



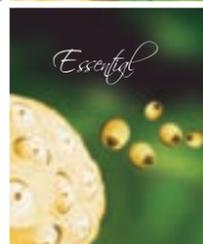
Vietcombank

ANNUAL
REPORT | **2012**



50 years *Gold* values

ANNUAL REPORT CONTENTS 2012



04 VIETCOMBANK PROFILE

- 06 General introduction Vietcombank.
- 08 A history Vietcombank.
- 10 Message from the Chairman and CEO.
- 12 Products & services geographical distribution.
- 14 Business model.
- 15 Organizational structure.
- 16 Key financial figures.
- 19 Development orientation.
- 20 Vietcombank's domestic and international achievements in 2012.

22 REPORT FROM BOARD OF MANAGEMENT

- 24 Business activities in 2012.
- 27 Big investments in 2012.
- 28 Financial situation in 2012.
- 29 Shareholding structure in 2012.
- 30 Report & evaluation by the Board of Management.
- 46 Evaluation of the Board of Directors of the Vietcombank's activities.

50 ORGANIZATION & PERSONNEL

- 52 Management structure.
- 55 Organization & personnel.
- 56 Board of Directors.
- 60 Supervisory Board.
- 62 Board of Management.

66 THE BANK GOVERNANCE

- 68 The bank governance.
- 76 Types of risks.
- 78 Society & community.
- 82 Subsidiaries & joint-ventures and associates.
- 88 List of branches and subsidiaries.

90 CONSOLIDATED FINANCIAL STATEMENTS

- 92 General information.
- 94 Report of the Board of Management.
- 95 Independent auditors' report.
- 96 Consolidated balance sheet.
- 99 Consolidated income statement.
- 101 Consolidated statement of cash flows.
- 103 Notes to the consolidated financial statements.



Vietcombank

Together for the future

IN 2012, AMIDST THE PREPARATIONS TO WELCOME THE BANK'S 50th ANNIVERSARY, TO CELEBRATE THE DEVELOPMENTS OF VIETNAM'S BANKING INDUSTRY AND TO COMMEMORATE THE COUNTRY'S HISTORIC BATTLE FOR REUNIFICATION AS WELL AS DECADES OF WORK TO ESTABLISH A SOCIALIST STATE, FOLLOWING THE ALL-ENCOMPASSING THEMES OF GLOBALIZATION AND INTEGRATION, THE JSC BANK FOR FOREIGN TRADE OF VIETNAM (VIETCOMBANK) HAS MADE TIMELY BUSINESS ADJUSTMENTS TO CATCH UP WITH OTHER LOCAL AND GLOBAL FINANCIAL MARKET PLAYERS. THE BANK IS READY TO TAKE ON A NEW, MATURE IMAGE, REPRESENTING BOTH A HISTORIC TURNING POINT FOR THE BANK AND A STATEMENT TO HALF A CENTURY OF TIRELESS EFFORTS. THIS NEW LOOK WOULD CARRY IN ITSELF OUR FERVENT HOPES FOR A BRIGHT FUTURE.

Noble

Lotus flower starts to grow in the muddy water but manages to surpass the water and produce a perfect flower. It rises and blooms above the murk so as to affirm the vitality and overcome every difficulty to emerge to life.



Vietcombank Profile

- General introduction Vietcombank
- A history Vietcombank
- Message from the Chairman and CEO
- Products & services geographical distribution
- Business model
- Organizational structure
- Key financial figures
- Development orientation
- Vietcombank's domestic and international achievements in 2012

GENERAL INTRODUCTION

VIETCOMBANK

Transaction name

Full name in Vietnamese:

NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN
NGOẠI THƯƠNG VIỆT NAM.

Full name in English:

JOINT STOCK COMMERCIAL BANK FOR
FOREIGN TRADE OF VIET NAM.

Transaction name: VIETCOMBANK

Abbreviated name: VCB

Certificate of business registration:

- ▼ Tax code: 0100112437
- ▼ The Certificate of Business Registration No. 0103024468 was first issued by Hanoi Authority for Planning and Investment on June 02, 2008.
- ▼ The 7th amendment was dated on January 10, 2012

Charter Capital (Shareholder's Capital):

23,174,170,760,000 VND

In words: *Twenty-three thousand one hundred seventy-four billion one hundred seventy million seven hundred and sixty thousand VND.*

- ▼ Stock code: VCB
- ▼ Par value: 10.000 VND
- ▼ Total number of shares: **2,317,417,076**

No. 198 Trần Quang Khai, Ly Thai Tô Ward,
Hoan Kiem District, Ha Noi, Vietnam

Tel: 84 - 4 - 39343137

Fax: 84 - 4 - 38241395

Website: www.vietcombank.com.vn



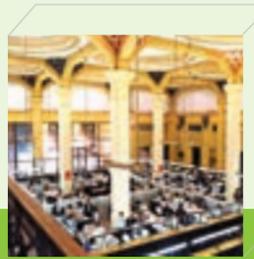
VIETCOMBANK'S PREDECESSOR

Vietcombank was originally established as the Foreign Exchange Control/Management Bureau under the National Bank of Vietnam on January 20th, 1955, pursuant to Decree 443/TTg issued by the Prime Minister of Vietnam. In 1961, the Foreign Exchange Management Bureau was renamed as the Foreign

Exchange Department under the State Bank of Vietnam according to Decree 171/CP dated October 26th, 1961 by the Governmental Council. This institution had distinct responsibilities: Performing policy research on foreign exchange control, fulfilling its advisory capacity to the SBV and carrying out international banking operations.



Period of
1963 – 1975



Period of
1976 – 1990



Period of
1991 – 2007



Period of
2007 – 2012



1-4
1963-2013



PERIOD OF 1963 – 1975

Born in Wartime to Become an Active Participant in the Country's Resistance for Unification.

Vietcombank officially came into operation on April 1st, 1963 following Decision 115/CP dated October 30th, 1962 of the Governmental Council on the basis of splitting banking functions from the Foreign Exchange Department under the State Bank of Vietnam. During the American War from 1963 to 1975, as the only authorized foreign trade bank in Vietnam, Vietcombank was charged with a historic mission, which involved making contributions to the construction and economic development of North Vietnam but also provided major support for our battles raging in the South.



The Special Foreign Currency Fund

In April 1965, the Politburo ordered the State Bank of Vietnam to establish a Special Foreign Currency Fund at Vietcombank (code name: B29) to receive international aid and carry out special payments. The Politburo and the Southern Central Committee directly supervised this compact organization of merely a dozen people. In 10 years of top-secret operations, B29 had transported a large amount of foreign currency aid to support our battles in the South.



PERIOD OF 1976 – 1990

Growing Through Hardship

After 1975, Vietcombank inherited the old regime's banking infrastructure to become the only authorized foreign trade bank in Vietnam responsible for holding the country's foreign currency reserves, facilitating international payments and providing import-export credit. In addition, Vietcombank played a key role in the successful negotiations for the reduction and deferment of state debts which took place at the Clubs of Paris and London. Despite the trade embargo, Vietcombank was active within the international community in its search for aid and foreign currency loans, as well as in its efforts to promote payments and accelerate the country's post-war recovery and the construction of a socialist state.

PERIOD OF 1991 – 2007

Gaining Foothold in a Period of Integration and Innovation

This period saw Vietcombank's transformation from a specialized foreign trade bank into a state-owned commercial bank serving its clients through a wide network of branches across the country and representative offices all over the world. Vietcombank was also the first bank to complete the Restructuring Project for the Banking System (2000 – 2005), which focused on improving banks' financial capacity, management strength and technological base to develop better products and services. The Project had a two-fold goal: heightening banks' contribution to the economy's sustainable development and building their good reputation in the regional and global communities.

PERIOD OF 2007 – 2012

Pioneer in Privatization and the Leading Bank of Vietnam

Vietcombank successfully completed its IPO in 2007 and officially started to operate as a joint-stock commercial bank on June 2nd, 2008. After the listing of its shares on the Ho Chi Minh Stock Exchange (HOSE) on June 30th, 2009, Vietcombank became the first state-owned bank to complete the privatization process. September 2011 marked another milestone in the Bank's

Vietcombank

A HISTORY



history with the finalization of the Strategic Partner Agreement with Mizuho Corporate Bank. Vietcombank is now recognized as one of the largest commercial banks in Vietnam with over 20 billion USD in total assets generating impressive profits and a portfolio of leading services such as import-export payment, foreign exchange trading, card, etc.



MESSAGE FROM THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

The world experienced a difficult 2012, as many large economies are still in the middle of their rather slow recoveries. The domestic situation for Vietnam was not entirely uplifting, either. Even though inflation did remain under control (CPI was 6.81%), GDP grew by a paltry 5.03%. Despite the fact that interest rates had been marked down several times throughout the year, credit growth across the entire banking sector only reached 8.91%. NPL ratio, on the other hand, was growing at an alarming rate as more loans were turning bad and existing problem loans were not adequately processed.



Amidst these difficulties, VCB's timely responses to fluctuating economic conditions had been a testament to the ability of our high-level executives. VCB ended 2012 on a relatively positive note, in line with the goals set out at the previous Annual General Shareholders' Meeting. Our achievements would not have been possible without the contribution from our 13,500 employees, the loyalty of our millions of customers, the trust from our nearly 21,000 shareholders and, last but not least, the help from various Governmental agencies.

VCB's equity rose to VND 23,174 billion after multiple capital injection as part of the deal with Mizuho Corporate Bank. At the end of the year, the Bank's loan portfolio had grown by 15.16% compared to the previous year (higher than the industry average), while total deposits from customers and total assets were up by 25.76% and 13.02%, respectively. After-tax profits reached VND 5,764 billion, up 1.17% compared to 2011. In 2012, VCB met all of the SBV's prudential ratios while still maintaining our profitability, simultaneously upholding strict credit quality control alongside aggressive NPL processing activities. VCB concluded 2012 with an NPL ratio of 2.4% (lower than expected) and a CAR ratio of 14.83% (far surpassing the SBV's requirement). It should be noted that VCB has also been expressing particular concern with risk control, PR and investor relations. On the last trading day of 2012, VCB stock was valued at VND 27,200 per share, 24.77% higher than the closing price of 2011.

Not only did VCB focus on meeting its business targets for the year, the Bank has also complied with the Government and the SBV's directives in an effort to stabilize macroeconomic condition and the money market, as well as to contribute to the national reserves. 2012 also witnessed VCB's involvement in a wide range of activities to promote social welfare, ranging from volunteer dispatches to large donations. VCB's constant appearance in the media, quite often linked to natural disaster relief efforts – especially in poor areas, has sculpted the Bank's image as an institution devoted to improving the state of our society.

Experts believe that macroeconomic conditions are unlikely to improve much in 2013 and we might have a year just as gloomy as the year before it. Regardless, VCB's "keen, flexible and dedicated" management team, under the motto of "Innovation – Standard – Quality – Efficiency", will follow closely the Bank's 2011-2020 business plans, which involve developing its retail banking operations while strengthening its wholesale arm, at the same time continuing the Bank's anti-dollarization policies and improving mutual cooperation with Mizuho, all to ensure sustainable, in-depth development which values quality over quantity in all aspects. VCB's credit growth target for 2013 is at 12% (given extra tight credit quality control). The Bank also aims to maintain a high market share in international settlement and card business by incorporating advanced technology into all of its products and services, especially in retail banking. VCB's other notable goals include expanding its network, improving its organizational structure both at H.O. and branch level, implementing more advanced risk management practices, while maintaining relevant prudential ratios and preparing the Bank for future growth. In addition, the Bank also ensures that special attention is paid to recruitment and training. Through these changes, Vietcombank hopes to ready itself for any new development which might occur in 2013.

Despite challenges both at home and abroad, our staff at VCB have a firm belief in a positive outlook for the domestic and international economic situation, coupled with our trust in the guidance from the Government, the SBV and other Governmental agencies, the support from our valued customers and shareholders and finally, their own hard work. Not only are we well-armed to cope with any difficulty which may arise, we are also on the look-out for new development opportunities not only for 2013 but also for the years to come.

Chairman of the BOD — CEO
NGUYEN HOA BINH — NGUYEN PHUOC THANH

PRODUCTS & SERVICES & GEOGRAPHICAL DISTRIBUTION

Products & Services

VCB's products and services are listed as follows:

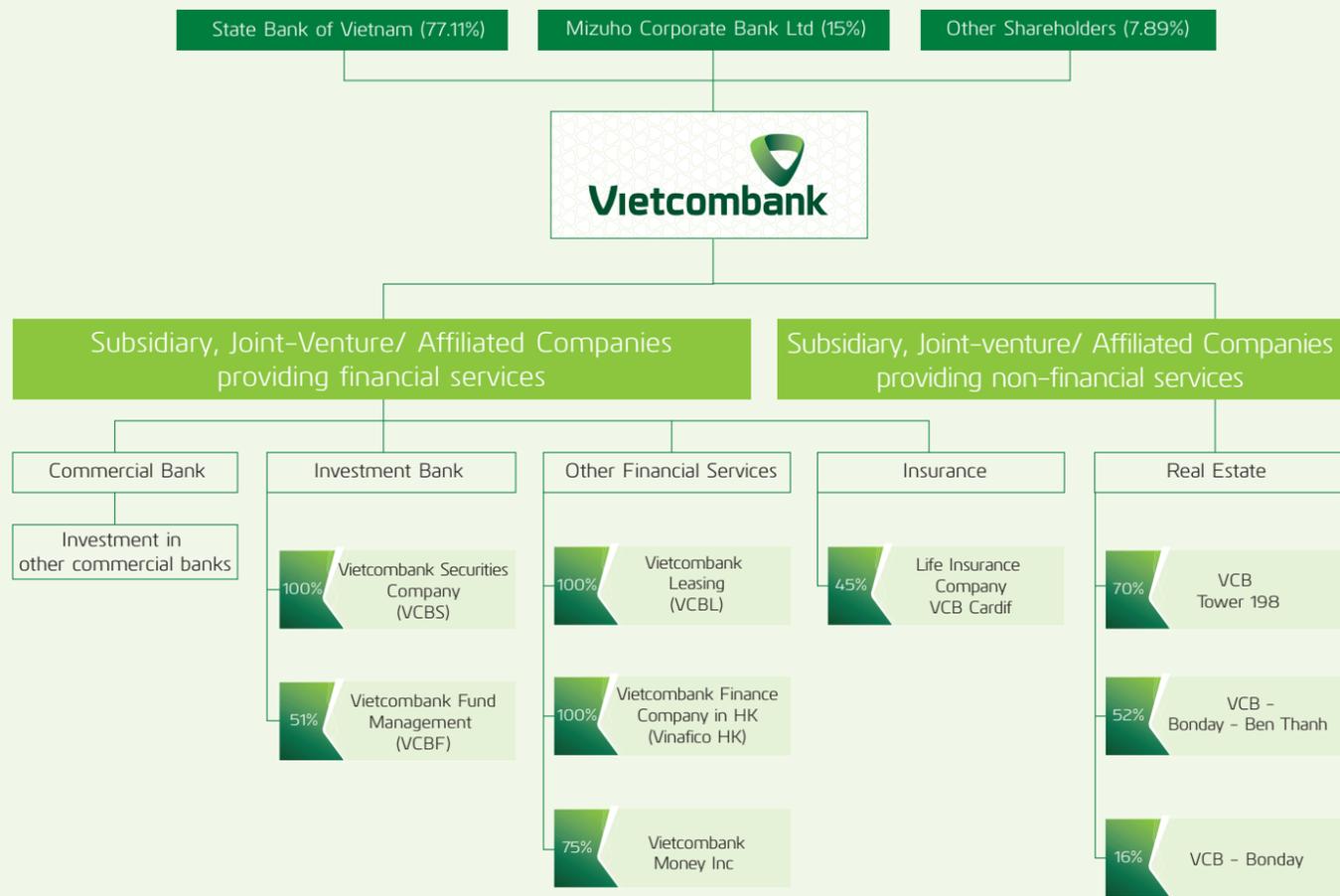
- ▾ Account services;
- ▾ Capital mobilization services (savings deposits, bonds, debentures);
- ▾ Credit services (short, medium and long term);
- ▾ Guarantee services;
- ▾ LC Negotiation services;
- ▾ International payment services;
- ▾ Remittance Services;
- ▾ Card Services;
- ▾ Collection Services;
- ▾ Forex trading services;
- ▾ Correspondent banking services;
- ▾ Factoring Services;
- ▾ Other Services allowed under certificate of business registration

Geographical Distribution

By 2012, Vietcombank has 1 Head Office, 1 Operation Center, 78 branches and 311 transaction offices operating in 47/63 provinces and cities across the country. Out of these, 26.0% are in the Southeastern region, 20.5% in the Red River Delta, 20.5% in the Southern Central region, 17.9% in the Mekong Delta, 9.6% in the Northern Central region, 5.5% in the Northeastern region and none is in the Northwestern region. In addition, Vietcombank has over 1,700 correspondent banks in more than 120 countries and territories worldwide.

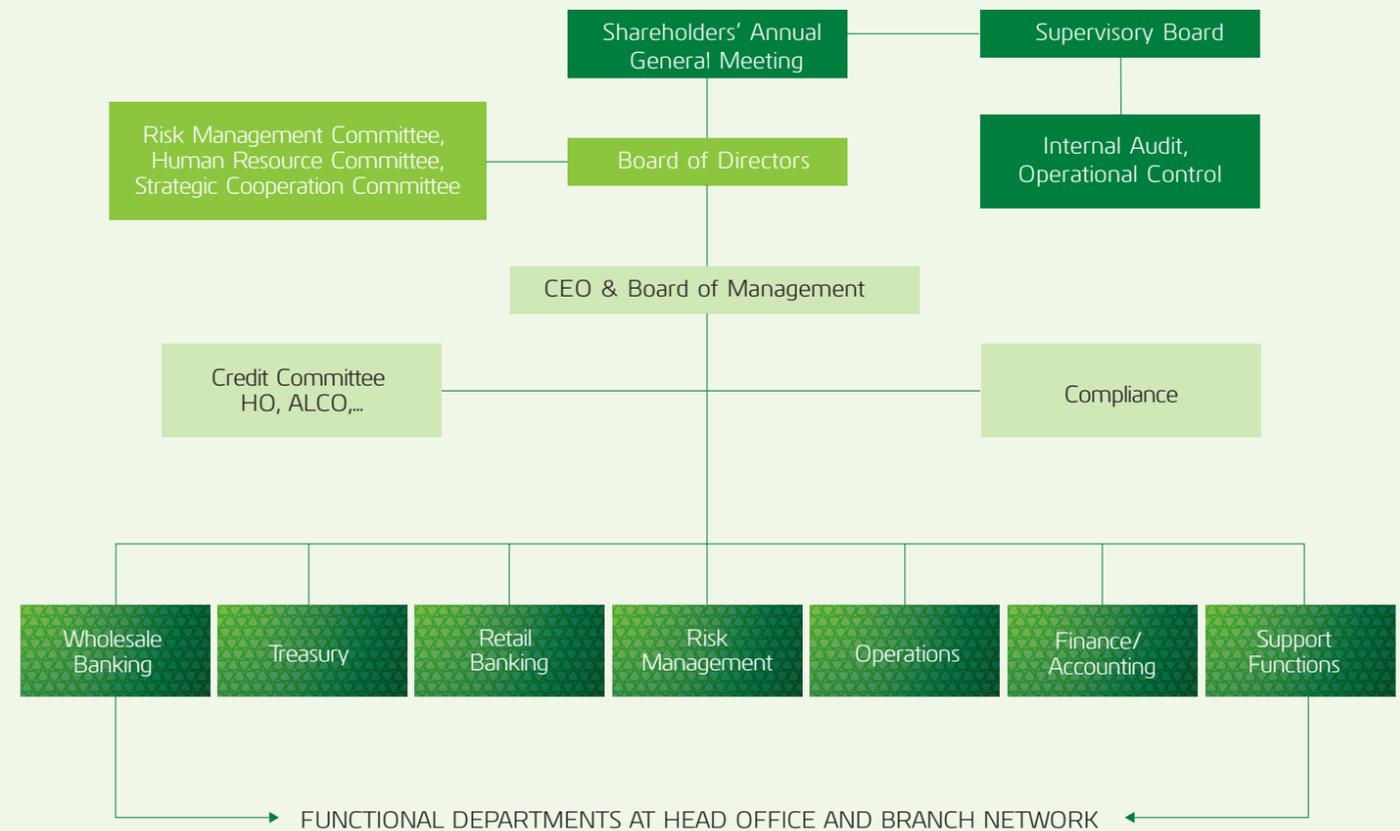


BUSINESS MODEL



VCB is currently operating under the business model in which commercial bank serves as the main business segment and acts as a holding company for its subsidiaries.

ORGANIZATIONAL STRUCTURE



KEY FINANCIAL FIGURES

KEY BUSINESS PERFORMANCE	UNIT	2008	2009	2010	2011	2012
Total Assets	VND billion	222,090	255,496	307,621	366,722	414,475
Shareholder's Equity	VND billion	13,946	16,710	20,737	28,639	41,553
Gross loans/Total Assets	%	50.79	55.43	57.50	57.11	58.19
Net non-interest income	VND billion	2,318	2,788	3,336	2,449	4,154
Total operating income	VND billion	8,940	9,287	11,531	14,871	15,108
Total operating expenses	VND billion	(2,592)	(3,494)	(4,578)	(5,700)	(6,016)
Net operating income before provision	VND billion	6,348	5,793	6,953	9,171	9,093
Provision for credit risks	VND billion	(2,757)	(789)	(1,384)	(3,474)	(3,329)
Profit before tax	VND billion	3,590	5,004	5,569	5,697	5,764
Corporate income tax	VND billion	(862)	(1,060)	(1,266)	(1,480)	(1,337)
Profit after tax	VND billion	2,728	3,945	4,303	4,217	4,427
Net profit after tax	VND billion	2,711	3,921	4,282	4,197	4,404

PROFITABILITY RATIOS AND PRUDENTIAL RATIOS

PROFITABILITY RATIOS

NIM	%	3.26	2.81	2.83	3.41	
ROAE	%	19.74	25.58	22.55	17.08	12.61
ROAA	%	1.29	1.64	1.50	1.25	1.13

PRUDENTIAL RATIOS

Net loans/Total Deposits	%	70.50	83.57	84.88	86.68	79.34
NPLs/Gross loans	%	4.61	2.47	2.83	2.03	2.40
BIS CAR	%	8.90	8.11	9.0	11.14	14.83

EQUITY

Common equity	million shares	1,210	1,210	1,322	1,970	2,317
Dividend payout ratio	%/year	12.0	12.0	12.0	12.0	12.0
Price per share (at year end)	VND	-	28,690	26,820	20,130	26,230
Market capitalization	VND billion	-	34,717	35,466	39,652	60,786
EPS	VND	-	2,871	2,315	1,789	1,909
DPS	(VND per share)	1,200	1,200	Share Dividend 12%	1,200	1,200



TOTAL ASSETS (VND BILLION)

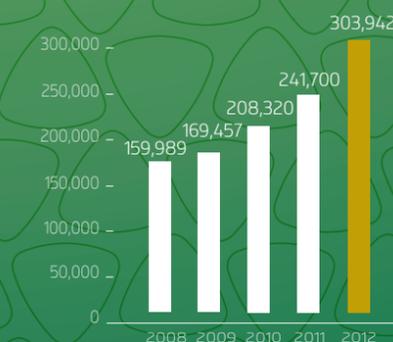


TOTAL ASSETS - GROWTH RATE (VND BILLION)

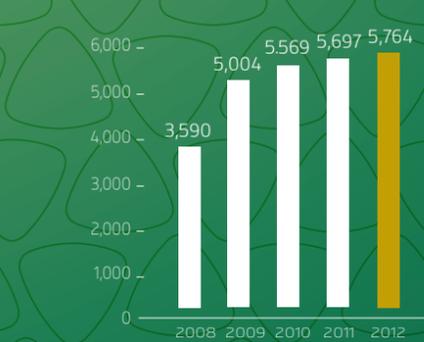
■ Total assets
● Growth rate %



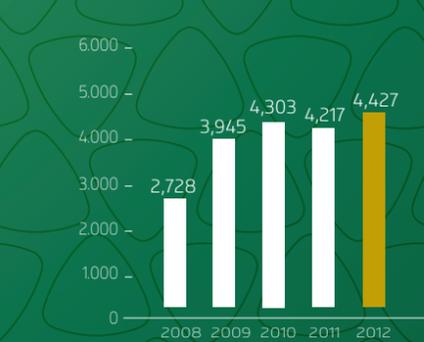
TOTAL EQUITY (VND BILLION)



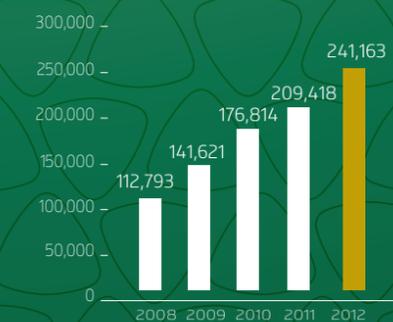
CAPITAL MOBILIZATION (VND BILLION)



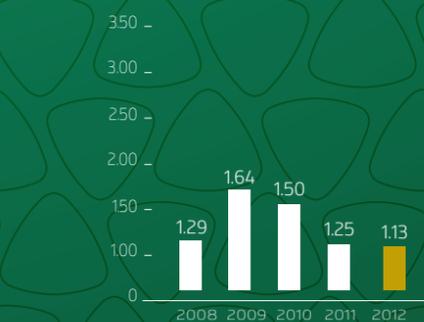
PROFIT BEFORE TAX (VND BILLION)



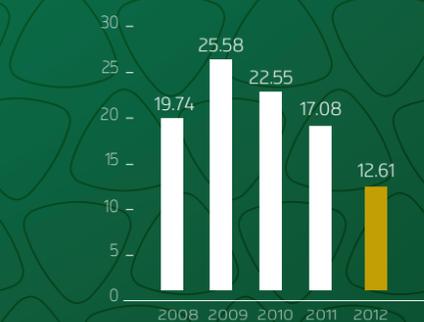
PROFIT AFTER TAX (VND BILLION)



GROSS LOANS (VND BILLION)



ROAA (%)



ROAE (%)

GOALS AND VISIONS 2020

MAKE VIETCOMBANK INTO A UNIVERSAL FINANCIAL BANKING GROUP WHICH HAS INTERNATIONAL SCOPE OF ACTIVITY AS WELL AS THE LEADING POSITION IN VIETNAM; BRINGING THE BEST SERVICE TO OUR CUSTOMERS; HARMONIZING BENEFITS AMONG CLIENTS, SHAREHOLDERS AND EMPLOYEES. VIETCOMBANK MAKES INTENSIVE EFFORTS TO BE ONE OF THE TWO TOP BANKS IN VIETNAM WHICH HAS INFLUENTIAL STRENGTH IN THE REGION AND BECOMES ONE OF THE LARGEST 300 FINANCIAL BANK GROUP IN THE WORLD BY 2020.

DEVELOPMENT ORIENTATION

MEDIUM AND LONG TERM STRATEGY ORIENTATION

Develop and expand activity to become universal Financial Banking Group which has influential strength in the region and in the world.

Continue to affirm its position on Vietcombank's core business activities - commercial banking operation based on modern technology with high-quality human resources and administration according to international standards.

Safety and effectiveness in business is a primary target; "TURN TOWARDS A GREEN BANK FOR THE PURPOSE OF COMMUNITY'S SUSTAINABLE DEVELOPMENT" is considered as a long-term objective.

BUSINESS DEVELOPMENT ORIENTATION

Towards the goal of becoming an universal financial banking group on the basis of core commercial bank activities, Vietcombank determines to strengthen wholesale development, to promote retail activity as a foundation for sustainable development. To maintain its leading position in the banking business segments, Vietcombank needs to continue keeping up and expanding internal existing markets and overseas markets. Vietcombank will continue stimulating the wholesale and retail banking, affiliate products on the basis of updated modern technology, so as to provide maximum convenience and to meet various demand of customers on a best way.

Additionally, to enlarge and diversify the business activity, apart from consolidating the core commercial banking activity, Vietcombank will employ appropriate strategies to develop investment banking services (consulting, brokerage, securities trading, investment fund management...), insurance services, financial non-financial services, including real estate through joint ventures with foreign partners.



BOARD OF DIRECTORS OF VIETCOMBANK

VIETCOMBANK'S
DOMESTIC AND
INTERNATIONAL
 ACHIEVEMENTS IN 2012



Hoang Sa Islands

DOMESTIC ACHIEVEMENTS

01 NATIONAL BRAND OF 2012
 (awarded by the National Council on Brand Image) - The Government of Vietnam created this award to help Vietnamese corporates promote their brand images both locally and globally.

02 LEADING BANK BY NATIONAL BRAND POWER INDEX: From the results of a survey conducted by Nielsen.

03 SUSTAINABLE BRAND OF VIETNAM - Jointly awarded by the National Office of Intellectual Property of Vietnam, the Center for Research and Development of Vietnamese Brands, and the Ministry of Science and Technology.

04 FAMOUS BRAND NAME IN VIETNAM - Awarded by the National Office of Intellectual Property of Vietnam.

Truong Sa Islands

ASIAMONEY

AWARDS FROM INTERNATIONALLY ACCLAIMED MAGAZINES

ASIAMONEY

#1 Best Local Currency Cash Management Services in Vietnam as voted by FIs.

#1 Best Overall Domestic Cash Management Services in Vietnam as voted by large-sized corporates.

#1 Best Overall Cross-Border Cash Management Services in Vietnam as voted by large-sized corporates.



TRADE FINANCE

Best Vietnamese Trade Bank in 2012: 2012 is the fifth consecutive year (2008 - 2012) that Vietcombank has received this award from Trade Finance.



