



FPT CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM
CONSOLIDATED FINANCIAL
STATEMENTS**

For the 6-month period ended 30 June 2018

FPT CORPORATION

No. 17 Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, S.R. Vietnam

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of FPT Corporation and its subsidiaries (herein collectively referred to as the "Corporation") presents this report together with the Corporation's interim consolidated financial statements for the 6-month period ended 30 June 2018.

THE BOARDS OF DIRECTORS AND MANAGEMENT

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

Board of Directors

Mr. Truong Gia Binh	Chairman
Mr. Bui Quang Ngoc	Vice Chairman
Mr. Do Cao Bao	Member
Mr. Le Song Lai	Member
Mr. Jean Charles Belliol	Member
Mr. Tomokazu Hamaguchi	Member
Mr. Dan E Khoo	Member

Board of Management

Mr. Bui Quang Ngoc	Executive President
Mr. Nguyen The Phuong	Executive Vice President
Mr. Do Cao Bao	Executive Vice President
Mr. Nguyen Van Khoa	Executive Vice President (assigned on 01 March 2018)
Mr. Hoang Viet Anh	Executive Vice President (assigned on 01 March 2018)
Mr. Duong Dung Trieu	Executive Vice President (resigned on 15 January 2018)

BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the financial position of the Corporation as at 30 June 2018, and of its results and cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. In preparing these interim consolidated financial statements, the Board of Management 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 interim consolidated financial statements;
- Prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.

FPT CORPORATION

No. 17 Duy Tan Street
Dich Vong Hau Ward, Cau Giay District
Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY (Continued)

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

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these interim consolidated financial statements.

For and on behalf of the Board of Management,



Nguyen The Phuong

Executive Vice President

Power of Attorney No. 94.3-2013/QD-FPT-TGD
dated 05 August 2013

10 August 2018

No.: 166 /VN1A-HN-BC

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders
The Boards of Directors and Management
FPT Corporation**

We have reviewed the accompanying interim consolidated financial statements of FPT Corporation and its subsidiaries (the "Corporation"), prepared on 10 August 2018 as set out from page 04 to page 45, which comprise the interim consolidated balance sheet as at 30 June 2018, the interim consolidated income statement and interim consolidated cash flows statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting, and for such internal control as management determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim consolidated 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 consolidated 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the financial position of the Corporation as at 30 June 2018, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.



Vu Duc Nguyen
Deputy General Director
Audit Practising Registration Certificate
No. 0764-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

10 August 2018
Hanoi, S.R. Vietnam

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		16,757,931,160,407	16,059,937,820,645
I. Cash and cash equivalents	110	5	4,060,090,013,409	3,480,659,514,788
1. Cash	111		2,414,897,073,339	1,886,435,218,720
2. Cash equivalents	112		1,645,192,940,070	1,594,224,296,068
II. Short-term financial investments	120		4,866,280,283,759	4,379,446,212,073
1. Held-to-maturity investments	123	6	4,866,280,283,759	4,379,446,212,073
III. Short-term receivables	130		5,429,554,630,371	6,151,782,399,408
1. Short-term trade receivables	131		4,226,917,957,363	5,038,378,935,917
2. Short-term advances to suppliers	132		235,001,535,974	95,340,696,039
3. Receivables from contracts under percentage of completion method	134	7	320,334,466,918	431,581,193,340
4. Other short-term receivables	136	8	860,480,152,541	767,000,371,499
5. Provision for short-term doubtful debts	137		(213,179,482,425)	(180,518,797,387)
IV. Inventories	140		1,276,158,251,807	1,020,212,423,590
1. Inventories	141	10	1,279,505,398,922	1,024,043,952,523
2. Provision for devaluation of inventories	149	10	(3,347,147,115)	(3,831,528,933)
V. Other short-term assets	150		1,125,847,981,061	1,027,837,270,786
1. Short-term prepayments	151	11	940,997,401,052	759,948,049,853
2. Value added tax deductibles	152		147,367,655,647	156,145,888,056
3. Taxes and other receivables from the State budget	153	12	37,482,924,362	111,743,332,877

The accompanying notes are an integral part of these interim consolidated financial statements



INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS		200	9,528,214,377,917	8,939,739,075,221
I. Long-term receivables		210	246,396,148,990	231,657,122,488
1. Long-term trade receivables		211	161,551,680,000	161,551,680,000
2. Other long-term receivables		216 8	139,573,642,808	124,834,616,306
3. Provision for long-term doubtful debts		219	(54,729,173,818)	(54,729,173,818)
II. Fixed assets		220	5,418,766,783,628	5,247,285,021,701
1. Tangible fixed assets		221 13	4,583,203,024,348	4,585,493,059,313
- Cost		222	8,604,654,317,375	8,260,173,587,144
- Accumulated depreciation		223	(4,021,451,293,027)	(3,674,680,527,831)
2. Finance lease assets		224	3,177,674,790	3,656,116,414
- Cost		225	4,777,471,909	4,702,426,443
- Accumulated depreciation		226	(1,599,797,119)	(1,046,310,029)
3. Intangible assets		227 14	832,386,084,490	658,135,845,974
- Cost		228	1,358,444,973,347	1,117,419,385,566
- Accumulated amortisation		229	(526,058,888,857)	(459,283,539,592)
III. Long-term assets in progress		240	975,399,987,091	805,559,896,217
1. Construction in progress		242 15	975,399,987,091	805,559,896,217
IV. Long-term financial investments		250	1,925,316,091,686	1,783,369,007,284
1. Investments in associates		252 17	1,498,426,522,640	1,333,704,438,239
2. Equity investments in other entities		253 6	749,364,823,537	749,259,852,282
3. Provision for impairment of long-term financial investments		254 6	(322,475,254,491)	(299,595,283,237)
V. Other long-term assets		260	962,335,366,522	871,868,027,531
1. Long-term prepayments		261 11	854,881,589,772	811,433,621,590
2. Deferred tax assets		262 18	38,473,468,015	60,434,405,941
3. Goodwill		269	68,980,308,735	-
TOTAL ASSETS (270=100 + 200)		270	26,286,145,538,324	24,999,676,895,866

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2018

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		12,400,576,249,250	11,761,300,662,093
I. Current liabilities	310		11,901,667,720,854	11,100,344,738,740
1. Short-term trade payables	311		1,618,107,863,526	2,279,172,467,047
2. Short-term advances from customers	312		576,244,037,368	561,261,495,876
3. Taxes and amounts payable to the State budget	313	12	243,955,140,677	320,421,087,431
4. Payables to employees	314		717,908,322,257	830,413,330,203
5. Short-term accrued expenses	315	19	968,626,938,378	918,418,793,263
6. Payables relating to contracts under percentage of completion method	317		22,992,601,562	20,380,725,175
7. Short-term unearned revenue	318	20	1,329,507,438,427	1,293,630,917,628
8. Other current payables	319	21	273,073,631,807	439,490,212,823
9. Short-term loans and obligations under finance leases	320	22	5,971,944,040,829	4,116,988,708,324
10. Short-term provisions	321	23	5,145,730,117	6,051,424,047
11. Bonus and welfare funds	322		174,161,975,906	314,115,576,923
II. Long-term liabilities	330		498,908,528,396	660,955,923,353
1. Long-term advances from customers	332		-	40,000,000,000
2. Long-term unearned revenue	336	20	83,483,091,724	47,796,539,629
3. Other long-term payables	337	21	7,499,794,396	1,525,469,921
4. Long-term loans and obligations under finance leases	338	24	404,863,295,760	565,209,817,637
5. Deferred tax liabilities	341		332,481,380	2,853,492,585
6. Long-term provisions	342	23	2,537,768,853	3,378,507,298
7. Scientific and technological development fund	343		192,096,283	192,096,283

