

A large orange rectangular area with a torn, jagged top and bottom edge, resembling a piece of torn paper. A white, curled-up paper strip is visible on the left side of this area.

# Annual Report 2008

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**Annual Report**  
**2008**



## ➤ Message from Chairman

“Looking back over a year, DongA Bank has developed steadily with a series of events such as becoming a prestige commercial joint stock bank for over 2.5 million customers”

In 2008, the world economy, and the economy of the United States in particular entered a period of serious crisis and regression. Many U.S. banks and financial institutions have declared bankruptcy which, in turn, has impacted the global economy tremendously.

Vietnamese economy, as a part of the world economy, has faced many difficulties in 2008. The financial crisis has had a strong impact on the economy and politics in Vietnam. In addition, Vietnam also had to cope with many natural disasters, lack of capital in business and loss of market status in 2008. Stock market declined significantly, and the consumer price index continued to increase, bringing the inflation rate to 19.8 % which, in turn, influenced the socio-economic as well as Vietnamese economic development speed in the year (GDP increased by 6.23% in 2008).

In the banking sector, from the beginning of the year, the Vietnamese banks had have to deal with the liquidation crisis, which forced banking system to increase interest rates continuously (for both the capital mobilization and outstanding loan interest rates), hence a paradox of the short-term interest rates are higher than long-term ones. Furthermore, the financial crisis in the world has impacted the Vietnamese financial system in general and the banking system in particular. Vietnam Banking industry, within 01 year of operation, has faced many challenges and risks such as liquidation risk, currency exchange risk, market risk and government policy risk, all of which bring banks, especially small banks, through many difficulties.

With sixteen years of operation and achievements, DongA Bank's position have been qualified on both domestic and international markets. With the remarkable technology capacity, highly-diversified

products and services, DongA Bank is convenient and close to consumers. Looking back over a year, DongA Bank has developed steadily with a series of events such as becoming a prestige commercial joint stock bank for over 2.5 million customers, and the consumers have voted us as “Vietnam Strong Brand 2008” “Satisfactory Service in Vietnam”. In the wake of the fluctuating economy, yet DongA Bank still accomplished the business plan, agreed in the 16th Shareholders Meeting, 08/3/2008.

In 2009, both the global and domestic economies are still facing with many difficulties. The financial crisis of the world has no sign of stopping, and the economy in Vietnam continues to be affected by the recession of the world economy. However, in addition to challenges, there are new opportunities awaiting for us. Based on achievements in 2008 and a strong foundation of 16 years, DongA Bank believes in the solidarity with the collective agreement of all staffs with creative spirit and learn to overcome all difficult challenges, the bank will certainly continue to complete excellently the business plan in 2009.

Chairman



PHAM VAN BU



## Overview of DongA Bank

**D**ong A Commercial Joint Stock Bank (DongA Bank) was established on July 1st, 1992, being the first bank established in accordance with the bank legislation in 1992. The chartered capital was VND 20 billions (in which 80% belongs to legal entities), With 3 main departments including Credit, Treasury and Trading.

Over 16 years of operation and development, on December 31st, 2008, the Bank's chartered capital increased to VND 2,880 billions, with the total assets of VND 34,846 billions. Operation network has been on a nationwide scale, providing a full range of products and services of a modern bank. Total number of employees was 3,585, which includes DongA Bank's employees being 3,138 and the subsidiaries' employees is being 447. The business operation performance has continuously been growing since the establishment.

### Major legal entity shareholders:

- Ho Chi Minh City Party Committee.
- Phu Nhuan Jewelry Joint Stock Company

### Subsidiaries

December 31st, 2008, there are DongA Bank's subsidiaries as follows

- DongA Money Transfer Company
- DongA Securities Company
- DongA Securities Fund Management Company

### Operating network

In 2008, DongA Bank has developed 42 more of transaction points, the total Bank's transaction points went up to 148 in 50 provinces / cities throughout the country. In particular, there are 29 branches, 107 transaction offices and 12 - 24/7 banking centers in HCMC and Hanoi to meet the overtime transaction needs of customers. In addition to an active network of DongA Bank, there are DongA Money Transfer Company's networks of which includes 1 office and 5 branches; and DongA Securities Company networks of which has 3 transaction floors in HCMC and Hanoi.

In 2008, DongA Bank has built up and inaugurated several new spacious and modern headquarters throughout the country (as in Ben Tre, Tien Giang, Binh Phuoc, Hanoi, ...)

### Quality Management System

Banking operation has been standardized in accordance with ISO 9001:2000.





## Board of Directors



1. Mr. **PHAM VAN BU**

CHAIRMAN of DongA Bank, from 2004 to now; Vice CEO of Ho Chi Minh City Party Office; Chairman of BOD of Sai Gon Petro JS Co., Chairman of BOD of Tan Thuan Processing Zone Service Co., Ltd.

4. Mr. **TRAN PHUONG BINH**

MEMBER OF BOD from 1998 to now. Chief Executive Officer of DongA Bank from 1997 to present.



2. Ms. **VU THI VANG**

STANDING VICE CHAIRWOMAN; Secretary of DongA Bank's Party Committee; Member of BOD of Gia Dinh Water JS Co., Member of BOD of DongA Real Estate JS Co.,

5. Mr. **TRANG THANH SUONG**

MEMBER OF BOD General Director of Phu Nhuan Housing Trading and Building Co., Ltd.



3. Mr. **DANG PHUOC DUA**

VICE CHAIRMAN; Member of BOD From 2002 to 2006; General Director of Technical Material Importing & Exporting JS Co. (REXCO).

6. Mr. **NGUYEN QUANG MINH**

MEMBER OF BOD General Director of Sai Gon Beverage Corporation.





7. Mr. **NGUYEN QUOC DANH**

MEMBER OF BOD; General Director of Sai Gon Beverage Corporation.



8. Mr. **NGUYEN DINH TRUONG**

MEMBER OF BOD; General Director of Viet Tien Garment Co.,



9. Ms. **NGUYEN THI NGO**

MEMBER OF BOD; Chairman / Chief Executive Officer of Asia Pacific Human Resource Development Company.

The BOD members have taken part in the ALCO Committee, the Credit Committee to direct and to control risks

## Supervisory Committee



DongA Bank's Supervisory Committee consists of three members, is an authorized body on behalf of shareholders to control independently, objectively and honestly all the banking operations. They are:

1. Ms. **NGUYEN THI CUC**

CHIEF OF SUPERVIORY COMMITTEE

(Vice General Director of Phu Nhuan Jewelry JS Co., From 1998 to now)



2. Ms. **PHAN THI TO LOAN**

SUPERVISOR



3. Mr. **NGUYEN VINH SON**

SUPERVISOR

Ms. **NGUYEN THI NGOC VAN**

STANDING DEPUTY CEO

Mr. **NGUYEN HUU CHINH**

DEPUTY CEO

Ms. **NGUYEN THI KIM XUYEN**

DEPUTY CEO

Mr. **PHUNG DUY KHUONG**

DEPUTY CEO

## » Board of Management



Mr. **TRAN PHUONG BINH**  
CHIEF OF EXECUTIVE - CEO

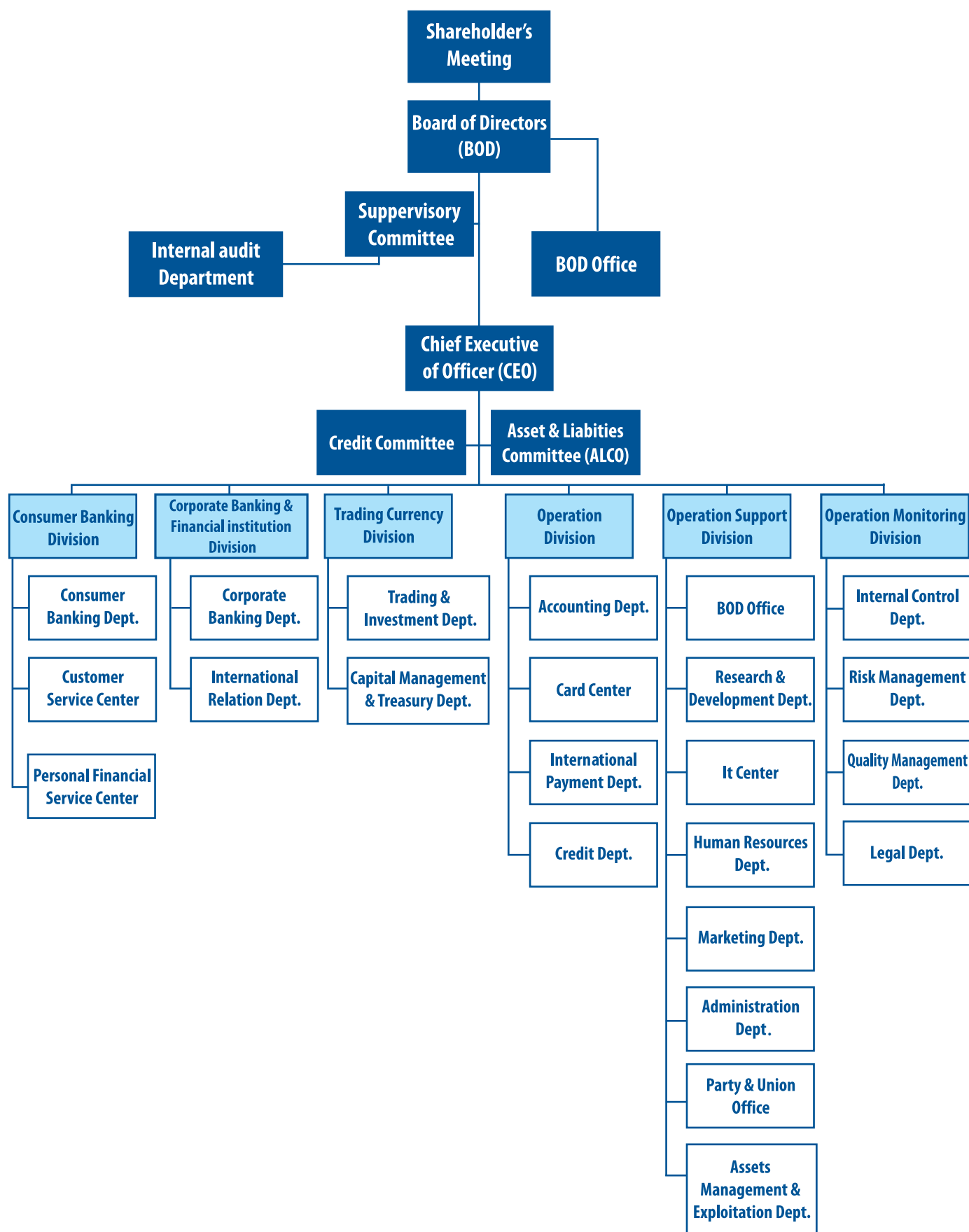


Mr. **NGUYEN AN**  
DEPUTY CEO



Mr. **LE TRI THONG**  
DEPUTY CEO

# Organization Chart





**2008**

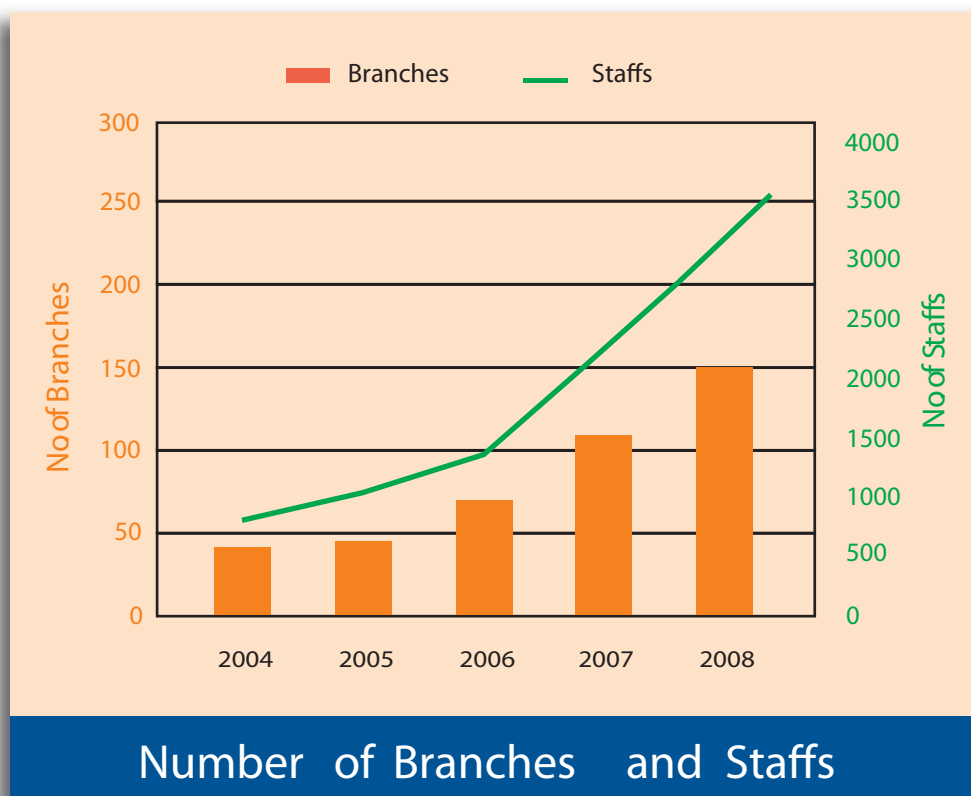
**SPEEDING UP**



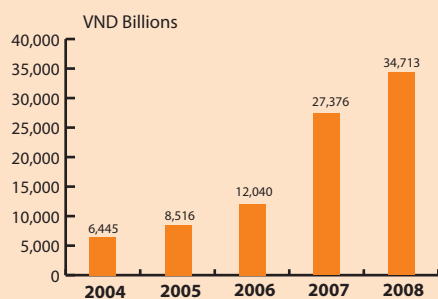
## Business Operation

### Performance in the period 2004 - 2008

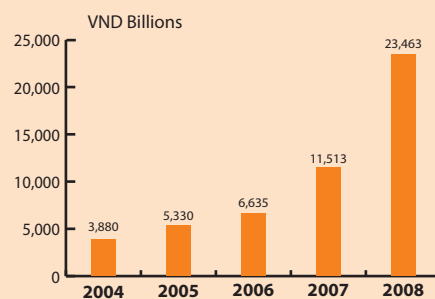
Objectives	Unit	2004	2005	2006	2007	2008
Total assets	VND billions	6,445	8,516	12,040	27,376	34,713
Average outstanding loan balance	VND billions	3,880	5,330	6,635	11,513	23,463
Average capital mobilization balance	VND billions	5,573	6,576	8,584	14,007	27,543
Chartered capital	VND billions	350	500	880	1,600	2,880
International payment turnover	USD millions	1,015	1,095	1,365	2,039	2,382
Card issuance	Cards	69,312	322,063	626,890	724,351	755,887
International money transfer turnover	USD millions	622	689	755	1,000	1,181
Profit before tax	VND billions	98	139	211	454	703



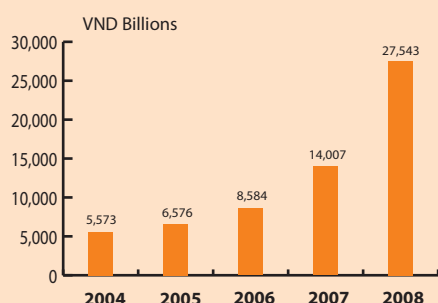




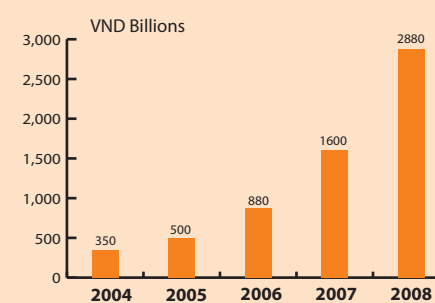
**Total Assets**



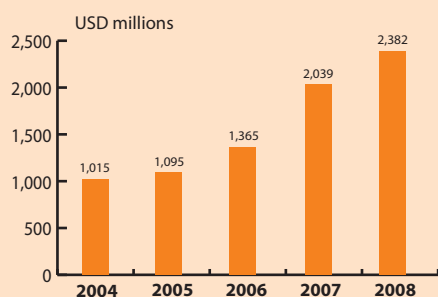
**Average Outstanding Loan Balance**



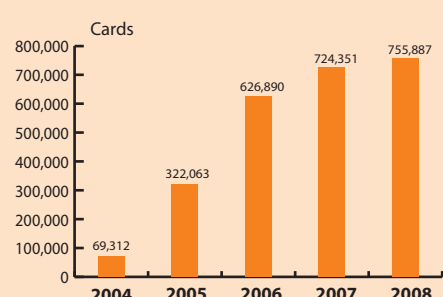
**Average Capital Mobilization Balance**



**Chartered Capital**



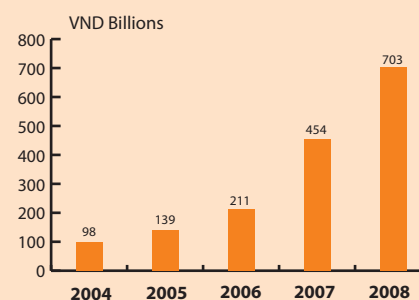
**International Payment Turnover**



**Card issuance**



**International Money Transfer Turnover**



**Profit Before Tax**



## » 10 Major Remarkable Events of 2008

The economic crisis in the world and difficulties from domestic economy in Vietnam have been the challenges and opportunities for banks to strengthen and grow steadily. Looking back a year, DongA Bank has operated steadfastly. Through a series of events, we have become a commercial joint stock bank with strong reputation and millions of customers in Vietnam.

hard to become reality. However, the DongA Bank profit plan, 700 billion dong as in the agreement with the Shareholder Congress in the beginning of the year, has been achieved on time without plan adjustment. DongA Bank has profited from 3 main sources: services, business and credit.

This is an excellent and impressive achievement that DongA Bank has gained in the commercial joint stock banking system. Again, this demonstrates the careful and steady development strategy of DongA Bank.

### 1 The completion the 2008 year plan



Facing the domestic inflation and the global financial crisis, the economy in Vietnam has to cope

with many difficulties. Despite finance and banking fields are considered having the potential of steady-growth, yet in terms of risk, banks have to face a lot of risks such as credit, liquidation, interest rates and investment activities. According to economic experts, due to economic difficulties, corporations hesitate to borrow loans for expansion, individual customers also reduce the demand of credit. As a result outstanding loan growth rates had showed many signs of regression, which made profits plan

### 2 DongA Bank brand name has become modern and friendly

Through over 16 years and especially in 2008, DongA Bank has always showed a strong business point of view of which catering the customer's needs is focused. Accommodating maximum daily life needs, DongA Bank products and services have become the effective financial tools for the current dynamic life. From the automated bill payment for electricity and water supply, purchasing prepaid cards, fund transfer services ... to multifunctional bankcard overdraft and credit card, DongA Bank has shown a deep understanding of customer demands in saving time, travel costs, self assertiveness through the use of modern financial products, all the urgent financial needs in unscheduled circumstances... Moreover, DongA Bank products and services are designed to many different types of customers such as students, small



businesses, employees, entrepreneurs, enterprises...

In 2008, DongA Bank is also the first bank who strongly expressed and protected its opinion in not to charge ATM fees, in order to reduce pressure for cardholders from current economic difficulties. This viewpoint has been supported

widely which significantly contributed to the decision of delaying charging ATM fees by the State Bank of Vietnam.

Criteria of friendly to customers and becoming a friendly bank image in the consumer's hearts have become remarkable in 2008 DongA Bank activities.

### 3 DongA Bank has expanded in 50 cities and provinces in the country with 148 locations and more than 1200 ATMs

Implementing the "Speeding up in the year of 2008" strategy and aiming to become the best retail bank in Vietnam, in 2010, DongA Bank has continued to expand the network of branches and transaction offices over country . By the end of 2008, DongA Bank has established 160 locations in 50 provinces / cities with over 1,200 ATMs. Especially, DongA Bank has introduced a series of mini-banks - 24h Transaction Center - to help customers save time and especially transact at outside working hours. 24h Transaction Centers are set up at the gas stations with the goal of combining gadgets such as refuel, car washed and bank transactions. In future this mini bank system is also to be in parks, in order to contribute to the advanced and modern urban landscapes.

In addition to the current branches, transaction offices and 24h transaction centers, DongA Bank also has 1200 ATMs and 1500 POS at payment points. Expanding the network means



bringing banking products and services closer to the customers, popularizing banking services to contribute to the practical implementation of the government policy of which is not cash used.

### 4 Building and inaugurating a series of spacious and modern buildings

In order to create the image of strong and reliable DongA Bank, in 2008, DongA Bank continues to build up new spacious offices as same model as of the modern head office building. We may see these office buildings at:

- Hochiminh area: District 5, 9 Branches
- Mekong Delta area: Tien Giang, Ben Tre and Tra Vinh Branches
- South Eastern Vietnam area: Binh Phuoc Transaction Office
- Northern Vietnam area: Hanoi Branch
- Central Vietnam: Hue Branch.

