045.230.138
6. Financial income	21	V1.3	10.391.703.237	7.930.044	10.451.448.777	148.719.952
7. Financial expenses	22	V1.4	290.484.129	1.397.091.110	944.703.359	3.666.457.965
In which: Loan interest expenses	23		290.468.449	1.134.171.999	902.212.893	3.395.130.555
8. Selling expenses	24		-	12.800.000	-	12.800.000
9. Administrative overheads	25	V1.5	5.507.514.222	5.369.145.726	13.162.533.967	12.929.130.477
10. Net operating profit / loss	30		12.024.229.632	5.024.705.442	14.646.282.580	10.585.561.648
11. Other income	31		128.974.000	261.000	132.932.000	358.500
12. Other expenses	32		-	18.977.158	26.412	42.494.546
13. Other profit	40		128.974.000	(18.716.158)	132.905.588	(42.136.046)
14. Profit / loss before tax	50		12.153.203.632	5.005.989.284	14.779.188.168	10.543.425.602
15. Current corporate income tax	51	V1.6	389.004.799	1.442.811.071	966.727.208	3.213.551.289
16. Deffed corporate incom tax	52		-	-	-	-
17. Profit / loss after tax	60		11.764.198.833	3.563.178.213	13.812.460.960	7.329.874.313
18. Earning per share	70	V1.7	809	330	950	759

Nha Trang, 18 October 2014


Tran Le Thanh Binh
Preparer

Vu Thanh Danh
Chief AccountantPham Minh Son
General Director

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

CASH FLOWS STATEMENT**(Indirect method)****Third quarter of year 2014**

Unit: VND

ITEMS	Code	Note	Third quarter of year 2014	Third quarter of year 2013
I. Cash flows from operating activities				
1. Profit/ (loss) before tax	01		14.779.188.168	10.543.425.602
2. Adjustments				
- Depreciation of fixed assets	02	V.8,9	1.208.361.423	1.430.460.069
- Provisions	03		-	-
- Gain/ (loss) from unrealized foreign exchange difference	04		-	-
- Gain/ (loss) from investing activities	05		-	-
- Loan interest expenses	06	VI.4	902.212.893	3.395.130.555
3. Operating profit/ (loss) before changes of working capital	08		16.889.762.484	15.369.016.226
- Increase/ (decrease) of accounts receivable	09		7.222.410.992	8.451.395.589
- Increase/ (decrease) of inventories	10		(36.798.273)	(4.333.406.849)
- Increase/ (decrease) of accounts payable	11		(5.496.822.425)	(27.644.098.847)
- Increase/ (decrease) of prepaid expenses	12		(82.419.408)	(354.895.447)
- Loan interests already paid	13		(83.567.059)	(110.534.721)
- Corporate income tax already paid	14	V.16	(351.355.583)	(5.685.815.874)
- Other gains	15		-	-
- Other disbursements	16		(7.602.079.500)	(6.680.124.988)
Net cash flows from operating activities	20		10.459.131.228	(20.988.464.911)
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other long-term assets	21	V.8,9	-	-
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		-	-
4. Recovery of loans given and disposals of debt instruments of other entities	24		-	-
5. Investments into other entities	25		(1.433.882.000)	(189.870.000)
6. Withdrawals of investments in other entities	26		-	-
7. Receipts of loan interests, dividends and profit shared	27		21.192.954	146.204.985
Net cash flows from investing activities	30		(1.412.689.046)	(43.665.015)

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

Cash flows statement (cont.)

ITEMS	Code	Note	Third quarter of year 2014	Third quarter of year 2013
III. Cash flows from financing activities				
1. Gains from stock issuance and capital contributions from shareholders	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	(3.750.000)
3. Short-term and long-term loans received	33		19.714.383.398	37.239.577.957
4. Loan principal amounts repaid	34		(31.097.622.476)	(22.502.078.446)
5. Payments for financial leasehold assets	35		-	-
6. Dividends and profit already paid to the owners	36		-	(4.000)
<i>Net cash flows from financing activities</i>	<i>40</i>		<u><i>(11.383.239.078)</i></u>	<u><i>14.733.745.511</i></u>
Net cash flows during the year	50		(2.336.796.896)	(6.298.384.415)
Beginning cash and cash equivalents	60	V.1	4.166.428.330	6.901.954.453
Effects of fluctuations in foreign exchange rates	61		-	-
Ending cash and cash equivalents	70	V.1	<u>1.829.631.434</u>	<u>603.570.038</u>