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2018

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
D. EQUITY	400		13,885,569,289,074	13,238,376,233,773
I. Owners' equity	410		13,882,819,289,074	13,235,626,233,773
1. Owners' contributed capital	411	25	6,136,367,720,000	5,309,611,050,000
- Ordinary shares carrying voting rights	411a		6,136,367,720,000	5,309,611,050,000
2. Share premium	412	25	49,465,703,201	49,465,703,201
3. Other owner's capital	414	25	631,969,693,052	287,829,523,052
4. Treasury shares	415	25	(823,760,000)	(823,760,000)
5. Foreign exchange reserve	417	25	17,135,477,127	10,358,539,447
6. Investment and development fund	418	25	167,077,476,888	171,160,597,046
7. Other reserves	420	25	87,230,135,824	87,230,351,424
8. Retained earnings	421	25	4,670,505,451,280	5,511,408,650,206
- Retained earnings accumulated to the prior year end	421a		3,567,209,383,296	3,323,086,196,728
- Retained earnings of the current period	421b		1,103,296,067,984	2,188,322,453,478
9. Non-controlling interests	429		2,123,891,391,702	1,809,385,579,397
II. Other resources and funds	430		2,750,000,000	2,750,000,000
1. Non-business expenditure fund	431		2,750,000,000	2,750,000,000
TOTAL RESOURCES (440=300+400)	440		26,286,145,538,324	24,999,676,895,866



Nguyen Tien Hao
Preparer

10 August 2018



Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

INTERIM CONSOLIDATED INCOME STATEMENT

For the 6-month period ended 30 June 2018

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	26	10,236,314,669,478	19,696,079,965,694
2. Deductions	02	26	11,283,333,761	331,257,799,293
3. Net revenue from goods sold and services rendered (10=01-02)	10	26	10,225,031,335,717	19,364,822,166,401
4. Cost of sales	11	27	6,368,798,411,510	14,857,729,226,545
5. Gross profit from goods sold and services rendered (20=10-11)	20		3,856,232,924,207	4,507,092,939,856
6. Financial income	21	28	266,192,431,305	328,517,623,322
7. Financial expenses	22	29	212,311,954,395	389,176,031,215
- In which: Interest expense	23		101,497,368,758	213,004,037,895
8. Share of net profit from associates	24		215,683,718,757	20,737,863,589
9. Selling expenses	25		874,666,660,118	1,451,517,363,529
10. General and administration expenses	26		1,600,192,518,079	1,606,627,312,790
11. Operating profit (30=20+(21-22)+24-(25+26))	30		1,650,937,941,677	1,409,027,719,233
12. Other income	31		61,453,906,805	42,867,658,750
13. Other expenses	32		25,299,417,281	25,167,624,552
14. Profit from other activities (40=31-32)	40		36,154,489,524	17,700,034,198
15. Accounting profit before tax (50=30+40)	50		1,687,092,431,201	1,426,727,753,431
16. Current corporate income tax expense	51	30	253,133,525,067	205,189,001,957
17. Deferred corporate tax expense	52	30	22,161,640,359	10,741,595,739
18. Net profit after corporate income tax (60=50-51-52)	60		1,411,797,265,775	1,210,797,155,735
18.1. Equity holders of the Holding Company	61		1,103,296,067,984	924,585,572,324
18.2. Non-controlling interests	62		308,501,197,791	286,211,583,411
19. Basic earnings per share	70	31	1,803	1,517
20. Diluted earnings per share	71		1,803	1,517

Nguyen Tien Hao
Preparer

Hoang Huu Chien
Chief Accountant



Nguyen The Phuong
Executive Vice President

10 August 2018

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT

For 6-month period ended to 30 June 2018

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	1,687,092,431,201	1,426,727,753,431
2. Adjustments for:			
- Depreciation and amortisation of fixed assets	02	560,152,278,727	490,713,841,874
- Provisions	03	56,472,128,945	96,816,258,684
- Foreign exchange loss arising from translating foreign currency items	04	1,840,417,725	4,032,622,220
- (Gain) from investing activities	05	(381,116,364,475)	(198,903,991,772)
- Interest expense	06	101,497,368,758	213,004,037,895
3. Operating profit before movements in working capital	08	2,025,938,260,881	2,032,390,522,332
- Increase, decrease in receivables	09	613,393,752,841	(110,954,995,492)
- Increase, decrease in inventories	10	(136,939,504,220)	396,938,362,063
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(514,138,388,682)	(1,185,772,201,651)
- Increase, decrease in prepaid expenses	12	(224,497,319,381)	(10,351,115,921)
- Interest paid	14	(93,419,062,167)	(234,941,005,268)
- Corporate income tax paid	15	(190,171,369,984)	(286,529,099,616)
- Other cash outflows	17	(144,036,936,774)	(243,577,125,775)
Net cash generated by operating activities	20	1,336,129,432,514	357,203,340,672
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(1,261,309,654,689)	(498,879,743,132)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	433,689,402	4,993,971,640
3. Cash recovered from/(outflow for) lending, buying debt instruments of other entities	23, 24	(485,877,271,686)	97,692,216,738
4. Equity investments in other entities	25	(79,534,620,000)	-
5. Cash recovered from investments in other entities	26	165,900,000,000	1,585,367,493
6. Interest earned, dividends and profits received	27	194,383,509,043	201,998,526,569
Net cash (used in) investing activities	30	(1,466,004,347,930)	(192,609,660,692)

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT (Continued)

For 6-month period ended 30 June 2018

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	26,545,560,000	38,643,700,000
2. Capital withdrawals, buy-back of issued shares	32	-	(130,000,000)
3. Proceeds from borrowings	33	5,884,728,822,246	11,207,508,519,803
4. Repayment of borrowings	34	(4,239,028,572,884)	(12,291,751,035,663)
5. Dividends and profits paid	36	(962,940,395,325)	(554,264,750,993)
Net cash generated by/(used in) financing activities	40	709,305,414,037	(1,599,993,566,853)
Net increase/(decrease) in cash (50=20+30+40)	50	579,430,498,621	(1,435,399,886,873)
Cash and cash equivalents at the beginning of the period	60	3,480,659,514,788	6,013,361,389,774
Cash and cash equivalents at the end of the period (70=50+60)	70	4,060,090,013,409	4,577,961,502,901




Nguyen Tien Hao
 Preparer

10 August 2018



Hoang Huu Chien
 Chief Accountant





Nguyen The Phuong
 Executive Vice President

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

FPT Corporation (the "Company") was incorporated as a State-owned company in Vietnam and subsequently equitised in accordance with Decision No. 178/QĐ-TTg, following which the Company officially operated as a joint stock company. FPT Corporation was established under Business Registration Certificate No. 0103001041 issued for the first time by Hanoi Authority for Planning and Investment dated 13 May 2002 and its amendments.

According to the amended Business Registration Certificate dated 19 December 2008, the Company changed its name from the FPT Corporation for Financing and Promoting Technology to FPT Corporation.

According to the latest amended Business Registration Certificate dated 19 June 2018, the Company's charter capital is VND 6,136,367,720,000.

Since December 2006, the FPT Corporation's shares have been listed on Ho Chi Minh City Stock Exchange.

The total number of the Corporation's employees as at 30 June 2018 was 26,644 (31 December 2017: 25,322).