THE BANKER

Ranked #536 on The Banker's list of Top 1000 World Banks of 2012.



Pure

Though lotus flower is rooted in deep mud and its stem grows through murky water, the blossom rises above the muck and opens in the sun, beautiful and fragrant. Just as the lotus flower emerges from the water clean, the lotus also represents the true nature and culture of the Vietnamese. Apart from purity of itself, lotus makes the surrounding environment purer, cleaner and fresher as well.

Report from BOM

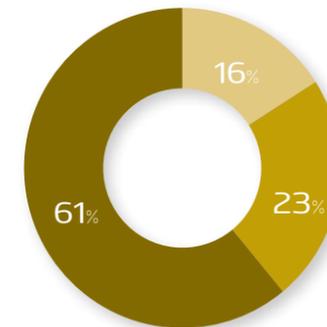
- Business activities in 2012
- Big investments in 2012
- Financial situation in 2012
- Shareholding structure in 2012
- Report & evaluation by the Board of Management
- Evaluation of the Board of Directors of the Vietcombank's activities

BUSINESS ACTIVITIES IN 2012



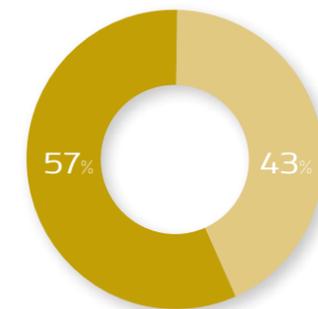
B

Y 31/12/2012 VCB'S TOTAL CONSOLIDATED ASSETS REACHED VND 414,475 BILLION, INCREASED BY VND 47,753 BILLION (APPROXIMATELY 13.0%) COMPARED TO THE END OF THE YEAR 2011.



CAPITAL MOBILIZATION BY DEPOSIT TERMS

- Demand Deposit
- < 12 months
- > 12 months



CAPITAL MOBILIZATION BY TYPES OF CUSTOMERS

- Institutions
- Individuals



CAPITAL MOBILIZATION

CAPITAL MOBILIZATION FROM RESIDENTS AND FROM THE ECONOMY

By 31/12/2012, Vietcombank's capital mobilization from residents and from the economy reached VND 303,942 billions, increased by 25.8% in comparison with the end of the year 2011. Capital mobilization experienced a high increase, exceeding the set target.

By object classification, capital mobilization from residents was VND 162,080 billions, increased by 33.3%; while that from corporations reached VND 141,868

billions, of 18.1% higher than that of 2011. The higher increase in capital mobilization from residents than that from corporations reflected the society's recognition of Vietcombank's reputation and brand name, and reconfirmed as well that Vietcombank has gone in line with the retail banking target of maintaining the stable and sustainable source of funding. By currency classification, fund mobilization in VND increased 34% compared to 2011; while that in foreign currency was 4.3%.

CAPITAL MOBILIZATION FROM CREDIT INSTITUTIONS

Capital mobilization from credit institutions was VND 34,066 billions, decreased by VND 13,896 billions (~ -29%) lower than that of 2011.

BUSINESS ACTIVITIES IN 2012 (Cont.)

CREDIT ACTIVITIES

LOANS AND ADVANCES TO CUSTOMERS

Loan and advances outstanding to customers by end of 2012 was VND 241,163 billions, increased VND 31,745 billions (~15.2%) compared to the end of 2011. By currency classification, loan outstanding in VND was VND 166,040 billions, increased 21.1% of that in 2011; while loan outstanding in foreign currency was VND 75,123 billions equivalent, increased by 3.9% of that in 2011. The high increase in VND loan outstanding is due to that Vietcombank timely seized the economic trends through

supplying several loan packages with preferential interest rates.

By term, the short-term loan was VND 149,537 billions, increased by 21.3% compared to that of the year 2011; while the medium-long term loan was VND 91,626 billions, increased by 6.4% of 2011. Deduction and utilization of provision for risks. As at 31/12/2012, Vietcombank has made 100% of general provision and of specific provision based on loan classification issued by the State Bank. The balance of provisions for risks by 31/12/2012 as stated in the audited consolidated financial report was VND 5,293 billions, of which VND 1,735 billions was assigned for general provision, and VND 3,558 billions was for specific provision.

LENDING IN THE INTER-BANK MARKET

Loan/deposit outstanding to financial institutions was VND 65,713 billions by the end of 2012, reduced by VND 39,292 billions (~37.4%) compared to the year 2011. Lending in the inter-bank market was reduced partly due to better liquidity of banks in the year 2012, and partly by Vietcombank's strictly controlled lending policy for reducing risks.

THE BALANCE OF
PROVISIONS FOR RISKS

5,293

VND BILLION

THE PREFERRED INTEREST RATE LOAN PROGRAMS in 2012

THE PREFERRED LOAN PROGRAMES DULY COMPLETED	AMOUNT DISBURSED
Loan for rice provision of the Winter-Spring season 2011-2012 (in billion VND)	2,204
The short-term preferred interest rate loan of USD 300 million package	443
The short-term preferred interest rate loan of VND 9,000 billion package	7,288
The loan programme for rice provision of the Summer-Autumn season (in billion VND)	1,253
THE PREFERRED LOAN PROGRAMES UNDER DEVELOPMENT	
The preferred loan of VND 25,000 billion package with interest rate applying to VND lending in 7/2012	52,578
The preferred loan USD 700 million package with interest rate applying USD to lending in 7/2012	1,928
Total amount disbursed in preferred loan programs (Billion VND equivalent)	113,608



IN 2012, VIETCOMBANK ISSUED MORE THAN 1.1 MILLION CARDS OF ALL TYPES, NEARLY 1.3 MORE THAN THE SET TARGET. BOTH CARD USE AND SETTLEMENT TURNOVER STRONGLY DEVELOPED.

SECURITIES TRADING AND INVESTMENT

By 31/12/2012, securities trading was VND 521 billions, decreased by VND 297 billions compared to the year 2011; meanwhile securities investment obtained VND 78,521 billions, increased by VND 49,064 billions compared to 2011.

SERVICES ACTIVITIES

Import-export settlement: Import-export settlement turnover in the year was USD 38.81 billion, slightly increased by 0.1% compared to the previous year and accounted for 17% market share of the national

import-export volume country.

Forex trading. The forex trading turnover was USD 24.1 billions.

Card business. In 2012, Vietcombank issued more than 1.1 million cards of all types, nearly 1.3 more than the set target. Both card use and settlement turnover strongly developed. The turnover on use of international credit cards reached VND 5,397 billion, increased by 17%. Especially, the turnover on settlement of Vietcombank's international cards was nearly USD 1.2 billion, increased by 22% compared to the year 2011 and accounted for more than 50% market share in the banking system. Vietcombank continued

to maintain the largest POS and ATM networks in the country with 32,178 POS machines (accounting for more than 29% market share) and 1,835 ATM machines in major cities/provinces.

Retail banking services. Overseas remittances reached nearly USD 1.23 billions. Vietcombank's e-banking services exceeded the set target. To improve retail business, besides increasingly pushing up sale-supporting programmes through promotion, customer-care, supporting branches in sales, Vietcombank has also step-by-step improved, expanded direct-banking services, and implemented new products to customers as well.

BIG INVESTMENTS in 2012

In 2012, VCB has increased / withdrawn capital in those following investment portfolios:

Name	Short name	Nature of business	Investment capital added / (withdrawn) in 2012 (VND billion)
Vietcombank Money Inc.	VCBM	Remittance services	18.78
Vietcombank - Bonday - Ben Thanh Co. Ltd	VBB	Office leasing	75.55
Military Bank	MB	Bank	176.00
VPF1	VPF1	Investment Fund	- 4.40

FINANCIAL SITUATION IN 2012

A. FINANCIAL RESULTS

	UNIT	2011	2012
Total assets	VND million	366,722,279	414,475,073
Income	VND million	43,081,224	38,759,702
Tax and other payables	VND million	1,973,720	2,070,211
Profit before tax	VND million	5,697,405	5,763,897
Profit after tax	VND million	4,217,332	4,427,206

B. KEY FINANCIAL FIGURES

1. TOTAL CAPITAL

Charter capital	VND million	19,698,045	23,174,171
Total assets	VND million	366,722,279	414,475,073
Capital adequacy ratio	%	11.13%	14.83%

2. PERFORMANCE

Capital mobilization	VND million	227,016,854	284,414,568
Loans and advances to customers	VND million	472,563,000	561,144,000
Total collectables	VND million	428,412,000	483,039,000
Non-performing loans	VND million	4,257,959	5,791,307
Gross loans/deposits (in VND)	%	82.2%	76.1%
Overdue guarantees/total guarantees	%	0.88%	0.04%
Overdue loans/gross loan	%	3.40	4.38
Impaired loans/ gross loan	%	2.03	2.40

3. LIQUIDITY

Liquidity due immediately	%	29.29%	37.59%
Liquidity due in 7 days by currencies (at least one currency)			
VND	Times	2.05	2.04
EUR	Times	2.10	2.05
GBP	Times	4.47	2.70
Other currencies in USD equivalent	Times	1.81	1.88

SHAREHOLDING STRUCTURE IN 2012

Ownership Structure and Changes in Shareholders' Equity as at 28/12/2012

1. Share Structure

Total Number of Shares	Type of Shares	Number of transferable shares	Number of restricted shares
2,317,417,076	Number of restricted shares	182,734,570	2,134,682,506

2. List of shareholders with limited numbers of transferable shares

Name of shareholders	Number of shares owned	Number of restricted shares	Restricted transfer duration
State Bank of Vietnam (representing State Capital)	1,787,023,116	1,787,023,116	Subject to State regulations
Insider Shareholders	46,828	46,828	
Board of Directors	38,043	38,043	During terms of office
Supervisory Board	8,785	8,785	
Foreign Strategic Partner - Mizuho Corporate Bank Ltd	347,612,562	347,612,562	5 years from 28/12/2011
TOTAL		2,134,682,506	

3. Shareholding Structure

Shareholders	Number of shares owned	Ownership percentage	Number of shareholders
State Bank of Vietnam (representing State Capital)	1,787,023,116	77.11%	1
Foreign strategic partner - Mizuho Corporate Bank Ltd	347,612,562	15.00%	1
Other shareholders	182,781,398	7.89%	21,041
Domestic Individuals	49,386,890	2.13%	20,230
Domestic Organisations	30,534,294	1.32%	177
Foreign Individuals	6,896,523	0.30%	529
Foreign Individuals	95,963,691	4.14%	105
TOTAL	2,317,417,076	100.00%	21,043

4. List of major shareholders

Shareholders	Address	Number of Shares owned	Ownership percentage
STATE BANK OF VIETNAM	47-49 Ly Thai To, Hoan Kiem, Ha Noi	1,787,023,116	77.11%
MIZUHO CORPORATE BANK LTD	1-3-3, Marunouchi, Chiyoda-ku, Tokyo, Japan	347,612,562	15%

(Source: The list of VCB's shareholders as at 28/12/2012 is provided by the Vietnam Securities Depository - VSD)

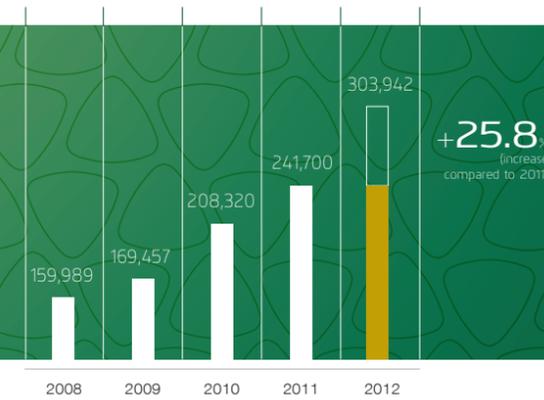


IN 2012, THE BANK STRICTLY COMPLIED WITH INSTRUCTIONS OF THE GOVERNMENT AND THE STATE BANK OF VIETNAM (SBV), CLOSELY FOLLOWED MARKET TRENDS TO DELIVER APPROPRIATE PLANS TOWARDS VIETCOMBANK BUSINESS STRATEGY FOR TERM 2011-2020.



Against the background of slowing economic growth, many corporates have fallen into increasing cost and inventories, leading to rocketed 2012 NPLs. To control credit quality, Vietcombank has attempted to prevent potential NPLs, and does not lower lending standard towards credit expansion. With great efforts, as at 31/12/2012, NPLs ratio was restrained at 2.4%, lower than the set target (2.8%).

FUND MOBILIZATION (VND BILLION)



REPORT & EVALUATION BY

THE BOARD OF MANAGEMENT

BUSINESS PERFORMANCE

CAPITAL MOBILIZATION

There was little competition tensions on funding market as in 2012 the SBV comprehensively imposed liquidity harmonization policy on the banking system. Furthermore, low credit growth in parallel with funding rates ceiling hardly caused pressures on the capital mobilization. Nevertheless, as deposits play very important parts in banks' performance, minimize risks of outbound funding and increase liquidity reserves. Therefore, Vietcombank sets its core target on

deposit growth with relevant plans on implementation.

To stabilize deposits from retail customers, Vietcombank has developed flexible capital mobilization products, suitable for specific customers. For examples, the flexible-term-deposit supports group of customers having sudden demand on using funds; the online deposit saves customers' time, Bancassurance encourages customers to routinely reserve money from certain income... Moreover, Vietcombank also carried out corporate care services, consulting them to select product/service package under optimum cost.

With efforts in corporate governance, as at December 31, 2012, capital mobilization from residents and from the economy of VCB increased 25.8% as compared to 2011, achieved the set plan and was higher than the system average growth of 15%. With such, VCB continued its forth ranking in deposit market share among the banking sector.

LOANS AND ADVANCES TO CUSTOMERS

Having predicted challenges in credit expansion in 2012, Vietcombank had introduced timely policies in providing packages of preferred rate loans focusing on recommended industries as by the Government, total disbursement up to VND 113,608 billion. Therefore, loans and advances to customers of the Bank was up 15.2% as compared to 2011, much higher than that of the system average (8.91%), accounting for 8.8% market share and 4th ranked among the system.

However, against the background of slowing economic growth, many corporates have fallen into increasing cost and inventories, leading to rocketed 2012 NPLs. To control credit quality, Vietcombank has attempted to prevent potential NPLs, and does not lower lending standard towards credit expansion. With great efforts, as at 31/12/2012, NPLs ratio was restrained at 2.4%, lower than the set target (2.8%).

VND **3,058** BILLION
TOTAL INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

EQUITY INVESTMENT

By the end of 2012, total investments in subsidiaries and joint ventures reached VND 3,058 billion, 15.3% of chartered capital and capital reserves. Return on investment excluding 100% owned subsidiaries was 13%.

“

BANKING OPERATIONS

To enhance commission services (increased non-interest income) is one of the Bank's priorities to 2020. Commission income not only brings stable income but also restricts large amount of provisions charged to the income statement caused by risks in lending. Policies in boosting non-interest income therefore are well focused by the Bank.

In 2012, Vietcombank exceeded all targets set for card business, despite effects of intense competition and challenges of economic growth.

policies, low interest rates and cost (ii) Second, strong growth in import-export turnover was mainly in FDI sector that are not non-core customers of VCB (iii) Third, inflexible customer after-sales services, pricing policies, crossing selling of VCB products.

Foreign Exchange Trading:

To control inflation rate and stabilize the macroeconomy, since the early of 2012, SBV had set trading band for the VND/USD exchange rate to +/-3%. The commitment in exchange rate control has helped banks figure out suitable solutions in FX Trading. With certain advantages in FX, Vietcombank had given to clients credit-payment-FX package. As a result, despite of intense competition from banks, FX Trading turnover reached USD 24.1 billion, 32.56% decreased as compared to 2011.

Card Business:

In 2012, Vietcombank exceeded all targets set for card business, despite effects of intense competition and challenges of economic growth. Card payment: (i) International card payment volume increased by 21% compared to 2011, maintaining its leading position with 50% market share (ii) Local card payment turnover doubled, of which online card payment revenue increased by 4 times compared to last year

and accounts for 37% market share. Card usage (i) International credit card spending volume increased 17% (ii) International debit card spending volume increased 7% (iii) Local debit card spending volume went up 18% as compared to 2011. Number of card issuance: Credit card and local card issued up 16% and 6% respectively. This was due to strategic development plan for AMEX cards and the launching of three new products: JCB, AMEX Platinum and Visa Platinum for VIP customers. Competition: Card services of VCB currently has to face with intense competition due to the increased number of banks in the field, some of whom even resorted to unfair strategy to take over VCB's market share in card-accepting merchants. VCB therefore has set plan to sustain the market share.

Retail Banking Services:

In 2012, in addition to new and improved products/services in retail banking, VCB has actively employed programs to boost sales through promotions, customer care, sales competition... VCB has taken steps to (i) Develop and expand Direct Banking; (ii) Provide after-sales support through claim settlement; regular quality check on consulting services; supply advertising tools and instruction manuals to customers. As a result, the retail customer base of VCB has grown in quantity, our retail services standardized and our countrywide network considerably expanded.



International Settlement:

With effects from global as well as internal economic challenges, VCB international settlement in 2012 increased slightly with only 0.09% as compared to last year, accounting for 17% market share countrywide. These mainly caused by: (i) First, fierce competition from foreign banks with strong foreign currency funding, flexible

CONSOLIDATED INCOME STATEMENT 2012

Profit before tax: VND 5,764 billion, met 88% of target.

Total assets reached VND 414,475 billion, up 13% compared to 2011, 96% target.

Total equity reached VND 41,553 billion, up 45.1% compared to 2011.

Loans and advances to customers reached VND 241,163 billion, up 15.2% compared to 2011, exceed adjusted target.

Deposits reached VND 303,942 billion, up 25.8% compared to 2011, 106.6% target.

NPLs ratios was 2.4%, lower than the estimated (2.8%) and the average NPLs ratios of the system (2.8%).

Import and export payment turnover was USD 38.8 billion, 17% market share countrywide.

Retail Banking has emphasized its important role in Vietcombank's continued development.

Cards Business has also grown considerably, far exceeding preset targets.

FINANCIAL PERFORMANCE

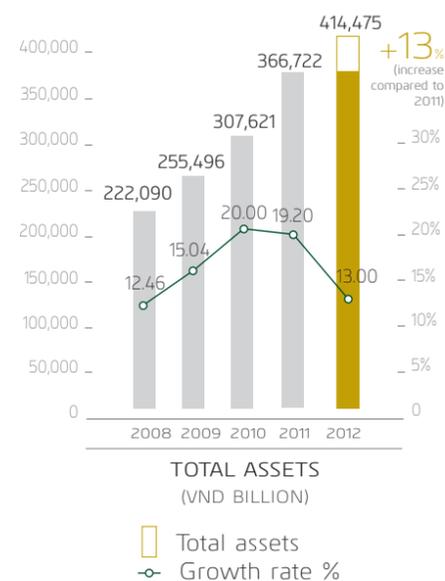
ASSET QUALITY

Total assets: By the end of 2012, Vietcombank's total assets increased by 13% compared to the previous year, mainly from shares sold to strategic shareholder equivalent to VND 11,818 billion, increase in securities investment by 166.6% (roughly VND 49,064 billion) and credit growth of 15.2% (equivalent to VND 31,745 billion).

Balance with the State Bank of Vietnam: Balance with the SBV increased by 48.2%, from VND 10,617 billion in 2011 to VND 15,732 billion in 2012.

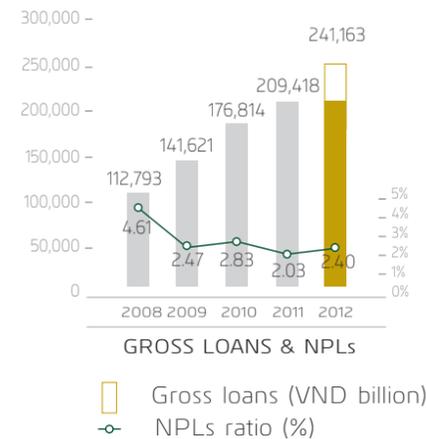
Deposits at/loans to other credit institutions: By the end of 2012, deposits at/loans to other credit institutions of Vietcombank sharply decreased by 37.4% (equivalent to VND 39,292 billion).

Trading securities: The Bank's securities trading business was very successful in 2012. Although the trading securities balance of 2012 decreased by 36.3% (from VND 818 billion down to VND 521 billion) compared to 2011, securities trading business achieved remarkable results with VND 77 billion in profits while in 2011 said business recorded a loss of VND 5.9 billion. These was mainly due



to diversified and flexible security portfolio.

Loans and advances to customers: As at 31/12/2012, loans and advances to customers (including provisions) was up 15.2% compared to 2011. Outstanding credit/total assets by the end of 2012 and 2011 were 58.2% and 57.1%, respectively. Although loans to customers in 2012 went up by nearly VND 32,000 billion, interest income and other similar income went down by VND 1,608 billion compared to 2011. This was the result of the Bank's policy to support companies in time of difficulty. Since the beginning of 2012, the Bank has



lowered lending rates and offered lending packages with preferential interest rates (1-1.5% lower than normal). The Bank's income in 2012 has been much affected as a result of these policies.

Total non-performing loans: In 2012, the Bank simultaneously employed solutions to improve credit quality, mitigate risk, diversify lending portfolio, set up limits for credit approval authority, strictly control lending procedures to spot and prevent credit risks and minimize NPLs. NPLs ratio of the Bank therefore was only 2.4% by the end of 2012, lower than the target set at the General Shareholder's Meeting (2.8%).

Securities investment: In 2012, investment in securities of Vietcombank increased sharply by 166.6% compared to 2011. Net profit from sales of securities in 2012 was VND 208 billion.

TOTAL LIABILITIES AND EQUITY

Total liabilities: In 2012, total liabilities went up 10.3% compared to 2011, mainly from deposits by customers (25.8%).

Capital mobilization from other credit institutions: In 2012, the Bank's interbank funding decrease 29% compared to 2011. To avoid risks of term mismatch and foreign currency shortage, VCB has focused on medium-and-long-term funding from overseas.

Capital mobilization from residents and from the economy: reached VND 303,942 billion, increased by 25.8% compared to 2011, of which VND mobilization was up 36.5%. Capital mobilized from residences reached VND 162,080 billion equivalent, up 33.3% compared to 2011, accounting for 53.3% of total capital mobilization (2011: 50.3%). The steady increase in capital mobilized from residences is a testament to the Bank's reputation; funding cost however may increase, affecting business results.



BY THE END OF 2012, VIETCOMBANK'S TOTAL SHAREHOLDER'S EQUITY WAS VND 41,553 BILLION, UP 45.1% COMPARED TO 2011. THE SHARP RISE IN THE BANK'S SHAREHOLDER'S EQUITY RESULTED FROM AN INCREASE IN CHARTER CAPITAL AND SHARE PREMIUM AFTER THE SALE OF SHARES TO STRATEGIC SHAREHOLDER MIZUHO CORPORATE BANK.

TOTAL LIABILITIES AND EQUITY (cont.)

TOTAL SHAREHOLDER'S EQUITY

By the end of 2012, Vietcombank's total shareholder's equity was VND 41,553 billion, up 45.1% compared to 2011. The sharp rise in the Bank's shareholder's equity resulted from an increase in charter capital and share premium after the sale of shares to strategic shareholder Mizuho Corporate Bank. Compared to 2011, the Bank's capital structure changed as follows:

- Charter capital: Up by VND 3,476 billion (17.6% increase).
- Share premium: Shot up by VND 8,205 billion (823.9% increase), accounting for 22.1% of total shareholder's equity (up from 3.5% in 2011).
- Retained earnings in 2012: Reached VND 6,144 billion.

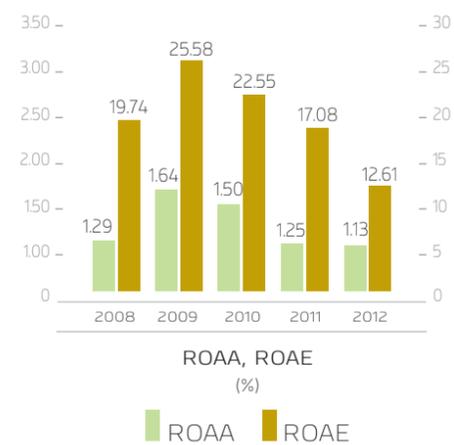
INCOME STATEMENT

INCOME AND EXPENSES

Consolidated income before tax: VND 5,764 billion, a 1.2% increase from 2011.

Total operating income of Vietcombank in 2012 reached VND 15,108 billion, up 1.6% compared to 2011. Most notably, FX trading income was VND 1,488 billion, up 26.1% compared to 2011.

Vietcombank's failure to meet preset targets was due to macroeconomic challenges, difficulties for enterprises' businesses, slowing credit growth reducing the Bank's profits.



PROFITABILITY RATIOS

Despite unfavourable business environment, high NPLs, challenges faced by enterprises, Vietcombank maintained positive profitability and assets quality ratios.

Return on Average Assets (ROAA) of the Bank in 2012 was 1.13%.

Return on Average Equity (ROAE) in 2012 was 12.61%.



SYSTEM ADMINISTRATION

Gradually improve Head Office organisational structure by establishing Debt Handling Department and Internal Audit Division.

Restructure branches' organisational structure in which the branches focus on sales and follow the Head Office's orientation.

Issue internal supervisory and internal audit regulations, internal audit procedures, signing contract authorisation regulation, savings regulation, currency trading regulation, credit limits approval procedures (for credit limits approved by the Board of Directors), changes in debt classification policy and credit risk provisions, and VCBL's financial regulations,...

Tested FTP mechanism for branches.

RISK MANAGEMENT

In 2012, Vietcombank issued Regulation No. 430 to delineate tasks and separate the responsibilities of the internal control, internal supervisory division and internal audit division. This regulation partitioned the internal audit division to the North, Central and South Vietnam.

Complete the criteria to be used for operational supervision, support and enhance the quality of remote monitoring system.

Complete and apply the Probability of Default and Loss-given-default models to several large branches.

Business modeling project: Build industry reports and corporate forecasting models in order to

standardize sector risk analysis, quantify and standardize the Customer's credit limits establishment.

Implement market risks management projects and models, test VaR method to measure exchange rate risk and test Repricing Gap method to measure fluctuations in net interest income arising in connection with interest rate changes.

Implement the project "Enhance Vietcombank's capability to manage operational risk" which includes developing essential programs such as operational processes and Key risk indicators (KRIs) system, and raising awareness about Vietcombank's operational risk management.



REFORMS IN ORGANISATIONAL STRUCTURE AND MANAGEMENT POLICIES (cont.)

COMPLETE MARKETING TASK AND ENHANCE QUALITY IN SALES AND CUSTOMER SERVICES

In 2012, VCB reinforced marketing and customer service programs to be appropriate for its business strategy. VCB tried to boost sale revenues through promotion and sale competitions... to support branches' sale activities; to meet customers' requirements; to instruct and advise customers through Contact Center; and to have a free hotline for VIP customers. VCB issued suitable policies for each customer segment, trained staffs through Customer Service Skills Classes, kept traditional customers and attracted potential customers.

DEVELOP TECHNOLOGICAL INFRASTRUCTURE

Being aware of technology as a key factor to develop the business, and enhance efficiency in risk management and system administration, Vietcombank is carrying out stage 1 of the Core Banking Renewal project and the beginning stage of the Trade Finance Renewal Project; building Administration Tools

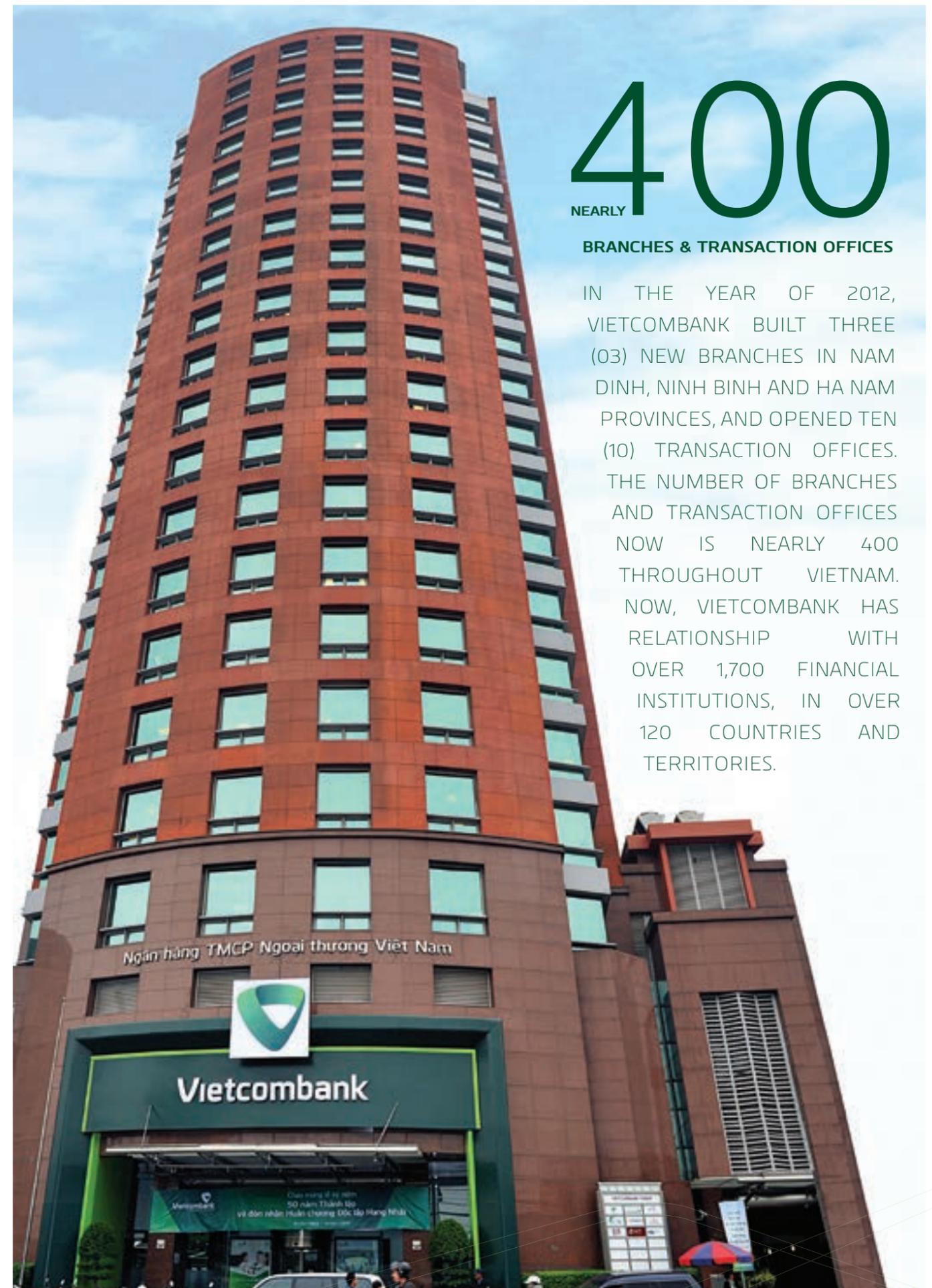
and Data Appliance to improve MIS; upgrading server system in accordance with Cloud computing and equipping software of risk mitigation methods for card transactions... Some new programs (such as risk management system for card services, Treasury system and FTP system...) are being applied to business activities in order to diversify products, improve service quality, assist Vietcombank's administration system, and strengthen Vietcombank's competitive ability.

