

SAIGONBANK

Since 1987

Annual Report 2010

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SAIGONBANK



At a glance

The first joint stock and commercial bank of Viet Nam (established since 1987);

Best bank in Viet Nam – ranked by Euro Money in 1996;

Honorably deserving the Third Class Labor Medal granted by the President of the Socialist Republic of Viet Nam in 2007;

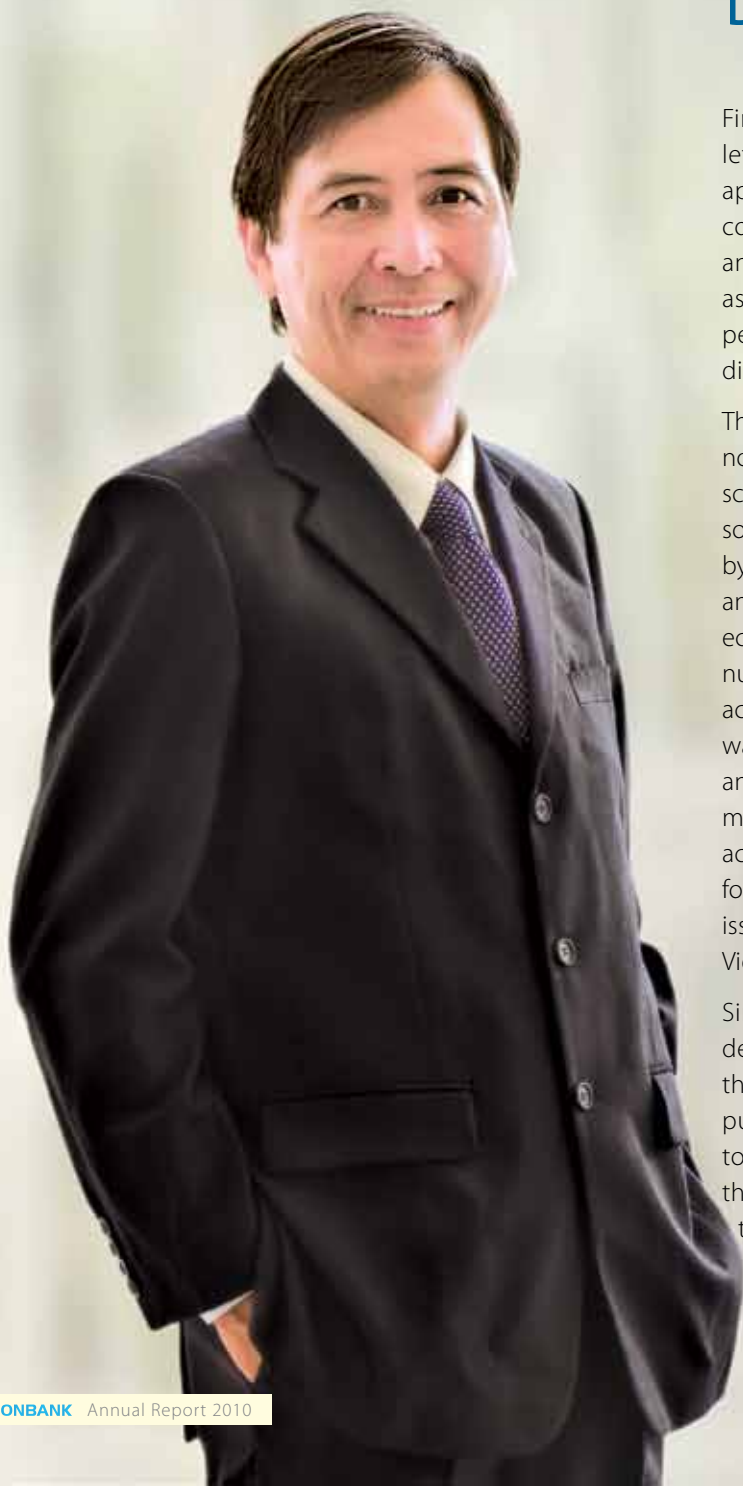
What we are at our heart is doing business safe, profitably and ensuring a sustainable growth even in a strong competitive and challenging environment;

Dedicated and relentlessly committed to serving the best interest of shareholders, customers, employees and the whole community;

Total staff of 1,376;

Headquartered in Ho Chi Minh City with 86 branches and transaction offices nationwide.

Message from the Chairman



Dear valued stakeholders,

First of all, on behalf of the Board of Directors, let me warmly greet you all and sincerely appreciate your kind continuing support and collaboration with Saigon Bank for Industry and Trade (SAIGONBANK) over the years. And as usual, we are now evaluating the bank's performance in 2010 as well as setting forth direction and objectives of 2011.

The year 2010 was presumed much turbulent not only to domestic scope but also to global scale and thus brought adverse impacts to the socio-economic situation of Viet Nam. Driven by the Government's properly decisive policies and flexible management, the national economy was gradually overcoming a large number of challenges and gained significant achievements such as economic slowdown was contained, public debt was under control, and social security benefits became much more concentrated... Besides these foregoing accomplishments, however, interest and foreign exchange rates were still two major issues arising in the economic operation of Viet Nam during the course of 2010.

Since early 2010, the Government was deploying a series of initiatives to stabilize the macro-economy such as increasing public expenditure and promoting export to support the economic growth. Thereby, the uptrend of price was then restrained, the rate of USD/VND was controlled, trade

deficit was more likely in a downward trend against the previous year, and the entire economy turned gradually stabilized and thrived. Nevertheless, by the last quarter of 2010, we were again facing the upward trend of consumer price index (CPI), soaring gold prices and remarkable volatility of USD/VND exchange rate. The Government, responsively, adopted various drastic measures to curb inflation and sustain macroeconomic stability.

Basically, the volatility of US dollar and gold prices did psychologically cause negative reactions from the depositors, placing a huge pressure on Vietnamese commercial banks and also SAIGONBANK in managing funding resources.

Given this economic turmoil, SAIGONBANK at the utmost effort, kept our business stable and profitable, maintaining a positive level of liquidity against the interest rate hike race, expanding our network nationwide and successfully outperformed several key targets, particularly the income objective assigned by the General Meeting 2010 of Shareholders. These achievements were greatly shaped by strong supports from the City and the State Bank's leaders, the Executive Board's management associated with the Board of Directors' proper direction and governance.

According to the business forecast of 2011, Viet Nam economy continues to confront the impediment inherent in its own which may be even more problematic than it was in 2010. Since early this year, the Government has imposed the Resolution 11 focusing on combating inflation, stabilizing macro economy and preserving community welfare. In the wake of this Resolution, the State Bank of Viet Nam has also promulgated Instruction 01 to elaborate the monetary and banking policies. It emphasizes that capital resources will be typically dedicated to boost the manufacturing industry, credit growth should be controlled below 20% and the maximum loan allocation to non-manufacturing industry will be only 16% out of total outstanding. In fact, this is also seen as the business orientation committed by SAIGONBANK for the sake of macro policy driven by the Government and the State Bank of Viet Nam.

Once again, on behalf of the Director Board, I would like to express my sincere gratitude for your business tie and cooperation with SAIGONBANK and I do hope this bilateral connection will be more and more fruitful and reaching a new height in alignment with the country growth and development.



Nguyen Phuoc Minh
Chairman of SAIGONBANK

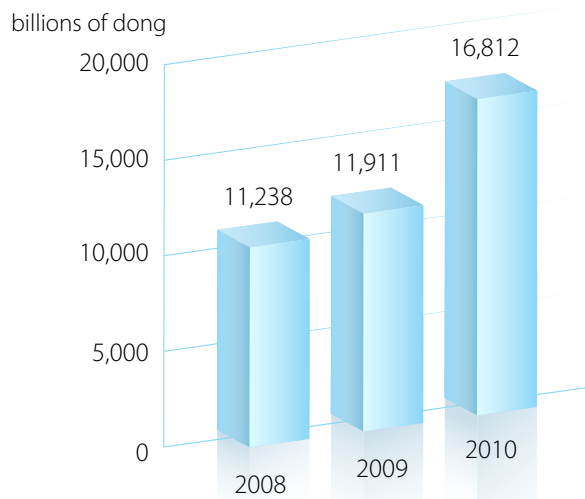


Results of business activities in 2010

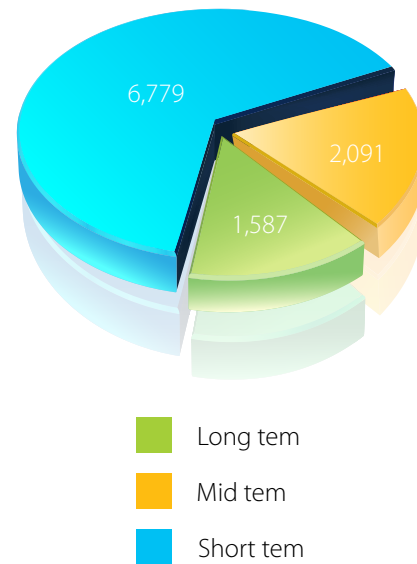
Financial highlights (as at 31 Dec 2010)

No.	Key Financial Indicators of SAIGONBANK in 2010	
1	Total Asset	VND16,812 billion
2	Chartered Capital	VND2,460 billion
3	Return on Asset (ROA)	5.89%
4	Return on Equity (ROE)	49.06%
5	Earning per Share (EPS)	VND5,101
6	Loan of group 3-5/total loan outstanding (Non - performance loan/ total loan outstanding)	1.91%