Operating industry and principal activities

The principal activities of the Corporation are to provide IT and telecommunication products and services. The main products and services provided are (i) software development including software outsourcing; software solutions, software services and ERP services; (ii) system integration; (iii) informatics services including system management, BPO service, Data Center service etc.; (iv) telecommunication services including internet services and value added services; (v) digital content services including online advertising etc.; (vi) general education, college, university and postgraduate training services.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less, except for some system integration projects which are carried out for a time period of more than 12 months.

The Corporation's structure:

Since 18 December 2017, FPT Corporation's proportions of ownership interest in FPT Digital Retail Joint Stock Company ("FRT") and FPT Trading Company Limited ("FTG") have been reduced to 47% and 48%, respectively. Accordingly, FRT and FTG are no longer subsidiaries of FPT but its associates. FTG's official name is also changed to "Synnex FPT Joint Stock Company".

As at 30 June 2018, FPT Corporation had 7 subsidiaries as follows:

- FPT Information System Corporation;
- FPT Telecom Joint Stock Company;
- FPT Software Company Limited;
- FPT Education Company Limited;
- FPT Online Service Joint Stock Company;
- FPT Investment Company Limited; and
- FPT Media Company Limited.

And 4 associates as follows:

- FPT Digital Retail Joint Stock Company;
- Synnex FPT Joint Stock Company;
- FPT Fund Management Joint Stock Company; and
- FPT Securities Joint Stock Company.

Disclosure of information comparability in the interim consolidated financial statements

The comparative figures of the interim consolidated balance sheet are the figures of the Corporation's audited consolidated financial statements for the year ended 31 December 2017. The comparative figures of the interim consolidated income statement and interim consolidated cash flow statement are the figures of the reviewed interim consolidated financial statements for the 6-month period ended 30 June 2017.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying interim 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 interim consolidated financial reporting.

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

Accounting period

The Corporation's financial year begins on 01 January and ends on 31 December. These interim consolidated financial statements have been prepared for the period from 01 January 2018 to 30 June 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of the interim consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated 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 interim consolidated financial statements and the reported amounts of revenues and expenses during 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 interim financial statements of the Company and enterprises controlled by the Company (its subsidiaries) for the period from 01 January 2018 to 30 June 2018. 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 interim 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 interim financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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 recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to the profit and loss in the period of acquisition.

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

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these interim consolidated financial statements using the equity method of accounting. Interests in associates are carried in the interim consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognized.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition. After acquisition date, if the Parent company continues making investment in the subsidiary, it should determine the cost of additional investment and corresponding increase in ownership of the carrying value of the acquired net asset of the subsidiary (not applying fair value as on acquisition date). The difference between the cost of additional investment and the carrying value of the acquired net asset should be recorded directly into retained earnings (similar to transactions among internal shareholders).



Goodwill arising on the acquisition date is presented separately as an intangible asset in the interim consolidated balance sheet and is amortised on the straight-line basis in the interim consolidated income statement according to current regulation. In case where the amount of goodwill impairment loss in the period is more than the annual amortised amount on the straight-line basis, the loss amount shall be recognised.

On disposal of a subsidiary, the attributable amount of unmortised goodwill is reduced corresponding to the disposed share proportion and included in retained earnings in case where the Parent remains its control of the subsidiary, or reduced in full and included in the determination of the profit or loss in case where the Parent company loses the control.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank 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.

Financial investments***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

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

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

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

Provisions for impairment of long-term financial investments

Provisions for impairment of long-term financial investments are made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

Receivables

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

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

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable, direct labor costs, and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of inventories within the Corporation is calculated using the first in first out (FIFO) method and inventory recording method is the perpetual method. Net realizable 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 costs higher than net realisable values as at the interim consolidated balance sheet date.

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.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

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

	Current period
	(Years)
Buildings and structures	5 - 25
Machinery and equipment	3 - 25
Motor vehicles	3 - 10
Office equipment	3 - 8
Other assets	3 - 25

Finance lease assets and depreciation

Finance lease assets are acquired from finance lease transactions, whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognized as assets of the Corporation at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the interim consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to interim consolidated profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Corporation's general policy on borrowing costs.

Intangible assets and amortisation

(i) Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Definite land use rights are amortised using the straight-line method over the duration of the rights to use the land. Indefinite land use rights are not amortised.

(ii) License, copyright and patent

Purchase price of license is accounted for as intangible asset. License is amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years. The right to operate the high-speed internet line of Asia America Gateway ("AAG") project is amortised over 15 years of the operation right.

Purchase prices of copyright and patent are capitalized and accounted for as intangible asset. Copyright and patent are amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years.

(iii) Brand name and trademark

Purchase prices of trademark and brand name are recorded as intangible asset. Trademark and brand name are amortised to the interim consolidated income statement on straight-line basis over their estimated useful lives.

(iv) Computer software

Purchase price of new computer software, which is not an integral part of related hardware is capitalized and accounted for as intangible asset. Computer software is amortised to the interim consolidated income statement on straight-line basis over a period of 3 to 5 years.

Construction in progress

Properties in the course of construction for production, rental, or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Corporation'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 rental and its attributable cost, office rental and other types of long-term prepayments. Prepaid land rentals are charged to the interim consolidated income statement using the straight-line method over the lease term.

Other types of long-term prepayments comprise tools and supplies issued for consumption, small devices and office refurbishment expenses are stated at cost and expensed in accordance with the prevailing regulations.

Payable provisions

Payable provisions are made when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation 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 interim consolidated balance sheet date.

Provision for warranties

The provision for warranties relates mainly to goods sold and services rendered. The provision is based on estimates derived from historical warranty data associated with similar products and services.

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Bonus and welfare funds

The Corporation distributes up to 10% of net profit after tax of subsidiaries to bonus and welfare funds.

Revenue recognition

Revenue is recognized when the outcome of such transactions can be measured reliably and it is probable that the economic benefits associated with the transactions will flow to the Corporation.

Revenue from the sale of goods

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

- (a) the Corporation has transferred to the buyer significant risks and rewards of ownership of the goods;
- (b) the Corporation 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 Corporation; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from services

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the interim consolidated balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (c) the percentage of completion of the transaction at the interim consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from software development, system integration and informatics services

Revenue is recognised in the interim consolidated income statement by reference to the percentage of completion of transaction at the period end. The percentage of completion is assessed by performance or the percentage of the incurred expense of the completed work over the total contract cost estimate. Revenue is not recognised if there is material unreliable element related to recovery of receivables.

Revenue from processing services

Revenue from processing services is recognised in the interim consolidated income statement when the goods have been processed and accepted by the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the receivables due.

Revenue from telecommunication services

Revenue from telecommunication services is recognised on pro-rata basis over the period during which the services are actually provided to customers.

Revenue from online advertising services

Revenue from online advertising services is recognised on the basis of work completed.

Revenue from tuition fees and fees

Revenue is recognised in the period when services are rendered. Tuition fees and fees collected in advance from the students are recorded as unearned revenue on the interim consolidated balance sheet and released to the interim consolidated income statement in the period in which the semester falls.

Tuition fees and fees payment

Tuition and fees are fully payable in advance prior to the beginning of each semester.

