

Nam Bay Bay Investment Corporation (NBB-HSX)

Strengthened cash flows

Particulars (VND bn)	Q4-FY13	Q3-FY13	+/- qoq	Q4-FY12	+/- yoy
Net Revenues	64.1	28.4	125%	170.1	-62%
NPAT	15.6	1.3	1,139%	133.8	-88%
EBIT	25.8	5.5	370%	190.4	-86%
EBIT margin (%)	40.3%	19.3%	2,099bps	111.9%	-7,162bps

Sources: NBB, RongViet Securities

- **Earnings subdued in restructure year 2013**
- **City Gate Towers and CTCP as next successes after BOT Rach Mieu Bridge**
- **Construction NBB I and Thuy San Hill Villa Area to begin in 2014**
- **High expectation for Q1 earnings**
- **Financial income as the largest bit in 2014 earnings**

Outlook:

NBB saw earnings for FY2013 drop significantly from a year earlier as the result the frozen real estate market and the fact that retrospective sales recognition of Carina Plaza already gave FY2012 extraordinary earnings growth. This year, NBB's real estate business may recover thanks to the contribution of Son Tinh – Quang Ngai Residential Area with a substantial amount of unearned revenue. Besides, the Company is striving to finish sales at Carina Plaza and Ward 2 – Bac Lieu Residential Area and to gain approval for the new designs of NBB I and City Gate Towers in hope to improve their marketability.

With regard to investment activities, in Q1, the Company finished divesting from BOT Rach Mieu Bridge, reaping VND42 billion from the deal and successfully attracted co-investment in City Gate Towers. Adding the proceeds from the issuance of new equity and convertible bonds, NBB is to receive up to VND700 billion to pay off its maturing debts and fund investments in its real estate projects. In that picture, we expect financial income to make up the majority of NBB's earnings this year. For the above-mentioned rationales and the absence of significant changes in the outcome of our net-asset-value valuation, we maintain our opinion that investors with the intention to add the real estate sector into their portfolio may **BUY** NBB in the **LONG TERM**.

Key financials

Y/E Dec (VND bn)	FY2012	FY2013	FY2014F	FY2015F
Net Revenue	1,077.4	202.7	345.8	419.8
% chg	161.0	-81.2	70.5	21.4
NPAT	284.9	25.3	122.9	78.2
% chg	309.4	-91.1	386.6	-36.4
EBIT margin (%)	26.4	12.5	35.5	18.6
ROA (%)	10.2	0.8	3.9	2.4
ROE (%)	25.8	1.9	8.0	4.2
EPS (VND)	17,626	1,127	3,427	1,453
Adjusted EPS (VND)	17,626	1,127	2,742	1,453
Book value (VND)	67,203	36,525	32,870	36,074
Adjusted BVPS (VND)	50,350	28,065	23,364	23,817
Cash dividend (VND)	1,600	1,600	1,000	1,000
P/E (x)	1.0	14.0	7.3**	17.3**
P/BV (x)	0.3	0.4	0.8**	0.7**

Sources: NBB, RongViet Securities, *Excluding other capital contributions, ** market price@ 05/05/2014

BUY

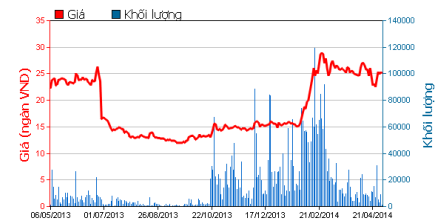
Market price (VND)	25,100
Target price (VND)	36,300

Investment period **LONG TERM**

Stock Info

Sector	Real estate
Market Cap (VND bn)	896.6
Current Shares O/S	35,860,600
Beta	1.7
Free float (%)	46.2
52 weeks High*	30,000
52 weeks Low*	11,500
Avg. Daily Volume (20 sessions)	101,950

*Adjusted price



Performance (%)

	3M	1Y	3Y
NBB	34.2	76.8	-46.3
Real estate	18.0	16.9	16.0
VN30 Index	-1.90	13.93	N/A
VNIndex	1.84	18.88	17.86

Major Shareholders (%)