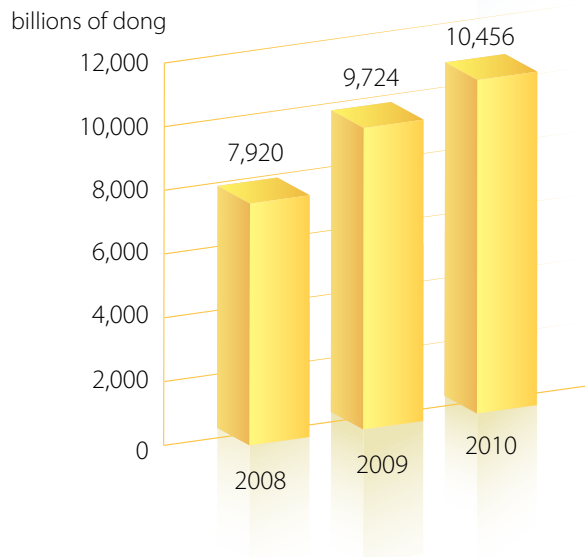
TOTAL ASSETS



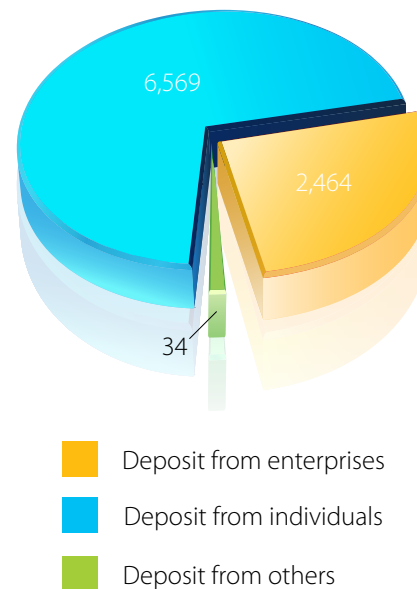
LOAN OUTSTANDING CLASSIFIED BY MATURITY
(billions of dong)



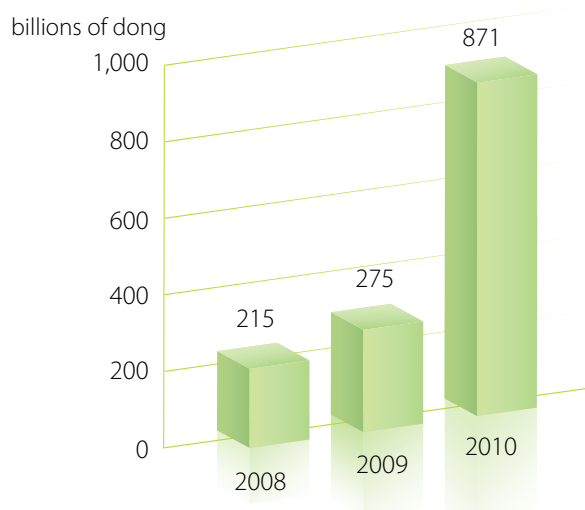
LOAN OUTSTANDING



FUND STRUCTURE (billions of dong)



PRE-TAX PROFIT



PERFORMANCE IN 2010

Financial performance and business review in 2010

Given the post-crisis economic scenario 2010 associated with the volatility of interest rate and foreign exchange rate, SAIGONBANK quickly responded to the changing environment, effectively managed its operations and finally reached the following accomplishments:

- ◆ Chartered capital of 2,460 billion dong was reached by the end of 2010.
- ◆ The entire network sustained a stable operating capital in the circumstance whereby the market rate kept fluctuating. Additionally, the bank was proving its initiatives to allure fund then efficiently allocated it in lending activity. Hence, the harmonization between funding sources and their utilization was gradually ensured, making up the positive gap position of funding against lending.
- ◆ Due to the flexible adoption of professional measures in association with the effective market risk management, SAIGONBANK over fulfilled the income target assigned by its Shareholders' General Meeting, specifically pre-tax earning was 870.61 billion dong and dividend was 30% per annum in 2010.
- ◆ The proportion of medium and long term loan out of short term funding declined from 32.55% to 22.92% by the end of 2010.
- ◆ SAIGONBANK's market share and its presence were expanded through launching new transaction offices, making up the total business places of 87 units from 77 units as at December 31st 2010.

1. Total asset

16,812 billion dong, substantially increased by 41% year over year, accomplished 109% of the year target.

2. Chartered capital

2,460 billion dong, showing a rise of 960 billion dong. Reserves were 271 billion dong, 46 billion dong greater than itself as at the beginning of 2010.

3. Funding sources

12,972 billion dong, up by 35% over the beginning of 2010, accomplished 112.07% of the year target.

The entire network of SAIGONBANK aggressively sought fund mobilization and simultaneously well controlled the whole credit growth. This was in fact contributing to secure the bank's positive

level of liquidity against an uncertainty and unfair competition of the financial market.

4. Lending

◆ 10,456 billion dong, stood at 95% of the target 2010 in which non performance loans (group 3 to group 5) accounted for 1.91%.

◆ Credit growth was driven under a sound control, specific and general provisions were fulfilled in line with the respectively regulatory requirements, substandard debt was rigorously restricted and the vast majority of loans were well secured by sufficient collateral.

◆ The fact that loan outstanding achieving 95% of its target in 2010 was due primarily to prevailing regulations of the State Bank of Viet Nam pertaining to banking operation security. As a result, we resorted to enhance liquidity reserve and basically curbed our credit growth in

a proportion to the funding growth.

5. Settlement Service

- ◆ International settlement turnover of 2010 was 322 million US dollars, up by 1.11% over the previous fiscal year, partly attributable to the global economic downturn as well as the control policy of our Government over the national trade deficit.
- ◆ Domestic settlement turnover of the fiscal year was 1,499 trillion dong, grew by 9.5% over the previous year.

6. Bank card service

Total new domestic cards issued in 2010 were 20,880, accounted for 46.40% of the target in 2010, rose by 23% over the previous year, which then totaled 183,000 cards more and, made up its deposit balance of 66 billion dong.

7. Joint venture and investment

- ◆ As at 31/12/2010, SAIGONBANK invested 731 billion dong in various entities including Giadinhbank, Saigon – Halong Hotel, Vietnam National Financial Switching Joint Stock Company (Banknetvn), The Credit Guarantee Fund For Small - Medium Enterprises, Saigonbank Berjaya Securities Joint Stock Company, Assets Management Company. The foregoing activities generated a profit of approximate 34 billion dong.
- ◆ As at December 31st 2010, SAIGONBANK spent 1,947 billion dong on its financial investment



(mainly on Government's bonds and securities) which then contributed a revenue of 99 billion dong to the bank's operating result.

8. Business of Assets Management Company – Riverside Hotel

This company gained a profit of 33.14 billion dong, grew approximately 30 billion dong over the year of 2009.

9. SAIGONBANK's network

With a view to broadening the business scale and operating location, SAIGONBANK established new eight transaction offices and two savings counters situated in Ha Noi, Hai Phong, Lao Cai, Binh Thuan, Binh Duong, Dong Nai, Can Tho, Bac Lieu hence, totaled 87 transaction points for the entire network nationwide in 2010.

10. Operating Result

SAIGONBANK's pre-tax profit of 2010 was 870.61 billion dong (of which 321.18 billion dong was the income from banking business and 549.43 billion dong was gained from other activities).

11. Information Technology

- ◆ Innovating to shorten one third of the core banking system's processing time at the day end;
- ◆ Improving the function of online report application with a view to serving the executive management in the best timely manner.
- ◆ Internet Banking project was fundamentally finished by the end of 2010. Nevertheless, upon the Government's enforcement pertaining to the

public digital certificate application, this project has taken more time acquiring various technical solutions in respect of data security.

12. Human Resource Management and Training

- ◆ Assigning 3 members to the posts of Deputy General Director and promoted 57 junior officers to the management level in SAIGONBANK's Head Office and its subordinate units.
- ◆ Recruiting 212 members to meet the personnel requirement of Head Office, branches and sub-branches, making up the total staff of 1,376.
- ◆ Allocating 251 bank officers to local and offshore coaching programs in order to upgrade their professional competency and management skills.

13. Legal Compliance, Internal Control and Audit Functions

- ◆ Reviewing, supplementing the existing regulations and written processes of our internal practice in accordance with the prevailing regulatory requirement.
- ◆ In 2010, the scheduled program of internal control and supervision was adequately conducted in various business units of SAIGONBANK.
- ◆ Additionally, the entire business operation of SAIGONBANK's network has been covered by a close monitor and control on a daily basis.

14. Business brand promotion

- ◆ For the purpose of spreading SAIGONBANK's image and trademark, especially on the occasion of its 23rd Anniversary plus other public and the Tet holidays, promotion activity was conducted in diverse forms such as special articles, award competitions, sponsoring programs etc.
- ◆ Being an ongoing exclusive sponsor of the contest show namely 'Chuong Vang Vong Co'.

15. Corporate Union, Party and Social Activity

- ◆ We held the campaign namely "Learning and imitating the virtue model of President Ho Chi Minh" in 2010 as its fourth year celebration in a row. Thereby, SAIGONBANK has continued its certain action plan for the subject program.
- ◆ In the same year, 288 million dong was dedicated by SAIGONBANK for our social charity activities for instance, supporting the indigenous victims of natural disaster.

