



INTERIM FINANCIAL STATEMENTS
CONSTRUCTION INVESTMENT CORPORATION 3-2
For the period from 01/01/2016 to 30/06/2016
(reviewed)

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Construction Investment Corporation 3-2 (the Corporation) presents its report and the Corporation's Interim Financial Statements for the period from 01 January 2016 to 30 June 2016.

THE CORPORATION

Construction Investment Corporation 3-2 is a joint stock company which was incorporated by equitizing the former State-owned Construction Investment Corporation 3-2 in line with the Decision No. 1214/QĐ-UBND dated 21 April 2008 issued by Binh Duong People's Committee.

The Corporation has been operating under the Business Registration Certificate No. 3700146225 dated 24 December 2008 issued by Planning and Investment Department of Binh Duong Province. The 8th amendment dated 31 May 2016.

The Corporation's head office is located at 45A Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An Town, Binh Duong Province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of The Board of Management during the period and to the reporting date are:

Mr. Vo Van Lanh	Chairman
Mr. Nguyen The Phi	Member
Mr. Nguyen The Su	Member
Mr. Huynh Huu Hung	Member
Mr. Phan Thanh Duc	Member

The members of The Board of General Directors in the period and to the reporting date are:

Mr. Vo Van Lanh	General Director
Mr. Tran Van Binh	Deputy General Director

The members of the Board of Supervision are:

Mr. Nguyen Mai Khanh Trinh	Head of Supervisory Board	(Appointed on 24 May 2016)
Mr. Van Hoang Tung	Head of Supervisory Board	(Resigned on 24 May 2016)
Mr. Nguyen Luong Tam	Member	(Resigned on 21 April 2016)
Mr. Ly Thanh Chau	Member	

AUDITORS

The auditors of AASC Auditing Firm Corporation Limited take the reviewed of Interim Financial Statements for the Corporation.

CONSTRUCTION INVESTMENT CORPORATION 3-2

45A Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An Town, Binh Duong Province

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Interim Financial Statements of each financial year which give a true and fair view of the state of affairs of the Corporation and of results of its operation and its cash flows for the period. On preparing those Interim Financial Statements, The Board of General Directors is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Those charged with governance to ensure the preparation and presentation of Interim financial statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Interim Financial Statements;
- Prepare the Interim Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Interim Financial Statements on going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

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

We, The Board of General Directors, confirm that the Interim Financial Statements for the for the period from 01 January 2016 to 30 June 2016 prepared by us, give a true and fair view of the financial position at 30 June 2016, results of its operation and its cash flows in the for the period from 01 January 2016 to 30 June 2016 of Corporation accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

Other commitments

The Board of Directors pledges that the Corporation does not offend obligation of information disclosure under regulation of Circular No. 155/2015/IT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Duong, 10 August 2016

On behalf of The Board of General Directors

General Director



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No.: 3/16 /2016/BC.SXTC-AASC.HCM

AUDITOR'S REPORT ON RESULTS OF FINANCIAL STATEMENTS REVIEW

To: **Shareholders, The Board of Management and The Board of General Directors
Construction Investment Corporation 3-2**

We have reviewed the Interim Financial Statements of Construction Investment Corporation 3-2 prepared on 10 August 2016, as set out on pages 05 to 37 including: Interim statement of financial position as at 30 June 2016, Interim statement of comprehensive income, Interim statement of cash flows and Notes to interim financial statements for the period from 01 January 2016 to 30 June 2016.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of interim financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim financial statements and for such internal control as management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Conclusion

Based on our review, we do not see the events for us that the Interim Financial Statements attach this does not reflect a true and fair view in all material respects of Construction Investment 3-2 as at 30 June 2016, and of the results of its operations and its cash flows for the period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the current requirements relevant to preparation and presentation of Interim financial statements.

HCM City, 12 August 2016
Branch of AASC Auditing Firm Company Limited



Ngo Minh Quy

Registered Auditor No : 2434-2013-002-1

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

Code	ASSETS	Note	30/06/2016 VND	01/01/2016 VND
100	A. CURRENT ASSETS		338,665,510,243	346,329,349,085
110	I. Cash and cash equivalents	03	9,608,776,220	21,859,220,439
111	1. Cash		1,608,776,220	6,845,887,106
112	2. Cash equivalents		8,000,000,000	15,013,333,333
120	II. Short-term investments	04	125,604,665,649	89,112,146,719
121	1. Trading securities		24,881,462,524	2,902,583,363
123	2. Held - to - maturity investments		100,723,203,125	86,209,563,356
130	III. Short-term accounts receivable		141,363,127,762	178,935,899,779
131	1. Short-term trade receivables	05	111,323,884,025	156,642,476,188
132	2. Short-term prepayments to suppliers	06	8,322,592,446	3,587,109,861
136	3. Other short-term receivables	07	22,965,041,512	19,944,841,314
137	4. Short-term provision for doubtful debts		(1,248,390,221)	(1,238,527,584)
140	IV. Inventories	09	62,088,940,612	56,422,082,148
141	1. Inventories		62,426,876,332	56,603,352,153
149	2. Provision against devaluation of inventories		(337,935,720)	(181,270,005)
200	B. NON- CURRENT ASSETS		155,657,683,961	99,166,269,583
220	II. Fixed assets		88,298,143,238	89,350,661,644
221	1. Tangible fixed assets	11	42,064,236,734	42,518,664,910
222	- Historical costs		113,089,795,864	109,600,844,056
223	- Accumulated depreciation		(71,025,559,130)	(67,082,179,146)
227	2. Intangible fixed assets	12	46,233,906,504	46,831,996,734
228	- Historical costs		79,099,887,427	79,099,887,427
229	- Accumulated depreciation		(32,865,980,923)	(32,267,890,693)
240	III. Investment properties	13	3,999,813,100	-
231	- Historical costs		4,000,553,943	-
232	- Accumulated depreciation		(740,843)	-
240	IV. Long-term assets in progress		46,042,569,302	3,568,327,741
242	1. Construction in progress	10	46,042,569,302	3,568,327,741
250	IV. Long-term investments	04	200,887,800	200,887,800
253	1. Investments in equity of other entities		200,887,800	200,887,800
260	V. Other long-term assets		17,116,270,521	6,046,392,398
261	1. Long-term prepaid expenses	14	14,942,451,975	3,872,573,852
262	2. Deferred income tax assets		2,173,818,546	2,173,818,546
270	TOTAL ASSETS		494,323,194,204	445,495,618,668

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

(continue)

Code	CAPITAL	Note	30/06/2016	01/01/2016
			VND	VND
300	A. LIABILITIES		144,643,263,336	119,808,544,697
310	I. Current liabilities		137,441,263,336	119,808,544,697
311	1. Short-term trade payables	15	16,873,903,502	27,469,393,428
312	2. Short-term prepayments from customers	16	6,529,787,545	5,312,753,991
313	3. Taxes and other payables to State budget	18	24,812,204,384	33,429,264,795
314	4. Payables to employees		4,168,361,500	10,721,930,632
315	5. Short-term accrued expenses	19	13,745,339,575	16,460,369,845
319	6. Other short-term payments	20	8,058,767,491	7,886,900,657
320	7. Short-term loans and finance lease liabilities	17	49,283,956,699	12,154,496,722
321	8. Short-term provisions for payables	21	255,861,695	-
322	9. Bonus and welfare fund		13,713,080,945	6,373,434,627
330	II. Long-term liabilities		7,202,000,000	-
338	1. Long-term loans and finance lease liabilities	17	7,202,000,000	-
400	B. OWNER'S EQUITY		349,679,930,868	325,687,073,971
410	I. Owner's equity	22	349,679,930,868	325,687,073,971
411	1. Contributed capital		112,000,000,000	112,000,000,000
411a	Ordinary shares with voting rights		112,000,000,000	112,000,000,000
418	2. Development investment funds		102,524,405,374	75,176,884,813
421	3. Undistributed profit after tax		135,155,525,494	138,510,189,158
421a	Undistributed post-tax profits accumulated by the end of the previous period		85,865,417,278	37,223,075,970
421b	Undistributed profit after tax for the current period		49,290,108,216	101,287,113,188
440	TOTAL CAPITAL		494,323,194,204	445,495,618,668