Enrolment fee or application fee

A one-time fixed application fee is charged per student and collected with applications for enrolment. Proceeds from the application fees are used to defray the costs associated with all procedures relating to processing each student's enrolment, including the administration of applicable evaluation of prior school records and appropriate placement for the student. The application fee is not refundable.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the interim consolidated 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 interim consolidated income statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Translation of financial statements of foreign operations

For the purpose of presenting interim consolidated financial statements, the assets and liabilities of the foreign operations (including comparative figures) are expressed in reporting currency using exchange rates prevailing on the interim consolidated balance sheet date. Income and expense items (including comparative figures) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Corporation's foreign exchange reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

Borrowing costs are recognised in the interim consolidated income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Earnings per share

The Corporation presents basic earnings per share (EPS) and diluted earnings per share (Diluted EPS) for its ordinary shares. Basic EPS is calculated by having the profit or loss attributable to the ordinary shareholders of the Corporation divided by the weighted average number of outstanding ordinary shares during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding taking into consideration the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

Related parties

Related parties include associates and key management personnel of the Corporation.

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 before tax as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (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 interim 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 Corporation 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.

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

4. SEGMENT REPORTING

A business segment is a distinguishable component of an enterprise that is engaged in producing or providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

The Corporation has two major segments under the management of FPT Corporation and its subsidiaries (the "Corporation") as follows:

Information Technology and Telecommunication

- **Telecommunication:** providing internet services to individuals and households, internet services to enterprises such as providing internet leased line services, domestic and international telecommunication, domain, hosting, Web Portal services, IPTV, etc.;
- **Digital content:** providing online services to enterprises and individual customers, including online newspapers (such as VnExpress.net, Ngoisao.net, iOne.net, PCWorld.com.vn, Gamethu.vn, etc.); online advertising, AdNetwork, online music, e-payment, etc.;
- **Software Outsourcing:** Software production, providing consultancy and deployment of S.M.A.C/IoT, digital transformation services, IT system transformation services, quality assurance testing, embedded software, ERP implementation and management services;
- **Software solutions, system integration and informatics services:** providing application software solutions, providing information system integration services, supplying IT equipment, data center services, networking and security system design/development; warranty and maintenance of IT products authorized by hardware vendors;

Investment and education: including the following main activities:

- Providing training services in IT, business management majors at general education, college, university, and post-graduate levels;
- Managing investments in associates operating in the finance field;
- Managing and developing real estate projects relating to the Corporation's infrastructure needs.

4.1 Segment report

Current period

Unit: VND million

Items	Information Technology and Telecommunication				Investment and education	Elimination	Total
	Telecommunication	Digital content	Software outsourcing	Software solution, system integration and informatics services			
Segment revenue	3,949,921	240,875	3,640,382	1,962,965	646,391	(215,503)	10,225,031
External revenue	3,949,921	240,875	3,578,431	1,867,934	587,870	-	10,225,031
Inter segment revenue	-	-	61,951	95,031	58,521	(215,503)	-
Segment expenses (i)							
Directly attributable expenses	(3,358,508)	(118,610)	(3,076,008)	(1,898,324)	(609,856)	217,649	(8,843,657)
In which:							
- Depreciation and amortisation	(431,863)	(2,536)	(93,941)	(11,665)	(22,235)	2,146	(560,094)
- Allocation of long-term prepaid expenses	(187,457)	(3,937)	(83,957)	(31,430)	(28,980)	-	(335,761)
Segment result (ii)	591,413	122,265	564,374	64,641	36,535	2,146	1,381,374
Segment profit before tax	592,268	135,229	531,987	59,902	967,560	(599,854)	1,687,092
Segment assets	10,440,256	1,238,728	6,303,354	4,469,117	6,014,100	(2,179,408)	26,286,147
Segment liabilities	5,968,986	454,647	3,544,594	3,034,146	1,344,696	(1,946,494)	12,400,575
Total expenses for acquisition of fixed assets	1,036,111	4,352	160,329	58,919	197,074	-	1,456,785

- (i) Segment expenses arising from the business activities of the segment are charged directly to that segment and part of the business costs are allocated to that segment, including outbound sales costs and expenses related to transactions with other segments of the business. Accordingly, segment expenses include cost of sales, selling and administration expenses.
- (ii) Segment result is the segment revenue less segment expenses.

Previous period	Information Technology and Telecommunication						Unit: VND million	
	Telecommuni- cation	Digital content	Software outsourcing	Software solution, system integration and informatics services	Technology product manufacture, distribution and retail	Investment and education	Elimination	Total
Segment revenue	3,403,041	234,805	2,809,460	1,833,271	11,571,898	476,628	(964,280)	19,364,823
External revenue	3,403,041	234,805	2,790,858	1,636,246	10,959,803	340,070	-	19,364,823
Inter segment revenue	-	-	18,602	197,025	612,095	136,558	(964,280)	-
Segment expenses								
Directly attributable expenses	(2,887,806)	(126,161)	(2,297,000)	(1,805,727)	(11,308,454)	(445,830)	955,105	(17,915,873)
In which:								
- Depreciation and amortisation	(380,082)	(2,683)	(66,359)	(13,623)	(4,370)	(25,742)	2,146	(490,713)
- Allocation of long-term prepaid expenses	(152,128)	(9,302)	(41,834)	(36,767)	(18,625)	(21,991)	-	(280,647)
Segment result	515,235	108,644	512,460	27,544	263,444	30,798	(9,175)	1,448,950
Segment profit before tax	528,321	120,043	414,655	18,010	290,754	567,398	(512,453)	1,426,728
Segment assets	8,480,032	906,815	4,728,152	4,093,038	7,601,457	5,673,760	(3,437,448)	28,045,806
Segment liabilities	4,930,726	368,072	2,891,709	2,885,958	5,453,666	2,619,659	(3,254,212)	15,895,578
Total expenses for acquisition of fixed assets	485,712	8,149	317,461	38,544	60,366	28,981	-	939,213



- 4.2. Previous segment report re-presented for comparison purposes (FPT Digital Retail Joint Stock Company and Synnex FPT Joint Stock Company be accounted for under equity method, instead of fully consolidated, using ownership rate similar to those of the 6-month period ended to 30 June 2018)

Items	Information Technology and Telecommunication					Investment and education	Elimination	Total
	Telecommunication	Digital content	Software outsourcing	Software solution, system integration and informatics services				
Segment revenue	3,403,041	234,805	2,809,460	1,833,271	476,628	(352,185)	8,405,020	
External revenue	3,403,041	234,805	2,790,858	1,636,246	340,070	-	8,405,020	
Inter segment revenue	-	-	18,602	197,025	136,558	(352,185)	-	
Segment expenses								
Directly attributable expenses	(2,887,806)	(126,161)	(2,297,000)	(1,805,727)	(443,684)	343,010	(7,217,368)	
In which:								
- Depreciation and amortisation	(380,082)	(2,683)	(66,359)	(13,623)	(25,742)	2,146	(486,343)	
- Allocation of long-term prepaid expenses	(152,128)	(9,302)	(41,834)	(36,767)	(21,991)	-	(262,022)	
Segment result	515,235	108,644	512,460	27,544	32,944	(9,175)	1,187,652	
Segment profit before tax	528,321	120,043	414,655	18,010	705,548	(512,453)	1,274,124	
Segment assets	8,480,032	906,815	4,728,152	4,093,038	6,581,561	(4,133,886)	20,655,712	
Segment liabilities	4,930,726	368,072	2,891,709	2,885,958	2,619,659	(3,547,835)	10,148,289	
Total expenses for acquisition of fixed assets	485,712	8,149	317,461	38,544	28,981	-	878,847	

For comparative purposes and to provide more information to the user of financial statements, the Corporation has presented additional a segment report for the six-month period ended 30 June 2017 (prior period) in case, entire profit during first 6 months of 2017 of FPT Digital Retail Joint Stock Company and Synnex FPT Joint Stock Company (Technology product manufacture, distribution and retail) were consolidated in Corporation's segment reporting of prior period by the equity method with similar ownership ratio as of 6 months period ended to 30 June 2018).

