

VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

The background of the cover is a collage of business-related images. At the top left, two men in suits shake hands over a document. To the right, there's a blue-toned image of a hand holding a pen over a document, with a glowing digital interface overlay. Below the handshake, a hand holds a small globe next to a bar chart. To the right, a hand holds a pen over a document. At the bottom left, several small human figures stand on a network of white lines. At the bottom right, there are stacks of gold coins and a wristwatch.

# ANNUAL REPORT 2014

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# MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Ladies and Gentlemen!

Looking back at 2014, Agribank overcame many economic challenges and difficulties of the country and the world to maintain its role as the core force leading the rural and agricultural credit market and contributing significantly to the overall success of Vietnam's banking sector and the national economy.

By adhering to a consistent orientation, Agribank continued to keep to a stable mobilized capital growth path, meeting fully, timely and consistently the business operational needs. Capital structure was positively shifted towards the gradual increase of the proportion of stable and mid and long term capital. Gradual decrease in mobilization interest rates was considered as the decisive basis to reduce lending interest rates. These factors contributed to the increase in business efficiency of both the Bank and its Customers. Credit activity continued to grow with quality; credit structure strongly focused on such traditional and advantageous fields of Agribank as agriculture and rural areas and the prioritized sectors of the Government.

Increasing investment in technological innovation, banking facilities, services and products development is one of the core goals that Agribank persistently pursues. With strategy focusing on diversification and improvement of the quality of products and services based on the strengths of the operational network and modern information technology, Agribank has become one of the leading commercial banks in providing services of State Budget collection, cards, mobile banking, etc.

With appreciation from the State Bank, ministries and departments and the credibility of the major international organizations, Agribank continued to be the major and prestigious partner to implement trust projects in Vietnam of the organizations such as World Bank, ADB, IFAD, JICA, etc.

Agribank always devotes special attention to the activities for the community, contributing to the realization of the sustainable poverty reduction goals of the State. The whole system in 2014 spent about 269 billion Dong for social security activities in the fields of education, health care, building gratitude houses for the poor people, supporting children in ethnic and mountainous areas.

In 2014, Agribank was proud to be the only commercial bank in Vietnam on the list of Top 10 VNR 500 for the 5th consecutive time, receiving awards such as "Outstanding enterprise for the development of agriculture and rural economy in the period of 2010- 2014", "Prestigious Brand in 2014", "Bank with highest growth of payment volume via EDC/POS in 2014", etc. These awards represented worthy recognition for Agribank's contributions in the field of "Agriculture, Rural Area and Farmer" development investment and the supply of modern banking products and services.

In November 2014, the International Rating Organization Fitch Ratings upgraded Agribank credit rating to B+ with a sustainable outlook. This result was the outcome of the obvious reform efforts of the Bank in ensuring the transparency of information and complying with international rules.

Entering 2015, the economic - financial situation of the World and Vietnam is showing positive signals but facing many challenges. While adhering to the orientations of the Government and the State Bank, Agribank has been effectively implementing restructuring plans under the approved Scheme, maintaining business development strategy to ensure safe, effective and sustainable growth and a key role in monetary policy implementation and credit provision for the rural and agricultural market, gradually building up the image of a modern bank providing diversified and qualified financial products and services.

To achieve business goals in 2015 and over the coming years, it is necessary for Agribank to have the companionship, sharing and cooperation of customers and partners in the spirit of mutual benefit as well as the dedication and solidarity of all employees in the whole system. This is the key to help Agribank realize the vision of becoming a leading multifunctional and modern bank in Vietnam and the Region.

On behalf of the Board of Directors and all Agribank employees, I sincerely thank you and wish you health, happiness and success!

CHAIRMAN OF THE BOARD OF DIRECTORS  
Trinh Ngoc Khanh

# MILESTONES IN 2014

**1. AFFIRMING THE KEY ROLE IN IMPLEMENTATION OF STATE'S MONETARY POLICY**  
In 2014, Agribank made 7 reduction adjustments to lending interest rates including 5 adjustments to VND lending interest rates (decreasing by 0.5% - 2%/ year) and 2 adjustments to USD interest rates (decreasing of 0.5%/year). The Bank deployed preferential credit programs and packages in order to encourage and support its customers in business expansion and reinvestment, among these, spending 10,000 billion on low-interest rate loans for import and export customers, reviewing and restructuring loan terms, providing additional loans to enterprises for resolving difficulties and recovering their business and production. etc.





## 2. ENHANCING SENIOR PERSONNEL APPARATUS

Substantial changes were made to top senior personnel of the Bank including the positions of Chairman of the Board, General Manager, Chief Accountant, most Members of the Board of Directors, Deputy General Directors, Members of the Supervisory Board. Many of these positions were replaced with personnel from The State Bank of Vietnam and other large commercial banks. With these strategic changes, Agribank expected to improve quality of governance and its business performance in the following years.

Management personnel at branches of Agribank was timely rotated and allocated conditionally on the strengths and experience of employees, which contributed to better business performance of branches.

## 3. IMPLEMENTING EFFECTIVELY THE RESTRUCTURING SCHEME

Year 2014 marked the second year of implementation of the Restructuring Scheme on organizational structure and business operation for the phase of 2013-2015. Initial achievements of the Bank were the solid foundation for building a stronger, safer and more sustainable Agribank in 2015.

## 4. CHANGING BRAND IDENTITY SYSTEM AND REARRANGING OF THE OFFICES

Agribank solemnly held a ceremony on 26/12/2014 to announce its logo adjustments and office relocation to the address at number 02 Lang Ha Street, Ba Dinh District, Ha Noi. Accordingly, the new brand identity is adjusted towards standardization, professionalism, simplification, along with the bank's 26 years long commitment of "Bring prosperity to customers".

## 5. INVESTING OVER 400 TRILLION DONG IN AGRICULTURE AND RURAL AREAS

As of 31/12/2014, total outstanding loans of Agribank reached 553,553 billion Dong, of which agricultural and rural loans reached 411,295 billion Dong, accounting for 74.3% of total loans to the economy. Agribank continued to be the leading credit institution in lending to the new rural construction program with current outstanding loans of over 201,000 billion Dong to more than 2 million households in 2,237 communes nationwide.

## 6. DEVELOPING AND OPTIMIZING MECHANISMS, BUSINESS PROCESSES, CREATING A SOLID LEGAL FRAMEWORK TO MEET DOMESTIC AND INTERNATIONAL STANDARDS

Agribank vigorously optimized its business mechanisms and processes towards standardization and in line with the changes made by the Government, the State Bank and the movements in international business banking environment. The issuance or modification and amendments of management mechanism, policies, business and internal control processes has positively contributed to the removal and settlement of difficulties and problems that previously existed within the bank.

## 7. IMPROVING INTERNATIONAL BRAND VALUE

In October 2014, Agribank collaborated with the Asia Pacific Rural and Agricultural Credit Association (APRACA) to organize successfully a Regional Seminar on "Agricultural Lending System" with the participation of delegates from 12 member countries, which drew attention from the State Bank, other State Departments and Ministries and other reputable international organizations.