OPERATIONAL NETWORK AND CORRESPONDENT BANKS

In the year of 2012, Vietcombank built three (03) new branches in Nam Dinh, Ninh Binh and Ha Nam provinces, and opened ten (10) transaction offices. The number of branches and transaction offices now is nearly 400 throughout Vietnam. Vietcombank is asking for the license to establish a branch for private banking in Hanoi which is the prerequisite for Asset Management Company (AMC) and Consumer Credit Company.

As the first Vietnamese bank engaging in Foreign Trade

business, after 50 years of operation, Vietcombank established relationship with a wide network of financial institutions over the world, which helps us to perform transactions safely and effectively in the international market. Vietcombank gained the reputation from international financial community in export-import payment, remittances, currency trading and money market... activities. Therefore, our financial institutions network is one of Vietcombank's competitiveness advantages in international banking business. Now, Vietcombank has relationship with over 1,700 financial institutions, in over 120 countries and territories.



400

NEARLY

BRANCHES & TRANSACTION OFFICES

IN THE YEAR OF 2012, VIETCOMBANK BUILT THREE (03) NEW BRANCHES IN NAM DINH, NINH BINH AND HA NAM PROVINCES, AND OPENED TEN (10) TRANSACTION OFFICES. THE NUMBER OF BRANCHES AND TRANSACTION OFFICES NOW IS NEARLY 400 THROUGHOUT VIETNAM. NOW, VIETCOMBANK HAS RELATIONSHIP WITH OVER 1,700 FINANCIAL INSTITUTIONS, IN OVER 120 COUNTRIES AND TERRITORIES.

REFORMS IN ORGANISATIONAL STRUCTURE AND MANAGEMENT POLICIES (cont.)

ORGANISATIONAL MODEL COMPLETION, HUMAN RESOURCE TRAINING AND SCIENTIFIC RESEARCH

In 2012, Vietcombank continued to complete the Head Office's organisational model, to restructure branches' models under the standard format with the aim to focus on policies of the Head Office and transactions of the branches.

In addition, Vietcombank also placed emphasis on developing and training human resources and regards it as the key for the Bank's success and efficiency. By the end of 2012, Vietcombank had 13,637 employees of which 76% had bachelor's degrees and 7% had graduate degrees. The staff quality is controlled from the start with a serious recruitment policy, thus officers are employed for suitable positions. Senior leaders all have Master's certificates and 70% of the team graduated from prestigious local and overseas universities. In 2012, Vietcombank has organised 62 training courses, successfully defended an industrial scientific research subject and inspected 12 Vietcombank scientific research subjects.

STRATEGIC COOPERATION

The year 2012 is the first stage in the strategic cooperation process with Mizuho. Vietcombank actively performed technological assistance and business cooperation activities with Mizuho such as: Organising approximately 70 working sessions and training courses to stimulate technological assistance and experience sharing from Mizuho in most business areas, sectors; implementing business cooperation activities in Funding, Credit, Trade Finance, Payment Retail Banking... etc which had mutual benefits to both parties, and especially introducing Vietcombank's services to Japanese customers and Mizuho's corporate customers.



SOCIAL WELFARE AND EMULATION ACTIVITIES

While recognizing the importance of business activities, Vietcombank is also concerned about social welfare, which it regards not only as a responsibility to the community, but also a demonstration of Vietcombank's culture in a period of global integration. In 2012, VCB spent over VND 253 billion for major social welfare programmes. A special event in 2012 is the inauguration of Truong Son - Ben Tât Martyrs Monument which was sponsored by Vietcombank. It not only had historical, spiritual and political meanings but also provided a good lesson in national pride for the current and future generations.



AT VIETCOMBANK, GRANTING INDIVIDUAL LOANS IS ONE OF OUR MAJOR RETAIL BANKING ACTIVITIES AND PLAYS AN IMPORTANT PART IN ENSURING THE BANK'S SUSTAINABLE DEVELOPMENT. LOAN PACKAGES ARE TAILORED TO SUIT INDIVIDUAL CUSTOMERS. NEW REAL ESTATE AND BUSINESS PRODUCTS ARE DESIGNED, WITH EXISTING ONES ALSO STANDARDIZED. IN THE MEANTIME, THE BANK HAS ALSO INVESTED IN BETTER COORDINATION WITH OUR WHOLESALE BUSINESS TO IMPROVE RETAIL BANKING LOANS.

Some main targets in 2013 of the Board of Management submitted to the Board of Directors:

Items	2013's targets
Total assets	Increase by 9%
Credit	Increase by 12%
Funding	Increase by 12%
Profit before tax	5,800 billion VND
Non-performing loans/Gross loans	Below 3.0%
Dividend yield (%/share price)	12%

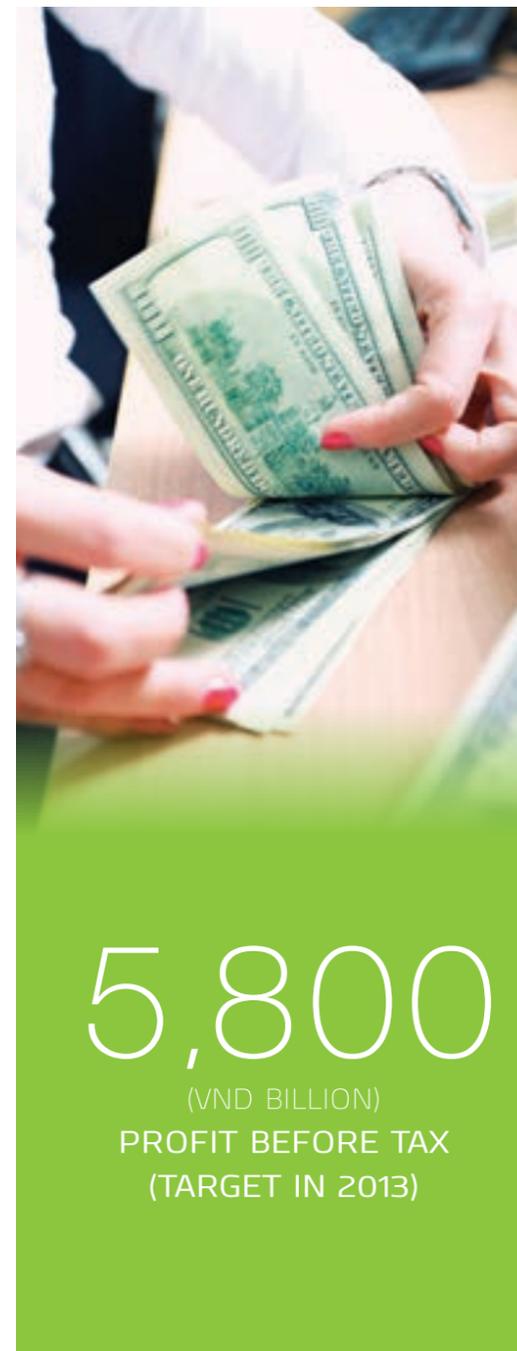
BUSINESS GUIDELINES IN 2013

The 2013 global economic outlook is negative and uncertain. Vietnam's economy in 2013 would be affected by unsolved issues in 2012. GDP growth rate is estimated at 5.5% and inflation rate is forecasted to be lower than the 2012 rate.

The year of 2013 is marked as a turning point for Vietnam's economy to stabilise domestic conditions and prepare for future development. Instead of increasing the growth rate at all costs, Vietnamese Government will focus on stabilising the macroeconomy by dealing with non-performing loans issue, creating demand for the property market and restructuring the economy. The State Bank of Vietnam (SBV) assigns the key tasks for banking industry in 2013 as operating cautiously and flexibly monetary policies to control inflation rate and boost the GDP growth rate, operating

adequately exchange rates and interest rates to be compatible with macroeconomy balance and especially inflationary tendency, and instructing payment methods growth rate of 14-16% and credit growth rate of 12%.

Based on the operating environment analysis and the orientation of the Government and the SBV, VCB determines our operational guideline as "Innovation - Standard - Safety - Efficiency" and our steering viewpoint as "Sharp, Flexibility, Drastic". Our strategy in 2013 is: Based on the business strategy for the period 2011-2020, VCB will further enhance retail banking activities along with traditional wholesale banking activities, promote our advantages, continue the development in depth, consider quality and essence important and aim to sustainable growth.



TASKS AND SOLUTIONS

Vietcombank should concentrate on some Tasks and Solutions to achieve mentioned business objectives as follows:

SERIOUSLY IMPLEMENTS RESOLUTIONS, INSTRUCTIONS ISSUED BY THE PARTY, THE GOVERNMENT AND THE STATE BANK OF VIETNAM.

BUSINESS MANAGEMENT DIRECTING TO QUALITY, SAFETY, EFFICIENCY WITH THE STRATEGY OF: MAINTAINING WHOLESALE BANKING STABILITY, STRONGLY IMPROVING RETAIL BANKING BUSINESS.

CONTINUE MAINTAINING THE STABILITY OF FUND MOBILIZED

Pay attention to source of fund mobilized from residents and regards it a permanent and firm source of the bank.

Consider the efficiency of mobilized fund sources, including the capital source mobilized from economic and social organizations.

Study solutions for attracting fund mobilized in foreign currencies.

Expand customer base to stabilize and improve source of fund mobilized.

INCREASE CREDIT GROWTH RATE ALONG WITH CREDIT QUALITY CONTROL

Focus on controlling the increase in short-term and medium-term loan outstanding; loan outstanding in foreign currencies - VND. Supply preferred loan packages to qualified customers. Focus on supplying preferred loans to prior industries and according to the Government's guidelines.

Concentrate on increasing loans to qualified customers; set up management list and develop the range of potential/targeted customers for the whole system; implement price policy under industry/area/customer.

Define the development of individual loans as one of retail banking activities creating Vietcombank's permanent development. Design product packages of loans suitable to consumer-promotion policy.

Design new and continuing standardize real-estate products and business production; Coordinate with wholesale banking area for improving retail banking loans.

Control credit quality, strengthen bad debts handling by: (i) Using provision (ii) Debt selling and debt reduction, (iii) Debt re-structuring.

STRENGTHEN EFFICIENCY OF CAPITAL TRADING BUSINESS

Continue giving priority to ensure liquidity in foreign currencies, well respond to requirements of foreign currency in export-import settlements; diversify deposits with foreign banks.

Continue catching customers' and partners' needs of foreign currency, enhance the marketing, surveying branches and major customers to have business solutions suitable to management policy issued by the State Bank of Vietnam as well as other banks' competition directing to Vietcombank's targeted customers.

Strongly improve professional businesses in investment and trading bonds, valued paper.

CONTINUE RESTRUCTURING THE PORTFOLIO ACCORDING TO EFFICIENCY CRITERIA

Continue reviewing the portfolio; withdrawing inefficient investments unresponsive to Vietcombank's business activity; reviewing, restructuring subsidiaries to ensure efficiency and legal compliance.

Review and restructure the portfolio, withdraw a part of the portfolio to realize profit and create new investment limits.

Complete internal regulations related to investment activities, regulations on the operation of subsidiaries.

IMPROVE SERVICE QUALITY, MAINTAIN VCB'S MARKET SHARE

Maintain VCB's market share in export-import payment settlement and develop the customer base: (i) Enhance capacity for payment activities through reviewing processes and regulations; complete the process of selecting a contractor for trade finance (ii) Set up the List of important customers for international settlement, divide customers into subgroups for the purpose of proposing appropriate customer policies. (iii) Apply flexible customer policies, with special focus on service prices,

fees and rates. (iv) Develop trade-finance products on the basis of customer selection and classification and setting special subsidy policies for qualified/important customers.

Promote development of retail banking services and card services: (i) Set up and evaluate the budgeting implementation (budgeting) throughout the entire system; (ii) Focus on market research, create multi-dimensional information sources, in order to effectively support the standardization and diversification of retail banking products tailored to each customer group; (iii) Promote the development of credit for individuals; Continue diversification of utilities for

e-banking services; Develop separate capital funding products for targeted customer segments; Gain new partners and markets in order to draw in more remittances from overseas. (iv) Plan and specialize sale activities, sell standard products at branches.

Reinforce and maintain VCB's market share in the card market: (i) Standardize card products according to customers; (ii) Conduct surveys and research of the card market to create suitable development policies. (iii) Focus on promoting efficient sale strategies, efficient marketing strategies; and customer care (iv) Promote cross-selling of products to every employee in managerial offices and well-performing enterprises.



REINFORCE INTERNAL FORCE AND INITIATE THE RESTRUCTURING OF VIETCOMBANK

REINFORCE INTERNAL FORCE AND INITIATE THE RESTRUCTURING OF VIETCOMBANK

IMPROVE MANAGEMENT CAPACITY AND SYSTEM MANAGEMENT CAPACITY, AND APPLY MANAGEMENT METHODS IN ACCORDANCE WITH INTERNATIONAL STANDARDS.

Increase activeness and acumen, adapting to business environments of all management levels.

Continue reviewing business (transaction) documents, regimes, processes and regulations for different operations, and at the same time adjust, supplement, and issue new ones suitable for practical situations;

Increase remote examination and supervision, monitor regularly business activities of the Bank, all branches, and subsidiaries. Build information supporting programmes for supervision activity .

Continue to complete internal auditing.

Research and conduct the setting up of the management information system (MIS), in order to meet the requirements of managing the Bank.

CONTINUE COMPLETING ORGANIZATIONAL STRUCTURE AND DEVELOPING THE NETWORK

Continue standardizing the organizational structure from Head Office to branches; Complete the functions and tasks of departments/ centers at Head Office;

Continue setting up branches, transaction offices as planned by Vietcombank.

Set up an assets management company and a consumer credit company.

ENHANCE RISK MANAGEMENT BUSINESS

Speed up the application of quantitative structures in the management of credit risk, market risk, and operational risk.

Enhance operational risk management through supervising, training and instructing processes and regulations on operations for the staff; Set up principles of work ethics; Speed up the implementation of work processes to improve business efficiency and minimize operational risks.

Reinforce and improve the quality

of loan examination and loan approval, in order to reduce bad debts. Review customers who might be moved to other loan classes, in order to co-ordinate with branches in dealing with problems in a timely manner. Enhance the tools supporting credit risk management for loan quality control.

FOSTER AND IMPROVE THE PERSONNEL

Continue evaluating and rotating staff among different departments at the Head Office, between the Head Office and branches, and among branches. Complete the system for describing tasks specific to different positions, in order to ensure the placement of the right persons into the right positions.

Apply an efficient work management system, set up the rating system and salary/bonus policies based on business efficiency and the scopes of operation.

Focus on training managers and staff of all levels.

COMPLETE THE TRADE-MARK SYSTEM WITH STANDARDS AND CONSISTENCY THROUGHOUT THE ENTIRE BANK'S NETWORK.

Complete the system of brand identity, activate the new brand identity system and gradually spread the new brand identity system throughout the network.



CONTINUE EVALUATING AND ROTATING STAFF AMONG DIFFERENT DEPARTMENTS AT THE HEAD OFFICE, BETWEEN THE HEAD OFFICE AND BRANCHES, AND AMONG BRANCHES. COMPLETE THE SYSTEM FOR DESCRIBING TASKS SPECIFIC TO DIFFERENT POSITIONS, IN ORDER TO ENSURE THE PLACEMENT OF THE RIGHT PERSONS INTO THE RIGHT POSITIONS.

Co-ordinate with media companies in activating the new brand identity.

Implement synchronization of the brand identity for the entire network.

TECHNOLOGY DEVELOPMENT

Continue implementing the Core Banking system and management tools and data analysis tools (Data appliance); conduct instructions and decentralize access to the trade-finance system and other systems serving Vietcombank's business activities.

Implement the contractor package for anti-money laundering.

Complete the programme analyzing effects on business and the back up plan (BCP) created by operational groups to ensure the continuity of the system.

ACTIVELY COOPERATE WITH MIZUHO

Focus on priority contents in the areas where VCB needs technical support in order to increase efficiency of technical support by Mizuho Bank.

Promote the implementation of cooperative business transactions that bring mutual benefits; Promote cooperation in providing retail banking services to Mizuho Bank's enterprise customers, focusing on potential customers who can bring benefits to Vietcombank; Implement support activities by Mizuho Bank for Vietcombank's branches in order to improve transactions with the current Japanese customers of the branches.

ACTIVELY PARTICIPATE IN SOCIAL WELFARE ACTIVITIES AND INTERNAL EVENTS

Support and actively participate in social welfare activities. Research and create new forms of contribution in order to diversify and improve long-term efficiency of social welfare activities and support to the community.

Successfully organized Vietcombank's 50th anniversary and the launching of Vietcombank's new trade-mark.

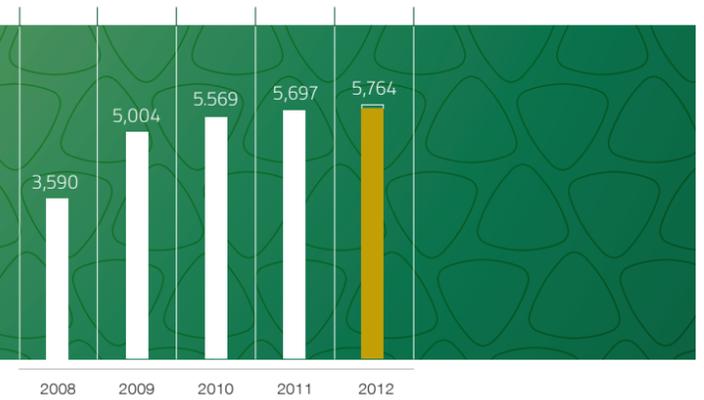


IMPORT EXPORT TRADE VOLUMES REACHED 38.81 BILLION U.S. DOLLARS, ACCOUNTING FOR 16.95% OF VIETNAM MARKET SHARE. OTHER BUSINESS SECTORS MAINTAIN GOOD GROWTH RATES



IN 2012, VIETCOMBANK OVERCAME DIFFICULTIES OF THE DOMESTIC AND FOREIGN OPERATIONAL ENVIRONMENT, ATTEMPTED TO MAINTAIN OUR POSITION AS A LEADING BANK IN THE SYSTEM, AND STRICTLY IMPLEMENTED THE POLICY OF THE STATE BANK OF VIETNAM (SBV) IN STABILIZING VIETNAM FINANCIAL SECTOR, AND ENSURING HARMONIOUS INTERESTS OF SHAREHOLDERS, THE STATE AND THE BANK.

PROFIT BEFORE TAX
(VND BILLION)



EVALUATION OF THE BOARD OF DIRECTORS OF THE VIETCOMBANK'S activities

EVALUATING THE BOARD OF DIRECTORS' ACTIVITIES

The motto **"Innovation – Standards – Safety – Efficiency"** set for the year 2012 has been made possible. There are clear innovations in the organizational structure and human resource management. Internal processes and regulations systems continue to be completed and head to apply advanced standards. The operational safety norms are in accordance with the regulations. The role and performance of auditing, internal control and supervision have been improved.

However, in 2012, many external factors impacted negatively on the economy in general and on the banking system in particular. Consequently, some VCB business indicators did not reach to the set target.

Preliminary evaluation of some aspects of VCB in 2012 as follows:

1 THE IMPLEMENTATION OF THE BUSINESS TARGETS ASSIGNED BY THE GENERAL MEETING OF SHAREHOLDERS

Total assets as at 31/12/2012 increased by 13.02% compared with 31/12/2011, and reached 95.78% of the target.

Capital mobilization from the economy at the end of the year increased by 25.76% compared with the same period in 2011 and were equal to 106.57% of the plan. Meanwhile, loans to customers

increased by 15.16% and reached 98.29% of the plan. Credit and funding growth rates are higher than the growth rate of the entire system.

Non-performing loan ratio was controlled at 2.40%, lower than the target rate of 2.8% and lower than the industry ratio.

Import export trade volumes reached 38.81 billion U.S. dollars, accounting for 16.95% of Vietnam market share. Other business sectors maintain good growth rates.

Consolidated profit before tax in 2012 was 5,764 billion VND, as of 88% of the set plan, an increase of 1.17% compared to profit in 2011. Income structure represents the diversity of business operation of VCB. Non-interest income accounted for 27.5% of total income.

2 NETWORK DEVELOPMENT, ORGANIZATION AND MANAGEMENT

Completing the review and adjustment of development strategy for 2011-2020. The strategy included VCB's restructuring, and is oriented by the Government and the SBV.

Opening 03 branches and establishing several new transaction offices. In 2012, as the SBV has not issued new regulations regarding to the network development; hence, the network development of VCB hasn't fulfilled the plan.

Issuing new regulations, amending and supplementing a number of regulations and policies to gradually improve VCB internal regulation system, continuing to standardize the internal audit system, and establishing the internal audit departments in specific areas.

EVALUATION OF THE BOARD OF DIRECTORS OF THE Vietcombank's ACTIVITIES

EVALUATION OF THE BOARD OF DIRECTORS OF THE VIETCOMBANK'S ACTIVITIES (cont.)

3 RISK MANAGEMENT

Strictly comply with regulations of the SBV on prudential ratios.

Timely implement projects of assessing practical situation and construct risk measurement models in order to comply with BASEL II on the regulations of safe banking operation.

4 EXTERNAL AFFAIRS, COMMUNICATIONS AND BRAND REPOSITION ACTIVITIES

The project of brand-name standardization is completed on schedule. VCB has been actively preparing for the launching of new brand recognition system and the 50th anniversary.

The focus on public communication and the increase of domestic and foreign affairs have strengthened VCB's position and expanded business opportunities.

Besides, VCB also took social responsibility through social welfare activities, community care,... thereby promoting our image, position and prestige.

5 THE SELECTION OF STRATEGIC PARTNERS AND THE INCREASE OF CHARTER CAPITAL

Complete the procedures to increase charter capital (with placement to strategic partner Mizuho Corporate Bank Ltd - MCB).

Begin to implement a number of business co-operation and technical assistance with MCB: Sharing customer base; and cooperating in training, risk management and retail products development...

6 INFORMATION DISCLOSURE AND INVESTOR RELATION

Regulations on information disclosure are strictly followed to ensure timeliness, publicity and transparency.

Issuance of 1.79 billion shares owned by the State in 05/2012.

The Bank maintains regular meetings with shareholders, domestic and foreign investors, as well as provides them with the best quality information, both of which gestures are highly appreciated by investors.

EVALUATING THE BOARD OF MANAGEMENT'S PERFORMANCE

In 2012, the global economy in general and Vietnam's economy in particular were complicated and unpredictable. In this context, the Board of Management has specified the policies approved by the General Meeting of Shareholders and the Board of Director into concrete action plans that are flexible to changes in business environment.

The Board of Management has closely followed VCB's motto "Innovation - Standards - Safety - Efficiency", provided flexible solutions and decisive operating activities to assure that every opportunity is utilized to reach business goals efficiently and safely.

The review and evaluation of the plan operation was directed by the Board tightly and regularly, which has made appropriate adjustments in business operations.

Members of the Board of Management had tried to fulfill their responsibilities and their duties, and always acted in the best interests of shareholders, of the SBV and of the Bank.

BUSINESS GUIDELINES IN 2013

In 2013, Vietnam's economy is predicted to show some positive signs, yet the situation remains complicated. Competition in the banking sector will intensify as new challenges materialize.

In this context, our operational motto is "Innovate - Quality - Safety - Efficiency". The main focuses of 2013 are: To follow the approved 2011-2020 strategy, to strengthen our wholesale banking position, to further promote retail segment, to shift to the VND activities, to enhance the cooperation with Mizuho, to take all advantages, to continue in-depth development, to concentrate on quality and substance, to develop sustainably. The orientation on some specific areas is as follows:

1 DEVELOPMENT MODEL, ORGANIZATIONAL STRUCTURE AND NETWORK

Continue to review and improve the organizational structure, set priority on restructuring subsidiaries and representative offices, standardize branch model to improve operational efficiency.

Establish about 40 new branches and transaction offices.

2 CAPITAL, CREDIT, AND INVESTMENT

Promote credit growth and credit quality control: We expect credit growth rate to be nearly 12%, and NPL ratio kept below 3%.

Be flexible in capital mobilization to meet the capital requirements and to ensure optimum efficiency.

Revise investment portfolios and restructuring appropriately; and complete planned subsidiaries establishment.

3 OTHER BUSINESS SECTORS

Maintain the strong position in forex trading and consolidate market share of import - export settlement and card business.

Continue to promote modern banking services.

4 RISK MANAGEMENT

Continue to enhance the role of inspection, supervision, and internal audit.

Control safety ratios required by the SBV, and build risk measurement model followed international standards.

5 INVESTOR RELATIONS

Continue to promote relations and maintain information providing to shareholders and investors.

Maintain cash dividend policy.

6 HUMAN RESOURCE MANAGEMENT

Continue to renovate the staff recruitment and appointment procedures. Strengthen the human resource training to improve the personnel quality.

Further enhance the staff rotation and usage; especially those who planned for high management position.

7 BUSINESS EFFICIENCY

Continue to diversify the structure of business income.

Strive to achieve profit before tax of about VND 5,800 billion, and maintain ROA, ROE ratios equivalent to these of 2012.

Patience

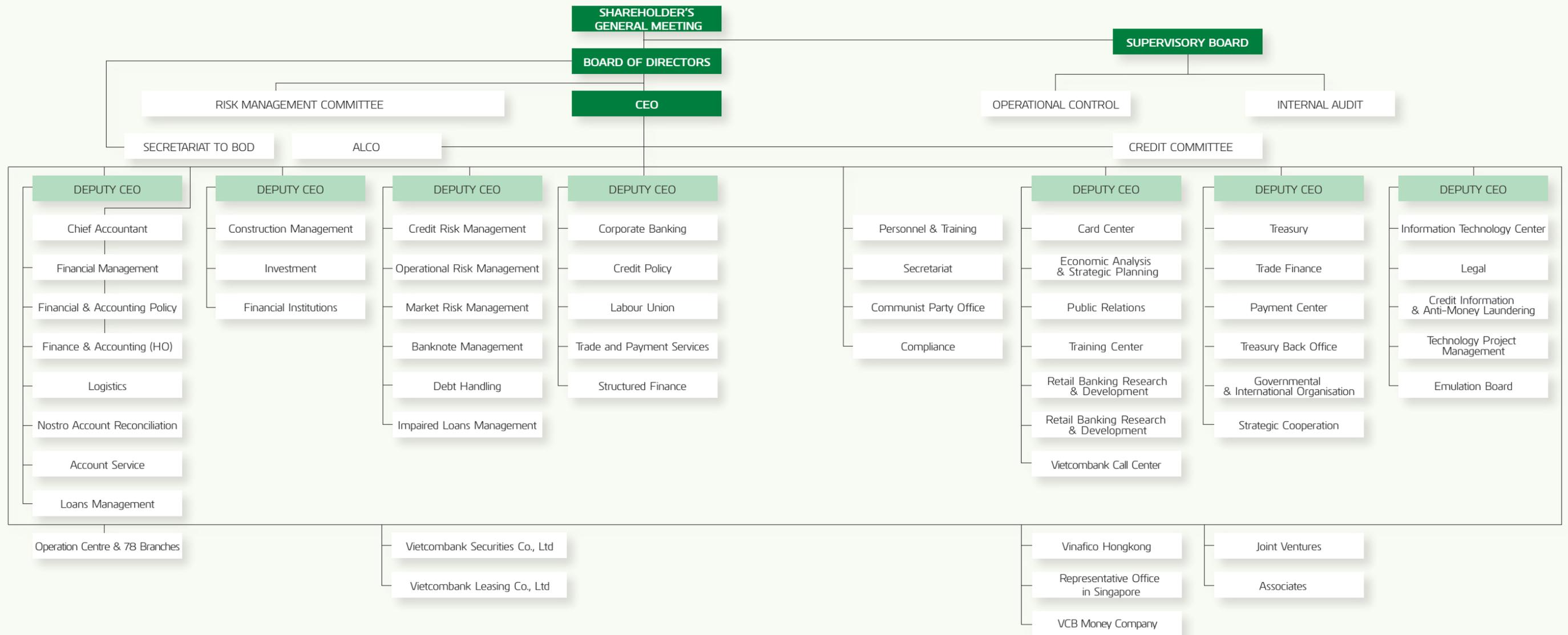
Lotus flower starts as a small flower down at the bottom of a pond in the mud. It patiently waits for enough conditions and chance to rise up strongly.



