

**VIETNAM MACHINERY INSTALLATION CORPORATION**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED AS AT DECEMBER 31ST, 2015**



**VIETNAM MACHINERY INSTALLATION CORPORATION**

No. 124 Minh Khai street - Hai Ba Trung District - Ha Noi City

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## **VIETNAM MACHINERY INSTALLATION CORPORATION**

No. 124 Minh Khai street - Hai Ba Trung District - Ha Noi City

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### **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 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, on 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 Financial Statements from page 06 to 30.

#### **EVENTS IN THE CURRENT YEAR AFFECTED 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). Total 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.

#### **EVENTS AFTER BALANCE SHEET DATE**

On January 19<sup>th</sup>, 2016, Ministry of Construction signed Decision No. 61/QĐ-BXD on adjusting the size and structure of the charter capital in equitisation plan of Holding company - Vietnam Machinery Installation Corporation. According to the Decision, the charter capital of Holding company is 797,261,040,000 VND, the State capital accounts for 97.88% of total charter capital, preference shares sold to employees and shares sold at public auction are account for 2.12% of total 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 capabilities 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 Decision.

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 Financial Statements.

## VIETNAM MACHINERY INSTALLATION CORPORATION

No. 124 Minh Khai street - Hai Ba Trung District - Ha Noi City

### 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 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'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for preparing the 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 Financial Statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.

**VIETNAM MACHINERY INSTALLATION CORPORATION**

No. 124 Minh Khai street - Hai Ba Trung District - Ha Noi City

- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.
- Prepare the Financial Statements in compliance with Vietnamese Accounting Standards and Vietnamese Accounting system and prevailing legal regulation in Vietnam.
- Prepare the 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 Director 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 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 Financial Statements**

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

Ha Noi, 2016

On behalf of the Board of Member  
Chairman



NGUYEN DINH HAI

Ha Noi, March 24<sup>th</sup>, 2016

On behalf of the Board of Directors  
General Director



LE VAN TUAN

No.: 1347 /BCKT/TC

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the Financial Statements of Vietnam Machinery installation Corporation, issued on March 20<sup>th</sup>, 2016, from page 06 to 30, including Balance sheet as at December 31<sup>st</sup>, 2015, Income Statement, Cash flow Statement for the fiscal year ended at the same day and Notes to the Financial Statements.

#### *The Board of Directors' responsibilities*

The Board of Directors confirms that the 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 Financial Statements and is responsible for the internal controls that the Board of Directors determines is necessary to ensure the preparation and presentation of Financial Statements did not have material misstatements due to fraud or confusion.

#### *Auditor's responsibilities*

Our responsibility is to express our opinion on the Financial Statements based on our audit. We conducted our audit in accordance with auditing standards 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 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 Financial Statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement may in the 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 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 Financial Statements.

We believe that our audit evidence that we collected is sufficient and provides a reasonable basis for our opinion.

#### *Auditor's opinion*

In our opinion, the 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 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 26<sup>th</sup>, 2016

**TONG THI BICH LAN**

**Auditor**

CPA Certificate No. 0060-2014-126-1

**BALANCE SHEET**

As at December 31st 2015

Unit: VND

ITEMS	Code	Note	31/12/2015	01/01/2015
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>9,357,968,378,651</b>	<b>4,635,643,540,257</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>2,800,748,031,486</b>	<b>902,474,181,156</b>
1. Cash	111		613,459,916,448	502,847,818,088
2. Cash equivalents	112		2,187,288,115,038	399,626,363,068
<b>II. Short-term financial investments</b>	<b>120</b>	<b>V.2</b>	<b>-</b>	<b>448,713,320</b>
1. Held- to- maturity investments	123		-	448,713,320
<b>III. Short-term receivables</b>	<b>130</b>		<b>6,112,896,342,596</b>	<b>2,942,660,323,184</b>
1. Short-term trade receivables	131	<b>V.3</b>	1,318,959,802,670	1,263,224,396,161
2. Short- term advances to suppliers	132	<b>V.4</b>	3,939,627,838,550	826,196,998,363
3. Short- term intercompany receivables	133	<b>V.5</b>	177,309,244,780	187,888,892,835
4. Short-term loan receivables	135	<b>V.6</b>	499,617,125,665	515,452,705,070
5. Other short- term receivables	136	<b>V.7</b>	177,382,330,931	149,897,330,755
<b>IV. Inventory</b>	<b>140</b>	<b>V.8</b>	<b>403,259,438,368</b>	<b>763,020,271,550</b>
1. Inventory	141		403,259,438,368	763,020,271,550
<b>V. Other current assets</b>	<b>150</b>		<b>41,064,566,201</b>	<b>27,040,051,047</b>
1. Short- term prepaid expenses	151	<b>V.13</b>	4,788,762,779	1,993,713,231
2. Value added tax deductibles	152		23,071,507,092	7,390,621,882
3. Taxes and other receivables from State Budget	153	<b>V.16</b>	13,204,296,330	17,655,715,934
<b>B. NON- CURRENT ASSETS</b>	<b>200</b>		<b>1,382,434,978,772</b>	<b>1,675,491,874,609</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>414,000,000</b>	<b>414,000,000</b>
1. Other long- term receivables	216	<b>V.7</b>	414,000,000	414,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>307,430,280,311</b>	<b>296,056,775,866</b>
1. Tangible fixed assets	221	<b>V.9</b>	216,342,864,308	213,740,952,943
- Cost	222		493,243,549,671	471,327,639,700
- Accumulated Depreciation(*)	223		(276,900,685,363)	(257,586,686,757)
2. Finance lease fixed assets	224	<b>V.10</b>	12,737,682,791	4,389,801,776
- Cost	225		13,720,687,273	4,454,347,273
- Accumulated Depreciation(*)	226		(983,004,482)	(64,545,497)
3. Intangible fixed assets	227	<b>V.11</b>	78,349,733,212	77,926,021,147
- Cost	228		78,826,269,212	78,402,557,147
- Accumulated Amortisation (*)	229		(476,536,000)	(476,536,000)
<b>III. Investment real estate</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Long- term assets in progress</b>	<b>240</b>	<b>V.12</b>	<b>43,896,482,841</b>	<b>69,455,506,633</b>
1. Construction in progress	242		43,896,482,841	69,455,506,633
<b>V. Long-term financial investments</b>	<b>250</b>	<b>V.2</b>	<b>946,948,378,406</b>	<b>1,203,946,610,737</b>
1. Investments in subsidiaries	251		689,178,388,655	766,462,198,655
2. Invesments in joint- ventures, associates	252		120,436,266,352	315,661,236,065
3. Equity investments in other entities	253		333,740,335,730	116,823,176,017
4. Provision for impairment of long- term financial investments (*)	254		(201,406,612,331)	-
5. Held to maturity investments	255		5,000,000,000	5,000,000,000
<b>VI. Other non- current assets</b>	<b>260</b>		<b>83,745,837,214</b>	<b>105,618,981,373</b>
1. Long- term prepaid expenses	261	<b>V.13</b>	83,745,837,214	105,618,981,373
<b>TOTAL ASSETS</b>	<b>270</b>		<b>10,740,403,357,423</b>	<b>6,311,135,414,866</b>