Inauguration as well as integration of many modern banking offices has helped DongA Bank achieving a higher position, with better standards to serve customers with the best and emphasizing the strategy of becoming the best retailer bank in Vietnam, in 2010.



### 5 Staying the leading bank in technology, particularly in bankcard business

The proven pioneer in banking technology, DongA Bank has always shown remarkable advantage of the technical solutions, especially the development of utilities for bankcards. We can say that, DongA multifunctional bankcard is the card providing the most utilities in Vietnam, from basic utilities in



transaction to modern utilities via automated banking and E-banking transactions. On 8/8/2008, DongA Bank officially issued credit card. This marks



the connection system of DongA multifunctional bankcard with the international cards in the world through Visa. The integration of a credit card's features with DongA Bankcard's a has become the perfect combination in the resolution of all customers' financial needs. In the end of November, " Solutions preventing the risks of credit card via SMS

Banking" of DongA Bank was copyrighted by the Vietnamese Copyright Department. This along with the widely deployed applications of SMS and Internet Banking for credit card has once again validated the advantage of the pair of DongA Bank multi-functional card and Credit card in Vietnam.

## 6 Total customers reached impressive number 2.5 million!

In the wake of the fluctuating financial economy, all of banks have increasingly competed in order to retain and attract customers. DongA Bank is one of the top leading commercial banks in Vietnam, who has always been thriving to improve our services, and financial capacities to



serve customers at the best quality. By the end of 2008, total bankcards issued by DongA Bank, has reached the record at 2.5 million cards (for bankcards issued in commercial bank system). This means there are 2.5 million DongA Bank's customers. Furthermore; DongA Bank has been constantly innovating and enhancing service quality, developing new products, services, and being worthy of the image "a trustworthy companion" of everybody, every household.

## 7 VNBC system established by DongA Bank has welcomed new members and launched Vina Smart Bankcard (V.N.B.C) Corporation.

Starting with only 4 members in 2005, the VNBC bankcard system established by DongA Bank now

has 10 members, including DongA Bank, Habubank, SaigonBank, GP Bank, DaiA Bank, MaiLinh Group, MHB Bank, Commonwealth Bank (Australia), UOB Bank (Singapore) and PI Bank (Cambodia). VNBC is only newtork of which have foreign bank members.



In order to provide equipment, services for bankers, solutions for banking connections, solutions and advice on card technology, devices and solutions for Electronic Banking and also equipment and consulting as per orders, VNBC Corporation officially launched at the end of October with the mission and vision to be the leading technology companies in Vietnam in providing services and solutions for the financial banking and other concerned businesses.

## 8 DongA Money Transfer Company has continued to be the leader in remittance service and received awards of " Best support in Product launch " from Money Gram Company

DongA Money Transfer is the only company in Vietnam that has been received awards of "Best support in Product launch" by Money Gram Company because of the relentless efforts in the first implementation of money transfer services at home with Money Gram. With these services, DongA Money Transfer and Money Gram have provided more safe and



reliable options for customers who have relatives living all over the world. DongA Money Transfer also has publicized the operation, building and improving service process, technology application such as the hot line set up for services, improving payment service quality. Besides, DongA Money Transfer also helps Money Gram to search, analyze potential markets then introduces creative marketing plan in recent years.

As the leader in money transfer market many years, in 2008, all money transfer services always satisfy all customers and received high evaluation by the local and foreign partners. Up to now, DongA Money Transfer has been operating widely in 63/64 cities - provinces in Vietnam with total payments in 2008 reached 1.2 billion USD.

## 9 DongA Bank is the first bank in Vietnam introducing most advanced ATMs with direct cash deposit.

With the success of implementing ATMs H38N, DongA Bank is the first bank in Vietnam with the most advanced ATMs, which offer direct cash deposit, and the feature of receiving 100 bills at different face value in a transaction time.



ATM H38N has many outstanding features such as receiving 100 different bills / transaction time , expanding the features of DongA Bank's existing ATM TK21s (which only receives bill by bill) The new machine is suitable for dealing large amounts, particularly in foreign exchange and buying prepaid card features are not only for the DongA bankcard cardholders. ATM H38N

can identify the currency types such as VND, USD, EUR, AUD, CAD, GBP, and JPY ...

By the continuous development of the ATM models, DongA Bank has increasingly proven the remarkable advantage of a bank. whose staffs that are young, competent and creative, altogether to provide customers with modern banking products developed by Vietnamese intellectuality.

## 10 Received top awards voted by prestigious organizations and cosumers

With excellent operation and impressive business results, DongA Bank has received a series honor grandeur awards by prestigious organizations and consumers vote in 2008 as:

- Top 10 leading bankcards (by the State Bank announced)
- Top 10 most satisfactory Commercial Bank in 2008 (Results of Survey & Research Consumers and Enterprises Center)
- Most sastifactory retail banking services in 2008 (voted by the consumers, Saigon Marketing newspaper hold)
- Southern Gold Star and Gold Star of Vietnam in 2008 (Hold by Vietnam Youth Association in collaboration with the Young Entrepreneur Association)
- Strong brand name in Vietnam in 2007, 2008 (hold by Bureau of Trade Promotion - Ministry of Industry and Commerce and the Vietnam Economic Times)

By receiving the awards of the year, DongA Bank brand has achieved a prestigious status in the banks -financial sector in Vietnam. It is the basis for a new way ahead with many challenges and opportunities with confidence and new achievements in the future.





## 2008 Business Operation Performance

### Vietnamese economy context in 2008

End of 2007, the global economy became more difficult by the effects of extensive degradation of the U.S. economy, from the home loans being under the standards. Jump to 2008, financial crisis on the worldwide has led to economic degradation in some countries. The impact of the economic crisis for Vietnam has increased after the country had officially joined the World Trade Organization (WTO). In 2008, the status of inflation moved into deflation which is two opposed situations happen in short time, having made the economy more difficulties, the production business narrowed, stagnant goods, consumption reduced; export activities difficult; real estate market frozen, stock market being bleak, while the gold price, exchange rates and price of some good being fluctuation, even having speculated status to create the hot price artificially.

In the context of economic difficulties, the financial - bank sectors are vulnerable subject, along with the changes of the State Bank policy which has a great impact to the commercial banks, particularly the potential risks of liquidation, overdue debts and bad debts.

In the general context, the DongA Bank operations in 2008 coped with the difficulties and challenges. DongA Bank has chosen safety activities as priority target to operate business flexibility, and take advantage of opportunities in the market to create the most effective for the bank.

### Business Operation Performance

#### 1. Total assets

By the end of 2008, total assets reached VND 34,713 billions, up 27%, the capital mobilized reached 29,796 billions, up 38% over the beginning of the year. Liquidation management was always controlled closely. Also, chartered capital was increased to VND 2,880 billions of which equity was VND 3,514 billions.

In 2008, eight times the State Bank has adjusted basic interest rates of which the highest level was up to 14% / year and reduction is 8.5% with the tighten monetary policy, drawing money in circulation by raising percentage of reserve required, issuing bonds and refunding Treasury deposit. These made small commercial joint stock bank may shortage

Objectives	Unit	2008 Achieved	2008 Planne	Achievement/ Plan ration
- Average capital mobilization balance	VND billions	27,543	25,000	110%
- Average outstanding loan balance	VND billions	23,463	23,500	100%
- International payment turnover	USD millions	2,383	2,400	99%
- International money transfer turnover	USD millions	1,181	1,200	99%
- Profit before tax	VND billions	703	700	100%
Total assets	VND billions	34,713	40,000	87%



liquidation, led to competitive interest rates and raised the interest rates in the market. In that situation, DongA Bank has implemented the guidelines to increase total assets, through growing up the reasonable capital mobilized at reasonable level and not increasing interest rates to contribute in implementing the the government policy of which makes market stability, while implementation agreement of capital mobilized, in order to ensure safe liquidation and reduce the capital cost. In 2008, DongA Bank has been received Merit Award Certificate of the contribution to the success of inflation controlled by the Government



## 2. Credit activities

As of the end of 2008, the total outstanding loans reached VND 25,570 billions, increased by 43 % compared to the end of 2007. Overdue debt situation is controlled closely so overdue debt ratio was only 1.69% of the total loan balance as on 31/12/2008. Total outstanding balance credit is accounted for 73% proportion of total capital. In 2008, DongA Bank has diversified credit products to meet demands from all customer types

For individuals: DongA Bank has many loan products to serve consumer needs such as Loans for apartment, consumption, car, motor bike, tuition fees, laptop, Bankcard overdraft, backed by mortgage securities. Besides, the DongA Bank has loans for small traders at fresh markets and staff - employees at the State organization units or the payroll via DongA Bank.

For enterprises: DongA Bank has services such as : Financing for working capital, export, import, construction and Fix-asset investment. Besides, DongA Bank has been cooperating with several international financial institutions to provide financing to small and medium enterprises in Vietnam, such as: Japanese Bank for International Cooperation (JBIC) program: Financing SMEs in factory and machinery. World Bank program – Rural Development Fund (RDF): Loan for rural development. Asian Development Bank (ADB) program: Loans to buy real estate for low income customers.

## 3. Foreign exchanges and gold trading

Foreign exchanges trading have met in a timely manner with customers' needs in international payments and money transfer. Credit activities had to face with difficulties in 2008. DongA Bank has developed the gold and Foreign exchange business "forward term" which bring efficiency to the bank. Total net interest from gold trading and foreign exchanges in 2008 reached 333 billion, accounting for 22.5% percentage of the bank's total net income in 2008.

## 4. Investment

Total investment of DongA Bank as of December 31, 2008 reached VND 1,200 billions, decreased 6% compared to 2007 year end, including:

(Unit: VND Millions )

	2008	2007
<b>Total investment</b>	<b>1,200,493</b>	<b>1,274,602</b>
<b>Trading securities</b>	<b>243,934</b>	<b>343,418</b>
- Trading securities	278,946	352,012
- Provision for impairment of trading securities	(35,012)	(8,594)
<b>Investment securities</b>	<b>135,801</b>	<b>291,997</b>
- Available-for-sale securities	143,549	76,479
- Held-to-maturity securities	13,383	215,518
- Provision for impairment of investment securities	(21,131)	-
<b>Long-term investments</b>	<b>820,758</b>	<b>639,187</b>
- Other long term investments	820,758	639,187
- Provision for impairment of long-term investments	-	-

In 2008 the securities market in Vietnam declined in both price and liquidation, so most securities investment of banks must be extracted Provisions for securities discounts, not to focus in this area also to bring DongA Bank avoided risks when compared with other banks.

## 5. International payment

2008 was a really difficult year for the domestic and international economy. Many changes in currency exchange, interest rates from the beginning of the year and the financial crisis of some countries have had strong impact to the import and export in Vietnam. However, international payment activities of DongA Bank in 2008 still grew steadily to reach USD 2,383 millions, increased 16.87% compared to 2007 and performed 99% in comparison with the 2008 plan. Total fees reached USD 3.5 million, up 16% compared to 2007, I's a large proportion of total bank income.

In 2008, DongA Bank has chosen, continued to maintain relationships with the major, steady financial institutions in the world, and expanded the relations with 33 domestic and international banks. Agent bank network of DongA Bank has expanded over 90 countries which helps for international payment quickly.

Currently, DongA Bank has 26 Nostro Accounts in 21 international Banks for 10 different foreign currencies to meet the customers' diverse payment needs



## 6. Bankcards

2008 was a successful year of DongA Bank in providing consumers with banking products and services. In process of building and developing the brand, DongA Bank is proud to be one of the commercial joint stock banks in Vietnam providing the best, most advance, most convenient, full banking services package to customers.

### DongA Multifunctional Bankcard and value added utilities

DongA Multi functional Bankcard has been validated the No. 1 position on usage and value added utilities in the domestic debit card market. In 2008, DongA Bank issued 755,880 cards, increased up 4% in comparison with 2007, contributing to the total of 2,5 millions accumulated card holders, who represent 20% card market shares in Vietnam

Apart from the quantity, the service quality improvement has also been focused by DongA Bank Board of Management. Besides the upgraded utilities validating the Multifunctional Bankcard position, in 2008 the bankcards have been added with more gadgets as following:

- Cash deposit directly into atms and receive immediate credit advice.
- Foreign currency exchange on ATMS: USD & EUR
- DongA Electronic Banking channel: very advanced with remarkable transaction services such as bank transfer (maximum up to VND 500 millions / day, billing, online payment (when shopping on the Internet), electronic money transfer.

By integrating DongA Multifunctional Bankcard account with DongA Bank Gold Transaction Floor and Securities Companies, DongA Bank has become the leading Bank in Vietnam, who has turned an ATM plastic card into the investment and effectiveness business tool in securities and gold trading. In 2008, DongA Bank has successfully connected with the DongA Gold Transaction Floor and also deployed sufficient tools to investors, thus, they can easily buy - sell gold and perform online business transactions. Besides, with the success of connecting over 8 leading securities companies in Vietnam (BVSC, GLS, EPS, ORS ...) to DongA Bank system, IT validates the company's No. 1 position in providing financial tools related to securities services. Investors can implement the transactions for securities business as follows:



- Securities sale/purchase
- Dividend payment / bond auction deposit / bond auction refund
- Online payment in advance for securities sold via Securities Company website / DongA Bank's website.

#### **DongA Bank international credit card**

On 08/08/2008 DongA Bank officially issued Visa international credit card, who is the leading card organization in the world. Strategy focuses on the customers with average incomes, and it is a complete pure-credit product based on the DongA Bank' trust in customers. DongA Bank continues to affirm the consistency in bankcard business when focusing on the large customer group in the market. Although DongA Bank Credit Card has just been issued, it has demonstrated the superiority in Vietnam such as: Complete pure-credit acceptance, highest credit limit on the market, capable of self-liquidation the monthly or fund transfer on SMS / Internet Banking

Similar to DongA Multifunctional Bankcard, DongA Bank have deployed SMS and Internet for credit card in order to help customers initiatively control transactions and account fastest and most convenient .

SMS Banking service offers customers the following gadgets: being notified immediately transaction arisen, being the best safe, controlling actively the balance of credit limit to spend and other remarkable utilities such as: transaction statements, contact information or look up, the card holder only need to contact the universal call center at anywhere on the worldwide: 1900545464

For Internet Banking service, customers can look up detailed history transactions arisen; search account information: credit limit, remaining limit use, outstanding balance, sub-cardholder information (if any), view and print detailed transaction history for credit card account on the Internet; send statements to the specified email address, and change the password via the DongA E-Banking channel.

Especially, customers can transfer payments from a Multifunctional card account to a credit card account by the DongA SMS Banking / Internet Banking and Mobile Banking.

With this preeminent service; SMS Banking, DongA Bank has been received copyrights for " Risk limited solution for credit card via SMS Banking" by Department of Copyright.

With the introduction of DongA Bank Credit Card, DongA Bank has improved its card strategy through the "the pair of DongA bankcards". When holding this pair of bankcards, customers can actively select the type of card transaction to attain effectiveness, convenience and safe cost.

#### **Student-Associate Bankcards**

DongA Bank has been co-operating with various universities and colleges over Vietnam to issue the Student-Associated Bankcard, which is the association between the Student Card and DongA Multi-functional Bankcard. This is a breakthrough in Vietnam bankcard market with great significance.

The Student-Associate bankcards is intergrated with all features of DongA Multi-functional Bankcard, simultaneously with magnetic technology applications for student management to libraries, to computer rooms, tuition payments, scholarships of



students... via the card and other applications in accordance with the preeminent features of the current magnetic technology.

With the list of 22 universities and colleges has cooperated to issue Student-Associate Bankcards over nationwide, including the large and prestige ones in Vietnam such as Ho Chi Minh City Polytechnic University, University of Natural Science, Open University, University of Economics in Ho Chi Minh City; Hanoi Mine and Geology University, Hanoi Social Science and Humanities University, Hanoi Economics University, Danang Economics University and Danang Polytechnic University ... with the total of cards have issued over 100,000 cards. This is an impressive figure, shows the strong competitiveness of DongA Bank on the Student-Associate Bankcards market.

#### **Multi-Functional Securities CK Card**

Multi-Functional Securities CK Cards are issued with the motto of accompanying investors to reach success. The investors can use the card for stock trading (purchase/ sale/ deposit /receive dividend, etc.). DongA Bank has partnered up with the securities companies such as Empower Securities Corporation (EPS), Golden Lotus Securities (GLS) Phu Gia, Royal, VietTin and Eastern ... to supply full package service for securities company and investors as T-day securities mortgage loan (online and offline), loan for securities trading. Online T-day securities mortgage loan is a breakthrough, particular competitive advantage of DongA Bank in comparison with other banks

#### **Multi-Functional Retirement Card**

DongA Bank has partnered up with local social insurance to issue this card, in order to help the pensioners receive the retirement pensions and social insurance, etc...

Multi-Functional Retirement Card also provides bankcard overdraft for customers according to the monthly income received through bankcard accounts.

With DongA Bank Multi-Functional Retirement Card, there is no issuance fee for the first-time card issuance as well as no reissuance fee when the cards expire. It is also completely free of charge when replacing DongA Bank Multi-Functional Retirement Card with Multi-Functional Card. There is no annual fee (free use) in the first 3 years and customers are not required to maintain the card

account balance.

#### **Multi-functional Richland Hill Card**

For customers intending to buy apartments in the Richland Hill Complex, having the right of reservation, being updated information of Richland Hill project and others.

#### **The other associated cards**

DongA Bank has partnered up with Manulife, Mai Linh, Viet Tien, Viettel in order to apply for customers who are the regular customers of these brand names with preferential prices (discounts, reductions).

### **7. DongA E.banking**

DongA Bank has constantly deployed new services and utilities and also upgraded the available services quality in order to serve customers at best. DongA Bank helps customers save time and travel costs. Customers can deal with DongA Bank anytime anywhere. DongA electronic Banking services include Internet Banking, SMS Banking and Mobile Banking

Customers can deal with DongA Bank for:

- Bank transfer up to VND 500 millions / day
- Online Payment Billing
- Buy a prepaid card (mobile phone, internet card, prepaid phone card, Internet & telephone card). Customers can review their purchased card information by Internet /SMS /Mobile Banking/Phone Banking.
- Loading electronic money: Loading Vcoin into Vcoin account (by VTC Intecom); loading money directly to mobile phone account (VnTopup), current prepaid subscribers of Vinaphone, Viettel, EVN Telecom, Sfone, Mobifone; loading money into VCard account at <http://vcard.vn>; Money deposit into Gate Passport account of FPT Online; load Vcash into VCash account of VinaPay ...
- Look up account balance
- Look up transaction history
- Lock / Unlock card account
- Receiving message to notify balance changed via mobile phone



- Expanding online payment services with partners:

<http://www.golmart.vn>

<http://www.golwow.com>

<http://www.hlink.vn>

<http://www.chodientu.vn>

<http://www.fibo.com.vn>

<http://center.fibopay.com>

### **DongA Bank has implemented electronic payroll service**

DongA Bank has implemented successful new "Electronic payroll" service for units, organizations, enterprises need to pay wages and other incomes for staffs via card account. This is the best professional and advance payroll service of which first deployed in Vietnam.

Remarkable advantages of electronic payroll service is payroll file already encrypted before moving to DongA Bank Data Processing Center to guarantee the security, safety and accuracy for special customers (the police, military ...). Especially DongA Bank will provide the rights: name, the password to access electronic payroll service to the units/organizations /enterprises who use this service, for self-acting in payroll from 7h-19h (last time it often depended on the bank)..

For the organizations and enterprises, the first benefit of the service is providing customers with the best of safety, security, accuracy, modernity, convenience, easy to use, cost-and-time-saving. Simultaneously, electronic payroll service also helps customers have the right to choose effective options and to control payroll process at ease at anywhere. Especially, for directors of enterprises who often travel and not be able to sign payroll sheets, Electronic payroll service helps the payroll on time

and ensures the maximum benefits for employees.

For receiving wages, utility of service is to help customers that do not wait, do not acknowledge receipt of payroll by signing their name, but it completes security. Besides, employees do not fear a lack of money when it is not on time to receive payroll (overdraft, without the deposit in card account). The DongA Bankcard holder can use the best dynamic, diversity transaction channels of DongA Bank (the system of branches, transaction offices, transaction points, ATM network and electronic banking channel). Especially, for specific own operation units, electronic payroll service is a perfect technology, advance, easy to use, convenient and best security solution. with so convinced reason, DongA Bank has been building up the trust and reputation with customers who are organizations, enterprises and units over the country.

### **Electronic transactions with DongA Bank - Top Security Technology**

In the beginning of 07/2008, a very serious security breach was detected within the DNS system, the center of the entire Internet. With this flaw, criminals could attack and steal all the customers' information on the Internet, such as usurping to control of your blog, stealing passwordS to read emailS or imposing as you to chat on Yahoo Messenger as well as using the customers' E-bank accounts for online transactions.

Facing the challenges from serious security errors on the Internet, DongA Bank has implemented two simultaneous solutions to not only help online transactions operate more conveniently, but also to ensure that customers can absolutely entrust online

transactions with important information such as account names, passwords and other sensitive information related to transactions. This emphasizes our strong commitment: trying our best for the customers' comfort and safety.