16. Operation and Management

- ◆ The composition sizes of Director Board and Supervisory Board respectively were sufficiently ensured as regulated by the State Bank of Viet Nam and SAIGONBANK's bylaws.
- ◆ In the light of the Management Board's recommendations, the bank's existing statute and regulation were timely revised and amended by the Board of Directors to ensure our compliance with the National Law on Credit Institutions enforceable as of 2011. As a result, those actions in fact enabled a smooth operation of SAIGONBANK within a strictly legal framework.
- ◆ The Board of Directors has always been working adherently with the Management Board in all aspects thus any emerging obstacles and constraints could be thoroughly resolved.
- ◆ Internal audit and control functions have been frequently carried out in order to ensure that any operational risk arising would be timely detected. As at December 31st 2010, the adequacy ratios of SAIGONBANK all complied with relevant benchmarks stipulated by the State Bank of Viet Nam.
- ◆ Individual members of Director Board, Supervisory Board and Management Board have obtained a good sense of competency, solidarity, law observation and accountability. Besides, it is recognized that they have properly and adequately performed their designated power and assignment.



Strategic mission orientation 2011

It has been acknowledged that a tough and challenging period for the banking business will constantly linger over the course of 2011, whilst inflation constraint, macro economic stabilization and trade deficit control have been remarked as critical tasks at the heart of the whole economy. Basically the Director Board and Management Board have formed our strategic directions and objectives in 2011 and defined that the entire network will strive for the preset objectives:

Key business targets of 2011

- ◆ **Total asset:** 20,700 billion dong, an increase of 23% (or 3,888 billion dong) over the year 2010.
- ◆ **Chartered capital:** 3,500 billion dong, a rise of 42% (or 1,040 billion dong) over the year 2010.
- ◆ **Funding:** 16,215 billion dong, a growth of 25% (or 3,243 billion dong) over the year 2010.
- ◆ **Lending activity:** total loan outstanding of 12,550 billion dong, up by 20% (or 2,094 billion dong) over the year 2010.
- ◆ **Non-performance Loan (group 3 to group 5):** below 3% of the total outstanding.
- ◆ **International settlement:** 400 million US dollars, up by 25% against 2010.
- ◆ **SAIGONBANK cards:** 50,000 cards, a growth of 140% (or 29,120 cards) against 2010.
- ◆ **Network:** launching new branches in major provinces and cities nationwide after sufficiently fulfilling the regulatory requirement for establishment issued by the State Bank of Viet Nam.
- ◆ **Pre-tax profit:** 350 billion dong, up by 9.03% (or 29 billion dong) over the year 2010.
- ◆ **Dividend:** 11%/year (bonus shares inclusive).

EXECUTIVE RESOLUTION AGENDA FOR 2011

1. FORTIFYING THE BANK'S OPERATION

1.1. Chartered capital

The Director Board has submitted their resolution to the Shareholders' General Meeting for an increase of 1,040 billion dong, resulting in a new chartered capital of 3,500 billion dong. This will be done through a share issuing process of four consecutive installments to the existing shareholders and external partners within the course of 2011, in which bonus shares will be derived from chartered capital supplementing reserve fund. Additionally, with a view to fostering SAIGONBANK's share liquidity, our shares will be listed on HOSE market pursuant to the Board's Resolution from the Shareholders' General Meeting in 2010.



1.2. Organizational Structure

- ◆ Reviewing the feasibility for new branch foundation after adequately fulfilling any regulatory demand from the State Bank of Viet Nam.
- ◆ Reassessing the individual branch's operation to essentially restructure our branch network on the basis of its business efficiency, annual practice evolvement so that the return on equity will be best ensured.
- ◆ Expanding the Head Office through launching new units or divisions with a view to growing our business in a good sense of retail banking orientation.
- ◆ Planning to optimize the individual business units of our affiliates.

2. EFFECTIVE BUSINESS OPERATION

- ◆ Enforcing credit management prior to, during and after the financing process; meeting the due diligent requirements in a loan procedure so that credit risks will be tightly restricted in the entire network's activity.
- ◆ Fortifying the centralized and on-site supervision over the branches' operation for the purpose that operational risk and credit risk detection will be best timely solved throughout the whole network. It must be emphasized that all branches' operation, especially lending activities should be well controlled to drive a sustainable organic growth with the lowest level of risk.
- ◆ Constantly monitoring and boosting the collection of debts which have already been written off by loan loss provision to enlarge the extraordinary income from business activity.
- ◆ Launching new products, offering preferential rates of foreign currency denominated loan to our clients who have been involved in remarkably large transactions, and deploying the promotion program for trade finance to enable our service cross selling.
- ◆ Constantly focusing on liquidity management to ensure the liquidity and adequacy ratios as per regulatory requirement imposed by the State Bank of Viet Nam.
- ◆ Flexibly employing foreign exchange rates and optimizing treasury availability.
- ◆ Exploiting and utilizing the available funds to invest in Government bonds hence, our bank's liquidity reserves and efficient business are well assured.
- ◆ Rigorously considering the possibility to legally purchase listed corporate shares to reinforce our business efficiency.

- ◆ Proposing to boost the service business of our affiliates.

3. TECHNOLOGY SUPPORT

- ◆ Constantly improving and optimizing the predominant functions of new technological applications.
- ◆ Utilizing the internet application in our daily practice.
- ◆ Bringing a new interface to the bank's webpage in order to spread a better image of SAIGONBANK over the internet, keeping the bank's web frequently posted and updated.

4. PERSONNEL POLICY

- ◆ Enabling the role and due function of the Personnel Committee, of which the remuneration and reward policy have been designated in accordance with each business unit's efficiency, assuring that benefits are shaped by the accountability, reflecting a sophisticated operation and management, and an effective business.
- ◆ Reviewing and reallocating the young officers of management level for branches upon the annual personnel plan with a view to scheduling the career training and allocation on the basis of personal capability and job productivity.
- ◆ Fostering the training in three perspectives including practice competency, technological knowledge, foreign language and keeping staff up to date with any prevailing law through class base concentration courses.

5. EXECUTIVE OPERATION AND MANAGEMENT

- ◆ Restructuring the operation of branches situated in the Northern, Central and Southern area, especially Ho Chi Minh and Ha Noi City.
- ◆ Revaluating the business operation of individual branch in each location with a view to restructuring the branch network and launching new branches.
- ◆ Strengthening the centralized supervision and surveillance over the whole network in order to identify risks, following up our business health and carrying out the contingent supervision to best timely reveal any potential risks.
- ◆ Reviewing the existing practice manuals and procedures and proposing their necessary amendments or revisions in accordance with the prevailing laws which would become effective as of 2011;
- ◆ Conducting data disclosure in line with the Security Law and other regulatory requirements once our shares are listed on a recognized stock exchange.



Personnel and organization structure

Board of Directors



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1. Mr. Nguyen Phuoc Minh – Chairman
2. Mr. Nguyen Viet Manh – Member



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3. Mr. Nguyen Ngoc Dieu – Member



4

4. Mr. Tran The Truyen – Member



5

5. Mr. Nguyen Huu Tho – Member

Board of Supervisors



2



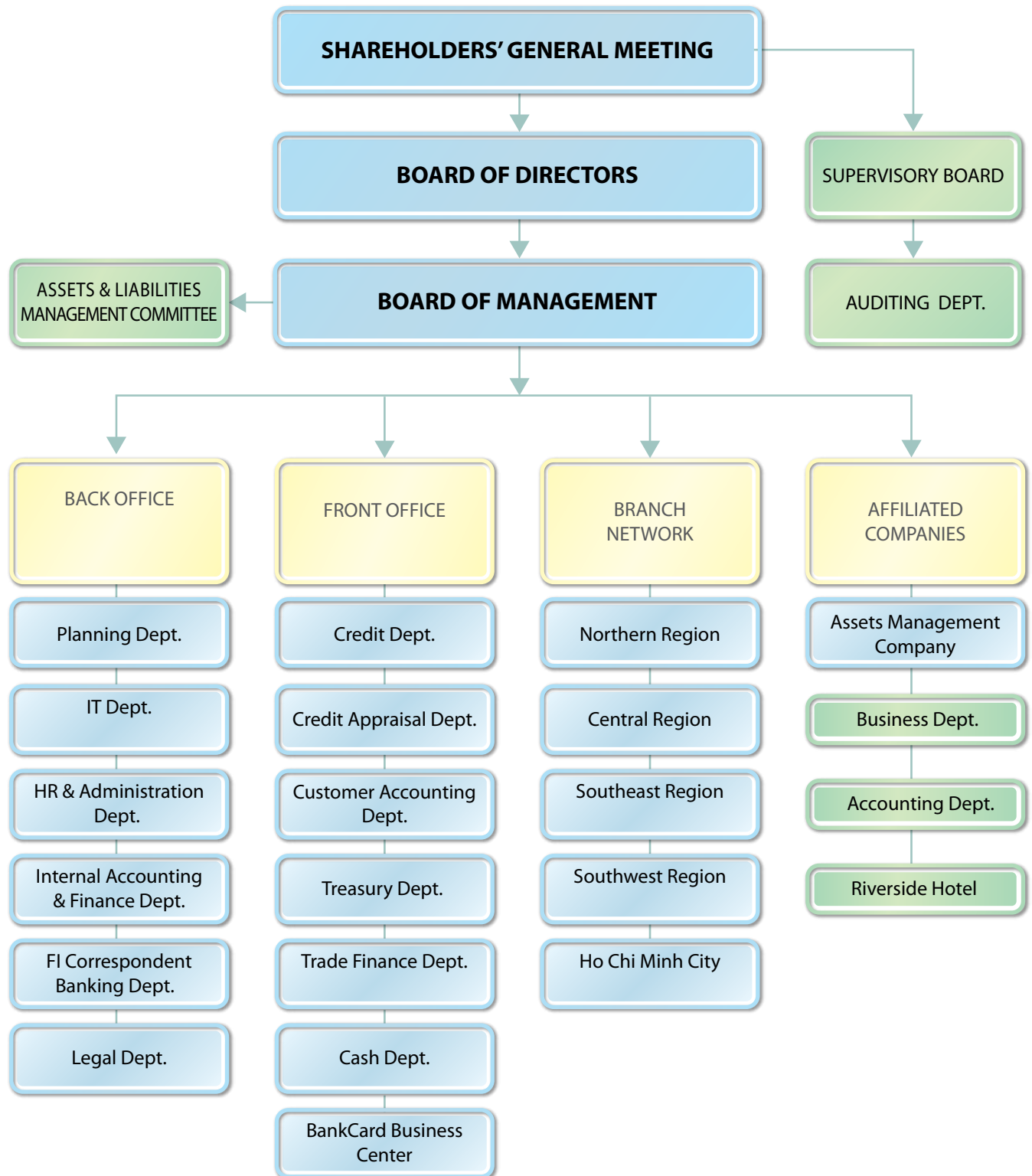
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1. Mr. Nguyen Huu Hanh – Chief Supervisor
2. Ms. Vu Quynh Mai – Supervisor
3. Ms. Nguyen Thu Thuy – Supervisor

