

FPT TELECOM JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

REVIEWED CONSOLIDATED FINANCIAL STATEMENTS

For the period from 01 January 2015 to 30 June 2015



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Stamp: P. H. A. M. TE. U. H. A. N. Y. C. A.

FPT TELECOM JOINT STOCK COMPANY

2nd Floor, FPT Cau Giay Tower, Duy Tan Street, Dich Vong Hau Ward
Cau Giay District, Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of FPT Telecom Joint Stock Company (the "Company") presents this report together with the Company's consolidated financial statements for the period from 01 January 2015 to 30 June 2015.

THE BOARDS OF MANAGEMENT AND DIRECTORS

The members of the Boards of Management and Directors of the Company who held office during the period and to the date of this report are as follows:

Board of Management

Ms. Chu Thi Thanh Ha	Chairman
Mr. Truong Gia Binh	Member
Mr. Le Huy Chi	Member
Mr. Bui Quang Ngoc	Member
Mr. Nguyen Van Khoa	Member
Mr. Nguyen Hong Hien	Member (Appointed on 21 May 2015)

Board of Directors

Mr. Nguyen Van Khoa	General Director
Mr. Nguyen Hoang Linh	Deputy General Director
Ms. Vu Thi Mai Huong	Deputy General Director
Mr. Hoang Trung Kien	Deputy General Director
Mr. Chu Hung Thang	Deputy General Director

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the consolidated financial statements for the period from 01 January 2015 to 30 June 2015, which give a true and fair view of the consolidated financial position of the Company and of its consolidated results and cash flows for the period in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these consolidated 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;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimise errors and frauds.

FPT TELECOM JOINT STOCK COMPANY

2nd Floor, FPT Cau Giay Tower, Duy Tan Street, Dich Vong Hau Ward
Cau Giay District, Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Directors,

Vu Thi Mai Huong
Deputy General Director

29 July 2015

No.: 67 /VNIA-HN-BC

REVIEW REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders
The Boards of Management and Directors
FPT Telecom Joint Stock Company**

We have reviewed the accompanying consolidated balance sheet as at 30 June 2015, the related consolidated statements of income and cash flows for the period from 01 January 2015 to 30 June 2015 and the notes thereto (collectively referred to as the "consolidated financial statements") of FPT Telecom Joint Stock Company (the "Company") prepared on 29 July 2015 as set out from page 4 to page 28. The preparation of these consolidated financial statements is the responsibility of the Company's management. Our responsibility is to issue a review report on these consolidated financial statements based on our review.

We conducted our review in accordance with Vietnamese Standard on Auditing No. 910 - Engagements to review financial statements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatements. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true and fair view of, in all material respects, the consolidated financial position of the Company as at 30 June 2015, the consolidated results of its operations and its cash flows for the period from 01 January 2015 to 30 June 2015 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Vu Duc Nguyen
Deputy General Director
Audit Practising Registration Certificate
No. 0764-2013-001-1

**For and on behalf of
DELOITTE VIETNAM COMPANY LIMITED**

29 July 2015
Hanoi, S.R. Vietnam

Tran Xuan Anh
Auditor
Audit Practising Registration Certificate
No. 0723-2013-001-1

CONSOLIDATED BALANCE SHEET

As at 30 June 2015

FORM B 01a-DN/HN

Unit: VND

ASSETS	Codes	Notes	30/6/2015	31/12/2014
A. CURRENT ASSETS (100=110+120+130+140+150)	100		2,217,207,921,360	2,519,425,613,050
I. Cash and cash equivalents	110	5	529,967,987,786	1,056,467,108,945
1. Cash	111		114,452,029,777	85,356,468,927
2. Cash equivalents	112		415,515,958,009	971,110,640,018
II. Short-term financial investments	120		4,500,000,000	11,946,730,000
1. Short-term investments	121		4,500,000,000	11,946,730,000
III. Short-term receivables	130		664,581,862,087	626,908,592,991
1. Trade accounts receivable	131		801,508,142,365	740,427,032,138
2. Advances to suppliers	132		49,353,670,430	39,867,524,006
3. Other receivables	135		10,365,316,735	11,615,064,956
4. Provision for short-term doubtful debts	139		(196,645,267,443)	(165,001,028,109)
IV. Inventories	140	6	345,975,975,692	264,580,219,314
1. Inventories	141		345,975,975,692	264,580,219,314
V. Other short-term assets	150		672,182,095,795	559,522,961,800
1. Short-term prepayments	151	7	557,083,768,954	481,207,982,234
2. Value added tax deductibles	152		75,348,626,936	55,317,975,202
3. Taxes and other receivables from the State budget	154		14,133,867,169	20,646,116,301
4. Other short-term assets	158		25,615,832,736	2,350,888,063
B. NON-CURRENT ASSETS (200=220+250+260+269)	200		3,166,340,258,442	2,622,411,717,862
I. Fixed assets	220		2,781,778,702,804	2,339,488,285,755
1. Tangible fixed assets	221	8	2,449,587,599,568	1,994,356,872,831
- Cost	222		4,560,625,294,995	3,873,163,552,729
- Accumulated depreciation	223		(2,111,037,695,427)	(1,878,806,679,898)
2. Intangible assets	227	9	165,889,283,365	164,268,222,611
- Cost	228		257,462,593,237	246,771,901,537
- Accumulated amortisation	229		(91,573,309,872)	(82,503,678,926)
3. Construction in progress	230	10	166,301,819,871	180,863,190,313
II. Long-term financial investments	250		10,704,588,541	10,704,588,541
1. Investments in associates, joint ventures	252		-	1,747,897,360
2. Other long-term investments	258		13,996,691,181	8,956,691,181
3. Provision for impairment of long-term financial investments	259		(3,292,102,640)	-
III. Other long-term assets	260		332,554,171,730	228,139,900,802
1. Long-term prepayments	261		217,251,213,579	123,334,861,950
2. Deferred tax assets	262		112,332,774,967	102,043,355,668
3. Other long-term assets	268		2,970,183,184	2,761,683,184
IV. Goodwill	269		41,302,795,367	44,078,942,764
TOTAL ASSETS (270=100+200)	270		5,383,548,179,802	5,141,837,330,912