Nha Trang, 18 October 2014



Tran Le Thanh Binh
Preparer



Vu Thanh Danh
Chief Accountant



Pham Minh Son
General Director

NOTES TO THE INTERIM FINANCIAL STATEMENTS
Third quarter of year 2014

I. OPERATION FEATURES

1. **Investment form** : Joint stock company.
2. **Operating field** : 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 issued in line with Decision No. 15/2006/QĐ-BTC dated 20 March 2006 by Finance Minister as well as Circulars giving guidance on performing accounting system and standards of Ministry of Finance.
2. **Statement on the compliance with the accounting standards and system**
The Directors ensure to follow all the requirements of the Vietnamese accounting system and standards issued in line with Decision No. 15/2006/QĐ-BTC dated 20 March 2006 by Finance Minister as well as Circulars giving guidance on performing accounting system and standards of Ministry of Finance in the preparation of these financial statements.
3. **Accounting form**
The company has applied the voucher recording form. The bookkeeping works are done on the computer software.

IV. ACCOUNTING POLICIES

1. **Accounting convention**
All the financial statements are prepared on the basis of the accrual accounting (except for information relating to cash flows).
 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.
 3. **Inventories**
Inventories are recorded at their original costs. Costs include purchasing expenses, processing expenses and other directly related costs to bring the inventories to the current positions and conditions.
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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

Notes to the interim financial statements (cont.)

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.

4. Trade receivables and other receivables, provision for bad debts

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

Provision for bad debts is made for each particular type of bad debt on the basis of the estimated losses can cause.

Increase or decrease of balance of provision for bad debts is recorded into administrative overheads during the year.

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 of fixed assets are as follows:

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

6. Intangible fixed assets

Intangible fixed assets are determined by their historical costs less accumulated amortization. They include:

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 period of using. 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.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

Computer software

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

7. 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.

8. Financial investments

Investments into securities, subsidiaries, associates and jointly control business 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. Provisions for loss of investments in other economic organizations are made when these organizations suffer from loss (except for the case that this loss is an approved part of the business plan before making the investment) at the rate equivalent to rate of capital contribution of the company in these organizations.

Increase, decrease of balance of provision for financial investments is recorded into financial expenses during the year.

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

9. Long-term prepaid expenses

Tool expenses

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

10. Trade payables and other payables

Trade payables and other payables are recorded in line with invoices and documents.

11. Accrued expenses

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

12. Unemployment allowances and insurance

The company pays for severance allowances for employees who have worked for the company for over 12 months until 31 December 2008 with the rate of extraction of a half the salary fund plus salary allowances (if any) of 6 consecutive months before the resigning date for one working year.

Pursuant to Law on Social Insurance, starting from 1 January 2009, the company must pay fund of unemployment insurance managed by Vietnam Social Insurance at rate of 1% of rate lower than employees' basic salary or 20 times of the minimum salary regulated in each period by Government. Applying unemployment insurance regime, the company does not made provision for unemployment fund for the working time of workers from 1 January 2009.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

Severance allowance is recorded into administrative overheads when paying to employees.

13. Source of capital

Capital

Capital is recorded in line with amount actually invested by shareholders.

Share premium

Share premium is recorded in line with difference between issuance price and face value of shares as the first issuance, additional issuance or difference between re-issuance price and book value of treasury stocks. Direct expenses related to the additional issuance of shares and re-issuance of treasury stocks are recorded as decrease of share premium.

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. When re-issuance, difference between re-issuance price and book value of treasury stocks is recorded into share premium.

14. Dividends

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

15. Extraction of funds

Funds are extracted and used in line with the company's charter as follows:

	Purpose	Extraction rate from profit after tax	Maximum extraction rate
• Business promotion fund	To invest in business expansion or to make intensive investments.	Pursuant to Resolution of general shareholders	N/A
• Financial reserved fund	To compensate losses and damages generated during the business course or due to force majeure such as natural disasters or fires, etc.	Pursuant to Resolution of general shareholders	N/A
• Bonus and welfare funds	To give bonus and to encourage staff in form of physical assets; to improve physical and mental lives of the employees	Pursuant to Resolution of general shareholders	N/A
• Other funds of owner's equity	Supplement of its prescribed capital	Pursuant to Resolution of general shareholders	10% of prescribed capital

The extraction rate of funds are done in line with Resolution of general shareholders' meeting.

16. Corporate income tax

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

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

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. Deferred income tax assets not yet recorded before are considered at the balance sheet dates and recorded when there have had enough taxable income which these deferred income tax assets not yet recorded can be used.

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.

17. Foreign currency conversion

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.