The year 2014 also marked an improvement in the banks' ratings by Fitch Ratings who raised Agribank's credit rating to B + with a stable outlook.

## 8. STRENGTHENING EXTENSIVE RISK MANAGEMENT

In 2014, Agribank accomplished its comprehensive risk management project and gradually put it into operation. Accordingly, Agribank would build and deploy an efficient and comprehensive risk management system in order to meet both national and international standards.

Agribank took drastic measures to improve credit quality, debt recovery, prevent bad debts, which helped to attain the goal of bringing its NPL ratio to less than five percent.

## 9. ESTABLISHING PERSONNEL COMMITTEE, REMITTANCE SERVICE CENTER, FILES STORAGE CENTER AND OPTIMIZING ORGANIZATION OF BRANCHES IN HANOI AND HO CHI MINH CITY

In February 2014, Agribank established Personnel Committee with the function of advising the Board of Directors in the field of human resource management, remuneration and some other work according to the Bank's regulations.

Agribank at the same time established Remittance Service Center, marking a step towards the optimization and enhancement of the Bank's remittance service quality.

In May 2014, Agribank established Files Storage Center to gradually improve the quality of documents storage at headquarter to better serve the bank's administration activity, meeting the requirements of the administrative reform and conforming to the business activities of Agribank in the current stage.

The human resource management at Agribank branches in Hanoi and Ho Chi Minh City has been under a gradual innovation with relevance to the restructuring process. Business performance of local branches has been considerably better as a result from allocating properly the current human resource, constraining recruitments, pushing up staff rotation and focusing on training to improve the labor force effectiveness.

## 10. PRAISING CORPORATE CULTURE AND BUSINESS SKILLS OF AGRIBANK EMPLOYEES

In 2014, Agribank successfully organized its Third Agribank Talent and Elegance Staff Contest. The contest was a healthy and meaningful "playing field" that received the attention and participation of every branch across the country, which contributed to the enrichment of the life of employees and the expansion of communication and exchange among staff throughout the whole network of Agribank.



# AWARDS and ACHIEVEMENTS IN 2014



- Top 10 of VNR 500 List - becoming the only commercial bank in Vietnam in the list for the 5th consecutive time.
- Award of "Outstanding enterprise for the development of agriculture and rural economy in the 2010 - 2014 period".
- "Prestigious brand in 2014".
- "Highest growth in payment volume via EDC/POS in 2014".
- Operational excellence Certificates awarded by the Bank of New York Mellon; Wells Fargo and Citibank.

# BASIC

## PERFORMANCE INDICATORS

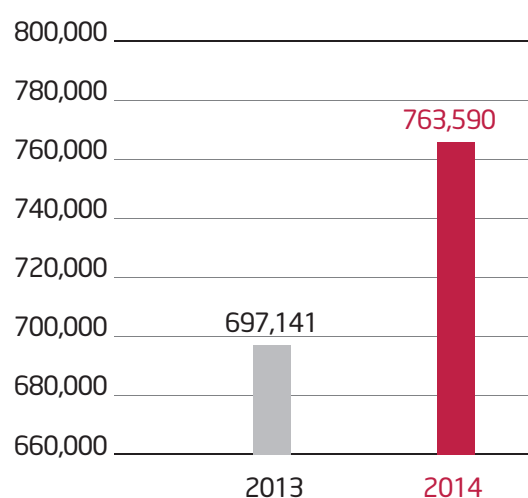




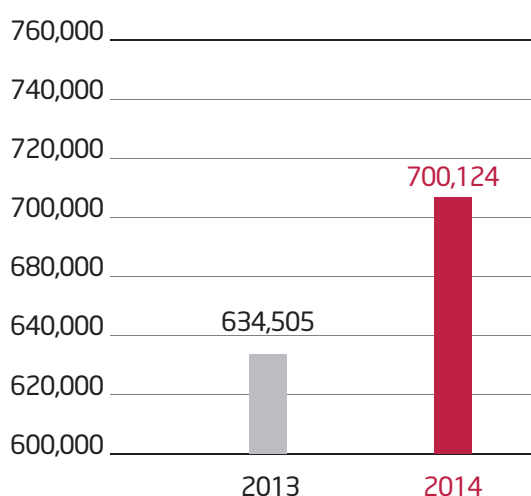
Unit: billion

Basic indicators	2013	2014	Growth (%)
Total Assets	697,141	763,590	+9.5
Charter capital	26,204	28,840	+10.0
Total fund mobilisation	634,505	700,124	+10.3
Total outstanding loans to the economy	530,600	553,553	+4.3
Profit before tax	2,457	2,528	+2.9
Profit after tax	1,679	1,787	+6.4

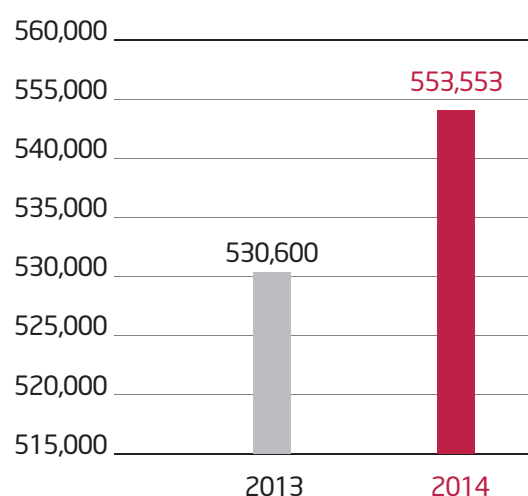
## TOTAL ASSETS



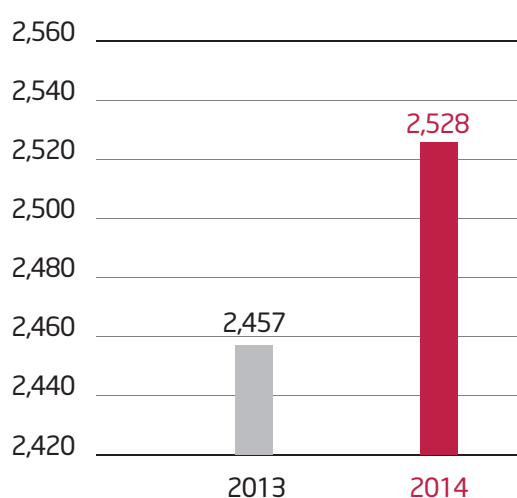
## TOTAL MOBILIZED FUNDS



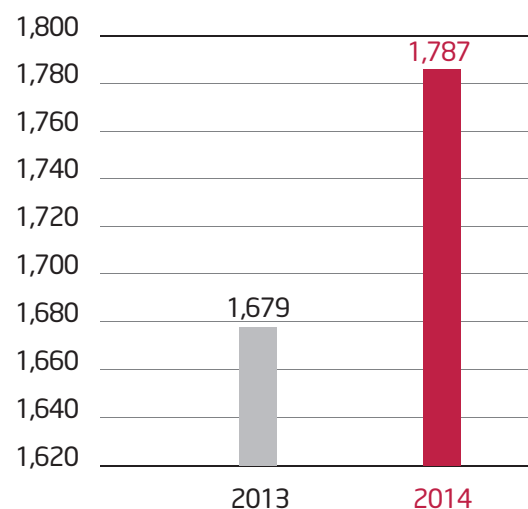
## TOTAL OUTSTANDING LOANS



## PROFIT BEFORE TAX



## PROFIT AFTER TAX



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# GENERAL INFORMATION

## GENERAL INFORMATION ABOUT AGRIBANK

**Company name in Vietnamese:** Ngân hàng  
Nông nghiệp và Phát triển Nông thôn Việt Nam

**Company name in English:** Viet Nam Bank for  
Agriculture and Rural Development

**Abbreviation:** Agribank

**License for establishment and operation:**

No. 280/QĐ/NHNN by the State Bank of Vietnam  
issued on 15 November 1996.