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	19,260,535,963	10,143,297,590
Bank demand deposits	2,395,636,537,376	1,874,995,984,980
Cash in transit	-	1,295,936,150
Cash equivalents (*)	1,645,192,940,070	1,594,224,296,068
	<u>4,060,090,013,409</u>	<u>3,480,659,514,788</u>

(*) Cash equivalents represent bank deposits with terms of three months or less.

6. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
a. Held-to-maturity investments	4,924,782,521,243	4,866,280,283,759	4,438,905,249,557	4,379,446,212,073
- Term deposit (*)	4,838,507,469,467	4,838,507,469,467	4,352,630,197,781	4,352,630,197,781
- Other short-term investments	86,275,051,776	27,772,814,292	86,275,051,776	26,816,014,292

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
b. Equity investments in other entities						
b1) Investments in associates	630,000,000,000	-		630,000,000,000	-	
- Synnex FPT Joint Stock Company	398,500,000,000	-	(**)	398,500,000,000	-	(**)
- FPT Securities Joint Stock Company	110,000,000,000	-	306,094,460,000	110,000,000,000	-	246,465,673,600
- FPT Digital Retail Joint Stock Company	94,000,000,000	-	2,588,760,000,000	94,000,000,000	-	(**)
- FPT Fund Management Joint Stock Company	27,500,000,000	-	(**)	27,500,000,000	-	(**)
b2) Long-term equity investments in other entities	749,364,823,537	(322,475,254,491)		749,259,852,282	(299,595,283,237)	
- Vietnam Investment Fund	2,100,000,000	-	(**)	2,100,000,000	-	(**)
- Other investments	747,264,823,537	(322,475,254,491)	(**)	747,159,852,282	(299,595,283,237)	(**)

(*) Term deposit represent time deposits at banks with terms of more than 3 months and no more than 12 months.

(**) In accordance with Circular No.200/2014/TT-BTC dated 22 December 2014, the fair value of investments in associates and investments in other entities as at 30 June 2018 should be presented. The Corporation determined the fair value of the investments on the basis of the price quoted on the stock exchange and the number of shares held by the Corporation at the interim consolidated balance sheet date. However, since the shares of the Company's associates and other entities have not been listed, and there has been no guidance on determination of fair value of investments in unlisted shares, the fair value of such investments have not been disclosed.

7. RECEIVABLES FROM CONTRACTS UNDER PERCENTAGE OF COMPLETION METHOD

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Recognised revenue to date under percentage of completion method	729,940,984,830	838,578,943,346
Less: progress billings and advances from customers	(409,606,517,912)	(406,997,750,006)
	<u>320,334,466,918</u>	<u>431,581,193,340</u>

8. OTHER RECEIVABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a) Current		
Receivables related to maintenance services contracts	279,872,854,136	98,011,262,505
Deposits and mortgages	134,837,643,020	137,469,600,809
Other receivables	445,769,655,385	531,519,508,185
	<u>860,480,152,541</u>	<u>767,000,371,499</u>
b) Non-current		
Deposits and mortgages	73,026,901,007	69,491,018,667
Other receivables	66,546,741,801	55,343,597,639
	<u>139,573,642,808</u>	<u>124,834,616,306</u>

9. BAD DEBTS

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Cost</u>	<u>Recoverable amount</u>	<u>Cost</u>	<u>Recoverable amount</u>
	VND	VND	VND	VND
Total amount of receivables past due or not past due but impaired	298,005,365,964	30,096,709,721	300,520,115,186	65,272,143,981

10. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Cost</u>	<u>Provision</u>	<u>Cost</u>	<u>Provision</u>
	VND	VND	VND	VND
Goods in transit	92,033,158,704	-	120,106,386,194	-
Tools and supplies	95,705,053,969	-	89,770,774,162	-
Work in progress	427,744,882,279	-	308,795,278,723	-
Merchandise	664,022,303,970	(3,347,147,115)	505,371,513,444	(3,831,528,933)
Total	<u>1,279,505,398,922</u>	<u>(3,347,147,115)</u>	<u>1,024,043,952,523</u>	<u>(3,831,528,933)</u>

11. PREPAYMENTS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a) Current		
Expenditure for transferring to optical fiber system	410,456,025,816	354,578,822,565
Other current prepayments	530,541,375,236	405,369,227,288
	<u>940,997,401,052</u>	<u>759,948,049,853</u>
b) Non-current		
PayTV installation cost	433,760,898,396	377,607,624,634
Furniture and office repair and maintenance	187,018,930,253	220,347,451,792
Prepayments for integration systems contracts	26,905,395,683	26,274,393,216
Electric equipment and computer system	79,026,494,544	53,718,966,212
Other non-current prepayments	128,169,870,896	133,485,185,736
	<u>854,881,589,772</u>	<u>811,433,621,590</u>

12. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

Movements of taxes and amounts receivable from/payable to the State budget:

Items	Opening balance	Amount payable	Amount paid and deducted	Closing balance
	VND	VND	VND	VND
Value added tax	134,235,081,884	1,142,161,283,171	1,158,583,218,488	117,813,146,567
- Output value added tax	133,534,552,671	1,030,504,131,440	1,047,746,796,059	116,291,888,052
- Value added tax on imported goods	700,529,213	111,657,151,731	110,836,422,429	1,521,258,515
Import duties	47,628,589	6,983,820,885	6,983,595,012	47,854,462
Corporate income tax	35,085,741,701	211,883,719,305	190,171,369,984	56,798,091,022
Personal income tax	27,320,187,842	217,648,390,037	215,910,318,424	29,058,259,455
Other taxes and fees	11,989,114,538	24,664,934,821	33,899,184,550	2,754,864,809
Total	208,677,754,554	1,603,342,148,219	1,605,547,686,458	206,472,216,315
In which:				
- Taxes and other receivables from to the State budget		111,743,332,877		37,482,924,362
- Taxes and amounts payable to the State budget		320,421,087,431		243,955,140,677

The balance of taxes and amounts receivable from/payable to the State budget in detail:

- Taxes and other receivables from the State budget

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Value added tax	2,950,012,650	1,155,425,702
Import duties	34,802,628	34,802,628
Corporate income tax	30,336,569,223	110,103,151,153
Personal income tax	3,525,329,817	99,858,547
Other taxes and fees	636,210,044	350,094,847
Total	<u>37,482,924,362</u>	<u>111,743,332,877</u>

- Taxes and amounts payable to the State budget

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Value added tax	120,763,159,217	135,390,507,586
Import duties	82,657,090	82,431,217
Corporate income tax	87,134,660,245	145,188,892,854
Personal income tax	32,583,589,272	27,420,046,389
Other taxes and fees	3,391,074,853	12,339,209,385
Total	<u>243,955,140,677</u>	<u>320,421,087,431</u>