Prepared by



Do Viet Cuong

Chief Accountant



Nguyen Xuan Hieu

Binh Duong, 10 August 2016

General Director



Do Van Lanh

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period from 01/01/2016 to 30/06/2016

Code	Items	Note	First 6 months of 2016 VND	First 6 months of 2015 VND
01	1. Revenues from sales and services rendered	24	237,245,624,734	235,812,746,063
02	2. Revenue deductions	25	3,427,442,747	-
10	3. Net revenues from sales and services rendered		233,818,181,987	235,812,746,063
11	4. Cost of goods sold	26	164,612,943,314	172,634,860,709
20	5. Gross revenues from sales and services		69,205,238,673	63,177,885,354
21	6. Financial income	27	5,009,294,512	2,705,165,170
22	7. Financial expenses	28	898,889,236	44,878,955
23	<i>In which: Interest expenses</i>		883,128,596	44,878,955
24	8. Selling expenses	29	7,004,536,734	4,150,339,313
25	9. General administration expenses	30	7,576,352,637	5,872,616,776
30	10. Net profit from operating activities		58,734,754,578	55,815,215,480
31	11. Other income	31	3,736,672,475	307,069,366
32	12. Other expense	32	446,969,821	635,058,501
40	13. Other profit		3,289,702,654	(327,989,135)
50	14. Total profit before tax		62,024,457,232	55,487,226,345
51	15. Current corporate income tax expenses	33	12,734,349,016	14,910,580,881
60	17. Profit after corporate income tax		49,290,108,216	40,576,645,464
70	18. Basic earnings per share	34	4,401	3,623

Prepared by



Do Viet Cuong

Chief Accountant



Nguyen Xuan Hieu

Binh Duong, 10 August 2016

General Director



Nguyen Van Lanh

INTERIM STATEMENT OF CASH FLOWS

For the period from 01/01/2016 to 30/06/2016

(Under direct method)


Code	ITEM	Note	First 6 months of 2016 VND	First 6 months of 2015 VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Proceeds from sales and services rendered; other revenues		303,763,696,987	280,400,740,423
02	2. Cash paid to suppliers		(193,435,028,126)	(169,206,193,210)
03	3. Cash paid to employees		(28,735,514,695)	(27,650,420,516)
04	4. Interest paid		(883,128,596)	(44,878,955)
05	5. Corporate income tax paid		(17,389,496,465)	(13,648,944,465)
06	6. Other receivables from operating activities		7,053,597,219	268,205,318
07	7. Other payables on operating activities		(53,248,284,186)	(31,464,936,856)
20	<i>Net cash flows from operating activities</i>		<i>17,125,842,138</i>	<i>38,653,571,739</i>
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase (and) or construction of fixed assets and other long-term assets		(50,127,824,336)	(3,439,303,286)
23	2. Loans and purchase of debt instruments from other entities		(17,290,206,380)	(47,140,625,000)
24	3. Collection of loans and resale of debt instrument of other entities		2,776,566,611	36,500,000,000
27	4. Interest and dividend received		3,575,147,771	2,705,165,170
30	<i>Net cash flows from investing activities</i>		<i>(61,066,316,334)</i>	<i>(11,374,763,116)</i>
III. CASH FLOWS FROM FINANCING ACTIVITIES				
33	1. Proceeds from borrowings		129,092,382,836	23,037,010,461
34	2. Repayment of principal		(83,962,922,859)	(26,108,338,837)
36	3. Dividends or profits paid to owners		(13,439,430,000)	(13,439,430,000)
40	<i>Net cash flows from financing activities</i>		<i>31,690,029,977</i>	<i>(16,510,758,376)</i>
50	Net cash flows within the period		(12,250,444,219)	10,768,050,247
60	Cash and cash equivalents at the beginning of period		21,859,220,439	9,861,328,609
70	Cash and cash equivalents at the end of period	03	9,608,776,220	20,629,378,856

Binh Duong, 10 August 2016

Prepared by


Do Viet Cuong

Chief Accountant


Nguyen Xuan Hieu

General Director



Vo Van Lanh

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the period from 01/01/2016 to 30/06/2016

1 . BACKGROUND

Forms of Ownership

Construction Investment Corporation 3-2 is a joint stock company which was incorporated by equitizing the former State-owned Construction Investment Corporation 3-2 in line with the Decision No. 1214/QĐ-UBND dated 21 April 2008 issued by Binh Duong People's Committee.

The Corporation has been operating under the Business Registration Certificate No. 3700146225 dated 24 December 2008 issued by Planning and Investment Department of Binh Duong Province. The 8th amendment dated 31 May 2016.

The Corporation's head office is located at 45A Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An Town, Binh Duong Province.

The Corporation's charter capital is VND 112,000,000,000; equivalent to 11,200,000 shares. Face value of VND 10,000 per share.

Business field

Construction and manufacture of construction materials.

Business activities

Main business activity of the Corporation are:

- Leasing construction machines and equipment;
- Building houses of all types;
- Doing business in real estate, renting land, office, factory;
- Consultancy, brokerage, real estate auction, land use right auction (except real estate brokerage, security brokerage, brokerage in marriage, recognition of fathers, mothers, children, child adoption involving foreign elements);
- Completing construction works;
- Manufacture of concrete and products from cement and gypsum;
- Transporting cargo by road;
- Construction of irrigation works;
- Installing security, alarm devices, fire preventing and fighting system, lightning arrester for construction works;
- Warehouse activities;
- Construction of irrigation works;
- Mining stone, sand, pebbles and clay;
- Processing stone;
- Acting as agent for trading and depositing goods, providing intermediary services, auctioning assets;
- Providing construction consultancy services (except for designing construction works);
- Other monetary intermediation: capital contribution, buying shares.

Structure of enterprises

The Corporation's member entities are as follows:

Name	Address	Business field
Branch of Construction Investment Corporation 3-2 - Construction Stone Factory	No. 635/1A Highway 1K, Tan An Quarter, Tan Dong Hiep Ward, Di An Town, Binh Duong Province	Exploitation, processing
Branch of Construction Investment Corporation 3-2 - Mechanic and Concrete Workshop	No. 5/138 Binh Duong Avenue, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An Town, Binh Duong Province	Manufacture and business in Centrifugal culvert
Branch of Construction Investment Corporation 3-2 - Construction and Installation Workshop	No. 9C Nguyen Van Tiet Street, Dong Tu Quarter, Lai Thieu Ward, Thuan An Town, Binh Duong Province	Construction

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 . Accounting period and accounting monetary unit

Annual accounting period commences from 1st January and ends on 31st December.
The Corporation maintains its accounting records in VND.

2.2 . Accounting Standards and Accounting system

Applicable Accounting Policies

The Corporation applies Enterprise Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amending and adding some article of Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Corporation applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared and presented in accordance with regulations of each standard and supplement documents as well as with current Accounting Standards and Accounting System

2.3 . Basis for preparation of interim financial statements

Interim Financial statements are presented based on historical cost principle.

Interim Financial statements of the Corporation are prepared based on summarization of transactions incurred, then recorded into accounting books of dependent accounting entities and at the offices of the Corporation.

2.4 . Financial Instruments

Initial recognition

Financial assets

Financial assets of the Corporation including cash and cash equivalents, trade receivables and other receivables, lending, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

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Financial liabilities

Financial liabilities of the Corporation including loans, trade payables and other payables, accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

Value after initial recognition

There are currently no regulations on revaluation of financial instruments after initial recognition.

2.5 . Cash and cash equivalents

Cash including cash on hand, cash in banks non-term.

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

2.6 . Financial investments

Trading securities are initially recognized in the ledger according to original prices includes: buying prices plus buying costs (if any) as brokerage, transactions, information provision, taxes, bank's fees and charges. After initial recognition, trading securities are determined at original price less provision for diminution in value of trading securities. Upon disposal or sale of trading securities, the prime cost of trading securities is determined by one of the methods of first in first out or weighted average.