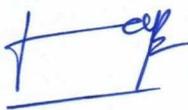
**BALANCE SHEET**  
As at December 31st 2015  
(Continued)

ITEMS	Code	Note	Unit: VND	
			31/12/2015	01/01/2015
<b>C. LIABILITIES</b>	<b>300</b>		<b>9,917,812,712,028</b>	<b>5,527,849,489,314</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>8,909,540,323,189</b>	<b>4,520,677,831,636</b>
1. Short-term trade payables	311	V.14	2,159,708,699,050	2,109,315,445,409
2. Short-term deferred revenues	312	V.15	5,062,238,230,086	723,972,642,244
3. Taxes and amount payables to State Budget	313	V.16	3,693,219,870	2,664,084,704
4. Payable to employees	314		47,733,495,934	18,341,683,565
5. Short-term accrued expenses	315	V.17	422,676,763,959	523,244,279,604
6. Short-term unearned revenue	318		22,333,569,537	21,059,138,612
7. Other short-term payables	319	V.18	66,113,699,924	39,337,617,290
8. Short-term loans and obligations under finance leases	320	V.19	1,124,664,550,717	1,081,459,804,096
9. Bonus and welfare fund	322		378,094,112	1,283,136,112
<b>II. Non-current liabilities</b>	<b>330</b>		<b>1,008,272,388,839</b>	<b>1,007,171,657,678</b>
1. Other long-term payables	337	V.18	899,536,839	1,146,816,839
2. Long-term loans and obligations under finance leases	338	V.19	1,007,372,852,000	1,006,024,840,839
<b>D. EQUITY</b>	<b>400</b>		<b>822,590,645,395</b>	<b>783,285,925,552</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>V.20</b>	<b>822,624,513,395</b>	<b>783,310,083,552</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. Difference due to asset revaluation	416		40,462,291,652	40,462,291,652
3. Retained earnings	421		48,893,161,721	2,986,046,086
- <i>Retained earnings/(losses) accumulated to the prior year end</i>	421a		2,986,046,086	(28,511,022,514)
- <i>Retained earnings/(losses) of the current year</i>	421b		45,907,115,635	31,497,068,600
<b>II. Other resources and funds</b>	<b>430</b>		<b>(33,868,000)</b>	<b>(24,158,000)</b>
1. Funding	431		(33,868,000)	(24,158,000)
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>10,740,403,357,423</b>	<b>6,311,135,414,866</b>

Note: Negative figures must be put in brackets ( )

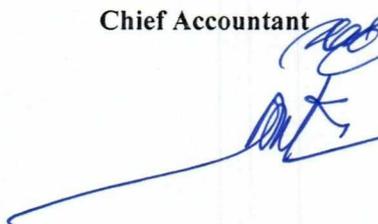
Ha Noi, March 20<sup>th</sup>, 2016

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

General Director



LE VAN TUAN

**INCOME STATEMENT**  
Year 2015

ITEMS	Code	Note	Unit: VND	
			Year 2015	Year 2014
1. Total revenue	01	V.01	4,957,701,637,378	3,651,496,131,394
2. Deductions	02		-	-
3. Net revenue from sale of goods and rendering of services	10		4,957,701,637,378	3,651,496,131,394
4. Cost of goods sold	11	V.02	4,628,599,739,398	3,557,495,578,584
5. Gross profit from sale of goods and rendering of services	20		329,101,897,980	94,000,552,810
6. Financial income	21	V.03	170,355,826,526	136,109,610,177
7. Financial expenses	22	V.04	410,615,011,899	164,121,423,961
- In which: interest expense	23		186,298,826,895	194,285,602,400
8. Selling expenses	25		-	-
9. General and administration expenses	26		43,631,580,061	42,355,016,749
10. Operating profit	30		45,211,132,546	23,633,722,277
11. Other incomes	31	V.05	993,515,092	64,239,381,297
12. Other expenses	32	V.06	145,751,365	54,274,512,023
13. Other profit( loss)	40		847,763,727	9,964,869,274
14. Profit before tax	50		46,058,896,273	33,598,591,551
15. Current corporate income tax expense	51	V.07	151,780,638	2,101,522,951
16. Deferred corporate income tax expense	52		-	-
17. Net profit after tax	60		45,907,115,635	31,497,068,600

Ha Noi, March 20<sup>th</sup>, 2016

Prepared by

*[Signature]*

TO PHI SON

Chief Accountant

*[Signature]*

BUI DUC KIEN

General Director



LE VAN TUAN

**CASH FLOW STATEMENT**  
Under direct method  
Year 2015

ITEMS	Code	Unit: VND	
		Year 2015	Year 2014
<b>I. Cash flows from operating activities</b>			
1. Cash receipts from sales of goods, rendering of services and other revenues	01	9,716,940,434,198	4,254,948,205,767
2. Cash payments to suppliers	02	(7,606,566,585,746)	(3,474,067,713,766)
3. Cash payments to employees	03	(122,787,783,642)	(86,045,558,962)
4. Cash payments of loans interests	04	(186,778,255,875)	(194,645,377,315)
5. Cash payment of enterprise income tax	05	-	(2,185,638,797)
6. Other cash inflows from operating activities	06	173,480,147,465	147,114,216,289
7. Other cash outflows from operating activities	07	(337,633,879,029)	(244,774,550,724)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>1,636,654,077,371</b>	<b>400,343,582,492</b>
<b>II. Cash flows from investing activities</b>			
1. Cash payments to procure or construction of fixed assets or other long-term assets	21	(4,625,638,424)	(12,320,642,077)
2. Cash receipts from the liquidation, assignment or sale of fixed assets or other long-term assets	22	1,431,636,363	60,500,600,000
3. Cash paid to acquire debt instruments of other units	23	(2,832,768,664,534)	(1,582,432,093,135)
4. Cash receipts from the recovery of loans, the re-sale of debt instruments of other units	24	2,833,217,377,854	1,667,136,473,269
5. Cash payments of investments in capital contributions to other units	25	-	(11,029,090,000)
6. Cash recovered from investments in capital contributions to other units	26	113,079,795,744	122,919,608,411
7. Cash receipts from loan interest, dividends and earned profits	27	103,004,554,702	84,153,407,981
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>213,339,061,705</b>	<b>328,928,264,449</b>
<b>III. Cash flows from financial activities</b>			
1. Cash receipts from loans	33	2,361,445,167,980	2,199,786,930,675
2. Cash repayments of principals of loans	34	(2,324,916,767,331)	(2,535,870,349,736)
3. Cash repayments of financial leasing debts	35	(1,027,164,000)	-
<b>Net cash flows from financial activities</b>	<b>40</b>	<b>35,501,236,649</b>	<b>(336,083,419,061)</b>
<b>Net cash flows in the period</b>	<b>50</b>	<b>1,885,494,375,725</b>	<b>393,188,427,880</b>
<b>Cash and cash equivalents - Beginning balance</b>	<b>60</b>	<b>902,474,181,156</b>	<b>508,066,704,229</b>
<b>Effects of changes in foreign exchange rates</b>	<b>61</b>	<b>12,779,474,605</b>	<b>1,219,049,047</b>
<b>Cash and cash equivalents - Ending balance</b>	<b>70</b>	<b>2,800,748,031,486</b>	<b>902,474,181,156</b>