The notes set out on pages 9 to 28 are an integral part of these consolidated financial statements


CONSOLIDATED BALANCE SHEET (Continued)
As at 30 June 2015

FORM B 01a-DN/HN
Unit: VND

RESOURCES	Codes	Notes	30/6/2015	31/12/2014
A. LIABILITIES (300=310+330)	300		2,921,775,582,922	2,775,652,743,057
I. Current liabilities	310		2,876,630,559,793	2,729,905,117,885
1. Short-term loans and liabilities	311	12	828,920,799,551	698,800,278,325
2. Trade accounts payable	312		840,811,717,814	754,722,384,467
3. Advances from customers	313		113,313,508,684	78,405,225,454
4. Taxes and amounts payable to the State budget	314	13	50,431,960,657	64,610,659,268
5. Payables to employees	315		303,225,790	9,332,778,448
6. Accrued expenses	316		212,588,174,972	315,669,385,105
7. Other current payables	319		13,213,974,233	30,048,287,656
8. Bonus and welfare funds	323	14	45,863,979,454	80,511,214,744
9. Unearned revenue	338		771,183,218,638	697,804,904,418
II. Long-term liabilities	330		45,145,023,129	45,747,625,172
1. Other long-term liabilities	333		381,720,000	97,920,000
2. Unearned revenue	338		44,763,303,129	45,649,705,172
B. EQUITY (400=410)	400		2,300,914,043,622	2,207,710,298,954
I. Shareholders' equity	410	15	2,300,914,043,622	2,207,710,298,954
1. Chartered capital	411		1,246,198,090,000	1,246,198,090,000
2. Share premium	412		7,652,995,729	7,652,995,729
3. Treasury shares	414		(300,150,000)	(300,150,000)
4. Retained earnings	420		1,047,363,107,893	954,159,363,225
C. MINORITY INTERESTS	439	15	160,858,553,258	158,474,288,901
TOTAL RESOURCES (440=300+400+439)	440		5,383,548,179,802	5,141,837,330,912

OFF CONSOLIDATED BALANCE SHEET ITEMS

	30/6/2015	31/12/2014
Foreign currencies (USD)	2,294,437	1,531,303


Nguyen Thi Thu Huong
Preparer

29 July 2015


Do Thi Huong
Chief accountant




Vu Thi Mai Huong
Deputy General Director

CONSOLIDATED INCOME STATEMENT

For the period from 01 January 2015 to 30 June 2015

FORM B 02a-DN/HN

Unit: VND

ITEMS	Codes	Notes	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
1. Gross revenue from goods sold and services rendered	01		2,608,869,067,919	2,411,041,027,627
2. Deductions	02		3,730,260,201	2,869,369,353
3. Net revenue from goods sold and services rendered (10=01-02)	10	17	2,605,138,807,718	2,408,171,658,274
4. Cost of sales	11	18	1,366,265,597,134	1,256,285,220,627
5. Gross profit from goods sold and services rendered (20=10-11)	20		1,238,873,210,584	1,151,886,437,647
6. Financial income	21	19	23,895,785,407	8,489,822,148
7. Financial expenses	22	20	25,341,343,873	9,213,129,001
<i>In which: Interest expense</i>	23		18,723,676,119	4,102,852,230
8. Selling expenses	24		230,874,403,832	167,264,334,310
9. General and administration expenses	25		472,187,610,343	476,456,403,306
10. Operating profit (30=20+(21-22)-(24+25))	30		534,365,637,943	507,442,393,178
11. Other income	31		6,217,757,818	6,573,014,291
12. Other expenses	32		919,192,149	757,801,549
13. Profit from other activities (40=31-32)	40		5,298,565,669	5,815,212,742
14. Accounting profit before tax (50=30+40)	50		539,664,203,612	513,257,605,920
15. Current corporate income tax expense	51	22	94,538,514,815	108,139,790,863
16. Deferred corporate tax (income)	52	22	(10,289,419,298)	(14,135,897,862)
17. Net profit after corporate income tax (60=50-51-52)	60		455,415,108,095	419,253,712,919
17.1. Attributable to minority interests	61		22,571,205,303	18,830,991,839
17.2. Attributable to equity holders of the Holding Company	62		432,843,902,792	400,422,721,080
18. Basic earnings per share	70	23	3,474	3,214



Nguyen Thi Thu Huong
Preparer

29 July 2015



Do Thi Huong
Chief accountant



Vu Thi Mai Huong
Deputy General Director

CONSOLIDATED CASH FLOW STATEMENT
 For the period from 01 January 2015 to 30 June 2015