Beira Limited	14.5
Vietnam Property Holding	11.4
HCMC Infrastructure Investment JSC	9.4
Doan Tuong Trieu	7.3
Vietnam Holding Limited	6.2
Foreigner investor room (%)	4.4

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Exhibit 1: 4QFY2013 (Unit: billion VND)

Particulars (VND bn)	Q4-FY13	Q3-FY13	+/- (qoq)	Q4-FY12	+/- (yoy)
Net Revenues	64.1	28.4	125.4%	170.1	-62.3%
Gross profits	30.0	4.3	595.3%	53.7	-44.1%
SG&AC	7.4	7.6	-3.1%	8.5	-13.1%
Operating Income	20.9	0.1	17,175.2%	179.9	-88.4%
EBITDA	37.3	15.5	141.4%	193.5	-80.7%
EBIT	25.8	5.5	370.2%	190.4	-86.4%
Financial expenses	9.0	3.8	137.6%	10.9	-18.0%
- Interest Expenses	5.2	2.6	99.3%	8.7	-40.7%
Dep. and amortization	-11.5	-10.0	15.2%	-3.1	273.0%
Non-recurring Items (*)					
Extraordinary Items (*)					
PBT	20.6	2.9	614.1%	181.6	-88.6%
NPAT	15.6	1.3	1,138.7%	133.8	-88.3%
Adjusted NPAT(*)	15.6	1.3	1,138.7%	133.8	-88.3%

Sources: NBB, RongViet Securities

Exhibit 2: 4QFY2013 performance analysis

Particulars	Q4-FY13	Q3-FY13	+/- (qoq)	Q4-FY12	+/- (yoy)
Profitability Ratios (%)					
Gross Margin	46.9	15.2	3,167bps	31.6	1,528bps
EBITDA Margin	58.2	54.4	385bps	113.8	-5,552bps
EBIT Margin	40.3	19.3	2,099bps	111.9	-7,162bps
Net Margin	24.4	4.4	1,994bps	78.7	-5,433bps
Adjusted Net Margin	24.4	4.4	1,994bps	78.7	-5,433bps
Turnover *(x)					
-Inventories	0.1	0.0	0.0	0.2	-0.2
-Receivables	0.9	0.4	0.5	2.2	-1.3
-Payables	0.0	0.0	0.0	1.9	-1.9
Leverage (x)					
Total Debt/ Equity	1.3	1.3	0.0	1.5	-0.2

Sources: RongViet Securities, *annualized metrics

Earnings subdued in restructure year 2013

2013 net revenue dropped 81% yoy as the the Company recorded exceptionally high revenue in 2012 due to the retrospective sales recognition for handed-over apartments at Carina Plaza, the sale of Hung Vuong Department Store (Phan Thiet, Binh Thuan) to the Korea-based retail giant Lotte; the completion of Phan Rang – Thap Cham Bypass Road construction also added to 2013's over-the-top revenue. Last year, sales at Carina Plaza stalled as real estate demand dropped a new low. Real estate revenue during the year came mostly from NBB's land plot project in Bac Lieu. The construction segment and other manufacturing businesses hardly contributed to the year's revenue, resulting in net profit-after-tax shrinking 91% as compared to 2012, to VND25 billion.

Exhibit 03: Real estate sales and cash collection (Unit: billion VND)

Project	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Contracted sales	153.7	429.7	477.7	652.2	696.9	627.2	605.6
Ward 2-Bac Lieu Residential Area	61.4	147.9	82.8	82.3*			
Carina Plaza	92.3	55.7	90.0	59.1*			
Son Tinh Residential Area		226.0	47.7	189.4	246.9	434.4*	323.4
Booked sales	884.3	126.5	309.7	373.0	218.2	1,617.4	605.6
Ward 2-Bac Lieu Residential Area	75.4	88.9	82.8	82.3*			
Carina Plaza	808.9**	37.6	90.0	59.1*			
Son Tinh Residential Area			136.9	231.6	218.2	396.2*	323.4
Collection	196.3	178.6	387.3	478.2	761.9	961.3	687.1
Ward 2-Bac Lieu Residential Area	75.9	116.5	132.8	82.3*			
Carina Plaza	101.6	58.5	151.0	59.1*			
Son Tinh Residential Area	18.8	3.6	52.0	144.0	222.0	585.1*	347.0