Investments held to maturity comprise term deposits (including treasury bills, promissory notes), bonds, preference shares which the issuer is required to re-buy them in a certain time in the future and held to maturity loans to earn profits periodically and other held to maturity investments.

Allowances for devaluation of investments are made at the end of the period as follows:

- With regard to investments in trading securities: the provisions shall be made according to the excess of original cost of the investments are accounted in the accounting book value over their market value on provision date.
- With regard to investments held to maturity: the provisions for doubtful debts shall be made according to the recovery under regulatory requirements.

2.7 . Receivables

The receivables shall be kept records in details according to period receivables, entities receivables, types of currency receivable and other factors according to requirements for management of the Group.

The allowances for doubtful debts is created when: An overdue debt under an economic contract, a loan agreement, a contractual commitment or a promissory note and debts are not due but difficult recovery. Accordingly, the provisions for overdue debts shall be made according to time in which the principal is repaid according to the sale contract, exclusive of the debt rescheduling between contracting parties and the debts are not due but the debtor is close to bankruptcy or undergone procedures for dissolution, or the debtor is missing or makes a getaway.

2.8 . Inventories

Inventories are initially recognized at original cost included: the purchase price, costs of conversion and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the time the financial statements are prepared if the net realizable value is lower than cost, inventories should be measured at the net realizable value.

The cost of inventory is calculated using weighted average method

Inventory is recorded by perpetual method.

Method for valuation of work in process:

- For construction: Works in progress is obtained for each construction project unfinished or related unrecognised revenue, corresponding to the workload unfinished at the end of the period.
- For mechanical production and concrete culvert: Work in progress is obtained based on actual cost incurred for each kind of main material cost for each unfinished products.

Allowances for devaluation of inventories made at the end of the period are the excess of original cost of inventory over their net realizable value.

2.9 . Fixed assets

Fixed assets tangible and intangible are stated at the historical cost. During the using time, fixed assets tangible and intangible are recorded at cost, accumulated depreciation and net book value. Depreciation is provided on a straight-line basis method.

Depreciation is provided on a straight-line basis. Depreciation period is estimated as follows:

- Buildings	06 - 25 years
- Machine, equipment	06 - 12 years
- Transportation equipment	05 - 10 years
- Office equipment and furniture	03 - 08 years
- Land use rights	Over time the land use
- Software	03 - 08 years

2.10 . Investment property

Investment property is recognised at historical cost.

For investment property operating lease are recorded at cost, accumulated depreciation and net book value.

In which, depreciation is provided on a straight-line basis with expected useful life as follows:

- Buildings	15 years
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2.11 . Prepaid expenses

The expenses incurred but related to results of business operations of several accounting periods are recorded as prepaid expenses and are amortised to the income statement in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

2.12 . Payables

The payables shall be kept records in details according to period payables, entities payables, types of currency payable and other factors according to requirements for management of the Corporation.

2.13 . Loans

Loans shall be kept records in details according to entities loans, loan agreement and loans term.

2.14. Borrowing costs

Borrowing costs are recognized into operating costs in the period, except for which directly attributable to the construction or production of unfinished asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in VAS No. 16 "Borrowing costs". Beside, regarding loans serving the construction of fixed assets, investment properties, and the interests shall be capitalized even if the construction duration is under 12 months.

2.15. Accrued expenses

Payables to goods or services received from the seller or provided for the seller during a reporting period, but payments of such goods or services have not been made and other payables such as interest expenses which are recorded to operating expenses of the reporting period.

The recording of accrued expenses to operating expenses during a period shall be carried out in conformity with revenues and expenses incurring during a period. Accrued expenses payable are settled with actual expenses incurred. The difference between accrucement and actual expenses are reverted.

2.16. Provision for payables

Provision for payables only record when meet all following conditions:

- Enterprises have current debt obligation (legal obligation or jointly liable obligation) due to result from a fact happened;
- Decrease in economic benefits may happen leading to the requirement for payment of debt obligation;
- Giving a confident estimation on value of such debt obligation

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

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

Provisions for payables are recorded in business and production costs of the accounting period. In case provision set for the previous period but not used up exceeds the one set for the current period, the difference is recorded as decrease in production and operation expenditures. The bigger difference of the payables provision on insuring the construction is recorded into other revenue in the fiscal period.

2.17. Owner's equity

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

Undistributed profit after tax is used to record business results (profit, loss) after corporate income tax and situation of income distribution or loss handling of Corporation. Undistributed profit after tax can be distributed to investors based on capital contribution rate after approval by General Meeting of Shareholders and after making appropriation to funds in accordance with the Corporation's Charter and Vietnamese regulatory requirements.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after declaration from the Board of Management and announcement closing date receipt dividends of Securities Depository Center of Vietnam.

2.18. Revenue

Sales

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

- The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

Services rendered

Services rendered shall be recognised when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of the completion of the transaction may be determined by surveys of work completed methods.

Revenue from sales of real estate

Revenue from sales of real estate shall be recognised when all the following conditions have been satisfied:

- The real estate has completed and transferred to the buyers, the Corporation have transferred risks and benefits associated with ownership of the real estate to the buyers;
- The Corporation no longer hold the right to manage the real estate as real estate's owners or the right to control the real estate ;
- The turnover is determined reliably;
- The Corporation have received or will receive economic benefits from the sales of the real estate;
- Costs related to sales of the real estate may be determined.

In case of real estate sales in the form of customer self-improvement or Corporation finishes interior of the real estate in accordance with requirements of customers, the revenue is recorded when completed and transferred of raw building to customers.

For real estate divided into plots for sale, Corporation is recorded revenues for the plot sold if satisfy the following conditions:

- Risks and benefits associated with the land use rights are transferred to the buyer;
- The turnover is determined reliably;
- Costs related to sale of plots may be determined;
- Corporation has received or will receive economic benefits from sales of the plots.

Revenue from construction contract

In case the construction contract defines that the contractor shall be entitled to payment basing on the progress, when achieved results of construction contract are estimated reliably, then turnover from the construction contract is recorded proportionally to part of works finished, determined by the Corporation on the date of financial statement without depending on the bills under the progress made or not and the amount on the bills.

Financial income

Revenue arising from the used by the others of entity assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The amount of the revenue can be measured reliably.

Dividends shall be recognised when the shareholder's right to receive payment is established.

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2.19 . Revenue deductions

Revenue deductions from sales and service provisions arising in the period include: sales allowances.

Sale allowances incurred in the same period of consumption of products, goods and services are adjusted a decrease in revenue in the incurring period. In case products, goods and services are sold from the previous periods, until the next period are incurred deductible items, Corporation records a decrease in revenue under the principles: If incurred prior to the issuance of Financial Statements then record a decrease in revenue on the Financial Statements of the reporting period (the previous period); and if incurred after the release of Financial Statements then record a decrease in revenue of incurring period (the next period).

2.20 . Cost of goods sold

Cost of goods sold is recognized in accordance with revenue arising and ensure compliance with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned,... are recognized fully and promptly into cost of goods sold in the period.

Advancing cost to calculate the price cost of real estate must comply with the following principles:

- Only advance from the cost price of goods sold for costs which have been in estimates of investment, construction, but have not had enough dossiers and documents for volume acceptance;
- Only advance cost to calculate the cost price of goods sold for real estate that is completed in period and meet all revenue recording criteria;
- The accrued expenses and actual expenses incurred recorded in cost price of goods sold corresponding to the norm of cost price calculated on total cost estimate of the real estate determined to be sold (determined by area).

2.21 . Financial expenses

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activity;
- Expenses of capital borrowing;
- Losses from short-term security transfer, expenses of security selling transaction;
- Provision for business security decrease, provision for losses from investment in other units.

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

2.22 . Corporate income tax

a) Deferred income tax assets

Deferred income tax assets is determined based on total deductible temporary difference and deductible value transferred to subsequent period of unused taxable losses or preferred taxes.

