

SHINHAN BANK VIETNAM LTD. FINANCIAL STATEMENTS FOR THE YEAR 2011

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

ASSETS Unit: VND Unit: Unit: VND Unit: VND Unit:	BALANCE SHEET (31/12/2011)			
Cash on hand Balances with the State Bank of Vietnam Deposits with and loans to credit institutions Deposit 7.693-908.924.204 4.298.011.788.011 1.25.017.529.517 1.2500.0000 1.2500.0000 1.2500.0000 1.2500.0000 1.2500.0000 1.2500.0		31/12/2011	31/12/2010	
Deposit with and loans to credit institutions 7.741.781.588.237 4.298.011.788.011	ASSETS	Unit: VND	Unit: VND	
Balances with the State Bank of Vietnam Deposits with and loans to credit institutions 7.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.741.781.588.237 4.298.011.788.011 17.500.000.000 18.500.000.000 18.500.000.000 18.500.000.000 18.500.000.000 18.500.000.000 19.569.339.499.668 4.256.350.100.353 10.298.000 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 4.318.964.597.703 10.790.111.239.860 4.318.964.597.703 4.318.964.597.703 4.318.964.597.703 4.318.964.597.703 4.318.964.597.703 4.318.964.597.703 4.318.964.597.703 4.318.964.597.793 4.318.964.597.793 4.318.964.597.793 4.318.964.597.793 4.318.964.597.793 4.318.964.597.793 4.318.964.597.793 4.318.964.597.893 4.318.964.597.893 4.264.734.639 4.2		82.320.499.040	28.150.646.260	
Deposits with and loans to credit institutions	Balances with the State Bank of Vietnam Deposits with and loans to credit	549.527.564.416	125.217.529.517	
Loans Allowance for deposits with and loans to credit institutions (1.497.335.967) (112.500.000.000 18.500.000.000 (1.497.335.967) (112.500.000)		7.741.781.588.237	4.298.011.788.011	
Allowance for deposits with and loans to credit institutions Derivatives and other financial assets Loans and advances to customers Loans and advances to customers Loans and advances to customers Allowance for Loans and advances to customers Investment securities Held-to-maturity securities 135.000.000.000 Fixed assets 141.376.007.952 Accumulated depreciation Interpretation Interpretat	Deposit	7.639.908.924.204	4.279.624.288.011	
Derivatives and other financial assets		103.370.000.000	18.500.000.000	
Loans and advances to customers Loans and advances to customers Loans and advances to customers Allowance for Loans and advances to customers Allowance for Loans and advances to customers Allowance for Loans and advances to customers Investment securities Held-to-maturity securities Held-to-maturity securities Tangible fixed assets Tangible fixed assets Cost Accumulated depreciation Intangible fixed assets Cost Cost Accumulated amortization Other assets Receivables Accrued interest and fees receivable Other assets TOTAL ASSETS LIABILITIES Deposit from customers Other liabilities Provision for off-balance sheet commitments TOTAL LIABILITIES COWNER'S EQUITY Cowners COWNER'S EQUITY Capital and reserves			(112.500.000)	
Loans and advances to customers Loans and advances to customers Allowance for Loans and advances to customers Allowance for Loans and advances to customers Investment securities Held-to-maturity securities Held-to-maturity securities Tangible fixed assets Tangible fixed assets Cost Integral 19,588,932,171 Accumulated depreciation Intangible fixed assets Cost Cost Accumulated amortization Other assets Receivables Accured interest and fees receivable Other assets TOTAL ASSETS LIABILITIES Deposit and borrowings from other credit institutions Deposit from customers Other liabilities Provision for off-balance sheet commitments TOTAL LIABILITIES COWNER'S EQUITY Cowner's EQUITY Capital and reserves	Derivatives and other financial assets		-	
Allowance for Loans and advances to customers (220.771.740.192) (62.614.497.350)	Loans and advances to customers	10.569.339.499.668	4.256.350.100.353	
Investment securities		10.790.111.239.860	4.318.964.597.703	
Held-to-maturity securities		(220.771.740.192)	(62.614.497.350)	
Fixed assets	Investment securities	135.000.000.000	-	
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) - Other assets 19.205.310.931 5.233.449.823 Accrued interest and fees 80.048.695.655 41.789.333.894 Other assets 4.966.781.584 1.629.395.206 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES Deposit 427.789.154.664 65.081.618.777 Deposit 427.789.154.664 65.081.618.777 Deposit 427.789.154.664 65.081.618.777 Deposit 10.135.921.936.500 2.845.751.778.496 Other liabilities 715.718.318.910 701.392.609.970 Accrued interest and fees payable 51.041.519.785 5.504.040.828 Provision for off-balance sheet commitments 18.401.613.579 10.318.945.210 TOTAL LIABILITIES OWNER'S EQUITY Capital and reserves	Held-to-maturity securities	135.000.000.000	-	
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 Accumulated amortization (7.850.273.050) - Other assets 104.220.788.170 48.652.178.923 Receivables 19.205.310.931 5.233.449.823 Accrued interest and fees 80.048.695.655 41.789.333.894 Other assets 4.966.781.584 1.629.395.206 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES Deposit 427.789.154.664 65.081.618.777 Deposit 427.789.154.664 65.081.618.777 Deposit 427.789.154.664 65.081.618.777 Deposit 10.135.921.936.500 2.845.751.778.496 Other liabilities 715.718.318.910 701.392.609.970 Accrued interest and fees payable 51.041.519.785 5.504.040.828 Provision for off-balance sheet commitments 18.401.613.579 10.318.945.210 TOTAL LIABILITIES OWNER'S EQUITY Capital and reserves	Fixed assets	141.376.007.952	34.626.593.292	
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) - Other assets 104.220.788.170 48.652.178.923 Receivables 19.205.310.931 5.233.449.823 Accured interest and fees receivable Other assets 4.966.781.584 1.629.395.206 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 ULABILITIES LIABILITIES Deposit and borrowings from other credit institutions Deposit from customers 10.135.921.936.500 2.845.751.778.496 Tother liabilities 715.718.318.910 701.392.609.970 Accrued interest and fees payable Other liabilities 646.275.185.546 685.569.623.932 Provision for off-balance sheet commitments 18.401.613.579 10.318.945.210 TOTAL LIABILITIES OWNER'S EQUITY Capital and reserves				
Intangible fixed assets				
Cost Accumulated amortization 24.883.145.814 (7.850.273.050) 264.734.639 (7.850.273.050) - Other assets 104.220.788.170 (7.850.273.050) 48.652.178.923 (7.850.273.0931) 5.233.449.823 (7.850.310.931) 5.233.449.823 (7.850.310.931) 5.233.449.823 (7.850.333.894 (7.850.310.931) 41.789.333.894 (7.850.333.894 (
Other assets 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 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES Peposit and borrowings from other credit institutions 2.266.602.136.664 1.939.349.618.777 Borrowings 1.838.812.982.000 1.874.268.000.000 Deposit from customers 10.135.921.936.500 2.845.751.778.496 Other liabilities 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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243				
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 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES Deposit and borrowings from other credit institutions 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 Deposit from customers 10.135.921.936.500 2.845.751.778.496 Other liabilities 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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves	Accumulated amortization	(7.850.273.050)	-	
Accrued interest and fees receivable Other assets 4.966.781.584 1.629.395.206 TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES	Other assets			
receivable Other assets LIABILITIES Deposit and borrowings from other credit institutions Deposit Other labilities Other liabilities Other l	Receivables	19.205.310.931	5.233.449.823	
TOTAL ASSETS 19.335.122.764.370 8.791.008.836.356 LIABILITIES Deposit and borrowings from other credit institutions 2.266.602.136.664 65.081.618.777 Deposit 427.789.154.664 65.081.618.777 Borrowings 1.838.812.982.000 1.874.268.000.000 Deposit from customers 10.135.921.936.500 2.845.751.778.496 Other liabilities 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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves	receivable			
Deposit and borrowings from other credit institutions Deposit 427.789, 154.664 65.081.618.777 Borrowings 1.838.812.982.000 1.874.268.000.000 Deposit from customers 10.135.921.936.500 2.845.751.778.496 Other liabilities 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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves				
Other liabilities 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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves	Deposit and borrowings from other credit institutions Deposit	427.789.154.664	65.081.618.777	
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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves				
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 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves		715.718.318.910	701.392.609.970	
Other liabilities 646.275.185.546 685.569.623.932 Provision for off-balance sheet commitments 18.401.613.579 10.318.945.210 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves		51 041 519 785	5 504 040 828	
Provision for off-balance sheet commitments 18.401.613.579 10.318.945.210 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves				
18.401.613.579 10.318.945.210 TOTAL LIABILITIES 13.118.242.392.074 5.486.494.007.243 OWNER'S EQUITY Capital and reserves	Provision for off-balance sheet			
OWNER'S EQUITY Capital and reserves	commitments	18.401.613.579	10.318.945.210	
Capital and reserves	TOTAL LIABILITIES	13.118.242.392.074	5.486.494.007.243	
·	OWNER'S EQUITY			
Contributed capital 4.560.225.000.000 3.000.000.000.000	Capital and reserves			
	Contributed capital	4.560.225.000.000	3.000.000.000.000	