Two solutions used by DongA Bank include:

- ID card on the network (EV-SSL Certificate) issued by Verisign.
- Validation code for financial transactions sent via SMS (OTP).

Until now, DongA Bank is still the pioneer in the application of technology for products and services, in order to best meet the needs of safety, security and facilities for products.

#### **Online payment service for Mai Linh Taxi's customers**

From 01/06/2008, DongA Bank and Mai Linh Taxi Corporation have stopped providing offline payment service for Mai Linh Taxi's customers. Offline payment is a type of bankcard payment form which is not connected online, the taxi charges will be deducted from customer's card account when the bank has received the receipt of taxi charges to customers by Mai Linh Taxi Corporation.

DongA Bank has teamed up with Mai Linh Taxi in order to expand the payment term by DongA Multifunctional Bankcard, which has online connection and will deduct from customer's account when using taxi services.

Online taxi charges payment service now is the most advanced payment term, with the preminent facilities such as taxi charges paid directly on the DongA Bankcard account balance (or overdraft without deposit to use this payment service). The customers do not need payment with cash, and it is very convenient and advanced.

#### **8. Automated payment**

In 2008, DongA Bank has implemented quite successful automated payment service for bills of electricity, water, telephone, Internet, Manulife insurance premium .... With this service, customers need to sign up for the service once and every month DongA Bank will automatically deducted from customer's bankcard account to pay for providers' bills.

With ongoing effort in order to create the convenience for customers when dealing with DongA Bank,

automated payment service has implemented successfully in the City/provinces as follows: Ho Chi Minh City, Can Tho, Da Nang, Hue, Daklak, Binh Duong, Binh Phuoc, Kien Giang, Bac Lieu, Soc Trang,

#### **9. Express money transfer**

In 2008, express money transfer turnover of which outside the system reached VND 5,707 billions

#### **10. Cashier on demand**

DongA Bank are performing Cashier on demand services for 2508 businesses, increased up 101% in comparison with 2007..Total cashier on demand turnover reached VND 23,217 billions, increased up 68% in comparison with 2007. In addition, DongA Bank also provides cashier service to support businesses in the professional cash management at there..

#### **11. Insurance**

DongA Bank has partnered up with ACE and GIC insurance company in order to consult, introduce the non-life insurance and automobile insurance products for customers.

#### **12. DongA Bank has launched Phuong Hoang PNJ -DongA Bank gold bar**

In 2008, DongA Bank partnered up with PNJ to launch gold bar named Phuong Hoang PNJ -DongA Bank which provides small weight gold type for market and to meet customers' diverse needs at the best. PNJ -DongA Bank gold bar was introduced with many superiority features such as: High liquidation on the market and handy package when stored, it is not deformed when transporting, it is not changed form through traffic in the market.





### 13. Technology development

DongA Bank continues to upgrade information technology infrastructure: 100 % branches and transaction offices have online connection to data center. DongA Bank is building up and putting into operation an advanced data center in accordance to international standards (Tier III - available as of 99.99%). The two centers will work as the backup structure to ensure continuous operation of DongA Bank IT systems should there be a fire incident at one center. Implementing successfully a modern contact center system which is an efficient tool to help the Customer Service Center for better management and care, in order to handle customers' complaints.

DongA Bank has been continuing to research and to apply the technology for more utilities of Internet, SMS and Mobile Banking. Especially fund transfer up to VND 500 millions / day via mobile phones, DongA Bank has satisfied the customers' needs, particularly who often needs to pay by bank transfer quick and safe.

On 08/08/2008 DongA Bank issued DongA Bank Visa Credit Card in order to provide a pair of DongA Bank cards (DongA Multifunctional Bankcard and Visa card) which is the best utility to meet needs of all domestic and foreign customers. Especially, DongA Bank Visa Credit Card has been applied the SMS technology, enabling customers to immediately update card transaction history which creates safety for the card holder.

Developing successfully DongA Bank STS (Stock Trading Service) application in order to allow Securities Companies to connect and create a payment, account as well as bringing more convenience for customers in securities transactions through bank account. DongA Bank is the first bank in Vietnam implementing this service. DongA Bank has now connected with 8 Securities Companies. "Electronic payroll- E- payroll " service allows companies to pay wages for staffs via DongA Bankcard account quickly, automatically. The payroll information is quite secured by DongA Bank Data Processing Center. This service has been accepted and implemented by "the hard customers". This application has created a competitive advantage for DongA Bank in providing payroll service as comparison with other banks in Vietnam.

With remarkable features on technology, DongA Bank has actually become the leading bank in IT applications in Vietnam

With the results mentioned above, in Ho Chi Minh City, DongA Bank is 1 in 3 enterprises, who has been received honor awards of IT Application in Business in 2008 by the HCMC Service of Information and Communication.

### 14. Personnel development

On 31/12/2008 total staffs of DongA Bank and 3 subsidiaries were 3,593 people which was up 916 in comparison with 2007.

In order to meet the DongA Bank's personnel needs, the Personnel - Training Department have recruited nearly 1,000 new employees in 2008, also organized many training courses for employees and management skills courses for the managers to improve management skills at their departments.

In 2008, DongA Bank has adjusted payroll sheet to raise wages in accordance with practical situation, fully applicable policies and regulations for employees in order to help staff staff keeping one's mind in work so this also makes leaving employment ratio decreased significantly in comparison with 2007.

### 15. Party, Unions And Social Activities

DongA Bank's Party Committee is always the political kernel in conjunction with the Board of Management and unions to complete objectives and year-plan. By the end of 2008 the Party Committee had 7 Party Cells and 85 party members. There are Party Cells at all areas having more helps for the leaders in the unification and the synchronization in the DongA Bank system.

Through the analysis of Party member's quality in 2008, 100% members in the DongA Bank's Party have been qualified standard and also performed the tasks, the Party Committee calls oneself as a Strong and Transparent Party Committee pending Supervisor Party Committee approval.

Activities of Labor Union and Youth Union had many positive changes, the emulation movements have impacted and also created actively into the bank business as: The "Dong A smiles ", the " clean and nice ATM booth ", the emulation of celebrating 16-year anniversary of the bank establishment.

Policies for the employees are met through the implementation of the Labor Collective Agreement,

the employees have received average wages of 12 months and added bonus nearly wages of 4 months more. Particularly supplemental wages were paid on the beginning of 2009, each employee has a vacation trip value of 1 million / person, each manager has free overseas vacation trip with a partner. Besides, on the holiday occasions, Labor Union have gifts for all employees.

Along with ensuring business development, the social activities, and charity also have been concerned and contributed by the Youth Union members. In 2008 the total contribution amount over VND 2.25 billions which have focused on the repay someone for his favor, contribution to the fund for the poor, scholarships for poor students studying ... Especially at the end of 2008, DongA Bank partnered up with the Nguoi Lao Dong newspaper to have a campaign of contribution 1 wage day in order to establish a fund of which the total amount is VND 500 millions to support jobless workers who have meet with difficult circumstances under the "overcome difficulty together" in order to share with the difficult workers. This campaign has been validated at best by the City Government and Labor Union in society responsibility of all DongA Bank's employees.

With all works mentioned above DongA Bank Labor Union and Youth Union have been recognized as excellent in 2008. Particularly, DongA Bank Labor Union has been proposed City People's Committee to award Certificate of Merit by the City Labor Union in 2008.

## 16. Profit results

Profit before tax in 2008 reached VND 703 billions, 100% plan. This is a huge effort in the context of the bank has both secured activities and contributed to stabilize the currency market and just to share difficulties with traditional customers. Income from interest reached VND 881 billions, up 73% and income interest reach VND 597 billions, up 75% compared with 2007.

### The main financial objectives at 31/12/2008:

- Capital Adequacy Ratio (CAR): 11.3%
- The ratio of short-term capital mobilization / medium & long-term loans: 21.28%
- The ratio of fixed assets/equity: 16.6%
- The ratio of outstanding loans /capital mobilization: 85%
- The ratio of yield assets /total assets: 86%
- Return on Assets (ROA): 1.7%
- Return on Equity (ROE): 18%
- The ratio of bad debt/total outstanding loans: 0.6%

## » Subsidiaries





## **DongA Securities Company & DongA Securities Fund Management Ltd. Company**

DongA Securities Company (DAS) & DongA Securities Fund Management Limited Company (DAC) have been organized following the company group in order to develop the strengths of each company separately and advanced image, effectiveness and competitiveness which can bring by only company group. The mutual combination has helped DAS and DAC for providing full services of a investment bank, while there can maximize the use of human resources and cost savings. This is the preeminent model and the right choice now in the competition intense increasingly.

In the financial consultancy service, with a professional and experienced team of consultants in the field of financial, securities, the company group is leading in equitization advisory and pilot project. DAS has created the position as the leading professional stock company who has been effectively serving equitization policies and developing the sound stock market in Vietnam. In addition, the Company group also perform services of consulting re-structuring enterprises, enterprise split & acquisition, guarantee for IPO, advisory for stock listing on the Ho Chi Minh City Stock Exchange (HOSE) and the Hanoi Securities Transaction Center (HaSTC) with nearly 1,000 contracts was signed.

In the securities broker service, DAS has achieved success in developing and expanding market share, attracting more investors to participate and open more than 12,000 accounts for securities transactions. DAS have completed to connect





online transaction with the HaSTC floor and also connected successful online transactions with HOSE at first. DAS is the only company providing Mobiz Stock for investors on the stock market. Stock Mobiz service allows the investors to place orders via mobile phones. Order transactions will be dealt in the system and then automatically return results for investors. In addition, DAS is also one of very few companies who developed stock Trading Online services in order to check the balances and also to place orders directly through the internet for customers.

In the securities custody, the company group has been relied and entrusted by many well known business in shareholders management, and also performed custody for hundreds of listed company, registered transactions as well as implementation the relevant rights of the

investors. This service has facilitated to customers by online shareholders management software.

In the asset management service, with advantages such as experienced staff, specialists with extensive knowledge in many business fields, advanced technology and professional service, DAC has now managed portfolio for hundreds of customers. Total property management value are up nearly VND 1,500 billions

In 2008, although the general market had to face with many problems, most securities companies were lost, but the company group had well performance and profits still reached VND 1.6 billions. With the extremely difficult securities market in last year, the DongA Securities Company had profit even it is was a modest number but very meaningful which shows the company group officials' efforts.





## **DongA Money Transfer Company**

In 2008, DongA Money Transfer Company's incoming money transfer turnover peaked USD 1 billion 181 millions, up 18% compared with 2007 and reached 98% year-plan. DongA Money Transfer Company has continued to maintain leading position in the market for eight consecutive since its establishment.

Currently, DongA Money Transfer Company's customers can receive money easily, quickly as the company has deployed at 150 service points in the nationwide scale – increasing 50% compared with 2007, and the home delivery service has been carried out by dedicated and professional staffs throughout 57 provinces. Moreover, the delivery term is also shortened to 12 hours instead of 24 hours as before.

With the expanding global network & increase cooperation with money transfer multi-national partners, DongA Money Transfer has officially partnered up with MoneyGram – the second big money transfer company in the world in order to deploy home delivery service from 07/2008. Through this strategical partnership, DongA Money Transfer Company's customers have more safe and reliable options for relatives to send money to Vietnam from more than 150,000 agents in 180 countries and territories all over the world. Last November, DongA Money Transfer is the only company in Vietnam that has been received awards of "Best support in Product launch" by Money Gram Company, - who had supported, deployed product at best. Awards show the quality of services at DongA Money Transfer and also increase brand prestige in customers.





“ Last November, DongA Money Transfer is the only company in Vietnam that has been received awards of “Best support in Product launch” by Money Gram Company , - who had supported, deployed product at best. Awards show the quality of services at DongA Money Transfer and also increase brand prestige in customers”

In order to improve the quality of customer service, also to meet customer needs, DongA Money Transfer has substantial marketing efforts such as: setting up hotline number 1900.54.54.92, to advice & reply customer's questions quickly. The assessment of employees' quality in customer service via online system has been implemented in time to capture customer responses for meeting customers' needs satisfactorily. In 12/2008, DongA Money Transfer has deployed new services "Transfer full fun", helping customers not only to transfer money to Vietnam but also to send more gifts with completely free of charge services . On behalf of the customer to connect with relatives, the gift packages are the company's unique design with different messages like "wrapping up love ", unexpected encounter ", "happy together" ".... New service marks a deep

hallmark to customers, bringing the optimized utilities & warming the Vietnamese community who are far from homeland.

For social activities, contributing in making the better community, DongA Money Transfer often has often held or partnered up with others in order to give loving houses for the poor families at Kien Giang province, 50 gifts for the poor families living at the Ward 2, Phu Nhuan District – and shared traditional Tet comfortably & happily with the families with difficulties

Achievements in 2008 are the steady encouragement and premise for DongA Money Transfer to confidently conquer future challenges & to be always a reputable, reliable money transfer brand for Vietnamese customers & Worldwide partners .



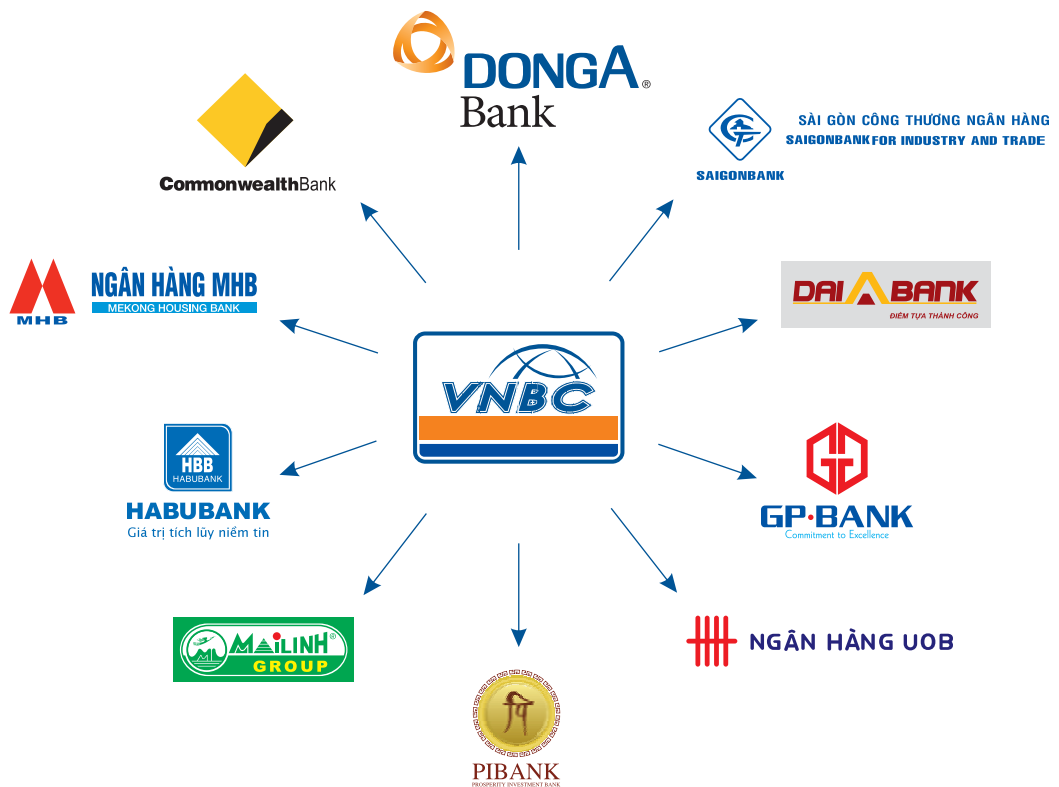


## **Vina Brilliant Card JSC (V.N.B.C.)**



V.N.B.C company was officially established in 2008 who the forerunner is VNBC Switching system. At the same time, V.N.B.C welcomed 2 new members: DaiA Bank, PIBank (Cambodia) and also signed the agreement to expand cooperation with the Global Petrol Bank (GP.Bank) which increase the total members connected with the VNBC system to 10 including 03 foreign banks in Singapore, Australia and Cambodia. The current VNBC Switching System belonged to DongA Bank is the only system in Vietnam which has foreign banks joined in the connection. V.N.B.C. provides of connecting solutions and services, also supply equipments and services for banking industries. V.N.B.C has defined vision and mission which targets to become the leading technology firm in Vietnam, in offering services, equipments and integrated solutions for financial and banking institutions and other related industries by advanced, optimized technology for customers with quality services to our meet customers' demands at the highest level. V.N.B.C will also expand the resources and co-operations of creation methods in order to bring the most values and benefits for shareholders.







## Quality goals

DongA Bank's goal in 2010 of which will be the best retailer bank in Vietnam and will be the best financial group by 2015



## Some objectives of business plan in 2009

- Chartered capital reaches at a minimum of VND 3400 billions, up 18% compared with 2008.
- Total assets reaches about VND 40,000 billions, up 15% compared with 2008;
- Total average mobilization capital reaches VND 32,000 billions, up about 16% compared with 2008;
- Total average outstanding loan balance reaches about VND 27,000 billions, up 15% compared with 2008.
- Total international payment turnover reaches USD 2,400 millions, up 1% compared with 2008.
- DongA Bank card issuance : Issuing more 1,500,000 DongA Bank cards, increased 2 times of the total cards issued in 2008.
- ATM: Setting up more 1000 ATMs throughout the DongA Bank system, the accumulated ATMs reaches 1,865 ATMs machines at the end of 2009
- Money transfer turnover reaches USD 1,200 millions, up 2% compared with 2008.
- Profit before tax reaches VND 750 billions, up 7% compared with 2008;
- Continue to expand operating network of the bank throughout the 56 Cities /provinces in the country.





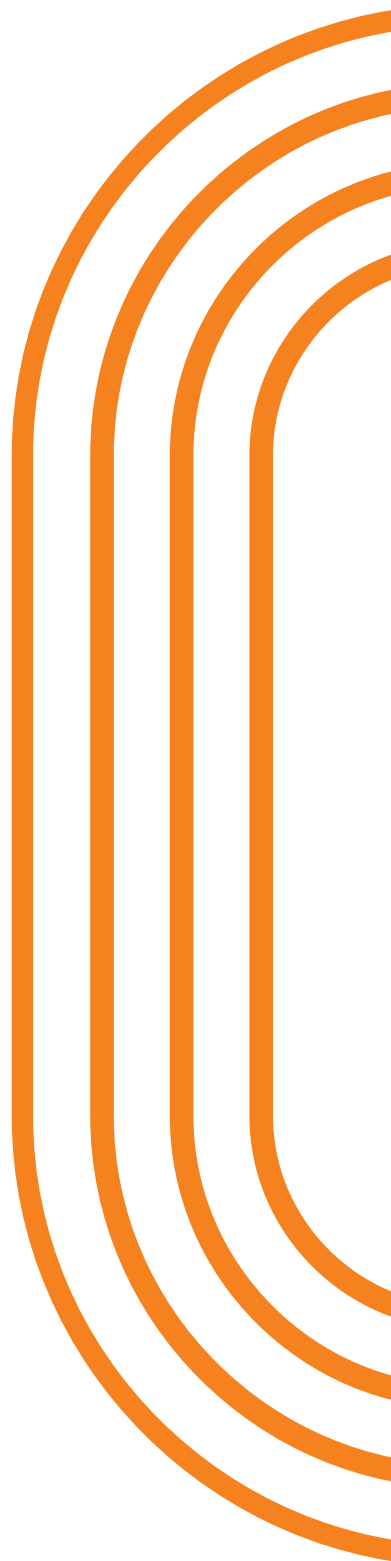


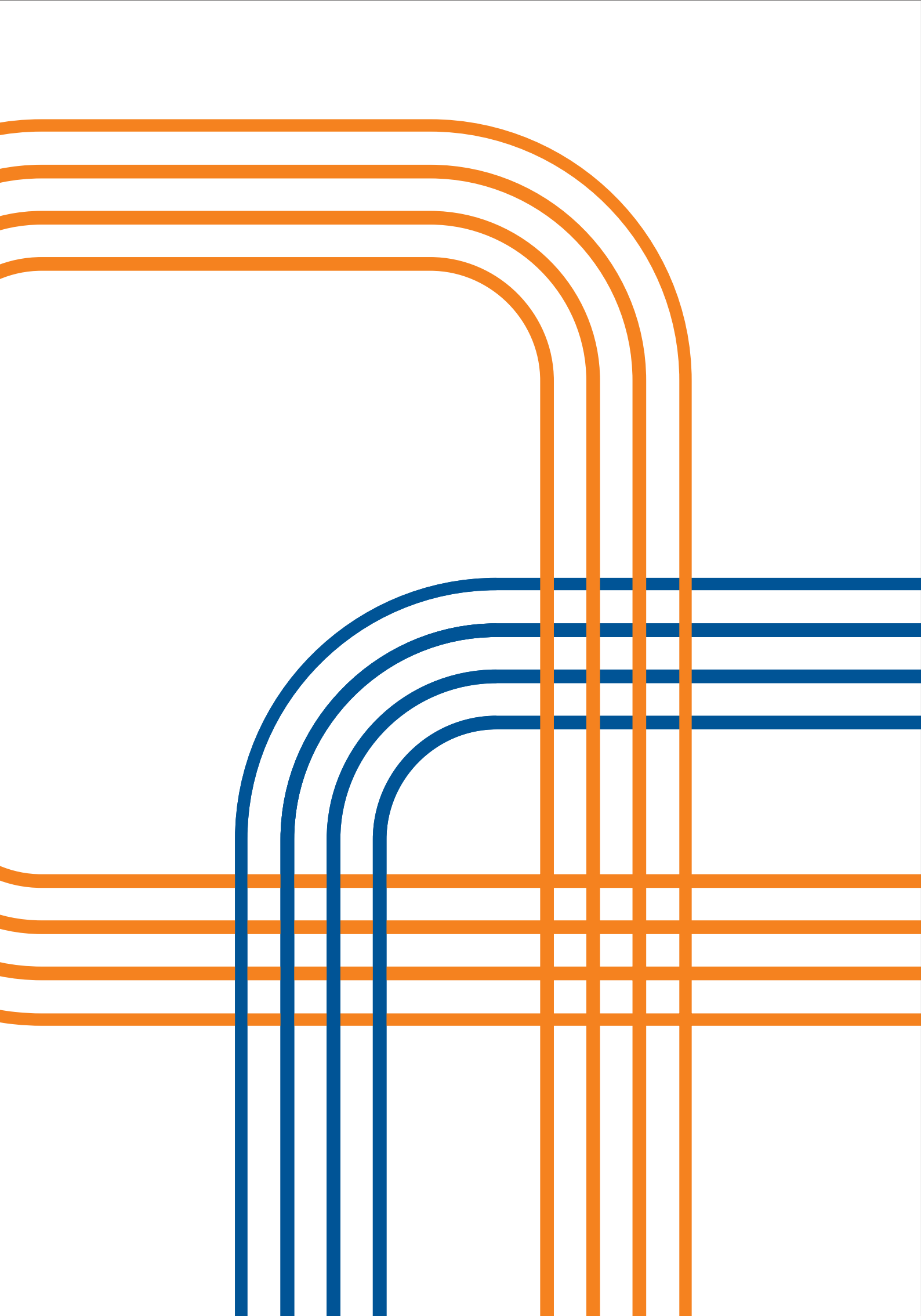


# 2008 Consolidated Financial Report

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## THE MANAGEMENT'S RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Bank's management is responsible for preparing the consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Bank and its subsidiaries and of its results of operations and its cash flows for the year. In preparing the consolidated financial statements, the management is required to:

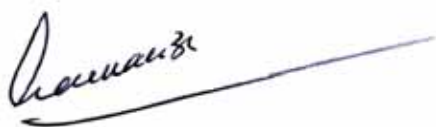
- Select suitable accounting policies and then apply them consistently;
- Make adjustments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank and its subsidiaries will continue in business.

