

VIETNAM MACHINERY INSTALLATION CORPORATION

**AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS**

FOR THE FISCAL YEAR ENDED AS AT DECEMBER 31<sup>ST</sup>, 2015

**VIETNAM MACHINERY INSTALLATION CORPORATION**

No. 124 Minh Khai street - Hai Ba Trung district - Ha Noi city

---

**CONTENTS**

	Page
<b>Statement of the Board of Directors</b>	02 - 04
<b>Independent Auditor's Report</b>	05
<b>Audited Consolidated Financial Statements</b>	
Consolidated Balance Sheet	06 - 07
Consolidated Income Statement	08
Consolidated Cash Flow Statement	09
Notes to the Consolidated Financial Statements	10 - 30



# VIETNAM MACHINERY INSTALLATION CORPORATION

No. 124 Minh Khai street - Hai Ba Trung district - Ha Noi city

---

## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Vietnam Machinery Installation Corporation (hereinafter called the “Company”) presents its report and the Company’s Consolidated Financial Statements for fiscal year ended as at December 31<sup>st</sup>, 2015.

### COMPANY OVERVIEW

Vietnam Machinery Installation Corporation was established under Decision No. 999/BXD-TCLD dated December 01<sup>st</sup>, 1995 by the Ministry of Construction on the basis of its Installation Factories Association re-organization.

Vietnam Machinery Installation Corporation officially changes its operational model into one member limited company under Business Registration Certificate No.0100106313 dated September 01<sup>st</sup>, 2010.

Pursuant to the Prime Minister’s Decision No.1428/QĐ-TTg dated October 02<sup>nd</sup>, 2012 which ended the pilot Vietnam Construction Industry and Urban and Housing Development Corporation. As at October 18<sup>th</sup>, 2012, the Ministry of Construction decided in its Decision No. 913/QĐ-BXD to transfer ownership rights and obligations of State budget capital from parent company Song Da Group to the Ministry of Construction.

The Company’s head office is located at No.124 Minh Khai street - Hai Ba Trung district - Ha Noi city.

The company charter capital is VND 616,000,000,000 (Six hundred and sixteen billion vietnamdong) as stated in its Business Registration Certificate.

### OPERATING RESULTS

Financial situation and operating results of the Company for the fiscal year ended as at December 31<sup>st</sup>, 2015 is presented in the accompanying Consolidated Financial Statements from page 06 to 30.

### EVENTS IN THE CURRENT YEAR AFFECTED CONSOLIDATED FINANCIAL STATEMENTS

On July 10<sup>th</sup>, 2015, Prime Minister signed Decision No. 1036/QĐ-TTg on approving the equitisation plan of holding company- Vietnam Machinery Installation Corporation and transformed into Joint Stock Company. According to this Decision, the charter capital of the Company is 1,500,000,000,000 VND, the State- holding shares accounted for 51% of total charter capital. In 2017, the percentage will reduce to 40%.

On November 26<sup>th</sup>, 2015, Vietnam Machinery Installation Corporation had auctioned IPO shares at Hanoi Stock Exchange( HNX). The amount of shares were successfully sold : 1,086,700 shares corresponding to the amount payment of investors of 11,260,790,000 VND.

On December 31<sup>st</sup>, 2015, leader of equitization steering committee of holding company- Vietnam Machinery Installation Corporation issued official document No. 3082/BCĐ on the continued implementation of public offering of unsold shares to investors who participated in the auction by direct negotiation method.

VIFA Coating Joint Stock Company filed for bankruptcy proceedings on the People ’s Tribunal of Hai Phong city. As at September 08<sup>th</sup>, 2015, the People 's Tribunal of Hai Phong city issued Decision No. 497/QĐ-MTTPS on the opening of bankruptcy proceedings for VIFA Coating., JSC. Therefore, the Consolidated Financial Statements for fiscal year ended December 31<sup>st</sup>, 2015 of Vietnam Machinery Installation Corporation are not included figures of VIFA Coating., JSC.

### EVENTS AFTER BALANCE SHEET DATE

As at January 19<sup>th</sup>, 2016, Ministry of Construction signed Decision No. 61/QĐ-BXD on adjusting size and structure of the charter capital of equitization plant of holding company- Vietnam Machinery Installation Corporation. According to this Decision, the charter capital of the Company is 797,261,040,000 VND, contributed capital of the State accounted for 97.88% of charter capital, preference shares sold to employees and shares sold at public auction accounted for 2.12% of charter capital.

Implementation of restructuring schemes and improving governance capacity of Vietnam Machinery Installation Corporation in the 2012 to 2015 period, orientations toward 2020 has been approved by the Ministry of Construction in Decision No. 26/QĐ-BXD dated January 9<sup>th</sup>, 2013 and Decision No. 715/QĐ-BXD dated June 18<sup>th</sup>, 2015 adjusting restructuring scheme and improving governance capacity of Vietnam Machinery Installation Corporation according to Decision No. 26/QĐ-BXD dated January 9<sup>th</sup>, 2013. In 2016, Vietnam Machinery Installation Corporation is taking steps to exit its investment in the companies according to above Decisions.

## VIETNAM MACHINERY INSTALLATION CORPORATION

No. 124 Minh Khai street - Hai Ba Trung district - Ha Noi city

Except for the above mentioned event, there have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

### THE BOARD OF MEMBER AND DIRECTORS

#### Members of the Board of Member include:

Mr. Nguyen Dinh Hai	Chairman	Re-appointed on October 26 <sup>th</sup> , 2012 according to Decision No. 954/QD-BXD dated October 26 <sup>th</sup> , 2012 of Ministry of Construction
Mr. Le Van Tuan	Member	Re-appointed on October 26 <sup>th</sup> , 2012 according to Decision No. 982/QD-BXD dated October 26 <sup>th</sup> , 2012 of Ministry of Construction
Mr. Ngo Quang Quy	Member	Re-appointed on October 26 <sup>th</sup> , 2012 according to Decision No. 970/QD-BXD dated October 26 <sup>th</sup> , 2012 of Ministry of Construction
Mr. Nguyen Van Tien	Member	Re-appointed on October 26 <sup>th</sup> , 2012 according to Decision No. 973/QD-BXD dated October 26 <sup>th</sup> , 2012 of Ministry of Construction

#### Members of the Board of Directors and Chief Accountant include:

Mr. Le Van Tuan	General Director	Re-appointed on November 01 <sup>st</sup> , 2012 according to Decision No. 426/TCT-HDTV dated November 01 <sup>st</sup> , 2012 of the Company's Board of Member
Mr. Vu Van Dinh	Deputy General Director	Re-appointed on November 29 <sup>th</sup> , 2012 according to Decision No. 452/TCT-HDTV dated November 29 <sup>th</sup> , 2012 of the Company's Board of Member
Mr. Tran Dinh Dai	Deputy General Director	Re-appointed on November 29 <sup>th</sup> , 2012 according to Decision No. 453/TCT-HDTV dated November 29 <sup>th</sup> , 2012 of the Company's Board of Member
Mr. Ngo Quang Quy	Deputy General Director	Re-appointed on November 29 <sup>th</sup> , 2012 according to Decision No. 451/TCT-HDTV dated November 29 <sup>th</sup> , 2012 of the Company's Board of Member
Mr. Le Quoc An	Deputy General Director	Re-appointed on March 11 <sup>st</sup> , 2015 according to Decision No.71/TCT-HDTV dated March 6 <sup>th</sup> , 2015 of the Company's Board of Member
Mr. Nguyen Van Hung	Deputy General Director	Re-appointed on March 11 <sup>st</sup> , 2015 according to Decision No.72/TCT-HDTV dated March 6 <sup>th</sup> , 2015 of the Company's Board of Member
Mr. Nguyen Manh Dung	Deputy General Director	Re-appointed on July 1 <sup>st</sup> , 2015 according to Decision No. 221/TCT-HDTV dated June 22 <sup>nd</sup> , 2015 of the Company's Board of Member
Mr. Bui Duc Kien	Chief Accountant	Re-appointed on November 29 <sup>th</sup> , 2012 according to Decision No. 450/TCT-HDTV dated November 29 <sup>th</sup> , 2012 of the Company's Board of Member

### AUDITOR

The Company's Consolidated Financial Statements for the fiscal year ended as at December 31<sup>st</sup>, 2015 is audited by Vietnam Auditing and Valuation Co., Ltd.

### STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for preparing the Consolidated Financial Statements giving a true and fair view of financial position of the company and of its results and cash flows for the year. In preparing those Consolidated Financial Statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently.

**VIETNAM MACHINERY INSTALLATION CORPORATION**

No. 124 Minh Khai street - Hai Ba Trung district - Ha Noi city

- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements.
- Prepare the Consolidated Financial Statements in compliance with Vietnamese Accounting Standards and Vietnamese Accounting system and prevailing legal regulation in Vietnam.
- Prepare the Consolidated Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system. The Board of Directors is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Consolidated Financial Statements give a true and fair view of the financial position as at December 31<sup>st</sup>, 2015, its financial performance and cash flows for the year ended as at December 31<sup>st</sup>, 2015, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Systems and comply with relevant statutory requirements.

**Approved the Consolidated Financial Statements**

We, the Board of Member of Vietnam Machinery Installation Corporation approved the Consolidated Financial Statements for the fiscal year ended as at December 31<sup>st</sup>, 2015

Ha Noi, *March 31<sup>st</sup>*, 2016

On behalf of the Board of Member  
Chairman



NGUYEN DINH HAI

Ha Noi, *March 30<sup>th</sup>*, 2016

On behalf of the Board of Directors  
General Director



LE VAN TUAN

No.: 1426/BCKT/TC

## INDEPENDENT AUDITOR'S REPORT

**To: The Board of Member and Directors of Vietnam Machinery Installation Corporation**

We have audited the Consolidated Financial Statements of Vietnam Machinery installation Corporation, issued on March 30<sup>th</sup>, 2016, from page 06 to 30, including Consolidated Balance Sheet as at December 31<sup>st</sup>, 2015, Consolidated Income Statement, Consolidated Cash Flow Statement for the fiscal year ended at the same day and Notes to the Consolidated Financial Statements.

### *The Board of Directors' responsibilities*

The Board of Directors confirms that the Consolidated Financial Statements give a true and fair view of the financial position for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Systems and comply with relevant statutory requirements to the preparation and presentation of Consolidated Financial Statements and is responsible for the internal controls that the Board of Directors determines is necessary to ensure the preparation and presentation of Consolidated Financial Statements did not have material misstatements due to fraud or confusion.