FORM B 03a-DN/HN
 Unit: VND

ITEMS	Codes	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	539,664,203,612	513,257,605,920
2. Adjustments for:			
- Depreciation and amortisation	02	249,284,639,354	191,733,670,212
- Provisions	03	31,644,239,334	23,527,345,884
- Unrealized foreign exchange (gain)/ loss	04	(735,905,154)	1,655,911,684
- (Gain) from investing activities	05	(21,221,791,727)	(4,656,431,801)
- Interest expense	07	18,723,676,119	4,102,852,230
3. Operating profit before movements in working capital	08	817,359,061,538	729,620,954,129
- Changes in receivables	09	(68,323,208,776)	(84,455,609,875)
- Changes in inventories	10	(81,395,756,378)	(23,948,956,813)
- Changes in accounts payable (not including accrued interest and corporate income tax payable)	11	10,616,217,459	140,490,487,396
- Changes in prepaid expenses and other assets	12	(207,781,327,835)	(89,150,518,956)
- Interest paid	13	(16,522,108,150)	(3,418,174,646)
- Corporate income tax paid	14	(58,801,731,276)	(123,756,483,015)
- Other cash outflows	16	(1,606,350,810)	(120,823,406)
<i>Net cash from operating activities</i>	20	393,544,795,772	545,260,874,814
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(685,639,329,070)	(412,520,726,482)
2. Proceeds from sales, disposals of fixed assets and other long-term	22	320,600,000	-
3. Cash recovered from lending, selling debt instruments of other entities	24	7,446,730,000	-
4. Cash recovered from investments in other entities	26	-	1,369,545,454
5. Interest earned, dividends and profits received	27	21,316,643,663	4,102,852,230
<i>Net cash (used in) investing activities</i>	30	(656,555,355,407)	(407,048,328,798)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Capital contribution in subsidiaries attributable to minority		-	4,201,000,000
2. Proceeds from borrowings	33	1,733,323,199,930	452,511,493,289
3. Repayment of borrowings	34	(1,603,202,678,704)	(205,469,980,007)
4. Dividends paid	36	(393,609,082,750)	(99,963,255,000)
<i>Net cash (used in)/ from financing activities</i>	40	(263,488,561,524)	151,279,258,282
Net (decrease)/ increase in cash (50=20+30+40)	50	(526,499,121,159)	289,491,804,298
Cash and cash equivalents at the beginning of the period	60	1,056,467,108,945	349,356,715,281
Cash and cash equivalents at the end of the period (70=50+60)	70	529,967,987,786	638,848,519,579

The notes set out on pages 9 to 28 are an integral part of these consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT (Continued)*For the period from 01 January 2015 to 30 June 2015***Supplemental non-cash disclosures:**

Cash outflows for acquisition of fixed assets and construction in progress during the period exclude VND 483,552,576,920 (from 01 January 2014 to 30 June 2014: VND 217,275,324,882), representing an addition in fixed assets and construction in progress during the period, which have not been paid yet. Consequently, changes in accounts payable have been adjusted by the same amount.


Nguyen Thi Thu Huong
Preparer

29 July 2015


Do Thi Huong
Chief accountant
Vu Thi Mai Huong
Deputy General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**FORM B 09a -DN/HN***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***1. GENERAL INFORMATION****Structure of ownership**

FPT Telecom Joint Stock Company (the "Company") was incorporated in Vietnam, as a joint stock company under Business Registration Certificate No. 0101778163 dated 09 October 2014 issued by Hanoi Department of Planning and Investment which is the 18th amendment to Business Registration Certificate No. 0103008784 dated 28 July 2005.

The number of employees of the Holding Company and its subsidiaries as at 30 June 2015 was 6,366 (31 December 2014: 5,607).

Principal activities

The principal activities of the Company are to provide ADSL services, lease line, domain and data backup, online advertisement, online games and other online services.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**Accounting convention**

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The financial year of the Holding Company and its subsidiaries begins on 01 January and ends on 31 December. These interim consolidated financial statements are prepared for the period from 01 January 2015 to 30 June 2015.

3. NEW ACCOUNTING GUIDANCE IN ISSUE NOT YET ADOPTED

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC ("Circular 200") guiding the application of accounting regime for enterprises and Circular No. 202/2014/TT-BTC (Circular 202) guiding the preparation and presentation of consolidated financial statements. These circulars are effective for financial years beginning on or after 01 January 2015. Circular 200 will supersede the regulations for accounting regime promulgated under Decision No. 15/2006/QĐ-BTC dated 20 March 2006 issued by the Ministry of Finance and Circular No. 244/2009/TT-BTC dated 31 December 2009 issued by the Ministry of Finance. Circular 202 will supersede section XIII in Circular No. 161/2007/TT-BTC dated 31 December 2007 of the Ministry of Finance guiding the preparation and presentation of consolidated financial statements in accordance with Vietnamese Accounting Standard No. 25 "Consolidated Financial Statements and Accounting for Investments in Subsidiaries".

On 18 May 2015, the Ministry of Finance issued Circular No. 75/2015/TT-BTC amending and supplementing Article 128 of Circular 200, which allows enterprises to choose the adoption of Circular 200 or Decision 15 in the preparation of interim financial statements (quarterly financial statements and semi-annual financial statements). The Company chose to adopt Decision 15 instead of Circular 200 in the preparation of the consolidated financial statements for the period from 01 January 2015 to 30 June 2015. The Board of Management believes that such adoption will provide readers with sufficient comparative information of prior reporting periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The interim consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 30 June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

All inter-company transactions and balances between subsidiaries are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Company's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination (details shown below) and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Company except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The interest of minority shareholders is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit of 10 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a -DN/HN**
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash and cash equivalents, trade and other receivables, short-term and long-term investments and other financial assets.