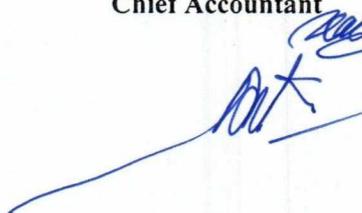
Ha Noi, March 20<sup>th</sup>, 2016

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

General Director



LE VAN TUAN

## NOTES TO THE FINANCIAL STATEMENTS

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

### I. GENERAL INFORMATION

#### 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, on 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.

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**3. Company structure**

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

Name of companies	Head office	Proportion of owners	Actually contributed charter capital at 31/12/2015	Main 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 Corp	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
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

**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. The Circular is effective for financial year beginning on or after January 1<sup>st</sup>, 2015. Circular 200 supersedes 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. The Board of Directors has adopted Circular 200 and supplement documents of Ministry of Finance guidelines for enterprises with 100% State capital in the preparation and presentation of the Financial Statements for the fiscal year ended as at December 31<sup>st</sup>, 2015. Therefore, some figures of Balance Sheet dated December 31<sup>st</sup>, 2015, Income Statement and 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 in the preparation and presentation the Financial Statements.

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

The company applies Vietnamese Accounting Standards and supplement documents issued by the State. The Financial Statements are prepared in accordance with regulations of each standard and supplement 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. 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.

#### 2. 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 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 to customers*

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 subsidiaries*

Subsidiaries are entities controlled by the Company. The control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

##### *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. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.

Investments in subsidiaries, associates, joint venture are measured at cost. The Company recognises income in its Income Statement only to the extent that it receives distributions from the accumulated net profits of the investee arising subsequent to the date of acquisition by the investor. Distributions received in excess of such profits are considered a recovery of investment and are recorded as a reduction of the cost of the investment.

Investments in subsidiaries, joint-venture companies, associated companies are presented in the Balance Sheet at cost minus provisions for impairment (if any). Provision for impairment of investments in subsidiaries, joint-venture, associates were set up under prevailing accounting regulations.

#### *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.

### **3. 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.

### **4. 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 following prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at balance sheet date.

### **5. 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.

### **6. 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 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.

#### 7. 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 Financial Statements are prepared are classified as short- term debts. Other payables are classified as long- term debts. When preparing Financial Statements, payables are reclassified under this principle.

The Company re-evaluates trade payables derived from foreign currencies on the dates on which the 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 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 Financial Statements are prepared according to prevailing regulations.

#### 8. Recognition of loans and obligations under finance leases

The values of loans are recorded in each disbursement and payment. Loans 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.

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 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.

#### 9. Recognition and capitalization of borrowing cost

Borrowing costs are recognised in the 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.

#### 10. 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.

#### 11. 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.

#### 12. 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 Minister 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.

#### 13. 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;
- 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.

**14. 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.

**15. 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 investment loss;
- Impairment of trading securities.

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

**16. 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.

**17. 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 BALANCE SHEET

		Unit: VND	
		31/12/2015	01/01/2015
1.	<b>Cash</b>		
	Cash	613,459,916,448	502,847,818,088
	- Cash on hand	2,444,561,241	1,284,207,615
	- Cash in banks (demand deposits)	611,015,355,207	501,563,610,473
	Cash equivalents	2,187,288,115,038	399,626,363,068
	- Vietnam Bank for Agriculture and Rural Development - Lang Ha Branch	25,000,000,000	-
	- Lien Viet Post Joint Stock Commercial Bank - Dong Do Branch	11,200,000,000	46,200,000,000
	- Vietnam Joint Stock Commercial Bank for Industry and Trade - Chuong Duong Branch	16,107,072,316	150,704,401,465
	- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Head office (VND)	687,000,000,000	-
	- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thanh Tri Branch	220,000,000,000	-
	- Saigon Hanoi Commercial Joint Stock Bank- Head office	236,000,000	-
	- TienPhong Commercial Joint Stock Bank - Thang Long Branch	100,000,000,000	-
	- Vietnam Export Import Bank - Cau Giay Branch	36,500,000,000	15,000,000,000
	- Vietnam Public Joint Stock Commercial Bank	13,000,000,000	-
	- Vietnam Prosperity Joint Stock Commercial Bank - Head office	234,000,000,000	164,240,632,201
	- Joint Stock Commercial Bank for Investment and Development of Vietnam- No. 1 Center Transaction Branch	215,645,042,722	23,481,329,402
	- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Head office (USD)	628,600,000,000	-
	<b>Total</b>	<b>2,800,748,031,486</b>	<b>902,474,181,156</b>

2. Financial investments

2.1 Held- to- maturity investments

	31/12/2015		01/01/2015	
	Giá gốc	Giá trị ghi sổ	Giá gốc	Giá trị ghi sổ
<b>2.1.1 Short- term</b>	-	-	<b>448,713,320</b>	<b>448,713,320</b>
Time deposits	-	-	448,713,320	448,713,320
- Joint Stock Commercial Bank for Investment and Development of Vietnam- No. 1 Center Transaction Branch	-	-	448,713,320	448,713,320
<b>2.1.2 Long- term</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
Time deposits	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam- No. 1 Center Transaction Branch	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000