Deferred income tax assets and Deferred income tax payable are determined based on corporate income tax rate (or corporate income tax rate estimates to change in the future if the deferred income tax asset or deferred income tax payable are reverted when the new tax rates have been taken effect), based on tax rates and tax laws in effect at the balance sheet date.

b) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during period, and current corporate income tax rate.

2.23 . Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Corporation's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Corporation or being under the control of the Corporation, or being under common control with the Corporation, including the Corporation's parent, subsidiaries and affiliated companies;
- Individuals, directly or indirectly, holding voting power of the Corporation that have a significant influence on the Corporation, key management personnel including directors and employees of the Corporation, the close family members of these individuals;
- Enterprises due to the above-mentioned individuals directly or indirectly hold an important part of the voting rights or have significant influence on the Corporation.

In considering the relationship of related parties to serve for the preparation and presentation of financial statements, the Corporation should consider the nature of the relationship rather than the legal form of the relationship.

3 . CASH AND CASH EQUIVALENTS

	30/06/2016	01/01/2016
	VND	VND
Cash on hand	151,580,043	207,700,849
Cash at bank	1,457,196,177	6,638,186,257
Cash equivalents	8,000,000,000	15,013,333,333
	<u>9,608,776,220</u>	<u>21,859,220,439</u>

At 30 June 2016, the cash equivalents are term deposits of 03 months deposited in VietinBank - Binh Duong Branch with interest of 5.2% / year.

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For the period from 01/01/2016 to 30/06/2016

4 . FINANCIAL INVESTMENTS

a) Held to maturity investments

	30/06/2016		01/01/2016	
	Original Cost VND	Book value VND	Original Cost VND	Book value VND
Short-term investments				
- Term deposits	100,723,203,125	100,723,203,125	86,209,563,356	86,209,563,356
	<u>100,723,203,125</u>	<u>100,723,203,125</u>	<u>86,209,563,356</u>	<u>86,209,563,356</u>

At 30 Jun 2016, term deposits from 3 months to 12 months valued at VND 100.723 billion are deposited in commercial banks with interest from 6% / year to 6.5% / year.

At 30 Jun 2016, the cash equivalents valued at VND 87.223 billion was used as collateral for the overdrafts from BIDV - Nam Binh Duong Branch (Details at Note No. 17)

b) Trading securities

	30/06/2016			01/01/2016		
	Original Cost VND	Fair value VND	Provision VND	Original Cost VND	Fair value VND	Provision VND
- Stock investments	24,881,462,524	40,686,547,000	-	2,902,583,363	3,059,100,000	-
<i>DHA</i>	<i>24,881,462,524</i>	<i>40,686,547,000</i>	<i>-</i>	<i>2,902,583,363</i>	<i>3,059,100,000</i>	<i>-</i>
	<u>24,881,462,524</u>	<u>40,686,547,000</u>	<u>-</u>	<u>2,902,583,363</u>	<u>3,059,100,000</u>	<u>-</u>

The Corporation purchased quantity of 1,357,610 shares of Hoa An Joint Stock Company (security code: DHA). The fair value of shares has determined according to closing price as at 30 June 2016 of Ho Chi Minh Stock Exchange.

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c) **Equity investments in other entities**

	30/06/2016		01/01/2016	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Investments in other entities	200,887,800	-	200,887,800	-
- Binh Duong Consultant Construction JSC	200,887,800	-	200,887,800	-
	<u>200,887,800</u>	<u>-</u>	<u>200,887,800</u>	<u>-</u>

The Corporation has not determined the fair value of financial investments because Viet Nam Accounting Standards, Viet Nam Enterprise Accounting System has not guided in detail on the determination of the fair value.

5 . SHORT-TERM TRADE RECEIVABLES

	30/06/2016	01/01/2016
	VND	VND
Receivables from equalization		
- Project Management Board of Thu Dau Mot Town	22,700,927,000	43,575,454,000
- Project Management Board of Binh Duong Province	16,325,797,000	17,666,064,000
- Project Management Board of Dau Tieng District	5,104,926,000	5,386,694,000
- Project Management Board of Phu Giao District	21,400,814,000	27,900,814,000
- Others	45,791,420,025	62,113,450,188
	111,323,884,025	156,642,476,188

6 . SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30/06/2016		01/01/2016	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Tay A Car JSC	1,715,000,000	-	-	-
- Quang Uy Construction Engineering Co., Ltd	1,074,182,849	-	-	-
- Others	5,533,409,597	-	3,587,109,861	-
	8,322,592,446	-	3,587,109,861	-

7 . OTHER SHORT-TERM RECEIVABLES

	30/06/2016		01/01/2016	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Advances	15,052,633,107	-	13,230,424,107	-
- Mortgages	5,688,657,842	-	3,986,558,698	-
- Receivable from social insurance	3,502,622	-	12,613,117	-
- Accrued interest	2,119,877,283	-	2,617,747,548	-
- Others	100,370,658	-	97,497,844	-
	22,965,041,512	-	19,944,841,314	-

8 . BAD DEBTS

	30/06/2016		01/01/2016	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Total value of receivables, overdue debts or not due but irrecoverable debts				
+ <i>Tien Phat Steel Construction One Member Company Limited</i>	670,504,913	469,353,439	-	-
+ <i>Quang Phuoc Co.Ltd</i>	264,782,117	-	264,782,117	-
+ <i>Hoang Minh Tam Trading Construction Co., Ltd</i>	211,738,124	-	211,738,124	63,521,437
+ <i>Dinh Nghiep Trading Construction JSC</i>	419,829,757	209,914,878	519,829,757	363,880,830
+ <i>Hoang Ngan Construction JSC</i>	-	-	138,088,984	84,662,289
+ <i>Others</i>	451,277,161	90,473,534	750,422,130	134,268,972
	2,018,132,072	769,741,851	1,884,861,112	646,333,528

Information about fines, deferred interest receivables, etc. arising from overdue debts which are not recorded to revenues

In the balance of bad debts as at 30 Jun 2016, the value of trade receivables worth VND 489.257 million has filed the petition to initiate a lawsuit, the value of trade receivables has initiated a lawsuit and already received the Decisions of Courts worth VND 565.949 million , in which the deferred interest has not been recorded worth VND 77.010 million and the value of compensation of assets worth VND 217.543 million.

9 . INVENTORIES

	30/06/2016		01/01/2016	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw material	8,854,182,380	(26,079,539)	6,757,858,073	(55,719,277)
Tools, supplies	-	-	157,436,810	-
Work in process	24,662,740,780	-	18,676,560,357	-
Finished goods	27,855,366,159	(311,856,181)	30,030,303,580	(125,550,728)
Merchandise	285,049,828	-	23,237,865	-
Goods on consignment	769,537,185	-	957,955,468	-
	62,426,876,332	(337,935,720)	56,603,352,153	(181,270,005)

10 . CONSTRUCTION IN PROGRESS

	30/06/2016	01/01/2016
	VND	VND
- Thanh Phuoc Concrete factory ⁽¹⁾	606,970,159	-
- Cost of transfer land use rights ⁽²⁾	45,030,567,166	-
- An Phu Nursery School ⁽³⁾	-	3,188,295,846
- Others	405,031,977	380,031,895
	46,042,569,302	3,568,327,741

(1) The project of "Factory for production of precast concrete culvert and adobe bricks" located at Thanh Phuoc Ward, Tan Uyen Commune, Binh duong Province, which was approved by the Corporation's Board of Management under Resolution No. 04/NQ-HDQT dated 15 March 2016. According to Decesion No. 804/QD-UBND dated 11 April 2016, Binh Duong People's Committee has approved the investment plan of the Corporation. Detailed information of the project as follows:

- + Investment goal: production adobe brick, concrete culverts, terrazzo brick, interlocking concrete brick and concrete brick;
- + Total capital: VND 168.39 billion;
- + Operation period of the project: 50 years;
- + Estimated time for production: first quarter of the year 2017.