Financial liabilities: At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise loans, trade and other payables, accruals and other financial liabilities.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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 is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have cost higher than net realisable values as at the balance sheet date.

Short-term prepayments

Short-term prepayments comprise expenditure for transferring to optical fiber cable system, cost waiting transferring and other types of short-term prepayments.

Cost waiting transferring represents the deferred expenditure which is corresponding to unearned revenue from telecommunication service. Such expenditure is defined based on expenses incur once to gain revenue in periods. Accordingly, an amount of expense has been allocated corresponding to revenue recorded in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	From 01/01/2015 to 30/6/2015 (Years)
Buildings and structures	25
Machinery and equipment	3 - 10
Office equipment	3 - 6
Motor vehicles	6
Others	3 - 5

Intangible assets and amortisation

Intangible assets represent indefinit land use rights that are stated at cost.

Intangible assets comprise computer software, licenses and operating right that are stated at cost less accumulated amortization. Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

	From 01/01/2015 to 30/6/2015 (Years)
Computer software	3 - 5
Licenses	3
Rights to operate hi-speed internet line - Asia America Gateway project ("AAG")	15

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Long-term prepayments

Long-term prepayments comprise prepaid land rentals and other types of long-term prepayments.

Land rentals represent rentals that have been paid in advance. Prepaid land rentals are charged to the consolidated income statement using the straight-line method over the lease term.

Other types of long-term prepayments comprise costs of small tools, supplies and spare parts issued for consumption which are expected to provide future economic benefits to the Company for one year or more. These expenditures have been capitalised as long-term prepayments, and are allocated to the consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a -DN/HN**
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from sales of goods

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company;
- and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from telecommunication services

Revenue from telecommunication services is recognized based on the pro-rata time during the period in which services are provided.

Revenue from the sales of prepaid online game and internet cards is recognized in the consolidated income statement based on the time unit actually consumed by users. Subsequently, unutilized prepayments are recognized as income upon the expiration of the validity duration in accordance with the Company's expiration policy.

Revenue from online advertisement services

Revenue from online advertisement services is recognized based on the pro-rata time stated in contracts.

Operating lease

Rentals payable under operating leases are charged to the consolidated income statement using the straight-line method over the term of the relevant lease.

Foreign currencies

The Company applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates" and Circular No. 179/2012/TT-BTC dated 24 October 2012 of the Ministry of Finance providing guidance on recognition, measurement and treatment of foreign exchange differences in enterprises. Accordingly, transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balance of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement. Unrealised exchange gains as at the balance sheet date are not treated as part of distributable profit to shareholders.

Basic earnings per share

The Company discloses basic earnings per share (EPS) for ordinary shareholders. Basic earnings per share is calculated by having profit or loss attributable to the Company's ordinary shareholders divided by weighted average number of ordinary shares in circulation during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a -DN/HN**
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Accrued expenses

Accrued expenses are recognized when the amounts were recognized into expenditures for the period but not actually paid in the period. The Company's accrued expenses mainly include those relating to underground telecommunication cable, renting electric line, renting tension pole, and renting infrastructure and accrued payroll.

Unearned revenue

Unearned revenue represents telecommunication fee prepaid by customers for more than one billing period and cash received for building the Office Tower at Tan Thuan EPZ for more than one year. Unearned revenue would be allocated to monthly revenue when customers use service.

Bonus and welfare funds

Bonus and welfare funds are appropriated at maximum 10% of profit after tax on annual basis, subject to the approval of the Company's General Shareholders' Meeting.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

5. CASH AND CASH EQUIVALENTS

	30/6/2015	31/12/2014
	VND	VND
Cash on hand	2,761,180,335	1,645,868,301
Cash in bank	111,690,849,442	83,710,600,626
Cash equivalents	415,515,958,009	971,110,640,018
	529,967,987,786	1,056,467,108,945

6. INVENTORIES

	30/6/2015	31/12/2014
	VND	VND
Goods in transit	64,328,308,704	58,534,155,811
Tools and supplies	33,273,236,179	13,594,119,140
Merchandise	248,374,430,809	192,451,944,363
	345,975,975,692	264,580,219,314
Provision for devaluation of inventories	-	-
Net realisable value	345,975,975,692	264,580,219,314

7. SHORT-TERM PREPAYMENTS

	30/6/2015	31/12/2014
	VND	VND
Expenditure for transferring to optical fiber cable system	285,660,016,752	230,952,022,561
Cost awaiting transferring	227,878,031,325	211,035,385,641
Other short-term prepayments	43,545,720,877	39,220,574,032
	557,083,768,954	481,207,982,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

8. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
As at 01/01/2015	154,393,710,565	3,066,818,257,323	52,313,136,564	571,471,504,314	28,166,943,963	3,873,163,552,729
Increases	-	658,947,211,297	2,256,921,819	7,935,933,237	23,337,442,716	692,477,509,069
Purchases	-	650,775,586,370	2,256,921,819	7,533,236,033	23,220,460,676	683,786,204,898
Transfers from construction in progress	-	8,288,606,967	-	-	-	8,288,606,967
Reclassification	-	(116,982,040)	-	-	116,982,040	-
Other increases	-	-	-	402,697,204	-	402,697,204
Decreases	-	1,565,522,820	573,918,728	2,876,325,255	-	5,015,766,803
Disposals	-	1,565,522,820	573,918,728	2,876,325,255	-	5,015,766,803
As at 30/6/2015	154,393,710,565	3,724,199,945,800	53,996,139,655	576,531,112,296	51,504,386,679	4,560,625,294,995
ACCUMULATED DEPRECIATION						
As at 01/01/2015	22,633,413,552	1,372,325,947,887	22,779,111,136	452,641,729,186	8,426,478,137	1,878,806,679,898
Increases	3,246,015,255	204,585,109,207	1,549,081,958	22,518,894,308	5,526,874,674	237,425,975,402
Charge for the period	3,246,015,255	204,585,109,207	1,549,081,958	22,518,894,308	5,526,874,674	237,425,975,402
Decreases	-	1,150,070,884	573,918,728	3,470,970,261	-	5,194,959,873
Disposals	-	1,150,070,884	573,918,728	2,876,325,255	-	4,600,314,867
Others decreases	-	-	-	594,645,006	-	594,645,006
As at 30/6/2015	25,879,428,807	1,575,760,986,210	23,754,274,366	471,689,653,233	13,953,352,811	2,111,037,695,427
NET BOOK VALUE						
As at 30/6/2015	128,514,281,758	2,148,438,959,590	30,241,865,289	104,841,459,063	37,551,033,868	2,449,587,599,568
As at 31/12/2014	131,760,297,013	1,694,492,309,436	29,534,025,428	118,829,775,128	19,740,465,826	1,994,356,872,831

As at 30 June 2015, the cost of tangible fixed assets include approximately VND 764,550 million (31 December 2014: approximately VND 751,230 million) of assets which have been fully depreciated but are still in use.

FPT TELECOM JOINT STOCK COMPANY

2nd Floor, FPT Cau Giay Tower, Duy Tan Street, Dich Vong Hau Ward
Cau Giay District, Hanoi, S.R. Vietnam

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For the period from
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN**

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

9. INTANGIBLE ASSETS

	Land use right VND	Licenses, operating right VND	Computer software VND	Total VND
COST				
As at 01/01/2015	12,708,112,000	208,837,195,047	25,226,594,490	246,771,901,537
Increases	-	8,713,248,649	1,990,328,660	10,703,577,309
Additions	-	8,713,248,649	1,990,328,660	10,703,577,309
Decreases	-	-	(12,885,609)	(12,885,609)
Disposals	-	-	(12,885,609)	(12,885,609)
As at 30/6/2015	12,708,112,000	217,550,443,696	27,204,037,541	257,462,593,237
ACCUMULATED AMORTISATION				
As at 01/01/2015	-	71,888,799,607	10,614,879,319	82,503,678,926
Increases	-	7,383,278,159	1,699,238,396	9,082,516,555
Charge for the period	-	7,383,278,159	1,699,238,396	9,082,516,555
Decreases	-	-	(12,885,609)	(12,885,609)
Disposals	-	-	(12,885,609)	(12,885,609)
Relassification	-	(7,423,437,856)	7,423,437,856	-
As at 30/6/2015	-	71,848,639,910	19,724,669,962	91,573,309,872
NET BOOK VALUE				
As at 30/6/2015	12,708,112,000	145,701,803,786	7,479,367,579	165,889,283,365
As at 31/12/2014	12,708,112,000	136,948,395,440	14,611,715,171	164,268,222,611

10. CONSTRUCTION IN PROGRESS

	30/6/2015 VND	31/12/2014 VND
APG Project	155,706,128,300	155,652,668,002
North - South Cable Project (Phase B)	6,851,890,113	7,982,725,648
Others	3,743,801,458	17,227,796,663
	166,301,819,871	180,863,190,313

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN**

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11. INVESTMENTS IN SUBSIDIARIES

Details of the Company's subsidiaries as at 30 June 2015 are as follows:

Name	Place of incorporation and operation	Portion of ownership interest and voting power held	Principal activity
FPT Online Joint Stock Company (FOC)	153 Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City	59.12%	Providing game online service, online newspaper, online payment
FPT Telecom Tan Thuan Company Limited	Lot No. 37 - 39A, Road 19, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City	100%	Providing high speed internet and other telecommunication services
FPT International Telecom Company Limited (FTI)	Room G6, Floor 1, Etown Tower, No.2, 364 Cong Hoa, Ward 13, Tan Binh District, Ho Chi Minh City	100%	Providing internet services, agent for providing telecommunication services and other services
FPT Software Enterprise Solution Company Limited (FSS)	153 Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City	100%	Producing software

12. SHORT-TERM LOANS AND LIABILITIES

	30/6/2015	31/12/2014
	VND	VND
Military Bank - Dong Da Branch	26,257,308,352	56,523,625,598
ANZ Vietnam	-	66,700,463,557
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi City Branch	101,991,573,281	198,989,084,229
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Thanh Branch	203,893,127,909	376,587,104,941
Citibank Vietnam - Hanoi Branch	71,923,100,170	-
HSBC Bank (Vietnam) Ltd.	222,236,905,094	-
Vietnam International Bank	54,772,074,615	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hoang Mai Branch	147,846,710,130	-
	828,920,799,551	698,800,278,325

13. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	30/6/2015	31/12/2014
	VND	VND
Value added tax on domestic sales	4,006,861,035	13,099,620,518
Value added tax on imported goods	33,195,953	33,406,953
Import/export duties	-	226,000
Corporate income tax	43,991,934,183	47,925,538,748
Other taxes	2,399,969,486	3,551,867,049
	50,431,960,657	64,610,659,268

