

**CONSTRUCTION INVESTMENT 3-2
BOARD OF MANAGEMENT**

**SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom - Happiness**

No:41/CV-HĐQT

Binh Duong, 1st October 2015

(Explanation about different financial
figures under result of The State Audit
Office of Vietnam)

**Dear: - State Securiries Commission of Viet Nam;
- Ho Chi Minh Stock Exchange.**

Name of Company: Construction Investment 3-2

Code of security: C32

Head Office's address: No. 45A Nguyen Van Tiet, Lai Thieu Ward, Thuan An Town, Binh Duong Province.

Telephone: 0650.3759446 **Fax :** 0650.3755605

Pursuant to the Circular No. 52/2012/TT-BTC dated 05 April 2012 on Guiding the disclosure of information on securities market;

Pursuant to the audit report dated 25 September 2015 for financial statements and other operations related to management of the State's capital, assets by Construction Investment 3-2 in the year 2014.

Construction Investment 3-2 explains changes on financial statements for the year 2014 under report of the State Audit as follows:

1. Statement of financial position as at 31 December 2014

Unit: dong

Item	Code	Company value	Audit value	Difference	
A	B	1	2	3=2-1	
ASSETS					
A	CURRENT ASSETS	100	281.713.374.106	282.272.936.946	559.562.840
I	Cash and cash equivalents	110	9.861.328.609	9.861.328.609	
1	Cash	111	9.861.328.609	9.861.328.609	
II	Short-term financial investments	120	60.000.000.000	60.000.000.000	
1	Short-term investments	121	60.000.000.000	60.000.000.000	
III	Short-term accounts receivable	130	135.856.816.989	137.348.523.838	1.491.706.849

1	Trade receivables	131	135.373.715.273	135.373.715.273	
2	Advances to suppliers	132	950.177.571	950.177.571	
5	Other receivables	138	1.110.230.166	2.601.937.015	1.491.706.849
6	Provisions for short-term bad debts (*)	139	(1.577.306.021)	(1.577.306.021)	
IV	Inventories	140	60.942.719.565	60.010.575.556	(932.144.009)
1	Inventories	141	61.207.435.045	60.264.243.062	(943.191.983)
2	Provision for obsolescence of inventories (*)	149	(264.715.480)	(253.667.506)	11.047.974
V	Other current assets	150	15.052.508.943	15.052.508.943	
4	Other current assets	158	15.052.508.943	15.052.508.943	
B	<u>NON- CURRENT ASSETS</u>	<u>200</u>	<u>91.653.067.975</u>	<u>91.653.067.975</u>	
I	Long-term receivables	210			
II	Fixed assets	220	86.740.383.543	86.740.383.543	
1	Tangible fixed assets	221	38.227.231.208	38.227.231.208	
-	Cost	222	98.202.770.015	98.202.770.015	
-	Accumulated depreciation (*)	223	(59.975.538.807)	(59.975.538.807)	
3	Intangible fixed assets	227	47.759.699.410	47.759.699.410	
-	Cost	228	78.805.887.427	78.805.887.427	
-	Accumulated amortization (*)	229	(31.046.188.017)	(31.046.188.017)	
4	Construction in progress	230	753.452.925	753.452.925	
III	Investment properties	240			
IV	Long-term investments	250	200.887.800	200.887.800	
3	Other long-term investments	258	200.887.800	200.887.800	
V	Other long-term assets	260	4.711.796.632	4.711.796.632	
1	Long-term prepaid expenses	261	4.711.796.632	4.711.796.632	
	Total assets	270	373.366.442.081	373.926.004.921	559.562.840
	RESOURCES	Mã số	Company value	Audit value	Difference
A	<u>LIABILITIES</u>	<u>300</u>	<u>113.116.213.859</u>	<u>117.619.758.840</u>	<u>4.503.544.981</u>
I	Current liabilities	310	113.116.213.859	116.682.957.480	3.566.743.621
1	Short-term loans and debts	311	16.372.825.193	16.372.825.193	
2	Trade payables	312	28.677.728.872	28.677.728.872	
3	Advances from customers	313	8.505.807.030	8.505.807.030	
4	Tax payables and statutory obligations	314	27.312.875.935	34.579.606.217	7.266.730.282



5	Payables to employees	315	10.028.204.569	10.028.204.569	
6	Accrued expenses	316	10.097.513.923	7.339.991.028	(2.757.522.895)
9	Other payables	319	5.632.156.033	5.346.512.583	(285.643.450)
10	Provision for short-term payables	320	929.021.462	272.201.146	(656.820.316)
11	Bonus and welfare fund	323	5.560.080.842	5.560.080.842	
II	Long-term liabilities	330		936.801.360	936.801.360
5	Deferred tax payables	335		936.801.360	936.801.360
B	Owner's Equity	400	260.250.228.222	256.306.246.081	(3.943.982.141)
I	Equity	410	260.250.228.222	256.306.246.081	(3.943.982.141)
1	Contributed legal capital	411	112.000.000.000	112.000.000.000	
7	Investment and development fund	417	43.917.892.930	43.917.892.930	
8	Financial reserve fund	418	11.871.891.448	11.871.891.448	
10	Undistributed earnings	420	92.460.443.844	88.516.461.703	(3.943.982.141)
	Total Resources	440	373.366.442.081	373.926.004.921	559.562.840