Organization & Personnel

- Organizational structure
- Organization & personnel
- Board of Directors
- Supervisory Board
- Board of Management

MANAGEMENT STRUCTURE



BOARD OF DIRECTORS STRUCTURE:

- | | |
|----------------------------------|--|
| 1. Mr. NGUYEN HOA BINH | : Chairman of the BOD |
| 2. Mr. NGUYEN PHUOC THANH | : Member of the BOD, General Director |
| 3. Mr. NGUYEN DANG HONG | : Member of the BOD |
| 4. Mr. LE DAC CU | : Member of the BOD |
| 5. Mr. NGUYEN DANH LUONG | : Member of the BOD, Deputy General Director |
| 6. Mr. YUTAKA ABE | : Member of the BOD, Deputy General Director |
| 7. Ms. LE THI KIM NGA | : Member of the BOD |
| 8. Ms. LE THI HOA | : Member of the BOD |

SUPERVISORY BOARD STRUCTURE:

- | | |
|--------------------------------|-------------------------------|
| 1. Ms. TRUONG LE HIEN | : Head of Supervisory Board |
| 2. Ms. VU THI BICH VAN | : Member of Supervisory Board |
| 3. Ms. LA THI HONG MINH | : Member of Supervisory Board |
| 4. Ms. DO THI MAI HUONG | : Member of Supervisory Board |

BOARD OF MANAGEMENT STRUCTURE:

- | | |
|----------------------------------|---------------------------|
| 1. Mr. NGUYEN PHUOC THANH | : General Director |
| 2. Mr. NGUYEN DANH LUONG | : Deputy General Director |
| 3. Mr. YUTAKA ABE | : Deputy General Director |
| 4. Mr. NGUYEN VAN TUAN | : Deputy General Director |
| 5. Mr. PHAM QUANG DUNG | : Deputy General Director |

- | | |
|-----------------------------------|---------------------------|
| 6. Mr. PHAM THANH HA | : Deputy General Director |
| 7. Mr. DAO HAO | : Deputy General Director |
| 8. Ms. TRUONG THI THUY NGA | : Deputy General Director |
| 9. Mr. DAO MINH TUAN | : Deputy General Director |
| Ms. PHUNG NGUYEN HAI YEN | : Chief Accountant |

BOARD OF MANAGEMENT LIST

List, curriculum vitae, percentage of voting-right shares and other securities issued by the Bank owing by the General Director, Deputy General Directors, Chief Accountant and other managers.

FAMILY NAME AND NAME	POSITION	HOLDING VCB SHARES	
		Number of shares	Percentage shares held
NGUYEN PHUOC THANH	Member of BOD, Chief Executive Officer	4,067	0.00018%
NGUYEN DANH LUONG	Member of BOD, Deputy CEO	13,921	0.00060%
YUTAKA ABE	Member of BOD, Deputy CEO	0	0%
PHAM QUANG DUNG	Deputy CEO	2,114	0.00009%
NGUYEN VAN TUAN	Deputy CEO	2,205	0.00010%
DAO MINH TUAN	Deputy CEO	3,743	0.00016%
DAO HAO	Deputy CEO	5,129	0.00022%
PHAM THANH HA	Deputy CEO	2,114	0.00009%
TRUONG THI THUY NGA	Deputy CEO	1,385	0.00006%
PHUNG NGUYEN HAI YEN	Chief Accountant	2,114	0.00009%

CHANGES IN THE BOARD OF MANAGEMENT

IN 2012, THERE WERE SOME CHANGES IN VIETCOMBANK'S BOARD OF MANAGEMENT AS FOLLOWS:

- Mr. Pham Huyen Anh, Member of BOD ceased to be in the position since 02/4/2012.
- Mr. Nguyen Dang Hong, Nguyen Danh Luong, Yutaka Abe and Le Dac Cu have been elected at the Shareholders' General Meeting as Members of the Board of Directors since 02/4/2012.

THE BOARD OF MANAGEMENT'S COMPONENT HAS SOME CHANGES AS FOLLOWS:

- Ms. Nguyen Thu Ha, Deputy General Director has retired from 01/11/2012.
- Ms. Truong Thi Thuy Nga has been appointed Deputy CEO from 01/12/2012.

NUMBER OF EMPLOYEES, SUMMARY OF POLICY AND POLICY CHANGES FOR EMPLOYEES

Vietcombank's human resource has been improving in both quantity and quality. In 2012, Vietcombank has recruited more than 1,100 employees on the whole – mostly young officers who meet the requirements for the new development plans. By 12/2012, the total number of Vietcombank's employees was 13,637 persons, out of which 76% had bachelor's degrees and 7% had graduate degrees. Vietcombank has paid special attention to upholding the quality of its employee selection. 70% of our management level staff holds graduate degrees from renowned institutions both at home and abroad.



ORGANIZATION & PERSONNEL

BOARD OF DIRECTORS



Mr. NGUYEN HOA BINH
Chairman of the Board of Directors

Education:
University of Foreign Studies.
Masters of Business Administration
(Vietnam – Belgium Program)
National Economics University.



Mr. NGUYEN PHUOC THANH
Member of the BOD cum CEO

Education:
Ho Chi Minh Economics University.
Master of Business Administration, jointly
awarded by Vietnam National University and
Pacific Western University (USA).

Ms. LE THI KIM NGA
Member of the Board of Directors

Education:
Foreign Trade University.
Ph.D. in Economics,
National Economics University.



Ms. LE THI HOA
Member of the Board of Directors

Education:
Master of Economics
(Vietnam – France Program),
National Economics University.

BOARD OF (cont.) DIRECTORS

Mr. NGUYEN DANH LUONG

*Member of the Board of Directors
cum Deputy CEO*

Education:

Banking Academy.
Ph.D. in Economics, Banking Institute.



Mr. YUTAKA ABE

*Member of the Board of Directors
cum Deputy CEO*

Education:

Hitotsubashi University (Tokyo, Japan).
Master of Administrative Science –
Stanford University (California, US).



Mr. NGUYEN DANG HONG

Member of the Board of Directors

Education:

Banking Academy.
Institute of Public Security.
University of Law.
Master of Laws, specializing in Economic Law –
The Institute of State and Law.

Mr. LE DAC CU

Member of the Board of Directors

Education:

Foreign Exchange University.



SUPERVISORY BOARD



Ms. LA THI HONG MINH
Member of the Supervisory Board

Education:
Banking Academy,
Master of Economics –
National Economics University.



Ms. TRUONG LE HIEN
Head of the Supervisory Board

Education:
University of Banking,
Master of Development Economics (Vietnam
– Netherlands Graduate School).



Ms. VU THI BICH VAN
Member of the Supervisory Board

Education:
Banking Academy,
Master of Economics –
National Economics University.



Ms. DO THI MAI HUONG
Member of the Supervisory Board

Education:
Foreign Trade University,
Master of Economics –
Foreign Trade University.

BOARD OF MANAGEMENT



Mr. NGUYEN PHUOC THANH

Chief Executive Officer

Education:

Ho Chi Minh Economics University,
Master of Business Administration, jointly awarded
by Vietnam National University and
Pacific Western University (USA).

Mr. NGUYEN DANH LUONG

Deputy CEO

Education:

Banking Academy,
Ph.D. in Economics, Banking Institute.



Mr. YUTAKA ABE

Deputy CEO

Education:

Hitotsubashi University (Tokyo, Japan),
Master of Administrative Science -
Stanford University (California, U.S.).



Mr. NGUYEN VAN TUAN

Deputy CEO

Education:

Ha Noi University of Foreign Languages,
Master of Business Administration, jointly awarded
by the National Economics University and
the University of Brussels (Belgium).

BOARD OF MANAGEMENT

(cont.)

Mr. PHAM QUANG DUNG

Deputy CEO

Education:

National Economics University.
Master of Banking and Finance –
Birmingham University (U.K).



Mr. PHAM THANH HA

Deputy CEO

Education:

National Economics University.
Master of Business Administration –
George Washington University (USA).



Mr. DAO HAO

Deputy CEO

Education:

Ho Chi Minh Economics University.
Hanoi University of Law.

Ms. TRUONG THI THUY NGA

Deputy CEO

Education:

Da Nang University of Science and Technology
(Accounting Department).
University of Law.
Master of Business Administration –
Impac University.



Mr. DAO MINH TUAN

Deputy CEO

Education:

Hanoi University of Science and Technology.
National Economics University.
Master of Economics – Banking Academy.

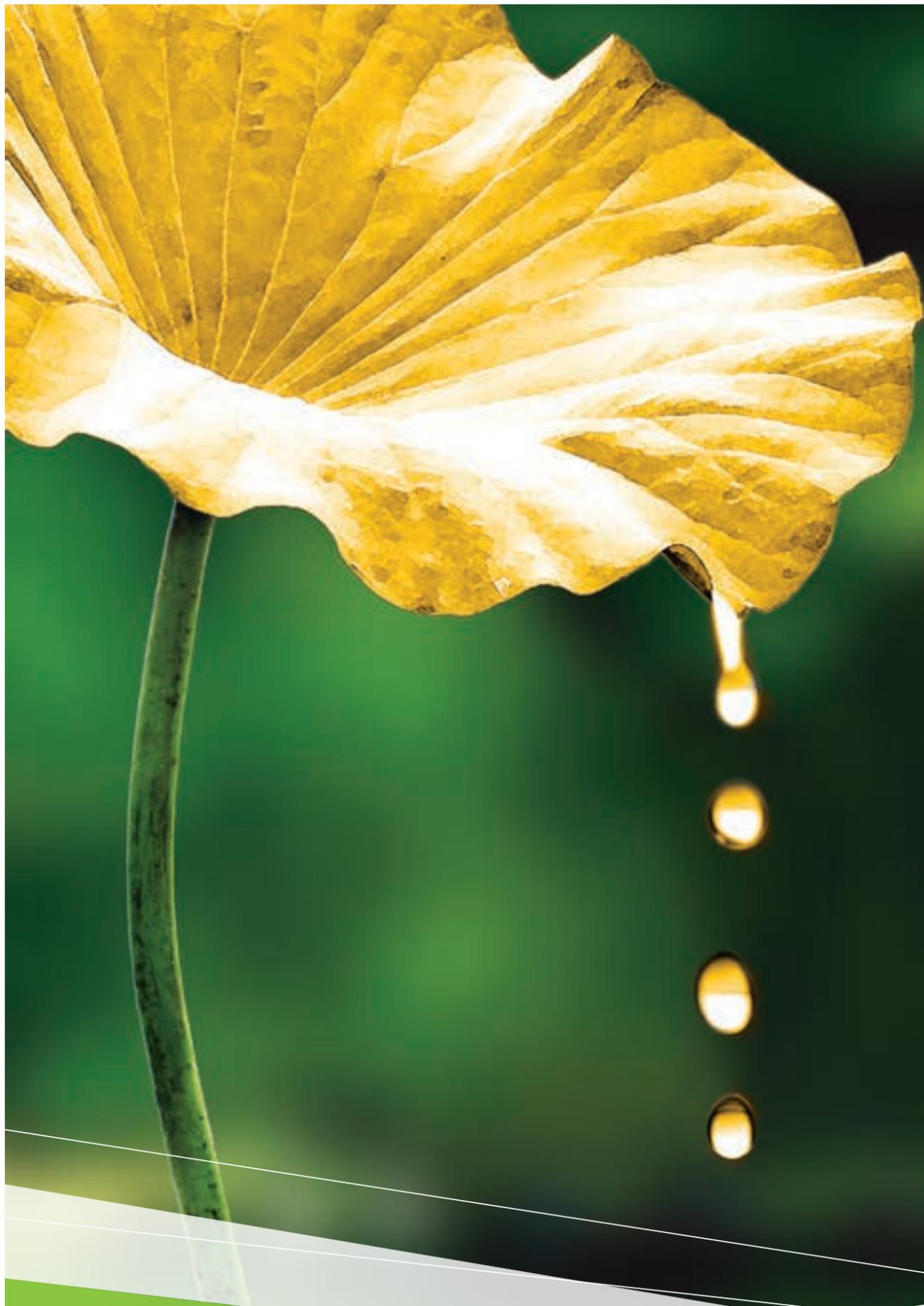


Ms. PHUNG NGUYEN HAI YEN

Chief Accountant

Education:

Banking Academy.
Master of Economics –
Banking Academy CPA Australia.



Straight forward

Despite any circumstances, lotus flower still rises above the surface to bloom with remarkable beauty. Its stem grows straight beyond the surface into the fresh and clean air, never bent in the wind, rain and storm.

The Bank
Governance

• The bank governance • Types of risks • Society & community
• Subsidiaries & joint-ventures and associates • List of branches and subsidiaries



THE BANK GOVERNANCE

BOARD OF DIRECTORS

STRUCTURE OF BOARD OF DIRECTORS

FAMILY NAME AND NAME	POSITION	VCB-SHARES OWNERSHIP		NOTE
		Number of shares	Rate of ownership	
NGUYEN HOA BINH	Chairman of the BOD	5,694	0.00025%	Non- managing member
NGUYEN PHUOC THANH	Member of the BOD, General Director	4,067	0.00018%	
NGUYEN DANG HONG	Member of the BOD	0	0.00000%	Appointed on 2/4/2012 Non- managing member
NGUYEN DANH LUONG	Member of the BOD, Deputy General Director	13,921	0.00060%	Appointed on 2/4/2012
YUTAKA ABE	Member of the BOD, Deputy General Director	0	0.00000%	Appointed on 2/4/2012
LE THI KIM NGA	Member of the BOD	8,768	0.00038%	Non- managing member
LE THI HOA	Member of the BOD	4,067	0.00018%	Non- managing member
LE DAC CU	Member of the BOD	1,526	0.00007%	Appointed on 2/4/2012 Independent member
PHAM HUYEN ANH	Member of the BOD	0	0.00000%	Resigned on 2/4/2012

THE BANK GOVERNANCE

(Cont.)



AT THE BOD'S REGULAR MEETINGS, THE GENERAL DIRECTOR REPORTED THE BANK'S BUSINESS ACTIVITIES IN ALL FIELDS. BESIDES, THE BOD REQUIRED THE BOARD OF MANAGEMENT (BOM) TO REPORT BUSINESS ACTIVITIES BY SUBJECTS, AND THE EXECUTION OF RESOLUTIONS FINALISED IN THE SHAREHOLDERS' GENERAL MEETING AND ISSUED BY THE BOD.

THE BOARD OF DIRECTORS' ACTIVITIES

In 2012, the Board of Directors of the JSC Bank for Foreign Trade of Vietnam (VCB) organized 46 meetings (including 09 general meetings and 37 regular meetings)

to guide and instruct Vietcombank's business activities in each period, consider and make decisions on business under the BOD's authority, and exchange ideas of other specific

subjects. Besides, the BOD and standing members of the BOD tackle some issues by means of Opinion Form asking for members' opinions (26 times).

Details of the BOD's meetings are as below:

Member of BOD	Position	No. of participated meetings	Ratio	Reason for absence
NGUYEN HOA BINH	Chairman of the BOD	71/72	98.61%	Day off
NGUYEN PHUOC THANH	General Director Member of the BOD,	65/72	90.28%	On business trip
LE THI KIM NGA	Member of the BOD	70/72	97.22%	On business trip
LE THI HOA	Member of the BOD	69/72	95.83%	On business trip
NGUYEN DANH LUONG	Member of the BOD ² Deputy General Director	47/72	65.28%	On business trip
NGUYEN DANG HONG	Chief inspector of banking supervisory Member of the BOD ^{1,2}	32/72	44.44%	On business trip
YUTAKA ABE	Member of the BOD ^{1,2}	32/72	44.44%	
LE DAC CU	Independent member of the BOD ^{1,4}	32/72	44.44%	
PHAM HUYEN ANH	Director, State Bank of Vietnam Member of the BOD ^{2,3}	3/72	4.17%	

NOTES:

(1): As Mr. Nguyen Dang Hong, Nguyen Danh Luong, Yutaka Abe and Le Duc Cu were appointed members of the BOD by the Shareholders' General Meeting on 02/04/2012, they could not participate the BOD's meetings held in the first 03 months of 2012;

(2): Mr. Nguyen Dang Hong, Pham Huyen Anh, Nguyen Danh Luong, Yutaka Abe are concurrent members of the BOD, and only participate in regular meetings;

(3): Mr. Pham Huyen Anh ceased position of a member of the BOD from 02/04/2012 so that he didn't participate the meetings since 04/2012;

(4): Mr. Le Duc Cu is an independent member of the BOD, and only participates in regular meetings;

In addition to periodical reports, in 2012, the BOM discussed and reported to the BOD some subjects such as: The execution of Government's Resolutions and of the State Bank of Vietnam's instructions and circulars on solutions to monetary policy operation in order to control inflation, stabilize macro-economy, restructure banking industry, lower interest rates to support enterprises, especially enterprises operating in priority sectors, reduce costs contribute to social welfare and sustainable development, complete Vietcombank's development strategy 2011 - 2020, set up internal interest rate mechanism, and issue regulations on loans to FDIs.

COMMITTEES IN THE BOD

COMMITTEES' STRUCTURE

There are currently 03 committees in the BOD: Risk Management Committee, Personnel Committee and Strategy Committee. These committees operate according to Regulations on organization and activity of each Committee issued by the BOD.

Risk Management Committee includes the following members:

- Ms. Le Thi Kim Nga, Member of BOD - the Head.
- Mr. Le Duc Cu, independent member of the BOD - Member.
- Mr. Yutaka Abe, member of the BOD, Deputy General Director - Member.
- Mr. Dao Hao, Deputy General Director - Member.
- Mr. Pham Quang Dung, Deputy General Director - Member.
- Mrs Nguyen Thi Lan Phuong, Credit Policy Department's cadre, Committee's member and Committee's Secretary.

Personnel Committee includes the following members:

- Mr. Nguyen Hoa Binh, Chairman of the BOD - The Head.
- Mr. Nguyen Phuoc Thanh, Member of BOD, concurrently General Director - Member.
- Ms. Truong Le Hien, Chief of Supervisory Board - Member.



Strategy Committee includes the following members:

- Mr. Nguyen Hoa Binh, Chairman of the BOD - President.
- Mr. Nguyen Phuoc Thanh, member of the BOD, General Director - Vice President.
- Mr. Nguyen Van Tuan, Deputy General Director - Member.
- Ms. Phung Nguyen Hai Yen, Chief Accountant - Member.
- Mr. Pham Chi Quang, Director of Treasury department - Member.
- Ms. Pham Thi Thuy Nga, Director of Retail Banking Research & Development - Member.
- Mr. Nguyen Manh Hung, Director of Credit Policy Department - Member.
- Ms. Nguyen Thuc Linh, Director of Economic Analysis & Strategic Planning Department - Member.
- Mr. Le Hoang Tung, Director of Secretariat to the BOD - Member.

THE BANK GOVERNANCE

(Cont.)



STRATEGY COMMITTEE ADVISES THE BOD TO BUILD THE BANK'S BUSINESS DEVELOPMENT STRATEGY INCLUDING EVALUATION OF ACTUAL SITUATIONS, GENERAL TARGETS, LONG-TERM VISION, STRATEGIC DIRECTIONS BUSINESS CRITERIA, SOLUTIONS AND IMPLEMENTATION PLAN FOR EACH PERIOD...

ACTIVITIES OF BOD-BELONGING-COMMITTEES

Risk Management Committee advises the BOD to ratify policies and directions suitable for each period relating to all types of risks (credit risk, market risk, operational risk...), including the definition of ratios, limits/ limitation and acceptable risk levels. Risk Management Committee periodically reports to the BOD risks in business activities of the Bank and proposes on-time measures of improvement.

Personnel Committee advises the BOD on matters relating to personnel, researches and advises the BOD to issue and ratify internal regulations of the Bank under the BOD's authority on salary regime, bonus, honorarium, recruitment regulations, training and other treatment policy. Personnel Committee involves in building and advising the BOD on human-resource management strategy and recruitment, training, planning, appointment policies... of the Bank.



ALL BOD MEMBERS HAVE PARTICIPATED IN CORPORATE GOVERNANCE TRAINING COURSES

SUPERVISORY BOARD

SUPERVISORY BOARD STRUCTURE

Full name	Position	VCB-shares holding	
		Number of shares	Announced holding
TRUONG LE HIEN	Head of Supervisory Board	3,254	0.00014%
LA THI HONG MINH	Member of Supervisory Board	2,114	0.00009%
DO THI MAI HUONG	Member of Supervisory Board	3,417	0.00015%
VU THI BICH VAN	Member of Supervisory Board	0	0.00000%

SUPERVISORY BOARD'S ACTIVITIES

Supervisory Board includes 04 members (03 responsible members and 01 concurrent member) and two supporting units being Operational Control and Internal Audit. Supervisory Board supervises the Bank's compliance with the Law, with the State Bank of Vietnam's regulations and the Articles of Association of the Bank in corporate governance to ensure the Bank's stable development, safety and efficiency.

The Supervisory Board's members all have specific designated tasks; therefore, the supervision has been continuously and regularly executed during the year. In complied with business direction approved by the Shareholders' General Meeting for the year, the Supervisory Board often evaluates performance and defines plan for the coming term. In 2012, Supervisory Board organized

04 meetings, participated all the BOD's meetings and standing BOD's meetings; organizes regular meetings with the Operational Control and the Internal Audit units; gives opinions of making and realizing business plan, executing monthly/quarterly supervisions on investment, capital trading, credit, capital construction investment and assets purchase, information technology, accounting, complying ratios to ensure safety; regularly supervise the implementation of Resolutions, decisions set by the Shareholders' General Meeting and the BOD; supervise the execution of the Supervisory Board's recommendations; realize the examining the 6-month and yearly financial statements (including separate and consolidated financial statements).

The Supervisory Board instructed the internal auditing in the system, concentrated on strengthening the internal unit to improve its quality and efficiency. The regulations and process of internal audit have been amended and issued, auditing program of business operations has

IN 2012, THE INTERNAL AUDIT SECTIONS IN THE SOUTH AND CENTRAL VIETNAM WERE SET UP AND PUT INTO OPERATION. 24 BRANCHES AND SUBSIDIARIES HAVE BEEN AUDITED ON FIELDS OF ACCOUNTING, CREDIT, RETAIL BANKING, INFORMATICS TECHNOLOGY AND CAPITAL TRADING.

constantly been completed, training to improve professional levels of the staff have often been executed. Beside the internal audit unit at the Head Office, in 2012, the internal audit sections in the South and Central Vietnam were set up and put into operation. 24 branches and subsidiaries have been audited on fields of accounting, credit, retail banking, informatics technology and capital trading.

The Supervisory Board, through operational control and internal audit had timely delivered risk warnings, discovered business problem, in internal regulations and in organizational structure to make proposals to the Board of Directors, the Board of Management and other management levels of the Bank for correcting errors, amending and supplementing regulations, processes and operational instructions, strengthening internal audit thus preventing and reducing risks, ensuring safety in activities. The Supervisory Board has completely fulfilled its duties in the directions set by the Shareholders' General Meeting.

THE BANK GOVERNANCE

(Cont.)

Following is the list and contents of the meeting organized by the Supervisory Board in 2012

Date	Number of Supervisory Board's members attended	Content
24/02/2012	4/4	<ul style="list-style-type: none"> - Summarized Supervisory Board's activities of 2011 and directions, duties for the year 2012 - Supervisory Board's report to Shareholders' General Meeting - Examination and valuation of the 2011 financial statements
16/03/2012	4/4	<ul style="list-style-type: none"> - Approved the examination and valuation of the 2011 financial statements - Approved Supervisory Board's report in Shareholders' General Meeting in 2012
16/07/2012	3/4	<ul style="list-style-type: none"> - Supervisory Board's preliminary of its activities in the first half of 2012 - Activity plan for last 6 months of 2012
08/10/2012	4/4	<ul style="list-style-type: none"> - Reported the setting up internal audit sections in the South and the Central parts. - Guidelines for internal audit

REMUNERATIONS, AND EXPENSES FOR MEMBERS OF THE BOARD OF DIRECTORS AND MEMBERS OF THE SUPERVISORY BOARD

By the Bank's 5th Shareholders' General Meeting Resolution on 02/04/2012, the Shareholders' General Meeting approved remuneration budget for the Board of Directors and Supervisory Board in 2012 which is 0.28% of profit-after-tax.

In fact, members of the Board of Directors and members of the Supervisory Board received salaries and remuneration according to Regulations on salary and existing regulations issued by the Joint Stock Commercial Bank for Foreign Trade of Vietnam. The

total expenses given to members of the Board of Directors and members of the Supervisory Board in the year 2012 did not exceed the ratios approved by the Shareholders' General Meeting.

INTERNAL SHAREHOLDERS' TRANSACTIONS AND RELATED PERSON(S)

In 2012 there was a sale of shares conducted by an internal shareholder's related person, with details as follows:

Share Seller	Time of sale	Type of sale	Number of share sold
Mr. Dao Song Mai Younger brother of Mr. Dao Minh Tuan, Deputy General Director	11/4 - 27/4/2012	Sell	2,550



Best Bank in Vietnam (2000 - 2012)
nominated by credible international magazines

TYPES OF RISKS

CREDIT RISK

Credit risk is the risk that causes a financial loss in the event that borrowers fail to fulfill, either in part or in full, their financial obligations as stipulated in the signed credit contracts.

Vietcombank has adopted a centralised credit risk management system which is structured upon procedure, risk management, sales and operation functions. The objective of separating the three

functions is to minimize risks and to take advantage of credit officers' expertise. At the Head Office: departments in charge of evaluation, credit approval, credit management, credit risk management are separated to enhance the quality of credit business. At branches: sales departments (front officemarketing...), credit analysis departments (analysis, evaluation, forecasting, customer evaluation..) and operational departments (credit application processing, loans monitoring, collecting loans principal and interest...) are separated.

In 2012, Vietcombank strictly controlled loans to limit bad debts while reviewing and re-evaluating the

quality of customers/loans. In addition, the Head Office has strengthened the distant supervision on activities of its branches, subsidiaries and provided warning signals to prevent risks and conducted the post-examination on several credit programs to detect transactions not complying with the bank's conditions and procedures. The bank has developed and tested PD and LGD models on the probability of default at some branches. In 2012, Vietcombank launched the Project "Business Modelling" to create industry reports and companies forecasting models to standardise the analysis of industry risks, quantify and standardise the process of granting credit limits to customers.

MARKET RISKS

Interest rate risk occurs where there's a gap in maturities and the liquidity between the fund mobilization and the funding usage due to the unexpected change in market interest rates, which causes the potential financial loss to the Bank.

To reduce interest rate risk, Vietcombank has been proactive in adopting flexible interest rate policy, thereby narrowing the average maturity gap between assets and liabilities and selectively utilizing derivative products. Besides, Vietcombank has implemented a proper interest rate policy for

medium and long term credit contracts to minimize interest rate risks. The Asset-Liabilities management committee (ALCO) which operates in collaboration with other departments following international risk management models enhanced the effectiveness of interest rate risk management. Vietcombank's investment portfolio currently focuses on government debt securities.

Foreign currency risk occurs where there's a fluctuation in value of assets and liabilities in foreign currency due to market exchange rates changes.

To manage foreign currency risk, Vietcombank has implemented a centralized foreign currency positions management policy at the Head Office. Branches are established intra-day transaction

limits and positions at branches at the end of the day are automatically squared to the Head Office. The Head Office is responsible for controlling the foreign currency positions to minimize risks occurred due to the fluctuations of exchange rates. Vietcombank has also concentrated on foreign currency trading, derivatives instruments to minimize adverse effects of fluctuations in exchange rates to the bank's operation.

In 2012, Vietcombank cooperated with foreign partners to implement projects and models on market risks management. In addition, Vietcombank has adopted modern techniques such as VAR method to measure market risks, and tested Repricing Gap method measuring the fluctuations of net interest using interest rate change scenarios.

“ IN ORDER TO ENHANCE THE EFFECTIVENESS OF RISK MANAGEMENT, VIETCOMBANK HAS PERFORMED RISK MANAGEMENT PROPERLY, COMPREHENSIVELY AND SYSTEMATICALLY TO IDENTIFY, CONTROL, PREVENT AND MINIMIZE THE LOSSES AND ADVERSE EFFECTS OF RISKS.

LIQUIDITY RISK

Liquidity risk occurs when the bank is in shortage of capital which makes the bank unable to meet depositors' demand to withdraw cash or to pay other financial obligations. Liquidity risk arises from the discrepancy on the scale and the maturity between the bank's current and future assets and liabilities. Psychological factors

as well as investors' confidence can also cause liquidity risk.

Vietcombank's liquidity risk management complies with the following principles:

- Strictly complying with SBV's regulations on capital ratios and liquidity in banking operations.
- Monitoring, evaluating assets and liabilities based on real maturity.
- Complying with liquidity limits set by ALCO.

- Evaluating and forecasting cash flow regularly for liquidity backup plan in normal business conditions or sudden events affecting depositors' behaviours;

- Properly allocating assets in terms of cash, valuable papers investment and loans to respond to inadequate liquidity circumstances.

OPERATIONAL RISK

Operational risk is the risk causing a financial loss (directly or indirectly) due to procedure, human or internal system error or negative impacts of external factors.

Vietcombank's internal control and audit division examines and supervises the bank's operational risk management. The division regularly assesses the appropriateness and compliance of operational processes and regulations and provides warning

signals. To prevent ethical risks, Vietcombank has continued to educate, organize regular training courses to its staff in order to enhance their knowledge and expertise on the Bank's operational risk management.