Sources: RongViet Securities, *including proceeds from retail space sales, ** sales booked under new revenue recognition method

Sales at existing projects may be slower than previously expected

Son Tinh – Quang Ngai Residential Area. Advantaged by its grand land area and low development cost, Son Tinh Residential Area is expected to contribute substantially to NBB's revenue and earnings in the period between 2014-2018; this year's investment budget for the project is VND150 billion. On 01/04/2014, the collective land area of Son Tinh District, along with NBB's project was officially announced an integral part of Quang Ngai City. As far as we concern, land plot projects within the city perimeter now surrounding that of NBB are currently selling for VND4.8 -5.0 million/m² whereas Son Tinh Residential Area still offer only VND3.5 million/m² on average. Thus, the transformation from rural to urban land is expected to substantially increase the commercial value of the project. By the end of 2013, the project had sold 626 plots but NBB had yet recorded revenue for any of them. The booking of sales now depends only on the pace NBB issues land-use rights (LUR) to buyers, which, in reality, was slower than our initial forecast. Therefore, we assume that the project will not contribute significantly to the overall revenues any sooner than 4Q2014 while revising 2014 sales forecast down to 137 billion.

Carina Plaza. This year, NBB has its first priority on finishing sales at Carina Plaza and Ward 2 Bac Lieu Residential Area. For Carina Plaza, the Company already lowered per-square-meter price at the end of 2013 to attract buyers. However, the size of the remaining apartments (all 105m²/unit) has been a great obstacle to sales. NBB expects to reach a contract with a wholesaler to get rid of the inventory, which, unfortunately, means that the Company may have to cut the price by another 5-7%. Therefore, sales forecast for Carina Plaza is revised down slightly to VND90 billion.

Ward 2 - Bac Lieu. NBB sold 84 out of the remaining 208 plots at this project last quarter. As both sales and collection has been quite positive, the Company intends to raise the sales price here by 5% in Q2. With 2014 projected sales of VND83 billion, we see high chance for the project to finish selling this year.

City Gate Towers and CTCP in follow of BOT Rach Mieu Bridge success

Last quarter, NBB pocketed VND42 billion and booked VND17 billion of profits from the sale of its holding in BOT Rach Mieu Bridge to HCMC Infrastructure Investment JSC - CII. It should be noted, however, that the profit item came only from the reversal of the accumulated loss that the Company had recognized throughout the years.

As a fresh addition to NBB's investment plan, the Company is negotiating with some foreign investor to sell 80% of its stake in City Gate Towers. The value of the project's land area is under appraisal, the result of which, according to NBB, may exceed the land's book value. This indicates that City Gate as a whole has not depreciated as much as the market has concerned and that the project still has some attraction to foreign investors. It is implied that NBB may be able not only to recover its investment in City Gate Towers but also book profits for this property. Anyway, the firm has also arranged a VND400-billion loan with BIDV to develop the project by itself in case the deal fails.

Furthermore, negotiations on the transfer of the shares of Quang Ngai Mineral JSC – QMI have also reached the final stage as NBB has received a portion of the sales proceeds from the other party. The Company expects to collect up to 50% of the contract value in 2014 and book ~VND82 billion of profits from this divestment in Q4.

Construction NBB I and Thuy San Hill Villa Park to begin in 2014

NBB plans to start the construction for two grand projects, i.e. NBB I (4.1 ha – Dist. 08, HCMC) and Thuy San Hill Villa Area (32ha – Ha Long, Quang Ninh) in 4Q2014. NBB I is a co-investment that NBB owns 20% and CII 80%. The apartment project is almost finished with compensation, clearance and paper work. Thuy San Hill, owned 60% by NBB, is planned to provide land plots for luxurious villas and resorts. The Company has a budget of VND50-70 billion for the compensation and land clearance here. Both projects are set to be commercialized since 2015.