### *Auditor's responsibilities*

Our responsibility is to express our opinion on the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with auditing standards of Vietnam. Those standards require that we comply with the regulations and standards of professional ethics, planning and implementation of the audit to obtain reasonable assurance about whether the Consolidated Financial Statements of the Company have also material misstatements.

An audit includes implementing procedures to gather audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement may in the Consolidated Financial Statements due to fraud or error. When performing this risk assessment, the auditor has to consider internal control relevant to the Company's preparation and fair presentation of the Consolidated Financial Statements truthful and appropriate in order to design audit procedures that are appropriate with the actual situation, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Company. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that our audit evidences that we collected are sufficient and provide a reasonable basis for our opinion.

### *Auditor's opinion*

In our opinion, the Consolidated Financial Statements give a true and fair view in all material respects of the financial position of Vietnam Machinery Installation Corporation as at December 31<sup>st</sup>, 2015 and of the results of its operations and its cash flows for the year ended December 31<sup>st</sup>, 2015 in accordance with the Vietnamese Accounting Standards and Vietnamese Accounting System and comply with relevant statutory requirements about preparing and presenting the Consolidated Financial Statements.



LE NGOC KHUE

Deputy Director

CPA Certificate No. 0665-2014-126-1

On behalf of

**VIETNAM AUDITING AND VALUATION CO., LTD**

Ha Noi, March 31<sup>st</sup>, 2016

TONG THI BICH LAN

Auditor

CPA Certificate No. 0060-2014-126-1

**CONSOLIDATED BALANCE SHEET**  
As at December 31st, 2015

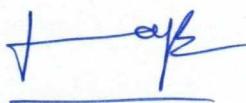
ITEMS	Codes	Notes	Unit: VND	
			31/12/2015	01/01/2015
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>14,433,978,475,526</b>	<b>9,662,574,996,864</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.01</b>	<b>3,458,726,960,557</b>	<b>1,390,876,469,802</b>
1. Cash	111		1,057,243,342,559	955,768,649,085
2. Cash equivalents	112		2,401,483,617,998	435,107,820,717
<b>II. Short-term financial investments</b>	<b>120</b>	<b>V.02</b>	<b>82,062,128,152</b>	<b>11,011,267,390</b>
1. Held- to- maturity investments	123		82,062,128,152	11,011,267,390
<b>III. Short-term receivables</b>	<b>130</b>		<b>7,727,729,980,974</b>	<b>4,397,139,107,523</b>
1. Short-term trade receivables	131	<b>V.03</b>	3,231,809,168,404	3,105,425,852,633
2. Short- term advances to suppliers	132	<b>V.04</b>	3,842,623,816,078	837,545,927,945
3. Receivables according to the progress of construction contracts	134		49,482,040,816	65,056,336,586
4. Short-term loan receivables	135	<b>V.05</b>	100,628,728,595	13,973,308,000
5. Other short- term receivables	136	<b>V.06</b>	587,323,336,353	464,266,568,710
6. Provision for short-term doubtful debts (*)	137		(84,372,291,090)	(89,364,068,169)
7. Shortage of assets awaiting resolution	139		235,181,818	235,181,818
<b>IV. Inventory</b>	<b>140</b>	<b>V.07</b>	<b>3,088,631,448,980</b>	<b>3,813,906,402,466</b>
1. Inventory	141		3,088,861,289,895	3,814,173,797,409
2. Provision for devaluation of inventories (*)	149		(229,840,915)	(267,394,943)
<b>V. Other current assets</b>	<b>150</b>		<b>76,827,956,863</b>	<b>49,641,749,683</b>
1. Short- term prepaid expenses	151	<b>V.13</b>	28,232,878,417	10,560,637,227
2. Deductible VAT	152		34,676,028,963	17,525,582,010
3. Taxes and other receivables from State Budget	153	<b>V.16</b>	13,919,049,483	21,555,530,446
<b>B. NON- CURRENT ASSETS</b>	<b>200</b>		<b>2,972,465,244,659</b>	<b>3,552,414,771,279</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>87,569,091,110</b>	<b>32,233,487,517</b>
1. Long- term trade receivables	211		-	14,477,329,871
2. Long- term advances to suppliers	212		66,384,591,200	-
3. Other long- term receivables	216	<b>V.06</b>	21,184,499,910	17,756,157,646
<b>II. Fixed assets</b>	<b>220</b>		<b>1,868,216,686,600</b>	<b>2,131,195,356,712</b>
1. Tangible fixed assets	221	<b>V.08</b>	1,564,169,419,628	1,867,890,162,811
- Cost	222		3,237,728,825,130	3,560,747,134,160
- Accumulated Depreciation(*)	223		(1,673,559,405,502)	(1,692,856,971,349)
2. Finance lease fixed assets	224	<b>V.09</b>	206,897,281,428	167,049,697,037
- Cost	225		246,914,168,295	198,858,402,132
- Accumulated Depreciation(*)	226		(40,016,886,867)	(31,808,705,095)
3. Intangible fixed assets	227	<b>V.10</b>	97,149,985,544	96,255,496,864
- Cost	228		100,489,610,158	99,090,519,093
- Accumulated Amortisation (*)	229		(3,339,624,614)	(2,835,022,229)
<b>III. Investment real estate</b>	<b>230</b>	<b>V.11</b>	<b>84,816,955,650</b>	<b>89,985,550,482</b>
- Cost	231		110,560,784,363	110,560,784,363
- Accumulated Depreciation (*)	232		(25,743,828,713)	(20,575,233,881)
<b>IV. Long- term assets in progress</b>	<b>240</b>	<b>V.12</b>	<b>133,562,657,605</b>	<b>323,547,741,091</b>
1. Construction in progress	242		133,562,657,605	323,547,741,091
<b>V. Long-term financial investments</b>	<b>250</b>	<b>V.02</b>	<b>460,734,757,169</b>	<b>609,777,683,258</b>
1. Investments in joint- ventures, associates	252		151,964,507,727	118,483,439,934
2. Equity investments in other entities	253		438,102,960,730	497,814,547,575
3. Provision for impairment of long- term financial investments (*)	254		(134,352,711,288)	(11,540,304,251)
4. Held to maturity investments	255		5,020,000,000	5,020,000,000
<b>VI. Other non- current assets</b>	<b>260</b>		<b>337,565,096,525</b>	<b>365,674,952,219</b>
1. Long- term prepaid expenses	261	<b>V.13</b>	278,038,656,660	298,104,996,725
2. Deferred income tax assets	262		2,557,478,539	2,467,526,027
3. Goodwill	269		56,968,961,326	65,102,429,467
<b>TOTAL ASSETS</b>	<b>270</b>		<b>17,406,443,720,185</b>	<b>13,214,989,768,143</b>

**CONSOLIDATED BALANCE SHEET**  
As at December 31st, 2015  
(Continued)

ITEMS	Codes	Notes	Unit: VND	
			31/12/2015	01/01/2015
<b>C. LIABILITIES</b>	<b>300</b>		<b>15,645,300,295,196</b>	<b>11,592,930,706,404</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>13,713,866,461,201</b>	<b>9,455,924,605,100</b>
1. Short-term trade payables	311	V.14	2,544,894,266,647	2,748,739,357,209
2. Short-term deferred revenues	312	V.15	5,787,084,994,215	1,158,583,060,920
3. Taxes and amount payables to State Budget	313	V.16	159,696,811,513	182,947,220,669
4. Payable to employees	314		248,664,765,351	251,526,689,493
5. Short-term accrued expenses	315	V.17	570,249,142,063	717,474,435,279
6. Short-term unearned revenue	318		28,270,788,163	38,873,189,164
7. Other short-term payables	319	V.18	526,134,512,218	489,384,726,689
8. Short-term loans and obligations under finance leases	320	V.19	3,774,225,510,231	3,804,897,216,809
9. Provision for short-term payables	321		63,726,134,107	45,374,556,148
10. Bonus and welfare fund	322		10,919,536,693	18,124,152,720
<b>II. Non-current liabilities</b>	<b>330</b>		<b>1,931,433,833,995</b>	<b>2,137,006,101,304</b>
1. Long-term trade payables	331		48,689,973,659	53,832,628,910
2. Long-term deferred revenues	332		327,211,251,984	87,253,536,936
3. Long-term accrued expenses	333		3,360,899,912	3,432,543,582
4. Long-term unearned revenue	336		63,284,903,100	65,084,509,565
5. Other long-term payables	337	V.18	6,416,535,659	8,389,948,731
6. Long-term loans and obligations under finance leases	338	V.19	1,475,889,387,554	1,885,990,113,712
7. Provision for long-term payables	342		6,580,882,127	33,011,567,981
8. Scientific and technological development fund	343		-	11,251,887
<b>D. EQUITY</b>	<b>400</b>		<b>1,761,143,424,989</b>	<b>1,622,059,061,739</b>
<b>I. Owners' equity</b>	<b>410</b>	V.20	<b>1,760,303,236,321</b>	<b>1,621,115,518,627</b>
1. Owners' contributed capital	411		733,269,060,022	739,861,745,814
- <i>Owners' contributed capital</i>	411a		733,269,060,022	739,861,745,814
2. Other owner's capital	414		4,844,826,610	4,738,289,514
3. Difference due to assets revaluation	416		40,462,291,652	40,462,291,652
4. Investment and development fund	418		135,478,473,518	133,843,124,222
5. Other owners' equity funds	420		7,012,153,454	7,671,609,953
6. Retained earnings	421		222,103,675,455	66,706,956,713
- <i>Retained earnings/(losses) accumulated to the prior year end</i>	421a		60,575,226,042	(70,091,163,108)
- <i>Retained earnings/(losses) of the current year</i>	421b		161,528,449,413	136,798,119,821
7. Non-controlling interests	429		617,132,755,610	627,831,500,759
<b>II. Other resources and funds</b>	<b>430</b>		<b>840,188,668</b>	<b>943,543,112</b>
1. Funding	431		578,322,000	638,032,000
2. Funds that form fixed assets	432		261,866,668	305,511,112
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>17,406,443,720,185</b>	<b>13,214,989,768,143</b>

Note: Negative figures must be put in brackets ( )