2. Financial investments (Continued)

2.2 Equity investments in other entities

2.2.1 Long-term

			31/12/2015		01/01/2015	
	Cost	Provision	Fair value	Cost	Provision	Fair value
<b>a) Investments in subsidiaries</b>	<b>689,178,388,655</b>	<b>(60,339,946,525)</b>	<b>628,838,442,130</b>	<b>766,462,198,655</b>	-	<b>766,462,198,655</b>
Lilama 18., JSC	81,288,900,000	-	81,288,900,000	78,004,500,000	-	78,004,500,000
Lilama Erection Mechanical., JSC	8,326,145,000	-	8,326,145,000	8,326,145,000	-	8,326,145,000
Lilama 10., JSC	55,080,000,000	-	55,080,000,000	55,080,000,000	-	55,080,000,000
Lilama 3., JSC	-	-	-	8,667,450,000	-	8,667,450,000
Lilama 45.1., JSC	25,874,279,057	-	25,874,279,057	25,874,279,057	-	25,874,279,057
Lilama 45.3., JSC	-	-	-	11,067,000,000	-	11,067,000,000
Lilama 5., JSC	9,435,000,000	-	9,435,000,000	9,435,000,000	-	9,435,000,000
Lilama 69.1., JSC	33,629,910,000	-	33,629,910,000	33,629,910,000	-	33,629,910,000
Lilama 69.2., JSC	13,105,570,100	-	13,105,570,100	13,105,570,100	-	13,105,570,100
Lilama 69.3., JSC	67,280,826,869	-	67,280,826,869	67,280,826,869	-	67,280,826,869
Lilama 7., JSC	15,045,000,000	(6,630,000,000)	8,415,000,000	15,045,000,000	-	15,045,000,000
Lisemco., JSC	138,975,701,902	(1,668,042,433)	137,307,659,469	138,975,701,902	-	138,975,701,902
Song Vang Hydropower., JSC	81,062,625,000	(52,041,904,092)	29,020,720,908	81,062,625,000	-	81,062,625,000
Song Ong Hydropower., JSC	-	-	-	60,833,760,000	-	60,833,760,000
LHT International	19,796,697,443	-	19,796,697,443	19,796,697,443	-	19,796,697,443
Lilama Urban Development and Construction Investment., JSC	140,277,733,284	-	140,277,733,284	140,277,733,284	-	140,277,733,284
<b>b) Investments in joint-ventures, associates</b>	<b>120,436,266,352</b>	<b>(14,022,169,216)</b>	<b>106,414,097,136</b>	<b>315,661,236,065</b>	-	<b>315,661,236,065</b>
Lilama E&C., JSC	2,000,000,000	(899,864,026)	1,100,135,974	2,000,000,000	-	2,000,000,000
Lilama Land Corp	59,070,614,352	-	59,070,614,352	59,070,614,352	-	59,070,614,352
LiLama Electrics, Mechanics & Environmental., JSC	-	-	-	2,807,183,991	-	2,807,183,991
Erection Electromechanics Testing., JSC	4,830,475,000	-	4,830,475,000	4,830,475,000	-	4,830,475,000
Lilama 45.4., JSC	11,975,249,000	(5,158,568,800)	6,816,680,200	11,975,249,000	-	11,975,249,000
Lilama 45.3., JSC	8,859,800,000	(2,286,400,000)	6,573,400,000	-	-	-
Lilama 3., JSC	8,459,880,000	(5,639,920,000)	2,819,960,000	-	-	-
Hua Na Hydropower., JSC	-	-	-	89,887,465,722	-	89,887,465,722
Song Thao Cement., JSC	-	-	-	119,850,000,000	-	119,850,000,000
CIMAS Engineering Co., Ltd	25,240,248,000	(37,416,390)	25,202,831,610	25,240,248,000	-	25,240,248,000

2.2.1 Long- term (Continued)	31/12/2015			01/01/2015		
	Cost	Provision	Fair value	Cost	Provision	Fair value
c) Investments in other entities	333,740,335,730	(127,044,496,590)	206,695,839,140	116,823,176,017	-	116,823,176,017
Petrovietnam Marine Shipyard., JSC	24,000,000,000	(5,423,629,051)	18,576,370,949	24,000,000,000	-	24,000,000,000
Thang Long cement., JSC	30,000,000,000	(13,786,597,053)	16,213,402,947	30,000,000,000	-	30,000,000,000
Phu My Trung Viet., JSC	2,232,562,517	-	2,232,562,517	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	60,590,613,500	-	60,590,613,500
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	-	-	-

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 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		
- 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 - MD1	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	23,970,778,098	23,970,778,098
- Other customers	274,533,895,796	161,025,714,722
<b>Total</b>	<b>1,318,959,802,670</b>	<b>1,263,224,396,161</b>

3. Trade receivables (Continued)	31/12/2015	01/01/2015
<i>b) Receivables from related parties</i>		
- Lilama 18., JSC	955,053,099	1,934,821,380
- Lilama Erection Mechanical., JSC	616,834,400	206,331,720
- Erection Electromechanics Testing., JSC	-	16,500,000
- Lilama 10., JSC	588,672,400	2,527,542,243
- Lilama 3., JSC	39,927,700	-
- Lilama 45.1., JSC	5,252,728,100	-
- Lilama 45.3., JSC	384,725,000	16,500,000
- Lilama 45.4., JSC	386,439,400	-
- Lilama 5., JSC	57,522,100	-
- Lilama 69.1., JSC	4,329,892,200	781,835,614
- Lilama 69.2., JSC	16,500,000	-
- Lilama 69.3., JSC	238,492,500	-
- Lilama 7., JSC	341,302,000	-
- Lisemco., JSC	2,035,607,325	2,040,142,007
- Song Vang Hydropower., JSC	18,084,679,580	18,084,679,580
- LHT International Engineering., JSC	14,306,336	15,243,360
- Lilama Urban Development and Construction Invesment., JSC	49,500,000	33,000,000
<b>Total</b>	<b>33,392,182,140</b>	<b>25,656,595,904</b>
4. Advances to suppliers	31/12/2015	01/01/2015
<i>a) Short- term advances to suppliers</i>		
- Project Management Board of Vung Ang thermal power plant (XLDK)	48,518,631,056	85,140,419,378
- LILAMA 10., JSC	47,373,409,355	123,575,375,828
- Ha Noi LILAMA., JSC	35,656,840,350	38,006,790,940
- LISEMCO., JSC	121,039,615,503	58,557,248,063
- DOOSAN HEAVY INDUSTRIES&CONSTRUCTION COLTD (SH1)	2,911,496,193,123	-
- Bach Dang Construction Corporation	451,686,953,265	428,720,342,774
- Ha Noi Construction Corporation	65,648,461,097	-
- National Research Institute of Mechanical Engineering	136,988,615,623	-
- Others	121,219,119,178	92,196,821,380
<b>Total</b>	<b>3,939,627,838,550</b>	<b>826,196,998,363</b>
<i>b) Advances to related parties</i>		
- Erection Electromechanics Testing., JSC	6,252,416,639	-
- Lilama 10., JSC	47,373,409,355	123,575,375,828
- Lilama 45.1., JSC	23,056,273,989	21,093,376,625
- Lilama 45.4., JSC	6,816,321,587	1,249,957,459
- Lisemco., JSC	121,039,615,503	58,557,248,063
<b>Total</b>	<b>204,538,037,073</b>	<b>204,475,957,975</b>
5. Intercompany receivables	31/12/2015	01/01/2015
<i>a) Short- term intercompany receivables</i>		
- Lilama Technical and Technology College 1	-	4,803,312,767
- Bac Vinh development and investment company	41,739,727	8,018,392
- Ha Noi Lilama., JSC - Loan principal	41,180,329,215	41,180,329,215
- Lilama 3., JSC	24,318,607,975	20,577,338,384
- Lilama 45.1., JSC	7,664,512,462	18,268,665,371
- Ha Noi Lilama., JSC - Loan interest	34,880,376,692	40,043,308,636
- Lisemco., JSC	49,528,313,566	47,192,028,691
- Lilama Urban Development and Construction Invesment., JSC	11,801,181,968	8,753,442,082
- Lilama SHB investment construction., JSC	7,894,183,175	7,062,449,297
<b>Total</b>	<b>177,309,244,780</b>	<b>187,888,892,835</b>