The two new projects materialized NBB's shift to the land plot and middle-income condominium segments. This direction may increase the marketability of the NBB's products and result in better operating cash flows after Carina Plaza and the Bac Lieu project are done selling.

Exhibit 04: Long term debt repayment schedule 2014-2018

Particulars (VND billion)	FY2014	FY2015	FY2016	FY2017	FY2018
- BIDV – Binh Dinh Branch	2.0	2.0	2.0	67.0	68.0
- BIDV – North Sai Gon Branch	-	-	55.0	55.0	57.3
- Agribank – Da Nang Branch	0.6	-	-	107.0	-
- VietA Bank	-	-	-	-	-
- Bao Viet Securities SJC – BVS	78.5	-	-	-	-
- EVN Finance JSC	157.0	-	-	-	-
- VIB	100.0	-	-	-	-
- VIB	-	100.0	-	-	-
- VIB	-	-	150.0	-	-
Total	338.1	102.0	207.0	229.0	125.3

Sources: NBB, RongViet Securities

Additional share issuance and debt restructuring promise more sustainable capital structure

This year, NBB plans to repay ~VND440 billion worth of short-term and long-term, including the most substantial amounts such as VND235 billion worth of corporate bonds issued to Bao Viet Securities (BVS) and EVNFinance, another VND100 billion of bonds held by VIB and two bank loans totaling VND91 billion owed to VIB-Saigon Branch and BIDV-Binh Dinh Branch. To balance the outflows, NBB is to issue almost 18 million shares of new equity at face value for existing shareholders at 2:1 ratio, which was passed in last year's AGM. The Company has also gained approval for the issuance of VND210 billion (~\$10 million) of 5-5.5%/year convertible bonds in Q2 or 3Q2014. The conversion price may be either the 30-day average market price of NBB's stock with a 10-percent discount or fixed by the Company's Board.

We estimate that the implementation of the stock and bond issuances, may bring NBB's Debt-to-Equity ratio down to 0.6x (from the current 0.85x), a much more sustainable level considering that the real estate sector average is now only 0.7-0.8x. Besides, the replacement of old loans with newer, lower-rate ones should reduce the interest expense each year by average 30% from 2015 onward.

High expectation for Q1 earnings

We estimate that Q1 net-profit-after-tax may have increased fivefold from a year ago to ~VND20 billion, mostly thanks to the profit from BOT Rach Mieu Bridge stake sale. Nonetheless, revenue may have been 10% lower at VND30 billion and largely come from land plot sales at Ward 2 –Bac Lieu Residential Area now that Carina Plaza has been slowed in selling and Son Tinh –Quang Ngai Residential Area is not eligible for revenue recognition yet.

Exhibit 5: 1Q2014 Forecasts

Particulars (billion VND)	1QFY14	+/-qoq	+/-yoy
Revenue	30	-53%	-10%
Gross profit	19	-35%	44%
EBIT	29	12%	197%
NPAT	20	28%	449%

Sources: RongViet Securities

Financial income as the largest bit of 2014 earnings

2014 real estate revenue may expand significantly thanks to the finish of sales at Carina Plaza and Ward 2- Bac Lieu Residential Area. On the other hand, given slower-than-expected process of LUR issuance at Son Tinh Residential Area is, we revise down our forecast for NBB's net revenue to VND345 billion (+71% yoy) from VND499 billion in the previous report. However, NPAT forecast is little changed under the assumption that NBB will book the entire profit from the sale of stakes in QMI in 2014. Whole-year NPAT is estimated at VND123 billion, up by 387% yoy and equivalent to EPS of VND3.427 (VND2.742 after the new equity issuance).

Outlook:

NBB saw earnings for FY2013 drop significantly from a year earlier as the result the frozen real estate market and the fact that retrospective sales recognition of Carina Plaza already gave FY2012 extraordinary earnings growth. This year, NBB's real estate business may recover thanks to the contribution of Son Tinh – Quang Ngai Residential Area with a substantial amount of unearned revenue. Besides, the Company is striving to finish sales at Carina Plaza and Ward 2 – Bac Lieu Residential Area and to gain approval for the new designs of NBB I and City Gate Towers in hope to improve their marketability.