Organization chart



Board of Management



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1. Ms. Tran Thi Viet Anh – General Director
2. Ms. Ngo Thanh Ha – Deputy General Director
3. Ms. Nguyen Thi Muoi - Deputy General Director
4. Ms. Pham Thi Cuc - Deputy General Director



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- 5. Mr. Tran Thanh Giang - Deputy General Director
- 6. Mr. Nguyen Ngoc Luy - Deputy General Director
- 7. Mr. Nguyen Kien Quoc - Deputy General Director

Financial statements 2010



CÔNG TY TNHH KIỂM TOÁN VÀ DỊCH VỤ TIN HỌC TP.HCM
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Tel: (84.8) 3930 5163 (10 lines) Fax: (84.8) 3930 4281
Email: aisc@aisc.com.vn Website: www.aisc.com.vn



No: 1110620/AISC-DN4

**To: Board of Management and Board of Directors
Saigon Bank for Industry and Trade**

We have audited the financial statements of SAIGON BANK FOR INDUSTRY AND TRADE ("the Bank") consisting of the balance sheet as at December 31 2010, the income statement and statement of cash flows for the year ended December 31, 2010 prepared January 10, 2011 together with the appended notes as set out on page 6 to 48.

The Board of Management is responsible for the preparation of the financial statements. It is our responsibilities to form an independent opinion, based on our audit, on these financial statements.

Basis of auditing

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes our assessing of the compliance with the prevailing accounting standards and system (or accepted); Accounting principles and methods applied, the significant estimates and judgments made by the Board of Management in preparation of the financial statements as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Auditor's opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Saigon Bank for Industry and Trade as of December 31, 2010 as well as the results of its operation and its cash flows for the year then ended. The financial statements are prepared in compliance with the prevailing Vietnamese Accounting System and other relevant statutory requirements.

Auditor

Huynh Tieu Phung
Audit Certificate No.:1269/KTV
Issued by the Ministry of Finance

HCMC, February 28, 2011
PP. General Director
Deputy General Director

Trương Diệu Thuý
Audit Certificate No.: 0212/KTV
Issued by the Ministry of Finance

Form: B02/TCTD



Balance sheet

As at December 31, 2010

Unit: VND

No.	Items	Notes	Dec. 31, 2010	Dec. 31, 2009
A. ASSETS				
I	Cash, gold, silver, gemstones	V.01	151,939,370,794	127,338,447,831
II	Deposits at the State Bank of Vietnam	V.02	272,002,257,096	221,703,761,988
III	Gold and Deposits at other Credit Institutions and Loans Granted to other Credit Institutions	V.03	1,976,427,560,475	385,028,937,458
1	Gold and deposits at other credit institutions		1,976,427,560,475	383,540,187,458
2	Loans granted to other credit institutions			1,500,000,000
3	Provision for loan losses			(11,250,000)
IV	Trading Securities	V.04	18,752,194,795	-
1	Trading securities		35,002,194,795	
2	Provisions for devaluation of securities		(16,250,000,000)	
V	Financial Derivatives and other Financial Assets	V.05		
VI	Loans to Customers		10,309,792,317,693	9,600,247,287,372
1	Loans to customers	V.06	10,455,751,873,252	9,722,120,046,896
2	Provision for loan losses	V.07	(145,959,555,559)	(121,872,759,524)
VII	Investment Securities	V.08	1,947,472,000,000	542,900,000,000
1	Available-for-sale securities		700,000,000,000	
2	Held-to-maturity securities		1,247,472,000,000	542,900,000,000
3	Provisions for devaluation of securities			
VIII	Equity Investment and Other Investments	V.09	730,779,056,000	172,001,317,300
1	Investments in subsidiaries		612,503,446,000	36,000,000,000
2	Investments in joint-venture companies			
3	Investments in associates			
4	Other long-term investments		118,275,610,000	153,275,610,000
5	Provision for devaluation of long term investments			(17,274,292,700)



Balance sheet

As at December 31, 2010

Unit: VND

No.	Items	Notes	Dec. 31, 2010	Dec. 31, 2009
IX	Fixed assets		559,604,915,819	492,193,304,799
1	Tangible fixed assets	V.10	538,033,079,508	469,522,385,399
	a. Cost		663,667,960,201	586,423,708,920
	b. Accumulated depreciation		(125,634,880,693)	(116,901,323,521)
2	Finance lease fixed assets	V.11	-	-
	a. Cost			
	b. Accumulated depreciation			
3	Intangible fixed assets	V.12	21,571,836,311	22,670,919,400
	a. Cost		38,006,924,352	33,325,385,133
	b. Accumulated amortization		(16,435,088,041)	(10,654,465,733)
X	Investment Properties	V.13		
	a. Cost			
	b. Accumulated depreciation			
XI	Other long-term assets		845,234,302,614	369,198,116,935
1	Accounts receivable	V.14	644,115,400,736	269,085,354,560
2	Interests and fees receivable		194,903,608,523	95,412,444,911
3	Deferred corporate income tax			
4	Other assets	V.14	6,215,293,355	4,700,317,464
	- In which: good-will			
5	Provisions for other assets			
TOTAL ASSETS			16,812,003,975,286	11,910,611,173,683

Form: B02/TCTD



Balance sheet

As at December 31, 2010

Unit: VND

No.	Items	Notes	Dec. 31, 2010	Dec. 31, 2009
B. LIABILITIES AND OWNERS' EQUITY				
I	Borrowings from Government and the State Bank of Vietnam	V.16	403,721,941,765	319,629,403,486
II	Deposits and Borrowings from Other Credit Institutions	V.17	2,549,374,959,986	573,355,405,206
1	Deposits from other credit institutions		2,492,578,959,986	483,650,405,206
2	Borrowings from other credit institutions		56,796,000,000	89,705,000,000
III	Deposits from customers	V.18	9,067,522,766,566	8,520,114,494,636
IV	Derivative Financial Instruments and Other Financial Liabilities			13,035,000,000
V	Trust Funds and Other Borrowed Funds	V.19	121,507,822,809	118,701,027,782
VI	Issuance of Valuable Documents	V.20	830,263,600,000	113,402,700,000
VII	Other Liabilities		313,749,348,117	320,624,897,010
1	Interests, fees payable		140,907,613,867	135,059,917,138
2	Deferred corporate income tax	V.22		
3	Accounts payable and other liabilities	V.21	171,107,757,837	183,904,987,878
4	Provision for other losses (for off-balance sheet contingencies and commitments)	V.21	1,733,976,413	1,659,991,994
Total liabilities			13,286,140,439,243	9,978,862,928,120



Balance sheet

As at December 31, 2010

Unit: VND

No.	Items	Notes	Dec. 31, 2010	Dec. 31, 2009
VIII	Equity and Funds	V.23	3,525,863,536,043	1,931,748,245,563
1	Equity of credit institutions		2,460,715,830,000	1,500,715,830,000
	a. Chartered Capital		2,460,000,000,000	1,500,000,000,000
	b. Basic construction investment fund			
	c. Capital surplus		715,830,000	715,830,000
	d. Treasury stocks			
	e. Preferred stocks			
	g. Other equity			
2	Funds of credit institutions		270,124,121,117	223,891,631,048
3	Exchange rate difference			
4	Difference upon revaluation of assets			
5	Undistributed profit/ Accumulated loss		795,023,584,926	207,140,784,515
IX	Minority Interests			
TOTAL LIABILITIES AND OWNERS' EQUITY			16,812,003,975,286	11,910,611,173,683



Off balance sheet items

No.	Items	Notes	Dec. 31, 2010	Dec. 31, 2009
I	Contingencies	VIII.29	127,908,912,927	128,994,339,576
1	Capital loan guarantees			
2	Letters of credit		29,800,102,152	62,035,552,832
3	Other guarantees		98,108,810,775	66,958,786,744
II	Commitments			
1	Customers funding			
2	Others			