**Company code:** 0100686174

**Charter capital:** 28,840,252,000,000 Dong

**In words:** Twenty-eight thousand eight hundred  
and forty billion two hundred fifty two million  
Vietnam Dong

**Address:** 2 Lang Ha street, Thanh Cong Ward, Ba  
Dinh District, Hanoi

**Phone:** 84 4 38313694

**Fax:** 84 4 38313717 - 84 4 38313719

**Website:** [www.agribank.com.vn](http://www.agribank.com.vn)

## OPERATIONAL NETWORK

By the end of 2014, Agribank's operational  
network includes: Headquarter, 03 representative  
offices, 01 branch in Cambodia, 03 subsidiaries, 01  
operation center, 147 Type I and Type II branches,  
793 Type III branches, 1,313 Transaction Offices  
and 2,300 ATMs spreading across 63 provinces /  
cities in the country.

## ACTIVITIES AND BUSINESS LOCATION

### PRODUCTS AND SERVICES

#### PRODUCTS AND SERVICES FOR INDIVIDUALS

- Loans to individuals / households
- Savings
- Card Services
- Electronic banking
- Accounts and deposits
- Transfer and receive money
- Domestic Payments
- Valuable papers
- Guarantees
- Bank cheques

#### PRODUCTS AND SERVICES FOR ENTERPRISES

- Guarantees
- Granting Credit
- Accounts and deposits
- Domestic Factoring
- Discounting
- Border Payments
- Cheque services
- International payments
- Card Services
- Foreign exchange
- Electronic banking
- Valuable papers.

#### PRODUCTS AND SERVICES FOR FINANCIAL INSTITUTIONS

- Correspondent banking
- Capital trading in local currency
- International payments
- Trade finance
- Insurance partnering
- Foreign exchange
- Valuable papers services.



# ESTABLISHMENT AND DEVELOPMENT

- 1988 Established on 26/03/1988 under the name of Agricultural Development Bank of Vietnam
- 1990 Renamed to Agricultural Bank of Vietnam
- 1995 Making recommendations to set up the Bank for the Poors which is now Vietnam Bank for Social Policies - separated from Vietnam Bank for Agriculture.
- 1996 Renamed to Vietnam Bank for Agriculture and Rural Development
- 2003 Awarded with Title of Labor Hero of the Doi moi era. Implementing the program of modernization of Intra Payment Customer Accounting System (IPCAS) in Agribank branches.
- 2005 Opening the First Oversea Representative Office in the Kingdom of Cambodia
- 2006 Presented Vietnam Gold Star Award
- 2007 Ranked the number one enterprise in Vietnam (by UNDP)
- 2008 Awarded the Second Independent Medal  
Elected as Chairman of the Asia-Pacific Rural and Agricultural Credit Association (APRACA);  
Listed in Top 10 Vietnam Gold Star Award
- 2009 Receiving with honor the General Secretary of the Communist Party of Vietnam to work and visit.  
Being the first bank winning the prestigious "Top 10 Vietnam Gold Star" award for the 2nd time in a row  
Launching the system of IPCAS II connecting online all 2,300 branches and transaction offices
- 2010 Named for the Top Ten of the 500 biggest enterprises in Vietnam
- 2011 Shifting the operation to the model of Sole member State-owned Limited Liability Company
- 2012 Praised as the biggest commercial bank in Vietnam in terms of total assets (approximately accounting for 20% of GDP)  
Listed in the Top 10 biggest enterprises in Vietnam - VNR500; Top Asean Enterprises, Top brand names of Asean; Top Banks for Payment quality; Top Banks for payment in Vietnam
- 2013 Holding its 25th anniversary (March 26, 1988 - March 26, 2013)  
Awarded The Third Labor Medal for excellent achievements in serving the agricultural and rural development and farmers during the Doimoi era 2014 Changing of brand identity system  
Being the only commercial bank listed in the Top 10 largest firms in VNR 500 for the 5th time in a row.  
Getting the credit rating upgraded to B+. Fitch Ratings.

## MISSION, VISION, CORE VALUES, BUSINESS PHILOSOPHY

### MISSION

To be the largest commercial bank who plays a dominant and key role in the national economy, particularly for the agricultural, rural areas and farmers; To take an important mission of directing the market, making significant contribution to the socioeconomic development in Vietnam.

### VISION

To be the modern and largest bank in Vietnam with safe and effective and sustainable development of high competitiveness and full international economic integration