(2) Cost of transfer land use right to perform project Thanh Phuoc Concrete Factory, the transferred land with area of 45,427.6 m2 at Thanh Phuoc Ward, Tan Uyen Commune, Binh Duong Province. This land use right was granted for the Corporation according to the Certificate No. CD 621056 dated 15 July 2016.

(3) The Corporation invested in project An Phu Nursery School for social purpose, according to Decision No. 82/QD-CTY dated 13 October 2012 of General Director. Total value of initial investment of project worth VND 6.207 billion, the project located at An Phu Ward, Thuan An Town, Binh Duong Province. The project has finished and using for lease in the period.

II . TANGIBLE FIXED ASSETS

	Buildings	Machine, equipment	Transportation equipment	Management equipment	Total
	VND	VND	VND	VND	VND
Original cost					
Beginning balance	22,820,621,154	56,432,690,994	29,251,919,645	1,095,612,263	109,600,844,056
- Purchase in the period	-	1,022,033,196	2,630,995,636	-	3,653,028,832
- Liquidating, disposing	(164,077,024)	-	-	-	(164,077,024)
Ending balance	22,656,544,130	57,454,724,190	31,882,915,281	1,095,612,263	113,089,795,864
Accumulated depreciation					
Beginning balance	10,263,784,190	42,222,101,335	13,532,909,421	1,063,384,200	67,082,179,146
- Depreciation for the period	689,068,167	1,674,238,877	1,715,546,456	28,603,508	4,107,457,008
- Liquidating, disposing	(164,077,024)	-	-	-	(164,077,024)
Ending balance	10,788,775,333	43,896,340,212	15,248,455,877	1,091,987,708	71,025,559,130
Net carrying amount					
Beginning balance	12,556,836,964	14,210,589,659	15,719,010,224	32,228,063	42,518,664,910
Ending balance	11,867,768,797	13,558,383,978	16,634,459,404	3,624,555	42,064,236,734

In which

- Cost of fully depreciated tangible fixed assets at the end of the period but still in use: VND 66,707,377,651

12 . INTANGIBLE FIXED ASSETS

	Land use right	Computer software	Total
	VND	VND	VND
Original cost			
Beginning balance	78,581,967,427	517,920,000	79,099,887,427
Ending balance	<u>78,581,967,427</u>	<u>517,920,000</u>	<u>79,099,887,427</u>
Accumulated depreciation			
Beginning balance	31,978,365,135	289,525,558	32,267,890,693
- Depreciation for the period	549,090,228	49,000,002	598,090,230
Ending balance	<u>32,527,455,363</u>	<u>338,525,560</u>	<u>32,865,980,923</u>
Net carrying amount			
Beginning balance	46,603,602,292	228,394,442	46,831,996,734
Ending balance	<u>46,054,512,064</u>	<u>179,394,440</u>	<u>46,233,906,504</u>

- Ending net book value of tangible fixed assets at the end of the period pledged as loan securities: VND 17,244,762,220.

13 . INVESTMENT PROPERTIES

Investment properties is An Phu Nursery School, which increased in the period from finished construction investment and being used for lease, the historical cost is VND 4,000,553,943, depreciation in the period is VND 740,843.

14 . LONG-TERM PREPAID EXPENSES

	30/06/2016	01/01/2016
	VND	VND
- Tools and consumables awaiting for allocation	4,042,142,562	3,305,702,793
- Charge for granting the mineral mining right ^(*)	10,262,243,160	-
- Repairing garage and warehouse of installation and construction factory	543,554,455	377,847,453
- Strategy advisor charge	94,511,798	189,023,606
	<u>14,942,451,975</u>	<u>3,872,573,852</u>

(*) The charge for granting the mineral mining right under Decision No. 136/QĐ-UBND dated 18 January 2016 by Binh Duong People's Committee on approval the granting charge of stone mine at Tan Dong Hiep Ward, Di An Commune to Construction Investment Corporation 3-2. Accordingly, total charge for granting the mineral mining right of mine stone at Tan Dong Hiep, calculated for exploitation level down to cote -120m, is VND 13,682,990,880. This charge will be allocated for two year based on granted term of exploitation.

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15 . SHORT-TERM TRADE PAYABLES

	30/06/2016		01/01/2016	
	Value	Amount can be paid	Value	Amount can be paid
	VND	VND	VND	VND
- Building Materials Corporation No.1 Co., Ltd	178,959,000	178,959,000	758,202,119	758,202,119
- Phuc Tai Co-operative	2,272,762,292	2,272,762,292	2,382,082,923	2,382,082,923
- B.M.T Construction Investment JSC	4,410,900	4,410,900	4,051,397,688	4,051,397,688
- Others	14,417,771,310	14,417,771,310	20,277,710,698	20,277,710,698
	16,873,903,502	16,873,903,502	27,469,393,428	27,469,393,428

16 . SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	30/06/2016		01/01/2016	
	Value	Amount can be paid	Value	Amount can be paid
	VND	VND	VND	VND
- Project manager of Di An town	1,531,046,000	-	-	-
- OtherS	4,998,741,545	-	5,312,753,991	-
	6,529,787,545	-	5,312,753,991	-

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CONSTRUCTION INVESTMENT CORPORATION 3-2

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17 . LOANS AND FINANCE LEASE LIABILITIES

	01/01/2016		During the period		30/06/2016	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term loans						
- Bank for Investment and Development of Vietnam JSC - Nam Binh Duong Branch	12,154,496,722	12,154,496,722	116,749,461,840	80,418,001,863	48,485,956,699	48,485,956,699
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	-	-	3,544,920,996	3,544,920,996	-	-
- Current portion of long-term loans- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	-	-	798,000,000	-	798,000,000	798,000,000
	<u>12,154,496,722</u>	<u>12,154,496,722</u>	<u>121,092,382,836</u>	<u>83,962,922,859</u>	<u>49,283,956,699</u>	<u>49,283,956,699</u>
b) Long- term loans						
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Branch	-	-	8,000,000,000	-	8,000,000,000	8,000,000,000
	<u>-</u>	<u>-</u>	<u>8,000,000,000</u>	<u>-</u>	<u>8,000,000,000</u>	<u>8,000,000,000</u>
Amounts come due within 12 months	-	-			(798,000,000)	(798,000,000)
Amounts come due after 12 months	-	-			7,202,000,000	7,202,000,000



Detail information on Short-term loans is as follows:

Overdrafts Contract No. 043/16/87982/HD dated 16 May 2016 with the following terms:

- Credit line: VND 100 billion;
- Purpose
 - + *Offset deficiency in payment (working capital);*
 - + *Working capital supplement;*
- Maturity: up to 16 May 2016; maturity of credit line to 31 May 2017;
- Interest rate: 5,75 %/ year; adjust 01 months / time as notified by the bank, not past the maximum rate term deposits of the Bank for 02 months at the time of adjusting the amplitude of 2%/year;
- Method of security:
 - + *Revenues from business operation;*
 - + *The term deposits at BIDV - Nam Binh Duong Branch;*
- Principal balance as at 30 Jun 2016 is VND 48,485,956,699.

Detail information on Long-term loans is as follows:

Credit Contract No. 16.52.0777/2016-HĐTD/NHCT640-CTCP DAU TU XAY DUNG 3-2 dated 20 Jun 2016 with the following terms:

- Credit line : VND 8.000.000.000
- Borrowing purpose: investment 6 trucks for operation business;
- Maturity: 60 months;
- Interest rate: 8%/year for the first year, 10,5%/year for the subsequent year;
- Method of security: mortgaged land use right No.T313585 according mortgage contracts No.09610202/HDTC dated 30 December 2009; the value of asset mortgaged: VND 23,967,000,000;
- The principal balance as at 30 Jun 2016 is VND 8,000,000,000, the principal balance need to pay next year is 798,000,000 VND.