Prepared by



Nguyen Thi Thanh Thuy

Chief Accountant



Hua Tuan Cuong

Dated January 10, 2011

PP. General Director

Deputy General Director



Nguyen Thi Muoi

Form: B03/TCTD



Income statement

For the fiscal year ended December 31, 2010

Unit: VND

No.	Items	Notes	Year 2010	Year 2009
1	Interest and similar income	VI.26	1,595,967,835,763	1,205,636,926,090
2	Interest and similar expense	VI.25	1,023,625,809,986	694,710,601,229
I	Net interest income		572,342,025,777	510,926,324,861
3	Income from services		40,402,628,615	34,580,100,009
4	Expenses of services		13,308,077,050	10,147,627,572
II	Net gain/loss from services	VI.26	27,094,551,565	24,432,472,437
III	Net gain/loss from dealing in foreign currencies	VI.27	10,860,670,990	6,250,228,208
IV	Net gain/loss from dealing in trading securities	VI.28	(1,229,882,399)	21,714,363
V	Net gain/loss from dealing in investment securities	VI.29		
5	Income from other activities		575,887,988,389	17,310,275,600
6	Expenses of other activities		500,775,381	72,828,541
VI	Net gain/loss from other activities	VI.31	575,387,213,008	17,237,447,059
VII	Income from equity investments	VI.30	26,126,171,846	21,658,351,650
VIII	Operating Expenses	VI.32	274,923,885,925	221,792,217,675
IX	Net operating income before provision for loan losses		935,656,864,862	358,734,320,903
X	Provision for loan losses		65,041,078,222	84,003,475,433
XI	Total profits before tax		870,615,786,640	274,730,845,470
7	Current corporate income tax		75,592,201,714	67,590,060,955
8	Deferred corporate income tax			
XII	Corporate income tax	VI.33	75,592,201,714	67,590,060,955
XIII	Profit after tax		795,023,584,926	207,140,784,515
XIV	Minority interest			
XV	Earnings per share	VI.23	5,101	1,549

Prepared by



Nguyen Thi Thanh Thuy

Chief Accountant



Hua Tuan Cuong

Dated January 10, 2011

PP. General Director

Deputy General Director



Nguyen Thi Muoi



Statement of cash flows (under direct method)

For the fiscal year ended December 31, 2010

Unit: VND

No.	Items	Notes	Year 2010	Year 2009
A. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Interest and similar income		1,496,476,672,151	1,247,533,541,131
02	Interest and similar expense		(1,017,778,113,257)	(708,051,803,155)
03	Income from services		27,094,551,565	24,432,472,437
04	Differences of actual receipts/payments from operating activities (foreign currencies, gold, securities)		9,630,788,591	6,271,942,571
05	Other income		559,965,568,588	(10,093,391)
06	Proceeds from debts written off, compensated by provision for losses		15,265,343,511	17,203,379,043
07	Payments to employees and management mission		(239,254,244,855)	(176,480,047,953)
08	Income tax paid		(57,629,514,154)	(89,175,012,199)
<i>Net cash flows from operating activities before changes in assets and working capital</i>				
<i>Changes in operating assets</i>				
09	(Increase)/ Decrease in cash, gold and loans to other credit institutions		1,500,000,000	2,100,000,000
10	(Increase)/ Decrease in proceeds from securities trading activities		(1,439,574,194,795)	(70,200,000,000)
11	(Increase)/ Decrease in derivative financial instruments and other financial assets			
12	(Increase)/ Decrease in loans to customers		(733,631,826,356)	(1,805,743,598,968)
13	Decrease in provision for losses		(35,478,725,603)	(33,687,605,000)
14	Other (Increases)/ Decreases in operating assets		(953,048,468,067)	(36,737,436,045)
<i>Changes in operating liabilities</i>				
15	Increase/ (Decrease) in borrowings from Government and the SBV		84,092,538,279	319,629,403,486
16	Increase/ (Decrease) in deposits and borrowings from other credit institutions		1,976,019,554,780	(1,319,781,961,672)
17	Increase/ (Decrease) in deposits from customers (Including the State Treasury)		547,408,271,930	1,314,875,164,563
18	Increase/ (Decrease) in issuance of valuable documents (excluding those being accounted to financing activities)		716,860,900,000	(143,301,879,819)
19	Increase/ (Decrease) in trust funds and other borrowed funds		2,806,795,027	4,648,485,636
20	Increase/ (Decrease) in derivative financial instruments and other financial liabilities		(13,035,000,000)	13,035,000,000
21	Increases/ (Decrease) in operating liabilities		(8,956,635,395)	46,843,702,578
22	Funds of credit institutions charged		(31,225,013,575)	(14,722,150,437)
I	Net cash flows from operating activities		907,509,248,365	(1,401,318,497,194)

Form: B04/TCTD



Statement of cash flows (under direct method)

For the fiscal year ended December 31, 2010

Unit: VND

No.	Items	Notes	Year 2010	Year 2009
B. CASH FLOWS FROM INVESTING ACTIVITIES				
01	Purchase of fixed assets		(130,284,247,222)	(195,045,795,555)
02	Proceeds on disposal of fixed assets		156,300,909	44,161,407
03	Payments for disposal of fixed assets			
04	Purchase of investment properties			
05	Proceeds from disposal of investment properties			
06	Payment for disposal of investment properties			
07	Investments in other entities		-	
08	Proceeds from investment in other entities		35,000,000,000	
09	Dividend income and share of profit from long-term investments		29,091,089,036	8,994,829,779
II	Cash flows from investing activities		(66,036,857,277)	(186,006,804,369)
C. CASH FLOWS FROM FINANCING ACTIVITIES				
01	Increase in share capital due to capital contribution and/or issuance of shares		960,000,000,000	392,000,000,000
02	Proceeds from issuance of valuable documents qualified to be accounted to capital and reserves and other long-term loan capital			
03	Payment for valuable documents qualified to be accounted to capital and reserves and other long-term loan capital			
04	Dividend paid to shareholders, shared profit		(133,685,600,000)	(123,693,431,476)
05	Payment for buying treasury shares			
06	Proceeds from selling treasury shares			
III	Cash flows from financing activities		826,314,400,000	268,306,568,524
IV	Net cash flows		1,667,786,791,088	(1,319,018,733,039)
V	Cash and cash equivalents at the beginning of the year		732,582,397,277	2,051,601,130,316
VI	Adjustments to impacts of exchange rate changes			
VII	Cash and cash equivalents at the year end		2,400,369,188,365	732,582,397,277

Prepared by

Chief Accountant

Dated January 10, 2011

PP. General Director

Deputy General Director



Nguyen Thi Thanh Thuy



Hua Tuan Cuong



Nguyen Thi Muoi

Notes to the financial statements

For the fiscal year ended December 31, 2010

Unit: VND

I. Business Highlights of Credit Institutions

1. Establishment, operation, validity period

- ◆ Saigon Bank for Industry and Trade is established under license No. 0034/NH-GP dated May 04, 1993 issued by the State Bank of Vietnam.
- ◆ The initial chartered capital: 50.000.000.000 VND.
- ◆ In the year 2010, upon the approval of the State Bank of Vietnam, the Bank rises its chartered capital to 1.742.470.410.000 VND in accordance with the 20th amended business registration certificate No. 0300610408-1 dated October 25, 2010 issued by the Department of Planning and Investment of Ho Chi Minh City, Public Stock Offering Certificate No. 640/UBCK-GCN dated August 12, 2010 issued by the State Securities Commission and Official letter No. 5157/NHNN-TTGSNH dated July 09, 2010 issued by the State Bank of Vietnam - HCMC Branch. As at December 29, 2010, the Bank increases its chartered capital to 2.460.000.000.000 VND in accordance with the 21st amended Business Registration Certificate No. 0300610408-1 issued by the Department of Planning and Investment of Ho Chi Minh City, Public Stock Offering Certificate No. 640/UBCK-GCN dated August 12, 2010 issued by the State Securities Commission and Official letter No. 5157/NHNN-TTGSNH dated July 09, 2010 issued by the State Bank of Vietnam - HCMC Branch.

2. Head office

- ◆ The head office is located at 2C Pho Duc Chinh Street, District 1, Hochiminh city.

- ◆ Saigon Bank for Industry and Trade is established under license No. 0034/NH-GP dated May 04, 1993 issued by the State Bank of Vietnam.

- ◆ Up to December 31, 2010, the Bank's chartered capital is 2.460.000.000.000 VND.

- ◆ To the date of this report, the Bank has had 32 branches, 49 transaction offices, 5 saving offices. Branches are opened in the Northern, Central, Southern regions and Highlands. The Bank has 01 subsidiary.

3. Subsidiary

Assets Management Co.,Ltd is established under license No. 4104000074 dated December 24, 2001, the sixth amended license No.0302487767 dated December 9, 2010. The percentage of equity investments in the subsidiary is 100%.

- ◆ **4. Total employees** 1.376 persons.

II. Adoption of Accounting Standards and Policies

- ◆ *Disclosure of compliance with Vietnamese Accounting Standards and the prevailing regulations:*

The Bank's management confirms that the financial statements are prepared at original cost and in compliance with Vietnamese Accounting Standards and the Accounting System applicable to credit institutions and other regulations applicable to credit institutions operating in Vietnam.

- ◆ Besides, the financial statements are not aim to present the financial position of the Bank

For the fiscal year ended December 31, 2010

Unit: VND

as well as its operating results and cash flows in accordance with accounting principles and practices accepted in countries and jurisdiction other than the Socialist Republic of Vietnam.

♦ *Accounting System:*

The Bank applies the accounting system applicable to credit institutions in accordance with Decision No. 479/2004/QD-NHNN dated April 29, 2004, Decision No. 29/2006/QD-NHNN dated July 10, 2006 and Decision No.16/2007/QD-NHNN dated April 18, 2007 issued by the Governor of the State Bank of Vietnam and Vietnamese Accounting System.

III. Applicable Accounting Policies

1. Foreign currency translation

- ♦ The Bank builds the accounting system and records transactions in original currencies.
- ♦ Monetary assets in currencies other than VND have been translated into VND at the rates of exchange at the transaction dates. Foreign exchange differences upon revaluation of foreign currency trading transactions are recorded in the statement of income. Transactions relating to income/expenses in foreign currency are recorded in VND in the income statement at the transaction date.