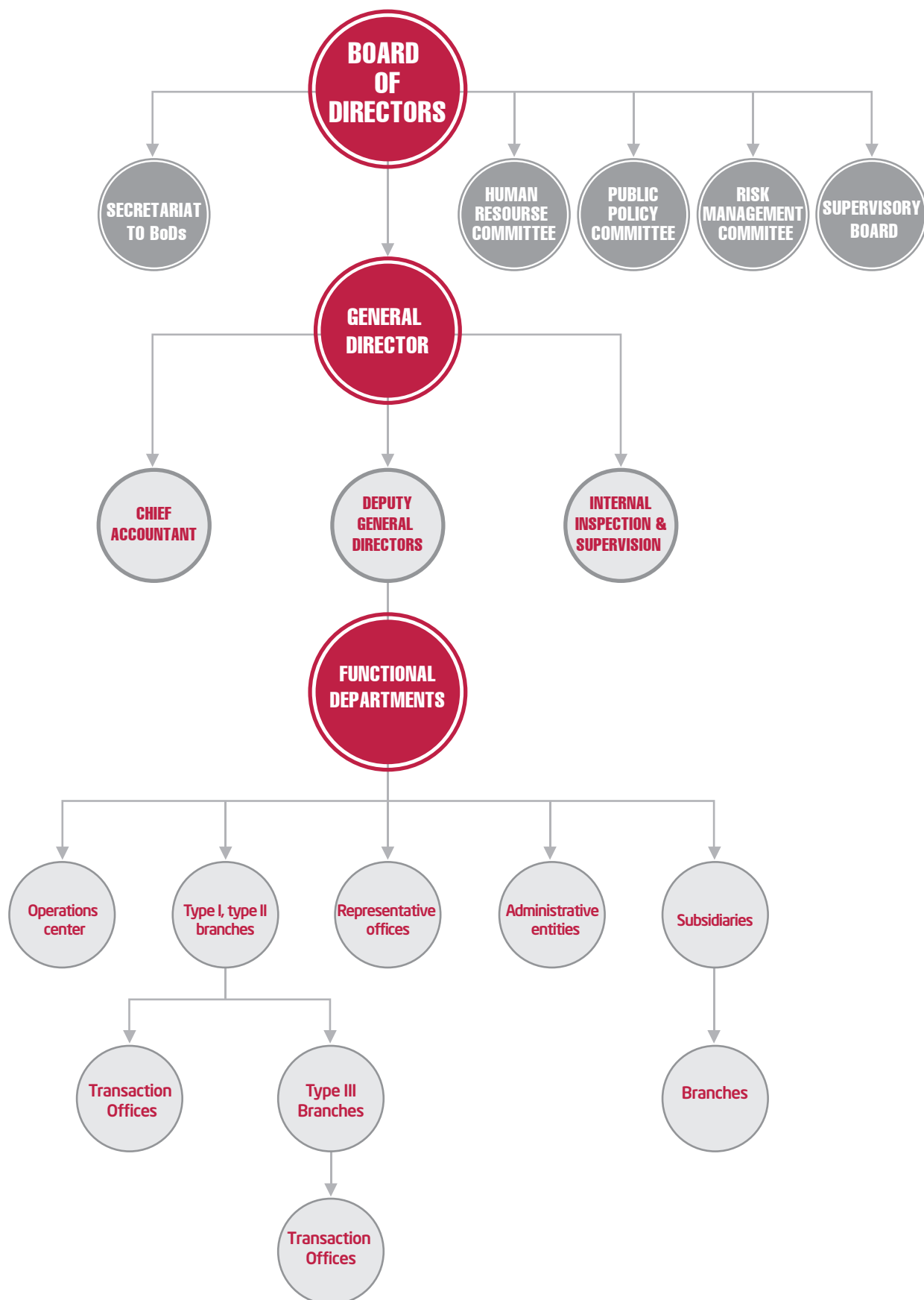
### CORE VALUES

Honesty, Discipline, Creativity, Quality, Efficiency.

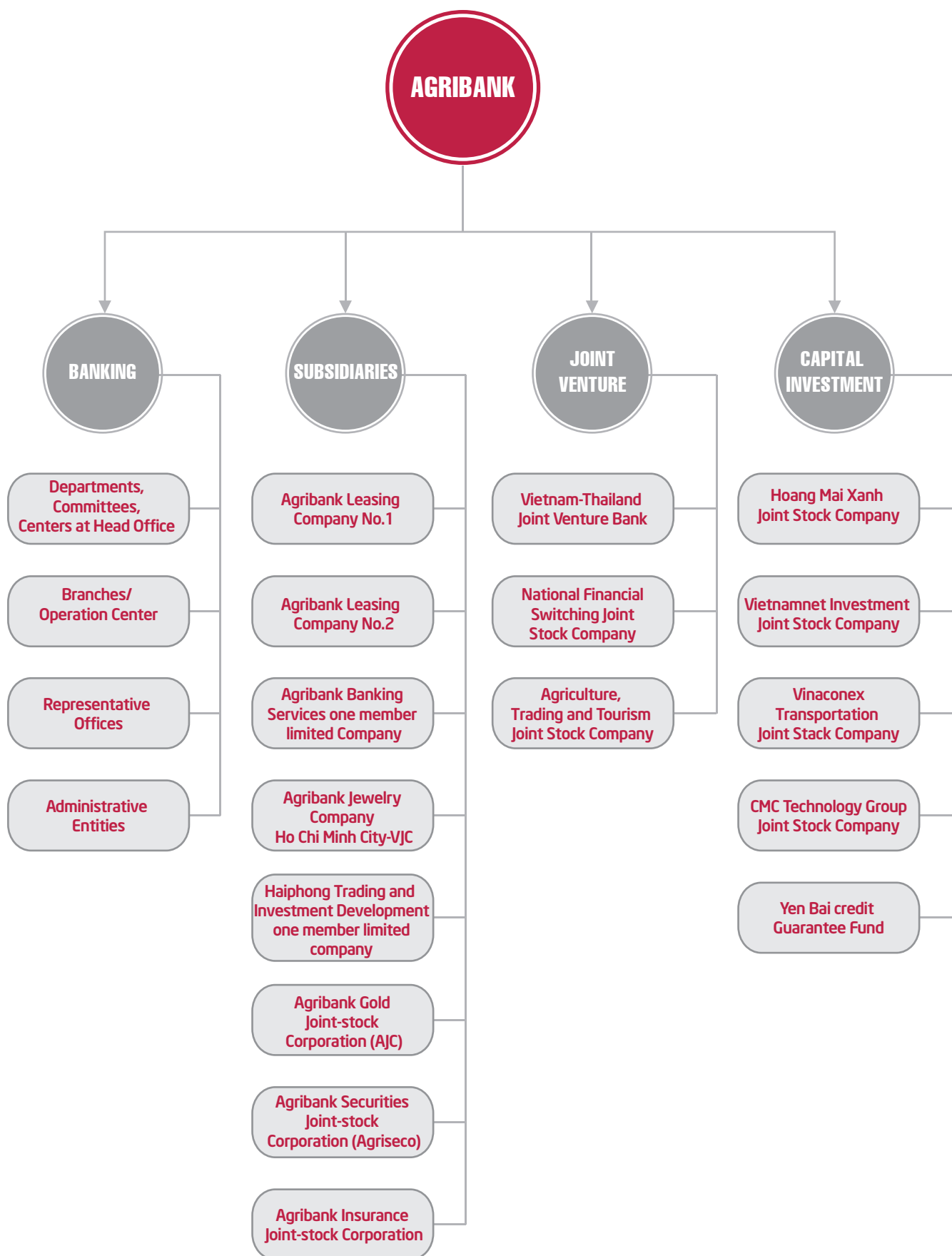
### BUSINESS PHILOSOPHY

"Bring prosperity to customers".