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings, structures VND	Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
COST						
Opening balance	1,625,144,590,958	5,896,081,735,959	55,111,745,719	673,046,279,078	10,789,235,430	8,260,173,587,144
Purchases	1,253,186,773	578,347,648,637	2,396,016,800	24,273,450,699	304,809,361	606,575,112,270
Transfer from construction in progress	476,274,546	2,045,927,533	-	-	-	2,522,202,079
Disposals	-	-	-	(1,793,878,266)	-	(1,793,878,266)
Other decreases (*)	-	(261,473,649,198)	-	(1,393,633,007)	44,576,353	(262,822,705,852)
Closing balance	1,626,874,052,277	6,215,001,662,931	57,507,762,519	694,132,218,504	11,138,621,144	8,604,654,317,375
ACCUMULATED DEPRECIATION						
Opening balance	286,531,243,345	2,842,976,166,514	29,136,268,306	509,366,106,971	6,670,742,695	3,674,680,527,831
Charge for the period	34,985,357,014	430,071,786,511	2,923,157,533	23,964,504,058	869,926,794	492,814,731,910
Disposals	-	-	-	(1,743,203,042)	-	(1,743,203,042)
Other increases/(decrease) (*)	-	(143,373,849,139)	-	(968,121,590)	41,207,057	(144,300,763,672)
Closing balance	321,516,600,359	3,129,674,103,886	32,059,425,839	530,619,286,397	7,581,876,546	4,021,451,293,027
NET BOOK VALUE						
Opening balance	1,338,613,347,613	3,053,105,569,445	25,975,477,413	163,680,172,107	4,118,492,735	4,585,493,059,313
Closing balance	1,305,357,451,918	3,085,327,559,045	25,448,336,680	163,512,932,107	3,556,744,598	4,583,203,024,348

(*) Other decreases in fixed assets during the period mainly represent machinery and equipment from former telecommunications fiber infrastructure, which had been collected after transforming in optical fiber infrastructure. In the year, the Corporation has no longer used such assets so the Corporation has reclassified them into inventory for disposal or replacement purpose.

As at 30 June 2018, the cost of the Corporation's assets including machinery and equipment, motor vehicles and office equipment which had been fully depreciated but are still in use was approximately VND 1,308,426 million (as at 31 December 2017: approximately VND 1,124,840 million).

14. INCREASES, DECREASES IN INTANGIBLE FIXED ASSETS

	Land use rights VND	Computer software VND	License, copyright and patent VND	Total VND
COST				
Opening balance	139,115,531,399	325,037,602,836	653,266,251,331	1,117,419,385,566
Purchases	8,054,430,323	28,867,107,612	7,632,764,082	44,554,302,017
Transferred from construction in progress	-	-	195,565,434,041	195,565,434,041
Other increases/(decreases)	-	930,367,215	(24,515,492)	905,851,723
Closing balance	147,169,961,722	354,835,077,663	856,439,933,962	1,358,444,973,347
ACCUMULATED AMORTISATION				
Opening balance	7,104,943,926	244,125,246,966	208,053,348,700	459,283,539,592
Charge for the period	1,374,334,866	22,257,462,086	43,152,262,775	66,784,059,727
Other increases/(decreases)	-	(9,147,774)	437,312	(8,710,462)
Closing balance	8,479,278,792	266,373,561,278	251,206,048,787	526,058,888,857
NET BOOK VALUE				
Opening balance	132,010,587,473	80,912,355,870	445,212,902,631	658,135,845,974
Closing balance	138,690,682,930	88,461,516,385	605,233,885,175	832,386,084,490

15. CONSTRUCTION IN PROGRESS

Movements

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Opening balance	805,559,896,217	1,006,742,286,288
Additions	421,184,578,964	164,034,829,761
Transferred to fixed assets	(198,087,636,120)	(304,860,307,979)
Other decreases	(53,256,851,970)	(16,856,009,426)
Closing balance	975,399,987,091	849,060,798,644

Details by project are as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Construction in progress		
Constructions	975,399,987,091	805,559,896,217
In which:		
- FPT Tower project	424,960,108,025	393,003,100,000
- Tan Thuan 3 Office building	138,942,350,741	122,790,367,827
- Nam An Khanh project	92,978,439,918	92,978,439,918
- Other constructions	318,519,088,407	196,787,988,472
	975,399,987,091	805,559,896,217

16. INVESTMENTS IN SUBSIDIARIES

Details of the Corporation's subsidiaries who were consolidated in the Corporation's interim consolidated financial statement as at 30 June 2018 are as follows:

<u>Name of subsidiaries</u>	<u>Place of incorporation and operation</u>	<u>Proportion of ownership rate</u>	<u>Proportion of voting power held</u>	<u>Principal activities</u>
FPT Information System Corporation	Floor 22, Keangnam, E6 Pham Hung, Me Tri, Tu Liem, Hanoi	100%	100%	Providing application software solution, EPR service, IT service and integrate system service
FPT Software Company Limited	Floors 6-12 FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing software services and products
FPT Telecom Joint Stock Company (i)	Floor 2, FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	45.65%	45.65%	Providing ADSL services, fixed line internet services, online advertising and other online services

FPT Education Company Limited	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing training and technology services
FPT Online Service Joint Stock Company	No. 408 Dien Bien Phu Street, Ward 11, District 10, Ho Chi Minh City	51.95%	84.08%	Providing online services
FPT Investment Company Limited	Floor 13, FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Providing financial services activities (investment consulting services, excluding legal and financial consulting services)
FPT Media Company Limited (ii)	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	100%	100%	Producing and designing news and entertainment shows; providing telecom and advertising services

- (i) As at 30 June 2018, FPT Corporation holds 45.65% ownership interest (31 December 2017: 45.65%) and 45.65% of voting rights (31 December 2017: 45.65%) at FPT Telecom Joint Stock Company. However, the Corporation has the power to cast the majority of votes at meetings of the Board of Directors of FPT Telecom Joint Stock Company and thus, the Corporation has the power to control the financial and operating policies of FPT Telecom Joint Stock Company. Therefore, the Corporation has control over FPT Telecom Joint Stock Company, and thus, the interim financial statements of FPT Telecom Joint Stock Company were incorporated in the Corporation's interim consolidated financial statements.
- (ii) On 08 August 2011, the Executive President of FPT Corporation issued Decision No. 79.1-2011/QD-FPT-TGD on temporarily narrowing the business activities of FPT Media Company Limited.

17. INVESTMENTS IN ASSOCIATES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Opening balance	1,333,704,438,239	289,799,251,298
Share of net profit after corporate income tax of associates	174,660,216,401	20,737,863,589
Dividends received	(9,938,132,000)	(9,034,665,500)
Closing balance	1,498,426,522,640	301,502,449,387

Details of the Corporation's associates as at 30 June 2018 which the Corporation accounted for using the equity method in its interim consolidated financial statements are as follows:

<u>Name of associates</u>	<u>Place of incorporation and operation</u>	<u>Proportion of ownership interest and power held</u>	<u>Principal activities</u>
FPT Digital Retail Joint Stock Company	No.261 - 263 Khanh Hoi, Ward 5, District 4, Hochiminh City	47%	Retails of computers, peripheral devices, software and telecommunication equipment; telecom service agent
Synnex FPT Joint Stock Company	FPT Cau Giay Building, Duy Tan Street, Cau Giay District, Hanoi	48%	Producing technology products and distributing IT devices and mobile phone; and manufacturing computers
FPT Securities Joint Stock Company	No. 52, Lac Long Quan Road, Bui Ward, Tay Ho District, Hanoi City	20%	Securities trading, brokerage, investment advisory and securities depository services
FPT Fund Management Joint Stock Company	Floor 9, TTC Building, Lot B1A, Dich Vong Hau Ward, Pham Hung Street, Cau Giay District, Hanoi	25%	Portfolio and fund management and other services

18. DEFERRED TAX ASSETS

	<u>Fixed assets</u>	<u>Revenue</u>	<u>Others</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>	<u>VND</u>
Opening balance	17,795,401,242	33,040,140,027	9,598,864,671	60,434,405,940
Transferred to the consolidated income statement of the period	(429,141,632)	(21,732,498,727)	-	(22,161,640,359)
Other increases/(decreases)	-	-	200,702,434	200,702,434
Closing balance	17,366,259,610	11,307,641,300	9,799,567,105	38,473,468,015

19. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Accrued expenses for system integration projects	382,794,826,691	408,455,330,656
Others	585,832,111,687	509,963,462,607
	<u>968,626,938,378</u>	<u>918,418,793,263</u>

20. UNEARNED REVENUE

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a) Current		
Unearned revenue related to telecom services	1,084,461,559,130	987,786,150,810
Unearned revenue related to tuition fees	174,088,800,019	230,852,766,071
Other unearned revenues	70,957,079,278	74,992,000,747
	<u>1,329,507,438,427</u>	<u>1,293,630,917,628</u>
b) Non-current		
Unearned revenue related to telecom services	43,894,558,448	7,373,253,511
Other unearned revenues	39,588,533,276	40,423,286,118
	<u>83,483,091,724</u>	<u>47,796,539,629</u>

21. OTHER PAYABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a) Current		
Trade union fee	42,254,981,250	43,851,162,084
Social, health and unemployment insurance	27,306,623,150	10,125,934,480
Short-term deposits and mortgages received	115,010,569,059	120,204,816,937
Dividends payable	8,483,283,331	171,123,751,156
Other current payables	80,018,175,017	94,184,548,166
	<u>273,073,631,807</u>	<u>439,490,212,823</u>
b) Non-current		
Long-term deposits and mortgages received	354,280,940	205,725,910
Other non-current payables	7,145,513,456	1,319,744,011
	<u>7,499,794,396</u>	<u>1,525,469,921</u>

22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

Items	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Short-term loans from banks and business entities (i)	3,754,428,452,146	3,754,428,452,146	5,804,965,532,158	3,943,230,513,240	5,616,163,471,064	5,616,163,471,064
Current portion of long-term loans and obligations under finance leases	362,560,256,178	362,560,256,178	240,109,811,965	246,889,498,378	355,780,569,765	355,780,569,765
- Current portion of long-term loans (see details in Note 24)	361,663,699,034	361,663,699,034	239,673,726,465	246,516,682,214	354,820,743,285	354,820,743,285
- Current portion of long-term obligations under finance leases	896,557,144	896,557,144	436,085,500	372,816,164	959,826,480	959,826,480
Total	4,116,988,708,324	4,116,988,708,324	6,045,075,344,123	4,190,120,011,618	5,971,944,040,829	5,971,944,040,829

(i) Most of short-term loans from banks and business entities are unsecured. These loans can be withdrawn in either Vietnam Dong or United States Dollar. Interest rate is determined in respect of each specific withdrawal.

23. PROVISIONS

	Short-term provisions for warranties VND	Long-term provisions for warranties VND	Long-term provisions for guarantees on student loans VND	Total VND
Opening balance	6,051,424,047	3,365,602,298	12,905,000	9,429,931,345
Additional provision in the period	1,948,715,742	423,938,729	-	2,372,654,471
Utilized provisions	(2,854,409,672)	(1,264,677,174)	-	(4,119,086,846)
Closing balance	5,145,730,117	2,524,863,853	12,905,000	7,683,498,970

Warranties

The provisions for warranties relates mainly to goods sold and services rendered. The provisions were based on estimates derived from historical warranty data associated with similar products and services.



24. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

Item	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Long-term loans	923,986,391,690	923,986,391,690	128,671,851,354	295,425,243,480	757,232,999,564	757,232,999,564
Long-term obligations under finance leases	3,783,682,125	3,783,682,125	-	372,816,164	3,410,865,961	3,410,865,961
Total	927,770,073,815	927,770,073,815	128,671,851,354	295,798,059,644	760,643,865,525	760,643,865,525
Of which:						
- Amount due for settlement within 12 months	362,560,256,178				355,780,569,765	
- Amount due for settlement after 12 months	565,209,817,637				404,863,295,760	



Details of long-term loans by term:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Long-term loans	757,232,999,563	923,986,391,690
- 3-year term	373,447,700,000	457,674,918,560
- 4-year term	147,821,992,281	190,193,709,103
- 5-year term	235,963,307,282	276,117,764,027
Long-term obligations under finance leases	3,410,865,962	3,783,682,125
Total	<u>760,643,865,525</u>	<u>927,770,073,815</u>
Of which:		
- Amount due for settlement within 12 months	355,780,569,765	362,560,256,178
- Amount due for settlement after 12 months	404,863,295,760	565,209,817,637

Long-term loans are repayable as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
On demand or within one year	354,820,743,285	361,663,699,034
In the second year	303,184,818,283	339,004,368,712
In the third to fifth year inclusive	99,227,437,995	223,318,323,944
	<u>757,232,999,563</u>	<u>923,986,391,690</u>
Less: Amount due for settlement within 12 months (shown under short-term loans)	354,820,743,285	361,663,699,034
Amount due for settlement after 12 months	<u>402,412,256,278</u>	<u>562,322,692,656</u>

25. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owner's capital	Treasury shares	Foreign exchange reserve	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	4,594,266,840,000	49,465,703,201	56,882,670,000	(823,760,000)	(5,875,468,099)	126,889,833,508	87,227,200,764	4,614,339,862,503	9,522,372,881,877
Shares issued	22,963,700,000	-	-	-	-	-	-	-	22,963,700,000
Profit for the year	-	-	-	-	-	-	-	2,931,530,862,562	2,931,530,862,562
Transferred to bonus and welfare funds	-	-	-	-	-	-	-	(212,329,680,082)	(212,329,680,082)
Transferred to development and investment fund	-	-	-	-	-	44,270,763,538	-	(52,450,388,283)	(8,179,624,745)
Stock dividends declared	692,380,510,000	-	62,570,940,000	-	-	-	-	(754,951,450,000)	-
Cash dividends declared	-	-	-	-	-	-	-	(992,519,407,000)	(992,519,407,000)
Other movements	-	-	168,375,913,052	-	16,234,007,546	-	3,150,660	(22,211,149,494)	162,401,921,764
Current period's opening balance	5,309,611,050,000	49,465,703,201	287,829,523,052	(823,760,000)	10,358,539,447	171,160,597,046	87,230,351,424	5,511,408,650,206	11,426,240,654,376
Shares issued	26,545,560,000	-	-	-	-	-	-	-	26,545,560,000
Profit for the period	-	-	-	-	-	-	-	1,103,296,067,984	1,103,296,067,984
Transferred to development and investment fund	-	-	-	-	-	(4,083,120,158)	-	-	(4,083,120,158)
Stock dividends declared (i)	800,211,110,000	-	344,140,170,000	-	-	-	-	(1,144,351,280,000)	-
Cash dividends declared	-	-	-	-	-	-	-	(800,299,927,500)	(800,299,927,500)
Other movements	-	-	-	-	6,776,937,680	-	(215,600)	451,940,590	7,228,662,670
Current period's closing balance	6,136,367,720,000	49,465,703,201	631,969,693,052	(823,760,000)	17,135,477,127	167,077,476,888	87,230,135,824	4,670,505,451,280	11,758,927,897,372

- (i) In the period, the Corporation issued 80,021,111 shares for dividend payment of 2017 according to the Company's Shareholders' Annual General Meeting of 2018. FPT Telecom Joint Stock Company (a subsidiary of the Corporation) also issued shares to the Corporation as dividend payment of 2017 which was recorded as other owners' capital according to Circular No. 202/2014/TT-BTC dated 22 December 2014.