As most of Vietcombank's activities are based on modern technology, operational risk includes technology related risks. Vietcombank has made the most use of information technology to perform a large number of transactions properly and timely to store and process all data related to the Bank's business and operation. The good application of information technology system in financial control, risk management,

credit analysis, reporting, customer service and other matters as well as the communication channel among Vietcombank's branches and main data processing centers determine the Bank's business operation and competitive advantage.

In 2012, Vietcombank launched the Project "Enhancing Vietcombank's risk management capabilities" to implement important initiatives, processes and key risk indicators (KRIs) system. The project has enabled Vietcombank to enhance its capabilities and effectiveness in operational risk management, to standardize its processes and facilitates its operation and management.

SOCIETY & COMMUNITY



Vietcombank always upholds the "Humanities" as a core value of Vietcombank culture, has been willing not only to share with customers, clients and partners, but also to support the poor, limited ethnic minority and remote areas.



SOCIETY & COMMUNITY

(cont.)



OBJECTIVES TO ENVIRONMENT, SOCIETY AND COMMUNITY

Vietcombank not only focuses on the business development activities but also determines itself for the lofty goal of environment, society and community:

Vietcombank always strives to develop business stably, ensures for arterial financial flow to circulate continuously, as well as contributes to the development of the social

economy in Vietnam in general and the banking sector specifically.

Vietcombank's activities always gear towards the community, society; contribute to build up prosperous and happy nation. Caring and devote a significant resource for the social welfare is one of the most important objectives set up annually by Vietcombank. Therefore, brand

value and reputation over the past 50 years of Vietcombank has been continuously built up and nurtured.

Vietcombank has identified its responsibility to the environment, contributing to improve the green, clean and beautiful environment. Vietcombank decided to build up and develop – towards "Green Bank" with the aim of improving

the environment, quality of life, protecting the nature through some targets such as usage reduction of polluted waste gas and garbage. The "Green Bank" program has been simultaneously implemented by Vietcombank in both internal and external environment. Within the bank, Vietcombank has launched the program of saving electricity, stationery, the usage of telephone

and public property. For outward activities, Vietcombank also extends Green activities such as investment and development of environment-friendly products and marketing programs such as e-banking, Green credit, etc. Through the chain of activities above, Vietcombank expects that it can change behavior and environmental protection awareness with their customers and community.

SUBSIDIARIES & JOINT-VENTURES AND ASSOCIATES

COMPANIES WHO OWN
MORE THAN 50% OF CAPITAL
STOCK/EQUITY CAPITAL OF
THE ORGANIZATION, COMPANY
(AT PRESENT, THE STATE BANK
OF VIETNAM IS THE ONLY
SHAREHOLDER OWNING MORE
THAN 50% OF VIETCOMBANK'S
SHARE CAPITAL)

COMPANIES OF CAPITAL
STOCK/EQUITY CAPITAL HELD
BY VIETCOMBANK

Vietcombank Leasing Co., Ltd
Vietcombank Securities Co., Ltd
Vietcombank Money Inc
Vietnam Finance Company in Hong Kong
Vietcombank Tower 198
Vietcombank - Bonday - Ben Thanh Co., Ltd
Vietcombank Fund Management Company
Vietcombank Cardif Life Insurance Co., Ltd
Vietcombank Bonday Limited
Vietcombank Partner Fund 1 - VPF1

VIETCOMBANK LEASING CO., LTD

Short name : **VCB Lea Co.**

License of : License No. 05/GP-CTCTTC dated
Operation : 25/5/1998 by State Bank

Nature of business : Financial leasing

Investment capital
31/12/2012 : 500.00 VND billion

% of share : 100%
holding

VCB Lea Co, a subsidiary 100% owned by Vietcombank, specialized in financial leasing. In 2011, VCB Lea Co has employed an active and flexible business strategy, following growth of the year 2011 to get stable business outcomes. The company's total assets as of 31/12/2012 were VND 1,651 billion, 17% higher than that of 2011. Profit after tax was VND 47.97 billion, up 34% compared to 2011.

VND **47.97** BILLION
PROFIT AFTER TAX IN 2012
UP 34% COMPARED TO 2011

4th Floor, Building No 10B,
Trang Thi Street, Hoan Kiem District, Ha Noi

VIETCOMBANK SECURITIES CO., LTD

Short name : **VCBS**

License of : License No. 09/GPHDKD dated
Operation : 24/04/2002 with finally amended ac-
cording to license No. 192/UBCK-GPDC
dated 27/02/2009 by State Security
Commission.

Nature of business : Security

Investment capital
31/12/2012 : 700.00 VND billion

% of share : 100%
holding

VCBS is 100% owned by Vietcombank. In 2012, leveraging a number of positive changes in the stock market, the company's business activities has improved significantly. Specifically, the profit after tax of the company in 2012 reached VND 38.03 billion, increasing by 250% compared to 2011.

VND **38.03** BILLION
PROFIT AFTER TAX IN 2012
UP 250% COMPARED TO 2011

12th and 17th Floor, VCB Tower,
198 Tran Quang Khai, Hoan Kiem, Hanoi, Vietnam

VIETCOMBANK TOWER 198 CO., LTD

Short name : **VCBT**

License of : License No. 1578/GP dated
Operation 30/05/1996, and No.1578/GPDC1
dated 18/04/2006 issued by Ministry of
Planning and Investment.

Nature of business : Office leasing

Investment capital
31/12/2012 : VND 197.65 billion

% of share : 70%
holding

Vietcombank Tower 198 Co., Ltd. (VCB Tower) is a 70:30 joint-venture created by Vietcombank and FELS Property Holdings Company Pte. of Singapore. VCB Tower engages in office leasing at its premise - Vietcombank Tower. In 2012, although the office leasing sector was in trouble, due to particular locations and customers, the company continues to maintain stable operation and achieving VND 94 billion in profit after tax, slightly slight 3.8% lower than 2011.

VND **94** BILLION

PROFIT AFTER TAX
SLIGHTLY SLIGHT 3.8% LOWER THAN 2011

14th Floor, VCB Tower,
198 Tran Quang Khai Street, Hoan Kiem, Hanoi

VIETNAM FINANCE COMPANY IN HONG KONG

Short name : **VINAFICO**

License of : License No. 05456282-000-02-13-6
Operation issued by Hong Kong Currency Control
Agency dated 10/02/2013.

Nature of business : Financial Services

Investment capital
31/12/2012 : VND 116.90 billion

% of share : 100%
holding

Vietnam Finance Company in Hong Kong (VFC) is a subsidiary company 100% owned by Vietcombank, specializing in finance in Hong Kong. The company's main businesses include: Deposits, credit, payment services, money transfers. In 2012, VFC's profit after tax was VND 5.37 billion, increasing by 117% compared to 2011.

VND **5.37** BILLION

PROFIT AFTER TAX
INCREASING BY 117% COMPARED TO 2011.

16th Floor, Golden Star Building,
20 Lockhard, Hong Kong

VIETCOMBANK MONEY INC

Short name : **VCB MONEY**

License of : License No. E0321392009_6 issued
Operation by state government of Nevada dated
15/06/2009.

Nature of business : Remittance services

Investment capital
31/12/2012 : VND 64.35 billion

% of share : 75%
holding

VCBM is a joint stock company with 75% owned by Vietcombank. VCBM specializes in money transfer from the U.S. to Vietnam. The Company is in its developmental stages and therefore is not yet profitable. The company has 1 head office, 2 transaction offices and some trading agents in California. In 2012, the company officially launched money transfer remittance services under its own license and opened account at Wells Fargo Bank who has large networks, thereby facilitating the business expansion in the future.

7777 Center Avenue; Suite 495
Huntington Beach, CA 92647 United States

VIETCOMBANK – BONDAY – BEN THANH CO. LTD

Short name : **VBB**

License of : License No. 2458/GP dated
Operation 07/02/2005 issued by Ministry of
Planning and Investment.

Nature of business : Office leasing

Investment capital
31/12/2012 : VND 351.61 billion

% of share : 52%
holding

VBB is a joint venture between Vietcombank and HCM Commercial Services JSC (Setra Corp.) and Bonday Investments Ltd. (Hong Kong) with contribution ratio of 52%, 18% and 30% respectively, operating in construction and office leasing (class A) as well as providing office for Vietcombank's branches and subsidiaries in HCM city. VBB is currently engaged in construction projects, which are expected to finish by the end of 2013.

Room 602, 6th Floor Harbour View Tower,
35 Nguyen Hue Street, District 1, Ho Chi Minh City

VIETCOMBANK FUND MANAGEMENT COMPANY

Short name : **VCBF**

License of : License No. 06/UBCK-GPHĐQLQ
Operation dated 02/12/2005 with finally amended according to license No. 76/GPDC-UBCK dated 03/08/2010 by State Security Commission.

Nature of business : Investment Fund Management

Investment capital
31/12/2012 : VND 28.05 billion

% of share : 51%
holding

VCBF is a joint venture between Vietcombank and Franklin Templeton, each of whom contributed 51% and 49% respectively, operating in establishing and managing securities investment fund and managing securities investment portfolio.

VND **3.25** BILLION
PROFIT AFTER TAX IN 2012

15th Floor VCB Tower,
198 Tran Quang Khai St., Hoan Kiem Dist., Hanoi

VIETCOMBANK CARDIF LIFE INSURANCE

Short name : **VCLI**

License of : License No. 55/GP dated 23/10/2008
Operation issued by Ministry of Finance.

Nature of business : Life Insurance

Investment capital
31/12/2012 : VND 270.00 billion

% of share : 45%
holding

VCLI is a joint venture of Vietcombank, BNP Paribas Cardif and Seabank with contribution ratios of 45%; 43% and 12% respectively. It operates in life insurance and specializing in distribution of insurance products via bank (bancassurance). At present, VCLI provides life insurance products such as: personal credit insurance, group credit insurance, credit insurance for co-borrowers, death insurance, mix insurance, and etc. VCLI's profit after tax for the year 2012 was approximately VND 25.75 billion.

VND **25.75** BILLION
PROFIT AFTER TAX IN 2012

11th Floor Capital Tower,
109 Tran Hung Dao Street, Hoan Kiem, Hanoi

VIETCOMBANK BONDAY LIMITED

Short name : **VCBB**

License of : License No. 283/GP dated 05/12/1991
Operation issued by Department of Planning and Investment.

Nature of business : Office leasing

Investment capital
31/12/2012 : VND 11.11 billion

% of share : 16%
holding

VCBB is a joint venture between Vietcombank, Saigon Real Estate Corporation and Bonday Investments Ltd., Hong Kong. VCBB manages the Harbour View Tower Building at 35 Nguyen Hue, District 1, Ho Chi Minh City, operating in office leasing. In 2012, the company maintained a stable business with profit after tax of VND 29.34 billion.

VND **29.34** BILLION
PROFIT AFTER TAX IN 2012

No. 35, Nguyen Hue Street
District 1, Ho Chi Minh city

VIETCOMBANK PARTNER FUND 1 VPF1

Short name : **VPF1**

License of : License No. 02/UBCK-TLQTV dated
Operation 29/12/2005 issued by State Security Commission.

Nature of business : Investment Fund

Investment capital
31/12/2012 : VND 6.60 billion

% of share : 11%
holding

VPF1 was established at the end of 2005 with charter capital of VND 200 billion, of which the VCB contributed 11%. In the past years, VPF1 has obtained high profits and paid dividends and capital for investors timely, at the rates of nearly 220% its initial capital. Currently, the fund is in divestment process to return money to investors.

VND **60** BILLION
CHARTER CAPITAL

18th Floor VCB Tower,
198 Tran Quang Khai St., Hoan Kiem Dist., Hanoi

List of BRANCHES AND SUBSIDIARIES

HEAD OFFICE, OPERATION CENTER, DOMESTIC BRANCHES AND REPRESENTATIVE OFFICE

HEAD OFFICE

19B Trần Quang Khai - Hoàn Kiếm District - Hanoi, Vietnam
Website: www.vietcombank.com.vn

Tel: (84 4) 3934 3137
Fax: (84 4) 3936 0049/3826 9067

Vietcombank Call Center 24/7:
(84 4) 3824 3524/1900 54 54 13

OPERATION CENTER

No. 31-33, Ngô Quyền Street, Hoàn Kiếm District, Hanoi
Tel: (84 4) 3936 8547
Fax: (84 4) 3936 5534

Representative Office in Singapore

14 Robinson Road, 08 - 01 Far East Finance Building Singapore 048545
Tel: 656 323 7558
Fax: 656 323 7559

AN GIANG	No. 1, Hung Vuong Street, Long Xuyen City, An Giang Province	Tel: (076)3841 816 Fax: (076)3841 591	DAK LAK	No. 6 Trần Hưng Đạo, Ban Mê Thuột City, Dak Lak Province	Tel: (0500)3857 899 Fax: (0500)3855 038	KY DONG	No. 13 -13 bis Ky Dong, Ward 9, District 3, Ho Chi Minh City	Tel: (08)3931 8956 Fax: (08)3931 8953	SOC TRANG	No. 27, Hải Ba Trưng Str, Sóc Trăng City, Sóc Trăng Province	Tel: (079)3621 752 Fax: (079)3824 186
BA DNH	No. 521, Kim Mã, Ba Đình District, Hanoi	Tel: (04)3766 5318 Fax: (04)3766 5313	DONG NAI	No. 77C, Hung Đạo Vương Street, Biên Hòa City, Dong Nai Province	Tel: (061)3823 666 Fax: (061)3824 191	LONG AN	No. 2A, Phạm Văn Ngũ Str, Block 5, Ben Luc Commune, Ben Luc District, Long An	Tel: (072)3633 684 Fax: (072)3633 687	SONG THAN	No. 79/8 Binh Duong 2 Block, An Binh Ward, Di An City, Binh Duong Province	Tel: (0650)3792 158 Fax: (0650)3792 387
BAC LIEU	No. 14-15 Lot B Ba Trieu, Ward 3, Bac Lieu City, Bac Lieu	Tel: (0781)3953 143 Fax: (0781)3953 141	DONG THAP	No. 66, 30/4 Street, Ward 1, Cao Lanh City, Dong Thap Province	Tel: (067)3872 114 Fax: (067)3872 119	MONG CAI	No. 2, Van Don, Mong Cai City, Quang Ninh Province	Tel: (033)3887 575 Fax: (033)3881 676	TAN BINH	No. 108, Tây Thành Str, Tây Thành Ward, Tân Phú District, Ho Chi Minh City	Tel: (08)3810 6454 Fax: (08)3810 6838
BAC GIANG	No. 179, Hung Vuong St, Hoàng Hoa Thám Ward, Bac Giang City, Bac Giang Province	Tel: (0240)3855 576 Fax: (0240)3855 575	DUNG QUAT	Lot L3 - Sai Gon Dung Quat IP, Dung Quat EZ, Binh Sơn Dist, Quang Ngai Province	Tel: (055)3610 807 Fax: (055)3610 806	NAM DINH	No. 91, Quang Trưng Str, Quang Trưng Ward, Nam Dinh City, Nam Dinh Province	Tel: (0350)3558 666 Fax: (0350)3558 333	TAN DINH	No. 72, Phạm Ngọc Thạch Str, District 3, Ho Chi Minh City	Tel: (08)3820 8762 Fax: (08)3820 6846
North of HA TINH	52 Trần Phú, Bac Hong Ward, Hong Linh Town, Ha Tinh	Tel: (039)6262 555 Fax: (039)6269 555	GIA LAI	No. 33 Quang Trung Street, Hoi Thuong Ward, Pleiku City, Gia Lai Province	Tel: (059)3828 595 Fax: (059) 3828 592	South of SAI GON	1 st , 2 nd , 3 rd , 4 th V6 Tower, Plot V, Him Lam, 23 Nguyễn Huệ Tho Str, Tân Hưng Ward, District 7, HCMC	Tel: (08)3770 1634 Fax: (08)3770 1635	TAY NINH	No. 374-376, 30/4 Str, Ward 3, Tây Ninh Town, Tây Ninh Province	Tel: (066)3818 997 Fax: (066)3818 998
BAC NINH	No. 353 Trần Hưng Đạo Street, Bac Ninh City, Bac Ninh Province	Tel: (0241)3811 848 Fax: (0241)3811 848	HA LONG	Ha Long Str, Bai Chay Ward, Ha Long City, Quang Ninh Province	Tel: (033)3811 808 Fax: (033)3844 746	NHA TRANG	No. 21, Lê Thanh Phương Str, Vạn Thang Ward, Nha Trang City, Khanh Hoa	Tel: (058)3722 820 Fax: (058)3823 806	THAI BINH	No. 75, Lê Lợi Str, Thai Binh City, Thai Binh Province	Tel: (036)3836 994 Fax: (036)3836 994
BEN THANH	No. 69 Bui Thị Xuân Street, Phạm Ngũ Lão Ward, District 1, Ho Chi Minh City	Tel: (08)3835 9323 Fax: (08)3832 5041	HA NAM	Hai Hà Trade Center, Lê Hoàn Str, Hải Bà Trưng Ward, Phú Lý City, Hà Nam Province	Tel: (0351)3616 666 Fax: (0351)3616 567	NHON TRACH	25B Str, Nhơn Trạch III Industrial Zone, Nhơn Trạch District, Dong Nai Province	Tel: (061)3560 881 Fax: (061)3560 880	THANG LONG	No. 98, Hoàng Quốc Việt Str, Cau Giay District, Hà Nội City	Tel: (04)3755 7194 Fax: (04)3756 9006
BIEN HOA	No. 22, 3A Street, Biên Hòa II Industrial Zone, Biên Hòa City, Dong Nai Province	Tel: (061)3995 981 Fax: (061)3991 947	HA NOI	No. 334, Bà Triệu Str, Hải Bà Trưng District, Hà Nội	Tel: (04)3974 6666 Fax: (04)3974 7065	NINH BINH	No. 872 Trần Hưng Đạo, Tân Thành Ward, Ninh Bình City, Ninh Bình Province	Tel: (030)3894 444 Fax: (030)3894 446	THANH CONG	Lot 3, Suburb of 41 CC, Hoàng Đạo Thụy Str, Nhân Chính Ward, Thanh Xuân District, Hà Nội	Tel: (04)6257 8686 Fax: (04)37761 747
BINH DUONG	No 314, Binh Duong Boulevard, Phú Hòa Ward, Thủ Dầu Một Town, Binh Duong Province	Tel: (0650)3822 685 Fax: (0650)3831 220	HA TAY	No. 484, Quang Trưng Street, Hà Đông, Hà Nội	Tel: (04)33554 545 Fax: (04)33554 444	NINH THUAN	No. 47 16/4 St., Kinh Dinh Ward, Phan Rang - Tháp Chàm City, Ninh Thuan	Tel: (068)3827 552 Fax: (068)3827 072	THANH HOA	No. 11, Hạc Thành Str, Điện Biên Ward, Thanh Hóa City, Thanh Hóa Province	Tel: (037)3728 286 Fax: (037)3728 386
BINH TAY	No. 129-129A, Hậu Giang Street, Ward 5, District 6 HCMC	Tel: (08)3960 0477 Fax: (08)3960 6217	HA TINH	No. 2, Nguyễn Thị Minh Khai Str, Trần Phú Ward, Hà Tĩnh City, Hà Tĩnh	Tel: (039)3857 001 Fax: (039)3857 002	PHU TAI	267, 269 Lạc Long Quân, Trần Quang Diệu Ward, Quy Nhơn City, Binh Dinh Province	Tel: (056)3541 869 Fax: (056)3741 007	THANH XUAN	No. 448-450 Nguyễn Trãi Str, Thanh Xuân District, Hà Nội City	Tel: (04)3557 8598 Fax: (04)3557 4140
BINH THANH	G Floor and 4 th Floor - SPT Building - No. 199, Điện Biên Phủ St., Ward 15, Binh Thanh Dist, HCMC	Tel: (08)38407 924 Fax: (08)38407 923	HAI DUONG	No. 66, Nguyễn Lương Bằng Street, Hải Dương City, Hải Dương Province	Tel: (0320)3891 131 Fax: (0320)3891 807	PHU THO	664 Su Văn Hạnh Str, District 10, Ho Chi Minh City	Tel: (08)3863 5821 Fax: (08)3862 4804	TIEN GIANG	No. 152, Đinh Bộ Lĩnh Str, Ward 2, Mỹ Tho City, Tien Giang Province	Tel: (073)3975 495 Fax: (073)3975 878
BINH THUAN	No. 87, 19/4 Street, Xuân An Ward, Phan Thiet City, Binh Thuan Province	Tel: (062)3739 290 Fax: (062)3739 066	HAI PHONG	No. 11, Hoàng Diệu, Hồng Bàng District, Hải Phòng City	Tel: (031)3842 658 Fax: (031)3841 117	PHU YEN	No. 194 - 196 Hung Vuong Str, District 7, Tuy Hòa City, Phú Yên Province	Tel: (057)3811 709 Fax: (057)3818 186	TAY DO	Tra Noc Industrial Park, Tra Noc Ward, Bình Thủy District, Cần Thơ City	Tel: (0710)3844 272 Fax: (0710)3843 056
CA MAU	No. 3-4C, Âu Cơ Street, Ward No 7, Cà Mau City, Cà Mau Province	Tel: (0780)3835 027 Fax: (0780)3833 466	HO CHI MINH	No. 10, Võ Văn Kiệt, Thái Bình Ward District 1, Ho Chi Minh City	Tel: (08)3829 7245 Fax: (08)3829 7228	QUANG BINH	No. 3, Lý Thường Kiệt, Dong Hoi City, Quang Binh Province	Tel: (052)3840 380 Fax: (052)3828 347	TRA VINH	No. 28, Nguyễn Thị Minh Khai, Ward 2, Trà Vinh Town, Trà Vinh Province	Tel: (074)3868 780 Fax: (074)3868 791
CAM RANH	No. 100, 22/8 Street, Cam Thuan Ward, Cam Ranh City, Khanh Hoa Province	Tel: (058)3955767 Fax: (058)3952 403	HOAN KIEM	No. 23, Phan Chu Trinh St., Hoàn Kiếm District, Hà Nội	Tel: (04)3933 5566 Fax: (04)3933 5580	QUANG NAM	No. 35, Trần Hưng Đạo, Tâm Kỳ City, Quang Nam Province	Tel: (0510) 3813 062 Fax: (0510) 3813 235	TRUNG DO	No. 09, Nguyễn Sỹ Sách Str, Hà Huy Tập Ward, Vinh City, Nghe An Province	Tel: (038)8699 567 Fax: (038)8699 568
CAN THO	No. 3-5-7 Hoa Bình, Tân An Ward, Ninh Kiều District, Cần Thơ City	Tel: (0710)3820 445 Fax: (0710)3817 299	HUE	No. 78, Hung Vuong Str, Hue City, Thừa Thiên Huế Province	Tel: (054)3811 900 Fax: (054)3824 631	QUANG NGAI	No. 345, Hung Vuong Str, Quang Ngai City, Quang Ngai Province	Tel: (055)3828 578 Fax: (055) 3711 482	VINH	No. 21, Quang Trưng Str, Vinh City, Nghe An Province	Tel: (038)3842 033 Fax: (038)3842 192
CHAU DOC	No. 55 Lê Lợi, Châu Phú B Ward, Châu Đốc Town, An Giang Province	Tel: (076)3565 603 Fax: (0763)561 703	HUNG YEN	39 Str, Nghĩa Hiệp Commune, Yên Mỹ District, Hưng Yên Province	Tel: (0321)3941 886 Fax: (0321)3941 044	QUANG NINH	No. 703, Lê Thanh Tông, Hà Long City, Quang Ninh Province	Tel: (033)3629 215 Fax: (033)3828 914	VINH LOC	Vinh Loc Industrial Zone, Bình Tân District, Ho Chi Minh City	Tel: (08)3765 1328 Fax: (08)3765 1327
CHUONG DUONG	No. 564, Nguyễn Văn Cú Street, Long Biên District, Hanoi	Tel: (04)3877 7102 Fax: (04)3652 2949	BIEN DUONG Industrial Zone	DT743 Street, Binh Hoa Commune, Thuan An District, Binh Duong Province	Tel: (0650)3710 722 Fax: (0650)3710 725	QUANG TRI	No. 51, Trần Hưng Đạo Str, Dong Hà Commune, Quang Tri Province	Tel: (053)3555 727 Fax: (053)3555 726	VINH LONG	No. 1D and 1E Hoàng Thái Hieu, District 1, Vinh Long City, Vinh Long Province	Tel: (070)3836 478 Fax: (070)3836 479
DA LAT	No. 1, Lê Hồng Phong Street, Ward 4, Đà Lạt City, Lâm Đồng Province	Tel: (063)3511 811 Fax: (063)3533 666	KIEN GIANG	No. 2, Mạc Cửu Street, Rạch Giá City, Kiên Giang Province	Tel: (077)3862 749 Fax: (077)3866 243	QUY NHON	No. 66C Lê Duan Str, Lý Thường Kiệt Ward, Quy Nhơn City, Binh Dinh	Tel: (056)3821 498 Fax: (056)3823 181	VINH PHUC	No. 116, Ngô Quyền Str, Vinh Yên - Vinh Phúc	Tel: (0211)3720 920 Fax: (0211)3720 921
DA NANG	No. 140 -142, Lê Lợi Street, Hải Châu I Ward, Hải Châu District, Đà Nẵng City	Tel: (0511)3822 110 Fax: (0511)3826 062	KON TUM	No. 124B, Lê Hồng Phong St., Quyet Thang Ward, Kontum City, Kontum	Tel: (060)3703 337 Fax: (060)3913 516	VUNG TAU	No. 27 -29 Trần Hưng Đạo Str, Vũng Tàu City, Bà Rịa Vũng Tàu Province	Tel: (064)3852 309 Fax: (064)3859 859	VIET TRI	No. 1606A, Hung Vuong Str, Gia Cam Ward, Viet Tri City, Phú Thọ Province	Tel: (0210)3913 969 Fax: (0210)3913 909



Essential

Lotus flower is essential, bright, noble and pure like ethnic soul. Given its beauty and fragrance, lotus with yellow pistils is ready to take on the life.



Consolidated Financial Statements

- General information
- Report of the Board of Management
- Independent auditors' report
- Consolidated balance sheet
- Consolidated income statement
- Consolidated statement of cash flows
- Notes to the consolidated financial statements

GENERAL INFORMATION

Banking Licence

No. 138/GP-NHNN dated 23 May 2008 issued by the State Bank of Vietnam ("the SBV") and Decision No. 2719/QĐ-NHNN dated 27 December 2011 by the Governor of the State Bank of Vietnam adjusting and supplementing the contents of the Bank's operations. The Banking Licence validity is 99 years from the issuance date of the Banking Licence No. 138/GP-NHNN.

Business Registration Certificate

Business Registration Certificate No. 0100112437 dated 02 June 2008 issued by Hanoi Authority for Planning and Investment was renewed for the first time on 06 September 2010 and for the seventh time on 10 January 2012.

Members of Board of Directors during the year and at the date of this report

Mr. Nguyen Hoa Binh	Chairman	Appointed on 23 May 2008
Mr. Nguyen Phuoc Thanh	Member	Appointed on 23 May 2008
Ms. Le Thi Hoa	Member	Appointed on 23 May 2008
Ms. Le Thi Kim Nga	Member	Appointed on 23 May 2008
Mr. Nguyen Dang Hong	Member	Appointed on 02 April 2012
Mr. Nguyen Danh Luong	Member	Appointed on 02 April 2012
Mr. Yutaka Abe	Member	Appointed on 02 April 2012
Mr. Le Duc Cu	Member	Appointed on 02 April 2012
Mr. Pham Huyen Anh	Member	Appointed on 20 May 2009 Resigned on 02 April 2012

Members Board of Management during the year and at the date of this report

Mr. Nguyen Phuoc Thanh	Chief Executive Officer	Appointed on 23 May 2008
Mr. Nguyen Van Tuan	Deputy CEO	Appointed on 02 June 2008
Mr. Dao Minh Tuan	Deputy CEO	Appointed on 02 June 2008
Mr. Pham Quang Dung	Deputy CEO	Appointed on 02 June 2008
Mr. Nguyen Danh Luong	Deputy CEO	Appointed on 01 August 2009
Mr. Dao Hao	Deputy CEO	Appointed on 01 August 2010
Mr. Pham Thanh Ha	Deputy CEO	Appointed on 01 August 2010
Mr. Yutaka Abe	Deputy CEO	Appointed on 30 September 2012
Ms. Truong Thi Thuy Nga	Deputy CEO	Appointed on 01 December 2012
Ms. Nguyen Thu Ha	Deputy CEO	Appointed on 02 June 2008 Retired on 01 November 2012

Members of Supervisory Board during the year and at the date of this report

Ms. Truong Le Hien	Head of Supervisory Board	Appointed on 02 June 2008
Ms. La Thi Hong Minh	Member	Appointed on 02 June 2008
Ms. Do Thi Mai Huong	Member	Appointed on 02 June 2008
Ms. Vu Thi Bich Van	Member	Appointed on 22 April 2011

Chief Accountant Ms. Phung Nguyen Hai Yen Appointed on 16 June 2011

Legal Representative Mr. Nguyen Phuoc Thanh Title: Chief Executive Officer

The Bank's Head Office 198 Tran Quang Khai Street
Hoan Kiem District, Hanoi, Vietnam

The Bank's auditors Ernst & Young Vietnam Limited

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Joint Stock Commercial Bank for Foreign Trade of Vietnam ("the Bank") is responsible for preparing and presenting the consolidated financial statements of the Bank and its subsidiaries for the year ended 31 December 2012.