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For the period from 01/01/2016 to 30/06/2016

18 . TAXES AND OTHER PAYABLES TO STATE BUDGET

	Tax receivable at beginning of period	Tax payable at beginning of period	Tax payable in the period	Tax paid in the period	Tax receivable end of the period	Tax payable end of the period
	VND	VND	VND	VND	VND	VND
- Value-added tax	-	3,855,137,836	23,410,832,749	25,459,186,431	-	1,806,784,154
- Corporate income tax	-	13,189,496,465	12,734,349,016	17,389,496,465	-	8,534,349,016
- Personal income tax	-	457,600,638	1,376,754,052	1,514,304,790	-	320,049,900
- Natural resource tax	-	2,781,142,932	6,604,985,757	8,370,278,854	-	1,015,849,835
- Environmental protection tax	-	-	19,979,891	19,979,891	-	-
- Fees, charges and other payables	-	13,145,886,924	15,256,670,010	15,267,385,455	-	13,135,171,479
	-	33,429,264,795	59,403,571,475	68,020,631,886	-	24,812,204,384

The Corporation's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

19 . SHORT-TERM ACCRUED EXPENSES

	30/06/2016	01/01/2016
	VND	VND
- Construction works	9,129,919,806	12,339,671,197
- Stone quarry environment renovation	4,050,632,039	4,050,632,039
- Land rental	514,787,730	-
- Others	50,000,000	70,066,609
	13,745,339,575	16,460,369,845

20 . OTHER SHORT-TERM PAYMENTS

	30/06/2016	01/01/2016
	VND	VND
- Trade union fund	92,354,820	84,387,400
- Dividends or profits payables	16,633,155	16,063,155
- Payment Le Huu Mai for transfer of land use rights	903,234,000	-
- Payables to construction teams and sub-contractors	6,073,926,623	6,191,300,167
- Remunerations for the Board of Management	742,001,000	1,302,540,000
- Other	230,617,893	292,609,935
	8,058,767,491	7,886,900,657

21 . SHORT-TERM PROVISIONS FOR PAYABLES

	30/06/2016	01/01/2016
	VND	VND
- Provision for construction warranty	255,861,695	-
	255,861,695	-

22 . OWNER'S EQUITY

a) Increase and decrease in owner's equity

	Contributed capital	Development investment funds	Undistributed profits after tax	Total
	VND	VND	VND	VND
Beginning balance of previous period	112,000,000,000	55,789,784,378	92,460,443,844	260,250,228,222
Profit of the period	-	-	40,576,645,464	40,576,645,464
Distribute profit	-	19,387,100,435	(19,387,100,435)	-
Paid dividends last period	-	-	(13,440,000,000)	(13,440,000,000)
Setting up Bonus and Welfare fund	-	-	(3,590,203,784)	(3,590,203,784)
Setting up Reward fund for the management board	-	-	(1,436,081,514)	(1,436,081,514)
Ending balance of previous period	112,000,000,000	75,176,884,813	95,183,703,575	282,360,588,388
Beginning balance of current period	112,000,000,000	75,176,884,813	138,510,189,158	325,687,073,971
Profit of the period	-	-	49,290,108,216	49,290,108,216
Distribute profit	-	27,347,520,561	(27,347,520,561)	-
Paid dividends last period	-	-	(13,440,000,000)	(13,440,000,000)
Setting up Bonus and Welfare fund	-	-	(11,857,251,319)	(11,857,251,319)
Ending balance of current period	112,000,000,000	102,524,405,374	135,155,525,494	349,679,930,868

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According to Resolution No. 01/NQ-DHCD dated 21 April 2016 issued by General Meeting of shareholders, the Corporation announced its profit distribution plan as follows:

	Rate %	Amount VND
Profit after tax of the year 2015	100.00	101,287,113,188
Development Investment Funds	27.00	27,347,520,561
Financial reserve fund	11.71	11,857,251,319
Dividend payment of 24% charter capital (equivalent to VND 2,400 per share)	26.54	26,880,000,000
- <i>Advanced 12% in the year 2015</i>		13,440,000,000
- <i>Paid 12% in this period</i>		13,440,000,000
Undistributed profits after tax of the year 2015	34.76	35,202,341,308

b) Details of owner's invested capital

	Rate %	Ending balance VND	Rate %	Beginning balance VND
- Binh Duong Producing and Trading Goods Corporation	37.90	42,443,400,000	51.00	57,120,000,000
- America LLC	6.88	7,709,300,000	6.88	7,709,300,000
- PYN ELITE FUND (NON-UCITS)	5.50	6,164,000,000		
- PETER ERIC DENNIS	7.67	8,591,400,000		
- Other	42.05	47,091,900,000	42.12	47,170,700,000
	100	112,000,000,000	100	112,000,000,000

e) Capital transactions with owners and distribution of dividends and profits

	Current period VND	Previous period VND
Owner's invested capital		
- <i>At the beginning of period</i>	112,000,000,000	112,000,000,000
- <i>At the closing of period</i>	112,000,000,000	112,000,000,000
Distributed dividends and profit		
- <i>Distributed dividends on last period profit</i>	13,440,000,000	13,440,000,000

d) Stock

	30/06/2016	01/01/2016
Quantity of Authorized issuing stocks	11,200,000	11,200,000
Quantity of issued stocks		
- <i>Common stocks</i>	11,200,000	11,200,000
Quantity of circulation stocks		
- <i>Common stocks</i>	11,200,000	11,200,000
Par value per share: VND 10,000 per share		

e) Corporation's fund

	30/06/2016 VND	01/01/2016 VND
Development investment funds	102,524,405,374	75,176,884,813
	102,524,405,374	75,176,884,813

23 . OFF STATEMENT OF FINANCIAL POSITION ITEMS

Doubtful debts written-offs

	30/06/2016	01/01/2016
	VND	VND
- U&I Construction Joint Stock Company	12,148,500	12,148,500
- Vo Anh Phuong	3,466,000	3,466,000
- Pham Duy Diep	496,337	496,337
- Nguyen Vuong Hong Phu	5,331,000	5,331,000
- College of economic	26,100,000	26,100,000
- Thanh Dao enterprise	3,750,000	3,750,000
- Dong A Company Limited	11,000	11,000
- Le Nguyen Joint Stock Company	720,000	720,000
- Mr Khuu Van Khuong	247,016	247,016
- Minh Nhut Company Limited	145,124	145,124
- Ngoc Thai Khang Company Limited	2,887,592	2,887,592
- Bao Ngoc Company Limited	4,547,733	4,547,733
- Khai Thanh Company Limited	4,515,543	4,515,543
- Nguyen Thi Thanh Loan	9,284,880	9,284,880
- Minh Chau Company Limited	826,945	826,945
- Hai Long Construction Company Limited	183,611,848	183,611,848
- Le Phuc Vinh Company Limited	363,348,930	363,348,930
- Development Trading and Construction No. 1 JSC	4,784,388	4,784,388
- Phan Vu Company Limited	338,690	338,690
- Vo Thi Ly Em	32,780	32,780
- Pham Minh Chanh	213,140	213,140
- Nguyen Hoang Le	1,155,213	1,155,213
- Receivables before equitization	114,014,787	114,014,787
- Dong Long Construction Company Limited	33,505,980	33,505,980
- Van Hai Construction Company Limited	484,735,894	484,735,894
- Khai Nam Consulting Construction Company Limited	35,185,130	35,185,130
- Nam Trung Viet Design Construction JSC	78,833,844	78,833,844
	1,374,238,294	1,374,238,294

24 . REVENUES FROM SALES AND SERVICES RENDERED

	First 6 months of 2016	First 6 months of 2015
	VND	VND
Revenue from sale of finished goods	155,809,210,200	150,916,667,954
Revenue from sale of goods	27,406,579,786	18,566,636,679
Revenue from services rendered	2,815,906,883	2,216,332,378
Revenue from business in property	54,545,455	4,866,393,600
Revenue from construction contracts	51,159,382,410	59,246,715,452
- Revenue from Construction contract recognized in the period	47,731,939,663	59,246,715,452
- Accumulated revenue from construction contract recognized up to the reporting time	296,188,407,739	221,010,948,179
	237,245,624,734	235,812,746,063