Dividends

On 05 April 2018, at the Company's Shareholders' Annual General Meeting, shareholders approved the plan of stock dividend payment of 2017 at the pay-out ratio of 15% (03 new shares for every 20 shares held) and second cash dividend payment of 2017 at the pay-out ratio of 15% of par value (VND 1,500/share).

Number of outstanding shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Number of shares	Number of shares
Authorised share capital	613,636,772	530,961,105
Issued share capital	613,636,772	530,961,105
Ordinary shares	613,636,772	530,961,105
<i>In which shares subject to restriction in ownership transfer</i>	8,016,294	7,925,466
Treasury shares	(82,376)	(82,376)
<i>In which shares subject to restriction in ownership transfer</i>	-	-
Outstanding shares in circulation	613,554,396	530,878,729
Ordinary shares	613,554,396	530,878,729
<i>In which shares subject to restriction in ownership transfer</i>	8,016,294	7,925,466

All ordinary shares have a par value of VND 10,000. Each share is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividends as declared at each point of time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are re-issued.

Shares subject to restriction in ownership transfer have a par value of VND 10,000. These shares are subject to restrictions according to which shareowners are not allowed to resell their shares within specified term from the date of issue.

26. REVENUE

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Gross revenue from goods sold and services rendered	10,236,314,669,478	19,696,079,965,694
In which:		
- Sales of finished goods, merchandise	1,255,221,057,740	12,668,076,147,736
- Sales of services	8,981,093,611,738	7,028,003,817,958
Deductions	11,283,333,761	331,257,799,293
Net revenue from goods sold and services rendered	10,225,031,335,717	19,364,822,166,401

The details of revenue per segment of the Corporation is disclosed in Note 4-Segment reporting

27. COST OF SALES

	<u>Current period</u> VND	<u>Prior period</u> VND
Cost of finished products, goods sold	1,122,920,712,323	10,748,226,067,395
Cost of services rendered	5,245,877,699,187	4,118,491,136,405
Provision for/(reversal of) devaluation of inventories	-	(8,987,977,255)
	<u>6,368,798,411,510</u>	<u>14,857,729,226,545</u>

28. FINANCIAL INCOME

	<u>Current period</u> VND	<u>Prior period</u> VND
Interest from bank deposits and loans	205,708,121,766	187,835,286,868
Foreign exchange gain	58,554,172,952	91,830,064,078
Other financial income	1,930,136,587	48,852,272,376
	<u>266,192,431,305</u>	<u>328,517,623,322</u>

29. FINANCIAL EXPENSES

	<u>Current period</u> VND	<u>Prior period</u> VND
Interest expense	101,497,368,758	213,004,037,895
Foreign exchange loss	84,783,651,950	116,826,220,386
Other financial expenses	26,030,933,687	59,345,772,934
	<u>212,311,954,395</u>	<u>389,176,031,215</u>

30. CORPORATE INCOME TAX EXPENSE

	<u>Current period</u> VND	<u>Prior period</u> VND
Current corporate income tax expense		
- Corporate income tax based on taxable profit in the current period	253,526,870,548	203,324,506,142
- Adjustments for corporate income tax expenses in previous years to that in the current period	(393,345,481)	1,864,495,815
Total corporate income tax expense	<u>253,133,525,067</u>	<u>205,189,001,957</u>
	<u>Current period</u> VND	<u>Prior period</u> VND
Deferred corporate income tax expense		
- Deferred corporate income tax expenses arising from taxable temporary differences	21,732,498,727	46,157,891,408
- Deferred corporate income tax incomes arising from deductible temporary differences	-	(35,264,748,161)
- Deferred corporate income tax expenses arising from unrealised profit in the period	429,141,632	429,141,632
- Deferred corporate income tax income arising from unrealised	-	(580,689,140)
Total deferred corporate income tax expense	<u>22,161,640,359</u>	<u>10,741,595,739</u>

Applicable tax rate

Under its Business Registration Certificate and prevailing tax regulations, the Corporation is obligated to pay CIT to the State budget at the rate of 10% of taxable profit on software production and services, 10% of taxable profit on IT training education provided and 20% of taxable profit on other goods sold and services rendered.

Tax rates applicable to subsidiaries of FPT Corporation are in accordance with the prevailing tax regulations.

31. BASIC EARNINGS PER SHARE

Basic earnings per share for the period from 01 January 2018 to 30 June 2018 was calculated based on the profit attributable to ordinary shareholders and a weighted average number of outstanding ordinary shares during the period, as follows:

	<u>Current period</u> VND	<u>Prior period</u> <u>(Restated)</u> VND
Accounting profit after corporate income tax	1,103,296,067,984	924,585,572,324
Weighted average number of outstanding ordinary shares	611,784,692	609,368,927
Basic earnings per share	1,803	1,517

Restatement of weighted average number of ordinary shares

In accordance with current accounting regulation, in the period from 01 January 2018 to 30 June 2018, FPT Corporation paid dividends by shares, which led to a retrospective adjustment to the weighted average number of outstanding ordinary shares of the period from 01 January 2017 to 30 June 2017, as follows:

	<u>Weighted average number of ordinary shares</u>	<u>Earnings per share</u>
Ordinary shares outstanding at the beginning of the period	529,347,816	1,747
Restatement as a result of shares from profit distribution during the period	80,021,111	(230)
As restated	609,368,927	1,517

32. RELATED PARTY TRANSACTIONS AND BALANCES**List of related parties:**

Related party	Relationship
FPT Digital Retail Joint Stock Company	Associate
Synnex FPT Joint Stock Company	Associate
FPT Fund Management Joint Stock Company	Associate
FPT Securities Joint Stock Company	Associate

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

	<u>Current period VND</u>	<u>Prior period VND</u>
Dividends received in cash		
FPT Securities Joint Stock Company	9,938,132,000	9,034,665,500
Purchases of goods and services		
Synnex FPT Joint Stock Company	369,750,158,617	-
FPT Digital Retail Joint Stock Company	7,922,301,705	-

As at the interim consolidated balance sheet date, the Corporation had significant outstanding balances with its related parties, as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Entrusted investments and loans to		
FPT Fund Management Joint Stock Company	92,366,081,776	92,366,081,776
Capital contribution		
FPT Fund Management Joint Stock Company	27,500,000,000	27,500,000,000
FPT Securities Joint Stock Company	110,000,000,000	110,000,000,000
Payables		
Synnex FPT Joint Stock Company	98,181,757,674	141,743,904,028
Loans		
Synnex FPT Joint Stock Company	-	200,000,000,000

33. CAPITAL COMMITMENTS

On 25 February 2015, the Corporation entered into a comprehensive cooperation agreement with Tien Phong Commercial Joint Stock Bank for supporting students who join the training courses under the 10,000 Bridge Software Engineer program. In this program, approximately 10,000 students will be trained in Japan within 6-12 months. The students who participate in this training course in Japan will be rewarded financial guarantee by the Corporation equivalent to 90% of their total credit obligations arising at the Bank, with a maximum credit limit of VND 500 million. As at 30 June 2018, the number of students participating in the program in Japan are about 374, and the total estimated guarantee amount is correspondingly VND 70,354,313,781.

34. SUBSEQUENT EVENTS

On 12 July 2018, the Corporation acquired a 90% shares in Intellinet Consulting, LLC, a technology consulting company based in the United States. Accordingly, Intellinet Consulting, LLC has become a subsidiary of the Corporation since then.

 <hr/> <p>Nguyen Tien Hao Preparer</p>	 <hr/> <p>Hoang Huu Chien Chief Accountant</p>	 <hr/> <p>Nguyen The Phuong Executive Vice President</p>
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10 August 2018