Management is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time and to ensure that accounting records comply with the system of accounting registered. Management is also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps to prevent and to detect of fraud and other irregularities.

### Approval of the consolidated financial statements

We hereby approve the accompanying consolidated financial statements which give a true and fair view of the financial position of the Bank and its subsidiaries as at December 31st 2008 and the result of its operations and of its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System for credit institutions and relevant regulations of the State Bank of Vietnam and the Ministry of Finance.

For and on behalf of the Board of Directors



Mr PHAM VAN BU  
Chairman

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Ho Chi Minh City, Vietnam  
March 26th 2009

No: 6075283/13555303

## INDEPENDENT AUDITORS' REPORT

**To: The shareholders of DongA Commercial Joint Stock Bank**

We have audited the accompanying consolidated balance sheet of DongA Commercial Joint Stock Bank ("the Bank") and its subsidiaries as at December 31st 2008, and the related consolidated income statement, consolidated statement of retained earnings, consolidated cash flow statement and the notes thereto (collectively referred to as "the consolidated financial statements") for the year then ended as set out on pages 42 to 77. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The consolidated financial statements of the Bank and its subsidiaries for the year ended December 31st 2007 were audited by another firm of auditors whose report dated March 31st 2008 expressed an unqualified opinion on those consolidated financial statements.

### 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

### Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Bank and its subsidiaries as at December 31st 2008 and the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System for credit institutions and relevant regulations of the State Bank of Vietnam and the Ministry of Finance.



Ernst & Young Vietnam Limited



**VO TAN HOANG VAN**  
Deputy General Director  
Registered Auditor  
Certificate No. 0264/KTV

Ho Chi Minh City, Vietnam  
March 26th 2009



**NGUYEN XUAN DAI**  
Auditor-in-charge  
Registered Auditor  
Certificate No. 0452/KTV



# Consolidated Balance sheet

as at December 31st 2008

Unit: VND million

	Notes	2008	2007
<b>ASSETS</b>			
● Cash, gold and precious stones	3	2,036,886	1,956,522
● Balances with the State Bank of Vietnam	4	770,624	1,930,541
● Balances with other credit institutions	5	2,764,121	3,013,261
- Balances with other credit institutions		2,764,121	2,811,488
- Loans to other credit institutions		-	201,773
● Trading securities	6	243,934	343,418
- Trading securities		278,946	352,012
- Provision for impairment of trading securities	11	(35,012)	(8,594)
● Loans and advances to customers		25,303,892	17,793,644
- Loans and advances to customers	7	25,570,810	17,857,434
- Provision for loan losses	8	(266,918)	(63,790)
● Investment securities	9	135,801	291,997
- Available-for-sale securities		143,549	76,479
- Held-to-maturity securities		13,383	215,518
- Provision for impairment of investment securities	11	(21,131)	-
● Long-term investments	10	820,758	639,187
- Other long-term investments		820,758	639,187
- Provision for impairment of long-term investments	11	-	-
<b>Fixed assets</b>		<b>586,665</b>	<b>364,691</b>
- Tangible fixed assets	12.1	521,042	342,559
- Cost		713,367	459,137
- Accumulated depreciation		(192,325)	(116,578)
- Intangible fixed assets	12.2	65,623	22,132
- Cost		75,723	28,132
- Accumulated amortization		(10,100)	(6,000)
● Other assets	13	2,050,511	1,042,777
<b>TOTAL ASSETS</b>		<b>34,713,192</b>	<b>27,376,038</b>

The attached notes 1 to 39 form part of these consolidated financial statements

# Consolidated Balance sheet ( Cont.)

as at December 31st 2008

Unit: VND million

	Notes	2008	2007
<b>LIABILITIES</b>			
• Deposits and borrowings from other credit institutions	14	3,611,521	6,070,574
• Customer deposits	15	23,010,437	14,329,311
• Issuance of valuable papers	16	2,970,812	1,055,508
• Entrusted loans exposed to the Bank	17	203,966	200,736
• Other liabilities	18	1,401,502	2,490,714
<b>TOTAL LIABILITIES</b>		<b>31,198,238</b>	<b>24,146,843</b>
<b>OWNERS' EQUITY</b>			
• Capital and reserves			
- Charter capital		2,880,000	1,600,000
- Share premium		-	1,228,000
- Other capital		521	479
- Reserves		106,848	79,837
- Retained earnings		527,585	320,879
<b>TOTAL OWNERS' EQUITY</b>	<b>20</b>	<b>3,514,954</b>	<b>3,229,195</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>34,713,192</b>	<b>27,376,038</b>
<b>OFF BALANCE SHEET ITEM</b>			
- Contingent liabilities		2,612,291	4,656,083

Prepared by:



Ms **Dang Boi Quynh**  
General Accountant

Approved by:



Ms **Vo Thi Kim Anh**  
Chief Accountant

Approved by:



Mr **Tran Phuong Binh**  
General Director

Ho Chi Minh City, Vietnam  
March 26th 2009

The attached notes 1 to 39 form part of these consolidated financial statements

# Consolidated Income Statement

for the year ended December 31st 2008

Unit: VND million

	Notes	2008	2007
<b>OPERATING INCOME</b>			
- Interest and similar income	23	3,853,216	1,375,852
- Interest and similar expenses	24	(2,971,376)	(864,951)
● Net interest and similar income		<b>881,840</b>	<b>510,901</b>
- Fee and commission income		203,524	180,747
- Fee and commission expenses		(52,132)	(22,822)
● Net fee and commission income	25	<b>151,392</b>	<b>157,925</b>
● Net gain from dealing in foreign currencies	26	<b>333,365</b>	<b>16,285</b>
● Net gain from trading securities	27	<b>12,672</b>	<b>92,891</b>
- Other operating income		113,282	61,772
- Other operating expense		(570)	(1,537)
● Net other operating income	28	<b>112,712</b>	<b>60,235</b>
● Gains/(loss) from capital contributions		(12,910)	14,785
<b>TOTAL OPERATING INCOME</b>		<b>1,479,071</b>	<b>853,022</b>
<b>OPERATING EXPENSES</b>			
- Salaries and remunerations		(215,987)	(139,382)
- Depreciation and amortization		(82,288)	(50,516)
- Other operating expenses	29	(267,435)	(158,934)
<b>TOTAL OPERATING EXPENSES</b>		<b>(565,710)</b>	<b>(348,832)</b>

The attached notes 1 to 39 form part of these consolidated financial statements

# Consolidated Income Statement (Cont.)

for the year ended December 31st 2008

	Notes	2008 Unit: VND million	
● Operating profit before provision for loan losses		913,361	50
- Provision expense for loan losses and off-balance sheet commitments	8	(210,192)	(50)
<b>PROFIT BEFORE TAX</b>		<b>703,169</b>	<b>45</b>
- Current corporate income tax expense		(175,021)	(12)
- Deferred corporate income tax credit		10,589	
● Corporate income tax expenses	19	(164,432)	(12)
<b>NET PROFIT FOR THE YEAR</b>		<b>538,737</b>	<b>33</b>
Attributable to:			
- The Bank's shareholders		538,737	33
- Minority interests		-	
● Basic earnings per share (VND) (par value of 10,000 VND /share)	21	1,871	

Prepared by:



Ms **Dang Boi Quynh**  
General Accountant

Approved by:



Ms **Vo Thi Kim Anh**  
Chief Accountant

Approved by:



Mr **Tran Phuong Binh**  
General Director

Ho Chi Minh City, Vietnam  
March 26th 2009

The attached notes 1 to 39 form part of these consolidated financial statements



## **Statement of Retained earnings** as at and for the year ended December 31st 2008

Unit: VND million

	Notes	2008	2007
● Retained earnings at the beginning of the year	20	320,879	155,238
- Net profit for the year		538,737	332,268
● Earnings before appropriations		859,616	487,506
Less:			
- Transfers to statutory reserves for the previous year		(115,807)	(57,892)
- Dividends distributed for the previous year		(215,000)	(108,000)
- Others		(1,224)	(735)
● Retained earnings at the end of the year	20	527,585	320,879

Prepared by:



Ms **Dang Boi Quynh**  
General Accountant

Approved by:



Ms **Vo Thi Kim Anh**  
Chief Accountant

Approved by:



Mr **Tran Phuong Binh**  
General Director

Ho Chi Minh City, Vietnam  
March 26th 2009

The attached notes 1 to 39 form part of these consolidated financial statements

# Consolidated Cash flow Statement

as at and for the year ended December 31st 2008

Unit: VND million

	Notes	2008	2007
<b>● Cash flows from operating activities</b>			
- Interest and similar income received		3,695,949	1,215,115
- Interest and similar expenses paid		(2,608,657)	(737,331)
- Fees and commission income received		151,392	157,925
- Net amount of actual receipts/disbursements from trading of securities, gold, silver and foreign currencies		372,455	117,770
- Other income		2,721	31,739
- Recovery of bad debts previously written-off	28	21,225	27,997
- Payments to employees and administration affairs		(474,716)	(238,850)
- Corporate income tax paid during the year	19	(226,459)	(61,000)
<b>● Net operating cash flows before changes in net operating assets and liabilities</b>		<b>933,910</b>	<b>513,365</b>
<b>● Net movements in operating assets and liabilities</b>			
<b>(Increase)/decrease in operating assets</b>		<b>(7,896,271)</b>	<b>(10,201,117)</b>
- Cash, gold placements with other credit institutions		32,296	(50,006)
- Trading and investment securities		208,131	(181,895)
- Loans and advances to customers		(7,713,376)	(9,886,819)
- Utilisation of provisions for writing-off of loans, securities and long-term investments	8	(7,064)	-
- Other operating assets		(416,258)	(82,397)
<b>● Increase/(decrease) in operating liabilities</b>		<b>6,728,517</b>	<b>13,388,483</b>
- Deposits from other credit institutions		(2,459,053)	5,449,489
- Customer deposits		8,681,126	5,057,961
- Valuable papers		1,915,304	1,055,508
- Entrusted funds and loans exposed to risks		3,230	(4,253)
- Other liabilities		(1,375,294)	1,839,684
- Utilisation of reserves during the year	20	(36,796)	(9,906)
<b>● Net cash flows from operating activities</b>		<b>(233,844)</b>	<b>3,700,731</b>
<b>● Cash flows from investing activities</b>			
- Acquisitions of fixed assets	12	(307,262)	(406,843)
- Proceeds from disposal of fixed assets		259	499
- Disbursement from equity investments in other entities		(181,571)	(585,677)
- Proceeds from dividends and profits distributed from capital contribution and long-term investments		8,221	14,785
<b>● Net cash flows from investing activities</b>		<b>(480,353)</b>	<b>(977,236)</b>

The attached notes 1 to 39 form part of these consolidated financial statements

## Consolidated Cash flow Statement (Cont.)

as at and for the year ended December 31st 2008

Unit: VND million

	Notes	2008	2007
● Cash flows from financing activities			
- Increase in charter capital	20	-	1,532,199
- Dividends payment to shareholders	20, 22	(582,200)	(244,800)
● Net cash flows from financing activities		(582,200)	1,287,399
● Net cash flows during the year		(1,296,397)	4,010,894
● Cash and cash equivalents at beginning of year	30	6,695,348	2,684,454
● Cash and cash equivalents at end of year	30	5,398,951	6,695,348

## Non-Cash transactions

In 2008, the Bank's charter capital increased by VND 1,280,000 millions in form of:

Unit: VND million

	Notes	2008	2007
- Increase in charter capital from share premiums	20	1,228,000	-
- Increase in charter capital from capital supplementary reserves	20	52,000	415,800

Prepared by:



Ms **Dang Boi Quynh**  
General Accountant

Approved by:



Ms **Vo Thi Kim Anh**  
Chief Accountant

Approved by:



Mr **Tran Phuong Binh**  
General Director

Ho Chi Minh City, Vietnam  
March 26th 2009

The attached notes 1 to 39 form part of these consolidated financial statements

# Notes to the Consolidated Financial Statements

as at and for the year ended December 31st 2008

## CORPORATE INFORMATION

### I. Credit institution's operating features

#### 1. Business license of establishment and operation, validity

##### Establishment and Operations

DongA Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank established in Vietnam in accordance with Banking License No. 0009/NH-GP issued by the State Bank of Vietnam ("the SBV") on March 27th 1992 and Decision No. 135/QD-UB issued by the People's Committee of Ho Chi Minh City ("HCMC") on April 16th 1995. The operation period of the Bank is 99 years.

##### Charter Capital

Charter capital of the Bank as established was VND 20 billions and also has been increased to VND 2,880 billions at the end of 2008.

##### Subsidiaries

As at December 31st 2008, the Bank had three (3) subsidiaries as below:

Subsidiaries	Establishment decision	Principal activities	Ownership
<b>Dong A Securities Company</b>	Decision No. 12/GPHDKD issued by the State Securities Commission on May 20th 2003	Securities trading	100%
<b>Dong A Fund Management Company</b>	Decision No. 20/UBCK-GP issued by the State Securities Commission on September 24th 2007	Fund management	100%
<b>Dong A Money Transfer Company</b>	Business License No. 4104000024 issued by the Department of Planning and Investment of Ho Chi Minh City on August 20th 2001	Money transfer	100%

#### 2. Significant accounting policies

##### 2.1 Basis of preparation

The consolidated financial statements of the Bank and its subsidiaries, expressed in millions of Vietnamese Dong (VND million), are prepared in accordance with SBV Decisions No. 16/2007/QD-NHNN dated April 18th 2007, Decision No. 29/2006/QD-NHNN dated July 10th 2006 and Decision No. 479/2005/QD-NHNN2 dated 29 April 2005 issued by the SBV Governor; and the Vietnamese Accounting Standards ("VAS") and other relevant regulations issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated December 31st 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated December 31st 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated December 31st 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated February 15th 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated December 28th 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

Accordingly, the accompanying consolidated balance sheet, consolidated income statement, consolidated cash flow statement and the notes thereto and their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practice. Furthermore, these consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.



# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

## 2.2 Fiscal year

The Bank's fiscal year starts on January 1st and ends on December 31st.

## 2.3 Consolidated financial statements

The consolidated financial statements include the financial statements of the Bank and its subsidiaries (Note 1) as at and for the year ended 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as the Bank using consistent accounting policies.

All intra-group balances, transactions, income and expenses and unrealised profits resulting from intra-group transactions are eliminated in full.

Minority interest represents the portion of profit or loss and net assets which are not owned, directly or indirectly, by the Bank and is presented in the consolidated balance sheet and the consolidated income statement separately from liabilities and owner's equity.

The financial statements of subsidiaries are fully consolidated from the date when the control is transferred to the Bank. The control is achieved when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities. The operating results of subsidiaries acquired or disposed during the year are included in the consolidated income statement from the date of acquisition or up to the date of disposal, as appropriate.

## 2.4 Loans and advances to customers

Loans and advances to customers are presented at the principal amounts outstanding at the end of the financial year.

## 2.5 Provision for loan losses

Loans to customers are classified and provided for in accordance with the Law on Credit Institutions effective from 1 October 1998; Law on Amendment and Supplementation to a number of articles of the Law on Credit Institutions effective from 1 October 2004; Decision No 1627/2001/QĐ-NHNN dated 31 December 2001 by the SBV Governor on lending regulations; Decision No 127/2005/QĐ-NHNN dated 3 February 2005 on the amendment and supplement of Decision No 1627/2001/QĐ-NHNN; Decision No 493/2005/QĐ-NHNN dated 22 April 2005 and Decision No 18/2007/QĐ-NHNN dated 25 April 2007 issued by the SBV on loan classification and provision. Accordingly, loans are classified into Current, Special Mention, Substandard, Doubtful and Loss on the basis of payment arrears status and other qualitative factors.

Net loans and advances exposure for each borrower is calculated by subtracting from the loan balance the discounted value of collateral. Decision No 493/2005/QĐ-NHNN and Decision No 18/2007/QĐ-NHNN stipulates specific discount rates for certain accepted collaterals.

Specific provision is created on the net loans and advances exposure of each borrower using a fixed provision rates as follows:

Group	Name	Specific provision rate
1	Current	0%
2	Special Mention	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

Loans in Substandard, Doubtful or Loss group are considered as non-performing loans.

According to Decision No 493/2005/QĐ-NHNN, a general provision is made for credit losses which are yet to be identified during the loan classification process and in specific provision as well as in case of the Bank's potential financial difficulty due to deterioration in loan quality. Accordingly, within five (5) years commencing from May 2005, the Bank is required to fully create and maintain a general provision at 0.75% of total of loans classified in groups 1 to 4 plus guarantee, irrevocable commitments and acceptance for payment.

As at 31 December 2008, the Bank has created and maintained a general provision at 0.36% of total of loans classified in groups 1 to 4 and off-balance sheet commitments.

These provisions are recorded as an expense in the consolidated income statement and will be used to write off any bad loans incurred. The Bank shall establish the Risk Settlement Committee to write off bad loans if they are classified in Group 5 or if the corporate borrowers are liquidated or have bankruptcy, or if individual borrowers have deceased or are missing.

## Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

### 2.6 Financial investments

#### 2.6.1 Trading securities

Trading investments include securities which have been acquired principally for the purpose of selling or repurchasing in the near term and initially recognised at cost. They are subsequently measured at the lower of historical costs and market value, except for the case when the market value cannot be reliably determined, then they are measured at cost less provision for impairment loss, if any. Since there is no specific guidance from the authorities on determining the market price of unlisted shares, the Bank and its subsidiaries use the average market price of shares of more than three (3) quoted prices from five (5) brokers such as FPT Securities Joint Stock Company, Saigon Securities Incorporation, Thang Long Securities Joint Stock Company, Sacombank Securities Company and Agribank Securities Company as at 31 December 2008. In case the market price of securities cannot be determined reliably using this approach, trading investments in unlisted shares are carried at cost. Any impairment losses are recognised in the consolidated income statement.

#### 2.6.2 Held-to-maturity securities

Held-to-maturity investments are those which carry fixed or determinable payments and have fixed maturities and which the Bank has the intention and ability to hold to maturity. They are initially recognised at face value. Discount/premium at the purchase date is determined as the difference between the purchase price and the amount which is the par value plus accrued interest income (for debt securities with interest payment in arrears) or minus accrued interest income (for debt securities with interest payment in advance) and is then amortised on a straight-line basis over the remaining term of securities. Interest of these investments is recognised on a straight-line basis using nominal interest rate.

#### 2.6.3 Available-for-sale securities

Available-for-sale securities include debt and equity securities which are held for investment purposes and available for sale, and are not securities which are traded regularly but can be sold at any time for the Bank's benefits.