Difference on foreign exchange arisen during the year from transactions in foreign currencies of monetary items in foreign currencies and difference on foreign exchange due to revaluation of balance of monetary items in foreign currencies as at the balance sheet date after offsetting increase difference against decrease difference are recorded into financial income or expenses during the year.

The exchange rate used to convert the transactions arisen by foreign currencies is the actual exchange rate ruling as of the transaction dates of commercial banks where the company has transactions. The exchange rate used to revalue the balance of monetary items in foreign currencies as of the balance sheet date is purchase exchange rate or average purchase exchange rate of commercial banks where the company opens its account disclosed at the balance sheet date.

18. Recognition of sales and income

Sales of service provision

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.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

Sales of construction

When the results from the contract implementations cannot be 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.

Increase, decrease of construction volume, accounts receivable on compensations and other receivable is recorded as having agreement with customers.

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

- Income is recognized corresponding 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.

Interests

Interests are recorded based on the term and the interest rates applied for each period.

Dividends and profit shared

Dividends and profit shared are recognized when the company has right to receive dividends and profit from contributing capital. Particularly, dividends received by shares are not recorded to income but only observed the additional increase.

19. 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. A party is considered a related party if parties are under control or material effects together.

To consider relationship between related parties, nature of relationship is attached great importance than legal form.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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

INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

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	526.050.923	186.376.000
Cash in bank	1.303.580.511	3.980.052.330
Total	<u>1.829.631.434</u>	<u>4.166.428.330</u>

2. Receivable from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Customers are belonged to EVN and NPT	36.848.533.947	46.778.636.179
Customers are not belonged to EVN and NPT	67.070.092.570	80.263.599.438
Total	<u>103.918.626.517</u>	<u>127.042.235.617</u>

3. Prepayment to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
Sea Research and Sea Map Measure Team	-	2.681.000.000
Hanoi - Energy Construction Consulting Co., Ltd	400.000.000	400.000.000
Le Nguyen Construction Co., Ltd	397.101.100	397.101.100
Institute of Agricultural Designing and Planning	269.146.436	269.146.436
Other suppliers	2.691.389.138	1.758.682.425
Total	<u>3.757.636.674</u>	<u>5.505.929.961</u>

4. Other receivable

	<u>Ending balance</u>	<u>Beginning balance</u>
Receivable from employees	12.000.000	89.500.000
Others	10.694.461.976	37.722.919
Total	<u>10.706.461.976</u>	<u>127.222.919</u>

5. Inventories

	<u>Ending balance</u>	<u>Beginning balance</u>
Materials and supplies	534.505.073	606.813.981
Tools	21.863.315	27.130.643
Work in progress	11.881.632.252	11.767.257.743
Total	<u>12.438.000.640</u>	<u>12.401.202.367</u>

6. Other current assets

Advances to employees to perform the works.

7. Long-term receivable from customers

This item reflects warranty of projects to be received from customers:

	<u>Ending balance</u>	<u>Beginning balance</u>
Management Board of Hydroelectricity 1	184.144.863	184.144.863
Nho Que Power Development and Investment JSC	1.532.762.821	1.532.762.821

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
Trung Son Hydropower One Member Co., Ltd	138.611.000	506.106.834
Management Board of Hydroelectricity 2	156.818.300	156.818.300
Total	<u>2.012.336.984</u>	<u>2.379.832.818</u>

8. Tangible fixed assets

	<u>Buildings & structures</u>	<u>Machinery & equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
Historical costs					
Beginning balance	10.104.595.287	7.837.767.082	10.750.893.874	942.087.710	29.635.343.953
Ending balance	<u>10.104.595.287</u>	<u>7.837.767.082</u>	<u>10.750.893.874</u>	<u>942.087.710</u>	<u>29.635.343.953</u>
Depreciation					
Beginning balance	3.274.051.404	7.410.670.353	10.064.746.682	716.096.156	21.465.564.595
Depreciation during the period	407.141.163	155.483.217	241.346.817	77.367.288	881.338.485
Ending balance	<u>3.681.192.567</u>	<u>7.566.153.570</u>	<u>10.306.093.499</u>	<u>793.463.444</u>	<u>22.346.903.080</u>
Net book value					
Beginning balance	6.830.543.883	427.096.729	686.147.192	225.991.554	8.169.779.358
Ending balance	<u>6.423.402.720</u>	<u>271.613.512</u>	<u>444.800.375</u>	<u>148.624.266</u>	<u>7.288.440.873</u>