2. Principles for consolidating the financial statements

- ♦ The consolidated financial statements are formed from the financial statements of branches all over the country. Accordingly, the financial statements of transaction offices will be consolidated in those of branches. The financial statements of the whole bank are consolidated from those of the head office and branches.
- ♦ Intergroup transactions are eliminated except for revenue and expenses when the consolidated financial statements are prepared. This is the regulation of the SR Vietnam and it,

therefore, may differ from jurisdictions other than SR Vietnam.

3. Financial derivatives and provision for loan losses

- ♦ Derivative financial instruments are recorded in the Balance Sheet at the contract value on the date which a derivative contract is entered into and then revaluated at the fair value. The positive differences of the derivative instruments' fair value are included in assets and the negative differences are included in liabilities. Gain or loss from the revaluation of these instruments are recorded in "Net gain/loss from foreign currency trading activities".

4. Accounting for interest income, interest expenses and termination of interest accruals

Interest income and expenses are recorded in the Income Statement on an accrual basis in compliance with Circular No. 12/2006/TT-BTC dated February 21, 2006. Accrued income from borrowings in group 2 to group 5 in accordance with Decision No. 493/2005/QD-NHHH and Decision No. 18/2007/QD-NHHH shall not be included in the Income Statement in the year, but under off-balance sheet supervision and recorded in the Income Statement when they are actually collected.

5. Fees and commissions income

The Bank fee is recorded when it is incurred. Expenses corresponding to the bank fee and commission are also similarly recorded. These expenses are recorded in the balance sheet and income statement when they are incurred.

6. Accounting for loans granted to customers

- ♦ Loans granted to customers are stated at the balance of loan (principal) less provision for loss
- ♦ Short-term loans are those with a lending

For the fiscal year ended December 31, 2010

Unit: VND

period within one year, medium-term loans are those with lending period above one to five years and long-term loans are those with lending period of more than five years.

- ◆ Principles for classifying loans and revaluating provision for credit risks are in compliance with Decision No. 493/2005/QD-NHNN dated April 22, 2005 and Decision No.18/2007/QD-NHNN dated April 25, 2007.
- ◆ *The specific provision* is calculated at the net credit exposure of each borrower at the quarter end on the basis of classification of groups of loans. Specific provision for credit risk is calculated using set rates applied to each group of debts as follows at November 30 annually after deducting collateral assets as regulated in the Decision 18.

Group	Percentage of provision
Group 1 Prime	0%
Group 2 Supervised	5%
Group 3 Sub-prime	20%
Group 4 Doubtful	50%
Group 5 Bad	100%

- ◆ Particularly as to frozen debts awaiting resolution of the Government, the specific provision is made upon the financial capability of credit institutions.
- ◆ *General Provision:* In accordance with the Decision 493, a general provision is also required and should be equal to at least 0.75% of total balance of loans from group 1 to group 4 as at November 30. This level of the general provision is required to be achieved within 5 years from the effective date of the Decision.
- ◆ *Provisions decrease due to loans treatment:*

Loans to customers are treated by provisions when they are in group 5 or the debtors declare dissolution (in case of organizations) or to be dead or missed (in case of individuals). These loans shall be written off in accordance with Decision No. 493/2005/QD - NHNN at the discretion of the Bank's Risk Management Committee when they consider that all reasonable efforts for recovery of doubtful loans, including legal actions, have been exhausted.

- ◆ *Provision for loans to other credit institutions:* In compliance with Decision No. 493/2005/QD-NHNN dated April 22, 2005 and Decision No.18/2007/QD-NHNN dated April 25, 2007.
- ◆ *Provision for off-balance sheet commitments:* According to Decision 18, the Bank is required to classify guarantees, payment acceptance and unconcealed commitments into related group and make specific provision for the balance at the rate similar to the specific provision for loans to customers.
- ◆ In accordance with the Decision 493, a general provision is also required and should be equal to at least 0.75% of guarantees, payment acceptance and unconcealed commitments as at November 30. This level of the general provision is required to be achieved within 5 years from the effective date of the Decision.

7. Accounting for securities trading and investing activities

7.1. Securities trading

- ◆ Trading securities include debt securities, equity securities and other securities that the Bank purchases and plans to sell in a short time so as to enjoy the differences and the Bank is not aim to supervise the investees.
- ◆ Principles for recording trading securities: Trading securities are stated at the actual purchase price (original cost), including purchase price (+) purchase costs (if any) and

For the fiscal year ended December 31, 2010

Unit: VND

then recorded at original cost less provision for devaluation of securities.

- ◆ Method of assessing the level of devaluation of securities and provision for the decline: In compliance with Circular No. 12/2006/TT-BTC dated February 21, 2006, Circular No. 13/2006/TT-BTC dated February 27, 2006 issued by the Ministry of Finance “Guiding the regime of setting up and using provisions” and Official Letter No. 01/NHNN-TCKT dated April 14, 2009 issued by the State Bank of Vietnam “Guiding the checking up of classification and foundations for setting up provisions against the fall of financial investments”.

- ◆ The possibility of devaluation of trading securities is considered at the date of preparing the financial statements. Provision for devaluation of trading securities is made when the book value is greater than their market value. Provision is made specifically as follows:

- As to listed equity securities, the Bank applies closing price at the reporting date or the closing price of the most recent trading period in case where there are no transactions at the reporting date.

- As to unlisted equity securities (OTC market), the Bank applies the average price of the three prestigious securities companies (with chartered capital of more than 300 billion VND).

- In case when the fair value of securities does not exist or can not be determined reliably, the Bank builds itself the model of valuating securities in the most prudent manner to calculate and make provision for devaluation of securities. If the fair value can not be determined by the above method, the Bank will record at original cost.

7.2. Investment in securities

- ◆ Investment securities includes held-to-maturity and available-for-sales securities.

- ◆ *Available-for-sales securities include:* Debt

securities, equity securities or other securities invested in an enterprise of which the Bank holds less than 20% of the voting rights; Invested with long-term objectives and can be sold when benefits can be gained; The Bank does not aim to hold control over that enterprise, and is not a founding shareholder and strategic partner either; Be sold and purchased freely in the market and other securities classified in available-for sales group.

- ◆ *Held-to-maturity securities:* are debt securities that credit organizations purchase for the purpose of gaining benefits; These organizations are sure of the possibility to hold the securities to their maturity.

- ◆ *Principles for recording the investment securities:* Investment securities are stated the actual purchase price and then recorded at the original cost less provision for devaluation of securities in the next accounting periods.

- ◆ Post-acquisition interest income of debt securities is recognised in the income statement on an accrual basis. Pre-acquisition interest income of debt securities is deducted against the cost of acquisition.

- ◆ Method of valuating the level of diminution and making provision for diminution in value of investment securities: Provision is made when there is evidence on the devaluation of these securities or in case when the Bank can not recover the investment. This method is in compliance with Circular No. 12/2006/TT-BTC dated February 21, 2006, Circular No. 13/2006/TT-BTC dated February 27, 2006 issued by the Ministry of Finance “Guiding the regime of setting up and using provisions” and Official Letter No. 2601/NHNN-TCKT dated April 14, 2009 issued by the State Bank of Vietnam “Guiding the checking up of classification and foundations for setting up provisions against the fall of financial investments”.

7.3. Other long-term investments

Long-term investments are investments with

For the fiscal year ended December 31, 2010

Unit: VND

the rate lower than 20% of the equity of the economic organizations in which the Bank is a founding shareholder or strategic partner or holds certain control over their establishment, decisions on financial policies and operations throughout the documents on the agreement of sending staffs to attend the meeting of the Board of Management. Long-term investments are initially recorded at original cost. Provision is made when the economic organizations suffer from loss (except when the loss has been determined in the business plan before investment).

8. Accounting for intangible fixed assets

- ◆ Intangible fixed assets are stated at cost less accumulated amortization.
- ◆ The initial cost of an intangible fixed asset comprises all costs of bringing the asset to its working condition and location for its intended use. Amortization is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. The amortization rate is applied in conformity with Decision No. 203/2009/QD-BTC dated October 20, 2009 of the Ministry of Finance.
- ◆ Intangible fixed asset of the Bank is computer software.
- ◆ The purchase price of new software which is an integral part of the hardware will be capitalized and recorded as an intangible fixed asset. The computer software is allocated on straight-line basis within 5 years.

9. Accounting for tangible fixed assets

- ◆ Tangible fixed assets are stated at cost less accumulated depreciation.
- ◆ The initial cost of a tangible fixed asset includes all costs of bringing the asset to its working condition and location for its intended use. Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Decision No. 203/2009/QD-BTC dated Oct. 20, 2009 promulgated by

the Vietnam Ministry of Finance.

The estimated useful life for groups of assets is as follows:

Buildings	25 years
Machinery and equipment	4 - 6 years
Transportation and facilities	5 - 7 years
Other fixed assets	4 - 6 years

- ◆ Gains/losses from disposal, sale of fixed assets which are determined by the differences between the net amounts received from the disposal, sale and the residual value of the assets are recorded as income/expenses in the income statement.
- ◆ Differences upon revaluation of assets when the Bank contributes capital into its subsidiary: In compliance with Circular No. 244/2009/TT-BTC dated December 31, 2009 issued by the Ministry of Finance. The Bank records the differences between the assets' residual value and the value of the assets contributed as paid-in capital, which are revaluated by the parties into other income (gain) or other expenses (loss) in the income statement.

10. Accounting for finance leases

- ◆ *Operating leases:* Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.
- ◆ *Financial lease:* Leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so

For the fiscal year ended December 31, 2010

Unit: VND

as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charge, are included in long-term borrowings. The interest element of the finance cost is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

11. Cash and cash equivalents

In the statement of cash flows: cash and cash equivalents include cash, precious metal and gemstones, payment deposits at the State Bank of Vietnam, demand deposits and deposits with the term of over 90 days since deposit date at other credit institutions, government bond and other short-term valuable paper qualified to be discounted, securities with recoverable or maturity term of less than 3 months since purchase date.