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

March 30th, 2016  
General Director



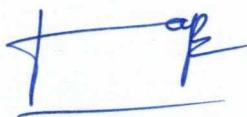
LE VAN TUAN

CONSOLIDATED INCOME STATEMENT  
Year 2015

ITEMS	Codes	Notes	Unit: VND	
			Year 2015	Year 2014
1. Total revenue	01	V.01	8,449,610,295,000	8,354,612,650,363
2. Deductions	02		-	-
3. Net revenue from sale of goods and rendering of services	10		8,449,610,295,000	8,354,612,650,363
4. Cost of goods sold	11	V.02	7,513,546,613,056	7,548,082,555,231
5. Gross profit from sale of goods and rendering of services	20		936,063,681,944	806,530,095,132
6. Financial income	21	V.03	127,025,148,780	70,760,297,942
7. Financial expenses	22	V.04	592,822,972,828	524,745,174,067
- In which: Interest expense	23		420,753,367,785	545,899,065,547
8. Share profit/(loss) in associates, joint-ventures	24		16,161,387,793	12,066,457,998
9. Selling expenses	25		614,010,544	1,277,883,803
10. General and administration expenses	26		311,549,397,049	331,350,936,772
11. Operating profit	30		174,263,838,096	31,982,856,430
12. Other incomes	31		115,643,058,098	371,068,137,254
13. Other expenses	32		32,664,519,314	207,595,287,149
14. Other profit( loss)	40		82,978,538,784	163,472,850,105
15. Profit before tax	50		257,242,376,880	195,455,706,535
16. Current corporate income tax expense	51	V.05	37,850,340,451	35,126,953,087
17. Deferred corporate income tax expense	52	V.05	(89,952,512)	(2,051,861,715)
18. Net profit after tax	60		219,481,988,941	162,380,615,163
19. Profit after tax of holding company	61		161,528,449,413	136,798,119,821
20. The interests of non- controlling shareholders	62		57,953,539,528	25,582,495,342

Ha Noi, March 30th, 2016

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

General Director



LE VAN TUAN

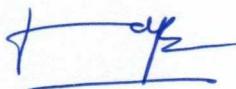
**CONSOLIDATED CASH FLOW STATEMENT**

Under indirect method  
Year 2015

Unit: VND  
Year 2014

ITEMS	Codes	Year 2015	Year 2014
<b>I. Cash flows from operating activities</b>			
1. Profits before tax	01	257,242,376,880	195,455,706,535
2. Adjustments for			
- Depreciation/ Amortisation of fixed assets	02	219,791,507,633	234,109,773,485
- Provisions	03	117,783,075,930	(398,340,167,487)
- (Profits)/ losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04	16,849,567,876	(741,801,953)
- (Gain)/loss from investing activities	05	(63,577,433,052)	(52,968,840,933)
- Interest expense	06	420,753,367,785	545,899,065,547
3. Operating profit/( loss) before movements in working capital	08	968,842,463,052	523,413,735,194
- (Increase)/Decrease in receivables	09	(3,756,251,874,422)	329,995,023,330
- (Increase)/Decrease in inventories	10	316,364,842,902	(90,828,517,832)
- Increase/Decrease in payables (excluding accrued loan interest and corporate income tax payables)	11	4,930,733,221,458	253,153,478,778
- (Increase)/Decrease in prepaid expenses	12	(5,192,295,613)	(68,765,654,678)
- Interest paid	14	(443,906,797,196)	(537,315,963,306)
- Corporate income tax paid	15	(33,468,548,544)	(37,321,466,223)
- Other cash outflows	17	(124,199,015,812)	(28,168,366,245)
<b>Net cash flows from operating activities</b>	20	<b>1,852,921,995,825</b>	<b>344,162,269,018</b>
<b>II. Cash flows from investing activities</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(114,649,393,668)	(189,904,043,447)
2. Proceed from sale, disposal of fixed assets and other long- term assets	22	58,577,636,363	237,706,714,268
3. Cash outflow for lending, buying debt instruments of other entities	23	(2,983,777,727,373)	(1,624,205,801,946)
4. Cash recovered from lending, selling debt instruments of other entities	24	2,912,726,866,611	1,696,045,990,384
5. Cash payment for equity investment in other entities	25	-	(11,029,090,000)
6. Cash recovered from equity investment in other entities	26	151,154,675,744	133,657,903,961
7. Cash receipts from loan interest, dividends and earned profits	27	65,855,583,183	54,805,442,327
<b>Net cash flows from investing activities</b>		<b>89,887,640,860</b>	<b>297,077,115,547</b>
<b>III. Cash flows from financing activities</b>			
1. Proceeds from share issuance, receipt of capital contribution	31	10,500,000,000	-
2. Proceeds from borrowings	33	7,219,777,650,371	6,888,544,787,392
3. Repayment of borrowings	34	(7,063,973,013,268)	(7,105,391,411,509)
4. Repayment of obligations under finance leases	35	(55,080,809,853)	(36,250,506,165)
<b>Net cash flows from financing activities</b>		<b>111,223,827,250</b>	<b>(253,097,130,282)</b>
<b>Net cash flow in the period</b>	50	<b>2,054,033,463,935</b>	<b>388,142,254,283</b>
<b>Cash and cash equivalent- Beginning balance</b>	60	<b>1,390,876,469,802</b>	<b>1,000,778,094,147</b>
Effect of changes in foreign exchange rates	61	13,817,026,820	1,956,121,372
<b>Cash and cash equivalent- Ending balance</b>	70	<b>3,458,726,960,557</b>	<b>1,390,876,469,802</b>

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

Ha Noi, March 30th, 2016

General Director



LE VAN TUAN

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended as at December 31<sup>st</sup>, 2015

### I. GENERAL INFORMATIONS

#### 1. Form of ownership

Vietnam Machinery Installation Corporation was established under Decision No.999/BXD - TCLD dated December 01<sup>st</sup>, 1995 by the Ministry of Construction on the basis of its Installation Factories Association re-organization.

Vietnam Machinery Installation Corporation officially changes its operational model into one member limited company under Business Registration Certificate No.0100106313 dated September 01<sup>st</sup>, 2010.

Pursuant to the Prime Minister's Decision No.1428/QD-TTg dated October 02<sup>nd</sup>, 2012 which ended the pilot Vietnam Construction Industry and Urban and Housing Development Corporation. As at October 18<sup>th</sup>, 2012, the Ministry of Construction decided in its Decision No. 913/QD-BXD to transfer ownership rights and obligations of State budget capital from parent company Song Da Group to the Ministry of Construction.

The Company's head office is located at No.124 Minh Khai street - Hai Ba Trung district - Ha Noi city.

#### 2. Operating fields

- Doing business in construction following the industry development plans of the Government, including machinery installing activities;
- EPC general contractor of constructing civil works, industrial works, transportation, irrigation works, post offices, infrastructure for urban areas and industrial parks, power grids and transformer stations;
- Housing development including consultation, production and trading of construction materials;
- Exporting labor resources, materials, equipment and technologies in construction and machinery installation;
- Investing and constructing works, including hydro power plants, thermal power plants, cement, petro chemistry, paper and steel), civil works, transportation, irrigation works, water supply and drainage and urban infrastructure;
- Doing business in real estate, hospitality; transporting commodities action, leasing super-loading equipment, construction and transportation means;
- Consulting in construction; contracting whole or partial investment projects of civil, industrial works and technical infrastructure i.e surveying, designing and formulating project (within its registered scope of operation) preparing general estimate, consulting & supervision, managing project, supplying technological and automatic control devices;
- Designing, manufacturing equipment, fabricating steel structures for civil industrial works and technical infrastructure;
- Designing, shipbuilding and fixing ships, vessels and boats for inland waterway and seaway transport;
- Testing, experimenting, adjusting power appliances, automatic control system, thermal system for technological assemblies; quality control and supervision of welding joints and physic-mechanical properties of materials;
- Training technical workers for production needs of the company and the society; advanced training and issuing certificate for welder; training and transferring Vietnamese workers (inside and outside the Company) to work abroad for a fixed period;
- Translating standards and specialized document about equipment manufacturing and erection, new production technology line;
- Doing business, exporting and importing materials, machines, equipments, accessories, production materials, consumption material, production and consumption sub-materials, technology line – automation, consumer products, vehicles, being dealer for domestic and international brands to supply production and consumption products in accordance with the law's requirements.

### 3. Company structure and Consolidated Financial Statements

As at December 31<sup>st</sup>, 2015, the Company had 14 subsidiaries, 7 associates.

The Consolidated Financial Statements of Vietnam Machinery Installation Corporation reflects financial position, operating results relating the operating activities of the Company. The Financial Statements of member units used to prepare and present the Consolidated Financial Statements include:

Company name	Head office	Proportion of ownership interest	Actually contributed charter capital as at 31/12/2015	Main business activities
<i> Holding company </i>				
Vietnam Machinery Installation Corporation, One member Co., LTD	Ha Noi	100.0%	733,269,060,022	Construction and Installation
<i> Subsidiaries </i>				
LILAMA 5., JSC	Thanh Hoa	51.00%	50,000,000,000	Construction and Installation
LILAMA 7., JSC	Da Nang	51.00%	50,000,000,000	Construction and Installation
LILAMA 10., JSC	Ha Noi	51.00%	90,000,000,000	Construction and Installation
LILAMA 18., JSC	HCM city	51.00%	86,936,230,000	Construction and Installation
LILAMA 45.1., JSC	HCM city	51.00%	48,000,000,000	Construction and Installation
LILAMA 69-1., JSC	Bac Ninh	51.00%	70,150,000,000	Construction and Installation
LILAMA 69-2., JSC	Hai Phong	53.08%	57,418,170,000	Construction and Installation
LILAMA 69-3., JSC	Hai Duong	66.77%	77,696,910,000	Construction and Installation
LILAMA Erection Mechanical., JSC	Ninh Binh	51.00%	32,651,550,000	Construction and Installation
LILAMA Urban Development and Construction Investment., JSC	Ha Noi	70.31%	160,000,000,000	Construction and real estate business
LHT International Engineering., JSC	Ha Noi	60.00%	32,000,000,000	Design consultant of industrial plants
Song Vang Hydropower., JSC	Da Nang	53.84%	148,206,625,000	Production and sales of electricity
LISEMCO., JSC	Hai Phong	79.98%	162,596,820,000	Construction, Installation and Shipbuilding
VIFA Coating., JSC	Hai Phong	85.67%	69,000,000,000	Production metal sheet
<i> Associates </i>				
CIMAS Engineering Co., Ltd	Ha Noi	33.00%	63,514,189,000	Design consultant
Lilama Land Corporation	Ha Noi	27.93%	209,425,560,000	Real estate business
Lilama E&C., JSC	Ha Noi	45.45%	4,400,000,000	Design consultant

Company name	Head office	Proportion of ownership interest	Actually contributed charter capital as at 31/12/2015	Main business activities
<i>Associates (continued)</i>				
LILAMA 3., JSC	Ha Noi	49.78%	51,500,000,000	Construction and Installation
LILAMA 45.3., JSC	Quang Ngai	40.83%	35,000,000,000	Construction and Installation
LILAMA 45.4., JSC	Dong Nai	46.06%	40,000,000,000	Construction and Installation
Erection Electromechanics Testing., JSC	Ha Noi	36.18%	15,000,000,000	Laboratory examination of technological lines

VIFA Coating Joint Stock Company filed for bankruptcy proceedings on the People 's Tribunal of Hai Phong city. As at September 08<sup>th</sup>, 2015, the People 's Tribunal of Hai Phong city issued Decision No. 497/QĐ-MTTPS on the opening of bankruptcy proceedings for VIFA Coating., JSC. Therefore, the Consolidated Financial Statements for fiscal year ended December 31<sup>st</sup>, 2015 of Vietnam Machinery Installation Corporation are not included figures of VIFA Coating., JSC.