25 . REVENUE DEDUCTIONS

	First 6 months of 2016 VND	First 6 months of 2015 VND
Sales rebates	3,427,442,747	-
	<u>3,427,442,747</u>	<u>-</u>

26 . COSTS OF GOODS SOLD

	First 6 months of 2016 VND	First 6 months of 2015 VND
Cost of finished goods sold	89,250,760,089	92,557,994,787
Cost of goods sold	25,195,826,670	17,353,612,235
Cost of services rendered	1,473,724,715	1,265,709,896
Cost of business in property	740,843	4,159,735,131
Cost of construction activities	48,535,225,282	57,460,518,787
Reversal/Provision against devaluation of inventories	156,665,715	(162,710,127)
	<u>164,612,943,314</u>	<u>172,634,860,709</u>

27 . FINANCIAL INCOME

	First 6 months of 2016 VND	First 6 months of 2015 VND
Interest income	3,077,277,506	2,705,165,170
Gain from selling trade securities	1,928,608,880	-
Others	3,408,126	-
	<u>5,009,294,512</u>	<u>2,705,165,170</u>

28 . FINANCIAL EXPENSES

	First 6 months of 2016 VND	First 6 months of 2015 VND
Interest expenses	883,128,596	44,878,955
Brokerage commission	15,760,640	-
	<u>898,889,236</u>	<u>44,878,955</u>

29 . SELLING EXPENSES

	First 6 months of 2016 VND	First 6 months of 2015 VND
Labour expenses	339,953,073	134,858,318
Expenses from external services	6,664,583,661	4,015,480,995
	<u>7,004,536,734</u>	<u>4,150,339,313</u>

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30 . GENERAL ADMINISTRATION EXPENSES

	First 6 months of 2016	First 6 months of 2015
	VND	VND
Raw materials	47,144,992	77,658,507
Labor	4,380,860,991	3,488,626,005
Depreciation expenses	370,396,760	537,638,075
Provisions expenses	13,582,637	109,022,572
Taxes, fees and charges	943,466	11,084,176
Expenses from external services	852,169,737	939,803,657
Other expenses by cash	1,911,254,054	708,783,784
	<u>7,576,352,637</u>	<u>5,872,616,776</u>

31 . OTHER INCOME

	First 6 months of 2016	First 6 months of 2015
	VND	VND
Gain from doubtful debts written-offs	-	70,000,000
Gain from liquidating, disposing fixed assets	-	47,318,182
Gain from compensation of Project of My Phuoc - Tan Van road ^(*)	3,365,720,000	-
Leasing land and buildings -Nguyen Van Tiet Residential area	153,251,027	-
Others	217,701,448	189,751,184
	<u>3,736,672,475</u>	<u>307,069,366</u>

^(*) The income from land compensation at Construction Stone Factory according to Decision No. 4149/QĐ-UBND dated 25 December 2008 by Chairman of Binh Duong People's Committee on approval the general plan of compensation, support and relocation to perform project "My Phuoc - Tan Van Road".

32 . OTHER EXPENSE

	First 6 months of 2016	First 6 months of 2015
	VND	VND
Administrative fines	446,853,963	34,712,937
These expenses are identifiable benefits to the reasonable expenses, valid	-	590,928,000
Other	115,858	9,417,564
	<u>446,969,821</u>	<u>635,058,501</u>

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33 . CURRENT CORPORATE INCOME TAX EXPENSES

	First 6 months of 2016	First 6 months of 2015
	VND	VND
<i>Corporate income tax from main business activities</i>		
Total profit before tax	62,024,457,232	54,904,312,912
Increase	1,647,287,852	1,128,641,806
Decrease	-	(1,331,195,597)
Taxable income	63,671,745,084	54,701,759,121
Corporate income tax rate	20%	22%
Current corporate income tax expense	12,734,349,016	12,034,387,007
Adjustment of tax expenses in previous periods and tax expenses in the current period	-	2,747,952,919
Tax payable at the beginning of period	13,189,496,465	6,478,698,485
Tax paid in the period	(17,389,496,465)	(13,520,703,510)
Corporate income tax payable end of the period	8,534,349,016	7,740,334,901
<i>Corporate income tax from properties business activity</i>		
Total profit from properties business activity	-	582,913,433
Increase	-	-
Decrease	-	-
Taxable income	-	582,913,433
Corporate income tax rate	20%	22%
Current corporate income tax expense	-	128,240,955
Tax payable at the beginning of period	-	-
Tax paid in the period	-	(128,240,955)
Corporate income tax payable end of the period from properties business activity	-	-
Total current corporate income tax expense	12,734,349,016	14,910,580,881
Corporate income tax payable at the end of the period	8,534,349,016	7,740,334,901

34 . BASIC EARNINGS PER SHARE

Earning per share distributed to common shareholders of the Corporation is calculated as follows :

	First 6 months of 2016	First 6 months of 2015
	VND	VND
Profit after tax	49,290,108,216	40,576,645,464
Profit distributed for common shares	49,290,108,216	40,576,645,464
Average circulated common shares in the period	11,200,000	11,200,000
Basic earnings per share	4,401	3,623

The Corporation has no plans to set up Bonus and welfare fund on the profit after tax for the period from 01 January 2016 to 30 Jun 2016.

35 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	First 6 months of 2016 VND	First 6 months of 2015 VND
Raw materials	73,737,500,307	78,962,386,962
Labour	26,697,660,806	23,730,834,117
Depreciation expenses	4,705,547,238	4,090,478,058
Expenses from external services	47,815,521,638	59,291,528,566
Other expenses by cash	23,253,362,801	14,760,437,356
	<u>176,209,592,790</u>	<u>180,835,665,059</u>

36 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Corporation

	Book value			
	30/06/2016		01/01/2016	
	Original Cost VND	Provision VND	Original Cost VND	Provision VND
Financial Assets				
Cash and cash equivalents	9,608,776,220	-	21,859,220,439	-
Trade and other receivables	134,288,925,537	(1,248,390,221)	176,587,317,502	(1,238,527,584)
Lending	100,723,203,125	-	86,209,563,356	-
Short term investments	24,881,462,524	-	2,902,583,363	-
Long term investments	200,887,800	-	200,887,800	-
	<u>269,703,255,206</u>	<u>(1,248,390,221)</u>	<u>287,759,572,460</u>	<u>(1,238,527,584)</u>

	Book value	
	30/06/2016 VND	01/01/2016 VND
	Financial Liabilities	
Loans and debts	56,485,956,699	12,154,496,722
Trade and other payables	24,932,670,993	35,356,294,085
Accrued expenses	13,745,339,575	16,460,369,845
	<u>95,163,967,267</u>	<u>63,971,160,652</u>

The Corporation does not assess fair value of financial assets and financial liabilities at the period ended because Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and additional note for financial instruments but do not provide any relevant instructions for assessment and recognition of fair value of financial assets and liabilities, excluding provisions for bad debts and provision for devaluation of securities investments which are presented in relevant notes.

Financial risk management

The Corporation's financial risks including market risk, credit risk and liquidity risk. The Corporation has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of the Corporation is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Corporation's business operations will bear the risks of changes on prices, exchange rates and interest rates.

Price Risk

The Corporation bears price risk of equity instruments from short-term and long-term security investments due to uncertainty on future prices of the securities. Long-term securities are held for long-term strategies, at the end of the fiscal period, the Corporation has no plans to sell these investments.

Exchange rate risk

The Corporation bears the risk of exchange rate due to fluctuation in fair value of future cash flows of a financial instrument according to changes in exchange rates if loans, revenues and expenses of the Corporation are done in foreign currencies other than VND.

Interest rate risk

The Corporation bears the risk of interest rates due to fluctuation in fair value of future cash flow of a financial instrument according to changes in market interest rates if the Corporation has time or demand deposits, loans and debts subject to floating interest rates. The Corporation manages interest rate risk by analyzing the market competition situation to obtain any interest profitable for its operation purpose.