With regard to investment activities, in Q1, the Company finished divesting from BOT Rach Mieu Bridge, reaping VND42 billion from the deal and successfully attracted co-investment in City Gate Towers. Adding the proceeds from the issuance of new equity and convertible bonds, NBB is to receive up to VND700 billion to pay off its maturing debts and fund investments in its real estate projects. In that picture, we expect financial income to make up the majority of NBB's earnings this year. For the above-mentioned rationales and the absence of significant changes in the outcome of our net-asset-value valuation, we maintain our opinion that investors with the intention to add the real estate sector into their portfolio may **BUY NBB in the LONG TERM.**

Exhibit 6: Key assumptions

Particulars	Previous estimates		Revised estimates	
	FY2014F	FY2015F	FY2014F	FY2015F
Revenue growth (%)	146%	-	71%	21%
Gross margin (%)	34%	-	33%	34%
EBIT margin (%)	36%	-	49%	26%

Sources: RongViet Securities

Exhibit 7: Estimate changes

Particulars (billion VND)	FY2014F			FY2015F		
	Previous estimates	Revised estimates	Change (%)	Previous estimates	Revised estimates	Change (%)
Net revenue	499.0	345.8	-31%	-	419.8	-
Gross profit margin	33.6%	32.5%	-110bps	-	34.4%	-
SG&A expenses	51.4	28.7	-44%	-	43.2	-
Operating profit	116.0	83.7	-28%	-	101.3	-
Financial expenses	21.3	11.0	-49%	-	11.8	-
Pre-tax income	162.3	157.6	-3%	-	96.7	-
NPAT	121.7	122.9	1%	-	73.8	-
EBITDA	191.2	184.4	-4%	-	121.5	-
EBIT	179.2	171.0	-5%	-	108.5	-

Sources: RongViet Securities

APPENDIX –SELECTED PROJECTS

Land plots

Ward 2- Bac Lieu Residential Area. At an estimated total investment of VND368 billion, the project has a total land area of 50.2 ha and offers 2,012 units of land plots for sale. This is best-positioned residential area in Bac Lieu, siding Cao Van Lau street, a straight lead to Bac Lieu beach, and connected to the town centre by Bac Lieu Bridge. It is also here that NBB has constructed the largest dock in the whole province. The project offers an average price of VND2.6-3.0 million per square meter of residential land, which may be adjusted up 5% in 2Q2014. With only 127 units left unsold, NBB expects to finish land plot sale at this area this year then proceed to sell the retail space in 2015.

Son Tinh Residential Area – Quang Ngai. This VND997-billion project is developed at a site as large as 102.7 ha, consisting 40.4 ha of commercial land and 2,697 units of land plots. Son Tinh Residential Area is just 1km to the north of the city of Quang Ngai and about 20 km to the south of Dung Quat Economic Zone. The project stands right next to 1A National Highway and the extended 623 Provincial Highway and thus is very convenient for transportation. By now, 86.8% of the total site area has been compensated and up to 70% has been cleared. NBB plans to hand over the sold plots to customers in 2Q2014 and finish the construction here in 2017. By the end of 2013, 17% of the commercial land area (~58,547 m²) had been sold. Notable, on 01/04/2014, the collective land area of Son Tinh District, including NBB's project, was officially announced an integral part of Quang Ngai City. The transformation from rural to urban land is expected to substantially increase the commercial value of the project.

Apartments for sale

Carina Plaza High-rise Apartment. The project began construction in 2008 and was finished in 2011 with estimated total investment of VND927 billion. This was also NBB's first high-rise apartment project in the South West of HCMC. Carina stands alongside the East-West Boulevard and takes only 15 minutes to get to from the city centre. The project consists of 736 units sizing from 86m² to 105m² along with facilities such as a swimming pool, a tennis course and a retail space. There remain 53 unsold units and 5,913 m² of vacant retail floor. With a recent price cut and other promotions, NBB hopes to finish the sale at Carina Plaza in 2014 and sell the whole retail floor in 2015.