12. Provisions, contingencies and undetermined assets

- ◆ *Provision for contingent liabilities and undetermined assets:* Except for the presented provisions which are recorded as a result of past events. The Bank has legal or joint obligations that can be reliably estimated and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligations.
- ◆ *Provision for unemployment allowances:* According to the law of social insurance, since January 01, 2009 the Bank and employees should pay in unemployment insurance fund managed by the Vietnam Social Insurance. The rate of payment made by each party equals 1% of the lower of the basic wage and 20 times of the general minimum wage level stipulated by

the Government in each period. The Bank does not have to make provision for unemployment allowances for the working term after January 01, 2009.

13. Principle and method of recording current corporate income tax, deferred corporate income tax

- ◆ Corporate income tax expense is recognised in the income statement based on current income tax and deferred income tax.
- ◆ Current income tax is the amount of corporate income tax payable or recoverable in respect of the current year taxable profit and the current tax rates.
- ◆ Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, the deferred tax will be not provided when it occurs from the initial recognition of an asset or liability of a transaction which is not merger of an enterprise and makes no impacts on the profit/ accounting loss or profit/loss for calculating income tax at transaction date. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.
- ◆ Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.
- ◆ The tax amount presented is the corporate income tax at the rate of 25% of the taxable profit and depends on the verification and adjustments (if any) of the tax office.

14. Owners' equity

- ◆ Equity of the Bank presented in the Balance Sheet includes: Chartered capital, capital

For the fiscal year ended December 31, 2010

Unit: VND

for investment in basic construction, capital surplus, treasury share, preferred and other equities.

- ♦ *Chartered capital* which is determined in accordance with the Bank's business registration certificate is the actual contributed capital and recorded in the accounting book.
- ♦ *Capital surplus* is the difference between the cost over and above the nominal value of the first issued, additionally issued share or reissued treasury share.

15. Distribution of funds and reserves - dividend

- ♦ *Distribution of funds and reserves:* In compliance with Decree No. 146/2005/ND-CP dated November 23, 2005 issued by the Government.
- ♦ *Dividend:* Payment of dividends is made upon the approval of the annual shareholders meeting. The Bank enters advances of dividend in the year into other receivables.

IV. Additional Information for Items Presented in the Balance Sheet

1. Cash, gold, silver, gemstones

	Dec. 31, 2010	Dec. 31, 2009
Cash in VND	118,380,868,600	107,375,431,980
Cash in foreign currency	33,500,693,194	19,788,812,351
Vouchers denominated in foreign currency	57,809,000	174,203,500
Total	151,939,370,794	127,338,447,831

2. Deposits at the State Bank of Vietnam

	Dec. 31, 2010	Dec. 31, 2009
Current deposits at the SBV	272,002,257,096	221,703,761,988
Total	272,002,257,096	221,703,761,988

3. Cash, gold at other credit institutions and loans granted to other credit institutions

3.1. Deposits, gold at other credit institutions

	Dec. 31, 2010	Dec. 31, 2009
Demand gold, deposits	180,069,560,475	356,628,687,458
Term gold, deposits	1,796,358,000,000	26,911,500,000
Sub-total	1,976,427,560,475	383,540,187,458

For the fiscal year ended December 31, 2010

Unit: VND

3.2. Loans to other credit institutions

	Dec. 31, 2010	Dec. 31, 2009
VND		1,500,000,000
Provision for loan losses		(11,250,000)
Sub total		1,488,750,000
Total	1,976,427,560,475	385,028,937,458

4. Loans granted to customers

	Dec. 31, 2010	Dec. 31, 2009
Loans granted to local economic institutions, individuals	10,280,716,760,835	9,604,346,418,717
Commercial paper discount and valuable documents	62,744,304,360	19,202,593,179
Capital financed, entrusted for investment	104,285,145,647	96,571,035,000
Loans granted to foreign economic institutions, individuals	8,005,662,410	2,000,000,000
Total	10,455,751,873,252	9,722,120,046,896

4.1 Analysis by loan quality

	Dec. 31, 2010	Dec. 31, 2009
Prime	10,122,899,673,366	9,516,105,618,409
Supervised	132,882,410,553	32,823,844,944
Sub-prime	21,598,363,627	21,685,179,631
Doubtful	32,398,839,132	97,904,684,121
Bad	145,972,586,573	53,600,719,791
Total	10,455,751,873,252	9,722,120,046,896

For the fiscal year ended December 31, 2010

Unit: VND

4.2 Analysis by loan term

	Dec. 31, 2010	Dec. 31, 2009
Short-term loans	6,778,563,912,652	6,082,773,772,626
Medium	2,090,543,754,349	2,054,418,126,775
Long-term loans	1,586,644,206,251	1,584,928,147,495
Total	10,455,751,873,252	9,722,120,046,896

5. Provision for loan losses

Details of balance of provision at the year end	Dec. 31, 2010	Dec. 31, 2009
Provision for losses of loans to other credit institutions	-	11,250,000
Provision for losses of loans to customers	145,959,555,559	121,872,759,524
Off-balance sheet commitment	1,733,976,413	1,659,991,994
Total	147,693,531,972	123,544,001,518

6. Investment securities**6.1. Available-for-sale**

	Dec. 31, 2010	Dec. 31, 2009
a. Debt securities	700,000,000,000	
- Debt securities issued by other local credit institutions	700,000,000,000	
b. Equity securities		
c. Provision for devaluation of securities available for sale		
Sub-total	700,000,000,000	

For the fiscal year ended December 31, 2010

Unit: VND

6.2. Held-to-maturity

	Dec. 31, 2010	Dec. 31, 2009
Government securities	827,472,000,000	522,900,000,000
<i>Debt securities issued by other credit institutions</i>	<i>400,000,000,000</i>	
<i>Debt securities issued by local economics institutions</i>	<i>20,000,000,000</i>	<i>20,000,000,000</i>
Provision for devaluation of securities held-to-maturity		
Sub-total	1,247,472,000,000	542,900,000,000
Total	1,947,472,000,000	542,900,000,000

7. Equity investments, long term investments

	Dec. 31, 2010	Dec. 31, 2009
Equity investments, long term investments		
Investment in subsidiaries	612,503,446,000	36,000,000,000
<i>Asset Management Co.,Ltd</i>	<i>612,503,446,000</i>	<i>36,000,000,000</i>
Other long term investments	118,275,610,000	153,275,610,000
Provision for devaluation of long term investments		(17,274,292,700)
Total	730,779,056,000	172,001,317,300

For the fiscal year ended December 31, 2010

8. Tangible fixed assets*Increase, decrease of tangible fixed assets of the year 2010*

Items	Buildings, structures and land use right	Machinery equipment
Original cost		
Opening balance	472,672,702,986	51,359,593,343
Purchase for the year	109,321,044,086	9,608,439,022
Other increases	79,048,000	1,888,500,271
Disposals		472,359,426
Decrease of paid-in capital in subsidiaries	47,703,703,605	
Other decreases	278,021,732	1,302,541,807
Closing balance	534,091,069,735	61,081,631,403
Acc. Depreciation		
Opening balance	53,685,339,380	28,358,522,743
Charge for the year	13,534,414,054	7,899,912,126
Other increases		198,233,016
Disposals		407,040,271
Decrease of paid-in capital in subsidiaries	20,632,588,443	
Other decreases	575,568,069	48,564,003
Closing balance	46,011,596,922	36,001,063,611
Net book value		
Opening balance	418,987,363,606	23,001,070,600
Closing balance	488,079,472,813	25,080,567,792

Transportation Facilities	Office equipment	Others	Total
35,567,628,345	-	26,823,784,246	586,423,708,920
3,731,990,891		2,941,234,004	125,602,708,003
4,144,495,766		459,478,842	6,571,522,879
		182,393,691	654,753,117
			47,703,703,605
4,422,123,312		568,836,028	6,571,522,879
39,021,991,690	-	29,473,267,373	663,667,960,201
17,454,553,005		17,402,908,393	116,901,323,521
5,109,260,717	-	3,349,208,537	29,892,795,434
1,257,117,887		166,821,936	1,622,172,839
		152,030,858	559,071,129
			20,632,588,443
850,700,907		114,918,550	1,589,751,529
22,970,230,702		20,651,989,458	125,634,880,693
	-		
18,113,075,340		9,420,875,853	469,522,385,399
16,051,760,988		8,821,277,915	538,033,079,508

For the fiscal year ended December 31, 2010

Unit: VND

9. Intangible fixed assets*Increase, decrease of intangible fixed assets of year 2010*

Items	Land use right	Computer software	Others	Total
Original cost				
Opening balance		33.325.385.133		33.325.385.133
New purchase		4.681.539.219		4.681.539.219
Other decreases				-
Closing balance	-	38.006.924.352	-	38.006.924.352
Acc. Amortization				
Opening balance		10.654.465.733		10.654.465.733
Charge for the year		5.776.845.636		5.776.845.636
Other increases		7.345.011		7.345.011
Disposals				-
Other decreases		3.568.339		3.568.339
Closing balance	-	16.435.088.041	-	16.435.088.041
Net book value				
Opening balance	-	22.670.919.400	-	22.670.919.400
Closing balance	-	21.571.836.311	-	21.571.836.311

10. Other long-term assets

	Dec. 31, 2010	Dec. 31, 2009
1 Construction in progress	110,837,060,574	81,355,913,291
2 Receivables	533,278,340,162	187,729,441,269
3 Provision for losses to other assets		
4 Other assets	6,215,293,355	4,700,317,464
Total	650,330,694,091	273,785,672,024

