



SHINHAN BANK VIETNAM LTD. FINANCIAL STATEMENTS FOR THE YEAR 2014

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

BALANCE SHEET (31/12/2014)

	31/12/2014	31/12/2013
	Unit: VND	Unit: VND
ASSETS		
Cash on hand	211.045.340.567	164.444.922.239
Balances with the State Bank of Vietnam	1.660.994.357.719	830.501.273.029
Deposits with and loans to credit institutions	8.718.907.437.918	4.495.133.546.605
Deposit	6.397.941.637.918	4.357.456.064.105
Loans	2.320.965.800.000	139.247.600.000
Allowance for deposits with and loans to credit institutions	-	(1.570.117.500)
Loans and advances to customers	19.567.026.664.346	15.815.998.552.511
Loans and advances to customers	19.857.612.457.026	16.061.234.939.528
Allowance for Loans and advances to customers	(290.585.792.680)	(245.236.387.017)
Investment securities	8.534.310.976.213	7.670.200.931.034
Available-for-sale securities	8.105.682.638.587	7.461.204.098.365
Held-to-maturity securities	428.628.337.626	208.996.832.669
Fixed assets	131.800.263.781	132.648.466.016
Tangible fixed assets	105.096.867.750	111.483.780.364
Cost	207.575.605.009	185.947.941.949
Accumulated depreciation	(102.478.737.259)	(74.464.161.585)
Intangible fixed assets	26.703.396.031	21.164.685.652
Cost	40.207.300.370	28.543.256.313
Accumulated amortization	(13.503.904.339)	(7.378.570.661)
Other assets	621.470.258.998	568.351.369.502
Receivables	39.588.917.808	27.625.667.699
Accrued interest and fees receivable	573.310.969.459	524.771.956.879
Other assets	8.570.371.731	15.953.744.924
TOTAL ASSETS	39.445.555.299.542	29.677.279.060.936
LIABILITIES		
Deposit and borrowings from other credit institutions	2.939.979.120.075	3.230.272.708.548
Deposit	194.187.798.035	142.639.820.438
Borrowings	2.745.791.322.040	3.087.632.888.110
Deposit from customers	27.497.370.219.770	18.232.250.753.731
Derivatives and other financial liabilities	-	2.863.699.249
Other liabilities	810.943.935.017	799.578.585.937
Accrued interest and fees payable	94.770.484.719	58.296.798.309
Other liabilities	716.173.450.298	723.302.049.130
Provision for off-balance sheet commitments	-	17.979.738.498
TOTAL LIABILITIES	31.248.293.274.862	22.264.965.747.465
OWNER'S EQUITY		
Capital and reserves		
Contributed capital	4.560.225.000.000	4.560.225.000.000

BALANCE SHEET (31/12/2014) (cont.)

	31/12/2014	31/12/2013
	Unit: VND	Unit: VND
Charter capital	4.547.100.000.000	4.547.100.000.000
Other capital	13.125.000.000	13.125.000.000
Reserves	608.655.843.315	494.838.280.190
Retained profits	3.028.381.181.365	2.357.250.033.281
TOTAL OWNER'S EQUITY	8.197.262.024.680	7.412.313.313.471
TOTAL LIABILITIES AND OWNER'S EQUITY	39.445.555.299.542	29.677.279.060.936
OFF BALANCE SHEET ITEMS		
CONTINGENT LIABILITIES	3.292.151.112.444	1.858.923.088.806
Letters of credit	2.428.841.168.937	1.226.529.145.532
Other guarantees	863.309.943.507	632.393.943.274
OTHER COMMITMENTS		
Foreign exchange forward contract	-	117.376.674.707

INCOME STATEMENT (2014)

	2014	2013
	Unit: VND	Unit: VND
Interest and similar income	1.703.858.829.402	1.481.112.859.725
Interest and similar expenses	(341.126.731.846)	(311.166.747.249)
Net interest income	1.362.732.097.556	1.169.946.112.476
Fees and commission income	219.535.588.952	180.104.450.137
Fees and commission expenses	(54.522.860.471)	(29.627.806.722)
Net fees and commission income	165.012.728.481	150.476.643.415
Net gain from trading of foreign currencies	121.014.742.895	100.511.518.535
Net gain from dealing of investment securities	-	28.220.674.449
Other income	163.104.103.426	15.101.355.490
Other expenses	(5.992.678.969)	(5.364.245.511)
Other income - net	157.111.424.457	9.737.109.979
Operating expenses	(618.681.724.583)	(509.844.417.735)
Operating profit before allowance and provision expenses	1.187.189.268.806	949.047.641.119
Allowance and provision expenses	(177.602.318.081)	(93.786.277.365)
PROFIT BEFORE TAX	1.009.586.950.725	855.261.363.754
Income tax expense- current	(224.683.293.516)	(218.612.223.150)
Income tax expense-deferred	-	-
Total income tax expense	(224.683.293.516)	(218.612.223.150)
NET PROFIT AFTER TAX	784.948.711.209	636.649.140.604

Prepared by:

Huynh Thi Xuan Ba
Chief Accountant

Reviewed by:

Ryu Je Eun
Director

Approved by:

Heo Young Taeg
General Director

INDEPENDENT AUDITOR' REPORT

To : The Investor Shinhan Bank Vietnam Limited

We have audited the accompanying financial statements of Shinhan Bank Vietnam Limited ("the Bank"), which comprise the balance sheet as at 31 December 2014, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorized for issue by the Bank's Board of Management on 28 March 2015, as set out on pages 5 to 74.

Management's Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Bank as at 31 December 2014, and of its results of operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable of financial reporting.

Other Matter

The financial statements of the Bank for the year ended 31 December 2013 were audited by another firm of auditors whose report dated 27 March 2014 expressed an unqualified opinion on those statements

KPMG Limited's Branch in Ho Chi Minh City
Vietnam
Operating Registration Certificate No.: 411/4000230
Audit Report No.: 14-01-167

CHI NHANH
CÔNG TY
TRÁCH NHIỆM HỮU HẠN
KPMG

Nguyen Thanh Nghi
Practicing Auditor Registration
Certificate No. 0304-2013-007-1
Deputy General Director
Ho Chi Minh City, 28 March 2015

Trương Vinh Phúc
Practicing Auditor Registration
Certificate No. 1901-2013-007-1