## II. ACCOUNTING PERIOD AND ACCOUNTING MONETARY UNIT

### 1. Accounting period, accounting monetary unit

Annual accounting period commences from 01<sup>st</sup> January and ends on 31<sup>st</sup> December.

The Company maintains its accounting records in VND.

## III. ACCOUNTING STANDARD AND ACCOUNTING SYSTEM

### 1. Accounting system

December 22<sup>nd</sup>, 2014, Ministry of Finance issued Circular No. 200/2014/TT-BTC ("Circular 200") on guidelines for accounting policies for enterprises and Circular No. 202/2014/TT-BTC ("Circular 202") dated December 22<sup>nd</sup>, 2014 on guidelines for preparing and presenting Consolidated Financial Statements. The Circulars are effective for fiscal year beginning on or after January 1<sup>st</sup>, 2015. Circular 200 and Circular 202 supersede the regulations for Enterprise Accounting Regime promulgated under Decision No. 15/2006/QĐ-BTC dated March 20<sup>th</sup>, 2006 by Ministry of Finance and Circular No. 244/2009/TT-BTC dated December 31<sup>st</sup>, 2009 of Ministry of Finance and a part of Circular No. 161/2007/TT-BTC dated December 31<sup>st</sup>, 2007 of Ministry of Finance. The Board of Directors has adopted Circular 200, Circular 202 and supplemental documents of Ministry of Finance guidelines for enterprises with 100% State capital in the preparation and presentation of the Consolidated Financial Statements for the fiscal year ended as at December 31<sup>st</sup>, 2015. Therefore, some figures of Consolidated Balance Sheet dated December 31<sup>st</sup>, 2015, Consolidated Income Statement and Consolidated Cash Flow Statement for the fiscal year ended as at December 31<sup>st</sup>, 2015 are not comparable to the corresponding figures of 2014 due to the impact of the application of Circular 200 and Circular 202 in the preparation and presentation the Consolidated Financial Statements.

### 2. Announcement on compliance with Vietnamese standards and accounting system

The company applies Vietnamese Accounting Standards and supplemental documents issued by the State. The Consolidated Financial Statements are prepared in accordance with regulations of each standard and supplemental documents as well as with current accounting system.

### 3. Form of accounting record

Form of records applied in the Company is General Journal.

#### IV. ACCOUNTING POLICY

##### 1. Basis of forming the Consolidated Financial Statements

The Consolidated Financial Statements are prepared based upon consolidating separate Financial Statements of the Company and its subsidiaries under its control (Subsidiaries) as at 31<sup>st</sup> December annually. Control rights is in practice when the Company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Financial Statements of subsidiaries are prepared for the same fiscal year with the holding Company's Financial Statements, using consistent accounting policies. If necessary, Financial Statements of subsidiaries may be adjusted to ensure the consistence between accounting policies applied at the Company and its subsidiaries.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Non- controlling interest reflecting profits or losses and net assets which are not held by the shareholders of the Company will be presented in a separate item on Consolidated Balance Sheet and Consolidated Income Statement.

##### 2. Recognition of cash and cash equivalents

Transactions arising in foreign currencies are translated at exchange rate ruling at the transaction dates. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the buying rate of exchange of Commercial Bank that the Company opens its account at the balance sheet date. Cash equivalents are highly liquid investments (not exceeding 3 months), which can be easily converted into known amounts of cash and that are subjected to an insignificant risk of changes in value at the balance sheet date.

##### 3. Recognition of financial investments

###### *Held- to- maturity investments*

Held- to- maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity. Held- to- maturity investments are time deposits.

Held- to- maturity investments are recognised on a trade date basis and initially measured at acquisition price plus directly attributable transaction costs. Post- acquisition interest income from held- to- maturity investments is recognised in the Consolidated Income Statement on accrual basis. Pre- acquisition interest is deducted from the cost of such investments at the acquisition date.

Held- to- maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts is made in accordance with prevailing accounting regulations.

###### *Loans*

Loans are measured at cost minus provision for doubtful debts. Provision for doubtful debts from loans of the Company was set up according to prevailing accounting regulations.

###### *Investment in associates*

An associate is an enterprise in which the Company has significant influence and which is neither a subsidiary nor a joint venture of the Company. In Consolidated Financial Statements, investments in associates were recognized under the equity method.

###### *Equity investments in other entities*

Equity investments in other entities represent the investments in equity of other entities of the Company, but the Company has not control or joint control, or significant influence on the investee.

Equity investments in other entities are presented at cost minus provisions for impairment of investments.

**4. Recognition of receivables**

Receivables represent the recoverable amount from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or experiencing similar difficulties and so may be unable to repay the debt.

**5. Recognition of inventory**

Inventories are stated at historical cost. When the net realizable value is lower than cost, inventories should be measured at the net realizable value. The cost of inventories should comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The costs of goods issue from inventory are calculated by specific identification method.

Inventory is recorded by perpetual method.

Provision for devaluation of inventory is set aside as at the ending of fiscal year, is the difference between the cost of inventory minus its net realisable value.

**6. Recognition and depreciation of fixed assets**

Tangible and intangible fixed assets are stated at the historical cost. During the using time, fixed assets are record at cost, accumulated depreciation (amortization) and net carrying amount;

Depreciation is calculated based on the straight-line basis. Depreciable period is appropriately estimated based on the depreciable period regulated in Circular No. 45/2013.TT-BTC dated April 25<sup>th</sup>, 2013 issued by Ministry of Finance.

The land use right is indefinite term, hence it is not depreciated.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and the rewards of ownership to the lessee. Assets held under finance leases are recognised at the fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

Finance lease fixed assets are depreciated as same as fixed assets. If finance lease fixed assets are not bought certainly after the termination of finance lease contract, they will be depreciated over the duration of finance lease term, which is shorter than their useful life.

**7. Recognition and allocation of prepaid expenses**

Prepaid expenses only related to current fiscal year are recognized as short-term prepaid expenses and are recorded into operating costs of current fiscal year;

The following types of expenses incurred during the year are capitalized as long-term prepaid expenses, and are allocated to the Consolidated Income Statement over several years:

- Bond issue costs.
- High value tools and supplies issued for consumption.
- Repair costs of fixed assets arising once too large.
- Cost financial consultancy services.

The calculation and allocation of long- term prepaid expenses into operating expenses in each accounting period are based on the nature, the level of each type of expense to select the method and rational allocation criteria. Prepaid expenses are allocated partly into operating expenses on the straight-line basis.

**8. Recognition of payables**

Classification criteria of payables are :

- Trade payables consist of commercial payables arising from transaction of trading goods, rendering services, selling assets. Payables consist of payables when importing through entrustment.
- Intercompany payables consist of payment of payables between enterprise and dependent accounting affiliated units having no legal status.

- Other payables are remaining payables that are not classified as trade payables, intercompany payables. Payables are kept records in details according to creditor, payment content, payment schedule, type of currency.

Payables with less than 12 months remaining maturities at the time in which the Consolidated Financial Statements are prepared are classified as short- term debts. Other payables are classified as long- term debts. When preparing Consolidated Financial Statements, payables are reclassified under this principle.

The Company re-evaluates trade payables derived from foreign currencies on the dates on which the Consolidated Financial Statements are prepared. Actual exchange rates determined when the trade payables are re-evaluated is the selling rates of commercial bank where the Company regularly enters into transactions on the date on which the Consolidated Financial Statements are prepared or where the Company assigns customers to pay.

The Company will record a liability immediately when there is evidence that a loss is inevitable, in accordance with the precautionary principle.

Payables are not recorded at lower values to payment obligations.

Provision for payables are made when the Consolidated Financial Statements are prepared according to prevailing regulations.

#### **9. Recognition of loans and obligations under finance leases**

The values of loans are recorded in each disbursement and payment. The value of obligations under finance leases are the total amount payable calculated on the present value of minimum lease payments or the fair value of leased assets as at balance sheet date.

Loans and obligations under finance leases are accounted for in details and monitor each object of the loan or liability, loan agreement and type of loan asset, payment period and currency.

When preparing the Consolidated Financial Statements, loans and liabilities in foreign currency are re-evaluated at the selling rate of exchange of Commercial Bank that the Company has borrowing transaction.

#### **10. Recognition and capitalization of borrowing cost**

Borrowing costs are recognised in the Consolidated Income Statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard "Borrowing costs". Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are necessarily to take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Income earned on the temporary investment of specific borrowings on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

#### **11. Recognition of accrued expenses**

This account is used to record payables to goods or services received from seller or provided to buyer during a reporting period, but payments of such goods or services have not been made due to lack of invoices or documents on accounting, which are recorded to operating expenses on the basis of matching principle between revenue and expense. When there are enough profile, accounting documents, if there are any difference with the accrual amount, accountant makes additional record or make decrease the cost corresponding to the difference.

#### **12. Recognition of provision for payables**

Value recorded of a provision for payable is the most reasonably estimated the amount which will be paid for current debt obligation at of accounting year-end at the end of the interim period.

Only expenses related to the provision for payable set up initially shall be offset by that provision for payable.

