



SHINHAN BANK VIETNAM LTD.
FINANCIAL STATEMENTS FOR THE YEAR 2010
(Issued in accordance with Decision No 16/2007/QĐ-NHNN dated 18 April 2007)

BALANCE SHEET (31/12/2010)

	31 December 2010	31 December 2009
	Unit: VND	Unit: VND
ASSETS		
Cash on hand	28,150,646,260	19,266,628,652
Balances with the State Bank of	125,217,529,517	105,887,763,477
Due from other banks	4,298,011,788,011	1,806,966,302,993
Placements with other banks	4,279,624,288,011	1,806,966,302,993
Loans to other banks	18,500,000,000	-
Provision for credit losses	(112,500,000)	-
Loans and advances to customers	4,256,350,100,353	3,780,852,134,245
Loans and advances to customers	4,318,964,597,703	3,814,526,591,176
Provision for credit losses	(62,614,497,350)	(33,674,456,931)
Fixed assets	34,626,593,292	16,035,621,834
Tangible fixed assets	34,626,593,292	16,035,621,834
Cost	41,884,636,096	18,957,283,332
Accumulated depreciation	(7,258,042,804)	(2,921,661,498)
Other assets	48,652,178,923	24,698,536,621
Receivables	5,233,449,823	4,640,517,648
Interest and fees receivable	41,789,333,894	19,285,288,387
Other assets	1,629,395,206	772,730,586
TOTAL ASSETS	8,791,008,836,356	5,753,706,987,822
LIABILITIES		
Due to banks	1,939,349,618,777	1,887,337,831,271
Deposits from other banks	65,081,618,777	22,718,846,966
Borrowings from other banks	1,874,268,000,000	1,864,618,984,305
Due to customers	2,845,751,778,496	1,499,406,073,874
Other liabilities	701,392,609,970	661,593,272,204
Interest and fees payable	5,504,040,828	5,206,679,783
Deferred tax liability	-	-
Other payables	685,569,623,932	650,152,810,328
Provision for contingent liabilities and commitments	10,318,945,210	6,233,782,093
TOTAL LIABILITIES	5,486,494,007,243	4,048,337,177,349
OWNER'S EQUITY		
Capital and reserves		
Capital	3,000,000,000,000	1,670,000,000,000
Charter capital	3,000,000,000,000	1,670,000,000,000
Reserves	44,154,650,222	5,128,622,519
Retained earnings	260,360,178,891	30,241,187,954
TOTAL OWNER'S EQUITY	3,304,514,829,113	1,705,369,810,473
TOTAL LIABILITIES AND OWNER'S EQUITY	8,791,008,836,356	5,753,706,987,822

BALANCE SHEET (31/12/2010) (cont.)

	31 December 2010	31 December 2009
	Unit: VND	Unit: VND
OFF BALANCE SHEET ITEMS		
Contingencies		
Financial guarantees	483,726,087,689	245,725,107,216
Letters of credit	414,605,572,741	560,528,625,970
TOTAL	898,331,660,430	806,253,733,186

INCOME STATEMENT (2010)

	2010	2009(*)
Interest and similar income	379,298,887,473	39,415,958,901
Interest and similar expense	(64,783,955,123)	(6,687,852,438)
Net interest income	314,514,932,350	32,728,106,463
Fees and commission income	74,355,319,020	5,672,042,599
Fees and commission expenses	(4,129,152,832)	(284,289,311)
Net fees and commission income	70,226,166,188	5,387,753,288
Net gain from foreign currencies trading	114,399,215,280	25,600,485,317
Other income	352,693,625	-
Other expenses	(320,400,000)	-
Net other income	32,293,625	-
Income from long-term investments	-	-
TOTAL OPERATING INCOME	499,172,607,443	63,716,345,068
Personnel expenses	(53,479,062,825)	(3,238,227,620)
Depreciation charges	(4,336,381,306)	(383,915,503)
Other operating expenses	(52,614,327,267)	(16,699,275,751)
TOTAL OPERATING EXPENSES	(110,429,771,398)	(20,321,418,874)
PROFIT BEFORE CREDIT LOSS EXPENSE	388,742,836,045	43,394,926,194
Credit loss expense	(30,995,427,886)	-
PROFIT BEFORE TAX	357,747,408,159	43,394,926,194
Current income tax expense	(88,602,389,519)	(8,025,115,721)
NET PROFIT FOR THE YEAR	269,145,018,640	35,369,810,473

Mr. Park Yon Ki
Director

Mr. Hong Man Ki
General Director

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Shinhan Vietnam Bank Limited

We have audited the balance sheet of Shinhan Vietnam Bank Limited ("the Bank") as at 31 December 2010, and the income statement, statement of retained earnings and cash flow statement for the year then ended and the notes thereto as set out on pages 5 to 41 (collectively referred to as "the financial statements"). The financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with Vietnamese and International Standards on Auditing applicable in Vietnam. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Bank's management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as at 31 December 2010, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and Accounting System for credit institutions and comply with relevant regulations stipulated by the State Bank of Vietnam.

As presented in Notes 1(g) and 3 to the financial statements, the financial statements of the Bank were prepared on the basis that the Bank has temporarily received and monitored all the assets, liabilities and owner's equity which were transferred by Shinhan Bank – Ho Chi Minh City Branch on 16 November 2009. Accordingly, the financial statements of the Bank included the assets, liabilities, owner's equity, income and expenses of Shinhan Bank – Ho Chi Minh City Branch as at 31 December 2010 and for the year then ended. At the date of these financial statements, Shinhan Bank - Ho Chi Minh City Branch is making necessary legal procedures to finalise the termination of its operations and transfer its assets, liabilities and owner's equity to the Bank.



Emst & Young Vietnam W.L.

Vo Tan Hoang Van
Deputy General Director
Registered Auditor
Certificate No.0254/KTV

Ho Chi Minh City, Vietnam
31 March 2011

Nguyen Xuan Dai
Auditor-in-charge
Registered Auditor
Certificate No.0452/KTV