9. 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>
Initial costs				
Beginning balance	7.093.957.000	9.463.506.000	2.107.552.255	18.665.015.255
New investment	-	-	60.000.000	60.000.000
Ending balance	<u>7.093.957.000</u>	<u>9.463.506.000</u>	<u>2.167.552.255</u>	<u>18.725.015.255</u>
Amortization				
Beginning balance	-	1.077.910.905	1.878.884.721	2.956.795.626
Amortization	-	149.628.600	177.394.338	327.022.938
Ending balance	<u>-</u>	<u>1.227.539.505</u>	<u>2.056.279.059</u>	<u>3.283.818.564</u>
Net book value				
Beginning balance	7.093.957.000	8.385.595.095	228.667.534	15.708.219.629
Ending balance	<u>7.093.957.000</u>	<u>8.235.966.495</u>	<u>148.273.196</u>	<u>15.441.196.691</u>

10. Investment into associates

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
Buon Don Hydroelectricity Joint Stock Company	10.385.000	103.850.000.000	10.241.612	102.416.118.000

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

11. Other long-term investments

	Ending balance		Beginning balance	
	Quantity	Value	Quantity	Value
Investment into shares				
- EVN International Joint Stock Company	105.000	1.050.000.000	105.000	1.050.000.000
- Nha Trang – Ha Noi Development Investment Joint Stock Company	150.000	1.500.000.000	150.000	1.500.000.000
Total		2.550.000.000		2.550.000.000

12. Long-term prepaid expenses

Beginning balance	650.734.545
Increases	504.112.966
Allocation	(383.756.031)
Ending balance	771.091.480

13. Short-term loans

	Ending balance	Beginning balance
Short-term loans from BIDV - Khanh Hoa Branch	-	4.500.000.000
Loans from staffs	6.277.311.000	13.229.680.000
Current portion of long-term loans from Electricity of Vietnam (EVN)	3.000.000.000	-
Total	9.277.311.000	17.729.680.000

14. Payable to suppliers

	Ending balance	Beginning balance
Energy Institute	740.310.000	871.214.289
Power Engineering Consulting JSC 1	983.545.000	983.545.000
Agriculture 1 - Hoa Binh Map Measure Enterprise	733.998.010	733.998.010
Vietnam Irrigation Engineering Consulting Corporation	406.352.630	406.352.630
Electricity Engineering Survey Co., Ltd. 2	464.319.641	876.158.641
Sea Research and Sea Map Measure Team	2.522.676.000	-
Center for sea survey and mapping	500.000.000	-
Others	3.517.969.917	4.722.272.107
Total	9.869.171.198	8.593.540.677

15. Advances from customers

	Ending balance	Beginning balance
Customers are belonged to EVN and NPT	20.167.756.465	11.892.247.326
Customers are not belonged to EVN and NPT	6.394.337.521	4.367.388.581
Total	26.562.093.986	16.259.635.907

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

16. Taxes and other obligations to the State budget

	<u>Beginning balance</u>	<u>Amount payable</u>	<u>Amount already paid</u>	<u>Ending balance</u>
VAT on local sales	3.221.903.579	9.330.017.565	(10.051.904.700)	2.500.016.444
Corporate income tax	(316.602.671)	966.727.208	(351.355.583)	298.768.954
Personal income tax	46.846.600	571.754.990	(556.544.990)	62.056.600
Tax on using non-agricultural land	-	3.123.300	(3.123.300)	-
Other taxes	-	76.130.492	(76.130.492)	-
Total	<u>2.952.147.508</u>	<u>10.947.753.555</u>	<u>(11.039.059.065)</u>	<u>2.860.841.998</u>

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%.

Corporate income tax

The company has to pay corporate income tax at rate of 22%

Other taxes

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

17. Other short-term payable

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's Expenditure	2.556.465.575	2.917.615.657
Payable for EVN	9.303.114.258	8.484.468.424
Amount contributing capital into Buon Don Hydroelectricity JSC taken from other shareholders	2.685.290.000	2.690.970.000
Others	306.402.034	463.200.960
Total	<u>14.851.271.867</u>	<u>14.556.255.041</u>

18. Long-term debts and loans

	<u>Current period</u>
Beginning balance	10.332.610.498
Loans paid during the period	(18.478.276)
Reversal of current portions of long-term loans	(3.000.000.000)
Difference due to revaluation of ending balance	79.990.198
Ending balance	<u>7.394.122.420</u>

19. Owner's equity**Statements of fluctuation in owner's equity**

	<u>Owner's equity</u>	<u>Business promotion fund</u>	<u>Financial reserved fund</u>	<u>Other funds</u>	<u>Retained earnings</u>	<u>Treasury stocks</u>
Beginning balance of previous year	91.404.550.000	20.166.292.154	6.586.968.453	1.317.393.690	20.215.058.855	(742.100.060)
Increases	18.152.610.000	-	-	404.301.177	7.329.874.313	-
Decreases	-	-	-	-	(20.067.668.120)	-