The Board of Management's responsibility in respect of the consolidated financial statements

The Board of Management of the Bank is responsible for ensuring that the consolidated financial statements give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2012, and of the consolidated results of their operations and their consolidated cash flows for the year then ended, in all material aspects, in accordance with the Vietnamese Accounting Standards ("VAS"), the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and comply with the relevant statutory requirements. In preparing these consolidated financial statements, the Board of Management is required to:

- select appropriate accounting policies and apply them consistently;
- make judgements 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 will continue its business.

The Board of Management of the Bank is responsible for ensuring that proper accounting records are kept to disclose, with reasonable accuracy at any time, the consolidated financial position of the Bank and its subsidiaries and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other violations.

The Board of Management of the Bank confirmed that the Bank has complied with the above requirements in preparing the accompanying consolidated financial statements for the year ended 31 December 2012.

Statement by the Board of Management

The Board of Management does hereby state that, in its opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2012 and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and comply with the relevant statutory requirements.

For and on behalf of the Board of Management:



Mr. NGUYEN DANH LUONG
Deputy CEO

Hanoi, 15 March 2013

INDEPENDENT AUDITORS' REPORT

Reference: 61039047/16113618

To: **Shareholders**

JOINT STOCK COMMERCIAL BANK FOR FOREIGN TRADE OF VIETNAM

We have audited the consolidated financial statements of Joint Stock Commercial Bank for Foreign Trade of Vietnam and its subsidiaries as set out on pages 96 to 162 which comprise the consolidated balance sheet as at 31 December 2012, the consolidated income statement and the consolidated statement of cash flows for the year then ended and the notes thereto.

The preparation and presentation of these consolidated financial statements are the responsibility of the Board of Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with the Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from 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 the Board of 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, in all material aspects, of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2012 and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.

Ernst & Young Vietnam Limited



Mr. VO TAN HOANG VAN
Deputy General Director
Certificate No. 0264/KTV

Ho Chi Minh City, Vietnam

15 March 2013

Ms. HOANG THI HONG MINH
Auditor
Certificate No. 0761/KTV

CONSOLIDATED BALANCE SHEET

as at 31 December 2012

Form B02/TCTD-HN

	Notes	31/12/2012 VND million	31/12/2011 VND million
A ASSETS			
I Cash on hand, gold, silver and gemstones	4	5,627,307	5,393,766
II Balances with the State Bank of Vietnam	5	15,732,095	10,616,759
III Balances with and loans to other credit institutions	6	65,712,726	105,005,059
1 Balances with other credit institutions		60,509,084	71,822,547
2 Loans to other credit institutions		5,320,515	33,197,058
3 Allowance for loans to other credit institutions		(116,873)	(14,546)
IV Trading securities	7	520,876	817,631
1 Trading securities		521,239	825,372
2 Allowance for diminution in the value of trading securities		(363)	(7,741)
VI Loans and advances to customers		235,869,977	204,089,479
1 Loans and advances to customers	8	241,162,675	209,417,633
2 Allowance for loans and advances to customers	9	(5,292,698)	(5,328,154)
VII Investment securities		78,521,304	29,456,514
1 Available-for-sale securities	10(a)	73,945,195	26,027,134
2 Held-to-maturity securities	10(b)	4,843,173	3,750,522
3 Allowance for diminution in the value of investment securities		(267,064)	(321,142)
VIII Long-term investments		3,020,788	2,618,418
1 Investments in joint-ventures	11(a)	719,266	646,292
2 Investments in associates	11(b)	13,966	18,693
3 Other long-term investments	11(c)	2,324,794	2,161,359
4 Allowance for diminution in the value of long-term investments	11(c)	(37,238)	(207,926)
IX Fixed assets		3,659,582	2,605,744
1 Tangible fixed assets	12	2,304,003	1,460,829
a Cost		5,471,618	4,190,184
b Accumulated depreciation		(3,167,615)	(2,729,355)
2 Intangible fixed assets	13	1,355,579	1,144,915
a Intangible fixed assets		1,676,224	1,386,884
b Accumulated amortization		(320,645)	(241,969)
XI Other assets		5,810,418	6,118,909
1 Receivables	14(a)	1,566,149	2,318,052
2 Accrued interest and fee receivables	14(b)	3,436,613	3,378,930
3 Other assets	14(c)	807,656	421,927
TOTAL ASSETS		414,475,073	366,722,279

The accompanying notes are an integral part of these consolidated financial statements

	Notes	31/12/2012 VND million	31/12/2011 VND million
B LIABILITIES AND SHAREHOLDERS' EQUITY			
I Amounts due to the Government and the State Bank of Vietnam	15	24,806,433	38,866,234
II Deposits and borrowings from other credit institutions	16	34,066,352	47,962,375
1 Deposits from other credit institutions		16,963,858	22,725,480
2 Borrowings from other credit institutions		17,102,494	25,236,895
III Deposits from customers	17	284,414,568	227,016,854
IV Derivatives and other financial liabilities	18	5,461	11,474
VI Valuable papers issued	19	2,027,567	2,071,383
VII Other liabilities		27,449,714	22,012,029
1 Accrued interest and fee payables	20(a)	3,454,890	2,949,343
2 Deferred tax liabilities		53,607	6,789
3 Other liabilities	20(b)	23,364,269	18,157,982
4 Provision for contingent liabilities and off-balance sheet commitments	20(c)	576,948	897,915
TOTAL LIABILITIES		372,770,095	337,940,349
VIII Capital and reserves			
1 Capital		32,420,728	20,739,157
a Chartered capital		23,174,171	19,698,045
b Share premium		9,201,397	995,952
c Other capital		45,160	45,160
2 Reserves		2,793,880	2,116,611
3 Foreign exchange differences		121,228	191,020
4 Asset revaluation differences		72,800	70,442
5 Retained profits		6,144,427	5,521,466
a Previous years' retained profits		3,058,026	2,676,183
b Current year's retained profits		3,086,401	2,845,283
TOTAL SHAREHOLDERS' EQUITY	21(a)	41,553,063	28,638,696
IX Minority interests		151,915	143,234
TOTAL LIABILITIES, SHAREHOLDERS' EQUITY AND MINORITY INTERESTS		414,475,073	366,722,279

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2012

Form B02/TCTD-HN

No.	Notes	31/12/2012 VND million	31/12/2011 VND million
OFF-BALANCE SHEET ITEMS			
I	Contingent liabilities		
1	Credit guarantees	19,400	25,850
2	Letter of credit	29,674,606	32,696,320
3	Other guarantees	17,353,819	15,384,088
II	Commitments		
1	Other commitments	364,982	4,825,942
		47,412,807	52,932,200

Hanoi, 15 March 2013

Prepared by:

MS. NGUYEN THI THU HUONG MS. PHUNG NGUYEN HAI YEN


Deputy Director of
Accounting Policy Department

Approved by:

MR. NGUYEN DANH LUONG



Deputy CEO

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2012

Form B03/TCTD-HN

	Notes	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
1	Interest and similar income	31,746,997	33,354,733
2	Interest and similar expenses	(20,792,904)	(20,933,053)
I	Net interest income	10,954,093	12,421,680
3	Fee and commission income	2,250,538	2,198,033
4	Fee and commission expenses	(861,939)	(688,300)
II	Net fee and commission income	1,388,599	1,509,733
III	Net gain from trading foreign currencies	1,487,751	1,179,584
IV	Net gain/(loss) from trading securities	76,742	(5,896)
V	Net gain from investment securities	207,631	24,012
5	Other income	657,253	355,489
6	Other expenses	(132,155)	(1,616,405)
VI	Net other income/(expenses)	525,098	(1,260,916)
VII	Net income from investments in associates and joint-ventures	468,583	1,002,574
	TOTAL OPERATING INCOME	15,108,497	14,870,771
VIII	TOTAL OPERATING EXPENSES	(6,015,636)	(5,699,837)
IX	Net profit before provisions and allowances for credit losses	9,092,861	9,170,934
X	Provisions and allowances for credit losses	(3,328,964)	(3,473,529)
XI	PROFIT BEFORE TAX	5,763,897	5,697,405

The accompanying notes are an integral part of these consolidated financial statements

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT (continued)

for the year ended 31 December 2012

Form B03/TCTD-HN

	Notes	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
7 Current Corporate Income Tax expenses	31	(1,336,691)	(1,480,073)
XII Current Corporate Income Tax expenses	31	(1,336,691)	(1,480,073)
XIII PROFIT AFTER TAX		4,427,206	4,217,332
XIV Net profit attributable to the minority interest		(23,500)	(20,521)
XVI NET PROFIT		4,403,706	4,196,811
XV Earnings per share (VND)	21(c)	1,626	1,789

Hanoi, 15 March 2013

Prepared by:

MS. NGUYEN THI THU HUONG MS. PHUNG NGUYEN HAI YEN

Approved by:

MR. NGUYEN DANH LUONG



Deputy Director of
Accounting Policy Department



Deputy CEO

Chief Accountant

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2012

Form B04/TCTD-HN

	Notes	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
1 Interest and similar income receipts		32,213,121	32,333,968
2 Interest and similar expenses payments		(20,289,702)	(20,623,670)
3 Fee and commission income receipts		1,388,599	1,509,733
4 Net receipts from trading foreign currencies, gold and securities		1,843,717	1,261,181
5 Other expenses payments		(20,575)	(1,484,044)
6 Receipts from recovery of bad debts previously written off	27	369,844	220,106
7 Payments to employees and for other operating activities		(5,551,206)	(5,176,780)
8 Income tax paid	33	(1,498,166)	(1,395,101)
Net cash flow from operating activities before changes in operating assets and working capital		8,455,632	6,645,393
Changes in operating assets			
9 Balances with and loans to other credit institutions		(2,259,835)	2,663,810
10 Trading securities		(17,428,159)	(16,913)
11 Loans and advances to customers		(31,745,042)	(32,603,727)
12 Utilization of allowance for loans and advances to customers		(3,583,061)	(3,842,717)
13 Other operating assets		327,294	(391,713)
Changes in operating liabilities			
14 Amounts due to the Government and the SBV		(10,602,746)	28,789,298
15 Deposits and borrowings from other credit institutions		(13,896,022)	(10,747,887)
16 Deposits from customers		53,940,659	22,260,905
17 Valuable papers issued		(43,816)	(1,492,602)
18 Derivatives and other financial liabilities		(6,013)	46,160
19 Other liabilities		4,541,151	13,093,310
20 Payments from reserves		(452,113)	(517,411)
I Net cash flow (used in)/generated from operating activities		(12,752,071)	23,885,906

The accompanying notes are an integral part of these consolidated financial statements

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

for the year ended 31 December 2012

Form B04/TCTD-HN

	Notes	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
1		(1,630,359)	(1,495,797)
2		6,589	5,120
3		(657)	(2,098)
4		(165,029)	(11,676)
5		4,400	1,814,860
6		396,778	142,887
7		-	149,017
II		(1,388,278)	602,313
CASH FLOWS FROM FINANCING ACTIVITIES			
1	21	3,338,869	4,363,918
2	21	8,342,702	-
3	21	(2,363,765)	(93)
III		9,317,806	4,363,825
IV		(4,822,543)	28,852,044
V	32	125,530,390	96,678,346
VII	32	120,707,847	125,530,390

Hanoi, 15 March 2013

Prepared by:

MS. NGUYEN THI THU HUONG MS. PHUNG NGUYEN HAI YEN

Approved by:

MR. NGUYEN DANH LUONG



Deputy Director of
Accounting Policy Department



Chief Accountant

Deputy CEO

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2012

Form B05/TCTD-HN

These notes form an integral part of, and should be read in conjunction with, the accompanying consolidated financial statements.

1. Reporting entity

(a) Establishment and operations

Joint Stock Commercial Bank for Foreign Trade of Vietnam was established upon the transformation from a state-owned commercial bank following the approval of the Prime Minister on the equitization plan of the Bank for Foreign Trade of Vietnam and in accordance with other relevant regulations. The Bank was granted Banking Licence No. 138/GP-NHNN dated 23 May 2008 by the State Bank of Vietnam for a period of 99 years and Business Registration Certificate No. 0103024468 dated 02 June 2008 by Hanoi Authority for Planning and Investment, Business Registration Certificate No. 0100112437 was renewed for the seventh time on 10 January 2012.

The principal activities of the Bank in accordance with Decision No. 2719/QD-NHNN dated 27 December 2011 supplementing the Banking Licence No. 138/GP-NHNN on contents of the Bank's operations are to mobilize and receive short, medium and long-term deposit funds from organizations and individuals; to lend to organizations and individuals up to the nature and capability of the Bank's capital resources; to conduct settlement and cash services; to provide other banking services as approved by the SBV; to invest in associates, joint-ventures and other companies; to invest in stocks and bonds; and to trade in foreign exchange and real-estate business in accordance with the prevailing regulations.

(b) Chartered capital

Under Banking Licence No. 138/GP-NHNN dated 23 May 2008 issued by the SBV and Business Registration Certificate No. 0103024468 dated 02 June 2008 issued by Hanoi Authority for Planning and Investment, the Bank's chartered capital was VND12,100,860,260,000. As at 31 December 2012, under Business Registration Certificate No. 0100112437 which was renewed for the seventh time on 10 January 2012, the Bank's chartered capital was VND23,174,170,760,000. The face value per share is VND10,000.

	31/12/2012		31/12/2011	
	Number of shares	%	Number of shares	%
Shares owned by the State of Vietnam	1,787,023,116	77.10%	1,787,023,116	90.72%
Shares owned by foreign strategic share- holder (Mizuho Corporate Bank, Ltd., Japan)	347,612,562	15.00%	-	-
Shares owned by other shareholders	182,781,398	7.90%	182,781,398	9.28%
	2,317,417,076	100%	1,969,804,514	100%

(c) Locations and network

The Bank's Head Office is located at 198 Tran Quang Khai Street, Hoan Kiem District, Hanoi. As at 31 December 2012, the Bank has one (01) Head Office, one (01) Operations Centre, one (01) Training Centre and seventy eight (78) branches nationwide, three (03) local subsidiaries, two (02) overseas subsidiaries, three (03) joint ventures, two (02) associates and one (01) overseas representative office located in Singapore.

The Bank and its subsidiaries hereinafter are referred as "Vietcombank".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

1. Reporting entity (continued)

(d) Subsidiaries, joint-ventures and associates

	Operating Licence	Business sector	% direct shareholding by the Bank
Subsidiaries			
Vietcombank Financial Leasing Company Limited ("VCB Leasing")	Operating Licence No. 05/GP-CTCTTC dated 25 May 1998 granted by the SBV	Financial leasing	100%
Vietcombank Securities Company Limited ("VCB Securities")	Operating Licence No. 09/GPHDKD dated 24 April 2002 and Licence No. 12/GPHDLK dated 23 May 2002 granted by the State Securities Commission	Capital market, securities broking, financial investment advising	100%
Vietcombank Tower 198 Company Limited ("VCB Tower")	Investment Licence No. 1578/GP dated 30 May 1996 and No. 1578/GPDC1 dated 18 April 2006 granted by the Ministry of Planning and Investment	Office leasing	70%
Vietnam Finance Company Limited ("Vinafico")	Investment Licence No. 05456282-000-02-11-7 dated 10 February 2011 granted by the Hong Kong Monetary Authority	Financial services	100%
Vietcombank Money Incorporation	Business Licence No. E0321392009-6 dated 15 June 2009 granted by Authority of Nevada State, the United States of America	Remittance	75%
Joint-ventures			
Vietcombank - Bonday - Ben Thanh Company Limited	Operating Licence No. 2458/GP dated 07 February granted by the Ministry of Planning and Investment	Office leasing	52%
Vietcombank Fund Management Company	Investment Licence No. 06/UBCK-GPHDQLQ dated 02 December 2005 and Licence No. 76/GPDC-UBCK dated 03 August 2010 granted by the State Securities Commission	Investment fund management	51%
Vietcombank - Cardif Life Insurance Company Limited	Investment Licence No. 55/GP dated 23 October 2008 granted by the Ministry of Finance	Life insurance	45%
Associates			
Vietcombank - Bonday Limited	Investment Licence No. 283/GP dated 05 December 1991 granted by the Department of Planning and Investment	Office leasing	16%
Vietcombank Partners Fund 1	Decision No. 02/UBCK-TLQTV dated 29 December 2005 granted by the State Securities Commission	Investment fund	11%

(e) Number of employees

As at 31 December 2012, Vietcombank has 13,637 employees (as at 31 December 2011: 12,565 employees).

2. Summary of significant accounting policies

The following significant accounting policies have been adopted by Vietcombank in the preparation of these consolidated financial statements.

(a) Basis of financial statements preparation

The consolidated financial statements are presented in Vietnam Dong ("VND") and rounded to the nearest million ("VND million"), have been prepared in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the SBV and the relevant statutory requirements. The Bank also prepares the separate financial statements for the year ended 31 December 2012.

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the direct method in accordance with the SBV's regulations. During the year, Vietcombank has applied the accounting policies consistently with the previous year.

(b) Fiscal year

Vietcombank's fiscal year is from 01 January to 31 December.

(c) Foreign currency transactions

According to the Bank's accounting system, the Bank records all transactions in their original currencies. Monetary assets and liabilities denominated in currencies other than VND are converted into VND at the inter-bank exchange rates prevailing on the balance sheet date. Non-monetary foreign currency assets and liabilities are reported using the exchange rate effective on the date of the transaction. Income and expenses in foreign currencies are converted into VND in the consolidated income statement at the exchange rates on the dates of the transactions.

Foreign exchange differences arising from revaluation of foreign currency trading activities at the end of the fiscal year are recorded in the consolidated income statement.

In order to prepare the consolidated financial statements for the subsidiaries using consolidation method and for the associates and joint-ventures using equity method, which have accounting currencies other than VND, assets, liabilities and equity accounts of these companies are converted into VND at the spot rate of exchange on the balance sheet date, and the consolidated income statement is converted at the average exchange rate for the year. The exchange differences arising from the conversion are taken into equity in the consolidated balance sheet.

(d) Consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Bank. The control exists when the Bank has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing the control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that the control commences until the date that the control ceases.

Inter-company balances, transactions and profit/loss on transactions between those companies and the Bank are eliminated in the consolidated financial statements. The accounting policies of subsidiaries have been changed if necessary to ensure the consistency with the policies adopted by the Bank.

Minority interest is the portion of the profit or loss and net assets of a subsidiary attributable to equity interest that are not owned, directly or indirectly through subsidiaries, by the Bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

2. Summary of significant accounting policies (continued)

(ii) Associates and joint-ventures

Associates are those entities in relation to which the Bank has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Bank holds from 20 to 50 percent of the voting power of a certain entity.

Joint-ventures are those entities over whose activities the Bank has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Vietcombank uses the equity method for consolidating its investments in associates and joint ventures in the consolidated financial statements. Vietcombank's share of its associates' and joint-ventures' post acquisition profits or losses is recognized in the consolidated income statement. When Vietcombank's share of losses in associates and joint-ventures equals or exceeds the book value of its investment in the associates and joint-ventures, Vietcombank does not recognize further losses in its consolidated financial statements, unless it has obligations to pay on behalf of the associates and joint-ventures. Accounting policies of associates and joint-ventures have been changed where necessary to ensure consistency with the policies adopted by Vietcombank.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with the SBV, Treasury bills and other short-term valuable papers which are eligible for discounting, securities with collection terms or maturities not exceeding three months since the purchase date, balances with and loans to other credit institutions with original terms to maturity not exceeding three months.

(f) Investments

(i) Trading securities

Trading securities are debt securities, which are bought and held for the purpose of reselling within one year to gain profit on changes in price.

Trading securities are initially recognized at cost of acquisition. They are subsequently measured at the lower of the book value and the market value. Gains or losses from the sales of trading securities are recognized in the consolidated income statement.

Interest and dividend derived from holding trading securities are recognized on the cash basis in the consolidated income statement.

(ii) Investment securities

Investment securities are classified into two categories: available-for-sale and held-to-maturity investment securities. Vietcombank classifies investment securities on their purchase dates. In accordance with Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, Vietcombank is allowed to reclassify investment securities no more than once after the purchase date.

Available-for-sale investment securities

Available-for-sale investment securities are debt securities, equity securities or other securities, which are acquired for an indefinite period and may be sold at any time.

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities, with fixed or determinable payments and maturities where Vietcombank's management has the positive intention and ability to hold until maturity.

Investment securities are initially recognized at cost of acquisition, including transaction expenses and other directly attributable expenses. They are subsequently measured at the lower of the book value after amortization and the market value. Premiums and discounts arising from purchases of debt securities are amortized in the consolidated income statement using straight-line method over the period from the acquisition dates to the maturity dates.

(iii) Long-term investments

Other long-term investments represent Vietcombank's capital investments in other enterprises at which Vietcombank either owns less than 20% of voting right and is a foundation shareholder; or a strategic partner; or having impacts on the enterprise's planning and determining of financial and operating policies under agreements to appoint personnel in the Board of Directors/Board of Management.

Other long-term investments include equity securities and other long-term capital contributions whose holding, withdrawing or paying term is for more than 01 year (at the exclusion of capital contributions, investments into joint-ventures and associates).

Other long-term investments are initially recognized at cost. They are subsequently measured at the lower of the book value and the market value. Cost is determined on a weighted average basis.

(g) Loans and advances to customers

(i) Loans and advances to customers

Loans and advances to customers are stated on the consolidated balance sheet at the principal amounts outstanding at the end of the fiscal year.

Allowance for credit risk of loans and advances to customers is recorded and stated in a separate line.

(ii) Specific allowance for credit risk

In accordance with Decision No. 493/2005/QD-NHNN dated 22 April 2005 issued by the SBV ("Decision 493"), which was amended and supplemented by Decision No. 18/2007/ QD-NHNN dated 25 April 2007 issued by the SBV ("Decision 18"), specific allowance for credit risk is calculated on loan grading and corresponding allowance rate against principal outstanding as at 30 November less allowed value of collateral as follows:

	Allowance rate
Group 1 – Current	0%
Group 2 – Special mentioned	5%
Group 3 – Sub-standard	20%
Group 4 – Doubtful	50%
Group 5 – Loss	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

2. Summary of significant accounting policies (continued)

(g) Loans and advances to customers (continued)

Vietcombank applies Article 7 of Decision 493 to classify loans and advances based on both qualitative and quantitative factors. This rating and classification methodology was approved to be effective on 01 January 2010 by the SBV in Official Letter No. 3937/NHNN - TTGSNH dated 27 March 2010.

On 23 April 2012, the State Bank of Vietnam issued Decision No. 780/QĐ-NHNN on classification of rescheduled or extended loans. Accordingly, the Bank is permitted to maintain the group of rescheduled or extended loans of customers, which are assessed to have positive business activities and good repayment capability after the rescheduling or extension.

(iii) General allowance for credit risk

Vietcombank is required to make and maintain a general allowance of 0.75% of total outstanding balance of loans and advances to customers which are classified into Group 1 to 4 at the date of the consolidated balance sheet. Such general allowance is required to be made in full within 5 years from the effective date of Decision 493. As at 31 December 2012, Vietcombank made a general allowance of 0.75% of the above balances as at 30 November 2012 (at 31 December 2011: 0.75% of the above balances as at 30 November 2011).

(iv) Bad debt write-off

In accordance with the requirements of Decision 493, loans and advances to customers are written off against allowances when loans and advances have been classified into Group 5 or when borrowers have declared bankruptcy (for borrowers being legal entities) or borrowers are dead or missing (for borrowers being individuals).

(h) Provision for off-balance sheet commitments

In accordance with Decision 493 and Decision 18, Vietcombank is required to classify guarantees, acceptances, undrawn loan commitments which are unconditionally irrevocable into 5 groups (Note 2(g)) and make specific provisions accordingly.

In addition, Vietcombank is required to make a general provision of 0.75% of total irrevocable outstanding letters of guarantee, letters of credit, and commitment of financing to customers as at the consolidated balance sheet date. Such general provision is required to be made in full within 5 years from the effective date of Decision 493. As at 31 December 2012, Vietcombank made a general provision of 0.75% of the above balances as at 30 November 2012 (at 31 December 2011: 0.75% of the above balances as at 30 November 2011).

(i) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specific date in the future (repos) are still recognized on the consolidated financial statements. The corresponding cash received from these agreements is recognized on the consolidated balance sheet as a liability. The difference between the sale price and repurchase price is amortized to the consolidated income statement over the life of the agreement using the straight-line method based on the interest rate stipulated in the contract.

Conversely, securities purchased under agreements to resell at a specific date in the future are not recognized in the consolidated financial statements. The corresponding cash paid under these agreements is recognized in the consolidated balance sheet in "Loans and advances to customers". The difference between the purchase price and resale price is treated as interest income and is amortized over the life of the agreement on a straight-line basis to the consolidated income statement.

(j) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use, and the cost of dismantling and removing the asset and restoring the site on which they are located. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the consolidated income statement in the year in which the costs are incurred. In case it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of items of tangible fixed assets. The estimated useful lives are as follows:

» Premises	25 years
» Office furniture, fittings and equipment	3-5 years
» Motor vehicles	6 years
» Others	4 years

(k) Intangible fixed assets

(i) Land use rights

Land use rights are the land transferred upon payments of land use fee. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use right.

In accordance with Circular 203/2009/TT-BTC dated 20 October 2009 by the Ministry of Finance, effective from 01 January 2010, intangible fixed assets which are land use rights are not amortized.

In accordance with Circular 123/2012/TT-BTC dated 27 July 2012 by the Ministry of Finance, effective from 10 September 2012, applied since 2012, value of term land use rights participating in business and production activities shall be amortized to deductible expenses by the time limit stated in the certificate of land use right.

(ii) Other intangible fixed assets

Copyrights, patents and other intangible fixed assets are amortized on a straight-line basis over 4 years.

(l) Deposits from customers and certificates of deposits

Deposits from customers and certificates of deposits are stated at cost.

(m) Valuable papers issued

Valuable papers issued are stated at cost, net off amortized premiums and discounts. Cost of valuable papers issued includes the proceeds from the issuance less directly attributable expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

2. Summary of significant accounting policies (continued)

(n) Provision for severance allowance

Under the Vietnamese Labour Code, when employees who have worked for the Bank and its subsidiaries in Vietnam for 12 months or more ("eligible employees") voluntarily terminates their labour contract, the employer is required to pay the eligible employees severance allowance calculated based on years of service and employees' compensation at termination. Provision for severance allowance has been provided at 3% of the basic salary fund which is used for calculating Social Insurance contribution of the Bank and its subsidiaries in Vietnam.

Pursuant to Law on Social Insurance, effective from 01 January 2009, the Bank, its subsidiaries in Vietnam and their employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees' basic salary or 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Bank and its subsidiaries in Vietnam are no longer required to provide severance allowance for the service period after 01 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

In accordance with Circular 180/2012/TT-BTC dated 24 October 2012, as at the date of preparing consolidated financial statements, the balance of unused provision for severance allowance fund was recognized in other revenue in 2012 and was not carried forward to the next year.

(o) Capital and reserves

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares are recognized as a deduction from equity.

(ii) Share premium

On receipt of capital from shareholders, the difference between the issuance price and the par value of the shares is recorded as share premium in equity.

(iii) Treasury shares

When Vietcombank repurchases its own issued shares, the total paid amount which includes directly attributable costs, net off any tax effects, is recognized as a deduction from equity and referred to as treasury shares.

(iv) Reserves

Reserves are for specific purposes and appropriated from net profit after tax at prescribed rates as below:

- Supplementary chartered capital reserve: 5% of net profit after tax and does not exceed the Bank's chartered capital.
- Financial reserve: 10% of net profit after tax and does not exceed 25% of the Bank's chartered capital.
- Investment and development reserves, bonus and welfare funds and other reserves: are to be made upon the decisions of the Annual General Shareholders' Meeting. The allocation ratios are decided by the Annual General Shareholders' Meeting and in accordance with relevant regulatory requirements.

The appropriation to reserves are made in accordance with the decisions of the Annual General Shareholders' Meeting and relevant statutory requirements.

The remaining of the net profit after tax, after allocation to reserves and dividends payment, is recorded as retained profits of Vietcombank.

Vietcombank Securities Company Limited sets up reserves in accordance with Circular 24/2007/TT-BTC issued by the Ministry of Finance ("MoF") on 27 March 2007.

(p) Revenue and expenses

(i) Interest income and interest expenses

Interest income of outstanding loans classified in Group 1 (as defined in Note 2(g)) is recognized in the consolidated financial statement on an accrual basis. Accrued interest on loans classified in Group 2 to Group 5 is recognized in the consolidated income statement upon receipt.

Interest expenses are recorded on an accrual basis.

(ii) Fees, commissions and dividend income

Fees and commissions are recognized on an accrual basis. Dividends receivable in cash from investment activities is recognized in the consolidated income statement when Vietcombank's right to receive payment is established.

(iii) Dividends received in the form of shares

In accordance with Circular No. 244/2009/TT-BTC dated 31 December 2009, effective from 01 January 2010, dividends and other receipts in the form of shares, amounts distributed in the form of shares coming from profits of joint stock companies, are not recorded in the consolidated financial statements but only recognized as an increase in the number of shares held by Vietcombank instead.

(q) Operating lease payments

(i) Lessee

Payments made under operating leases are recognized in the consolidated income statement on a straight-line basis over the term of the lease.

(ii) Lessor

Vietcombank recognizes operating lease in the consolidated balance sheet. Rental income is recognized on a straight - line basis over the lease term whatever payment method is. Expenses occurred during the leasing period, including depreciation expenses are recognized as operating expenses for the period.

(r) Taxation

Income tax on the profit or loss for the year comprises of current and deferred tax. Income tax is recognized in the consolidated income statement except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

2. Summary of significant accounting policies (continued)

(r) Taxation (continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payables in respect of previous years.