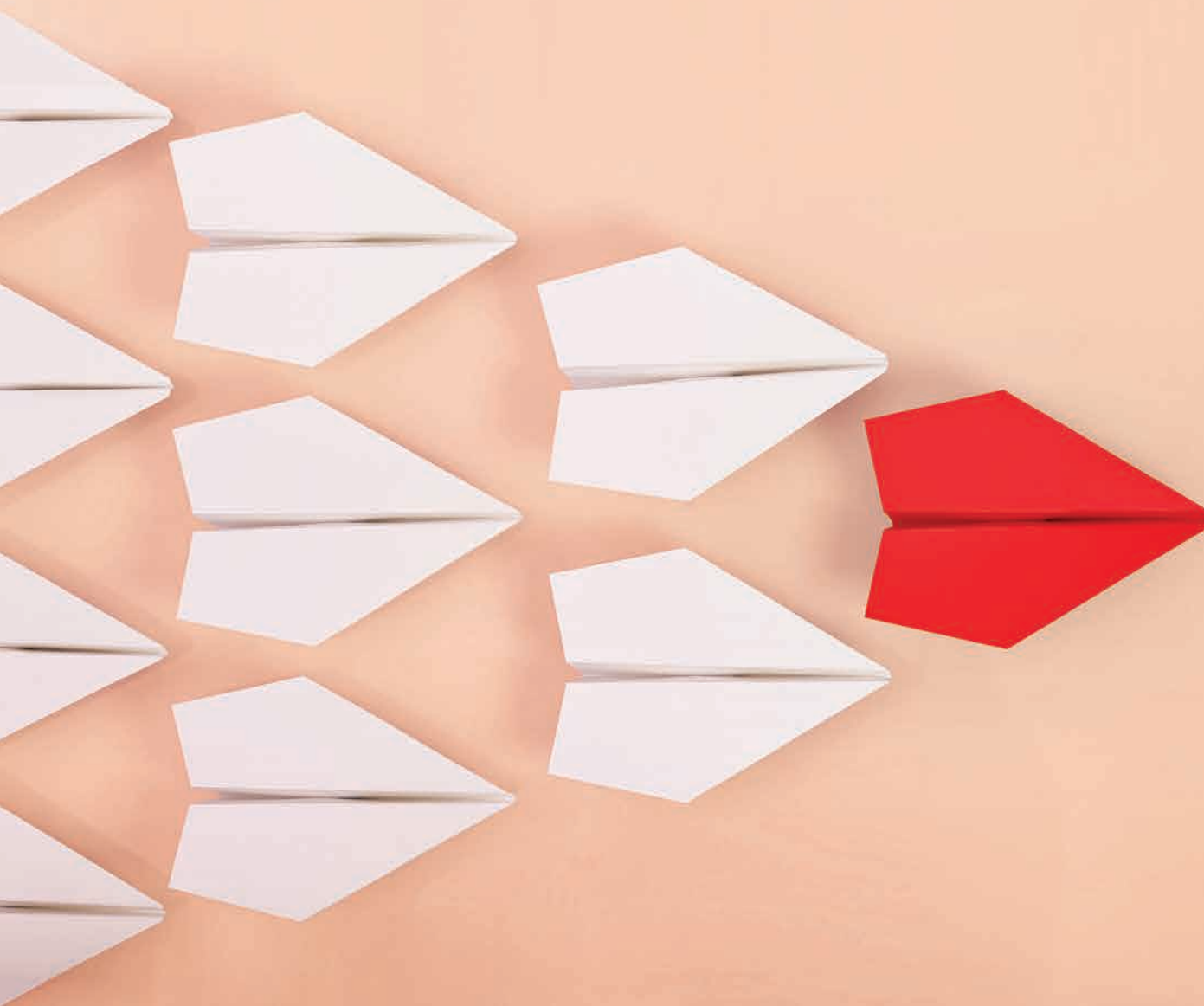
# ORGANIZATIONAL STRUCTURE







# SUBSIDIARIES, JOINT VENTURE COMPANIES



## SUBSIDIARIES

Unit: Billion Dong

SUBSIDIARIES	ABBREVIATED NAME	OPERATING LICENCE	SECTORS	CHARTER CAPITAL	OWNERSHIP RATE
Agriculture Bank Insurance JSC	ABIC	License for establishment and operation No: 38GP/KDBH, dated on 18/10/2006 issued by Ministry of Finance.	Insurance, Reinsurance and financial services	380	55.63%
Viet Nam Agribank Gold Joint Stock Corporation	AJC	Business license No: 0100695362 firstly issued by Hanoi Authority Planning and Investment dated on 31/12/2008.	Trading in gold and silver, Crafted Jewelry, pawn	206	61.24%
Agribank Banking Services Company limited	ABSC.,LTD	Certificate of business registration No: 0101452242 issued by Hanoi Authority Planning and Investment	Commercial printing, advertisement, Construction Design for basic constructions, training and supplying for banking treasury services	650	100%
Haiphong Trading and Investment Development Company limited	HAIPHONG TIC LTD	Business license No: 0200457474 issued by HaiPhong Authority Planning and Investment	Commerce, transport and food processing	7,3	100%
Agribank Jewelry Company HoChiMinh City	VJC-AGRIBANK	Certificate of Registration of Enterprises No:0303119075 issued by Ho Chi Minh Authority Planning and Investment	Trading in gold and silver, Crafted Jewelry, pawn	112,7	100%
Agribank Assets Management Company limited	AGRIBANK-AMC	Certificate of business registration No: 0106134589 firstly issued by Hanoi Authority Planning and Investment dated on 25/3/2013	Debt Management and exploitation of collateral debt	30	100%
Agribank Securities Joint - Stock Corporation	AGRISECO	License for establishment and operation No:108/UBCK-GP issued by State Securities Committee dated on 10/07/2009	Trading in securities	2,120	75.21%
Financial Leasing Company I of Vietnam Bank for Agriculture and Rural Development	ALCI	Business license No: 0100780297 issued by Hanoi Authority Planning and Investment	Financial leasing	200	100%
Financial Leasing Company II of Vietnam Bank for Agriculture and Rural Development	ALC II	Business license No: 0301472214 issued by Ho Chi Minh Authority Planning and Investment	Financial leasing	350	100%

## JOINT VENTURE COMPANY

Unit: Billion Dong

JOINT VENTURE COMPANIES	ABBREVIATE NAME	OPERATING LICENCE	SECTORS	CHARTER CAPITAL	OWNERSHIP RATE
Vietnam-Thailand Joint Venture Bank	Vinasiam	Operating licence No: 19/NH-GP dated on 20/4/1995	Banking, Financing	1,281	34%
Vietnam Agriculture Tourism Trading JSC	Agritour	Certificate of business registration No: 3500103312 issued by Vung Tau Authority Planning and Investment.	Service, tourism, investment, hotel business and commerce	230	23%
Vietnam National Financial Switching JSC	VNSWITCH., JSC	Certificate of business registration No: 0101517122 issued by Ha Noi Authority Planning and Investment.	Financial services	126	19.84%
VNN investment and Commerce JSC		Certificate of business registration No: 0102210969 issued by Ha Noi Authority Planning and Investment.	Financial investment and real estate investment	57,27	12.22%

# THE STRONG LEADERSHIP



**MR. TRINH NGOC KHANH**  
**Chairman of the Board of Directors**  
Year of birth: 1959  
Professional qualification: Doctor  
Working for Agribank since 1993  
Assigned as Chairman of the Board of  
Directors since June 06th, 2014.