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN**

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14. BONUS AND WELFARE FUNDS

In 2014, the Boards of Directors of the Company and its subsidiaries temporarily allocated VND 76,183,333,551 to Bonus and welfare funds based on the Charters of the Company and its subsidiaries. The temporarily allocated amounts to Bonus and welfare funds in 2014 were approved in the Company's General Shareholder's Meeting in 2015. As at 30 June 2015, the Company had not made temporary allocation to Bonus and welfare funds for the period from 01 January 2015 to 30 June 2015.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

15. SHAREHOLDERS' EQUITY

Movement in Shareholders' equity:

	Charter capital VND	Share premium VND	Treasury shares VND	Retained earnings VND	Total VND	Minority interests VND	Grand Total VND
As at 01/01/2014	997,015,350,000	7,652,995,729	(275,150,000)	532,093,510,763	1,536,486,706,492	125,641,773,695	1,662,128,480,187
Shares issued	249,182,740,000	-	-	(249,182,740,000)	-	-	-
Profit for the year	-	-	-	736,436,936,971	736,436,936,971	26,597,929,127	763,034,866,098
Purchases of treasury shares	-	-	(25,000,000)	-	(25,000,000)	-	(25,000,000)
Allocation to bonus and welfare funds	-	-	-	(73,382,904,122)	(73,382,904,122)	(2,800,429,429)	(76,183,333,551)
Disposals of subsidiary	-	-	-	8,560,199,804	8,560,199,804	9,035,015,508	17,595,215,312
Other movements	-	-	-	(365,640,191)	(365,640,191)	-	(365,640,191)
As at 01/01/2015	1,246,198,090,000	7,652,995,729	(300,150,000)	954,159,363,225	2,207,710,298,954	158,474,288,901	2,366,184,587,855
Profit for the period	-	-	-	432,843,902,792	432,843,902,792	22,571,205,303	455,415,108,095
Dividends declared in cash	-	-	-	(373,769,382,000)	(373,769,382,000)	(19,993,529,500)	(393,762,911,500)
Incentive tax adjustment (i)	-	-	-	35,542,163,240	35,542,163,240	-	35,542,163,240
Other movements	-	-	-	(1,412,939,364)	(1,412,939,364)	(193,411,446)	(1,606,350,810)
As at 30/6/2015	1,246,198,090,000	7,652,995,729	(300,150,000)	1,047,363,107,893	2,300,914,043,622	160,858,553,258	2,461,772,596,880

Under the Resolution dated 20 May 2015 of the General Shareholders' Meeting, the Company paid cash dividends from profit after tax for the year 2014 in the amount of VND 373,769,382,000, cash dividends payout ratio is VND 3,000 per share.

(i) According to Circular No. 151/2014/TT-BTC dated 10 October 2014 and Circular No. 96/2015/TT-BTC dated 22 June 2015, the Company determines that FPT Telecom Tan Thuan Project is entitled to 50% preferential tax payable of 2014 from additional income due to investment in machinery and equipment during the period 2009-2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

15. SHAREHOLDERS' EQUITY (Continued)

Charter capital

According to the amended Business Registration Certificate, the Company's charter capital is VND 1,246,198,090,000. As at 30 June 2015, the charter capital had been fully contributed by the shareholders as follows:

	Per Amended Business Registration Certificate		Capital contributed as at			
	Number of shares	%	30/6/2015		31/12/2014	
			Number of shares	%	Number of shares	%
1. State Capital Investment Corporation - Represented by Mr. Truong Gia Binh	62,511,678	50.16%	62,511,678	50.16%	62,511,678	50.16%
2. FPT Corporation - Represented by Mr. Le Quang Tien	56,766,318	45.55%	56,882,674	45.64%	56,882,674	45.64%
3. Other shareholders	5,341,813	4.29%	5,195,442	4.18%	5,195,442	4.18%
	124,619,809	100.00%	124,589,794	99.98%	124,589,794	99.98%
Treasury shares	-	-	30,015	0.02%	30,015	0.02%
	124,619,809	100%	124,619,809	100%	124,619,809	100%

16. DIVIDENDS

Under the Resolution dated 20 May 2015 of the General Shareholders' Meeting, the Company paid cash dividends from profit after tax for the year 2014 in the amount of VND 373,769,382,000, cash dividends payout ratio is VND 3,000 per share.

17. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Gross sales	2,608,869,067,919	2,411,041,027,627
In which:		
- Sales of merchandises	79,578,646,410	95,972,354,253
- Sales of services	2,529,290,421,509	2,315,068,673,374
Deductions	(3,730,260,201)	(2,869,369,353)
Sales returned	(3,730,260,201)	(2,869,369,353)
Net sales	2,605,138,807,718	2,408,171,658,274

18. COST OF GOODS SOLD AND SERVICES RENDERED

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Cost of goods sold	77,316,973,417	104,301,006,673
Cost of services rendered	1,288,948,623,717	1,151,984,213,954
	1,366,265,597,134	1,256,285,220,627

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***19. FINANCIAL INCOME**

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Bank and loan interest, and bonds interest	21,316,643,663	5,253,205,324
Foreign exchange gain	2,576,293,446	678,009,122
Other financial income	2,848,298	2,558,607,702
	23,895,785,407	8,489,822,148

20. FINANCIAL EXPENSES

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Interest expense	18,723,676,119	4,102,852,230
Foreign exchange loss	6,617,667,289	2,333,920,806
Other financial expenses	465	2,776,355,965
	25,341,343,873	9,213,129,001