6. Loan receivables	31/12/2015	01/01/2015
<i>a) Short-term loan receivables</i>		
- Lilama 3., JSC	59,391,000,000	59,391,000,000
- Lilama 45.1., JSC	139,363,079,959	152,863,079,959
- Lilama 45.3., JSC	27,264,420,595	29,600,000,000
- Lilama Urban Development and Construction Investment., JSC	31,978,617,218	31,978,617,218
- Lisemco., JSC	227,646,699,893	227,646,699,893
- Lilama SHB investment construction., JSC	13,973,308,000	13,973,308,000
<b>Total</b>	<b>499,617,125,665</b>	<b>515,452,705,070</b>

7. Other receivables	31/12/2015		01/01/2015	
	Value	Provision	Value	Provision
<i>a) Short- term</i>	177,382,330,931	-	149,897,330,755	-
- <i>Equitization receivables</i>	1,350,324,370	-	133,942,000	-
- <i>Advances to employees</i>	14,478,467,536	-	8,194,693,041	-
- <i>Collaterals and deposits</i>	11,568,170,481	-	11,593,033,039	-
- <i>Other receivables</i>	149,985,368,544	-	129,975,662,675	-
<i>b) Long- term</i>	414,000,000	-	414,000,000	-
- <i>Collaterals and deposits</i>	414,000,000	-	414,000,000	-
<b>Total</b>	<b>177,796,330,931</b>	<b>-</b>	<b>150,311,330,755</b>	<b>-</b>

8. Inventory	31/12/2015		01/01/2015	
	Cost	Provision	Cost	Provision
Materials	4,582,236,296	-	4,602,647,800	-
Tools and equipments	42,924,330	-	5,674,330	-
Work in progress	398,634,277,742	-	758,411,949,420	-
<b>Total</b>	<b>403,259,438,368</b>	<b>-</b>	<b>763,020,271,550</b>	<b>-</b>

9. Increase and decrease in tangible fixed assets

Items	Building and structure	Machine and equipments	Motor vehicles	Management tools	Other tangible fixed assets	Total
<b>Cost</b>						
Beginning balance	121,180,835,940	5,528,294,413	297,372,554,441	9,535,523,993	37,710,430,913	471,327,639,700
Increase	25,751,569,209	275,000,000	-	648,086,359	500,500,000	27,175,155,568
- Newly purchased	-	275,000,000	-	648,086,359	500,500,000	1,423,586,359
- Transfer from construction in progress	25,751,569,209	-	-	-	-	25,751,569,209
Decrease	-	-	5,259,245,597	-	-	5,259,245,597
- Liquidation	-	-	5,259,245,597	-	-	5,259,245,597
Ending balance	146,932,405,149	5,803,294,413	292,113,308,844	10,183,610,352	38,210,930,913	493,243,549,671
<b>Accumulated Depreciation</b>						
Beginning balance	37,453,927,531	1,957,732,500	188,351,958,866	5,966,879,613	23,856,188,247	257,586,686,757
Increase	14,568,617,771	567,351,906	5,181,604,242	590,594,772	2,238,711,146	23,146,879,837
- Depreciation	14,568,617,771	567,351,906	5,181,604,242	590,594,772	2,238,711,146	23,146,879,837
Decrease	-	-	3,832,881,231	-	-	3,832,881,231
- Liquidation	-	-	3,832,881,231	-	-	3,832,881,231
Ending balance	52,022,545,302	2,525,084,406	189,700,681,877	6,557,474,385	26,094,899,393	276,900,685,363
<b>Net carrying amount</b>						
Beginning balance	83,726,908,409	3,570,561,913	109,020,595,575	3,568,644,380	13,854,242,666	213,740,952,943
Ending balance	94,909,859,847	3,278,210,007	102,412,626,967	3,626,135,967	12,116,031,520	216,342,864,308

Net carrying amount of fixed assets are used as mortgage, pledge, guarantee for loan at December 31st, 2015: 45,357,691,493 VND  
 - Cost of fixed assets are fully depreciated but still in use at December 31st, 2015: 249,687,863,937 VND

10. Increase and decrease in finance lease fixed asset

Items	Motor vehicles	Total
<b>Cost</b>		
Beginning balance	4,454,347,273	4,454,347,273
Increase	9,266,340,000	9,266,340,000
- Finance lease	9,266,340,000	9,266,340,000
Decrease	-	-
Ending balance	13,720,687,273	13,720,687,273
<b>Accumulated Depreciation</b>		
Beginning balance	64,545,497	64,545,497
Increase	918,458,985	918,458,985
- Depreciation	918,458,985	918,458,985
Decrease	-	-
Ending balance	983,004,482	983,004,482
<b>Net carrying amount</b>		
Beginning balance	4,389,801,776	4,389,801,776
Ending balance	12,737,682,791	12,737,682,791

11. Increase and decrease in intangible fixed asset

Items	Land using right	Computer software	Total
<b>Cost</b>			
Beginning balance	77,806,887,147	595,670,000	78,402,557,147
Increase	423,712,065	-	423,712,065
- <i>Newly purchased</i>	423,712,065	-	423,712,065
Decrease	-	-	-
Ending balance	78,230,599,212	595,670,000	78,826,269,212
<b>Accumulated Amortisation</b>			
Beginning balance	-	476,536,000	476,536,000
Increase	-	-	-
Decrease	-	-	-
Ending balance	-	476,536,000	476,536,000
<b>Net carrying amount</b>			
Beginning balance	77,806,887,147	119,134,000	77,926,021,147
Ending balance	78,230,599,212	119,134,000	78,349,733,212

12. Long- term assets in progress

	Cost	31/12/2015		01/01/2015	
		Recoverable value	Cost	Recoverable value	Cost
a) Construction in progress	43,896,482,841	43,896,482,841	69,455,506,633	69,455,506,633	69,455,506,633
+ Construction	43,896,482,841	43,896,482,841	69,455,506,633	69,455,506,633	69,455,506,633
- <i>Manufacture of Plant project No.02</i>	1,270,404,405	1,270,404,405	1,270,404,405	1,270,404,405	1,270,404,405
- <i>Bac Vinh industrial zone project</i>	3,158,165,952	3,158,165,952	28,717,189,744	28,717,189,744	28,717,189,744
- <i>Office block of Corporation project at belt road No.3</i>	4,025,382,349	4,025,382,349	4,025,382,349	4,025,382,349	4,025,382,349
- <i>Block land No.2 - Phuong Long B - District no.9- HCM</i>	35,442,530,135	35,442,530,135	35,442,530,135	35,442,530,135	35,442,530,135
<b>Total</b>	<b>43,896,482,841</b>	<b>43,896,482,841</b>	<b>69,455,506,633</b>	<b>69,455,506,633</b>	<b>69,455,506,633</b>