BALANCE SH	EET (31/12/2011) (c	ont.)
	31/12/2011	31/12/2010
	Unit: VNĐ	Unit: VNĐ
Charter capital	4.547.100.000.000	3.000.000.000.000
Other capital	13.125.000.000	-
Reserves	321.500.503.720	44.154.650.222
Retained profits	1.335.154.868.576	260.360.178.891
TOTAL OWNER'S EQUITY	6.216.880.372.296	3.304.514.829.113
TOTAL LIABILITIES AND OWNER'S EQUITY	19.335.122.764.370	8.791.008.836.356
OFF BALANCE SHEET ITEMS		
CONTIGENT LIABILITIES	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)		
Net interest income	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)		
Net fees and commission income	110.327.628.165	70.226.166.188		
Net gain from foreign currencies trading	226.033.569.220	114.399.215.280		
Other income	-	352.693.625		
Other expenses	(3.390.022.636)	(320.400.000)		
Other income - net	(3.390.022.636)	32.293.625		
TOTAL OPERATING INCOME	1.067.675.032.000	499.172.607.443		
TOTAL OPERATING EXPENSES	(245.016.581.043)	(110.429.771.398)		
PROFIT BEFORE CREDIT LOSSES EXPENSE	822.658.450.957	388.742.836.045		
Credit losses expense	(114.747.340.544)	(30.995.427.886)		
PROFIT BEFORE TAX	707.911.110.413	357.747.408.159		
Current income tax	(175.456.406.100)	(88.602.389.519)		
NET PROFIT AFTER TAX	532.454.704.313	269.145.018.640		
Prepared by:	SOP 103 c. of the Approximation of the Approximatio			
Mr Park Yon Ki	MY Hong Man Ki			
Director	General Director			

Ho Chi Minh City, Vietnam

26 March 2012

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 comprises 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 "this supergradings and transfer its assets, liabilities and owner's equity to the Bank.

CÔNG TY

ASTA AGONE *

Ernst & Young Vietnam Limited

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

Certificate No. 1103/KTV

Ho Chi Minh City, Vietnam

26 March 2012

Shinhan Bank Vietnam Ltd. 72-74 Nguyen Thi Minh Khai St, District 3 HCMC, Vietnam