City Gate Tower High-rise Apartment. The second apartment project of NBB has an estimated total investment of VND964 billion. City Gate lies just opposite to Carina Plaza and is connected to its sister project by a pedestrian bridge across the highway. The 4-block project is built on a site of 1.9 ha. Once complete, the project will release into the market 1,092 units of apartment, sizing from 69m² to 86m² each. With a complete foundation, construction is set to restart in 2Q2014. NBB plans to finish the construction of City Gate and handover sold units in July 2016.

NBB III high-rise apartment. The project locates on a site of 8.16 ha in Ward 16, District 8, HCMC and by design will offer 4,051 apartments of two types of unit size, i.e. 70m² and 90m², 1,650 m² of land for townhouses, 12,864 m² for retail and services.

Diamond Riverside High-rise Apartment (NBB I). Along with Carina Plaza and City Gate Tower, NBB I creates an project triangle right on the side of East-West Boulevard. The project will be constructed on a 4.1-hectare site and will offer 165,399 m² of apartment floor. This is a VND1,705-billion co-investment between NBB and HCMC Infrastructure Investment JSC (CII), in which NBB has 20% of ownership. NBB I will begin construction in June 2014.

Thuy San Hill Villa Area: With 32.2 ha of land area, this is one of NBB's two grand villa-resort real estate projects in Ha Long, Quang Ninh. Owned 60% by NBB, the project has been planned an investment budget of VND581.6 billion. Land clearance and compensation here are still now in progress and the project is set to start construction in 4Q/2014.

Unit: billion VND

INCOME STATEMENT	FY2012	FY2013	FY2014E	FY2015F
Revenue	1,077.4	202.7	345.8	419.8
COGS	758.8	117.2	233.3	275.3
Gross profit	318.7	85.5	112.4	144.6
Selling Expense	14.0	4.5	4.5	5.5
G&A Expense	29.7	25.6	24.2	37.8
Finance Income	147.4	12.7	82.2	3.9
Finance Expense	29.5	25.0	11.0	6.2
Other profits	4.5	2.5	2.6	3.2
PBT	393.2	43.9	157.6	102.2
Prov. of Tax	104.2	19.4	34.7	24.1
Minority's Interest	4.2	-0.8	0.0	0.0
NPAT	284.9	25.3	122.9	78.2
EBIT	419.3	67.1	171.0	108.5
EBITDA	432.5	79.6	184.4	121.5

Unit: billion VND

BALANCE SHEET	FY2012	FY2013	FY2014E	FY2015F
Cash and equivalents	14.9	7.8	171.3	249.3
Short-term investment	0.0	0.0	0.0	0.0
Receivables	313.6	283.0	242.0	251.9
Inventories	2,174.9	2,304.8	2,408.9	2,538.9
Other current assets	37.7	34.3	11.2	11.7
Total Current Asset	2,541.1	2,629.9	2,833.4	3,051.8
Tangible Fixed Assets	183.0	177.9	165.0	155.3
Intangible Fixed Assets	10.7	10.4	10.0	7.2
Construction in Progress	110.4	105.2	100.0	77.8
Investment Property	4.5	4.4	4.0	3.8
Long-term Invest ment	43.0	40.0	15.8	15.8
Other long-term assets	93.6	78.6	82.7	82.7
Goodwill	44.3	37.6	32.0	14.4
Long-term Asset	489.5	454.2	409.5	357.0
Total Asset	3,030.6	3,084.1	3,242.9	3,408.8
Payables	230.1	195.7	175.0	206.4
Other current liabilities	288.9	350.7	328.5	327.5
Current Debt	677.4	445.2	343.3	302.8
Long-term Debt	547.1	689.3	556.1	556.1
Other long-term liabilities	64.2	56.7	58.9	61.8
Total Liability	1,807.7	1,737.7	1,461.7	1,454.6
Owner's Equity	1,209.7	1,309.8	1,768.1	1,940.5
Capital	180.0	358.6	537.9	537.9
Retained Earnings	200.6	183.2	248.7	273.1
Funds & Reverses	434.8	434.8	642.8	790.8
Others	0.0	0.0	0.0	0.0
Total Equity	1,209.7	1,309.8	1,768.1	1,940.5
Minority's Interest	13.3	9.4	13.1	13.8
TOTAL RESOURCES	3,030.6	3,057.0	3,242.9	3,408.8