13. Prepaid expenses

	31/12/2015	01/01/2015
a) Short- term	4,788,762,779	1,993,713,231
- <i>Others</i>	4,788,762,779	1,993,713,231
b) Long- term	83,745,837,214	105,618,981,373
- <i>Bond issue costs</i>	1,100,000,000	2,200,000,000
- <i>Tools, supplies cost</i>	2,399,830,050	2,856,948,510
- <i>Long-term prepaid expenses for Bac Vinh development &amp; investment company</i>	-	37,775,758
- <i>Cost of renting cranes</i>	1,088,450,000	-
- <i>Fixed asset overhaul, server rental expense</i>	-	225,289,040
- <i>Cost of financial consultant services</i>	-	216,666,668
- <i>Trademark value</i>	5,258,589,791	5,258,589,791
- <i>Long- term prepaid expenses for Project Management Department Vinh Tan 4</i>	5,944,785,311	-
- <i>Long- term prepaid expenses for Project Management Department Song Hau 1</i>	1,778,930,726	-
- <i>Long- term prepaid expenses for Project Management Department Mong Duong 1</i>	-	3,868,617,073
- <i>Long- term prepaid expenses for Project Management Department Nghi Son Oil Refinery</i>	59,879,627,522	82,363,642,848
- <i>Long- term prepaid expenses for Project Management Department Thai Binh 2 Electricity</i>	6,295,623,814	8,591,451,685
<b>Total</b>	<b>88,534,599,993</b>	<b>107,612,694,604</b>

## 14. Trade payables

	Value	31/12/2015		01/01/2015	
		Affordable payment amount	Value	Affordable payment amount	Value
a) Short-term trade payables	2,159,708,699,050	2,159,708,699,050	2,109,315,445,409	2,109,315,445,409	2,109,315,445,409
- 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
- Lilama 5., JSC	49,176,974,900	49,176,974,900	59,892,475,184	59,892,475,184	59,892,475,184
- Lilama 69.1., JSC	159,746,791,106	159,746,791,106	25,788,256,312	25,788,256,312	25,788,256,312
- 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 corp	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	590,793,927,298	590,793,927,298	693,317,986,244	693,317,986,244	693,317,986,244
<b>Total</b>	<b>2,159,708,699,050</b>	<b>2,159,708,699,050</b>	<b>2,109,315,445,409</b>	<b>2,109,315,445,409</b>	<b>2,109,315,445,409</b>
b) Payables to related parties					
- Lilama E&C., JSC	-	-	515,739,000	515,739,000	515,739,000
- Lilama 18., JSC	37,434,780,730	37,434,780,730	21,943,459,654	21,943,459,654	21,943,459,654
- Lilama Erection Mechanical., JSC	25,406,139,963	25,406,139,963	27,700,251,972	27,700,251,972	27,700,251,972
- Erection Electromechanics Testing., JSC	-	-	12,221,438,617	12,221,438,617	12,221,438,617
- Lilama 3., JSC	3,766,055,822	3,766,055,822	15,027,730,973	15,027,730,973	15,027,730,973
- Lilama 45.3., JSC	5,693,357,503	5,693,357,503	6,279,864,496	6,279,864,496	6,279,864,496
- Lilama 5., JSC	49,176,974,900	49,176,974,900	59,892,475,184	59,892,475,184	59,892,475,184
- Lilama 69.1., JSC	159,746,791,106	159,746,791,106	25,788,256,312	25,788,256,312	25,788,256,312
- Lilama 69.2., JSC	18,187,882,456	18,187,882,456	8,930,679,617	8,930,679,617	8,930,679,617
- Lilama 69.3., JSC	28,364,442,578	28,364,442,578	37,388,830,847	37,388,830,847	37,388,830,847
- Lilama 7., JSC	34,398,529,909	34,398,529,909	21,717,575,401	21,717,575,401	21,717,575,401
- LHT International Engineering., JSC	5,535,790,931	5,535,790,931	23,056,898,206	23,056,898,206	23,056,898,206
- Lilama Urban Development and Construction Investment., JSC	1,477,467,300	1,477,467,300	1,477,467,300	1,477,467,300	1,477,467,300
- CIMAS Engineering Co., Ltd	2,556,132,166	2,556,132,166	2,457,070,516	2,457,070,516	2,457,070,516
<b>Total</b>	<b>371,744,345,364</b>	<b>371,744,345,364</b>	<b>264,397,738,095</b>	<b>264,397,738,095</b>	<b>264,397,738,095</b>

## 15. Deferred revenues

	31/12/2015	01/01/2015
a) Short-term deferred revenues		
- 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 -PV	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 (SH1)	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	148,987,232,958	66,946,084,559
<b>Total</b>	<b>5,062,238,230,086</b>	<b>723,972,642,244</b>

16. Taxes and amount payables to State Budget

	01/01/2015	Amount payable	Amount actually paid	31/12/2015
<b>a) Payables</b>				
Value added tax output	-	107,566,283,386	107,566,283,386	-
VAT of import goods	-	6,688,143,937	6,688,143,937	-
Import, export duties	-	1,024,411,045	1,024,411,045	-
Personal income tax	979,019,434	3,174,470,680	2,145,335,514	2,008,154,600
Land housing tax, land rental charges	-	1,727,834,815	1,727,834,815	-
Environment tax and other taxes	1,685,065,270	28,449,877,605	28,449,877,605	1,685,065,270
<b>Total</b>	<b>2,664,084,704</b>	<b>148,631,021,468</b>	<b>147,601,886,302</b>	<b>3,693,219,870</b>
<b>b) Payables</b>				
Overpaid VAT	-	-	37,409,902	37,409,902
Import, export duties	6,080,941,680	4,337,048,868	-	1,743,892,812
Corporate income tax	11,574,774,254	151,780,638	-	11,422,993,616
<b>Total</b>	<b>17,655,715,934</b>	<b>4,488,829,506</b>	<b>37,409,902</b>	<b>13,204,296,330</b>

The Company did not perform tax settlement for year 2015. The tax amount presented in the Financial Statements will be adjusted when receiving the final decision of the tax authorities

17. Accrued expenses

	31/12/2015	01/01/2015
<b>a) Short-term</b>		
- Subcontractor accrued expenses	350,952,449,984	434,834,372,384
+ Son La hydroelectric power plant project management unit	15,788,050,040	82,760,019,481
+ Project Management Department of electricity construction of the North (Than Uyen station)	16,152,925,735	-
+ Uong Bi Expanded Thermal Power Plant	26,797,808,788	26,797,808,788
+ Nui Phao extraction, mining working Co., Ltd	-	7,158,034,206
+ Project Management Department 239/05- construction manufacturing BCA	7,980,626,062	-
+ Tien Son Granite Brick Plant	849,381,371	849,381,371
+ Hua na hydropower plant	40,542,323,535	11,984,863,579
+ Mo Cay construction power station 220KV	7,081,741,045	-
+ Gia Nghi Joint Stock Company	1,500,000,000	1,500,000,000
+ Song Thao Cement Joint Stock company	63,999,017,246	334,619,559
+ Thai Nguyen cement project	-	2,046,511,656
+ Mong Duong 1 thermal power construction	-	50,322,225,915
+ Mong Duong 2 thermal power construction	-	5,952,297,374
+ Doosan Heavy Industries Vietnam, Co. LTD. - VT4	34,107,954,016	-
+ Vung Ang thermal power plant project	40,699,837,690	202,722,303,327
+ Formosa Ha Tinh project - Sandvik Asia Private Limited	23,217,034,819	36,397,269,708
+ Nghi Son Refinery Project	13,410,015,881	-
+ Hai Duong 2 220KV electric power substation project	-	3,441,462,095
+ Thai Binh 2 thermal project	43,333,476,677	2,159,702,452
+ Other subcontractors	15,492,257,079	407,872,873
- Accrued loans interest expenses	1,512,056,504	1,991,485,484
- Accrued bonds interest expenses	53,411,000,000	53,411,000,000
- Other accrued expenses	16,801,257,471	33,007,421,736
<b>Total</b>	<b>422,676,763,959</b>	<b>523,244,279,604</b>