11. Borrowings from Government and State Bank of Vietnam

	Dec. 31, 2010	Dec. 31, 2009
Borrowings from the State Bank of Vietnam	403,721,941,765	319,629,403,486
Borrowings by means of discounting, rediscounting valuable papers	403,721,941,765	319,629,403,486
Total	403,721,941,765	319,629,403,486

For the fiscal year ended December 31, 2010

Unit: VND

12. Deposits, gold and borrowings from other credit institutions*12.1. Deposits, gold from other credit institutions*

	Dec. 31, 2010	Dec. 31, 2009
a. Demand deposits, gold	7,293,959,986	5,200,405,206
b. Term deposits, gold	2,485,285,000,000	478,450,000,000
Sub-total	2,492,578,959,986	483,650,405,206

12.2. Borrowings from other credit institutions

	Dec. 31, 2010	Dec. 31, 2009
Borrowing from other credit institutions	56,796,000,000	89,705,000,000
Sub-total	56,796,000,000	89,705,000,000
Total	2,549,374,959,986	573,355,405,206

13. Deposits from customers

	Dec. 31, 2010	Dec. 31, 2009
Analysis by type		
Demand deposits, gold	1,213,123,211,752	1,243,125,860,128
Term deposits, gold	7,725,354,994,832	7,183,265,721,751
Deposits for special purposes	44,426,193,640	11,695,629,047
Deposits	84,618,366,342	82,027,283,710
Total	9,067,522,766,566	8,520,114,494,636

	Dec. 31, 2010	Dec. 31, 2009
Analysis by customers		
Deposits from the State Treasury		
Deposits from economic institutions	2,464,063,566,039	2,153,458,126,622
Deposits from individuals	6,569,167,314,421	6,278,295,048,875
Deposits from others	34,291,886,106	88,361,319,139
Total	9,067,522,766,566	8,520,114,494,636

For the fiscal year ended December 31, 2010

Unit: VND

14. Capital financed, entrusted for investment, lent to Cis which subject to risks

	Dec. 31, 2010	Dec. 31, 2009
VND	119,916,560,000	117,193,060,000
Gold, foreign currencies	1,591,262,809	1,507,967,782
Total	121,507,822,809	118,701,027,782

15. Issuance of normal valuable documents

	Dec. 31, 2010	Dec. 31, 2009
Par value of valuable documents in VND due within 12 months	830,263,600,000	113,402,700,000
Total	830,263,600,000	113,402,700,000

16. Other liabilities

	Dec. 31, 2010	Dec. 31, 2009
Intercompany payables	35,156,228,725	87,009,678,646
Payables to outsiders	135,951,529,112	96,895,309,232
Provision for other risks	1,733,976,413	1,659,991,994
<i>Commitments</i>	1,733,976,413	1,659,991,994
Total	172,841,734,250	185,564,979,872

17. Capital and funds of credit institutions**17.1. Earning per share**

	Year 2010	Year 2009
Profit or loss for determining earning per share	795,023,584,926	207,140,784,515
Weighted average number of ordinary shares in issue	155,845,862	133,686,575
Basic earning per share	5,101	1,549

For the fiscal year ended December 31, 2010

Unit: VND

17.2. Details of share capital of credit institutions

	Year 2010		Year 2009	
	Value	(%)	Value	(%)
Invested capital of the State				
Paid-in capital of other members	2,460,000,000,000	99.97%	1,500,000,000,000	99.95%
Capital surplus	715,830,000	0.03%	715,830,000	0.05%
Treasury share				
Total	2,460,715,830,000	100%	1,500,715,830,000	100%

17.3. Dividends

	Year 2010	Year 2009
Dividends disclosed after the balance sheet date:		
Dividends disclosed on ordinary shares	3,000	1,000
Dividends disclosed on preferred shares: Not applicable		
Dividends of accumulated preferred shares not been recorded: Not applicable		

17.4. Stocks

	Year 2010	Year 2009
Number of issued shares	246,000,000	150,000,000
Number of shares sold out to the public	246,000,000	150,000,000
Number of repurchased shares	246,000,000	150,000,000

* Face value of one share in circulation: 10.000 VND/stock.

V. Additional Information for Items Presented in the Income Statement**18. Interest income and similar incomes**

	Year 2010	Year 2009
Interest income from deposits	45,407,931,934	28,481,376,072
Interest income from loans granted to customers	1,451,454,547,306	1,133,781,562,339
Interest income from debt securities trading and investment	98,531,717,783	43,304,879,449
Interest income from finance leases		
Other income from credit activities	573,638,740	69,108,230
Total	1,595,967,835,763	1,205,636,926,090

For the fiscal year ended December 31, 2010

19. Market risks**19.1 Interest rate risks**

Items	Overdue	Not subject to interest rate	1 month or less
Assets			
I Cash, gold, silver and gemstones		151,939	
II Deposits at the State Bank of Vietnam			272,002
III Deposits at other credit institutions and loans granted to other credit institutions			881,767
IV Trading securities			35,003
V Financial derivatives and other financial assets			
VI Loans to customers			130,896
VII Investment securities			
VIII Equity and long term investments			
IX Fixed assets and investment properties			
X Other long term assets		845,234	
Total		997,173	1,319,668
Liabilities			
I Deposits and borrowings from the State Bank of Viet Nam and other credit institutions			1,995,901
II Deposits from customers			4,274,088
III Financial derivatives and other financial liabilities			
IV Trust funds and other borrowed funds			
V Issuance of valuable documents			
VI Other liabilities			313,749
Total liabilities and owners' equity		-	6,583,738
Gap sensitive to the interest rate in the balance sheet		997,173	(5,264,070)
Total Gap		997,173	(5,264,070)

Unit: Million VND

From 1-3 months	From 3-12 months	From 1-5 years	Over 5 years	Total
				151,939
				272,002
50,000	1,044,660			1,976,427
				35,003
				-
130,510	6,227,101	2,044,450	1,922,794	10,455,751
500,000	450,000	747,471	250,001	1,947,472
			730,779	730,779
			559,605	559,605
				845,234
680,510	7,721,761	2,791,921	3,463,179	16,974,213
657,196	300,000			2,953,097
3,527,339	106,671	1,159,424		9,067,522
		121,508		121,508
614,352	215,912			830,264
				313,749
4,798,887	622,583	1,280,932		13,286,140
(4,118,377)	7,099,178	1,510,989	3,463,179	3,688,073
(4,118,377)	7,099,178	1,510,989	3,463,179	3,688,073

For the fiscal year ended December 31, 2010

19.2 Currency risks

Items	Converted EUR	Converted USD
Assets		
I Cash, gold, silver and gemstones	1,849	30,741
II Deposits at the State Bank of Vietnam		34,269
III Deposits at other credit institutions and loans granted to other credit institutions	21,887	745,381
IV Trading securities		
V Financial derivatives and other financial assets		
VI Loans to customers	444	548,851
VII Investment securities		
VIII Equity and long term investments		
IX Other long term assets	1	24,771
Total	24,181	1,384,013
Liabilities and owners' equity		
I Deposits and borrowings from the State Bank and other credit institutions		341,735
II Deposits from customers	22,564	961,501
III Derivative financial instruments and other liabilities		
IV Trust funds and other borrowed funds		1,591
V Issuance of valuable documents		
VI Other liabilities	1,617	79,186
VII Equity and funds		
Total liabilities and owners' equity	24,181	1,384,013
Position of currencies in balance sheet	-	-

Unit: Million VND

Value of converted money, gold	Other converted foreign currencies	Total
	969	33,559
	-	34,269
	1,568	768,836
		-
		-
		549,295
		-
		-
		24,772
	2,537	1,410,731
		-
		341,735
	692	984,757
		-
		1,591
		-
	1,845	82,648
		-
	2,537	1,410,731
-	-	-

For the fiscal year ended December 31, 2010

19.3. Liquidity risks

Items	Not influenced by term	Liquidity risk	
		For 1 month	From 1-3 months
Assets			
I Cash, gold, silver and gemstones	151,939		
II Deposits at the State Bank of Vietnam		272,002	
III Deposits at other credit institutions and loans granted to other credit institutions		976,427	950,000
IV Trading securities		35,003	
V Financial derivatives and other financial assets			
VI Loans to customers		642,248	1,197,234
VII Investment securities			679,000
VIII Equity and long term investments			
IX Fixed assets and investment properties			
X Other long term assets	845,234		
Total	997,173	1,925,680	2,826,234
Liabilities			
I Deposits and borrowings from the State Bank of Viet Nam other credit institutions		1,996,301	956,796
II Deposits from customers		5,299,683	2,272,618
III Financial derivatives and other financial liabilities		-	-
IV Trust funds and other borrowed funds			
V Issuance of valuable documents		-	614,352
VI Other liabilities		313,749	-
Total liabilities	-	7,609,733	3,843,766
Difference of net liquidity	997,173	(5,684,053)	(1,017,532)

Prepared by



Nguyen Thi Thanh Thuy

Chief Accountant



Hua Tuan Cuong

In current period			Total
From 3-12 months	From 1-5 years	Over 5 years	
			151,939
			272,002
50,000			1,976,427
			35,003
			-
5,017,842	2,287,674	1,310,754	10,455,752
280,200	968,271	20,001	1,947,472
		730,779	730,779
		559,605	559,605
			845,234
5,348,042	3,255,945	2,621,139	16,974,213
-	-	-	2,953,097
781,228	713,993	-	9,067,522
-	-	-	
	121,508		121,508
215,912	-	-	830,264
-	-	-	313,749
997,140	835,501	-	13,286,140
4,350,902	2,420,444	2,621,139	3,688,073

Dated January 10, 2011

PP. General Director

Deputy General Director



Nguyen Thi Muoi