## THE BOARD OF DIRECTORS





**MR. PHAM DUC AN**  
**Vice Chairman of the Board of Director**  
 Year of birth: 1970  
 Professional qualification: Master  
 Working for Agribank since 2014  
 Assigned as Vice Chairman of the Board of Directors since June 06th, 2014



**MR. TIET VAN THANH**  
**Member of the Board of Directors and Acting General Director**  
 Year of birth: 1962  
 Professional qualification: Master  
 Working for Agribank since 1988  
 Assigned as Member of the Board of Directors and Acting General Director since June 06th, 2014



**MR. NGUYEN VIET MANH**  
**Member of the Board of Directors**  
 Year of birth: 1962  
 Professional qualification: Master  
 Working for Agribank since 2014  
 Assigned as Member of the Board of Directors since June 06th, 2014

**MR. NGUYEN DANG HONG**  
**Member of the Board of Directors**  
 Year of birth: 1958  
 Professional qualification: Master  
 Working for Agribank since 2014  
 Assigned as Member of the Board of Directors since June 06th, 2014



**MR. NGUYEN NGOC**  
**Member of the Board of Directors**  
 Year of birth: 1958  
 Professional qualification: Master  
 Working for Agribank since 2014  
 Assigned as Member of the Board of Directors since June 06th, 2014



**MR. PHAM HOANG DUC**  
**Member of the Board of Directors**  
 Year of birth: 1961  
 Professional qualification: Master  
 Working for Agribank since 2014  
 Assigned as the member of the Board of Directors since June 06th, 2014



**MR. NGUYEN VAN MINH**  
**Member of the Board of Directors**  
 Year of birth: 1962  
 Professional qualification: Master  
 Working for Agribank since 1988  
 Assigned as Member of the Board of Directors since June 06th, 2014

**MR. NGUYEN MINH TRI**  
**Member of the Board of Directors**  
 Year of birth: 1963  
 Professional qualification: Master  
 Working for Agribank since 1988  
 Assigned as Member of the Board of Directors since October 22nd, 2012



**MR. NGUYEN VAN SAN**  
**Member of the Board of Directors**  
 Year of birth: 1955  
 Professional qualification: Bachelor  
 Working for Agribank since 2012  
 Assigned as Member of the Board of Directors since March 01st, 2012



**MR. NGUYEN XUAN DONG**  
**Member of the Board of Directors**  
 Year of birth: 1956  
 Professional qualification: Doctor  
 Working for Agribank since 1988  
 Assigned as Member of the Board of Directors and Chairman of Risk Management Committee since August 01st, 2011

# SUPERVISORY BOARD



**MRS. NGUYEN THI LIEN**  
**Head of Supervisory Board**

Year of birth: 1961

Professional qualification: Master

Working for Agribank since 1988

Assigned as Head of Supervisory Board since  
May 01st, 2012



**MR. BUI HONG QUANG**  
**Member of Supervisory Board**

Year of birth: 1970

Professional qualification: Master  
Working for Agribank since 1994  
Assigned as Member of Supervisory  
Board since October 01st, 2014



**MR. NGUYEN BACH DUONG**  
**Member of Supervisory Board**

Year of birth: 1962

Professional qualification: Master  
Working for Agribank since 2014  
Assigned as a member of Supervisory  
Board since October 01st, 2014



**MR. HOANG VAN THANG**  
**Member of Supervisory Board**

Year of birth: 1966

Professional qualification: Master  
Working for Agribank since 2014  
Assigned as Member of Supervisory  
Board since October 01st, 2014



# THE BOARD OF MANAGEMENT



**MR. TIET VAN THANH**  
**Acting General Director**  
Year of birth: 1962  
Professional qualification: Master  
Working for Agribank since 2014  
Assigned as Acting General Director  
since June 06th, 2014



**MR. DANG VAN QUANG**  
**Deputy General Director**

Year of birth: 1962  
Professional qualification: Master  
Working for Agribank since 1988  
Assigned as Deputy General Director  
since December 01st, 2007



**MR. NGUYEN MINH PHUONG**  
**Deputy General Director**

Year of birth: 1968  
Professional qualification: Master  
Working for Agribank since 1988  
Assigned as Deputy General Director  
since October 01st, 2014

**MRS. LE THI THANH HANG**  
**Deputy General Director**

Year of birth: 1961  
Professional qualification: Doctor  
Working for Agribank since 1988  
Assigned as Deputy General Director  
since June 01st, 2006



**MRS. NGUYEN THI PHUONG**  
**Deputy General Director**

Year of birth: 1968  
Professional qualification: Master  
Working for Agribank since 1992  
Assigned as Deputy General Director  
since June 06th, 2014



**MR. NGUYEN TUAN ANH**  
**Deputy General Director**

Year of birth: 1975  
Professional qualification: Doctor  
Working for Agribank since 1996  
Assigned as Deputy General Director  
since October 22nd, 2012



**MR. NGUYEN HAI LONG**  
**Deputy General Director**

Year of birth: 1974  
Professional qualification: Master  
Working for Agribank since 1997  
Assigned as Deputy General Director  
since October 02nd, 2014



**MRS. DINH THI THAI**  
**Deputy General Director**

Year of birth: 1976  
Professional qualification: Master  
Working for Agribank since 2014  
Assigned as Deputy General Director  
since June 06th, 2014



# DEVELOPMENT ORIENTATION



## 1/ MID AND LONG TERM STRATEGIC ORIENTATION

Saving up its resources to implement effectively the Restructuring Scheme approved by the Governor of the State Bank of Viet Nam in order to make Agribank a modern and highly competitive one that plays an important role in financial and credit market for agriculture, rural areas, provides high quality products and services, satisfies demands for loans to serve production and business of economic sectors, especially in agriculture, rural areas.

Promoting business growth in a safe, effective and sustainable manner, which improves the quality and effectiveness of business, decreasing bad debts, making healthy to and enhancing financial capability, stabilizing the life of officials in the whole system, ensuring the safety ratios according to the regulations of the State Bank of Viet Nam and international standards.

Reforming the operation management, building up the qualified and sufficient labor force that has competitive ability in financial and banking sector in the intensive integration period

## 2/ BUSINESS GOALS IN 2015

- Increase in capital mobilization (market 1): 11% - 13%
- Increase in outstanding loans to the economy: 11% - 13%
- Proportion of loans to agriculture and rural areas: 70% of total outstanding loans
- Proportion of medium and long-term loans: up to 40% of total outstanding loans
- Bad debts ratio: under 3%
- Increase in service income: at least 15%
- Minimum recovery from resolved debts: 6,000 billion Dong; provisions and written-off bad debts to be made in accordance with regulations of the State Bank of Vietnam
- Adequacy ratios to be maintained in accordance with regulations of the State Bank of Vietnam

## 3/ RESPONSIBILITIES FOR THE ENVIRONMENT, SOCIETY AND COMMUNITY

Agribank, as an enterprise operating in financial sector, has full awareness of the importance and necessity of the contribution to the long term and sustainable development of the community. Therefore, throughout its long operation, Agribank has always been playing an active role in effectuating the poverty reduction target of the Party and the State, improving people living standard through implementing specific programs connecting with the community.

Year 2015 and the followings, Agribank is keeping on its commitments to put funds into activities for community and society in order to ensure the better life for people, contribute actively to the stability and security of the society, push up the development of economy.



# BUSINESS PERFORMANCE IN 2014

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# OVERVIEW OF THE ECONOMY and BANKING SECTOR IN 2014

## 1/ THE WORLD ECONOMY IN 2014

Year 2014 was marked by prolonged hot events which exerted negative effects on the recovery of the world economy such as Russia-Ukraine crisis, the expansion of IS Islamic State, Ebola pandemic, instability in the East Sea or the sudden fall of the crude oil price, etc.