Deferred tax is calculated by using the balance sheet method, providing for the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(s) Related parties

Entities and individuals, directly or indirectly through one or more intermediaries, which control, or are controlled by, or are under common control with Vietcombank are related parties of Vietcombank. Associates and individuals, directly or indirectly owning the voting power of Vietcombank that gives them significant influence over the enterprise, key management personnel, including directors and officers of Vietcombank and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Government of Vietnam, through the State Bank of Vietnam, is a shareholder of Vietcombank. Therefore, in these consolidated financial statements, some Government agencies, including the Ministry of Finance and the State Bank of Vietnam are considered as related parties of Vietcombank.

(t) Segment reporting

A segment is a distinguishable component of Vietcombank engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Vietcombank's primary format for segment reporting is based on geographical segments. Vietcombank's secondary format for segment reporting is based on business segments.

(u) Off-balance sheet items

(i) Foreign exchange contracts

Vietcombank enters into foreign exchange forwards and swaps contracts which enable customers to transfer, modify or reduce their foreign exchange risk or other market risks and simultaneously are used for business purpose of Vietcombank.

Forward contracts are commitments to either purchase or sell a designated currency at a specific future date for a specific exchange rate and settled in cash. Forward contracts are recorded at nominal value on the balance sheet at the transaction date and are subsequently revaluated at exchange rate at the year end. Realized or unrealized gain or loss is recognized in the consolidated income statement.

Swap contracts are commitments to settle in cash at a future date based on differences among specified exchange rates calculated on notional principal amount. Swap contracts are subsequently revaluated on the balance sheet date; the difference on revaluation is recognized in the consolidated income statement.

(ii) Commitments and contingent liabilities

Vietcombank has credit commitments arising from its regular lending activities. These commitments are unutilized loans and overdraft facilities which are approved. Vietcombank also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Many of the contingent liabilities and commitments will expire without any advanced payment, in whole or in part. Therefore these commitments and contingent liabilities do not represent expected future cash flows.

(v) Other receivables

Vietcombank has provided provision for overdue receivables in accordance with the Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 07 December 2009. Accordingly, receivables are subject to review for impairment based on overdue periods of the receivables or estimated loss arising from undue debts of which the indebted economic organizations fall bankrupt or are undergoing dissolution procedures; debtors are missing, have fled, are prosecuted, detained or on trial by law enforcement bodies, are serving sentences or have deceased...

Overdue period	Provision rate
From six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
Over three (03) years	100%

(w) Offsetting

Financial assets and liabilities are offset and the net amounts are reported in the consolidated balance sheet if, and only if, Vietcombank has currently enforceable legal rights to offset the recognized amounts and Vietcombank has an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(x) Earnings per share

Vietcombank presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of Vietcombank by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by dividing the adjusted profit or loss attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares.

3. Presentation of financial instruments in accordance with Circular No. 210/2009/TT-BTC

During its business operation, Vietcombank regularly enters into contracts which give rise to financial assets, financial liabilities and equity instruments.

Financial assets of Vietcombank mainly include:

- » Cash;
- » Balances with the State Bank of Vietnam;
- » Balances with and loans to other credit institutions;
- » Loans and advances to customers;
- » Trading securities;
- » Investment securities;
- » Other long-term investments;
- » Financial derivative assets; and
- » Other financial assets.

Financial liabilities of Vietcombank mainly include:

- » Amounts due to the Government and the State Bank of Vietnam;
- » Deposits and borrowings from other credit institutions;
- » Deposit from customers;
- » Valuable papers issued;
- » Financial derivative liabilities; and
- » Other financial liabilities.

(a) Classification of financial assets and liabilities

For the disclosure purpose in the consolidated financial statements, Vietcombank appropriately classifies financial assets and financial liabilities in accordance with Circular 210/2009/TT-BTC.

Financial assets are classified as follows:

- » Financial assets held for trading;
- » Held-to-maturity investments;
- » Loans and receivables; and
- » Financial assets available-for-sale.

Financial liabilities are classified as follows:

- » Financial liabilities held for trading; and
- » Financial liabilities carried at amortized cost.

(b) Measurement and disclosures of fair value

In accordance with Circular 210/2009/TT-BTC, Vietcombank has to disclose the fair value of financial assets and financial liabilities to compare with the book value of those financial assets and financial liabilities as in Notes 38.

The preparation and presentation of the fair value of the financial instruments are only for the purpose of presenting Note 38. The financial instruments of Vietcombank are still recognized and recorded in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements as described in the notes above.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the recognition date.

When an active market is available, Vietcombank measures the fair value of an instrument using its quoted price in the active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions.

If a market for a financial instrument is not active, Vietcombank establishes fair value using valuation techniques. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to Vietcombank, incorporates all factors that market participants would consider in setting prices, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs for valuation techniques reasonably represent market expectations and measures of the risk-returns factors inherent in the financial instrument.

In case there is not enough information for using valuation techniques, fair value of the financial instruments that do not have quoted market prices are deemed to be not reliably measured and therefore, not disclosed.

4. Cash on hand, gold, silver and gemstones

	31/12/2012 VND million	31/12/2011 VND million
Cash on hand in VND	4,067,957	3,470,331
Cash on hand in foreign currencies	1,552,520	1,326,802
Valuable papers in foreign currencies	6,830	8,714
Gold	-	587,919
	5,627,307	5,393,766

5. Balances with the State Bank of Vietnam

	31/12/2012 VND million	31/12/2011 VND million
Demand deposits in VND	7,203,569	5,410,490
Demand deposits in USD	8,528,526	5,206,269
	15,732,095	10,616,759

These consist of a compulsory reserve ("CRR") for liquidity and current account.

The monthly average balance of the demand deposits of the Bank with the SBV must not be less than the monthly balance of CRR. The amount of monthly balance of CRR is calculated by the monthly average balances of deposits multiplied by preceding CRR rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

5. Balances with the State Bank of Vietnam (continued)

The effective CRR rates at the year end were as follows:

Type of deposits	31/12/2012	31/12/2011
Deposits in VND with terms of less than 12 months	3%	3%
Deposits in VND with terms of and more than 12 months	1%	1%
Deposits in foreign currencies with terms of less than 12 months	8%	8%
Deposits in foreign currencies with terms of and more than 12 months	6%	6%
Deposit from overseas credit institutions in foreign currencies	1%	1%

The annual interest rates at the year end were as follows:

	31/12/2012	31/12/2011
Compulsory reserve in VND	1.2%	1.2%
Compulsory reserve in USD	0%	0%
Demand deposits in VND	0%	0%
Demand deposits in USD	0.05%	0.05%

6. Balances with and loans to other credit institutions

	31/12/2012 VND million	31/12/2011 VND million
Balances with other credit institutions		
Demand deposits in VND	25,622	12,241
Demand deposits in foreign currencies	44,157,801	18,629,416
Term deposits in VND	3,244,540	19,899,795
Term deposits in foreign currencies	13,081,121	33,281,095
	60,509,084	71,822,547
Loans to other credit institutions		
Loans in VND	5,320,515	20,326,604
Loans in foreign currencies	-	12,870,454
	5,320,515	33,197,058
Allowances for loans to other credit institutions	(116,873)	(14,546)
	5,203,642	33,182,512
	65,712,726	105,005,059

Allowances for loans to other credit institutions comprise of:

	31/12/2012 VND million	31/12/2011 VND million
General allowance	50,057	14,546
Specific allowance	66,816	-
Closing balance	116,873	14,546

Movements in general allowance for loans to other credit institutions were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	14,546	1,132
Allowance made during the year (Note 30)	35,511	13,414
Closing balance	50,057	14,546

Movements in specific allowance for loans to other credit institutions were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	-	4,490
Allowance made/(reversed) during the year (Note 30)	66,816	(4,490)
Closing balance	66,816	-

7. Trading securities

Issuer types and listing status of trading securities were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Equity securities	11,569	117,417
Listed	11,223	11,337
Unlisted	346	106,080
Debt securities issued by local credit institutions	509,670	707,955
Listed	509,670	509,955
Unlisted	-	198,000
	521,239	825,372
Allowance for diminution in value of trading securities	(363)	(7,741)
	520,876	817,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

7. Trading securities (continued)

Movements in allowance for diminution in value of trading securities were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	7,741	3,649
Allowance (reserved)/made during the year	(7,378)	4,092
Closing balance	363	7,741

8. Loans and advances to customers

	31/12/2012 VND million	31/12/2011 VND million
Loans to local corporations and individuals	237,669,404	206,061,931
Discounted bills and valuable papers	1,957,783	1,470,746
Financial leases	1,346,346	1,286,698
Loans given to make payments on behalf of customers	17,822	425,005
Loans to foreign individuals and enterprises	43,224	45,157
Frozen loans	128,096	128,096
	241,162,675	209,417,633

Loan portfolio by loan group was as follows:

	31/12/2012 VND million	31/12/2011 VND million
Current	201,798,721	174,350,730
Special mentioned	33,572,647	30,808,944
Sub-standard	3,126,126	1,257,457
Doubtful	1,213,720	653,072
Loss	1,451,461	2,347,430
	241,162,675	209,417,633

Loan portfolio by term was as follows:

	31/12/2012 VND million	31/12/2011 VND million
Short-term	149,536,983	123,311,798
Medium-term	25,093,195	22,324,975
Long-term	66,532,497	63,780,860
	241,162,675	209,417,633

Loan portfolio by type of borrowers and by ownership was as follows:

	31/12/2012 VND million	31/12/2011 VND million
State-owned enterprises	58,557,802	55,775,069
Limited companies	48,660,496	38,452,780
Foreign invested enterprises	13,290,205	12,892,737
Co-operative and private companies	5,356,926	4,411,825
Individuals	28,783,709	20,872,890
Others	86,513,537	77,012,332
	241,162,675	209,417,633

Loan portfolio by industry sectors was as follows:

	31/12/2012 VND million	31/12/2011 VND million
Construction	14,083,060	12,840,564
Electricity, gas, water processing and supplying	20,371,596	15,927,208
Processing and manufacturing	85,210,848	77,468,701
Mining	14,759,335	13,553,639
Agriculture, forestry and aquaculture	4,765,988	2,445,791
Transportation, logistics and communication	12,396,866	11,803,491
Trading and services	53,528,805	46,445,516
Hospitality	6,025,950	5,433,282
Others	30,020,227	23,499,441
	241,162,675	209,417,633

9. Allowance for loans and advances to customers

	31/12/2012 VND million	31/12/2011 VND million
General allowance	1,734,769	1,464,435
Specific allowance	3,557,929	3,863,719
	5,292,698	5,328,154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

9. Allowance for loans and advances to customers (continued)

Movements in general allowance for loans and advances to customers were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	1,464,435	1,279,097
Allowance made during the year (Note 30)	270,334	168,850
Foreign exchange difference	-	16,488
Closing balance	1,734,769	1,464,435

Movements in specific allowance for loans and advances to customers were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	3,863,719	4,293,491
Allowance made during the year (Note 30)	3,277,270	3,407,041
Allowance utilized for writing off bad debt	(3,583,060)	(3,840,360)
Foreign exchange difference	-	3,547
Closing balance	3,557,929	3,863,719

10. Investment securities

(a) Available-for-sale securities

	31/12/2012 VND million	31/12/2011 VND million
Debt securities		
Government bonds	15,722,521	10,129,004
Treasury bills	42,907,290	764,710
Securities issued by local credit institutions	13,927,565	13,698,323
Securities issued by local economic entities	1,158,380	1,309,997
Equity securities		
Securities issued by local credit institutions	87,945	89,456
Securities issued by local economic entities	141,494	35,644
	73,945,195	26,027,134
Allowance for diminution in value of available-for-sale securities	(261,204)	(305,911)
	73,683,991	25,721,223

Movements in allowance for diminution in value of available-for-sale securities were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	305,911	299,292
Allowance (reserved)/made during the year (Note 26)	(44,707)	6,619
Closing balance	261,204	305,911

(b) Held-to-maturity securities

	31/12/2012 VND million	31/12/2011 VND million
Government bonds	3,823,990	2,437,741
Debt securities issued by local credit institutions	503,472	720,774
Investments trusted to local entities	515,711	592,007
	4,843,173	3,750,522
Allowance for diminution in value of held-to-maturity securities	(5,860)	(15,231)
	4,837,313	3,735,291

Movements in allowance for diminution in value of held-to-maturity securities were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	15,231	-
Allowance (reversed)/made during the year (Note 26)	(9,371)	15,231
Closing balance	5,860	15,231

11. Long-term investments

(a) Investments in joint-ventures

As at 31 December 2012

	Business sector	% share- holding	At cost VND million	Book value VND million
Vietcombank - Bonday - Ben Thanh Company Limited	Office leasing	52%	351,615	390,096
Vietcombank Fund Management Company	Investment fund management	51%	28,050	42,738
Vietcombank - Cardif Life Insurance Company Limited	Life insurance	45%	270,000	286,432
			649,665	719,266

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

11. Long-term investments (continued)

(a) Investments in joint-ventures (continued)

As at 31 December 2011

	Business sector	% share- holding	At cost VND million	Book value VND million
Vietcombank – Bonday – Ben Thanh Company Limited	Office leasing	52%	276,067	319,972
Vietcombank Fund Management Company	Investment fund management	51%	28,050	42,681
Vietcombank – Cardif Life Insurance Company Limited	Life insurance	45%	270,000	283,639
			574,117	646,292

The Bank owns 52% and 51% of the total capital of the Vietcombank – Bonday – Ben Thanh Company Limited and Vietcombank Fund Management Company respectively; however, these companies' charters require a consensus among related parties on all important decisions on the companies' operational and financial matters. Therefore, owning more than half of the companies' capital does not mean that the Bank has control over these companies. Therefore, the investments in these two companies are classified into "Investment in joint-ventures" rather than "Investment in subsidiaries".

The Bank owns 45% of the total capital of Vietcombank – Cardif Life Insurance Company Limited; however, this company's charter requires a consensus among related parties on all important decisions on the company's operational and financial matters. Therefore, the investments in the company is classified into "Investment in joint-ventures" rather than "Investment in associates".

(b) Investments in associates

As at 31 December 2012

	Business sector	% share- holding	At cost VND million	Book value VND million
Vietcombank – Bonday Limited	Office leasing	16%	11,110	10,126
Vietcombank Partners Fund 1	Investment fund	11%	6,600	3,840
			17,710	13,966

As at 31 December 2011

	Business sector	% share- holding	At cost VND million	Book value VND million
Vietcombank – Bonday Limited	Office leasing	16%	11,110	11,200
Vietcombank Partners Fund 1	Investment fund	11%	11,000	7,493
			22,110	18,693

The Bank has significant influence but limited control, through its participation in the Board of Directors and the Fund Representative Board respective of these parties, over the financial and operational policies of these companies. Therefore, the investments in the above companies are classified in "Investment in associates" rather than "Other long-term investments".

(c) Other long-term investments

As at 31 December 2012

	Business sector	% share- holding	VND million
Vietnam Export – Import Commercial Joint Stock Bank	Bank	8.19%	582,065
Saigon Bank for Industry and Trade	Bank	4.30%	123,452
Military Commercial Joint Stock Bank	Bank	9.79%	1,142,643
Orient Commercial Joint Stock Bank	Bank	5.06%	144,802
Central People's Credit Fund	Credit Fund	0.25%	5,000
Small & Medium Enterprises Credit Guarantee Fund	Credit services	0.95%	1,864
SWIFT, MASTER and VISA	Card and settlement services	-	1,571
Petrolimex Insurance JSC	Insurance	10.04%	67,900
PV Drilling JSC	Drilling	2.56%	55,945
Gentraco JSC	Food services	3.76%	4,024
Ho Chi Minh City Infrastructure Investment JSC	Construction	1.78%	13,676
Nha Rong Insurance Company	Insurance	3.73%	12,540
PCB Investment Company	Credit information services	9.84%	7,962
Cement Financial JSC	Financial services	10.91%	70,950
Vietnam Infrastructure Development and Finance Investment JSC	Highway investment	1.50%	75,000
Viet Real Estate JSC	Real estate	11.00%	11,000
Smartlink Card	Card services	8.80%	4,400
FNBC	Media services	-	-
			2,324,794
Allowance for diminution in the value of other long-term investments			(37,238)
			2,287,556

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

11. Long-term investments (continued)

(c) Other long-term investments (continued)

As at 31 December 2011

	Business sector	% share- holding	VND million
Vietnam Export - Import Commercial Joint Stock Bank	Bank	8.19%	582,065
Saigon Bank for Industry and Trade	Bank	5.26%	123,452
Military Commercial Joint Stock Bank	Bank	11.00%	966,642
Orient Commercial Joint Stock Bank	Bank	5.06%	144,802
Central People's Credit Fund	Credit Fund	0.29%	5,000
Small & Medium Enterprises Credit Guarantee Fund	Credit services	0.92%	1,800
SWIFT, MASTER and VISA	Card and settlement services	-	761
Petrolimex Insurance JSC	Insurance	10.04%	67,900
PV Drilling JSC	Drilling	2.56%	55,945
Gentraco JSC	Food services	3.76%	4,024
Ho Chi Minh City Infrastructure Investment JSC	Construction	1.78%	13,676
Nha Rong Insurance Company	Insurance	3.73%	12,540
PCB Investment Company	Credit information services	9.84%	7,962
Cement Financial JSC	Financial services	10.91%	70,950
Vietnam Infrastructure Development and Finance Investment JSC	Highway investment	1.50%	75,000
Viet Real Estate JSC	Real estate	11.00%	11,000
Smartlink Card	Card services	8.80%	4,400
FNBC	Media services	10.00%	13,440
			2,161,359
Allowance for diminution in the value of other long-term investments			(207,926)
			1,953,433

Movements in allowance for diminution in the value of other long-term investments were as follows:

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Opening balance	207,926	155,899
Allowance (reserved)/made during the year (Note 27)	(170,688)	52,027
Closing balance	37,238	207,926

12. Tangible fixed assets

	Premises VND million	Office furniture, fittings and equipment VND million	Motor Vehicles VND million	Others VND million	Total VND million
Cost					
Opening balance	881,359	2,604,722	381,232	322,871	4,190,184
Additions	740,294	483,707	64,293	67,443	1,355,737
- Purchases	740,287	477,139	63,705	67,408	1,348,539
- Others	7	6,568	588	35	7,198
Decreases	(355)	(51,152)	(4,861)	(17,935)	(74,303)
- Disposal	(321)	(44,584)	(4,861)	(11,817)	(61,583)
- Others	(34)	(6,568)	-	(6,118)	(12,720)
Closing balance	1,621,298	3,037,277	440,664	372,379	5,471,618
Accumulated depreciation					
Opening balance	301,816	2,040,477	200,970	186,092	2,729,355
Additions	46,481	353,638	52,951	51,027	504,097
- Charges for the year	46,481	349,396	52,611	50,983	499,471
- Others	-	4,242	340	44	4,626
Decreases	(1,507)	(44,886)	(4,666)	(14,778)	(65,837)
- Disposal	(1,482)	(44,555)	(4,666)	(10,996)	(61,699)
- Others	(25)	(331)	-	(3,782)	(4,138)
Closing balance	346,790	2,349,229	249,255	222,341	3,167,615
Net book value					
Opening balance	579,543	564,245	180,262	136,779	1,460,829
Closing balance	1,274,508	688,048	191,409	150,038	2,304,003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

13. Intangible fixed assets

	Land use rights VND million	Copyrights & patents VND million	Others VND million	Total VND million
Cost				
Opening balance	1,007,225	300,436	79,223	1,386,884
Additions	172,318	116,991	31	289,340
- Purchases	172,318	116,991	31	289,340
- Others	-	-	-	-
Decreases	-	-	-	-
Closing balance	1,179,543	417,427	79,254	1,676,224
Accumulated amortization				
Opening balance	11,592	166,502	63,875	241,969
Additions	5,027	73,971	56	79,054
- Charges for the year	3,776	73,971	56	77,803
- Others	1,251	-	-	1,251
Decreases	(378)	-	-	(378)
Closing balance	16,241	240,473	63,931	320,645
Net book value				
Opening balance	995,633	133,934	15,348	1,144,915
Closing balance	1,163,302	176,954	15,323	1,355,579

14. Other assets

(a) Receivables

	31/12/2012 VND million	31/12/2011 VND million
Internal receivables	325,783	253,723
External receivables (i)	1,240,366	2,064,329
	1,566,149	2,318,052

(i) External receivables

	31/12/2012 VND million	31/12/2011 VND million
Advances for the purchase of fixed assets	234,157	280,016
Receivable from the State Budget in relation to the interest subsidy program	130,195	625,639
Advance for Corporate Income Tax (Note 33)	2,185	3,919
Advance for Value Added Tax (Note 33)	2,337	4,273
Advance for other taxes (Note 33)	61	-
Construction in progress (*)	639,932	937,339
Other receivables	231,499	213,143
	1,240,366	2,064,329

(*) Construction in progress

	31/12/2012 VND million	31/12/2011 VND million
Construction in progress	639,932	937,339
In which, large constructions include:		
- South Sai Gon Branch construction	-	397,367
- Thanh Cong Branch construction	48,064	48,005
- Ha Tinh Branch construction	-	21,636
- Da Nang Branch construction	9	31,674
- Gia Lai Branch construction	10,201	24,250
- Quang Nam Branch construction	3,316	51,347
- Hai Duong Branch construction	21,577	10,316
- Long An Branch construction	374	27,823
- Soc Trang Branch construction	74,429	21,185
- Quang Ninh Branch construction	35,834	28,135
- Hung Yen Branch construction	49,759	32,845
- Mong Cai Branch construction	-	59,251
- Bac Ninh Branch construction	45,152	16,648
- Hai Phong Branch construction	42,230	30,210
- Kien Giang Branch construction	28,188	12,840

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

14. Other assets (continued)

(b) Accrued interest and fee receivables

	31/12/2012 VND million	31/12/2011 VND million
From loans and advances to customers	1,026,638	1,372,882
From balances with and loans to other credit institutions	304,060	296,531
From investment securities	2,013,818	1,702,995
From currency swap transactions	92,097	6,522
	3,436,613	3,378,930

(c) Other assets

	31/12/2012 VND million	31/12/2011 VND million
Prepaid expenses for office and fixed assets rental	156,285	171,191
Materials	53,582	60,300
Receivables relating to card transactions	399,116	149,550
Other assets	198,673	40,886
	807,656	421,927

15. Amounts due to the Government and the State Bank of Vietnam

	31/12/2012 VND million	31/12/2011 VND million
Borrowings from the SBV	375,229	7,312,479
Other borrowings	375,229	7,312,479
Others	24,431,204	31,553,755
Deposits from the State Treasury	23,695,375	20,238,318
Deposits from the SBV	735,829	11,315,437
	24,806,433	38,866,234

16. Deposits and borrowings from other credit institutions

	31/12/2012 VND million	31/12/2011 VND million
Deposits	16,963,858	22,725,480
Demand deposits in VND	1,880,690	2,159,960
Demand deposits in foreign currencies	15,062,028	14,861,862
Term deposits in VND	-	2,761,200
Term deposits in foreign currencies	21,140	2,942,458
Borrowings	17,102,494	25,236,895
Borrowings in VND	4,060,000	5,300,000
Borrowings in foreign currencies	13,042,494	19,936,895
	34,066,352	47,962,375

17. Deposits from customers

	31/12/2012 VND million	31/12/2011 VND million
Demand deposits	67,119,454	55,075,184
Demand deposits in VND	44,977,923	34,647,030
Demand deposits in gold, foreign currencies	22,141,531	20,428,154
Term deposits	214,121,778	165,959,270
Term deposits in VND	164,554,989	118,329,628
Term deposits in gold, foreign currencies	49,566,789	47,629,642
Deposits for specific purposes	2,252,301	4,781,649
Margin deposits	921,035	1,200,751
	284,414,568	227,016,854

Deposits from customers by type of customers were as follows:

	31/12/2012 VND million	31/12/2011 VND million
Economic entities	122,334,631	105,430,066
Individuals	162,079,937	121,586,788
	284,414,568	227,016,854

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

18. Derivatives and other financial liabilities

	31/12/2012		31/12/2011	
	Contract notional value VND million	Book value VND million	Contract notional value VND million	Book value VND million
Derivatives				
Currency swap contracts	11,506,397	(30,749)	2,678,869	28,760
Forward contracts	17,968,332	36,210	1,564,226	(17,286)
Other financial liabilities	29,474,729	5,461	4,243,095	11,474

19. Valuable papers issued

	31/12/2012 VND million	31/12/2011 VND million
Certificates of deposit	20,329	42,600
Short-term in VND	-	44
Short-term in foreign currencies	283	346
Medium-term in VND	2,805	4,068
Medium-term in foreign currencies	17,241	38,142
Bond and bills	2,007,238	2,028,783
Short-term in VND	232	254
Short-term in foreign currencies	716	798
Medium-term in VND	2,006,278	2,015,820
Medium-term in foreign currencies	12	11,911
	2,027,567	2,071,383

20. Other liabilities

(a) Accrued interest and fee payables

	31/12/2012 VND million	31/12/2011 VND million
For deposits from customers	3,134,230	2,603,418
For deposits and borrowings from other credit institutions	268,475	282,471
For valuable papers issued	2,630	5,064
For derivative transactions	49,555	58,390
	3,454,890	2,949,343

(b) Other liabilities

	31/12/2012 VND million	31/12/2011 VND million
Internal payables (i)	1,652,752	1,453,021
External payables (ii)	21,711,517	16,704,961
	23,364,269	18,157,982

(i) Internal payables

	31/12/2012 VND million	31/12/2011 VND million
Payables to employees	765,053	646,589
Bonus and welfare funds	770,476	594,678
Other liabilities	117,223	211,754
	1,652,752	1,453,021

(ii) External payables

	31/12/2012 VND million	31/12/2011 VND million
Tax payables (Note 33)	307,256	457,647
- Corporate Income Tax payables	210,304	366,527
- Value Added Tax payables	53,977	22,393
- Other tax payables	42,975	68,727
Interest income received in advance pending for allocation	590,597	46,840
Payables for construction and acquisition of fixed assets	427,006	306,104
Payables for securities investors	18,191	12,999
Deposit in custody relating to pending payments	1,167,242	2,096,486
Other payables to customers	866,972	460,874
Other pending items in settlement	63,315	-
Pending remittance	-	28,146
Other payables to the State relating to interest subsidy program	63,549	62,713
Provision for severance allowance	-	17,490
Placement of investors for securities transactions	388,991	311,393
Fund received from other entities	17,500,000	12,600,000
Other payables	318,398	304,269
	21,711,517	16,704,961

(c) Provision for contingent liabilities and off-balance sheet commitments

	31/12/2012 VND million	31/12/2011 VND million
Opening balance	897,915	1,009,201
(Reversed) during the year (Note 30)	(320,967)	(111,286)
Closing balance	576,948	897,915

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

21. Capital and reserves

(a) Statement of changes in equity

Unit: VND million

	Chartered capital	Share premium	Other capital	Reserves			Asset revaluation difference	Foreign exchange difference	Retained profits	Total	
				Supplement capital	Financial risk	Investment and development fund					Total
Balance as at 1/1/2012	19,698,045	995,952	45,160	674,365	1,384,434	57,812	2,116,611	70,442	191,020	5,521,466	28,638,696
Net profit for the year	-	-	-	-	-	-	-	-	-	4,403,706	4,403,706
Increase in capital from issuance of shares to foreign strategic shareholder (Mizuho Corporate Bank, Ltd., Japan)	3,476,126	-	-	-	-	-	-	-	-	-	3,476,126
Increase in share premium from the issuance of shares to foreign strategic shareholder (Mizuho Corporate Bank, Ltd., Japan)	-	8,342,702	-	-	-	-	-	-	-	-	8,342,702
Derived expenses directly related to the issuance of shares to foreign strategic shareholder (Mizuho Corporate Bank, Ltd., Japan)	-	(137,257)	-	-	-	-	-	-	-	-	(137,257)
Adjustment of State Audit in retained profit of the previous years	-	-	-	3,363	6,725	-	10,088	(6,559)	-	(25,043)	(21,514)
Reserved temporarily appropriated from retained profit of 2012	-	-	-	217,870	440,658	10,237	668,765	-	-	(1,317,305)	(648,540)
Dividends of 2011 paid in cash during the year	-	-	-	-	-	-	-	-	-	(2,363,765)	(2,363,765)
Additional Value Added Tax and Corporate Income Tax of revenue of the year	-	-	-	-	-	-	-	-	-	(66,262)	(66,262)
Additional Corporate Income Tax for the year 2011 under tax inspection minute	-	-	-	-	-	-	-	-	-	(6,881)	(6,881)
Utilization during the year	-	-	-	-	(1,584)	-	(1,584)	-	-	(1,489)	(3,073)
Gain from asset revaluation	-	-	-	-	-	-	-	8,917	-	-	8,917
Exchange rate difference	-	-	-	-	-	-	-	-	(69,792)	-	(69,792)
Balance as at 31/12/2012	23,174,171	9,201,397	45,160	895,598	1,830,233	68,049	2,793,880	72,800	121,228	6,144,427	41,553,063

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

21. Capital and reserves (continued)

(b) Details of shareholders of the Bank

	31/12/2012 VND million	31/12/2011 VND million
Ordinary shares		
State	17,870,231	17,870,231
Strategic shareholder (Mizuho Corporate Bank, Ltd., Japan)	3,476,126	-
Other shareholders	1,827,814	1,827,814
	23,174,171	19,698,045

The Bank's authorized and issued share capital is:

	31/12/2012		31/12/2011	
	Number of shares	VND million	Number of shares	VND million
Authorized share capital	2,317,417,076	23,174,171	1,969,804,514	19,698,045
Issued share capital				
Ordinary shares	2,317,417,076	23,174,171	1,969,804,514	19,698,045
Shares outstanding				
Ordinary shares	2,317,417,076	23,174,171	1,969,804,514	19,698,045

The par value of each ordinary share is VND10,000.