Equity securities are measured at cost less provision for impairment loss. Provision is made when the market price of securities is lower than their carrying value and provision amount is the difference between the market value and historical costs in accordance to Circular No 13/2006/TT-BTC issued by Ministry of Finance on 27 February 2006. Since there is no specific guidance from the authorities on determining the market price of unlisted shares, the Bank and its subsidiaries use the same approach for determination of market price of trading securities (Note 2.6.1). In case the market price of securities cannot be determined reliably using this approach, investments in unlisted shares are carried at cost. Any impairment losses are recognised in the consolidated income statement.

Debt securities are initially recognised at face value. Discount/premium at the purchase date is determined as the difference between the purchase price and the amount which is the face value plus accrued interest income (for debt securities with interest payment in arrears) or minus accrued interest income (for debt securities with interest payment in advance) and is then amortised on a straight-line basis over the remaining term of securities. Interest of these investments is recognised on a straight-line basis using nominal interest rate.

### 2.7 Capital contributions and long term investments

Capital contribution and long-term investments represent equity investments which have less than 20% voting rights and are unlisted shares which are recoverable or saleable over one (1) year in accordance to SBV Decision No. 29/2006/QĐ-NHNN dated 10 July 2006 and SBV Official Letter No. 7459/NHNN-KTTC dated 30 August 2006. Capital contributions and long-term investments are measured at cost less provision for impairment loss. Provision for impairment of long term investment is made if the investees incur net loss (except for the loss is incurred in line with the business plan before the investment) in accordance with Circular No 13/2006/TT-BTC. Any impairment losses are recognised in the consolidated income statement.

Level of provision for impairment loss of financial investments = (Total actual capital contributions of all parties to the investee – Owners' equity of the investee) x (Investment capital of the Bank and subsidiaries / Total actual capital contributions of all parties to the investee)

### 2.8 Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specified future date ("repos") are not derecognised from the consolidated balance sheet. The corresponding cash received is recognised as a liability in the consolidated balance sheet. The difference between the sale price and repurchase price is treated as interest expense and is accrued over the life of the agreement using the contractual interest rate.

Conversely, securities purchased under agreements to resell at a specified future date ("reverse repos") are not recognised in the consolidated balance sheet. The corresponding cash paid is recognised as a loan and advance to customer in the consolidated balance sheet. The difference between the purchase price and resale price is treated as interest income and is accrued over the life of the agreement using the contractual interest rate.

# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

## 2.9 Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

The cost of an asset comprises of its purchase price plus any directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalized and expenditures for maintenance and repairs are charged to the consolidated statement of income. When assets are sold or retired, their cost and accumulated depreciation are removed from the consolidated balance sheet and any gains or losses resulting from their disposal are posted to the consolidated statement of income.

## 2.10 Depreciation and amortization

Depreciation of tangible fixed assets and amortisation of intangible assets is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Buildings and structures	5 - 25 years
- Machinery and equipment	3 - 5 years
- Motor vehicles	6 - 7 years
- Office equipment	5 - 7 years
- Accounting software and other applications	3 - 5 years

Land use right with indefinite useful life is not amortised.

## 2.11 Revenue and expenditure recognition

Interest income and expense are recognised in the consolidated income statement on an accrual basis. The recognition of accrued interest income is suspended when a loan is classified as Special mention, Substandard, Doubtful or Loss group which is provided for provision for loan losses according to SBV Decision 493/2005/QĐ-NHNN and Decision 18/2007/QĐ-NHNN. Suspended interest income is reversed as operating expenses and recorded in the off-balance sheet for monitoring. Suspended interest is recognised as income in the consolidated income statement upon actual receipt.

Fees and commissions are recognised on an accrual basis.

Dividends received from investments are recognised in the consolidated income statement when the Bank's right to receive the payment is established.

## 2.12 Foreign currency transactions

According to the chart of accounts for banks, the Bank maintains its accounting system and records all transactions in original currencies. Monetary assets and liabilities denominated in foreign currencies at year-end are re-translated into VND using ruling exchange rates at the balance sheet date (see list of exchange rates of applicable foreign currencies against VND as at 31 December in Note 40). Income and expenses arising in foreign currencies during the year are converted into VND at rates prevailing at the transaction dates. Exchange differences of the re-translation of monetary assets and liabilities at the balance sheet date are recognised in the consolidated income statement.

## 2.13 Corporate income tax

### *Current tax*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the consolidated balance sheet date.

The Bank's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

### *Deferred tax*

Deferred tax is provided using the balance sheet liability method on temporary differences between the tax base of assets and liabilities and their carrying amount for financial reporting purpose at the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these differences can be utilized, except where the deferred tax arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss

# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Bank intends to settle its current tax assets and liabilities on a net basis.

## 2.14 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, gold, gemstones, current accounts with SBV and amounts due from banks on demand or with an original maturity of three months or less.

## 2.15 Fiduciary assets

Assets held in trust or in a fiduciary capacity are not reported in the consolidated financial statements since they are not the assets of the Bank and its subsidiaries.

## 2.16 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 2.17 Use of estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income and expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty and actual results may differ resulting in future changes in such provisions.

## 2.18 Employee benefits

### 2.18.1 Post employment benefits

Post employment benefits are paid to retired employees of the Bank by the Social Insurance Agency which belongs to the Ministry of Labor and Social Affairs. The Bank is required to contribute to these post employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 15% of employee basic salaries on a monthly basis. The Bank has no further obligation to fund the post employment benefits of its employees.

### 2.18.2 Voluntary resignation and retrenchment benefits

Voluntary resignation benefits: The Bank has the obligation, under Section 42 of the Labor Code amended 2 April 2002, to pay allowance to voluntarily resigning employees, equal to half of one-month's wages for each year of employment plus wage allowances (if any).

Retrenchment benefits: The Bank has the obligation, under Section 17 of the Labor Code, to pay allowance to employees who are retrenched as a result of organizational restructuring or technological changes. In such case, the Bank shall pay to employees an allowance for loss of work equivalent to the aggregate amount of one month's wages for each year of employment, but no less than two months' wages.

Although the obligations under Sections 17 and 42 are compulsory, the implementation of these Sections is subject to detailed guidance as issued by the Ministry of Finance in implementing circulars. In accordance with Circular 64/1999/TT-BTC dated 7 June 1999 and after that Circular 82/2003/TT-BTC dated 14 August 2003 by the Ministry of Finance which superseded Circular 64/1999/TT-BTC, banks are required to calculate retrenchment allowance at from 1,00% to 3,00% p.a. on the basis salary of the employees; and the outstanding balance of employee termination reserve which was previously created at 10% from the profit after tax and after appropriation of supplementary capital reserve in accordance with the guidance of Circular 64/1999/TT-BTC should be transferred to retrenchment allowance as allowed under Circular 82.

# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

During the year, the Bank and its subsidiaries have recorded a provision for voluntary resignation and retrenchment benefits at 2.00% of the salary fund which is used for paying social insurance of the Bank and its subsidiaries.

## 2.19 Derivatives

Derivatives are initially recorded in the consolidated balance sheet at cost and subsequently measured at fair value. Derivatives are recorded as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in "Net gain/loss from foreign currencies and gold trading".

## 2.20 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

## 2.21 Appropriation of net profit

Net profit after tax is available for appropriation to shareholders after approval by the shareholders at the Annual General Meeting and after making appropriation to reserve funds in accordance with the Bank's charter and Vietnamese regulatory requirements. Dividend is computed from the retained earning based on shareholders' share proportion.

## 2.22 Provision for off-balance-sheet commitments

According to Article 6 and 7 of Decision No 493/2005/QĐ-NHNN and Decision 18/2007/QĐ-NHNN, credit institutions must classify and make provision for guarantees, payment acceptances, and non-cancelable loan commitments with specific effective date (generally called off-balance-sheet commitments) into groups, namely Current, Special Mention, Substandard, Doubtful and Loss based on the overdue status and other qualitative factors.

Specific and general provision for off-balance-sheet commitments is calculated similarly to provision for loan losses as described in Note 2.5. Provision expense is recorded as other operating expense in the consolidated income statement and provision balance is recorded in other liabilities in the consolidated balance sheet.

## 2.23 Earnings per share

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders of the Bank before any appropriation of statutory reserves and bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period.

## 3. Cash, gold and precious stones

	Unit: VND million	
	2008	2007
- Cash on hand in VND	511,418	1,029,861
- Cash on hand in foreign currencies ("FC")	647,761	533,307
- Monetary gold	877,707	393,354
	<b>2,036,886</b>	<b>1,956,522</b>

## 4. Balances with the state bank of vietnam

	Unit: VND million	
	2008	2007
- Current account	770,624	1,930,541

Balances with the State Bank of Vietnam include settlement and clearing deposits and compulsory deposits. According to SBV's regulation, the interest rates of deposit at SBV were as follows:

- Compulsory deposits in VND and foreign currencies in the compulsory range of deposit bear interest at a rate of 8.5% p.a and 0% p.a, respectively.



## **Notes to the Consolidated Financial Statements (Cont.)**

as at and for the year ended December 31st 2008

- Deposits which are in excess of the compulsory range deposits in VND and in foreign currencies which bear interest at a rate of 0% p.a and 1,00% p.a respectively.

Under regulations of the SBV, as at December 31st 2008, the Bank is required to maintain certain cash reserves with the SBV in the form of compulsory deposits as follows:

- Customer deposits in VND with the term of less than 12 months and more than 12 months have the compulsory rate of 6% and 2%, respectively.
- Customer deposits in foreign currencies with the term of less than 12 months and more than 12 months have the compulsory rate of 7% and 3%, respectively.

Under regulations of the SBV, as at December 31st 2007, the Bank is required to maintain certain cash reserves with the SBV in the form of compulsory deposits as follows:

- Customer deposits in VND with the term of less than 12 months and from 12 months to 24 months have the compulsory rate of 10% and 4%, respectively.
- Customer deposits in foreign currencies with the term of less than 12 months and from 12 months to 24 months have the compulsory rate of 10% and 4%, respectively.

The Bank has complied with the SBV's regulations on compulsory deposits during the year.

### 5. Balances with other credit institutions

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Demand deposits at other credit institutions	225,142	291,071
- Term deposits to other credit institutions	2,538,979	2,722,190
	<b>2,764,121</b>	<b>3,013,261</b>

### 6. Trading Securities

Details of trading securities as at 31 December 2008 are as follows:

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
<b>Debt securities</b>		
- Issued by other local credit institutions	852	497
<b>Equity securities</b>		
- Issued by other local credit institutions	41,754	47,165
- Issued by local economic entities	29,578	161,786
	<b>71,332</b>	<b>208,951</b>
<b>Entrustment securities</b> (Note 18.2)	206,762	142,564
<b>Total</b>	<b>278,946</b>	<b>352,012</b>
<b>Provision for trading securities</b> (Note 11)	(35,012)	(8,594)
<b>Net</b>	<b>243,934</b>	<b>343,418</b>

Listing status of securities is as follows:

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
<b>Debt securities</b>		
- Unlisted	852	497
<b>Equity securities</b>		
- Listed	34,386	118,977
- Unlisted	36,946	89,974
	<b>72,184</b>	<b>209,448</b>

Trading securities are recognised at cost at the purchase date. As at the consolidated balance sheet date, provision for impairment of these securities are reviewed and made based on the market price (Note 11).

## Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

### 7. Loans and advances to customers

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Loans to local economic entities and individuals	25,194,607	17,486,333
- Loans for discounted commercial notes and valuable papers	128,454	139,228
- Loans from grants and entrusted funds	205,659	182,038
- Blocked loans and loans awaiting resolutions	1,000	1,000
- Other loans	41,090	48,835
	<b>25,570,810</b>	<b>17,857,434</b>

Interest rates of loans to customers at year-end are as follows:

	<b>2008</b>	<b>2007</b>
	<b>Per annum</b>	<b>Per annum</b>
- Loans in VND	10.20% - 24.00%	9.60% - 15.60%
- Loans in FC	7.00% - 15.00%	6.50% - 9.00%

#### 7.1 Analysis of loan quality according the status of overdue principal at December 31st 2008

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Current	24,522,644	17,744,297
- Overdue to 90 days	397,186	33,765
- Overdue from 91 days to 180 days	353,612	5,177
- Overdue from 181 days to 360 days	111,286	13,513
- Overdue over 360 days	186,082	60,682
	<b>25,570,810</b>	<b>17,857,434</b>

#### 7.2 Breakdown of loan portfolio by original term

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Short-term loans	16,147,548	13,565,709
- Medium-term loans	7,974,700	3,577,932
- Long-term loans	1,448,562	713,793
	<b>25,570,810</b>	<b>17,857,434</b>

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 7.3 Analysis of loan portfolio by type of customer and ownership

Unit: VND million

	2008	2007
<b>Loans to economic entities</b>		
- Central State-owned enterprise	234,175	246,776
- Local State-owned enterprise	497,321	434,922
- State owned limited liability company	155,840	137,734
- Private limited liability company	7,641,513	4,730,444
- State-owned joint stock company	613,430	213,773
- Other joint stock company	7,794,837	3,865,520
- Private enterprise	724,218	668,296
- Foreign-invested enterprise	23,962	22,217
- Collective business group	107,214	82,410
	<b>17,792,510</b>	<b>10,402,092</b>
<b>Loans to individuals</b>	<b>7,778,300</b>	<b>7,455,342</b>
	<b>25,570,810</b>	<b>17,857,434</b>

### 7.4 Analysis of loan portfolio by industry

Unit: VND million

	2008	2007
- Trading, repair of motor vehicles, motorcycles, personal appliances and household appliances	11,474,881	7,734,095
- Construction	4,104,922	1,798,990
- Individuals and public activities	4,051,765	4,853,366
- Processing industry	1,484,978	1,440,879
- Rental trading and consulting services	1,415,737	170,990
- TAquatic product	709,517	475,665
- Hotel and restaurant	635,796	176,470
- Agriculture and forestry	618,683	317,310
- Services with families	506,875	353,663
- Transportation, warehousing and communication	138,576	112,191
- Financial services	102,001	139,623
- Education and training	100,134	105,846
- Mining exploration	63,044	27,246
- State governance and national defense: Communist Party, unions, social obligations	56,228	51,095
- Science and technology	40,814	6,468
- Electricity, gas and water supply/distribution	38,722	63,630
- Health care and social relief activities	24,244	24,212
- Sport and cultural activities	3,498	5,270
- World organisation	395	425
	<b>25,570,810</b>	<b>17,857,434</b>

## Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

### 8. Provision for loan losses

Movements in provision for loan losses in 2008 are as follows:

	Unit: VND million		
	Specific provision	General provision	Total
- Beginning balance	19,790	44,000	63,790
- Provision charged in the year	139,400	70,792	210,192
- Provisions utilised to write off bad loans	(3,235)	(3,829)	(7,064)
<b>Ending balance</b>	<b>155,955</b>	<b>110,963</b>	<b>266,918</b>

The Bank has classified its loans and advances to customers in accordance with Decision No 493/2005/QĐ-NHNN, Decision No 18/2007/QĐ-NHNN and its Policy on Loan Classification and Loan Loss Provisions. According to Decision No 493/2005/QĐ-NHNN, provision for loan losses as at December 31st 2008 was made based on the classification of outstanding loan balances and the guarantees in off balance sheet items as at December 31st 2008.

The breakdown of loan classification and provision as required by Decision No 493/2005/QĐ-NHNN and its own policy as at December 31st 2008 are as follows:

	Unit: VND million		
	Specific provision	General provision	Total
- Current	-	183,920	183,920
- Special mention	27,120	2,979	30,099
- Substandard	28,968	2,652	31,620
- Doubtful	31,336	835	32,171
- Loss	68,531	-	68,531
	<b>155,955</b>	<b>190,386</b>	<b>346,341</b>
- Provision for off- balance sheet commitments	-	22,823	22,823
	<b>155,955</b>	<b>213,209</b>	<b>369,164</b>

Provisions for loan losses and off-balance sheet commitments at December 31st 2008 are as follow:

	Unit: VND million		
	Specific provision	General provision	Total
<b>Provision required by SBV Decision</b>			
- No. 493/2005/QĐ-NHNN	155,955	213,209	369,164
- Provision recorded by the Bank	155,955	110,963	266,918
- Shortage amount of provision	-	102,246	102,246

The Bank has made fully specific provision for loan losses according to regulations of State Bank of Vietnam as at December 31st 2008. The Bank's general provision was still under provided. However, the provision of Decision No 493/2005/QĐ-NHNN allows the Bank make only fully general provision within five (5) years from the effective date of this Decision (May 2005).

# **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

## 9 Investment securities

		<i>Unit: VND million</i>	
		<b>2008</b>	<b>2007</b>
<b>Available-for-sale securities</b>			
- Equity securities issued by other local credit institutions		14,272	76,479
- Equity securities issued by local economic entities		129,277	-
		<b>143,549</b>	<b>76,479</b>
<b>Held-to-maturity securities</b>			
- Government bonds		13,383	15,518
- Debt securities issued by other local credit institutions		-	200,000
		<b>13,383</b>	<b>215,518</b>
<b>Total</b>		<b>156,932</b>	<b>291,997</b>
- Provision for impairment of investment securities (No.11)		(21,131)	-
		<b>135,801</b>	<b>291,997</b>

### 9.1 Available-for-sale securities

The listing status of available-for-sale securities is as follow:

		<i>Unit: VND million</i>	
		<b>2008</b>	<b>2007</b>
<b>Equity securities</b>			
- Listed		10,924	-
- Unlisted		132,625	76,478
		<b>143,549</b>	<b>76,479</b>

### 9.2 Held-to-maturity securities

		<i>Unit: VND million</i>			
		<b>2008</b>		<b>2007</b>	
		<b>Par value</b>	<b>Carrying value</b>	<b>Par value</b>	<b>Carrying value</b>
- Government bonds		13,383	13,383	15,518	15,518
- Bonds issued by Mekong Housing Bank		-	-	200,000	200,000
		<b>13,383</b>	<b>13,383</b>	<b>215,518</b>	<b>215,518</b>

## 10. Long-term investments

		<i>Unit: VND million</i>	
		<b>2008</b>	<b>2007</b>
- Long-term Investments		820,758	639,187
- Provision for impairment of long-term investments (Note 11)		-	-
		<b>820,758</b>	<b>639,187</b>



# **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

## 11. Provision for impairment of investments

Details of the provision for investments as at December 31st are as follows:

	<i>Unit: VND million</i>	
	2008	2007
<b>Beginning balance</b>		
In which:		
- Trading securities	8,594	-
- Available-for-sale investment securities	-	-
- Capital contributions and long-term investments	-	-
	<b>8,594</b>	<b>-</b>
<b>Increase during the year</b>		
In which:		
- Trading securities	26,418	-
- Available-for-sale investment securities	21,131	-
- Capital contributions and long-term investments	-	-
	<b>47,549</b>	<b>8,594</b>
<b>Ending balance</b>		
In which:		
- Trading securities (Note 11.1)	35,012	8,594
- Available-for-sale investment securities (Note 11.2)	21,131	-
- Capital contributions and long-term investments (Note 11.3)	-	-
	<b>56,143</b>	<b>8,594</b>

## 12. Fixed assets

### 12.1. Tangible fixed assets

Movements of tangible fixed assets during the year ended December 31st 2008 are as follows:

	<i>Unit: VND million</i>					
	Buildings & structures	Machines & equipment	Motor vehicles	Office equipment	Others	Total
<b>Cost</b>						
- Opening balance	151,046	214,989	37,480	43,170	12,452	459,137
- Additions during the year	68,452	159,245	10,515	5,395	16,064	259,671
- Disposals	-	(181)	-	(96)	(233)	(510)
- Other decreases	-	(4,463)	(25)	(258)	(185)	(4,931)
<b>Closing balance</b>	<b>219,498</b>	<b>369,590</b>	<b>47,970</b>	<b>48,211</b>	<b>28,098</b>	<b>713,367</b>
<b>Accumulated depreciation</b>						
- Opening balance	22,633	60,763	12,169	15,353	5,660	116,578
- Charge for the year	6,405	59,384	5,415	3,827	3,244	78,275
- Disposals	-	-	-	(59)	-	(59)
- Other decreases	-	(2,060)	(8)	(144)	(257)	(2,469)
<b>Closing balance</b>	<b>29,038</b>	<b>118,087</b>	<b>17,576</b>	<b>18,977</b>	<b>8,647</b>	<b>192,325</b>
<b>Net book value</b>						
- Opening balance	128,413	154,226	25,311	27,817	6,792	342,559
<b>Closing balance</b>	<b>190,460</b>	<b>251,503</b>	<b>30,394</b>	<b>29,234</b>	<b>19,451</b>	<b>521,042</b>

## **Notes to the Consolidated Financial Statements (Cont.)**

as at and for the year ended December 31st 2008

### 12.2 Intangible assets

Movements in intangible assets during the year ended December 31st 2008 are as follows:

	Unit: VND million		
	Land use rights	Accounting software and other applications	Total
<b>Cost</b>			
- Opening balance	3,228	24,904	28,132
- Additions during the year	28,696	18,895	47,591
<b>Closing balance</b>	<b>31,924</b>	<b>43,799</b>	<b>75,723</b>
<b>Accumulated amortisation</b>			
- Opening balance	-	6,000	6,000
- Charge for the year	-	4,100	4,100
<b>Closing balance</b>	<b>-</b>	<b>10,100</b>	<b>10,100</b>
<b>Net book value</b>			
- Opening balance	3,228	18,904	22,132
<b>Closing balance</b>	<b>31,924</b>	<b>33,699</b>	<b>65,623</b>

### 13. Other assets

	<i>Unit: VND million</i>	
	2008	2007
- Receivables (Note 13.1)	521,342	328,826
- Interest and fee receivables (Note 13.2)	429,074	271,807
- Deferred tax asset (Note 19)	10,589	-
- Other assets (Note 13.3)	1,089,506	442,144
	<b>2,050,511</b>	<b>1,042,777</b>

#### 13.1 Receivables

	<i>Unit: VND million</i>	
	2008	2007
- Construction in progress (a)	97,529	89,317
- Other receivables (b)	423,813	239,509
	<b>521,342</b>	<b>328,826</b>

#### 13.2 Interest receivables

	<i>Unit: VND million</i>	
	2008	2007
- Interest receivable from loans to customers	421,045	255,334
- Interest receivable from deposits at other banks	5,775	1,932
- Interest receivable from held-to-maturity securities	2,254	14,541
	<b>429,074</b>	<b>271,807</b>

# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

## 14. Deposits and borrowings from other credit institutions

Unit: VND million

	2008	2007
- Demand deposits from other credit institutions	47,311	146,339
- Term deposits from other credit institutions	3,564,210	5,924,235
	<b>3,611,521</b>	<b>6,070,574</b>

## 15. Customer deposits

### 15.1 Analysis by products

Unit: VND million

	2008	2007
<b>Demand deposits</b>		
- Demand deposit in VND	2,821,899	3,435,861
- Demand saving deposits in VND	81,113	210,052
- Demand deposits in foreign currencies	194,811	170,597
- Demand saving deposits in foreign currencies	33,542	57,304
<b>Term deposits</b>		
- Term deposits in VND	1,046,320	738,524
- Term saving deposits in VND	15,769,100	7,915,383
- Term deposits in foreign currencies	126,989	7,367
- Term saving deposits in foreign currencies	2,452,035	1,303,237
<b>Margin deposits</b>		
- Margin deposits in VND	132,840	51,348
- Margin deposits in foreign currencies	297,993	412,934
<b>Capital account</b>	<b>53,795</b>	<b>26,704</b>
	<b>23,010,437</b>	<b>14,329,311</b>

### 15.2 Analysis by customers

Unit: VND million

	2008	2007
<b>Deposits by economic entities</b>		
- State-owned enterprises	782,271	590,522
- Private enterprises and others	1,942,770	2,438,003
- Foreign invested enterprises	206,966	206,090
	2,932,007	3,234,615
<b>Deposits by individuals</b>	<b>20,076,577</b>	<b>11,093,474</b>
<b>Deposits by others</b>	<b>1,853</b>	<b>1,222</b>
	<b>23,010,437</b>	<b>14,329,311</b>

## 16. Issuance of value papers

Unit: VND million

	2008	2007
<b>Certificates of gold deposits</b>		
- Term under 12 months	2,277,197	702,346
- Term from 12 months to 5 years	693,180	353,162
- Term over 5 years	435	-
	<b>2,970,812</b>	<b>1,055,508</b>

# **Notes to the Consolidated Financial Statements (Cont.)**

as at and for the year ended December 31st 2008

## 17. Grants, trust funds and loans exposed to risks

Unit: VND million

	2008	2007
- Loan from Bank for Investment and Development of Vietnam	109,430	141,426
- Grants, trust capital from Asian Development Bank	905	-
- Grants, trust capital from Japan Bank for International Cooperation	93,631	59,310
	<b>203,966</b>	<b>200,736</b>

Loan from Bank for Investment and Development of Vietnam ("BIDV") in USD and VND is the entrustment fund from the World Bank through BIDV to sponsor for the Rual Financing Project. Details of this loan were as follows:

- Short-term loan bears interest rate of 10.32% p.a.
- Medium-term loan bears interest rate of 10.32% p.a.
- Long-term loan bears interest rate of 8.16% p.a.

Grants, trust capital from Asian Development Bank in VND is to sponsor for Financial Project ADB1. Their terms are for 2, 3, 5 and 15 years and bear interest rate of 9.6% p.a.

Grants, trust capital from Japan Bank for International Cooperation in VND is used for Small and Medium Enterprise Finance Program. These loans are medium and long-term loans with interest rate of 7.32% and 4.80% p.a, respectively (2007: 6.36% p.a).

## 18. Other liabilities

Unit: VND million

	2008	2007
- Accrued interest and fee payables (Note 18.1)	602,466	239,747
- Accounts payable and other liabilities (Note 18.2)	799,036	2,250,967
	<b>1,401,502</b>	<b>2,490,714</b>

## 19. Obligations to the state budget

Unit: VND million

	Balance as at 01 January 2008	Amount incurred during the year		Balance as at 31 December 2008
		Payable	Paid	
- Value added tax ("VAT")	5,817	52,245	(55,056)	3,006
- VAT on services	5,746	19,191	(22,294)	2,643
- VAT on foreign exchange	71	33,054	(32,762)	363
- Corporate income tax	76,440	175,021	(226,459)	25,002
- Other taxes	180	6,742	(3,548)	3,374
	<b>82,437</b>	<b>234,008</b>	<b>(285,063)</b>	<b>31,382</b>

The Bank's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

### Corporate income tax

The Bank and its subsidiaries have obligations to pay Corporate Income Tax ("CIT") at the rate of 28% of taxable profits, except for Dong A Securities Company which has CIT rate of 10% of taxable profits.

The average effective tax rate of the Bank and its subsidiaries for 2008 is 23.38% (2007: 26.82%).

The consolidated CIT expense comprises of the CIT expense of the Bank and its subsidiaries. The Bank and its subsidiaries are responsible for preparing and filing the separate CIT returns to the local tax authorities.

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

The CIT expense of the Bank and its subsidiaries for the year was as follows:

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Current CIT expense	193,597	121,801
- Excess CIT provision of the prior year	(18,576)	-
	<b>175,021</b>	
- Deferred CIT credit	(10,589)	121,801
	<b>164,432</b>	<b>121,801</b>

### *Current Corporate Income Tax*

Current enterprise income tax payables are determined based on taxable income of the current year. Taxable income is different from the one reported in the consolidated income statement since taxable income excludes incomes which are eligible for tax or expense which is subtracted in prior years due to the differences between the Bank and accounting policies and the current tax policies, and also excludes non-taxable income and non-deductible expenses. The current enterprise income tax payables of the Bank and its subsidiaries are calculated based on the statutory tax rates applicable at the end of the fiscal year.

Current Corporate Income Tax for the year was calculated as follows:

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
<b>Profit before tax</b>	<b>703,169</b>	<b>454,069</b>
<b>Less:</b>		
- Non-taxable dividend income	(26,981)	(9,557)
- Non-taxable income from Treasury bonds	(39,713)	(8,143)
- Non-taxable interest income from trusted investments	-	(8,992)
<b>Add:</b>		
- Unrealised foreign exchange losses	37,819	5,876
<b>Estimated taxable income</b>	<b>674,294</b>	<b>433,253</b>
- CIT expense of the Bank, at 28%	190,414	109,256
- CIT expense of subsidiaries, at 28%	3,183	2,497
- CIT expense of subsidiaries, at 10%	-	10,048
<b>Total estimated CIT for the year</b>	<b>193,597</b>	<b>121,801</b>
- Excess of CIT provision in the prior year	(18,576)	-
<b>Estimated CIT payable for the year</b>	<b>175,021</b>	<b>121,801</b>
- CIT payable at the beginning of the year	76,440	15,639
- CIT paid during the year	(226,459)	(61,000)
<b>CIT payable at the end of the year</b>	<b>25,002</b>	<b>76,440</b>

### *Deferred Corporate Income Tax*

Deferred tax was recognised in the year and the movement of deferred tax of the current and previous year was as follows:

	<i>Unit: VND million</i>		<i>Unit: VND million</i>	
	<b>Consolidated balance sheet</b>		<b>Consolidated income statement</b>	
	<b>Ending balance</b>	<b>Opening balance</b>	<b>Current year</b>	<b>Previous year</b>
Unrealised foreign exchange losses	10,589	-	10,589	-
<b>Deferred income tax credit</b>			<b>10,589</b>	<b>-</b>



## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 20. Owners' equity and reserves

#### 20.1 Statement of changes in owners' equity

During the year, the Bank has increased the charter capital from VND 1,600,000 millions to VND 2,880,000 millions from the capital supplementary reserve and share premium of the previous share issuances based on SBV Approval Letter No 1021/NHNN-HCM02 dated 24 June 2008 and No 1929/NHNN-HCM02 dated 29 October 2008.

Unit: VND million

	Charter capital	Share premium	Capital supplementary reserve	Financial reserve	Business development fund	Welfare fund	Bonus fund	Other reserves	Other capital	Retained earnings	Total
<b>Opening balance</b>	<b>1,600,000</b>	<b>1,228,000</b>	<b>16,448</b>	<b>51,348</b>	<b>691</b>	<b>-</b>	<b>10,679</b>	<b>671</b>	<b>479</b>	<b>320,879</b>	<b>3,229,195</b>
- Net profit for the year	-	-	-	-	-	-	-	-	-	538,737	538,737
- Appropriation of reserves for previous year	-	-	42,654	33,936	314	22,000	11,402	5,501	-	(115,807)	-
- Capital supplementary reserve transferred to charter capital	40,000	12,000	(52,000)	-	-	-	-	-	-	-	-
- Share premium transferred to charter capital	1,240,000	(1,240,000)	-	-	-	-	-	-	-	-	-
- Dividends paid for previous year	-	-	-	-	-	-	-	-	-	(215,000)	(215,000)
- Transfer in (out)	-	-	-	-	-	6,902	(6,902)	-	-	-	-
- Other increases	-	-	-	-	-	-	-	-	42	-	42
- Utilisation for the year	-	-	-	-	-	(20,824)	(9,933)	(6,039)	-	-	(36,796)
- Other decreases	-	-	-	-	-	-	-	-	-	(1,224)	(1,224)
<b>Closing balance</b>	<b>2,880,000</b>	<b>-</b>	<b>7,102</b>	<b>85,284</b>	<b>1,005</b>	<b>8,078</b>	<b>5,246</b>	<b>133</b>	<b>521</b>	<b>527,585</b>	<b>3,514,954</b>

Details of shares issued by the Bank are as follows:

	Unit: Shares	
	2008	2007
<b>Authorised shares</b>	<b>288,000,000</b>	<b>160,000,000</b>
<b>Issued and paid-up shares</b>	<b>288,000,000</b>	<b>160,000,000</b>
Ordinary shares	288,000,000	160,000,000
<b>Outstanding shares</b>	<b>288,000,000</b>	<b>160,000,000</b>
Ordinary shares	288,000,000	160,000,000
Par value (VND/share)	10,000	10,000

According to SBV Decision No 3036/QĐ-NHNN dated 21 December 2007, the Bank has adjusted its par value per share from VND 2,000,000 to VND 10,000 during the year.

# Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

## 20.2 Statutory reserves of the Bank

In 2005, the Government issued Decree 146/2005/ND-CP dated on 23 November 2005 regarding the financial management of credit institutions which is effective from 16 December 2005. According to Decree No 146/2005/ND-CP, commercial joint-stock banks should establish their statutory reserves based on percentage of after-tax profits as follows:

	Amount	Maximum Balance
- Supplementary capital reserve	5% profit after tax	Charter capital

The following reserves based on percentage of profit after tax and after deduction of supplementary capital reserve (remained profit after tax).

	Amount	Maximum balance
- Financial reserve	10% remained profit after tax	25% charter capital
- Business and development fund	Based on Board of directors' resolution	Not defined
- Welfare and bonus fund	Based on Board of directors' resolution	Not defined
- Other funds	Based on Board of directors' resolution	Not defined

The Bank has not yet made statutory reserves from net profit after tax for 2008. Such reserves will be made in 2009 after obtaining the resolution at the Annual General Meeting of the Shareholders. The utilisation of these reserves is made in accordance with Decree No. 146/2005/ND-CP.

## 20.3 Reserves of subsidiaries

### Dong A Securities Company

In accordance with Circular No 11/2000/TT-BTC issued by Ministry of Finance on 1 February 2000, securities companies must establish their statutory reserves based on percentage of after-tax profits as follows:

	Amounts	Maximum balance
- Supplementary capital reserve	5% of net profit after tax	10% of charter capital
- Financial risk reserve	5% of net profit after tax	10% of charter capital

### Dong A Fund Management Company

Reserves are established based on the Company's charter and policies.

### Dong A Money Transfer Company

Reserves are established based on the Company's charter and policies.

## 21. Earnings per share

Basic earnings per share of the Bank are calculated as follows:

	2008	2007
	Unit: VND million	
- Net profit attributable to ordinary shareholders (VND million)	538,737	332,268
- Average number of ordinary shares outstanding during the year (shares)	288,000,000	235,200,000
- Basic earnings per share (VND per share)	1,871	1,413

Net profit attributable to the Bank's ordinary shareholders used for calculation of basic earnings per share represents profit after tax which excludes amounts used for creating reserves according to the SBV regulations and the Bank's policies as described in Note 20.2 and Note 20.3. Previous year's earnings per share are adjusted for the effect of increase in the Bank's charter capital by way of bonus shares and change in the Bank's face value of share in 2008 for comparative purposes.

## **Notes to the Consolidated Financial Statements (Cont.)**

as at and for the year ended December 31st 2008

### 22. Dividends

During the year, the Bank has made advances of interim dividends amounting to VND 367,200 millions (Note 13.3). On 17 March 2009, the Annual General Meeting of the Bank's Shareholders has approved to pay dividends of VND 367,200 millions.

### 23. Interest and Similar income

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Interest income from loans to customers	3,605,308	1,309,480
- Interest income from placements with other credit institutions	129,916	40,785
- Interest income from trading debt securities:	100,953	25,587
- Other interest income from credit activities	17,039	-
	<b>3,853,216</b>	<b>1,375,852</b>

### 24. Interest and Similar expenses

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Interest expense from customer deposits	2,858,258	848,652
- Interest expense from borrowings	40,814	16,281
- Interest expense from issuing valuable papers	71,717	-
- Other expense from credit activities	587	18
	<b>2,971,376</b>	<b>864,951</b>

### 25. Net fee and commission income

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
<b>Fee and commission income</b>		
- Settlement services	124,696	121,133
- Trust investments and agencies	37,167	19,968
- Guarantee transactions	18,027	12,495
- Brokage services	11,087	15,740
- Consultancy services	3,508	5,305
- Treasury services	1,651	27
- Asset maintenance	51	29
- Other income	7,337	6,050
	<b>203,524</b>	<b>180,747</b>
<b>Fee and commission expenses</b>	<b>(52,132)</b>	<b>(22,822)</b>
<b>Net interest income from service activities</b>	<b>151,392</b>	<b>157,925</b>

## Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

### 26. Net gain from dealing foreign currencies and gold trading

Unit: VND million

	2008	2007
<b>Gain from foreign currencies and gold trading</b>	<b>386,008</b>	<b>26,716</b>
- Income from spot foreign exchange	293,750	26,716
- Income from gold trading	81,390	-
- Income from currency derivatives	10,868	-
<b>Loss from foreign currencies and gold trading</b>	<b>(52,643)</b>	<b>(10,431)</b>
- Expense from spot foreign exchange	(22,254)	(10,431)
- Expense from gold trading	(22,258)	-
- Expense for dealing foreign currencies	(8,131)	-
<b>Net gain from dealing foreign currencies and gold trading</b>	<b>333,365</b>	<b>16,285</b>

### 27. Net gain from sale/purchase of trading securities

Unit: VND million

	2008	2007
- Income from sale/purchase of trading securities	126,403	113,521
- Expenses from sale/purchase of trading securities	(87,313)	(12,036)
- Impairment provision of trading securities	(26,418)	(8,594)
	<b>12,672</b>	<b>92,891</b>

### 28. Other operating income

Unit: VND million

	2008	2007
- Income from land transfer	88,507	32,087
- Recovery of bad loans previously written off	21,225	27,997
- Income from other services	3,550	1,688
	<b>113,282</b>	<b>61,772</b>
- Expense from other services	(570)	(1,537)
	<b>112,712</b>	<b>60,235</b>

Income from land transfer represents net gain from the Bank's transfer of its 41,169 m<sup>2</sup> land use rights to Dong A Real Estate Joint Stock Company, a related party, with total contract value of VND 123,507 millions.

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 29. Operating expenses

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Office rental	36,714	21,099
- Other taxes and fees	36,457	3,129
- Repair, maintenance and renovation	28,109	18,088
- Advertising, marketing, promotion and entertainment expenses	27,448	20,883
- Insurance for customer deposits	18,366	10,970
- Material and printing	18,119	10,126
- Electricity and water	16,956	10,238
- Post and telecommunication	14,787	12,926
- Tools and equipments	12,397	13,093
- Expenses for business trips	7,621	5,242
- Conferences	7,068	5,694
- Training expenses	1,101	1,255
- Asset insurance fees	1,032	797
- Other expenses	41,260	25,394
	<b>267,435</b>	<b>158,934</b>

### 30. Cash and Cash equivalents

Cash and cash equivalents included in the consolidated cash flow statement comprised of the following amounts on the consolidated balance sheet:

	<i>Unit: VND million</i>	
	<b>2008</b>	<b>2007</b>
- Cash, gold and precious stones	2,036,886	1,956,522
- Current account with the SBV	770,624	1,930,541
- Current account with other credit institutions	225,142	291,071
- Term deposits with other credit institutions with term of three months or less (Note 5.2)	2,366,299	2,517,214
	<b>5,398,951</b>	<b>6,695,348</b>

### 31. Employees' income

	<b>Actual amount in 2008</b>	<b>Actual amount in 2007</b>
<b>Average number of employees (person)</b>	<b>3,593</b>	<b>2,677</b>
<b>Employees' income (VND million)</b>		
- Total salary fund	189,930	120,417
- Lunch allowance	10,086	4,997
- Bonus	43,951	18,780
- Total income (1+2+3)	243,967	144,194
- Average monthly salary (VND/employee)	4,405,082	3,748,517
- Average monthly income (VND/employee)	5,658,388	4,488,682



## Notes to the Consolidated Financial Statements (Cont.)

as at and for the year ended December 31st 2008

### 32. Type and Value of Collateral assets

Unit: VND million

	Value as at 31 December	
	2008	2007
- Real estates	23,538,552	15,027,084
- Inventories	6,827,052	4,482,391
- Valuable papers	1,350,032	1,545,174
- Means of transportation	1,261,838	907,213
- Saving books	835,349	648,485
- Machinery and equipments	689,143	504,129
- Others	1,055,081	212,260
	<b>35,557,047</b>	<b>23,326,736</b>

### 33. Contingent liabilities and Commitments

In the normal course of business, the Bank is a party to financial instruments that are recorded in the off-balance sheet. These financial instruments mainly comprise financial guarantees and commercial letters of credit ("L/C"). These instruments involve elements of credit risk in excess of the amounts recognised in the balance sheet.

Credit risk for off-balance sheet financial instruments is defined as the possibility of sustaining a loss because any other party to a financial instrument fails to perform in accordance with the terms of the contract.

Financial guarantees are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party including guarantee for borrowings, settlement, performing contracts and bidding. The credit risk involved in issuing guarantees is essentially the same as that involved in extending facilities to other customers.

Commercial at sight letters of credit represent a financing transaction by the Bank to its customer where the customer is usually the buyer/importer of goods and the beneficiary is typically the seller/exporter. Credit risk is limited as the merchandise shipped serves as collateral for the transaction.

Deferred payment letters of credits represent the amounts at risk should the contract be fully drawn upon and the client defaults in repayment to the beneficiary. Deferred payment letters of credit that were defaulted by clients are recognised by the Bank as granting of a compulsory loan with a corresponding liability representing the financial obligation of the Bank to pay the beneficiaries and to fulfill the guarantor obligation.

The Bank requires margin deposits to support credit-related financial instruments when it is deemed necessary. The margin deposit required varies from nil to 100% of the value of a commitment granted, depending on the creditworthiness of customers as assessed by the Bank.