18. Other payables		31/12/2015		01/01/2015			
<i>a) Short-term</i>		<u>66,113,699,924</u>		<u>39,337,617,290</u>			
Trade union fee		1,476,569,461		1,295,283,869			
Social insurance, Health insurance, Unemployment insurance		1,150,169,078		482,910,448			
Equitization payables		15,102,934,093		-			
Others		48,384,027,292		37,559,422,973			
<i>b) Long-term</i>		<u>899,536,839</u>		<u>1,146,816,839</u>			
Received deposits and collateral		899,536,839		1,146,816,839			
<b>Total</b>		<u><b>67,013,236,763</b></u>		<u><b>40,484,434,129</b></u>			
19. Loans and obligations under finance leases		31/12/2015		In the year		01/01/2015	
	Value	Affordable payment amount	Increase	Decrease	Value	Affordable payment amount	
<b>a) Short-term</b>	<b>1,124,664,550,717</b>	<b>1,124,664,550,717</b>	<b>2,369,714,248,902</b>	<b>2,326,509,502,281</b>	<b>1,081,459,804,096</b>	<b>1,081,459,804,096</b>	
<b>+ Short-term loans</b>							
- Military	37,285,000,000	37,285,000,000	173,882,672,983	179,918,161,791	43,320,488,808	43,320,488,808	
Commercial Joint Stock Bank - Dien Bien Phu Branch							
- Lien Viet Post Joint Stock Commercial Bank - Dong Do Branch	-	-	57,977,532,480	82,789,532,480	24,812,000,000	24,812,000,000	
- BaoViet Commercial Joint Stock Bank - Center Transaction Branch	67,035,894,140	67,035,894,140	216,440,367,997	255,008,675,150	105,604,201,293	105,604,201,293	
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Chuong Duong Branch	5,319,603,170	5,319,603,170	128,894,603,170	148,678,075,096	25,103,075,096	25,103,075,096	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Head office	-	-	4,320,000	9,238,320,000	9,234,000,000	9,234,000,000	
- Saigon Hanoi Commercial Joint Stock Bank - Head office	74,715,817,977	74,715,817,977	84,715,817,977	10,000,000,000	-	-	
- TienPhong Commercial Joint Stock Bank - Thang Long Branch	182,668,999,497	182,668,999,497	359,363,390,378	282,285,097,205	105,590,706,324	105,590,706,324	
- Vietnam Export Import Bank - Cau Giay Branch	-	-	65,686,836,112	79,300,006,476	13,613,170,364	13,613,170,364	

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19. Loans and obligations under finance leases (Continued)	31/12/2015		In the year		01/01/2015	
	Value	Affordable payment amount	Increase	Decrease	Value	Affordable payment amount
<b>a) Short- term (Continued)</b>						
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong Branch	58,794,793,524	58,794,793,524	58,794,793,524	-	-	-
- Joint Stock Commercial Bank for Investment and Development of Vietnam - No. 1 Center Transaction Branch	693,098,134,650	693,098,134,650	1,217,528,941,673	1,266,835,419,146	742,404,612,123	742,404,612,123
<b>+ Current portion of long- term loans</b>						
- Military Commercial Joint Stock Bank - Dien Bien Phu Branch	2,206,303,759	2,206,303,759	2,471,190,424	8,789,050,937	8,524,164,272	8,524,164,272
- Joint Stock Commercial Bank for Investment and Development of Vietnam - No. 1 Center Transaction Branch	1,440,000,000	1,440,000,000	1,440,000,000	2,640,000,000	2,640,000,000	2,640,000,000
<b>+ Obligations under finance leases at maturity</b>						
- BIDV Financial Leasing Company., Ltd - Ha Noi Branch	312,004,000	312,004,000	338,476,728	312,004,000	285,531,272	285,531,272
- Vietcombank Leasing Co., Ltd.	1,788,000,000	1,788,000,000	2,175,305,456	715,160,000	327,854,544	327,854,544
<b>b) Long- term</b>	<b>1,007,372,852,000</b>	<b>1,007,372,852,000</b>	<b>9,196,507,836</b>	<b>7,848,496,675</b>	<b>1,006,024,840,839</b>	<b>1,006,024,840,839</b>
<b>+ Long- term loans</b>						
- Military Commercial Joint Stock Bank - Dien Bien Phu Branch	-	-	101,016,927	2,232,314,491	2,131,297,564	2,131,297,564
- Joint Stock Commercial Bank for Investment and Development of Vietnam - No. 1 Center Transaction Branch	-	-	-	1,440,000,000	1,440,000,000	1,440,000,000
<b>+ Long- term obligations under finance leases</b>						
- BIDV Financial Leasing Company., Ltd - Ha Noi Branch	936,012,000	936,012,000	132,363,636	338,476,728	1,142,125,092	1,142,125,092
- Vietcombank Leasing Co., Ltd.	6,436,840,000	6,436,840,000	8,963,127,273	3,837,705,456	1,311,418,183	1,311,418,183
<b>+ Releasing bond - common bond</b>						
- Par value	1,000,000,000,000	1,000,000,000,000	-	-	1,000,000,000,000	1,000,000,000,000

20. Owners' equity

a) Movements in owner's equity

Items	Owners' contributed capital	Difference due to asset revaluation	Retained earnings	Fund to support of arrangement of enterprises	Total
<b>Beginning balance in 2014</b>	<b>580,847,328,493</b>	-	<b>(40,314,553,476)</b>	<b>4,180,297,380</b>	<b>544,713,072,397</b>
Addition to owners' equity	159,014,417,321	40,462,291,652	43,300,599,562	-	242,777,308,535
- Profit for the year	-	-	31,497,068,600	-	31,497,068,600
- Increase from equitization	159,014,417,321	40,462,291,652	11,803,530,962	-	211,280,239,935
Subtraction to owners' equity	-	-	-	4,180,297,380	4,180,297,380
- Decrease from equitization	-	-	-	4,180,297,380	4,180,297,380
<b>Ending balance in 2014</b>	<b>739,861,745,814</b>	<b>40,462,291,652</b>	<b>2,986,046,086</b>	-	<b>783,310,083,552</b>
Addition to owners' equity in 2015	-	-	45,907,115,635	-	45,907,115,635
- Profit for year 2015	-	-	45,907,115,635	-	45,907,115,635
Subtraction to owners' equity in 2015	6,592,685,792	-	-	-	6,592,685,792
- Other decreases <sup>(1)</sup>	6,592,685,792	-	-	-	6,592,685,792
<b>Ending balance in 2015</b>	<b>733,269,060,022</b>	<b>40,462,291,652</b>	<b>48,893,161,721</b>	-	<b>822,624,513,395</b>