By the end of 2014, the Euro zone still faced a number of obstacles including the high unemployment rate and the possibility of deflation (the growth rate was only at 1.1% and expected to become negative in 2015).

The US economy kept on playing as a motive force in the economic recovery, gradually stimulating the world's economic growth. Meanwhile, China faced with gradually declining growth and touched 24-25 years lowest rate.

Japanese economy attained initial recovery thanks to the new economic policy of the Prime Minister Shinzo Abe, however, the growth rate in the first two quarters was still negative due to the mistaken policy of consumption tax increase.

The slowdown, decline, depression continued in some other regions, notably Russian economy that had depression signals since the late of 2014 due to the sanctions imposed by the West countries related to Ukraine crisis. From the beginning of the year, Ruble has devaluated more than 40% in comparison with USD, crude oil contributing 50% to Russian budget had a sharp decline to under USD 60 per tank. India economy, the world's second largest population country, experienced the growth rate of 5% in the two years 2012-2013 and a modest increase to 5.4% in 2014.

Under those circumstances, the key economies implemented an easing monetary policy: US Federal Reserve System (Fed) kept the nearly zero low interest rate and not increased it as predicted even when the Quantitative Easing Package QE3 ended in October 2014. ECB imposed negative interest rates on deposits and injected more than EUR 1,000 billion to buy back government bonds, which together with some previous capital injections aimed to provide liquidity for banking system. Japan increased the monthly repurchase of government bonds from JPY 50 thousand billion to JPY 80 thousand billion and stopped implementing the program for consumption tax increase. China twice decreased the regulating interest rate and reduced compulsory reserve ratio, etc. However, according to the statistics of the world's economy prospect report published by World Bank in January 2015, the growth rate of the world's economy in 2014 was rather low at 3.4%.

## 2/ VIETNAMESE ECONOMY IN 2014

Unlike the tendency of the world's economy, Vietnam's economy in 2014 had positive recovery signals, macro-economy remained stable, economy growth restored clearly and comprehensively, the financial market witnessed positive changes, budget balance was improved.

- INFLATION WAS CONTROLLED AT A LOW LEVEL OF 1.84% - THE LOWEST ONE FOR THE PAST 10 YEARS.

- BUDGET BALANCE WAS IMPROVED:

Budget balance in 2014 was enhanced thanks to the increase in revenue, especially the domestic revenue, imports and exports. Accumulated total revenue of State Budget gained 104% of initially set target, increasing by 11% year on year.

- GROWTH RATE RESTORED CLEARLY:

The economic growth rate reached 5.98%, higher than the target set by the Government at the beginning of the year. In which, agriculture, forestry, fishery sectors gained 3.49%, higher than the rate of 2.64% of 2013; industry and construction sectors increased by 7.14%, much higher than the rate of 5.43% of 2013 and service sector increased by 5.96%, lesser than the rate of 6.57% of 2013. Moreover, industry and construction sectors had a strong recovery, especially the processing and manufacturing industry. Index of Industrial production (IIP) 2014 increased by 7.6% in which processing and manufacturing industry increased approximately by 8.6%. Imported equipment and production materials also had a high rise compared with the same period of last year, etc.

Although foreign invested sector was still the main factor for growth, domestic sector had an initial acceleration in enterprises running business in producing and processing export products or with FDI enterprises; real estate had warming up signals, the consumers' confidence was improved. Purchase Managers' Index (PMI) continuously stood at more than 50 points in the whole 2014.

- EXPORT HAD A GOOD GROWTH:

Total export turnover in 2014 reached more than USD 150 billion, 13.6% up compared to 2013. In which, the export growth rate of domestic sector reached 13%, far above 3.5% of 2013.

Exports in 2014 marked the recovery of agricultural products with the total export revenue of USD 30.8 billion, 11.2% up compared to 2013 (the increase of that in 2013 was 0.7%).



### 3 / BANKING OPERATION IN 2014

Year 2014 was marked as a successful year in managing policy with the liquidity of the whole system remaining at a stable level. The reduction of interest rate helped to lessen the burden for production and business sector; foreign exchange reserves went up at a record high; foreign exchange rate was managed within the specified range. Solutions for bad debts were implemented drastically and bad debts were continuously solved as followed:

- Lending of the whole system was up by 12.6%. Mobilization from customers of the whole system approximately increased by 16%.

Interest rates were reduced, lending interest rates went down by 1.5-2% to 8.5-11.5%, mobilizing interest rates decreased by 1-1.5% to 5-7%. Interest rate curve was clearly shaped, which facilitated credit institutions to mobilize more stable and longer-term funds, reduced the difference of term between assets and liabilities and helped to distribute effectively funds within the economy. The lending-mobilizing net interest rate margin (NIM) was stable after sharp decline in the period of 2011-2013. NIM decreased from 3.5% (2011) to 3.2% (2012) and to 2.8% (2013) and kept stable in 2014.

- VND/USD exchange rate was kept stable. Besides, the gold market operated stably, the gold price fluctuated around 35 million Dong per tael and the difference with the world's gold price about 4 million Dong in equivalence at the end of the year, foreign exchange reserves went up considerably and foreign exchange rate was controlled within the specified range.

- NPL ratio declined rapidly: According to the Banking Inspection and Supervision Agency of the State Bank of Viet Nam, the bad debt ratio of the whole system by September 2012 was 17% but went down to a half after 2 years adopting the solutions of recovering and restructuring debts, using risk provisions, selling debts and mortgage assets. The bad debts ratio by the end of 2014 accounted for about 3.7 - 4.2%. Meanwhile, risk provisions increased sharply due to the fact that banks had classified debts according to the Circular No. 09 since June 2014 and made risk provisions for bad debts that were swapped against special bonds by VAMC.

- Operation of banking system had a major adjustment under Circular No. 36/2014/TT-NHNN issued on November 20th, 2014 and officially entered into valid on February 1st, 2015, which sets up the new limits and safety ratios as well as broaden regulations affecting many aspects of credit institutions' operation.

- Commercial banks had a tendency to acquire financial companies in 2014 when Decree No. 39/2014/NĐ-CP of the Government allows financial institutions to do such banking activities as issuing credit card, mobilizing funds from organizations, granting guarantee, factoring. Therefore, banks could take the advantages of these channels to provide retail products and payment utilities.

- In this year, violation cases in the financial sector were drastically handled under the Decree No.96/2014/NĐ-CP that imposes more strict regulations of administrative penalties for violations in the field of monetary.

- The issuance of the Decree No.01/2014/NĐ-CP allows the foreign investors to buy shares of Vietnamese credit institutions. Since February 20th, 2014, the shareholding proportion of a strategic foreign investor could not exceed 20% of the charter capital of a Vietnamese credit institution, increasing by 5% in comparison with that stipulated in Decree No. 69/2007/NĐ-CP.

- Changes in senior personnel at commercial banks brought about an expectation of enhancement in the management capability of those commercial banks, providing momentum for the whole system in the following years.