Unit: %

FINANCIAL RATIO	FY2012	FY2013	FY2014E	FY2015F
Growth				
Revenue	161.0	-81.2	70.5	21.4
Operating Income	293.2	-79.9	51.3	21.0
EBITDA	239.3	-81.6	131.8	-34.1
EBIT	268.7	-84.0	154.8	-36.6
PAT	309.4	-91.1	386.6	-36.4
Total Assets	19.2	1.8	5.1	5.1
Equity	20.8	8.3	35.0	9.7
Internal growth rate	23.2	-2.5	4.5	1.3
Profitability				
Gross profit/Revenue	29.6	42.2	32.5	34.4
Operating profit/ Revenue	25.5	27.3	24.2	24.1
EBITDA/ Revenue	40.1	39.3	53.3	28.9
EBITDA/ Revenue	38.9	33.1	49.5	25.8
Net margin	26.4	12.5	35.5	18.6
ROAA	10.2	0.8	3.9	2.4
ROIC or RONA	26.0	3.2	7.6	4.4
ROAE	25.8	1.9	8.0	4.2
Efficiency (x)				
Receivable Turnover	4.8	0.7	1.3	1.7
Inventory Turnover	0.4	0.1	0.1	0.1
Payable Turnover	2.0	0.2	0.4	0.5
Liquidity (x)				
Current	2.1	2.7	3.3	3.6
Quick	0.3	0.3	0.5	0.6
Solvency				
Total Debt/Equity	149.4	132.7	82.7	75.0
Current Debt/Equity	56.0	34.0	19.4	15.6
Long-term Debt/ Equity	45.2	52.6	31.5	28.7

CASH FLOW STATEMENT	FY2012	FY2013	FY2014E	FY2015F
<i>Pretax Income</i>	232.5	43.9	157.6	102.2
-Depreciation	13.2	12.5	13.4	13.0
-Adjustments	-112.9	21.3	5.6	4.8
+/- Working capital	-361.1	-131.2	49.0	7.8
Net Operating CF	-228.2	-53.6	225.7	127.9
+/- Fixed Asset	-4.8	-2.8	5.5	34.6
+/- Deposit, equity investment	5.4	1.9	20.2	0.0
Interest, cash dividend, shared profits received	141.8	11.9	14.0	14.3
Net Investing CF	142.4	11.0	39.7	48.9
+/- Capital	102.6	148.7	392.8	148.0
+/- Debt	6.7	-89.9	-235.2	-40.5
Dividend paid + Other exp. from retained profits	-27.2	-23.3	-259.3	-206.4
Net Financing CF	82.1	35.6	-101.8	-98.8
+/- cash & equivalents	-3.8	-7.1	163.5	78.0
Beginning cash & equivalents	18.7	14.9	7.8	171.3
Impact of exchange rate	0.0	0.0	0.0	0.0
Ending cash & equivalents	14.9	7.8	171.3	249.3

RESULT UPDATE

This report is created for the purpose of providing investors with an insight into the discussed company that may assist them in the decision-making process. The report comprises analyses and projections that are based on the most up-to-date information with the objective which is to determine the reasonable value of the stock at the time such analyses are performed. Through this report, we strive to convey the complete assessment and opinions of the analyst relevant to the discussed company. To send us feedbacks and/or receive more information, investors may contact the assigned analyst or our client support department.

RATING GUIDANCE

Ratings \ Return Potential	BUY	ACCUMULATE	NEUTRAL	REDUCE	SELL
Intermediate- term (up to 6 months)	>20%	10% to 20%	-5% to 10%	-15% to- 5%	<-15%
Long-term (over 6 months)	>30%	15% to 30%	-10% to 15%	-15% to -10%	<-15%

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The **Analysis and Investment Advisory Department** of RongViet Securities provides research reports on the macro-economy, securities market and investment strategy along with industry and company reports and daily and weekly market reviews

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