In case the amount of provision for payable needs to be set up in this accounting term is higher than unspent amount of provision for payable formed in the previous accounting term, the difference is recorded in business

and production costs of that accounting term, except the bigger difference of provision for payable of construction warranty is reversed in other incomes of the period.

### 13. Recognition of owner's equity

Owner's equity is stated at actually contributed capital of owners.

Revaluation differences on assets incurred from revaluation of assets to capitalize as at June 30<sup>th</sup>, 2014, the Company recognizes according to Decision about enterprise value for equitization purpose of Ministry of Construction.

The Company recognizes foreign exchange rate difference according to Circular No. 200/2014/TT-BTC dated December 24<sup>th</sup>, 2014 issued by Ministry of Finance on guidelines for accounting policies for enterprises. Thus, foreign exchange rate difference incurred shall be recorded as financial income or financial expenses within the same fiscal year. Foreign exchange rate difference incurred from revaluation of the balance of currency items, foreign receivables and payables at the end of accounting period shall be recorded as financial income or expenses of that period.

Retained earnings is the profit of business operations after deduction (-) regulated items due to from applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous years.

### 14. Recognition of revenue

#### *Revenue from sale of goods*

Revenue from sale of goods should be recognised when all the following conditions have been satisfied:

- The significant risks and rewards of ownership of the goods have been transferred to the buyer;
- The Company retains neither continuing managerial involvement as a neither owner nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- The economic benefits associated with the transaction of goods sold have flown or will flow to the Company;
- The costs incurred or to be incurred in respect of the transaction of goods sold can be measured reliably.

#### *Revenue from rendering of services*

Revenue from rendering of services is recognised when the outcome of that transaction can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, each period's revenue should be recognised by reference to the stage of completion at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction was determinable;
- The costs to complete the transaction can be measured reliably.

The stage of completion of a transaction may be determined by surveys of work completed method.

#### *Revenue from construction contract*

Where the outcome of a construction contract is estimated reliably and accepted by customers, revenue and costs are recognized by reference to the stage of completion of the contract activity in the period that is accepted by customers and stated in the relevant invoices.

#### *Revenue from financial activities*

Turnover arising from interests of bank deposits, dividend, distributed profit, interest from loan and other interests due to foreign exchange difference, is recognized based on bank's announcement about monthly interest of bank deposits, announcement on dividend payment and interests due to the change of foreign exchange rate of arising transactions relating to foreign currencies.

**15. Recognition of cost of goods sold**

When revenue is recognized, the corresponding cost related to the creation of such revenue must be recognized. Costs corresponding to revenues include costs of the period in which revenues are created and costs of the previous periods or payable costs related to the revenues of such period.

**16. Recognition of financial expenses**

Items recorded into financial expenses consist of:

- Expenses of capital lending and borrowing;
- Losses due to foreign exchange differences arising from transactions relating to foreign currencies;
- Financial investments loss;
- Impairment of trading securities.

The above items are recorded by the total amount arising within the period without compensation to financial revenue.

**17. Recognition of general and administration expenses**

General and administration expenses used to record overhead costs of business including salary expenses and insurances of administrative staffs, depreciation of fixed assets used for administration, lease rent, licence tax, provision for doubtful debts, outsourced services.

**18. Principles and method of recording current corporate tax expense**

Current corporate income tax expense is calculated based on taxable income and income tax rate of current year.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

V. ADDITIONAL INFORMATION TO ITEMS PRESENTED IN CONSOLIDATED BALANCE SHEET

		Unit: VND	
		31/12/2015	01/01/2015
<b>1. Cash</b>			
- Cash		23,412,361,724	10,630,766,042
- Demand deposits		1,033,830,980,835	945,137,883,043
- Cash equivalents		2,401,483,617,998	435,107,820,717
<b>Total</b>		<b>3,458,726,960,557</b>	<b>1,390,876,469,802</b>
<b>2. Financial investments</b>			
<b>2.1 Held- to- maturity investments</b>			
		31/12/2015	01/01/2015
		Cost	Book value
<b>a) Short- term</b>	<b>82,062,128,152</b>	<b>82,062,128,152</b>	<b>11,011,267,390</b>
- Time deposits	82,062,128,152	82,062,128,152	11,011,267,390
<b>b) Long- term</b>	<b>5,020,000,000</b>	<b>5,020,000,000</b>	<b>5,020,000,000</b>
- Time deposits	5,020,000,000	5,020,000,000	5,020,000,000
<b>2.2 Equity investments in other entities</b>			
<b>2.2.1 Long- term</b>		31/12/2015	01/01/2015
		Cost	Provision
		Fair value	Fair value
<b>a) Investment in associates</b>	-	-	151,964,507,727
Lilama E&C., JSC	-	-	1,100,135,974
Lilama Land Corporation	-	-	59,317,055,439
Erection Electromechanics Testing., JSC	-	-	8,598,283,686
Lilama 45.4., JSC	-	-	27,031,524,837
Lilama 45.3., JSC	-	-	30,714,676,181
CIMAS Engineering Co., Ltd	-	-	25,202,831,610
<b>b) Investment in other entities</b>	<b>438,102,960,730</b>	<b>(134,352,711,288)</b>	<b>303,750,249,442</b>
Petrovietnam Marine Shipyard., JSC	42,000,000,000	(9,829,043,822)	32,170,956,178
Thang Long Cement., JSC	30,000,000,000	(13,786,597,053)	16,213,402,947
Phu My Trung Viet., JSC	2,232,562,517	-	2,232,562,517
Saigon Hanoi Commercial Joint Stock Bank- Head office	64,963,123,500	(21,519,034,500)	43,444,089,000
Lilama Electrics, Mechanics & Environmental., JSC	2,807,183,991	-	2,807,183,991
Hua Na Hydropower., JSC	89,887,465,722	(1,472,575,927)	88,414,889,795
Song Thao Cement., JSC	119,850,000,000	(84,842,660,059)	35,007,339,941
Universal Steel Fabrication Vina - Japan Co., LTD	7,535,475,000	(2,602,799,927)	4,932,675,073
Lilama 69-1 Pha Lai., JSC	-	-	-
			11,700,000,000

2.2 Equity investment in other entities (continued)

2.2.1 Long- term (continued)

	31/12/2015			01/01/2015		
	Cost	Provision	Fair value	Cost	Provision	Fair value
<b>b) Investments in other entities (continued)</b>						
Hung Loi hydropower project	300,000,000	(300,000,000)	-	300,000,000	(300,000,000)	-
North Power Service., JSC	2,500,000,000	-	2,500,000,000	2,500,000,000	-	2,500,000,000
VIWASEEN - Northwest hydropower., JSC	5,500,000,000	-	5,500,000,000	5,500,000,000	-	5,500,000,000
Phu Son., JSC	70,500,000,000	-	70,500,000,000	70,500,000,000	-	70,500,000,000
Lisemco 2., JSC	-	-	-	12,909,216,845	-	12,909,216,845
Contributed capital in BOT with Thang Long Joint Stock Corporation	27,150,000	-	27,150,000	27,150,000	-	27,150,000
Vinh Son Investment., JSC	-	-	-	25,600,000,000	-	25,600,000,000
Lilamis Industrial Services., JSC	-	-	-	6,000,000,000	-	6,000,000,000
LILAMA 69-3 Ship., JSC	-	-	-	5,036,130,000	-	5,036,130,000
Lamamiss Machinery Erection Industrial Services., JSC	-	-	-	1,500,000,000	-	1,500,000,000
LILAMA 69-3 DSE., JSC	-	-	-	1,338,750,000	-	1,338,750,000

July 10th, 2015, Prime Minister signed Decision No. 1036/QĐ-TTg approving the equitisation plan of Parent Company-Vietnam Machinery Installation Corporation transformed into Joint Stock Company. Until the end of 2015, the equitisation process of the Company has not been completed.

At December 31st, 2015, The Company had set up provision for impairment of long- term financial investments according to Resolution No. 28/TCT-HĐTV dated January 21st, 2016 of the Board of Member of Vietnam Machinery Installation Corporation.

3. Trade receivables

	31/12/2015	01/01/2015
a) Short-term trade receivables	3,231,809,168,404	3,105,425,852,633
- Project Management Department of Vung Ang Thermal power plant- Quang Trach	303,332,682,259	523,029,559,371
- Project Management Department of Thermal power 1- Uong Bi Extension Power Plant	100,886,954,753	39,816,638,110
- Project Management Department 239/05- construction manufacturing BCA	36,319,157,000	8,385,736,984
- Hua Na Hydropower., JSC	117,898,748,155	111,001,791,945
- Song Thao Cement Joint Stock Company	145,831,821,595	116,387,751,488
- Hyundai Engineering & Construction Co.,Ltd - MDI	207,059,125,753	181,001,549,102
- PJSC Taganrog Boiler-Making Works - TKZ	53,447,290,394	50,888,010,341
- Sandvik Asia Private Limited (India)	55,679,348,867	47,716,866,000
- Vietnam Construction and Import- Export Joint Stock Corporation - VINACONEX - BTHN	23,970,778,098	23,970,778,098
- Others	2,187,383,261,530	2,003,227,171,194
<b>Total</b>	<b>3,231,809,168,404</b>	<b>3,105,425,852,633</b>