<sup>(1)</sup> Transferring receivables of the parent company - Vietnam Machinery Installation Corporation into the State capital to Lilama Technical and Technology College 1 and Lilama Technical and Technology College 2

21. Off- balance sheet items

	31/12/2015	01/01/2015
a) Materials and goods kept or processed for others		
- Fixed assets kept for others	-	365,465,772
+ Cost	-	28,189,444,834
+ Accumulated Depreciation	-	(27,823,979,062)
b) Doubtful debts already treated	5,201,082,656	352,850,018,282
c) Foreign currency		
- USD	46,405,387.92	15,049,137.40
- EUR	81,648.11	77,978.38

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 27/10/2015.

VI. ADDITIONAL INFORMATION TO ITEMS PRESENTED IN INCOME STATEMENT

	Year 2015	Year 2014
1. <b>Total revenue from sales of goods and rendering services</b>		
Revenue from construction and installation activities	4,822,728,605,375	3,570,629,811,500
Revenue from sales of goods	19,238,999,194	1,775,203,703
Other revenue from rendering services	115,734,032,809	79,162,616,191
<b>Total</b>	<b>4,957,701,637,378</b>	<b>3,651,496,131,394</b>
2. <b>Cost of goods sold</b>		
Cost of construction and installation activities	4,528,782,932,752	3,499,845,987,274
Cost of goods sold	18,102,861,617	1,777,712,658
Other cost of rendering services	81,713,945,029	55,871,878,652
<b>Total</b>	<b>4,628,599,739,398</b>	<b>3,557,495,578,584</b>
3. <b>Financial income</b>		
Deposit and loan interest	91,920,505,928	83,362,217,619
Gain from selling investments	37,182,474,000	8,508,553,948
Profit and dividend received	29,234,618,600	40,305,926,150
Foreign exchange gain	12,018,227,998	3,932,912,460
<b>Total</b>	<b>170,355,826,526</b>	<b>136,109,610,177</b>

	Year 2015	Year 2014
<b>4. Financial expense</b>		
Interest expense	186,298,826,895	194,285,602,400
Loss from selling investments	442,854,546	94,132,590,296
Foreign exchange loss	21,174,604,595	12,470,980,409
Provision for impairment of investments and trading securities	201,406,612,331	(145,896,384,272)
Other financial expenses	1,292,113,532	9,128,635,128
<b>Total</b>	<b>410,615,011,899</b>	<b>164,121,423,961</b>
<b>5. Other incomes</b>		
Income from disposal of assets	-	55,437,928,364
Others	993,515,092	8,801,452,933
<b>Total</b>	<b>993,515,092</b>	<b>64,239,381,297</b>
<b>6. Other expenses</b>		
Expenses of disposal of assets	78,873,057	43,120,302,797
Others	66,878,308	11,154,209,226
<b>Total</b>	<b>145,751,365</b>	<b>54,274,512,023</b>
<b>7. Current corporate income tax expense</b>		
- Current corporate income tax expenses are calculated from current taxable income	151,780,638	2,101,522,951
- <b>Total current corporate income tax expense</b>	<b>151,780,638</b>	<b>2,101,522,951</b>

**VII. ADDITIONAL INFORMATION TO ITEMS PRESENTED IN CASH FLOW STATEMENT**

	Current year
Non- cash transactions influencing future cash flow statement	
- Purchasing property by financial lease	6,488,000,000
- Dividend received in shares recognising as an increase in investment value	7,656,910,000
- Reduce owners' contributed capital due to lower receivables	6,592,685,792

**VIII. OTHER INFORMATIONS**

**1. Events after the balance sheet date**

There are no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Financial Statements.

**2. 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 28/09/2011. 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 PPA by VAPCO
- (b) 180 days after signing BOT contract by VAPCO and other shareholders of VAPCO and PPA by VAPCO

**3. Events in the current year affected Financial Statements**

On 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%.

On 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.

On 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.



**4. Events after the balance sheet date**

On January 19th, 2016, Ministry of Construction signed Decision No. 61/QĐ-BXD on adjusting the size and structure of the charter capital in equitisation plan of Holding company - Vietnam Machinery Installation Corporation. According to the Decision, the charter capital of Holding company is 797,261,040,000 VND, the State capital accounts for 97.88% of total charter capital, preference shares sold to employees and shares sold at public auction are account for 2.12% of total 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 capabilities 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 Financial Statements.

**5. Comparative figures**

As stated in section 01, Note No.III, from January 1st, 2015, the Company applied Circular No. 200/2014/TT-BTC issued by Ministry of Finance dated December 22nd, 2014 ("Circular 200"), guidelines for accounting policies for enterprises. Therefore, some figures of Balance Sheet dated December 31st, 2015, Income Statement và 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 Financial Statements.

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

Items	Code	Amount stated in 2014	Amount to be reclassified	Code	Reclassified amount
<b>Balance Sheet</b>					
Short-term financial investments	120	515,901,418,390	(515,452,705,070)	120	448,713,320
Short-term investments	121	515,901,418,390	(515,901,418,390)		-
Held- to- maturity investments		-	448,713,320	123	448,713,320
Short-term trade receivables	130	2,407,419,892,034	535,240,431,150	130	2,942,660,323,184
Short-term loan receivables		-	515,452,705,070	135	515,452,705,070
Other short- term receivables	138	130,109,604,675	19,787,726,080	136	149,897,330,755
Other current assets	150	46,827,777,127	(19,787,726,080)	150	27,040,051,047
Other current assets	158	19,787,726,080	(19,787,726,080)	155	-
Long-term receivables	210	-	414,000,000	210	414,000,000
Other long- term receivables	218	-	414,000,000	216	414,000,000
Fixed assets	220	365,512,282,499	(69,455,506,633)	220	296,056,775,866
Long- term assets in progress		-	69,455,506,633	240	69,455,506,633
Construction in progress	230	69,455,506,633	-	242	69,455,506,633
Other non- current assets	260	106,032,981,373	(414,000,000)	260	105,618,981,373
Other non- current assets	268	414,000,000	(414,000,000)	268	-
Current liabilities	310	4,499,618,693,024	21,059,138,612	310	4,520,677,831,636
Short- term unearned revenue		-	21,059,138,612	318	21,059,138,612
Non-current liabilities	330	1,028,230,796,290	(21,059,138,612)	330	1,007,171,657,678
Unearned revenue	338	21,059,138,612	(21,059,138,612)		-

Prepared by



TO PHI SON

Chief Accountant



BUI DUC KIEN

Ha Noi, March 20th, 2016

General Director



LE VAN TUAN