** Reason of differences:*

1. Other receivables increased due to recording additional accrued interest from term-deposits;	1.491.706.849 đ
2. Inventories decreased due to readjustment of cost of construction and stone;	943.191.983 đ
3. Provision for obsolescence of inventories increased due to reversal provision for production steel;	11.047.974 đ
4. Tax payables and statutory obligations increased due to recalculation natural resource tax, environmental protection fee and charge for granting the mineral mining right:	7.266.730.282 đ
<i>Details : - Value Added Tax increased</i>	7.685.088 đ
<i>- Corporate income tax increased</i>	376.691.670 đ
<i>- Natural resource tax increased due to recalculation landslide volume under Decision No. 68/QĐ-UBND dated 09 January 2012 by Binh Duong People of Committee on approval plan of landslide solution at Tan Dong Hiep stone mine;</i>	3.893.188.157 đ
<i>- Environment protection fee increased due to recalculation landslide volume under Decision No. 68/QĐ-UBND dated 09 January 2012 by Binh Duong People of Committee on approval plan of landslide solution at Tan Dong Hiep stone mine;</i>	860.071.367 đ
<i>- Charge for granting the mineral mining right increased due to recalculation the remaining reserves of old mining certificate;</i>	2.129.094.000 đ

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5. Deferred tax payables increased because the temporary charge for granting the mineral mining right has not been recorded to taxable expenses.	936.801.360 đ
6. Accrued expenses decreased due to adjustment of accrued expenses of construction which was inappropriate with revenues	2.757.522.895 đ
7. Other payables decreased due to reversal of payables which were not identified payee.	285.643.450 đ
8. Provision for short-term payables decreased due to reversal expenses for construction warranty which was temporarily appropriated.	656.820.316 đ
9. Undistributed earnings decreased due to redetermining results of operating activities.	3.943.982.141 đ

2. Statement of comprehensive income for the year 2014

Unit: dong

Items	Code	Company value	Audit value	Difference
a	b	1	2	3=2-1
1. Revenue from sale of goods and rendering of services	01	453.767.633.639	453.767.633.639	
2. Deductible items	03	106.816.243	106.816.243	
3. Net revenue from sale of goods and rendering of services (10= 01-03)	10	453.660.817.396	453.660.817.396	
4. Cost of goods sold	11	343.567.250.600	347.967.404.922	4.400.154.322
5. Gross profit from sale of goods and rendering of services (20=10-11)	20	110.093.566.796	105.693.412.474	(4.400.154.322)
6. Revenue from financial activities	21	4.472.109.610	5.963.816.459	1.491.706.849
7. Financial expenses	22	590.072.664	590.072.664	
<i>In which: Interest expenses</i>	23	590.072.664	590.072.664	
8. Selling expenses	24	8.816.530.427	8.816.530.427	
9. General administrative expenses	25	13.040.967.935	13.040.967.935	
10. Net profit from operating activities [30=20+(21-22)-(24+25)]	30	92.118.105.380	89.209.657.907	(2.908.447.473)
11. Other income	31	1.094.663.179	1.380.306.629	285.643.450
12. Other expense	32	667.349.345	675.034.433	7.685.088
13. Other profit (40=31-32)	40	427.313.834	705.272.196	277.958.362



14. Total profit before tax (50=30+40)	50	92.545.419.214	89.914.930.103	(2.630.489.111)
15. Current corporate income tax expenses	51	20.741.343.530	21.118.035.200	376.691.670
16. Deferred corporate income tax expenses	52		936.801.360	936.801.360
17. Profit after tax (60=50-51-52)	60	71.804.075.684	67.860.093.543	(3.943.982.141)
18. Basic earnings per share (*)	70	6.411	6.059	(352)

*** Reason of differences:**

1. Cost of goods sold increased due to:	4.400.154.322 đ
+ Decrease adjustment of cost of construction according to quantity confirmed by the owner, which based on main material and average price;	1.903.513.290 đ
+ Decrease adjustment of Provision for obsolescence of inventories;	11.047.974 đ
+ Increase adjustment cost of stone due to recalculation natural resource tax, environmental protection fee and charge for granting the mineral mining right.	6.314.715.586 đ
3. Revenue from financial activities increased due to recording additional accrued interest from term-deposits.	1.491.706.849 đ
5. Other income increased due to reversal of payables which were not identified payee.	285.643.450 đ
6. Other expenses increased due to non-deductible Value Added Tax under tax finalization.	7.685.088 đ
9. Deferred corporate income tax expenses increased due to because the temporary charge for granting the mineral mining right has not been recorded to taxable expenses.	936.801.360 đ

All of changes on the Financial Statements for the year 2014 under report of the State Audit are presented as above.

Best Regard !

Recipient:

- As above;
- Saved.

**ON BEHALF OF BOARD OF MANAGEMENT
CHAIRMAN**



Võ Văn Lĩnh