		31/12/2015		01/01/2015	
<b>4. Advances to suppliers</b>					
a) Short- term advances to suppliers		3,842,623,816,078		837,545,927,945	
- <i>Project Management Board of Vung Ang thermal power plant (XLDK)</i>		48,518,631,056		85,140,419,378	
- <i>Ha Noi LILAMA., JSC</i>		35,656,840,350		38,006,790,940	
- <i>DOOSAN HEAVY INDUSTRIES&amp;CONSTRUCTION COLTD (SHI)</i>		2,911,496,193,123		-	
- <i>Bach Dang Construction Corporation</i>		451,686,953,265		428,720,342,774	
- <i>Ha Noi Construction Corporation</i>		65,648,461,097		-	
- <i>National Research Institute of Mechanical Engineering</i>		136,988,615,623		-	
- <i>Others</i>		192,628,121,564		285,678,374,853	
<b>Total</b>		<b>3,842,623,816,078</b>		<b>837,545,927,945</b>	
<b>5. Loan receivables</b>					
a) Short-term loan receivables		100,628,728,595		13,973,308,000	
- <i>Lilama 3., JSC</i>		59,391,000,000		-	
- <i>Lilama 45.3., JSC</i>		27,264,420,595		-	
- <i>Lilama SHB Investment Construction., JSC</i>		13,973,308,000		13,973,308,000	
<b>Total</b>		<b>100,628,728,595</b>		<b>13,973,308,000</b>	
<b>6. Other receivables</b>					
a) Other short- term receivables		587,323,336,353		464,266,568,710	
- <i>Equitization receivables</i>		1,350,324,370		134,026,203	
- <i>Advances to employees</i>		71,159,008,515		96,382,372,336	
- <i>Collaterals and deposits</i>		40,356,429,791		17,513,596,816	
- <i>Other receivables</i>		474,457,573,677		350,236,573,355	
b) Other long- term receivables		21,184,499,910		17,756,157,646	
- <i>Collaterals and deposits</i>		21,184,499,910		17,756,157,646	
<b>Total</b>		<b>608,507,836,263</b>		<b>482,022,726,356</b>	
<b>7. Inventory</b>					
		31/12/2015		01/01/2015	
	Cost	Provision	Cost	Provision	
- Goods in transit	-	-	1,052,591,100	-	-
- Materials	159,732,042,967	(19,901,965)	172,951,826,905	(57,455,993)	
- Tools and supplies	14,866,646,260	-	10,305,260,008	-	
- Work in progress	2,911,592,548,227	-	3,620,991,279,985	-	
- Finished goods	2,367,807,313	(209,938,950)	2,513,350,640	(209,938,950)	
- Merchandise	302,245,128	-	6,359,488,771	-	
<b>Total</b>	<b>3,088,861,289,895</b>	<b>(229,840,915)</b>	<b>3,814,173,797,409</b>	<b>(267,394,943)</b>	
<b>8. Increase and decrease in tangible fixed assets (Details in Appendix 01, page 28)</b>					

9. Increase and decrease in finance lease fixed assets

Items	Machine and equipments	Motor vehicles	Total
<b>Cost</b>			
Beginning balance	126,905,589,797	71,952,812,335	198,858,402,132
Increase	51,305,875,239	54,754,335,478	106,060,210,717
- Finance lease	51,305,875,239	54,754,335,478	106,060,210,717
Decrease	45,245,403,371	12,759,041,183	58,004,444,554
- Repurchase finance lease fixed assets	45,245,403,371	9,075,543,002	54,320,946,373
- Other decreases	-	3,683,498,181	3,683,498,181
Ending balance	132,966,061,665	113,948,106,630	246,914,168,295
<b>Accumulated Depreciation</b>			
Beginning balance	19,781,231,769	12,027,473,326	31,808,705,095
Increase	20,334,732,658	10,367,587,320	30,702,319,978
- Depreciation	20,334,732,658	10,367,587,320	30,702,319,978
Decrease	17,481,779,237	5,012,358,969	22,494,138,206
- Repurchase finance lease fixed assets	17,481,779,237	4,595,496,063	22,077,275,300
- Other decreases	-	416,862,906	416,862,906
Ending balance	22,634,185,190	17,382,701,677	40,016,886,867
<b>Net carrying amount</b>			
Beginning balance	107,124,358,028	59,925,339,009	167,049,697,037
Ending balance	110,331,876,475	96,565,404,953	206,897,281,428

10. Increase and decrease in intangible fixed assets

Items	Land using right	Computer software	Other intangible fixed assets	Total
<b>Cost</b>				
Beginning balance	95,752,924,242	3,158,213,004	179,381,847	99,090,519,093
Increase	423,712,065	1,165,644,000	-	1,165,644,000
- Newly purchased	423,712,065	1,165,644,000	-	1,589,356,065
Decrease	-	190,265,000	-	190,265,000
- Other decreases	-	190,265,000	-	190,265,000
Ending balance	96,176,636,307	4,133,592,004	179,381,847	100,489,610,158
<b>Accumulated Amortisation</b>				
Beginning balance	611,210,767	2,044,429,615	179,381,847	2,835,022,229
Increase	173,493,963	465,527,391	-	465,527,391
- Amortisation	173,493,963	465,527,391	-	639,021,354
Decrease	-	134,418,969	-	134,418,969
- Other decreases	-	134,418,969	-	134,418,969
Ending balance	784,704,730	2,375,538,037	179,381,847	3,339,624,614
<b>Net carrying amount</b>				
Beginning balance	95,141,713,475	1,113,783,389	-	96,255,496,864
Ending balance	95,391,931,577	1,758,053,967	-	97,149,985,544

11. Increase, decrease in investment real estate

Items	Beginning balance	Increase	Decrease	Ending balance
<b>Cost</b>	110,560,784,363	-	-	110,560,784,363
- Building and land using right	110,560,784,363	-	-	110,560,784,363
<b>Accumulated depreciation</b>	20,575,233,881	5,168,594,832	-	25,743,828,713
- Building and land using right	20,575,233,881	5,168,594,832	-	25,743,828,713
<b>Net carrying amount</b>	89,985,550,482	(5,168,594,832)	-	84,816,955,650
- Building and land using right	89,985,550,482	(5,168,594,832)	-	84,816,955,650

Investment in real estate is a part of office space of Lilama 10 building at To Huu street, Trung Van ward, Southern Tu Liem district, Ha Noi city for rent.

12. Long- term assets in progress	31/12/2015		01/01/2015	
	Cost	Recoverable value	Cost	Recoverable value
a) Construction in progress	133,562,657,605	133,562,657,605	323,547,741,091	323,547,741,091
+ Construction	133,562,657,605	133,562,657,605	323,547,741,091	323,547,741,091
- Manufacture of plant project No.02	1,270,404,405	1,270,404,405	1,270,404,405	1,270,404,405
- Bac Vinh industrial zone project	3,126,979,768	3,126,979,768	28,686,003,560	28,686,003,560
- Office block of Corporation project at belt road No.3	4,025,382,349	4,025,382,349	4,025,382,349	4,025,382,349
- Block land No.2 - Phuoc Long B - District no.9- HCM city	35,442,530,135	35,442,530,135	35,442,530,135	35,442,530,135
- Sardeung hydropower plant project	39,097,009,103	39,097,009,103	39,097,009,103	39,097,009,103
- Repairing Lilama 45.1 Mechanical Factory	4,128,823,502	4,128,823,502	3,717,652,608	3,717,652,608
- Tuy Ha Steel Structure Factory	2,081,575,175	2,081,575,175	2,081,575,175	2,081,575,175
- Bach Hac Ship Building Factory	-	-	122,925,198,321	122,925,198,321
- Quang Minh Mechanical Factory	-	-	3,843,423,349	3,843,423,349
- Dung Quat Technical Services Warehouse	-	-	568,587,499	568,587,499
- An Lao dust filter equipment factory	2,289,872,485	2,289,872,485	1,922,254,485	1,922,254,485
- An Lao canteen	2,523,435,151	2,523,435,151	2,523,435,151	2,523,435,151
- Lilama 69.3 Tu Ky Equipment Manufacture Factory	3,257,330,624	3,257,330,624	47,975,861,536	47,975,861,536
- Auxiliary constructions	1,430,857,253	1,430,857,253	1,463,946,987	1,463,946,987
- Others	34,888,457,655	34,888,457,655	28,004,476,428	28,004,476,428
<b>Total</b>	<b>133,562,657,605</b>	<b>133,562,657,605</b>	<b>323,547,741,091</b>	<b>323,547,741,091</b>

13. Prepaid expenses	31/12/2015		01/01/2015	
	a) Short- term	28,232,878,417		10,560,637,227
- Others	28,232,878,417		10,560,637,227	
b) Long- term	278,038,656,660		298,104,996,725	
- High value tools and supplies issued for consumption	58,812,521,922		58,212,687,081	
- Bond issue costs	1,100,000,000		2,200,000,000	
- Troubleshooting cost of An Diem II hydropower plant	5,826,395,325		9,046,913,039	
- Land rental expense, land clearance expense	40,702,825,150		44,749,178,370	
- Long- term prepaid expenses for Project Mong Duong 1	-		3,868,617,073	
- Long- term prepaid expenses for Project Vinh Tan 4	5,944,785,311		-	
- Long- term prepaid expenses for Project Song Hau 1	1,778,930,726		-	
- Long- term prepaid expenses for Project Nghi Son Oil Refinery	61,710,407,834		82,363,642,848	
- Long- term prepaid expenses for Project Thai Binh 2 Electricity	6,930,471,493		8,591,451,685	
- Technology transfer expenses	7,023,069,322		7,023,069,322	
- Unallocated loans interest expense	40,098,280,861		40,098,280,861	
- Value of the advantage when equitisation	25,814,206,166		28,859,482,666	
- Other long- term prepaid expenses	22,296,762,550		13,091,673,780	
<b>Total</b>	<b>306,271,535,077</b>		<b>308,665,633,952</b>	

14. Trade payables	Value	31/12/2015		01/01/2015	
		Affordable payment amount	Value	Affordable payment amount	Value
a) Short-term trade payables	2,544,894,266,647	2,544,894,266,647	2,748,739,357,209	2,748,739,357,209	2,748,739,357,209
- Babcock & Wilcox Beijing Co.Ltd	543,699,968,944	543,699,968,944	511,358,780,689	511,358,780,689	511,358,780,689
- China National Electric Engineering Co.,Ltd	68,456,658,428	68,456,658,428	81,742,869,686	81,742,869,686	81,742,869,686
- AMEC TECH., JSC	61,425,990,016	61,425,990,016	51,875,923,582	51,875,923,582	51,875,923,582
- Dongfang Electric International Corporation	137,506,036,313	137,506,036,313	129,242,909,790	129,242,909,790	129,242,909,790
- Flsmidth Koch GMBH	76,209,780,546	76,209,780,546	69,420,847,129	69,420,847,129	69,420,847,129
- Guangdong Electric Power Design Institute	97,944,823,050	97,944,823,050	76,088,317,106	76,088,317,106	76,088,317,106
- Joint venture of TOSHIBA corporation and SOJITZ corporation	310,429,954,244	310,429,954,244	283,965,271,875	283,965,271,875	283,965,271,875
- TORISHIMA HONGKONG LTD	64,317,794,205	64,317,794,205	126,621,807,812	126,621,807,812	126,621,807,812
- Others	1,184,903,260,901	1,184,903,260,901	1,418,422,629,540	1,418,422,629,540	1,418,422,629,540
<b>Total</b>	<b>2,544,894,266,647</b>	<b>2,544,894,266,647</b>	<b>2,748,739,357,209</b>	<b>2,748,739,357,209</b>	<b>2,748,739,357,209</b>