21. PRODUCTION COST BY NATURE

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Cost of goods sold	77,316,973,417	104,301,006,673
Materials	384,029,790,819	153,811,385,961
Labour	421,906,612,977	369,675,527,583
Depreciation, amortisation and cost allocation	305,876,306,533	242,525,787,474
Out-sourced services	813,967,007,729	928,307,103,236
Other monetary expenses	66,230,919,834	101,385,147,316
	2,069,327,611,309	1,900,005,958,243

22. CORPORATE INCOME TAX

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
	VND	VND
Profit before tax	539,664,203,612	513,257,605,920
Adjustments for taxable income		
- Unearned revenue	(323,305,789,424)	(234,428,580,682)
- Cost related to unearned revenue	112,784,156,252	38,217,424,854
- Non-deductible expenses	3,475,080,679	2,967,098,178
- Unearned revenue with issued invoices	376,704,390,746	315,748,898,784
- Cost related to unearned revenue	(119,412,669,854)	(52,898,395,436)
- Others	(830,506,589)	(2,846,476,692)
Assessable income	589,078,865,422	580,017,574,926
Tax rate (i)	10% and 22%	10% and 22%
Corporate income tax	122,988,570,177	123,945,994,477
Less: Tax deduction (ii)	(28,450,055,362)	(15,806,203,614)
Current corporate income tax	94,538,514,815	108,139,790,863
Deferred corporate tax income (iii)	(10,289,419,298)	(14,135,897,862)
	84,249,095,517	94,003,893,001

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

22. CORPORATE INCOME TAX (Continued)

- (i) FPT Software Enterprise Solution Company Limited (FSS) and FPT Online Joint Stock Company (FOC) have the obligation to pay the corporate income tax at the tax rate of 10% whereas the Company and other subsidiaries have to pay at the tax rate of 22% of its assessable income.
- (ii) Tax deduction is the tax incentive applicable to FPT Telecom Tan Thuan Joint Stock Company (Tan Thuan Project).
- (iii) Deferred tax income and deferred tax assets are recognised for the deductible temporary differences, which represent unearned revenue presented in the consolidated balance sheet for accounting purposes and have already been included in current taxable income.

23. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share as at 30 June 2015 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding for the period as follows:

	From 01/01/2015 to 30/6/2015	From 01/01/2014 to 30/6/2014
Profit after corporate income tax (VND)	432,843,902,792	400,422,721,080
Weighted average number of ordinary shares outstanding in the period (shares)	124,591,499	124,592,294
Basic earnings per share (VND)	3,474	3,214

24. COMMITMENTS

Investment commitments

As at 30 June 2015, the Company has commitments to invest in submarine cable Asia - Pacific Gateway ("APG Project") through business cooperation contract with Viettel Group and CMC Infrastructure Telecom Joint Stock Company. This is the project to build submarine cable network connecting countries in Asia (Vietnam, Japan, Hong Kong, China, Singapore, Malaysia, Taiwan, South Korea and Thailand). Viettel Telecom is a representative to this project. Accordingly, the Company commits to contributing the total estimated amount of USD 10 million equivalent to 25% the total capital of Viettel Telecom contribution in this project. Capital contribution will be made according to the progress of the project and Viettel Notification. As at 30 June 2015, the actual contributed capital of the Company was USD 7,378,870.30 equivalent to VND 155,706,128,300.

Operating lease commitments

	30/6/2015 VND	31/12/2014 VND
Within one year	26,929,840,385	49,138,657,443
In the second to fifth year inclusive	93,410,232,153	102,641,412,782
After five years	343,551,990	747,788,784
	<u>120,683,624,528</u>	<u>152,527,859,009</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FORM B 09a -DN/HN***These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements***25. FINANCIAL INSTRUMENTS****Capital risk management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 12 offset by cash and cash equivalents) and equity attributable to equity holders of the Holding Company (comprising capital, share premium, treasury shares and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	30/6/2015	31/12/2014
	VND	VND
Borrowings	828,920,799,551	698,800,278,325
Less: Cash and cash equivalents	529,967,987,786	1,056,467,108,945
Net debt	298,952,811,765	-
Equity	2,300,914,043,622	2,207,710,298,954
Net debt to equity ratio	0.13	-

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 4.

Categories of financial instruments

	Carrying amounts	
	30/6/2015	31/12/2014
	VND	VND
Financial assets		
Cash and cash equivalents	529,967,987,786	1,056,467,108,945
Trade and other receivables	612,806,598,335	586,319,040,666
Short-term investments	4,500,000,000	11,946,730,000
Long-term investments	13,996,691,181	8,956,691,181
Other financial assets	28,586,015,920	5,112,571,247
Total	1,189,857,293,222	1,668,802,142,039
Financial liabilities		
Borrowings	828,920,799,551	698,800,278,325
Trade and other payables	850,677,589,501	748,904,174,778
Accrued expenses	117,816,208,111	130,640,651,509
Other financial liabilities	381,720,000	97,920,000
Total	1,797,796,317,163	1,578,443,024,612

The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there are no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a -DN/HN**
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

25. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Company does not hedge these risk exposures due to the lack of markets to purchase financial instruments.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	30/6/2015	31/12/2014	30/6/2015	31/12/2014
	VND	VND	VND	VND
United States Dollar (USD)	78,277,421,846	47,797,303,091	439,370,765,978	326,453,326,396
Singapore Dollar (SGD)	-	-	843,068,753	382,181,369
Hongkong Dollar (HKD)	-	-	405,515,709	197,978,880

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

25. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk management (Continued)