Credit Risk

Credit risk is risk in which the potential loss may be incurred if a counterpart fails to perform its obligations under contractual terms or financial instruments. The Corporation has credit risk from operating activities (mainly for trade receivables) and financial activities (including bank deposits, loans and other financial instruments).

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 30/06/2016				
Cash and cash equivalents	9,608,776,220	-	-	9,608,776,220
Trade and other receivables	133,040,535,316	-	-	133,040,535,316
Lending	100,723,203,125	-	-	100,723,203,125
Short term investments	24,881,462,524	-	-	24,881,462,524
Long term investments	-	200,887,800	-	200,887,800
	268,253,977,185	200,887,800	-	268,454,864,985
As at 01/01/2016				
Cash and cash equivalents	21,859,220,439	-	-	21,859,220,439
Trade and other receivables	175,348,789,918	-	-	175,348,789,918
Lending	86,209,563,356	-	-	86,209,563,356
Short term investments	2,902,583,363	-	-	2,902,583,363
Long term investments	-	200,887,800	-	200,887,800
	286,320,157,076	200,887,800	-	286,521,044,876

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Liquidity Risk

Liquidity risk is the risk in which the Corporation has trouble in settlement of its financial obligations due to lack of funds. Liquidity risk of the Corporation is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 30/06/2016				
Loans and borrowings	49,283,956,699	7,202,000,000	-	56,485,956,699
Trade and other payables	24,932,670,993	-	-	24,932,670,993
Accrued expenses	13,745,339,575	-	-	13,745,339,575
	87,961,967,267	7,202,000,000	-	95,163,967,267
As at 01/01/2016				
Loans and borrowings	12,154,496,722	-	-	12,154,496,722
Trade and other payables	35,356,294,085	-	-	35,356,294,085
Accrued expenses	16,460,369,845	-	-	16,460,369,845
Total	63,971,160,652	-	-	63,971,160,652

The Corporation believes that risk level of loan repayment is low. The Corporation has the ability to pay debts matured from cash flows from its operating activities and cash received from matured financial assets.

37 . INFORMATION ABOUT INVESTED PROJECTS

The Corporation has been operating on mineral mining field (stone). According to Article No. 77 of Mineral Law No. 60/2010/QH12 dated 17 November 2010 and Decree No. 203/ND-CP dated 28 November 2013 by Government, the Corporation have to pay a fee for the grant of the mining right under Notice on payment for charge for granting the mineral mining right issued by Tax Department.

From the year 2013, the Corporation has recorded the charge for granting the mineral mining right since the Mineral Law 2010 took effect, The value of the charge for granting the mineral mining right has recorded as follows:

The charge for granting the mineral mining right	Value	Value already paid	Value payable as at 30/06/2016
	VND	VND	VND
Year 2013	10,951,988,130	-	10,951,988,130 (*)
Year 2014	3,221,030,340	(3,221,030,340)	-
Year 2015	7,986,260,880	(7,986,260,880)	-
Year 2016	13,682,990,880	(13,682,990,880)	- (**)
Total	22,159,279,350	(11,207,291,220)	10,951,988,130

(*) The charge recorded from 2011 (the time that Mineral Law took effect) to 2013. According to the Decision No 2370/QĐ-UBND dated 18 September 2015, Binh Duong People's Committee approved the charge for granting the mineral mining right for exploitation level down to cote -100m, the Corporation has not temporarily paid for this charge until receiving official announcement on payment from competent state management agencies.

(**) The charge for granting the mineral mining right according to the Decision No 136/QĐ-UBND dated 18 January 2016, Binh Duong People's Committee approved the charge for granting the mineral mining right for exploitation level down to cote -100m, the reserves to calculate charge for granting the mineral mining right is 1,949,144 m3.

38 . EVENTS AFTER BALANCE SHEET DATE

On 15 July 2016, the land use right with area of 45,427 m², which located at Thanh Phuoc Ward, Tan Uyen Commune, Binh Duong Province, was granted to the Corporation according to the Certificate No. CD 621056, this land used for performing the project "Thanh Phuoc Concrete Factory", which was approved by the Corporation's Board of Management according to Resolution No. 04/NQ-HDQT dated 15 March 2016.

Except from events mentioned above, there have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in this interim financial statements.

39 . SEGMENT REPORTING

Main segment reporting – under business fields:

	Construction VND	Production VND	Others VND	Total VND
Net revenue from sales to external customers	47,731,939,663	155,809,210,200	30,277,032,124	233,818,181,987
Gross profit from sale of goods and rendering of services	<u>2,624,157,128</u>	<u>66,558,450,111</u>	<u>(69,182,607,239)</u>	<u>-</u>
The total cost to acquire fixed assets	-	46,127,270,393	-	46,127,270,393
Segment assets	100,911,762,632	329,401,699,294	64,009,732,277	494,323,194,204
Total assets	<u>100,911,762,632</u>	<u>329,401,699,294</u>	<u>64,009,732,277</u>	<u>494,323,194,204</u>
Segment liabilities	29,527,658,882	96,385,800,410	18,729,804,044	144,643,263,336
Total liabilities	<u>29,527,658,882</u>	<u>96,385,800,410</u>	<u>18,729,804,044</u>	<u>144,643,263,336</u>

Under geographical areas:

The entire activities of the Corporation are taken place in Vietnam so that the segment reporting under geographical areas was not prepared.

40 . TRANSACTION WITH RELATED PARTIES

During operation, there are a number of transactions between the companies with related parties as follows:

	Relation	First 6 months 2016 VND	First 6 months 2016 VND
Protrade Corporation			
- Paid dividend		6,854,400,000	6,854,000,000
Transactions with other related parties:			
		First 6 months 2016 VND	First 6 months 2016 VND
- Remuneration to members of Board of Management and Board of General Directors		2,534,325,350	2,507,990,363

41 . COMPARATIVE FIGURES

The corresponding figures on the Interim statement of Financial Position and Notes are taken from the Financial Statements for the fiscal year ended as at 31 December 2015, which was audited by AASC Auditing Firm Company Limited. The corresponding figures on the Interim statement of Income, Interim statement of Cash flows and Notes are taken from the Financial Statements which have been reviewed for the period from 01 January 2015 to 30 June 2015.

Prepared by



Do Viet Cuong

Chief Accountant



Nguyen Xuan Hieu

Binh Duong, 10 August 2016

General Director



Vo Van Lanh



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

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

No:475/CTY-TGD

Binh Duong, 13 August 2016

(Explanation about profit after tax for the interim period of 2016 increased 17% compared with previous period)

**Dear: - State Securities 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. 155/2015/TT-BTC dated 06 October 2015 on Guiding the disclosure of information on securities market;

Pursuant to the Financial statements of Construction Investment 3-2 for the period from 01 January 2016 to 30 June 2016, which was reviewed by AASC Auditing Firm Company Limited.

Construction Investment 3-2 explains about profit after tax for the interim period of 2016 increased 17% compared with previous period as follows:

- ❖ Profit after tax for the period of the first 6 months of 2016 is **VND 49,290,108,216;**
- ❖ Profit after tax for the period of the first 6 months of 2015 is **VND 40,576,645,464.**

Reasons:

Because of profitable market, the company has promoted the consumption of products. Accordingly, revenue from main business fields such as concrete culverts, building stones increased compared to previous period of 2015, except revenue from construction activity decreased 24% compared to previous period. Total revenue decreased VND 2 billion reached VND 235.8 billion, down 1% compared to the previous period of 2015. Revenues increased in the business fields with high gross profit such as concrete culverts and stone. Therefore, Gross profit increased

VND 6 billion compared to the previous period, equivalent to 8.7% reached VND 69 billion. In addition, the Corporation's other income increased from receiving compensation for land of Corporation's stone mine with the value of VND 3.3 billion and income from selling trade securities with the value of VND 1.9 billion. Revenue from construction activity decreased due to construction finalization so that both revenue and profit also decreased.

All of changes on the Financial Statements for the period from 01 January 2015 to 30 June 2015 are presented as above.

Best Regard !

Recipient:

- As above;
- Saved.

GENERAL DIRECTOR



Võ Văn Lĩnh