15. Deferred revenues	31/12/2015		01/01/2015	
	Value	Affordable payment amount	Value	Affordable payment amount
a) Short-term deferred revenues		5,787,084,994,215		1,158,583,060,920
- Project Management Department of Son La Hydropower Plant		24,009,501,818		86,471,287,000
- Project Management Department of Song Hau 1 Coal-fired Power Plant - PVN		4,459,650,473,459		-
- Project Management Department of Thai Binh 2 Thermal Power Plant - PVC		16,032,830,809		204,435,202,189
- Viet Nam Telecommunications Authority		47,450,000,000		-
- DOOSAN HEAVY INDUSTRIES&CONSTRUCTION COLTD (SHI)		366,108,191,042		-
- JGCS CONSORTIUM - CNT-6495-SMP1-001		-		153,813,315,620
- JGCS CONSORTIUM - CNT-6495-SMP2346A2-001		-		99,974,632,995
- JGCS CONSORTIUM - CNT-6495-TNK1-001		-		45,904,982,598
- JGCS CONSORTIUM- CNT-6495-SSF1-001		-		66,427,137,283
- Others		873,833,997,087		501,556,503,235
<b>Total</b>		<b>5,787,084,994,215</b>		<b>1,158,583,060,920</b>

16. Taxes and amount payables to State Budget	01/01/2015		31/12/2015	
	Amount payable	Amount actually paid	Amount payable	Amount actually paid
a) Payables				
Value added tax output	137,948,735,162	418,762,747,604	450,339,379,044	106,372,103,722
VAT of import goods	-	17,300,799,079	17,300,799,079	-
Import, export duties	-	5,239,500,401	5,239,500,401	-
Corporate income tax	20,875,428,615	37,889,850,332	33,468,548,544	25,296,730,403
Personal income tax	7,518,919,663	15,840,942,989	15,047,150,446	8,312,712,206
Natural resource tax	614,208,733	4,076,172,173	3,708,903,703	981,477,203
Land housing tax, land rental charges	5,657,539,426	9,502,228,252	11,647,195,308	3,512,572,370
Environmental taxes and other taxes	5,137,715,300	33,234,867,576	33,570,617,186	4,801,965,690
Fees, charges and other payables	5,194,673,770	6,359,953,924	1,135,377,775	10,419,249,919
<b>Total</b>	<b>182,947,220,669</b>	<b>548,207,062,330</b>	<b>571,457,471,486</b>	<b>159,696,811,513</b>
b) Receivables				
Value added tax output	3,706,127,090	3,706,127,090	58,178,660	58,178,660
Import, export duties	6,122,582,220	4,337,048,868	527,665,112	2,313,198,464
Corporate income tax	11,582,525,399	159,531,783	-	11,422,993,616
Personal income tax	66,022,285	59,552,223	43,237,336	49,707,398
Land housing tax, land rental charges	50,687,350	-	2,691,675	53,379,025
Environmental taxes and other taxes	27,586,102	25,993,782	20,000,000	21,592,320
<b>Total</b>	<b>21,555,530,446</b>	<b>8,288,253,746</b>	<b>651,772,783</b>	<b>13,919,049,483</b>

	31/12/2015	01/01/2015
<b>17. Accrued expenses</b>		
a) Short- term		
- <i>Accrued construction expenses</i>	426,349,278,885	533,498,207,771
- <i>Accrued interest expenses</i>	94,197,088,152	124,084,763,706
- <i>Other accrued expenses</i>	49,702,775,026	59,891,463,802
<b>Total</b>	<b>570,249,142,063</b>	<b>717,474,435,279</b>
<b>18. Other payables</b>		
a) Short- term		
- <i>Trade union fee</i>	14,871,583,690	18,796,123,761
- <i>Social insurance</i>	60,546,888,956	81,112,783,665
- <i>Health insurance</i>	4,385,638,865	8,443,069,680
- <i>Unemployment insurance</i>	3,681,615,059	6,175,096,566
- <i>Equitisation payables</i>	15,102,934,093	-
- <i>Received deposits and collaterals</i>	1,116,365,856	1,496,000,000
- <i>Others</i>	426,429,485,699	373,361,653,017
b) Long- term		
- <i>Received deposits and collaterals</i>	6,416,535,659	8,389,948,731
<b>Total</b>	<b>532,551,047,877</b>	<b>497,774,675,420</b>
<b>19. Loans and obligations under finance leases (details in Appendix 02 page 29)</b>		
<b>20. Owners' contributed capital</b>		
a) <i>Movements in owner's equity (details in Appendix 03 page 30)</i>		
b) <i>Details of owner's equity</i>		
- Capital contribution of the State	733,269,060,022	739,861,745,814
<b>Total</b>	<b>733,269,060,022</b>	<b>739,861,745,814</b>
<b>21. Off- balance sheet items</b>		
a) Materials and goods kept or processed for others		
- <i>Fixed assets kept for others</i>	-	365,465,772
+ Cost	-	28,189,444,834
+ Accumulated Depreciation	-	(27,823,979,062)
b) Doubtful debts already treated	7,024,542,656	357,573,193,598
c) Foreign currency		
- USD	50,013,307.82	18,462,198.50
- EUR	83,530.76	80,046.27
- JPY	333,909.00	17,309,955.00

The Company had transferred fixed assets kept for others and doubtful debts already treated to Vietnam Debt and Asset Trading Corporation (DATC) according to work handover form dated October 27th, 2015.

**VI. ADDITIONAL INFORMATIONS TO ITEMS PRESENTED IN CONSOLIDATED INCOME STATEMENT**

	Unit: VND	
	Year 2015	Year 2014
<b>1. Total revenue from sales of goods and rendering services</b>		
- Revenue from sales of goods	341,554,635,230	170,844,637,949
- Revenue from rendering services	167,989,975,302	165,545,599,814
- Revenue from construction and installation, manufacturing equipment activities	7,924,715,811,415	7,916,062,471,406
- Revenue from real estate business	15,349,873,053	6,831,253,708
- Revenue from other activities	-	95,328,687,486
<b>Total</b>	<b>8,449,610,295,000</b>	<b>8,354,612,650,363</b>
<b>2. Cost of goods sold</b>		
- Cost of goods sold	286,395,614,331	141,533,197,173
- Cost of rendering services	119,152,998,831	139,012,453,670
- Cost of construction and installation, manufacturing equipment activities	7,099,347,341,364	7,193,368,287,304
- Cost of real estate business	8,650,658,530	2,452,843,609
- Cost of other activities	-	71,715,773,475
<b>Total</b>	<b>7,513,546,613,056</b>	<b>7,548,082,555,231</b>
<b>3. Financial income</b>		
Deposits, loans, bonds, bills interest	54,111,597,352	42,842,279,191
Gain from selling investments	31,855,385,288	8,508,553,948
Profit and dividend received	9,465,835,700	10,126,561,742
Foreign exchange gain	29,345,276,280	7,543,092,613
Other financial incomes	2,247,054,160	1,739,810,448
<b>Total</b>	<b>127,025,148,780</b>	<b>70,760,297,942</b>
<b>4. Financial expense</b>		
Loans interest and bonds interest	420,753,367,785	545,899,065,547
Discount, interest on credit sales		
Loss from selling financial investments	442,854,546	94,132,590,296
Foreign exchange loss	46,194,844,156	19,414,875,802
Provision for impairment of investments and trading securities	122,812,407,037	(144,393,618,286)
Other financial expenses	2,619,499,304	9,692,260,708
<b>Total</b>	<b>592,822,972,828</b>	<b>524,745,174,067</b>
<b>5. Corporate income tax expense</b>		
- Current corporate income tax expense	37,850,340,451	35,126,953,087
- Deferred corporate income tax expense	(89,952,512)	(2,051,861,715)
<b>Total</b>	<b>37,760,387,939</b>	<b>33,075,091,372</b>

## VII. OTHER INFORMATIONS

### 1. Other informations

In 2011, Holding Company- Vietnam Machinery Installation Corporation transferred its investment in Vung Ang II Thermal Power plant JSC (VAPCO) according to share transferring contract No. 09/2011/HDCN/REE-Lilama dated September 28th, 2011. According to the contract terms, in the future Holding Company- Vietnam Machinery Installation Corporation may result in an additional income from transferring share with the amount of USD 4,455,328.10 if these conditions are met:

The above income will be satisfied after 30 days after which times occur sooner including:

- (a) Signing (1) EPC, (2) BOT Contract with VAPCO and other shareholders of VAPCO and (3) PPA by VAPCO; or
- (b) 180 days after signing BOT contract by VAPCO and other shareholders of VAPCO and (2) PPA by VAPCO.

### 2. Events in the current year affected Consolidated Financial Statements

As at July 10th, 2015, Prime Minister signed Decision No. 1036/QĐ-TTg on approving the equitisation plan of Holding Company- Vietnam Machinery Installation Corporation and transformed into Joint Stock Company. According to this Decision, the charter capital of the Company is 1,500,000,000,000 VND, the State holding shares accounted for 51% of total charter capital. In 2017, the percentage will reduce to 40%.

As at November 26th, 2015, Vietnam Machinery Installation Corporation had auctioned IPO shares at Hanoi Stock Exchange( HNX). Total shares were successfully sold : 1,086,700 shares corresponding to the amount payment of investors of 11,260,790,000 VND.

As at December 31st, 2015, leader of equitization steering committee of holding company- Vietnam Machinery Installation Corporation issued official document No. 3082/BCĐ on the continued implementation of public offering of unsold shares to investors who participated in the auction by direct negotiation method.

VIFA Coating Joint Stock Company filed for bankruptcy proceedings on the People 's Tribunal of Hai Phong city. As at September 08th, 2015, the People 's Tribunal of Hai Phong city issued Decision No. 497/QĐ-MTTPS on the opening of bankruptcy proceedings for VIFA Coating., JSC. Therefore, the Consolidated Financial Statements for fiscal year ended December 31st, 2015 of Vietnam Machinery Installation Corporation are not included figures of VIFA Coating., JSC

### 3. Events after the balance sheet date

As at January 19th, 2016, Ministry of Construction signed Decision No. 61/QĐ-BXD on adjusting size and structure of the charter capital of equitization plant of Holding company - Vietnam Machinery Installation Corporation. According to this Decision, the charter capital of the Company is 797,261,040,000 VND, contributed capital of the State accounted for 97.88% of charter capital, preference shares sold to employees and shares sold at public auction accounted for 2.12% of charter capital.

