



# SHINHAN BANK VIETNAM LTD. FINANCIAL STATEMENTS FOR THE YEAR 2011

(Issued in accordance with Decision No 16/2007/QĐ-NHNN dated 18 April 2007)

## BALANCE SHEET (31/12/2011)

|  | 31/12/2011         | 31/12/2010        |
|--|--------------------|-------------------|
|  | Unit: VND          | Unit: VND         |
| <b>ASSETS</b>  |                    |                   |
| <b>Cash on hand</b>  | 82.320.499.040     | 28.150.646.260    |
| <b>Balances with the State Bank of Vietnam</b>               | 549.527.564.416    | 125.217.529.517   |
| <b>Deposits with and loans to credit institutions</b>        | 7.741.781.588.237  | 4.298.011.788.011 |
| Deposit  | 7.639.908.924.204  | 4.279.624.288.011 |
| Loans  | 103.370.000.000    | 18.500.000.000    |
| Allowance for deposits with and loans to credit institutions | (1.497.335.967)    | (112.500.000)     |
| <b>Derivatives and other financial assets</b>                | 11.556.816.887     | -                 |
| <b>Loans and advances to customers</b>                       | 10.569.339.499.668 | 4.256.350.100.353 |
| Loans and advances to customers                              | 10.790.111.239.860 | 4.318.964.597.703 |
| Allowance for Loans and advances to customers                | (220.771.740.192)  | (62.614.497.350)  |
| <b>Investment securities</b>                                 | 135.000.000.000    | -                 |
| Held-to-maturity securities                                  | 135.000.000.000    | -                 |
| <b>Fixed assets</b>  | 141.376.007.952    | 34.626.593.292    |
| Tangible fixed assets  | 124.343.135.188    | 34.361.858.653    |
| Cost   | 191.588.932.171    | 41.619.901.457    |
| Accumulated depreciation                                     | (67.245.796.983)   | (7.258.042.804)   |
| Intangible fixed assets                                      | 17.032.872.764     | 264.734.639       |
| Cost   | 24.883.145.814     | 264.734.639       |
| Accumulated amortization                                     | (7.850.273.050)    | -                 |
| <b>Other assets</b>  | 104.220.788.170    | 48.652.178.923    |
| Receivables  | 19.205.310.931     | 5.233.449.823     |
| Accrued interest and fees receivable                         | 80.048.695.655     | 41.789.333.894    |
| Other assets   | 4.966.781.584      | 1.629.395.206     |
| <b>TOTAL ASSETS</b>  | 19.335.122.764.370 | 8.791.008.836.356 |
| <b>LIABILITIES</b>   |                    |                   |
| <b>Deposit and borrowings from other credit institutions</b> | 2.266.602.136.664  | 1.939.349.618.777 |
| Deposit  | 427.789.154.664    | 65.081.618.777    |
| Borrowings   | 1.838.812.982.000  | 1.874.268.000.000 |
| <b>Deposit from customers</b>                                | 10.135.921.936.500 | 2.845.751.778.496 |
| <b>Other liabilities</b>                                     | 715.718.318.910    | 701.392.609.970   |
| Accrued interest and fees payable                            | 51.041.519.785     | 5.504.040.828     |
| Other liabilities  | 646.275.185.546    | 685.569.623.932   |
| Provision for off-balance sheet commitments                  | 18.401.613.579     | 10.318.945.210    |
| <b>TOTAL LIABILITIES</b>                                     | 13.118.242.392.074 | 5.486.494.007.243 |
| <b>OWNER'S EQUITY</b>  |                    |                   |
| <b>Capital and reserves</b>                                  |                    |                   |
| Contributed capital  | 4.560.225.000.000  | 3.000.000.000.000 |

## BALANCE SHEET (31/12/2011) (cont.)

|   | 31/12/2011         | 31/12/2010        |
|---|--------------------|-------------------|
|   | Unit: VND          | Unit: VND         |
| Charter capital                             | 4.547.100.000.000  | 3.000.000.000.000 |
| Other capital                               | 13.125.000.000     | -                 |
| <b>Reserves</b>                             | 321.500.503.720    | 44.154.650.222    |
| <b>Retained profits</b>                     | 1.335.154.868.576  | 260.360.178.891   |
| <b>TOTAL OWNER'S EQUITY</b>                 | 6.216.880.372.296  | 3.304.514.829.113 |
| <b>TOTAL LIABILITIES AND OWNER'S EQUITY</b> | 19.335.122.764.370 | 8.791.008.836.356 |
| <b>OFF BALANCE SHEET ITEMS</b>              |                    |                   |
| <b>CONTINGENT LIABILITIES</b>               | 1.453.653.917.384  | 898.331.660.430   |
| Letters of credit                           | 662.469.522.379    | 414.605.572.741   |
| Other guarantees                            | 791.184.395.005    | 483.726.087.689   |

## INCOME STATEMENT (2011)

|   | 2011              | 2010              |
|---|-------------------|-------------------|
|   | Unit: VND         | Unit: VND         |
| Interest and similar income                     | 890.236.761.645   | 379.298.887.473   |
| Interest and similar expenses                   | (155.532.904.394) | (64.783.955.123)  |
| <b>Net interest income</b>                      | 734.703.857.251   | 314.514.932.350   |
| Fees and commission income                      | 118.065.482.920   | 74.355.319.020    |
| Fees and commission expenses                    | (7.737.854.755)   | (4.129.152.832)   |
| <b>Net fees and commission income</b>           | 110.327.628.165   | 70.226.166.188    |
| <b>Net gain from foreign currencies trading</b> | 226.033.569.220   | 114.399.215.280   |
| Other income                                    | -                 | 352.693.625       |
| Other expenses                                  | (3.390.022.636)   | (320.400.000)     |
| <b>Other income - net</b>                       | (3.390.022.636)   | 32.293.625        |
| <b>TOTAL OPERATING INCOME</b>                   | 1.067.675.032.000 | 499.172.607.443   |
| <b>TOTAL OPERATING EXPENSES</b>                 | (245.016.581.043) | (110.429.771.398) |
| <b>PROFIT BEFORE CREDIT LOSSES EXPENSE</b>      | 822.658.450.957   | 388.742.836.045   |
| Credit losses expense                           | (114.747.340.544) | (30.995.427.886)  |
| <b>PROFIT BEFORE TAX</b>                        | 707.911.110.413   | 357.747.408.159   |
| Current income tax                              | (175.456.406.100) | (88.602.389.519)  |
| <b>NET PROFIT AFTER TAX</b>                     | 532.454.704.313   | 269.145.018.640   |

Prepared by:

Mr Park Yon Ki  
Director

Ho Chi Minh City, Vietnam

26 March 2012

Approved by:

Mr Hong Man Ki  
General Director

## INDEPENDENT AUDITOR' REPORT

To: The management of Shinhan Bank Vietnam Limited

We have audited the financial statements of Shinhan Bank Vietnam Limited ("the Bank"), as set out on pages 5 to 48 which comprise the balance sheet as at 31 December 2011, the income statement and the cash flow statement for the year then ended and the notes thereto.

The preparation and presentation of these financial statements are the responsibility of the 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 the Vietnamese Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance to determine whether the financial statements are free from material misstatements. 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 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 2011, and of the result of its operation 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 and 5 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 2011 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.



Nguyen Xuan Dai  
Deputy General Director  
Certificate No. 0452/KTV

Ho Chi Minh City, Vietnam

26 March 2012

Nguyen Chi Cuong  
Auditor  
Certificate No. 1103/KTV