On 09 January 2012, the Bank increased chartered capital from VND 19,698,045 million to VND 23,174,171 million.

(c) Basic earnings per share

(i) Profit attributable to the shareholders of Vietcombank to calculate basic earning per share

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Net profit after tax	4,403,706	4,196,811
Appropriation to bonus and welfare funds	(648,540)	(673,011)
Profit attributable to the ordinary shareholders	3,755,166	3,523,800

(ii) Weighted average number of ordinary shares

	Year ended 31/12/2012	Year ended 31/12/2011
Shares issued at 31/12/2011	1,969,804,514	1,322,371,452
Shares issued at 31/12/2012	2,317,417,076	647,433,062
Weighted average number of ordinary shares	2,309,798,171	1,969,804,514

(iii) Basic earnings per share

	Year ended 31/12/2012 VND	Year ended 31/12/2011 VND
Basic earnings per share	1,626	1,789

22. Interest and similar income

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Interest income from loans and advances to customers	26,685,869	24,757,888
Interest income from balances with and loans to other credit institutions	777,758	4,888,915
Interest income from trading and investment debt securities	4,072,515	3,473,803
- Interest income from investment securities	4,072,515	3,473,803
Interest income from financial lease	193,897	203,272
Other income from credit activities	16,958	30,855
	31,746,997	33,354,733

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

23. Interest and similar expenses

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million (restated)
Interest expenses on deposits	(17,619,016)	(18,519,435)
Interest expenses on borrowings	(2,904,218)	(2,125,644)
Interest expenses on valuable papers issued	(241,755)	(266,265)
Others expenses on credit activities	(27,915)	(21,709)
	(20,792,904)	(20,933,053)

24. Net fee and commission income

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Fee and commission income		
Settlement services	1,176,859	1,143,190
Cash services	122,412	130,306
Guarantee services	219,677	218,873
Trusted and agency activities	2,384	2,948
Other services	729,206	702,716
	2,250,538	2,198,033
Fee and commission expenses		
Settlement services	(677,293)	(555,728)
Cash services	(13,141)	(20,572)
Telecommunication services	(50,831)	(44,711)
Trusted and agency activities	(1,176)	(862)
Other services	(119,498)	(66,427)
	(861,939)	(688,300)
	1,388,599	1,509,733

25. Net gain from trading foreign currencies

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Gains from trading gold, foreign currencies		
From foreign currencies spot trading	2,855,304	5,543,292
From currency derivatives	500,330	531,215
From gold trading	65,437	-
From revaluating gold	-	17,902
From revaluating trading foreign currencies	811	14,063
	3,421,882	6,106,472
Losses from trading foreign currencies		
From foreign currencies spot trading	(1,299,385)	(4,270,313)
From currency derivatives	(449,987)	(647,775)
From foreign exchange rate differences	(184,759)	-
From revaluating trading foreign currencies	-	(8,800)
	(1,934,131)	(4,926,888)
	1,487,751	1,179,584

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

26. Net gain from investment securities

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Income from trading of investment securities	160,371	63,923
Cost of trading of investment securities	(6,818)	(18,061)
Allowance for diminution in the value of available-for-sale securities reserved / (made) during the year (Note 10(a))	44,707	(6,619)
Allowance for diminution in the value of held-to-maturity securities reversed/ (made) during the year (Note 10(b))	9,371	(15,231)
	207,631	24,012

27. Net other income/(expenses)

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Other income		
Income from interest rate swap transactions	1,238	-
Income from loans previously written off	369,844	220,106
Income from allowance reversed for diminution in the value of other long-term investments (Note 11(c))	170,688	-
Income from other activities	115,483	135,383
	657,253	355,489
Other expenses		
Expenses from interest rate swap transactions	(101,379)	(124,694)
Expenses from investment trust agreements	-	(1,487,091)
Other expenses	(30,776)	(4,620)
	(132,155)	(1,616,405)
	525,098	(1,260,916)

28. Net income from investment in associates and joint-ventures

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Dividends received from equity investments during the year	384,574	142,887
- Dividends received from equity investments	384,502	142,279
- Dividends received from trading securities	72	608
Share of net profit/(loss) of investments in joint-ventures and associates come from consolidation	12,956	14,622
Income from other activities	71,053	-
Income from disposal of equity investments	-	845,065
	468,583	1,002,574

29. Operating expenses

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Tax, duties and fees	(184,223)	(282,292)
Salaries and related expenses	(3,353,516)	(3,188,514)
Of which:		
- Salary and allowance	(2,717,467)	(2,768,771)
- Additional expenses based on salary	(422,896)	(291,621)
- Other allowances	(331)	(8,656)
- Social activities expenses	(208,322)	(119,466)
Expenses on assets	(1,258,784)	(1,091,815)
Of which:		
- Depreciation of fixed assets	(577,274)	(478,166)
Administrative expenses	(1,056,394)	(992,354)
Insurance expenses on deposit of customers	(136,281)	(86,383)
Allowance for diminution in the value of other long-term investments made during the year	-	(52,027)
Others	(26,438)	(6,452)
	(6,015,636)	(5,699,837)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

30. Provisions and allowances for credit losses

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
General allowance for loans to other credit institutions (Provided) during the year (Note 6)	(35,511)	(13,414)
Specific allowance for loans to other credit institutions (Provided)/ Reversed during the year (Note 6)	(66,816)	4,490
General allowance for loans and advances to customers (Provided) during the year (Note 9)	(270,334)	(168,850)
Specific allowance for loans and advances to customers (Provided) during the year (Note 9)	(3,277,270)	(3,407,041)
Provision for contingent liabilities and off-balance sheet commitments Reversed during the year (Note 20(c))	320,967	111,286
	(3,328,964)	(3,473,529)

31. Corporate income tax

	Year ended 31/12/2012 VND million
Profit before tax	5,763,898
Adjustments:	
Subsidiaries' taxable income	(228,438)
Dividend received in the year (Note 28)	(384,574)
Net gain from investments in joint ventures and associates (Note 28)	(12,956)
Non-deductible expense come from consolidation	(40,269)
Non-deductible tax expenses	4,811
Taxable income	5,102,472
Effective corporate income tax rate	25%
Estimated corporate income tax of the Bank (tax rate: 25%)	(1,275,618)
Estimated corporate income tax of subsidiaries (tax rate: 25%)	(59,644)
Estimated corporate income tax of subsidiaries (tax rate: 16.5%)	(1,429)
Current Corporate income tax	(1,336,691)

Corporate income tax rate applied for Vietcombank is 25% of taxable income.

32. Cash and cash equivalents

	31/12/2012 VND million	31/12/2011 VND million Restated (*)
Cash on hand, gold, silver and gemstones	5,627,307	5,393,766
Balances with the SBV	15,732,095	10,616,759
Balances with and loans to other credit institutions due within three months	60,663,590	102,113,431
Trading securities	521,239	825,372
Investment securities due within three months	38,163,616	6,581,062
	120,707,847	125,530,390

(*) The figures are restated due to the addition of "Trading securities" into "Cash and cash equivalents".

33. Obligations to State Budget

	Balance as at 1/1/2012 VND million	Occurrence		Balance as at 31/12/2012		
		Payable VND million	Paid VND million	Payable VND million	Prepaid VND million	Total VND million
Value added tax	18,120	197,556	164,036	53,977	(2,337)	51,640
Current corporate income tax	362,608	1,343,677	1,498,166	210,304	(2,185)	208,119
Of which:						
- Corporate income tax of the Bank	364,552	1,336,691	1,493,072	210,304	(2,133)	208,171
- Additional corporate income tax for the year 2011 under tax inspection minute	(1,889)	6,983	5,094	-	-	-
- Vinafico's tax obligation in the year 2008 paid to State Budget	(55)	3	-	-	(52)	(52)
Deferred corporate income tax	-	53,607	-	53,607	-	53,607
Other taxes	68,727	377,613	403,426	42,975	(61)	42,914
	449,455	1,972,453	2,065,628	360,863	(4,583)	356,280

34. Employee benefits

	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
Total number of employees (person)	13,637	12,565
Employees' income		
Total salary and allowance (VND million) (Note 29)	2,717,467	2,768,771
Monthly average income (VND million)	16.61	18.36

35. Contingent liabilities and other commitments

In the normal course of business, Vietcombank is a party to financial instruments which are recorded as separate off-balance sheet items. These financial instruments mainly comprise of financial guarantees and letters of credit. These instruments involve elements of credit risk in excess of the amounts recognized in the separate 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 Vietcombank to guarantee the performance of a customer to a third party including guarantees 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 Vietcombank to its customers where the customer is usually the buyer/importer of goods and the beneficiary is typically the seller/exporter. Credit risk is limited as the imported merchandise 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 recognized by Vietcombank as granting of a compulsory loan with a corresponding liability representing the financial obligation of Vietcombank to pay the beneficiaries and to fulfill the guarantor obligation.

Vietcombank 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 clients as assessed by Vietcombank.

36. Significant transactions and balances with related parties

(a) Significant transactions with related parties

	Relationship	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
The State Bank of Vietnam			
Interest income from deposits with the SBV	Shareholder	56,693	49,834
Interest expenses on deposits and borrowings from the SBV		200,863	664,542
The Ministry of Finance			
Interest income from loans to the MoF	Shareholder	120,998	135,349
Interest expenses on deposits from the MoF		39,056	19,236
Interest expenses on borrowings from the MoF		682	-

(b) Significant balances with related parties

	Relationship	Year ended 31/12/2012 VND million	Year ended 31/12/2011 VND million
The State Bank of Vietnam			
Deposits with the SBV	Shareholder	15,732,059	10,635,584
Deposits and Borrowings from the SBV		1,111,058	18,627,916
The Ministry of Finance			
Loans to MoF	Shareholder	2,180,529	2,831,673
Deposits from MoF		23,695,375	20,238,318
Borrowings from MoF		37,781	-
Vietcombank Fund Management Joint Venture Company	Joint-venture		
Trusted investments to VCB Fund		515,711	592,007

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

37. Segment reporting

(a) Geographical segment

	The North VND million	The Middle and Tay Nguyen VND million	The South VND million	Overseas VND million	Elimination VND million	Total VND million
1 Interest and similar income	26,575,634	6,055,463	17,231,226	21,148	(18,136,474)	31,746,997
2 Interest and similar expenses	(23,817,283)	(4,234,690)	(10,874,148)	(3,257)	18,136,474	(20,792,904)
I Net interest income	2,758,351	1,820,773	6,357,078	17,891	-	10,954,093
3 Fee and commission income	1,476,597	142,247	715,643	5,362	(89,311)	2,250,538
4 Fee and commission expenses	(816,408)	(12,460)	(33,844)	(175)	948	(861,939)
II Net fee and commission income	660,189	129,787	681,799	5,187	(88,363)	1,388,599
III Net gain from trading foreign currencies	1,175,489	65,600	247,210	(548)	-	1,487,751
IV Net gain from trading securities	76,742	-	-	-	-	76,742
V Net gain from investment securities	207,631	-	-	-	-	207,631
5 Other income	154,354	185,228	316,946	725	-	657,253
6 Other expenses	(127,609)	(455)	(120)	(3,971)	-	(132,155)
VI Net other income	26,745	184,773	316,826	(3,246)	-	525,098
VII Net income from investments in associates and joint-ventures	468,583	-	-	-	-	468,583
VIII Operating expenses	(3,380,311)	(713,653)	(1,978,772)	(31,263)	88,363	(6,015,636)
IX Profit before provisions and allowances for credit losses	1,993,419	1,487,280	5,624,141	(11,979)	-	9,092,861
X Provisions and allowances for credit losses	(1,859,227)	(406,523)	(1,063,142)	(72)	-	(3,328,964)
XI Profit before tax	134,192	1,080,757	4,560,999	(12,051)	-	5,763,897
7 Current Corporate income tax expenses	128,859	(272,851)	(1,191,270)	(1,429)	-	(1,336,691)
XII Current Corporate income tax expenses	128,859	(272,851)	(1,191,270)	(1,429)	-	(1,336,691)
XIII Profit after tax	263,051	807,906	3,369,729	(13,480)	-	4,427,206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2012 Form B05/TCTD-HN

37. Segment reporting (continued)

(b) Business segment

	Banking services VND million	Non-bank financial services VND million	Securities VND million	Others VND million	Elimination VND million	Total VND million
1 Interest and similar income	49,512,040	238,405	82,346	50,680	(18,136,474)	31,746,997
2 Interest and similar expenses	(38,830,274)	(98,301)	(803)	-	18,136,474	(20,792,904)
I Net interest income	10,681,766	140,104	81,543	50,680	-	10,954,093
3 Fee and commission income	2,130,069	3,876	80,933	124,971	(89,311)	2,250,538
4 Fee and commission expenses	(828,777)	(175)	(33,935)	-	948	(861,939)
II Net fee and commission income	1,301,292	3,701	46,998	124,971	(88,363)	1,388,599
III Net gain from trading foreign currencies	1,488,308	(553)	-	(4)	-	1,487,751
IV Net gain from trading securities	75,968	-	774	-	-	76,742
V Net gain from investment securities	226,679	-	(19,048)	-	-	207,631
5 Other income	643,341	8,547	4,993	372	-	657,253
6 Other expenses	(127,975)	(4,180)	-	-	-	(132,155)
VI Net other income	515,366	4,367	4,993	372	-	525,098
VII Net income from investments in associates and joint-ventures	464,901	-	3,682	-	-	468,583
VIII Operating expenses	(5,902,979)	(62,939)	(69,438)	(68,643)	88,363	(6,015,636)
IX Profit before provisions and allowances for credit losses	8,851,301	84,680	49,504	107,376	-	9,092,861
X Provisions and allowances for credit losses	(3,314,996)	(13,968)	-	-	-	(3,328,964)
XI Profit before tax	5,536,305	70,712	49,504	107,376	-	5,763,897
7 Current Corporate income tax expenses	(1,275,618)	(17,419)	(11,479)	(32,175)	-	(1,336,691)
XII Current Corporate income tax expenses	(1,275,618)	(17,419)	(11,479)	(32,175)	-	(1,336,691)
XIII Net profit after tax	4,260,687	53,293	38,025	75,201	-	4,427,206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

38. Disclosure of financial instruments

(a) Disclosure of collaterals

Vietcombank does not hold collaterals which it is permitted to sell or re-pledge in the absence of default by the owners of the collaterals.

(b) Disclosure of fair value

Circular 210/2009/TT-BTC requires Vietcombank to disclose the measurement method and related information of fair value of financial assets and financial liabilities for the purpose of comparing their book value and fair value.

The following table presents book value and fair value of Vietcombank's financial assets and liabilities as at 31 December 2012:

	Book value				Available-for-sale VND million	Recognized at amortized cost VND million	Total of book value (gross) VND million	Fair value
	Held for trading VND million	Held- to maturity VND million	Loans and receivables VND million					
Financial assets								
I	Cash on hand, gold, silver and gemstones	5,627,307	-	-	-	-	5,627,307	5,627,307
II	Balances with the SBV	15,732,095	-	-	-	-	15,732,095	15,732,095
III	Balances with and loans to other credit institutions	-	-	65,829,599	-	-	65,829,599	65,829,599
IV	Trading securities	521,239	-	-	-	-	521,239	521,239
VI	Loans and advances to customers	-	-	241,162,675	-	-	241,162,675	(*)
VII	Investment securities	-	4,843,173	-	73,945,195	-	78,788,368	80,535,120
VIII	Long-term investments	-	2,324,794	-	-	-	2,324,794	2,287,556
X	Other financial assets	-	-	4,304,267	-	-	4,304,267	(*)
		21,880,641	7,167,967	311,296,541	73,945,195	-	414,290,344	
Financial liabilities								
I	Deposits and borrowings from the SBV and other credit institutions	-	-	-	-	58,872,785	58,872,785	58,872,785
II	Deposits from customers	-	-	-	-	284,414,568	284,414,568	(*)
III	Derivatives and other financial liabilities	5,461	-	-	-	-	5,461	5,461
V	Valuable papers issued	-	-	-	-	2,027,567	2,027,567	(*)
VI	Other financial liabilities	-	-	-	-	23,521,738	23,521,738	(*)
		5,461	-	-	-	368,836,658	368,842,119	

(*) Due to having not enough information for using valuation techniques, fair value of the financial assets and liabilities that do not have quoted market prices are deemed to be not reliably measured and therefore not disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments

The Board of Directors has responsibility for Vietcombank's overall financial risk management framework to facilitate its business activities to thrive safely and sustainably.

Having taken that responsibility, the Board of Directors appropriately promulgates risk management policies and strategies for each period, establishes secured business limit, directly approves high-value business transactions in accordance with both legal and internal requirements, and determines organizational structure and key personnel positions.

Risk management strategies and policies are adhered to Vietcombank's charter and General Shareholders' Meeting resolution.

The Risk Management Committee was established by the Board of Directors to assist the Board of Directors in managing all risks that may arise from Vietcombank's day-to-day business.

The Asset and Liability Credit and Operational Risk Committee (ALCO) was established and chaired by Chief Executive Officer. ALCO members are key personnels of Vietcombank being in-charge of risk management.

ALCO is responsible for comprehensively monitoring assets and liabilities in the separate and consolidated balance sheet of Vietcombank in order to maximize profit while minimizing losses arisen from negative market trends, manage liquidity risk and appropriately direct interest and foreign exchange rate schemes.

In its authorized segregation, ALCO has the right to make decisions regarding risk management.

(i) Credit risk

Vietcombank is under exposure to credit risk, where a counterparty's default on its obligations will cause a financial loss for Vietcombank by failing to fulfill an obligation on time. Credit exposures arise mainly in lending activities relating to loans and advances to customers and investments in debt securities. There is also credit risk in off-balance sheet financial instruments, such as loan commitments. The credit risk management and control are performed through issuance of related policies and procedures, including credit risk management policies, establishment of Credit Risk Management Committee and Credit Committee.

Vietcombank classifies loans and advances to customers and other credit institutions in accordance with Decision 493 and Decision 18 (Note 2(g)) and regularly assesses credit risks of non-performing loans in order to have appropriate resolutions.

In order to manage credit risks, Vietcombank has established policies and procedures relating to credit management; established credit manuals; performed credit risk assessment; set up credit rating systems and loan classification and decentralized authorization in credit activities.

Vietcombank's maximum exposure amounts to credit risk as at 31 December 2012, excluding collaterals and credit risk mitigations as follows:

	Neither past due nor impaired VND million	Past due but not impaired VND million	Impaired and fully made allowance VND million	Total VND million
Balances with and loans to other credit institutions – gross	65,733,373	-	96,226	65,829,599
Balances with other credit institutions	60,536,084	-	-	60,536,084
Loans to other credit institutions	5,197,289	-	96,226	5,293,515
Loans and advances to customers – gross	203,713,566	1,324,697	36,124,412	241,162,675
Investment securities – gross	78,435,427	-	352,941	78,788,368
Available-for-sale securities	73,592,254	-	352,941	73,945,195
Held-to-maturity securities	4,843,173	-	-	4,843,173
Other assets	4,304,267	-	-	4,304,267
	352,186,633	1,324,697	36,573,579	390,084,909

Description of types and book value of collateral assets held by Vietcombank as at 31 December 2012 are as follows:

	VND million
Deposits	22,286,306
Valuable papers issued	2,032,876
Real estates	180,399,486
Others	100,659,358
	305,378,026

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will unexpectedly fluctuate due to changes in market interest rates.

The real interest rate adjustment term is the remaining time starting from the date of the financial statements to the latest interest rate adjustment term of the items on the balance sheet.

The following assumptions and conditions have been adopted in the analysis of real interest rate adjustment term of Vietcombank's items on the balance sheet.

- » Cash, gold and gemstones, long-term investments, and other assets (fixed assets, investment properties and other assets included) are classified as non-interest bearing items.
- » The real interest rate adjustment term of trading securities and investments securities shall be subject to issuer's terms and conditions on interest rate of securities.

- » The real interest adjustment term of balances with and loans to other credit institutions, loans to customers, amounts due to the Government and the State Bank of Vietnam, deposits and borrowings from other credit institutions and deposits from customers are identified as follows:
 - . Items with fixed interest rate during the contractual term: the real interest adjustment term is based on the contractual maturity date subsequent to the balance sheet date.
 - . Items with floating interest rate: the real interest adjustment term is based on the latest adjustment term subsequent to the balance sheet date.
- » The real interest adjustment term of valuable papers issued is based on valuable papers' maturities and the Bank's interest rate for each issuance.
- » The real interest adjustment term of other borrowed funds is from one to five years.
- » The real interest adjustment term of other liabilities is from one to three months. In fact, these items can be subject to different interest adjustment term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments (continued)

(ii) Interest rate risk (continued)

	Overdue VND million	Free of interest VND million	Up to 1 month VND million	From 1 to 3 months VND million	From 3 to 6 months VND million	From 6 to 12 months VND million	From 1 to 5 years VND million	Over 5 years VND million	Total VND million
Assets									
I Cash on hand, gold, silver and gemstones	-	5,627,307	-	-	-	-	-	-	5,627,307
II Balances with the SBV	-	-	15,732,095	-	-	-	-	-	15,732,095
III Balances with and loans to other credit institutions – gross	-	-	58,814,482	2,476,291	4,445,100	93,726	-	-	65,829,599
IV Trading securities- gross	-	-	11,569	-	-	-	509,670	-	521,239
VI Loans and advances to customers – gross	11,047,920	-	79,858,583	89,718,770	46,795,394	10,484,821	3,063,400	193,787	241,162,675
VII Investment securities – gross	200,000	229,440	23,054,849	14,879,327	10,743,170	3,896,827	21,298,704	4,486,051	78,788,368
VIII Long-term investment – gross	-	3,058,026	-	-	-	-	-	-	3,058,026
IX Fixed assets	-	3,659,582	-	-	-	-	-	-	3,659,582
X Other assets – gross	-	5,810,418	-	-	-	-	-	-	5,810,418
Total assets	11,247,920	18,384,773	177,471,578	107,074,388	61,983,664	14,475,374	24,871,774	4,679,838	420,189,309
Liabilities									
I Deposits and borrowings from the SBV and other credit institutions	-	-	43,829,180	5,050,228	6,893,684	1,099,434	2,000,259	-	58,872,785
II Deposits from customers	-	13,965	189,246,005	45,688,668	19,287,038	25,339,478	4,835,211	4,203	284,414,568
III Derivatives and other financial liabilities	-	-	-	-	5,461	-	-	-	5,461
V Valuable papers issued	-	-	14,358	239	-	12,970	-	2,000,000	2,027,567
VI Other liabilities	-	9,899,714	10,500,000	5,700,000	1,350,000	-	-	-	27,449,714
Total liabilities	-	9,913,679	243,589,543	56,439,135	27,536,183	26,451,882	6,835,470	2,004,203	372,770,095
Interest sensitivity gap	11,247,920	8,471,094	(66,117,965)	50,635,253	34,447,481	(11,976,508)	18,036,304	2,675,635	47,419,214
Cumulative interest sensitivity gap	11,247,920	19,719,014	(46,398,951)	4,236,302	38,683,783	26,707,275	44,743,579	47,419,214	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments (continued)

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which the Bank transacts is VND. The Bank's loans and advances were mainly denominated in VND with the remainder mainly in USD. Some of the Bank's other assets are in currencies other than the reporting currency and USD. The Bank's management has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

	VND VND million	USD VND million	EUR VND million	Other currencies VND million	Total VND million
Assets					
I Cash on hand, gold, silver and gemstones	4,067,958	1,179,450	204,304	175,595	5,627,307
II Balances with the SBV	7,203,569	8,528,526	-	-	15,732,095
III Balances with and loans to other credit institutions - gross	7,121,280	48,438,868	3,337,157	6,932,294	65,829,599
IV Trading securities - gross	521,239	-	-	-	521,239
VI Loans and advances to customers - gross	166,039,769	73,947,615	1,119,894	55,397	241,162,675
VII Investment securities - gross	78,749,914	38,454	-	-	78,788,368
VII Long-term investments - gross	3,058,026	-	-	-	3,058,026
IX Fixed assets	3,656,972	1,556	-	1,054	3,659,582
X Other assets - gross	18,697,298	292,077	(3,392,280)	(9,786,677)	5,810,418
Total assets	289,116,025	132,426,546	1,269,075	(2,622,337)	420,189,309
Liabilities					
I, II Deposits and borrowings from the SBV and other credit institutions	6,174,944	47,853,278	1,759,118	3,085,445	58,872,785
III Deposits from customers	210,743,723	55,621,630	6,307,399	11,741,816	284,414,568
IV Derivatives and other financial liabilities	(12,302,401)	25,756,731	(3,396,084)	(10,052,785)	5,461
VI Valuable papers issued	2,009,314	17,942	311	-	2,027,567
VII Other liabilities	42,091,309	(15,636,844)	37,336	957,913	27,449,714
Total liabilities	248,716,889	113,612,737	4,708,080	5,732,389	372,770,095
FX position on and off-balance sheet	40,399,136	18,813,809	(3,439,005)	(8,354,726)	47,419,214

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments (continued)

(iv) Liquidity risk

Liquidity risk occurs when Vietcombank fails to fulfill its financial commitments with customers or counterparties due to unavailability of funds or liquidity.

The maturity of assets and liabilities represent the remaining terms of these assets and liabilities from the balance sheet date to the maturity date according to the underlying contractual agreements or term of issuance.

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

- » Balances with the SBV are considered as current accounts including the compulsory deposits.
- » The maturity of investment securities is based on redemption dates of each securities established by the issuers of these financial instruments.
- » The maturities of amounts due from other banks and loans and advances to customers are based on the contractual maturity date. The actual maturity sometimes varies from the original contractual term when the contract is extended.
- » The maturity of equity investments is considered to be over one year as equity investments have no stated maturity.
- » Amounts due to other banks and owed to customers are determined based on either the nature of the amount or their contractual agreements. For example, Vostro accounts and current accounts paid upon customers' demand are considered to be current, the maturity of term deposits and borrowings is based on the contractual maturity date. In practice, such items may be rolled over and maintained for longer period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2012

Form B05/TCTD-HN

38. Disclosure of financial instruments (continued)

(c) Risk management policy for financial instruments (continued)

(iv) Liquidity risk (continued)

	Overdue over 3 months VND million	Overdue up to 3 months VND million	Up to 1 month VND million	From 1 to 3 months VND million	From 3 to 12 months VND million	From 1 to 5 years VND million	Over 5 years VND million	Total VND million
Assets								
I Cash on hand, gold, silver and gemstones	-	-	5,627,307	-	-	-	-	5,627,307
II Balances with the SBV	-	-	15,732,095	-	-	-	-	15,732,095
III Balances with and loans to other credit institutions – gross	-	-	58,559,005	2,104,585	923,025	4,242,984	-	65,829,599
IV Trading securities – gross	-	-	521,239	-	-	-	-	521,239
VI Loans and advances to customers – gross	6,349,626	4,698,294	20,572,768	51,455,043	93,200,622	46,756,049	18,130,273	241,162,675
VII Investment securities – gross	200,000	-	23,284,289	14,879,327	14,639,996	21,298,704	4,486,052	78,788,368
VII Long-term investments – gross	-	-	-	-	-	-	3,058,026	3,058,026
IX Fixed assets	-	-	-	-	-	2,493,253	1,166,329	3,659,582
X Other assets – gross	-	-	77,021	5,733,397	-	-	-	5,810,418
Total assets	6,549,626	4,698,294	124,373,724	74,172,352	108,763,643	74,790,990	26,840,680	420,189,309
Liabilities								
I Deposits and borrowings from the SBV and other credit institutions	-	-	42,490,269	1,395,716	3,469,322	9,354,608	2,162,870	58,872,785
II Deposits from customers	-	-	136,191,153	63,356,603	65,830,056	11,965,596	7,071,160	284,414,568
III Derivatives and other financial liabilities	-	-	-	-	5,461	-	-	5,461
V Valuable papers issued	-	-	14,358	239	12,970	-	2,000,000	2,027,567
VI Other liabilities	-	-	10,539,851	15,559,863	1,350,000	-	-	27,449,714
Total liabilities	-	-	189,235,631	80,312,421	70,667,809	21,320,204	11,234,030	372,770,095
Net liquidity gap	6,549,626	4,698,294	(64,861,907)	(6,140,069)	38,095,834	53,470,786	15,606,650	47,419,214

39. Subsequent events

On 08 February 2013, Vietcombank has informed the final list of its shareholders eligible for advance of dividends of 2012 in cash with the pay-out ratio of 12% which is equivalent to VND1,200/share. Accordingly, the last day for registering is 28 February 2013 and the payment will be made on 28 March 2013.

40. Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Management on 15 March 2013.

Hanoi, 15 March 2013

Prepared by:

MS. NGUYEN THI THU HUONG MS. PHUNG NGUYEN HAI YEN

Approved by:

MR. NGUYEN DANH LUONG

Deputy Director of
Accounting Policy Department

Chief Accountant

Deputy CEO



Vietcombank – Together for the future

Our journey of 50 years was built on the trust from our millions of customers. Now the same trust will be our strength as we head for the future.

www.vietcombank.com.vn



Vietcombank

JSC BANK FOR FOREIGN TRADE OF VIETNAM

198 Tran Quang Khai Street, Hoan Kiem District., Hanoi City, Vietnam

Tel: (+84) 4 3934 3137 Fax: (+84) 4 3826 9067

Swift: BFTV VNVX Website: www.vietcombank.com.vn

Vietcombank Call Center: (+84) 4 3824 3524 / 1900 54 54 13