Implementation of restructuring schemes and improving governance capacity of Vietnam Machinery Installation Corporation in the 2012 to 2015 period, orientations toward 2020 has been approved by the Ministry of Construction in Decision No. 26/QĐ-BXD dated January 9th, 2013 and Decision No. 715/QĐ-BXD dated June 18th, 2015 adjusting restructuring scheme and improving governance capacity of Vietnam Machinery Installation Corporation according to Decision No. 26/QĐ-BXD dated January 9th, 2013. In 2016, Vietnam Machinery Installation Corporation is taking steps to exit its investment in the companies according to above Decisions.

Except for the above mentioned event, there have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

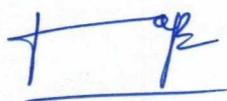
### 4. Comparative figures

As stated in Note No. III.1, from January 1st, 2015, the Company applied Circular No. 200/2014/TT-BTC issued by Ministry of Finance dated December 22nd, 2014 ("Circular 200"), on guidelines for accounting policies for enterprises and Circular No. 202/2014/TT-BTC dated December 22nd, 2014 ("Circular 202"), on guidelines for preparing and presenting Consolidated Financial Statements. Therefore, some figures of Consolidated Balance Sheet dated December 31st, 2015, Consolidated Income Statement và Consolidated Cash Flow Statement for the fiscal year ended as at December 31st, 2015 are not comparable to the corresponding figures of 2014 due to the impact of the application of Circular 200 in the preparation and presentation the Consolidated Financial Statements.

Some figures of previous year were reclassified to conform with the comparison with the figures of current year, as follows:

Items	Codes	Amount stated in 2014	Amount to be reclassified	Codes	Reclassified amount
<b>Consolidated Balance Sheet</b>					
Current assets	100	9,674,222,913,640	(11,647,916,776)	100	9,662,574,996,864
Short-term financial investments	120	24,984,575,390	(13,973,308,000)	120	11,011,267,390
Short-term investments	121	24,984,575,390	(24,984,575,390)		-
Held- to- maturity investments		-	11,011,267,390	123	11,011,267,390
Short-term receivables	130	4,269,034,648,553	128,104,458,970	130	4,397,139,107,523
Short-term loan receivables		-	13,973,308,000	135	13,973,308,000
Other short- term receivables	138	350,370,599,558	113,895,969,152	136	464,266,568,710
Shortage of assets awaiting resolution		-	235,181,818	139	235,181,818
Other current assets	150	175,420,817,429	(125,779,067,746)	150	49,641,749,683
Other current assets	158	114,881,150,970	(114,881,150,970)	155	-
Non- current assets	200	3,475,664,425,036	76,750,346,243	200	3,552,414,771,279
Long-term receivables	210	14,477,329,871	17,756,157,646	210	32,233,487,517
Other long- term receivables		-	17,756,157,646	216	17,756,157,646
Fixed assets	220	2,454,743,097,803	(323,547,741,091)	220	2,131,195,356,712
Long- term assets in progress		-	323,547,741,091	240	323,547,741,091
Construction in progress	230	323,547,741,091	-	242	323,547,741,091
Other non- current assets	260	306,680,763,622	58,994,188,597	260	365,674,952,219
Long- term prepaid expenses	261	287,207,079,949	10,897,916,776	261	298,104,996,725
Other non- current assets	268	17,006,157,646	(17,006,157,646)	268	-
Goodwill	269	65,102,429,467	-	269	65,102,429,467
Current liabilities	310	9,427,721,711,942	28,202,893,158	310	9,455,924,605,100
Short-term deferred revenues	312	1,181,630,503,660	(23,047,442,740)	312	1,158,583,060,920
Short- term unearned revenue		-	38,873,189,164	318	38,873,189,164
Short-term loans and obligations under finance leases	311	3,789,087,526,493	15,809,690,316	320	3,804,897,216,809
Non-current liabilities	330	2,165,208,994,462	(28,202,893,158)	330	2,137,006,101,304
Long-term trade payables	331	53,832,628,910	-	331	53,832,628,910
Long-term deferred revenues		-	87,253,536,936	332	87,253,536,936
Other long-term payables	333	72,596,042,927	(64,206,094,196)	337	8,389,948,731
Long-term loans and obligations under finance leases	334	1,901,799,804,028	(15,809,690,316)	338	1,885,990,113,712
Long- term unearned revenue	338	103,957,698,729	(38,873,189,164)	336	65,084,509,565
Equity	400	994,227,560,980	627,831,500,759	400	1,622,059,061,739
Owners' equity	410	993,284,017,868	627,831,500,759	410	1,621,115,518,627
Investment and development fund	417	114,598,299,166	19,244,825,056	418	133,843,124,222
Financial reserve fund	418	19,244,825,056	(19,244,825,056)		-
Minority interests	439	627,831,500,759	(627,831,500,759)		-
Non- controlling interests		-	627,831,500,759	429	627,831,500,759

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

Ha Noi, March 30th, 2016

General Director



LE VAN TUAN

## Appendix 01: Increase and decrease in tangible fixed assets

Items						Unit: VND
	Building and structure	Machine and equipments	Motor vehicles	Management tools	Other tangible fixed assets	Total
<b>Cost</b>						
<b>Beginning balance</b>	<b>1,527,603,845,652</b>	<b>1,174,287,813,391</b>	<b>777,965,710,887</b>	<b>29,080,411,916</b>	<b>51,809,352,314</b>	<b>3,560,747,134,160</b>
Increase	76,192,035,185	100,514,093,489	45,461,593,388	1,201,857,901	1,733,063,637	225,102,643,600
- Newly purchased	1,138,047,628	31,232,185,162	35,818,380,248	1,201,857,901	1,733,063,637	71,123,534,576
- Transfer from construction in progress	75,053,987,557	21,888,175,553	562,670,138	-	-	97,504,833,248
- Repurchase finance lease fixed assets	-	45,249,403,371	9,080,543,002	-	-	54,329,946,373
- Reclassification	-	2,144,329,403	-	-	-	2,144,329,403
Decrease	258,450,284,462	240,036,859,364	45,907,284,365	2,818,680,929	907,843,510	548,120,952,630
- Liquidation	44,188,863,827	20,290,781,092	7,552,509,597	35,000,000	115,000,000	72,182,154,516
- Reclassification	2,144,329,403	-	-	-	-	2,144,329,403
- Other decreases	212,117,091,232	219,746,078,272	38,354,774,768	2,783,680,929	792,843,510	473,794,468,711
<b>Ending balance</b>	<b>1,345,345,596,375</b>	<b>1,034,765,047,516</b>	<b>777,520,019,910</b>	<b>27,463,588,888</b>	<b>52,634,572,441</b>	<b>3,237,728,825,130</b>
<b>Accumulated Depreciation</b>						
<b>Beginning balance</b>	<b>381,695,125,592</b>	<b>714,855,438,329</b>	<b>540,818,901,584</b>	<b>20,889,279,637</b>	<b>34,598,226,207</b>	<b>1,692,856,971,349</b>
Increase	66,285,024,014	87,357,978,704	45,264,636,606	2,701,871,861	4,591,629,684	206,201,140,869
- Depreciation	66,285,024,014	69,033,905,367	40,669,140,543	2,701,871,861	4,591,629,684	183,281,571,469
- Repurchase finance lease fixed assets	-	17,481,779,237	4,595,496,063	-	-	22,077,275,300
- Reclassification	-	842,294,100	-	-	-	842,294,100
Decrease	58,320,866,207	125,839,765,553	38,577,067,508	2,471,835,877	289,171,571	225,498,706,716
- Liquidation	16,839,497,726	12,261,678,845	6,126,145,231	35,000,000	25,555,574	35,287,877,376
- Reclassification	842,294,100	-	-	-	-	842,294,100
- Other decreases	40,639,074,381	113,578,086,708	32,450,922,277	2,436,835,877	263,615,997	189,368,535,240
<b>Ending balance</b>	<b>389,659,283,399</b>	<b>676,373,651,480</b>	<b>547,506,470,682</b>	<b>21,119,315,621</b>	<b>38,900,684,320</b>	<b>1,673,559,405,502</b>
<b>Net carrying amount</b>						
<b>Beginning balance</b>	<b>1,145,908,720,060</b>	<b>459,432,375,062</b>	<b>237,146,809,303</b>	<b>8,191,132,279</b>	<b>17,211,126,107</b>	<b>1,867,890,162,811</b>
<b>Ending balance</b>	<b>955,686,312,976</b>	<b>358,391,396,036</b>	<b>230,013,549,228</b>	<b>6,344,273,267</b>	<b>13,733,888,121</b>	<b>1,564,169,419,628</b>



## Appendix 03: Movements in owner's equity

Unit: VND

Items	Owners' contributed capital	Other owner's capital	Difference due to assets revaluation	Investment and development fund	Other owners' equity funds	Retained earnings	Non- controlling interests	Total
<b>Beginning balance</b>	<b>739,861,745,814</b>	<b>4,738,289,514</b>	<b>40,462,291,652</b>	<b>133,843,124,222</b>	<b>7,671,609,953</b>	<b>66,706,956,713</b>	<b>627,831,500,759</b>	<b>1,621,115,518,627</b>
Addition to owners' equity	-	106,537,096	-	22,048,430,248	532,287,899	186,485,140,838	57,953,539,528	267,125,935,609
- Profit for the year	-	-	-	-	-	161,528,449,413	57,953,539,528	219,481,988,941
- Profit distribution	-	106,360,121	-	22,048,430,248	532,287,899	-	-	22,687,078,268
- Other additions	-	176,975	-	-	-	24,956,691,425	-	24,956,868,400
Subtraction to owners' equity	6,592,685,792	-	-	20,413,080,952	1,191,744,398	31,088,422,096	68,652,284,677	127,938,217,915
- Subtraction to owners' equity	-	-	-	-	-	-	-	-
- Dividend distribution	-	-	-	-	-	-	-	-
- Profit distribution	-	-	-	-	-	31,088,422,096	-	31,088,422,096
- Other subtractions	6,592,685,792	-	-	20,413,080,952	1,191,744,398	-	68,652,284,677	96,849,795,819
<b>Ending balance</b>	<b>733,269,060,022</b>	<b>4,844,826,610</b>	<b>40,462,291,652</b>	<b>135,478,473,518</b>	<b>7,012,153,454</b>	<b>222,103,675,455</b>	<b>617,132,755,610</b>	<b>1,760,303,236,321</b>