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

	Owner's equity	Business promotion fund	Financial reserved fund	Other funds	Retained earnings	Treasury stocks
Ending balance of previous period	109.557.160.000	20.166.292.154	6.586.968.453	1.721.694.867	7.477.265.048	(742.100.060)
Beginning balance in current year	145.996.140.000	20.166.292.154	6.586.968.453	1.721.694.867	4.734.367.616	(745.850.060)
Increases	-	-	-	-	13.812.460.960	-
Decreases	-	-	-	-	(4.360.527.300)	-
Ending balance in current period	145.996.140.000	20.166.292.154	6.586.968.453	1.721.694.867	14.186.301.276	(745.850.060)

Details of owner's equity

	Ending balance		Beginning balance	
	Contributed capital	Rate (%)	Contributed capital	Rate (%)
Electricity of Vietnam	104.478.440.000	71,56	104.478.440.000	71,56
Other shareholders	41.517.700.000	28,44	41.517.700.000	28,44
Total	145.996.140.000	100,00	145.996.140.000	100,00

Purposes of appropriation for 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 owner (reserved funds used for supplement the chartered capital) is used to supplement the chartered capital.

20. Bonus and welfare funds

Beginning balance	7.464.524.962
Funds extracted from profit	-
Receipt from others	15.000.000
Payment according to regulations	(117.131.000)
Ending balance	7.362.393.962

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM INCOME STATEMENT**1. Net sales**

	Accumulation from the beginning of the year	
	Current year	Previous year
Gains from survey	28.590.238.474	22.898.292.879
Gains from design	40.420.918.347	47.139.359.544
Total	69.011.156.821	70.037.652.423

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

2. Costs of goods sold

	Accumulation from the beginning of the year	
	Current year	Previous year
Costs of survey	22.934.726.322	13.539.229.089
Costs of design	27.774.359.370	29.453.193.196
Total	50.709.085.692	42.992.422.285

3. Financial income

	Accumulation from the beginning of the year	
	Current year	Previous year
Bank interest income	22.559.807	146.204.985
Dividends	10.385.000.000	-
Gains from demand deposits	43.888.970	2.514.967
Total	10.451.448.777	148.719.952

4. Financial expenses

	Accumulation from the beginning of the year	
	Current year	Previous year
Loan interest expenses	902.212.893	1.107.868.388
Loan bond interest	-	2.287.262.167
Loss from selling foreign currencies	42.490.466	271.327.410
Total	944.703.359	3.666.457.965

5. Administrative overheads

	Accumulation from the beginning of the year	
	Current year	Previous year
Expenses for employees	6.450.962.600	6.308.945.087
Office materials and stationeries	263.399.279	241.660.535
Depreciation of fixed assets	32.529.288	77.575.668
External service rendered	582.893.290	703.582.575
Other expenses	5.832.749.510	5.597.366.612
Total	13.162.533.967	12.929.130.477

6. Current corporate income tax expenses

	Accumulation from the beginning of the year	
	Current year	Previous year
Total accounting profit before tax	14.779.188.168	10.543.425.602
Increase/(decrease) of accounting profit to determine profit subject to corporate income tax	(10.384.973.588)	2.310.779.555
Total taxable income	4.394.214.580	12.854.205.157
Corporate income tax rate	22%	25%

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INTERIM FINANCIAL STATEMENTS

Notes to the interim financial statements (cont.)

	Accumulation from the beginning of the year	
	Current year	Previous year
<i>Estimated corporate income tax payable</i>	966.727.208	3.213.551.289
<i>Adjustment of corporate income tax expenses of previous year</i>	-	-
Total current corporate income tax expenses	966.727.208	3.213.551.289

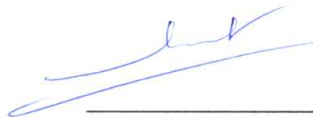
7. Earning per share

	Accumulation from the beginning of the year	
	Current year	Previous year
Accounting profit after corporate income tax	13.812.460.960	7.329.874.313
Increase/(decrease) of accounting profit to determine profit attribute shareholders owned ordinary shares	-	-
Profit attribute shareholders owned ordinary shares	13.812.460.960	7.329.874.313
Average outstanding ordinary shares during the year	14.535.091	9.654.397
Earning per share	950	759

Nha Trang, 18 October 2014



Tran Le Thanh Binh
Preparer



Vu Thanh Danh
Chief Accountant



Phạm Minh Sơn
General Director



EVN PECC4

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