	Less than 1 year VND	From 1-5 years VND	More than 5 years VND	Total VND
30/6/2015				
Cash and cash equivalents	529,967,987,786	-	-	529,967,987,786
Trade and other receivables	612,806,598,335	-	-	612,806,598,335
Short-term investments	4,500,000,000	-	-	4,500,000,000
Long-term investments	-	13,996,691,181	-	13,996,691,181
Other financial assets	25,615,832,736	2,970,183,184	-	28,586,015,920
Total	1,172,890,418,857	16,966,874,365	-	1,189,857,293,222
30/6/2015				
Borrowings	828,920,799,551	-	-	828,920,799,551
Trade and other payables	850,677,589,501	-	-	850,677,589,501
Accrued expenses	117,816,208,111	-	-	117,816,208,111
Other financial liabilities	-	381,720,000	-	381,720,000
Total	1,797,414,597,163	381,720,000	-	1,797,796,317,163
Net liquidity gap	(624,524,178,306)	16,585,154,365	-	(607,939,023,941)
	Less than 1 year VND	From 1-5 years VND	More than 5 years VND	Total VND
31/12/2014				
Cash and cash equivalents	1,056,467,108,945	-	-	1,056,467,108,945
Trade and other receivables	571,063,985,135	15,255,055,531	-	586,319,040,666
Short-term investments	11,946,730,000	-	-	11,946,730,000
Long-term investments	-	8,956,691,181	-	8,956,691,181
Other financial assets	2,350,888,063	2,761,683,184	-	5,112,571,247
Total	1,641,828,712,143	26,973,429,896	-	1,668,802,142,039
31/12/2014				
Borrowings	698,800,278,325	-	-	698,800,278,325
Trade and other payables	748,904,174,778	-	-	748,904,174,778
Accrued expenses	130,640,651,509	-	-	130,640,651,509
Other financial liabilities	-	97,920,000	-	97,920,000
Total	1,578,345,104,612	97,920,000	-	1,578,443,024,612
Net liquidity gap	63,483,607,531	26,875,509,896	-	90,359,117,427

The management assessed the liquidity risk at controllable level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) **FORM B 09a -DN/HN**
These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

26. RELATED PARTY TRANSACTIONS AND BALANCES

During the period, the Company entered into the following significant transactions with its related parties:

List of related parties:

<u>Related party</u>	<u>Relationship</u>	<u>From 01/01/2015 to 30/6/2015</u>	<u>From 01/01/2014 to 30/6/2014</u>
		<u>VND</u>	<u>VND</u>
FPT Corporation	Parent company		
FPT Trading Company Limited (FTG)	Affiliate		
FPT Software Company Limited (FSO)	Affiliate		
FPT Information System Corporation (FIS)	Affiliate		
FPT Technology Product Company Limited (FTP)	Affiliate		
FPT Retail Company Limited (FRT)	Affiliate		
FPT Distribution Company Limited (FDC)	Affiliate		
FPT Corporation			
Dividends paid in cash		170,648,022,000	-
Sales of goods and services		5,339,242,940	4,154,941,583
Purchases of fixed assets, goods and services		20,533,090,780	18,096,352,166
Other related parties			
FPT Trading Company Limited (FTG)			
Sales of goods and services		1,593,246,996	-
Purchases of fixed assets, goods and services		406,594,800	70,689,094
FPT Software Company Limited (FSO)			
Sales of goods and services		7,671,973,306	-
FPT Information System Corporation (FIS)			
Sales of goods and services		5,504,156,236	27,272,728
Purchases of fixed assets, goods and services		28,591,589,870	6,174,890,830
FPT Distribution Company Limited (FDC)			
Sales of goods and services		12,000,000	-
Purchases of fixed assets, goods and services		26,385,321,409	25,421,707,931
FPT Retail Company Limited			
Sales of goods and services		40,388,312	-
Purchases of fixed assets, goods and services		926,563,755	-
FPT Technology Product Company Limited (FTP)			
Purchases of fixed assets, goods and services		649,924,033	1,847,186,673

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FORM B 09a -DN/HN
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26. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Significant related party balances as at the balance sheet date were as follows:

	30/6/2015	31/12/2014
	VND	VND
Cash and cash equivalents		
Cash deposited in the central account of FPT Corporation	19,176,114,576	6,257,761,565
Receivables		
Short-term loans with term from 1 month to under 12 months to FPT Corporation	671,322,675	-
FPT Corporation - other receivables	-	1,140,753,859
FPT Information System Corporation (FIS)	1,673,412,602	949,782,360
FPT Retail Company Limited (FRT)	670,113,384	410,320,000
FPT Trading Company Limited (FTG)	301,089,056	285,702,222
FPT Software Company Limited (FSO)	-	1,017,931,462
Payables		
FPT Corporation - Goods and services	20,166,512,687	20,965,389,915
FPT Information System Corporation	13,975,781,822	7,988,047,210
FPT Software Company Limited (FSO)	1,002,847,568	1,042,329,098
FPT Retail Company Limited (FRT)	190,765,820	223,810,816
FPT Distribution Company Limited (FDC)	17,775,923,319	-
FPT Trading Company Limited (FTG)	74,542,380	5,320,316,600

27. COMPARATIVE FIGURES

Comparative figures presented in the consolidated balance sheet and corresponding notes are figures of the audited consolidated financial statements for the year ended 31 December 2014. Comparative figures presented in the consolidated income statement and consolidated cash flow statement and corresponding note are figures of the reviewed financial statements for the period from 01 January 2014 to 30 June 2014.



Nguyen Thi Thu Huong
Preparer

29 July 2015



Do Thi Huong
Chief accountant



Vu Thi Mai Huong
Deputy General Director