The outstanding commitments and contingent liabilities as at 31 December are as follows:

Unit: VND million

	2008	2007
- Financial guarantees	848,395	593,522
- Letters of credit	2,194,729	4,526,843
	<b>3,043,124</b>	<b>5,120,365</b>
- Less: Margin deposits	(430,833)	(464,282)
- Commitments	2,612,291	4,656,083

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 34. Market risk

#### 34.1 Interest rate risk

The Bank's classification of assets and liabilities by changes in interest rate as at 31 December 2008 was as follows:

	Overdue	Interest -free	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
<b>Assets</b>									
- Cash, gold and precious stones	-	2,034,499	-	-	-	-	-	-	2,034,499
- Balance with the SBV	-	-	770,624	-	-	-	-	-	770,624
- Placements with other credit institutions	-	-	2,729,717	-	-	-	-	-	2,729,717
- Trading securities	-	-	-	-	-	-	-	-	-
- Loans and advances to customers	431,025	-	757,902	2,626,787	6,191,237	6,099,509	7,915,757	1,507,504	25,529,721
- Investment securities	-	97,041	-	-	-	-	13,383	-	110,424
- Long-term investments	-	-	-	-	-	-	-	980,230	980,230
- Fixed assets	-	530,272	-	-	-	-	-	-	530,272
- Other assets	-	2,061,983	-	-	-	-	-	-	2,061,983
<b>Total assets</b>	<b>431,025</b>	<b>4,723,795</b>	<b>4,258,243</b>	<b>2,626,787</b>	<b>6,191,237</b>	<b>6,099,509</b>	<b>7,929,140</b>	<b>2,487,734</b>	<b>34,747,470</b>
<b>Liabilities</b>									
- Deposits from credit institutions	-	-	1,417,221	860,000	-	1,030,000	304,300	-	3,611,521
- Customer deposits	-	-	7,490,826	4,595,607	5,305,223	4,254,677	1,497,986	84	23,144,403
- Issuance of valuable papers	-	-	-	-	172,031	31,935	203,966	-	-
- Entrusted loans exposed to risks	-	-	538,769	1,082,493	599,516	684,605	65,429	-	2,970,812
- Other liabilities	-	1,071,164	-	-	-	-	-	-	1,071,164
<b>Total liabilities</b>	<b>-</b>	<b>1,071,164</b>	<b>9,446,816</b>	<b>6,538,100</b>	<b>5,904,739</b>	<b>5,969,282</b>	<b>2,039,746</b>	<b>32,019</b>	<b>31,001,866</b>
- Sensitive difference with interest rate of balance-sheet items	431,025	3,652,631	(5,188,573)	(3,911,313)	286,498	130,227	5,889,394	2,455,715	3,745,604
- Off-balance-sheet commitments affecting sensitive difference with interest rate of assets and liabilities (net)	-	3,043,124	-	-	-	-	-	-	3,043,124
- Sensitive difference with interest rate of balance-sheet and off-balance sheet items	431,025	6,695,755	(5,188,573)	(3,911,313)	286,498	130,227	5,889,394	2,455,715	6,788,728

Note: Total assets represent gross carrying value which does not include provision for credit losses and impairment of investments.

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 34.2. Currency risk

The Bank's classification of assets and liabilities denominated in currencies other than VND as at 31 December 2008 was as follows:

*Unit: VND million*

	EUR equivalent	USD equivalent	Gold equivalent	Other currency equivalent	Total
<b>Assets</b>					
- Cash, gold and precious stones	63,675	380,673	877,707	203,413	1,525,468
- Balance with the SBV	-	224,565	-	-	224,565
- Placements with other credit institutions	2,727	162,113	-	49,059	213,899
- Loans and advances to customers	12,074	2,392,690	2,196,389	353	4,601,506
- Capital contribution and longterm investments	-	750	-	-	750
- Other assets	851	471,643	7,220	5,106	484,820
<b>Total assets</b>	<b>79,327</b>	<b>3,632,434</b>	<b>3,081,316</b>	<b>257,931</b>	<b>7,051,008</b>
- Liabilities and owners' equity					
- Deposits from credit institutions	7	820,643	-	-	820,650
- Customer deposits	92,960	2,883,112	-	132,771	3,108,843
- Issuance of valuable papers	-	1,867	-	-	1,867
- Entrusted loans exposed to risks	-	-	2,970,812	-	2,970,812
- Other liabilities	4,404	176,257	28,388	9,426	218,475
- Equity and reserves	-	521	-	-	521
<b>Total liabilities and owners' equity</b>	<b>97,371</b>	<b>3,882,400</b>	<b>2,999,200</b>	<b>142,197</b>	<b>7,121,168</b>
<b>Currency position of balance sheet items</b>	<b>(18,044)</b>	<b>(249,966)</b>	<b>82,116</b>	<b>115,734</b>	<b>(70,160)</b>
<b>Currency position of off-balance sheet items</b>	<b>(12,200)</b>	<b>(165,069)</b>	<b>-</b>	<b>(86,493)</b>	<b>(263,762)</b>
<b>Currency position on and off-balance sheet items</b>	<b>(30,244)</b>	<b>(415,035)</b>	<b>82,116</b>	<b>29,241</b>	<b>(333,922)</b>

Currency risk is the risk that the value of a financial instrument fluctuates due to changes in foreign exchange rates. As the Bank was incorporated and operates in Vietnam, VND is the reporting currency. The major currency in which the Bank transacts is also VND. The exchange rate between USD and VND during the year fluctuated within a wide range (reached 9% sometime during the year). The Bank's loans and advances were mainly denominated in VND with the remainder mainly in USD. However, some of the Bank's other assets are in currencies other than VND and USD. The Bank's management has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limit.

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 34.3 Liquidity risk

The Bank's classification of assets and liabilities by remaining maturity duration as at 31 December 2008 was as follows:

Unit: VND million

	Overdue		Current				Over 5 years	Total
	Over 3 months	Up to 3 months	Up to 1 month	1-3 months	3-12 months	1-5 years		
<b>Assets</b>								
- Cash, gold and precious stones	-	-	2,034,499	-	-	-	-	2,034,499
- Balance with the SBV	-	-	770,624	-	-	-	-	770,624
- Placements with other credit institutions	-	-	2,729,717	-	-	-	-	2,729,717
- Loans and advances to customers	152,440	278,585	6,500,828	9,472,064	6,973,141	2,053,336	99,327	25,529,721
- Investment securities	-	-	40	5,000	-	105,384	-	110,424
- Long-term investments	-	-	-	-	-	-	980,230	980,230
- Fixed assets	-	1	23	1,025	73,001	456,222	530,272	
- Other assets	-	-	2,016,264	408	10,223	14,712	20,376	2,061,983
<b>Total assets</b>	<b>152,440</b>	<b>278,585</b>	<b>14,051,973</b>	<b>9,477,495</b>	<b>6,984,389</b>	<b>2,246,433</b>	<b>1,556,155</b>	<b>34,747,470</b>
<b>Liabilities</b>								
- Deposits from credit institutions	-	-	3,481,521	-	-	130,000	-	3,611,521
- Customer deposits	-	-	8,847,289	8,047,828	5,449,375	799,829	82	23,144,403
- Issuance of valuable papers	-	-	-	-	203,966	-	203,966	
- Entrusted loans exposed to risks	-	-	538,769	1,082,493	1,284,120	65,430	-	2,970,812
- Other liabilities	-	-	1,071,164	-	-	-	-	1,071,164
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>13,938,743</b>	<b>9,130,321</b>	<b>6,733,495</b>	<b>1,199,225</b>	<b>82</b>	<b>31,001,866</b>
Net liquidity	152,440	278,585	113,230	347,174	250,894	1,047,208	1,556,073	3,745,604

Note: Total assets represent gross amount which does not include provision for credit losses and impairment of investments.

The maturity of monetary assets and liabilities represents the remaining terms of the monetary assets and liabilities from the date of the consolidated financial statements to the repayment in accordance with underlying contractual agreements.

The following assumptions and conditions have been adopted in the presentation of the Bank's maturity analysis:

- Compulsory deposits with the SBV are considered as current. However, their availability is dependent upon the composition and maturity of the Bank's liabilities in the form of customer accounts and certain other deposits.
- The maturity of financial investments is computed based on the redemption date of each type of securities.
- The maturity of amounts due from other banks and loans is based on the contractual maturity date. The actual maturity may differ as loan agreements are often extended or rolled over to update interest rates and facilitate longer term financing for the borrowers. Besides, loans to customers are reported at the value before deducting provision for bad debts.
- The maturity of equity investments is deemed more than one year since these have no definite mature date.
- Amounts due to other banks and owed to customers are shown as having a remaining maturity based on the nature of the amount, which is typically: demand for placements, and current accounts; and the contractual maturity date for loans and term deposits. In practice, these deposits and placements are often maintained for longer periods without withdrawal or repayment.
- The maturity of fixed assets is determined based on their remaining useful life.

## Notes to the Consolidated Financial Statements ( Cont.)

as at and for the year ended December 31st 2008

### 35. Capital and Operating lease commitments

	<i>Unit: VND million</i>	
	2008	2007
- Capital commitments: office premises construction and office equipment acquisition	77,118	74,753
- Irrevocable operating leases	154,773	64,139
- Due within 1 year	12,976	528
- Due within 2-5 years	109,564	35,711
- Due after 5 years	32,233	27,900

### 36. Subsequent events

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures in the notes to the consolidated financial statements, except for the events disclosed below and in others relevant notes.

On 17 March 2009, the Bank held the Annual General Meeting of the shareholders which has passed the resolutions on the following important matters:

- Pay dividend to outstanding shareholders for 2008 amounting to VND 367,200 millions;
- Make statutory reserves of VND 75,762 millions;
- Make bonus and welfare fund of VND 44,000 millions;
- Make other funds of VND 5,000 millions;
- Increase the Bank's charter capital from VND 2,880 billions to a minimum amount of VND 3,400 billions in 2009 by issuing additional 52 millions shares to the existing shareholders with the ratio of 100:18;
- Establish Dong A Financial One-Member Liability Limited Company;
- Add to its principal activities as the agent for issuing, payment and bidding of corporate bonds.

### 37. Corresponding figures

Certain corresponding items and figures have been reclassified to conform to the current year's presentation of the financial statements as follows:

#### Consolidated balance sheet

	<i>Unit: VND million</i>
<b>● Placements with other credit institutions</b>	
Balance stated previously	2,855,059
- Eliminate deposits of the subsidiaries at the Bank	(43,571)
<b>Restated balance</b>	<b>2,811,488</b>
<b>● Investments</b>	
Balance stated previously	
- Trading securities	1,110
- Held-to-maturity securities	872,204
- Available-for-sale securities	214,407
- Capital contributions and long-term investments	138,219
	<b>1,225,940</b>
- Reclassify share acquisition premium from other receivables to the investment costs	106,089
- Reclassify repo contracts to loans and advances to customers	(48,833)
<b>Restated balance</b>	
- Trading securities	352,012
- Held-to-maturity securities	76,479
- Available-for-sale securities	215,518
- Capital contributions and long-term investments	639,187
	<b>1,283,196</b>

## **Notes to the Consolidated Financial Statements ( Cont.)**

as at and for the year ended December 31st 2008

<b>● Loan and advances to customers</b>	
Balance stated previously	17,808,601
- Reclassify repo contracts to loans and advances to customers	48,833
<b>Restated balance</b>	<b>17,857,434</b>
<b>● Intangible assets</b>	
Balance stated previously	24,904
- Transfer the land use rights acquired into fixed assets	3,228
<b>Restated balance</b>	<b>28,132</b>
<b>● Other assets</b>	
<i>Construction in progress</i>	
- Balance stated previously	332,053
- Transfer the land use rights acquired into fixed assets	(3,227)
<b>Restated balance</b>	<b>328,826</b>
<b>● Interest receivable and receivables</b>	
Balance stated previously	496,948
- Reclassify share acquisition premium from other receivables to the investment costs	(106,089)
- Reclassify other assets from receivables	(119,052)
<b>Restated balance</b>	<b>271,807</b>
<b>● Other assets</b>	
Balance stated previously	328,155
- Eliminate internal receivables of the subsidiaries	(5,097)
- Reclassify other assets from receivables	119,052
- Others	34
<b>Restated balance</b>	<b>442,144</b>
<b>● Customer deposit</b>	
Balance stated previously	14,372,879
- Eliminate deposits of the subsidiaries at the Bank	(43,571)
- Reclassify balances with the SBV to customer deposits	3
<b>Restated balance</b>	<b>14,329,311</b>
<b>● Other payables</b>	
Balance stated previously	2,256,010
- Eliminate internal receivables of the subsidiaries	(5,143)
- Others	100
<b>Restated balance</b>	<b>2,250,967</b>



## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

● <b>Interest and similar income</b>	
Amount stated previously	1,868,977
- Eliminate inter-branch interest income and expense	(493,125)
<b>Restated amount</b>	<b>1,375,852</b>
● <b>Interest and similar expense</b>	
Amount stated previously	1,357,597
- Eliminate inter-branch interest income and expense	(493,125)
- Others	479
<b>Restated amount</b>	<b>864,951</b>
● <b>Income from service activities</b>	
Amount stated previously	213,289
- Reclassify income earned from land use rights transfer to other income	(32,087)
- Others	(455)
<b>Restated amount</b>	<b>180,747</b>
● <b>Expense from service activities</b>	
Amount stated previously	24,871
- Reclassify expenses related to securities trading	(1,345)
- Others	(704)
<b>Restated amount</b>	<b>22,822</b>
● <b>Income from other activities</b>	
Amount stated previously	28,879
- Reclassify income earned from land use rights transfer to other income	32,087
- Others	806
<b>Restated amount</b>	<b>61,772</b>

## **Notes to the Consolidated Financial Statements (Cont.)** as at and for the year ended December 31st 2008

### 38. Exchange rates of some foreign currencies against vietnamese dong

Unit: VND

	2008	2007
USD	17,430	16,014
EUR	24,400	23,530
GBP	25,120	31,910
CHF	16,450	14,170
JPY	190	142
SGD	12,040	11,040
CAD	14,240	16,270
AUD	11,930	14.000

### 39. Approval for issuance of financial statements

The consolidated financial statements of the Bank and its subsidiaries as at and for the financial year ended 31 December 2008 are approved by General Director for issuance on 26 March 2009

Prepared by:



Ms **Dang Boi Quynh**  
General Accountant

Approved by:



Ms **Vo Thi Kim Anh**  
Chief Accountant

Approved by:

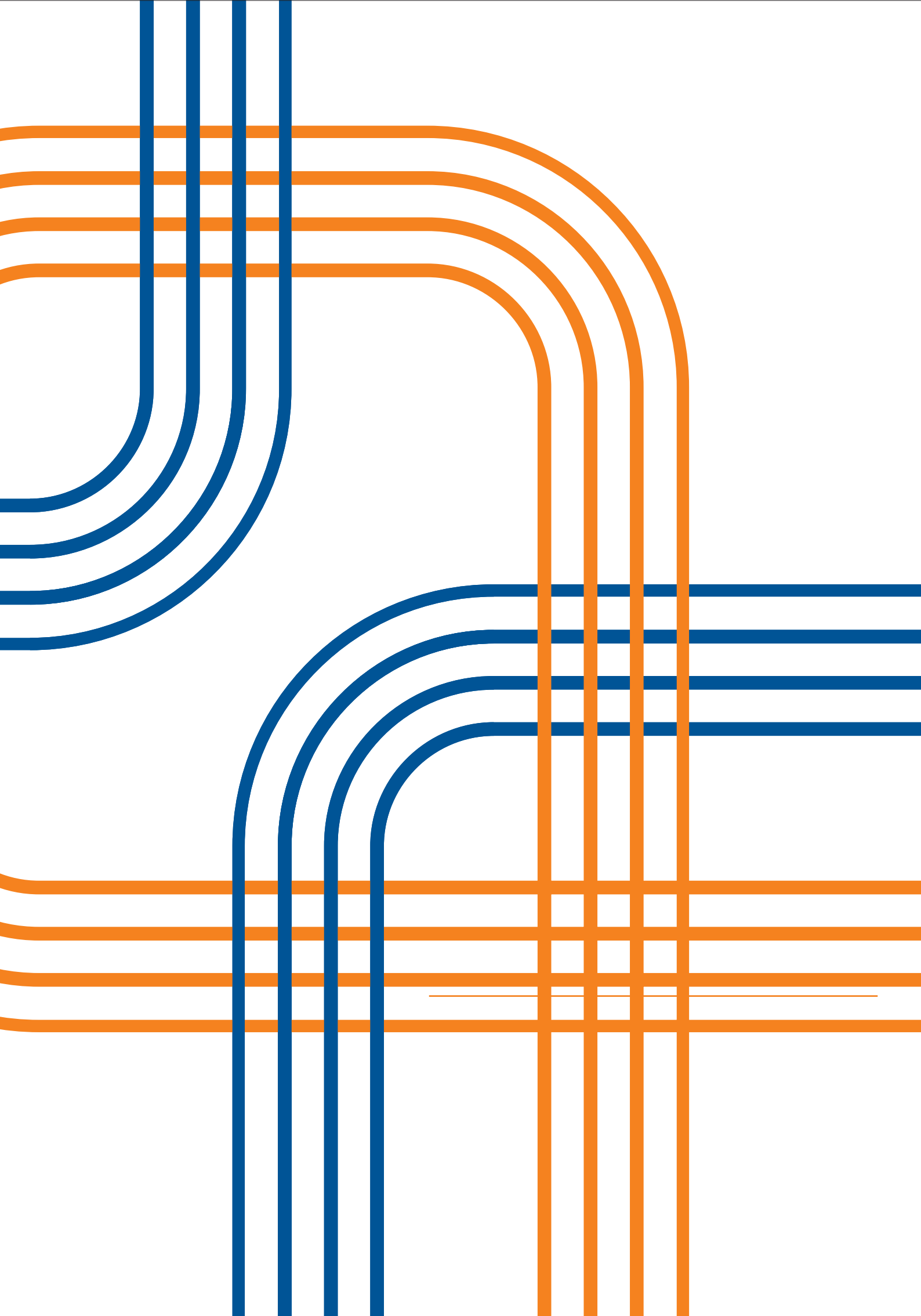


Mr **Tran Phuong Binh**  
General Director

Ho Chi Minh City, Vietnam  
March 26th 2009



## Distribution network



## Distribution network

### HO CHI MINH CITY

#### • Head office – Main Transaction Office

130 Phan Dang Luu St., Phu Nhuan District, HCMC  
Tel: (08) 3995 1483

#### • Phu Nhuan Branch

139 Nguyen Van Troi St., Phu Nhuan District, HCMC  
Tel: (08) 3997 3638

#### • District 1 Branch

56-58 Nguyen Cong Tru St., Nguyen Thai Binh Ward, District 1, HCMC  
Tel: (08) 3914 2583

#### • Dinh Tien Hoang Branch

9 Dinh Tien Hoang, Da Kao Ward, District 1, HCMC  
Tel: (08) 5404 6333

#### • Le Van Sy Branch

343 Le van Sy, Ward 13, District 3, HCMC  
Tel: (08) 5449 5411

#### • District 4 Branch

154 – 156 – 158 Nguyen Tat Thanh, Ward 13, District 4, HCMC  
Tel: (08) 5401 1511

#### • District 5 Branch

418 Tran Phu, Ward 7, District 5, HCMC  
Tel: (08) 5405 2375

#### • Phu My Hung Branch

G002 My Phuoc Block, Nguyen Van Linh, Tan Phong Ward, District 7, HCMC  
Tel: (08) 5412 0692

#### • District 9 Branch

218 Le Van Viet, Tang Nhon Phu B Ward, District 9, HCMC  
Tel: (08) 3736 0920

#### • District 10 Branch

828 Su Van Hanh, Ward 13, District 10, HCMC  
Tel: (08) 3864 0254

#### • Go Vap Branch

7B/3B Quang Trung, Ward 11, District Go Vap, HCMC  
Tel: (08) 3989 5845

#### • Tan Binh Branch

503 Truong Chinh, Ward 14, Tan Binh District, HCMC  
Tel: (08) 3810 6332

#### • Binh Tay Sub-Branch

08 Hau Giang, Ward 2, District 6, HCMC  
Tel: (08) 3969 0913

#### • District 12 Sub-Branch

Kios No. 9, Highway 22, Quarter 3, Trung My Tay, District 12, HCMC  
Tel: (08) 6252 2278

#### • Thanh Da Sub-Branch

598 Xo Viet Nghe Tinh, Ward 25, Binh Thanh District, HCMC  
Tel: (08) 3511 8255

#### • Nguyen Van Nghi Sub-Branch

Kios 2, 362A Nguyen Van Nghi St., Ward 7, Go Vap District, HCMC  
Tel: (08) 3985 9124

#### • Nguyen Oanh Sub-Branch

50 Nguyen Oanh, Ward 7, Go Vap District, HCMC  
Tel: (08) 3989 7246

#### • Cong Hoa Sub-Branch

218 Cong Hoa, Ward 12, DISTRICT Tan Binh, HCMC  
Tel: (08) 3811 7901

#### • Ly Thuong Kiet Sub-Branch

521-521A Ly Thuong Kiet, Ward 8, Tan Binh District, HCMC  
Tel: (08) 3971 7072

#### • Tan Phu Sub-Branch

23-25-27 Truong Vinh Ky, Tan Thanh Ward, Tan Phu District, HCMC  
Tel: (08) 3812 5286

#### • Truong Chinh Sub-Branch

763 Truong Chinh, Tay Thanh Ward, Tan Phu District, HCMC  
Tel: (08) 5435 6757

#### • Binh Tan Sub-Branch

1271 Tinh Lo 10, Tan Tao Ward, Binh Tan District, HCMC  
Tel: (08) 3754 3386

#### • Pouyuen Sub-Branch

D10/89Q QL 1A, Tan Tao Ward, Binh Tan District, HCMC  
Tel: (08) 5407 4580

#### • Mien Tay Bus Station Sub-Branch

395 Kinh Duong Vuong, An Lac Ward, Binh Tan District, HCMC  
Tel: (08) 3752 6120

#### • Binh Chanh Sub-Branch

C14/19 National Highway 1A, Tan Kien Ward, Binh Chanh District, HCMC  
Tel: (08) 3756 0545

