

BALANCE SHEET (31/12/2018)

	31/12/2018	31/12/2017
	Unit: Million VND	Unit: Million VND
ASSETS		
Cash on hand	876,104	701,442
Balances with the State Bank of Vietnam	3,809,279	774,517
Deposits with and loans to credit institutions	15,816,430	17,537,841
Deposit	15,064,600	17,200,841
Loans	751,830	337,000
Allowance for deposits with and loans to credit institutions	-	-
Derivatives and other financial assets	4,107	-
Loans and advances to customers	44,767,963	39,647,774
Loans and advances to customers	45,194,633	40,091,902
Allowance for Loans and advances to customers	(426,670)	(444,128)
Investment securities	16,110,887	14,369,439
Available-for-sale securities	8,619,267	9,334,681
Held-to-maturity securities	7,509,027	5,034,758
Allowance for investment securities	(17,407)	-
Fixed assets	559,406	561,944
Tangible fixed assets	159,943	144,987
Cost	413,993	353,537
Accumulated depreciation	(254,050)	(208,550)
Intangible fixed assets	399,463	416,957
Cost	510,433	461,920
Accumulated amortization	(110,970)	(44,963)
Other assets	1,864,402	2,115,974
Receivables	279,846	410,704
Accrued interest receivables	907,334	917,998
Other assets	677,222	787,272
Goodwill	531,113	690,328
TOTAL ASSETS	83,808,578	75,708,931
LIABILITIES		
Borrowings from the State Bank of Vietnam	761,660	-
Deposit and borrowings from other credit institutions	1,217,609	4,302,439
Deposit	1,177,870	4,261,401
Borrowings	39,739	41,038
Deposit from customers	67,107,117	58,731,435
Derivatives and other financial liabilities	-	4,287
Valuable papers issued	13,853	-
Other liabilities	1,586,581	1,234,608
Accrued interest and fees payable	484,930	313,878
Deferred tax liabilities	27,228	640
Other liabilities	1,074,423	920,090
TOTAL LIABILITIES	70,686,820	64,272,769
OWNER'S EQUITY	13,121,758	11,436,162
Capital	4,560,225	4,560,225

BALANCE SHEET (31/12/2018) (cont.,)

	31/12/2018	31/12/2017
	Unit: Million VND	Unit: Million VND
Charter capital	4,547,100	4,547,100
Other capital	13,125	13,125
Reserves	1,342,773	1,089,934
Retained profits	7,218,760	5,786,003
TOTAL OWNER'S EQUITY	13,121,758	11,436,162
TOTAL LIABILITIES AND OWNER'S EQUITY	83,808,578	75,708,931
OFF BALANCE SHEET ITEMS		
Guarantees for loans	8,907,291	5,340,024
Commitments on foreign exchange transactions	5,390,490	3,119,509
Letters of credit	2,253,478	2,141,249
Other guarantees	3,316,762	2,485,309

INCOME STATEMENT (2018)

	2018	2017
	Unit: Million VND	Unit: Million VND
Interest and similar income	4,679,827	2,948,387
Interest and similar expenses	(1,267,266)	(836,258)
Net interest income	3,412,561	2,112,129
Fees and commission income	598,632	369,970
Fees and commission expenses	(296,045)	(156,747)
Net fees and commission income	302,587	213,223
Net gain from trading of foreign currencies	362,219	273,840
Net gain from dealing of investment securities	109,146	4,906
Other income	44,766	109,741
Other expenses	(24,741)	(6,712)
Other income – net	20,025	103,029
Operating expenses	(1,892,027)	(1,071,652)
Operating profit before allowance and provision expenses	2,314,511	1,635,475
Allowance and provision expenses	(205,564)	(18,609)
PROFIT BEFORE TAX	2,108,947	1,616,866
Income tax expense- current	(396,763)	(326,352)
Income tax expense-deferred	(26,588)	-
Total income tax expense	(423,351)	(326,352)
NET PROFIT AFTER TAX	1,685,596	1,290,514

Prepared by:  29 March 2019
 Reviewed by: 
 Approved by: 
 Le Thi Kim Hue
Chief Accountant
 Kim Tae Won
Director
 Chung Kwong Puy
Practising Auditor Registration
Certificate No. 0864-2018-007-1
Deputy General Director
 Ho Chi Minh City, 29 March 2019

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 2018, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 29 March 2019, as set out on pages 6 to 75.

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 of 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 judgement, 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 Bank'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 Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank's Board of 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 Shinhan Bank Vietnam Limited as at 31 December 2018 and of its results of operations and its cash flows for the year then ended 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.

KPMG Limited's Branch in Ho Chi Minh City
 Vietnam
 Audit Report No.: 17-01-00127-19




Pham Huy Cuong
Practising Auditor Registration
Certificate No. 2675-2019-007-1
Deputy General Director
Ho Chi Minh City, 29 March 2019