#### • Cu Chi Sub-Branch

Quoc lo 22, Tan Lap Hamlet, Tan Thong Hoi Ward, Cu Chi District, HCMC  
Tel: (08) 5439 0696

## Distribution network (Cont.)

- **Le Dai Hanh Sub-Branch**

249 Le Dai Hanh, Ward 13, District 11, HCMC  
Tel: (08) 3962 9144

- **OPENING UNIVERSITY Sub-Branch**

97 Vo Van Tan, Ward 6, District 3, HCMC  
Tel: (08) 5404 3408

- **Ham Nghi Sub-Branch**

155 Ham Nghi, District 1, HCMC  
Tel: (08) 5404 3110

- **Pham Ngu Lao Sub-Branch**

187 Pham Ngu Lao, Pham Ngu Lao Ward, District 1, HCMC  
Tel: (08) 3920 7372

- **Cau Kho Sub-Branch**

525 Tran Hung Dao, Cau Kho Ward, District 1, HCMC.  
Tel : (08) 5404 3195

- **Quang Trung Sub-Branch**

260 Quang Trung, Ward 10, Go Vap District, HCMC  
Tel : (08) 3989 5845x

- **Vo Van Tan Sub-Branch**

442 Vo Van Tan, Ward 5, District 3, HCMC  
Tel : (08) 3929 0799

- **An Dong Sub-Branch**

92 An Duong Vuong, Ward 9, District 5, HCMC  
Tel : (08) 3839 2212

- **Nguyen Trai Sub-Branch**

1055 Nguyen Trai, District 5, HCMC  
Tel : (08) 5405 2070

- **District 8 Sub-Branch**

276 Lien Tinh 5, Ward 6, District 8, HCMC  
Tel : (08) 3982 0771

- **Thu Duc Sub-Branch**

346 Vo Van Ngan, Binh Tho Ward, Thu Duc District, HCM  
Tel : (08) 3722 1899

- **To Hien Thanh Sub-Branch**

134/ 1 To Hien Thanh, Ward 13, District 10, HCMC  
Tel: (08) 6264 7226

- **3/2 Sub-Branch**

3-3C 3 thang 2 St., Ward 11, District 10, HCMC  
Tel: (08) 3832 7363

- **Big C An Lac Sub-Branch**

1231 National highway 1A, Binh Tri Dong B Ward, Binh Tan District, HCMC

- **Nhi Xuan Sub-Branch**

Nhi Xuan IP, Xuan Thoi Son Ward, Hoc Mon District, HCMC  
Tel: (08) 3713 8631

- **24/7 Banking Center No. 1**

136 Hai Ba Trung, District 1, HCMC  
Tel: (08) 3827 2347

- **24/7 Banking Center No. 2**

372 Le Van Sy, District 3, HCMC  
Tel: (08) 3526 2545

- **24/7 Banking Center No. 3**

70 Truong Dinh, District 1, HCMC  
Tel : (080 3932 5029

- **24/7 Banking Center No. 4**

155A Nguyen Chi Thanh, District 5, HCMC  
Tel : (08) 3957 3462

- **24/7 Banking Center No. 5**

1275E 3 thang 2 St., District 11, HCMC  
Tel : (08) 3969 5936

- **24/7 Banking Center No. 6**

410 Nguyen Dinh Chieu, District 3, HCM  
Tel : (08) 5404 4035

- **24/7 Banking Center No. 7**

53 Phan Xich Long, Phu Nhuan District, HCMC  
Tel : (08) 3517 8182

- **24/7 Banking Center No. 8**

6/5 Tran Nao, District 2, HCMC  
Tel : (08) 5402 2931

- **24/7 Banking Center No. 9**

183/4 Truong Chinh, Tan Hung Thuan Ward, District 12, HCMC  
Tel : (08) 5436 9174

- **24/7 Banking Center No. 10**

59 Phan Dang Luu, Ward 7, Phu Nhuan District, HCMC  
Tel: (080) 5449 1950

- **24/7 Banking Center No. 11**

254 Luy Ban Bich, Phu Tho Hoa Ward, Tan Phu District, HCMC  
Tel: (08) 5434 2176



## Distribution network (Cont.)

### NORTHERN AREA

#### • **Bac Giang Sub-Branch**

195 – 197 Le Loi, Bac Giang City  
Tel: (0240) 3528 234

#### • **Bac Ninh Sub-Branch**

304 Tran Hung Dao, Bac Ninh City  
Tel: (0241) 3855 710

#### • **Que Vo Sub-Branch**

Kiosque No. 1-2-3 Pho Moi Center Market, Que Vo District, Bac Ninh City  
Tel: (0241) 3635 755

#### • **Gia Binh Sub-Branch**

Kiosque No. 18 Gia Binh Town Fresh Market, Gia Binh District, Bac Ninh City  
Tel: (0241) 3670 668

#### • **Ha Noi Branch**

181 Nguyen Luong Bang, Dong Da District, Ha Noi  
Tel: (04) 3843 9753

#### • **Tay Ho Sub-Branch**

412 Lac Long Quan, Tay Ho District, Ha Noi  
Tel: (04) 3710 0306

#### • **Nguyen Bieu Sub-Branch**

11 Nguyen Bieu, Ba Dinh District, Ha Noi  
Tel: (04) 3734 4793

#### • **Ba Dinh Sub-Branch**

09 Lang Ha, Ba Dinh District, Ha Noi  
Tel: (04) 3514 5132

#### • **Bach Mai Sub-Branch**

173 Bach Mai, Hai Ba Trung District, Ha Noi  
Tel: (04) 3622 5870

#### • **Cau Giay Sub-Branch**

61 Xuan Thuy, Dich Vong Ward, Cau Giay District, Ha Noi  
Tel: (04) 3767 0745

#### • **Ho Guom Sub-Branch**

98 Hai Ba Trung, Hoan Kiem District, Ha Noi  
Tel: (04) 3942 6208

#### • **Kham Thien Sub-Branch**

273 Pho Kham Thien, Tho Quan Ward, Dong Da District, Ha Noi  
Tel: (040) 3513 2388

#### • **Big C Ha Noi Transation Point**

222 Tran Duy Hung, Trung Hoa Ward, Cau Giay District, Ha Noi

#### • **Ha Long Sub-Branch**

220 Quang Trung, Ha Long City, Quang Ninh province  
Tel: (040) 3355 0965

#### • **Hai Phong Branch**

262 To Hieu, Le Chan District, Hai Phong City  
Tel: (031) 3655 997

#### • **Kien An Sub-Branch**

222 Tran Thanh Ngo, Kien An District, Hai Phong City  
Tel: (031) 3577 828

#### • **Thuy Nguyen Sub-Branch**

29 Bach Dang, Nui Deo Town, Thuy Nguyen District, Hai Phong City  
Tel: (031) 3642 575

#### • **Hong Bang Sub-Branch**

160 Quang Trung, Hong Bang District, Hai Phong City  
Tel: (031) 3521 172

#### • **Ngo Quyen Sub-Branch**

163 Da Nang, Lac Vien Ward, Ngo Quyen District, Hai Phong City  
Tel: (031) 3652 395

#### • **Hung Yen Sub-Branch**

Km22, National Highway No. 5, Ban Town, Yen Nhan, My Hao District, Hung Yen Province  
Tel: (0321) 3941 599

#### • **Pho Hien Sub-Branch**

137 Dien Bien, Hung Yen Town, Hung Yen Province  
Tel: (0321) 3565 801

#### • **Nam Dinh Sub-Branch**

110 Tran Hung Dao, Nam Dinh City  
Tel: (0350) 3844 015

#### • **Quang Ninh Sub-Branch**

681 – 683 Le Thanh Tong, Ha Long City  
Tel: (033) 3818 992

#### • **Mong Cai Sub-Branch**

01 Hung Vuong, Hoa Lac Ward, Mong Cai City, Quang Ninh Province  
Tel: (033) 3777 177

## Distribution network (Cont.)

### • Kim Lien Sub-Branch

131 Chua Boc, Dong Da District, Ha Noi  
Tel: (04) 3563 9120

### • Long Bien Sub-Branch

290 Nguyen Van Cu, Long Bien District, Ha Noi  
Tel: (04) 3650 3125

### • Minh Khai Sub-Branch

199 Minh Khai, Hai Ba Trung District, Ha Noi  
Tel: (04) 3633 5278

### • Thanh Xuan Sub-Branch

473 Nguyen Trai, Thanh Xuan District, Ha Noi  
Tel: (04) 3552 4701

### • 24h Ha Noi Sub-Branch No. 1

76 Tran Hung Dao, Hoan Kiem District, Ha Noi  
Tel: (04) 3941 1875

## CENTRAL AREA

### • Binh Dinh Branch

333 Tran Hung Dao, Quy Nhon City  
Tel: (056) 3810 040

### • Zone 6 Market Sub-Branch

324A Nguyen Thai Hoc, Quy Nhon City  
Tel: (056) 3520 853

### • Da Nang Branch

51 Nguyen Van Linh, Nam Duong Ward, Hai Chau District, Da Nang City  
Tel: (0511) 3582 971

### • Dong Da Sub-Branch

260 Dong Da, Thanh Binh Ward, Hai Chau District, Da Nang City  
Tel: (0511) 3531 871

### • Hoa Cuong Sub-Branch

47 Nui Thanh, Hai Chau District, Da Nang City  
Tel: (0511) 3621 583

### • Hoa Khanh Sub-Branch

68 Nguyen Luong Bang, Lien Chieu District, Da Nang City  
Tel: (0511) 3738 817

### • Hai Chau Sub-Branch

217 Ong Ich Khiem, Hai Chau District, Da Nang City  
Tel: (0511) 3866 028

### • Thai Binh Branch

06 Le Loi, Le Hong Phong Ward, Thai Binh Province  
Tel: (036) 3642 271

### • Thai Nguyen Sub-Branch

502 Luong Ngoc Quyen, Phan Dinh Phung Ward, Thai Nguyen City  
Tel: (0280) 3654 634

### • Ha Nam Sub-Branch

122 Bien Hoa, Phu Ly City, Ha Nam Province  
Tel: (0351) 3829 766

### • Phuc Yen Sub-Branch

165 Hai Ba Trung, Phuc Yen Town, Vinh Phuc Province  
Tel: (0211) 3511 601

### • Vinh yen Sub-Branch

79 Ngo Quyen, Vinh Yen Town, Vinh Phuc Province  
Tel: (0211) 3710 113

### • Big C Da Nang Sub-Branch

225 Hung Vuong, Thanh Khe District, Da Nang City  
Tel: (0511) 3666 071

### • Nha Trang Sub-Branch

49 Ly Thanh Ton, Nha Trang City  
Tel: (058) 815 123

### • Phu Yen Sub-Branch

247 Tran Hung Dao, Ward 4, Tuy Hoa City  
Tel: (057) 3821 880

### • Quang Nam Branch

Lot 06 Phan Boi Chau St, Tam Ky City  
Tel: (0510) 3813 700

### • Chu Lai Sub-Branch

Block No. 01, Nui Thanh Town, Nui Thanh District, Da Nang City  
Tel: (0510) 3571 175

### • Hoi An Sub-Branch

298 Ly Thuong Kiet St, Hoi An City  
Tel: (0510) 3921 798

### • Tam Ky Sub-Branch

566 Phan Chu Trinh St, Tam Ky City  
Tel: (0510) 3834 210

## Distribution network (Cont.)

- **Ngu Hanh Son Sub-Branch**

31 Nguyen Hanh Son, Ngu Hanh Son District, Da Nang City  
Tel: (0511) 3955 051

- **Le Duan Sub-Branch**

16 Le Duẩn, Hai Chau Ward, Hai Chau District, Da Nang City  
Tel: (0511) 3810 065

### WESTERN HIGHLAND

- **Daklak Branch**

09 Phan Chu Trinh, Buon Me Thuot City  
Tel: (500) 3858 654

- **Cumgar Sub-Branch**

37 Tinh Lo 8, Block 3, Quang Phu Town, Cumgar District, Daklak Province  
Tel: (0500) 3834 959

- **Buon Ho Sub-Branch**

208 Hung Vuong, Buon Ho Town, KrongBuk District, Daklak Province  
Tel: (0500) 3870 935

- **Eakar Sub-Branch**

28 Tran Hung Dao, Eakar Town, Eakar District, Daklak Province  
Tel: (0500) 3626 949

- **EahLeo Sub-Branch**

365 Giai Phong, Ea H'leo District, Daklak Province

- **Phuoc An Sub-Branch**

251 Giai phong, Phuoc An Town, Krongpak District, Daklak Province  
Tel : (0500) 3528 018

### SOUTH EASTERN AREA

- **Binh Duong Branch**

15 Dinh Bo Linh, Thu Dau Mot Town, Binh Duong Province  
Tel : (0650) 3859 447

- **Thuan An Branch**

24A Nguyen Van Tiet, Lai Thieu Town, Thuan An District, Binh Duong Province  
Tel : (0650) 3717 575

- **Binh Duong Boulevard Sub-Branch**

257 Binh Duong Boulevard, Phu Tho Ward,  
Thu Dau Mot Town, Binh Duong Province153A  
Tel : (0650) 3813 460

- **Quang Ngai Sub-Branch**

Hung Vuong, Quang Ngai City  
Tel: (055) 3711 64338

- **Hue Sub-Branch**

107 Tran Hung Dao, Hue City  
Tel: (054) 3513 091

- **Hoa Thuan Sub-Branch**

Km 11, National highway 14, Hoa Thuan Ward, Buon Me Thuot City, Daklak Province  
Tel: (0500) 3830 727

- **Dakmil Sub-Branch**

199 Nguyen Tat Thanh, DakMil Town, DakMil District, Daknong Province  
Tel: (0501) 3741 898

- **Pleiku Sub-Branch**

87 Dinh Tien Hoang, Pleiku City  
Tel: (059) 3720 042

- **Kontum Sub-Branch**

178A Le Hong Phong, Quyet Thang Ward, KontumTown, Kontum Province  
Tel: (060) 3913 649

- **Da Lat Sub-Branch**

7A Hai Thuong, Ward 5, Da Lat City  
Tel : (063) 3561 191

- **Duc Trong Sub-Branch**

380A Block 2, Lien Nghia Town, Duc Trong District, Lam Dong Province  
Tel : (063) 3650 988

- **Big C Sub-Branch**

Block 1, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province  
Tel : (061) 3834 269

- **Tay Ninh Sub-Branch**

A 11 30 thang 4, Block 1, Ward 3, Tay Ninh Town, Tay Ninh province  
Tel : (066) 3818 660

- **Vung Tau Sub-Branch**

Le Hong Phong, Ward 8, Vung Tau City  
Tel : (064) 3585 781

## Distribution network (Cont.)

### • Song Than Sub-Branch

Kiosque No. 4 - 5, Doc Lap Boulevard,  
Song Than IP, Di An District, Binh Duong Province  
Tel : (0650) 3737 180

### • Binh Phuoc Sub-Branch

Lot A25 - A1, Hung Vuong, Tan Binh Ward ,  
Dong Xoai Town, Binh Phuoc province  
Tel : (0651) 3884 542

### • Bien Hoa Sub-Branch

16 – 17 Lot 10, Dong Khoi, Tan Hiep Ward, Bien Hoa City, DongNai province  
Tel : (061) 3857 991

## MEKONG DELTA AREA

### • An Giang Branch

19/14 National Highway 91, My Thoi Ward, Long Xuyen City, An Giang province  
Tel : (076) 3934 300

### • Long Xuyen Sub-Branch

378 Ha Hoang Ho, My Xuyen Ward , Long Xuyen City, An Giang province  
Tel : (076) 3844 599

### • Chau Doc Sub-Branch

10 Nguyen Huu Canh, Chau Phu A Ward , Chau Doc Town, An Giang province  
Tel : (076) 3563 845

### • Bac Lieu Branch

154/4 23-8 St.(National Highway 1A), Ward 7, Bac Lieu Town, Bac Lieu province  
Tel : (0781) 3829 590

### • Ly Tụ Trong Sub-Branch

02 Hoang Van Thu, Ward 3, Bac Lieu Town, Bac Lieu Province  
Tel : (0781) 3954 255

### • Gia Rai Sub-Branch

National Highway 1A, Hamlet 2, Gia Rai Town, Gia Rai District, Bac Lieu Province  
Tel : (0781) 3847 266

### • Phuoc Long Sub-Branch

273A Long Thanh Hamlet, Phuoc Long Town ,  
Phuoc Long District, Bac Lieu province  
Tel : (0781) 3581 213

### • Ben Tre Sub-Branch

336A1 Dong Khoi, Phu Khuong Ward , Ben Tre Town, Ben Tre province  
Tel : (075) 3836 851

### • Binh Thuan Branch

295 Tran Hung Dao, Binh Hung Ward , Phan Thiet City, Binh Thuan province  
Tel : (062) 3835 656

### • Ninh Thuan Sub-Branch

376C Thong Nhat, Phu Ha Ward , Phan Rang-Thap Cham City, Ninh Thuan province  
Tel : (068) 3921 508

### • Can Tho 24/7 Banking Center No. 1

02 Hoa Binh, An Hoi Ward , Ninh Kieu District, Can Tho City  
Tel : (0710) 3817 720

### • Cao Lanh Sub-Branch

126 Nguyen Hue, Ward 2, Cao Lanh Town, Dong Thap province  
Tel : (067) 3875 598

### • Nga Bay Sub-Branch

2039 Hung Vuong, Nga Bay Ward , Nga Bay Town, Hau Giang province  
Tel : (0711) 3962 903

### • Kien Giang Branch

240 - 242 Tran Phu, Rach Gia City, Kien Giang province  
Tel: (077) 3948 410

### • Giong Rieng Sub-Branch

38A Area 3-4, Giong Rieng Town, Giong Rieng District, Kien Giang province  
Tel: (077) 3631 785

### • Kinh B Sub-Branch

108 Dong An Hamlet, Tan Hiep Town, Tan Hiep District, Kien Giang Province  
Tel: (077) 3834 185

### • Rach Soi Sub-Branch

Kios No. 12, CMT8, Vinh Loi Ward , Rach Gia City, Kien Giang province  
Tel: (077) 3257 200

### • Tan Hiep Sub-Branch

Team 3, Dong Thanh Hamlet, Thanh Dong A Ward, Tan Hiep District, Kien Giang province  
Tel : (077) 3835 044

## Distribution network (Cont.)

### • Ca Mau Sub-Branch

18 An Duong Vuong, Ward 7, Ca Mau City  
Tel : (0780) 6250 350

### • Can Tho Branch

67 Phan Dinh Phung, Tan An Ward , Ninh Kieu District, Can Tho City  
Tel : (0710) 3824 331

### • Binh Thuy Sub-Branch

Lot 26-27 KDC Binh Thuy, Le Hong Phong Ward , Binh Thuy District, Can Tho City  
Tel : (0710) 3 880 552

### • O Mon Sub-Branch

260/5 QL 91, O Mon Town , O Mon District, Can Tho City  
Tel : (0710) 3661 316

### • Ninh Kieu Sub-Branch

58 Hung Vuong, Thoi Binh Ward, Ninh Kieu District, Can Tho City  
Tel : (0710) 3815 251

### • Xuan Khanh Sub-Branch

209 30/4 St., Xuan Khanh Ward , Ninh Kieu District, Can Tho City  
Tel : (0710) 3752 189

### • Tra Noc Sub-Branch

Lot 19A2-1, Tra Noc 1 IP, Tra Noc Ward , Binh Thuy District, Can Tho City  
Tel : (0710) 3844 702

### • Phu Quoc Sub-Branch

125 Nguyen Trung Truc, Duong Dong Town, Phu Quoc District, Kien Giang Province  
Tel: (077) 3993 770

### • Long An Sub-Branch

122 Hùng Vương, Ward 2, Tan An Town, Long An province  
Tel : (072) 3524 827

### • Soc trang Sub-Branch

101A Hùng Vương, Ward 6, Soc Trang Town, Soc Trang province  
Tel: (079) 3615 882

### • Tien Giang Sub-Branch

Trung Luong Block – Ward 10, My Tho City (Trung Luong Three-way crossroads)  
Tel: (073) 3955 806

### • Tra Vinh Sub-Branch

96 Dien Bien Phu, Ward 6, Tra Vinh Town, Tra Vinh province  
Tel : (074) 3856 515

### • Vinh Long Branch

58D Phạm Thái Buông, Ward 4, Vinh Long Town, Vinh Long province  
Tel : (070) 3852 919







## **DONGA COMMERCIAL JOINT STOCK BANK**

Head Office: 130 Phan Dang Luu St., Phu Nhuan Dist., HCMC, Vietnam  
Tel: (848) 3995 1483 - Fax: (848) 3995 1614  
Hotline: 1900545464 - Swift: EACBVNVX  
Email: 1900545464@dongabank.com.vn  
Website: [www.dongabank.com.vn](http://www.dongabank.com.vn)