Thanks to the drastically and comprehensively executed solutions, the target of restructuring credit institutions has been resulted in clear and outstanding success. "Hot" issues of the sector have been handled and brought about such remarkable results as dealing with weak joint stock commercial banks, settling bad debts. Banking sector has overcome the hardest period, financial market has turned into the right track and attracted the trust of investors.





## ASSESSMENT OF THE BOARD OF MANAGEMENT

In 2014, Agribank insistently targeted in pushing up the implementation of business plan, complying with the regulations of the Government and the State Bank and maintaining the preceding role in agriculture and rural development investment. With the solidarity among the Boards, Agribank gained the remarkable achievements last year.

# 1/ BUSINESS PERFORMANCE

## 1.1 / ASSETS

Total assets of Agribank kept its growth path and reached 763,590 billion Dong at year end, increasing by 66,449 billion (+9.5%) compared to that of 2013. The profit before tax gained 2,528 billion Dong, a rise of 2.9% over 2013.

As at 31/12/2014, deposits with the State Bank amounted 14,268 billion Dong that met the liquidity requirement stipulated by the State Bank. Deposits in cash and gold with other credit institutions totaled 42,048 billion Dong, rising by 30% against 2013;

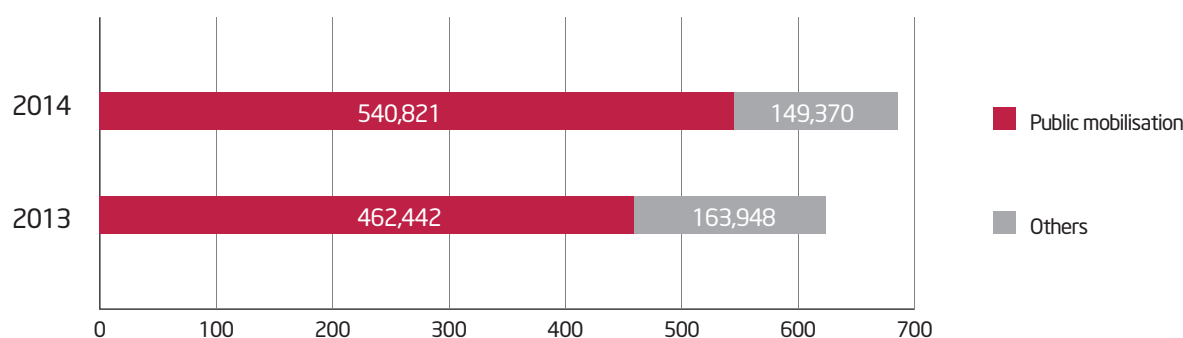
Investment securities valued 128,277 billion Dong, making an increase of 49,826 billion Dong (+63.5%) against that of 2013. Income from treasury activities and investment in valuable papers was 6,865 billion.

## 1.2 / FUND MOBILISATION

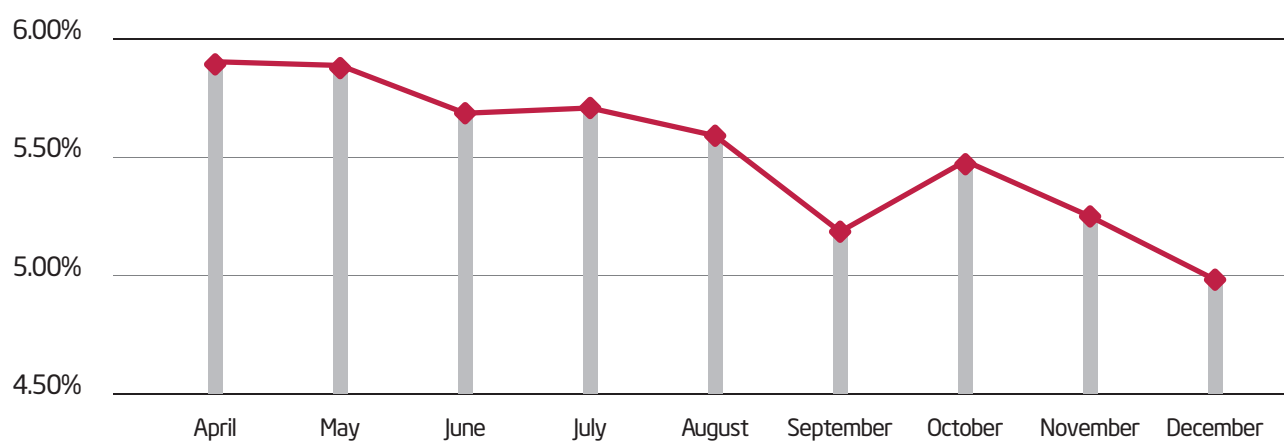
Total fund mobilisation as of 31/12/2014 was 700,124 billion Dong, rising 65,619 billion or 10.3% compared to 2013, exceeding the target of 6%-8% of 2014. The structure of mobilisation by customer types was adjusted towards raising the proportion of public mobilisation that reached 540,821 billion Dong, a rise of 78,379 billion or 16.9% against that of 2013, and accounted for 78.3% of total fund mobilisation which contributed to raising the stability of the Bank's fund resources.

Interest rate has been gradually cut down and took a rest at 5% per year as at 31/12/2014, getting lower by 1.84% compared to that at the beginning of the year, which helped to ease the burden on production and business sectors and to promote the credit growth and business efficiency.

FUND MOBILISATION IN 2014



MOBILISATION INTEREST RATE







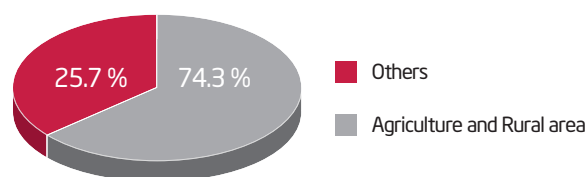
## 1.3 / CREDIT

As at 31/12/2014, total outstanding loans to the economy reached 553,553 billion Dong, in which the outstanding loans to agriculture and rural areas made a good growth of 8.5% equivalent to 32,310 billion Dong, reaching 411,295 billion Dong that made up 74.3% of total outstanding loans. Outstanding loans to households and individuals rose by 39,972 billion Dong or 13.4%. Outstanding loans to targeted programs achieved good growth.

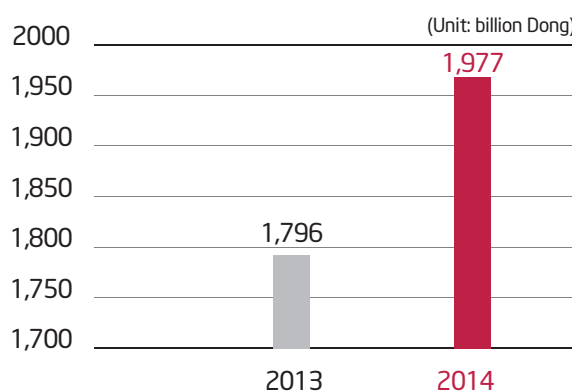
Agribank has made 5 cuts in VND lending interest rate (by 0.5 - 2%/year) and 2 cuts in USD lending interest rate (by 0.5%/year). The Bank encouraged its branches to expand credit activity in a safe and effective manner and support customers to overcome business difficulties.

### SERVICES

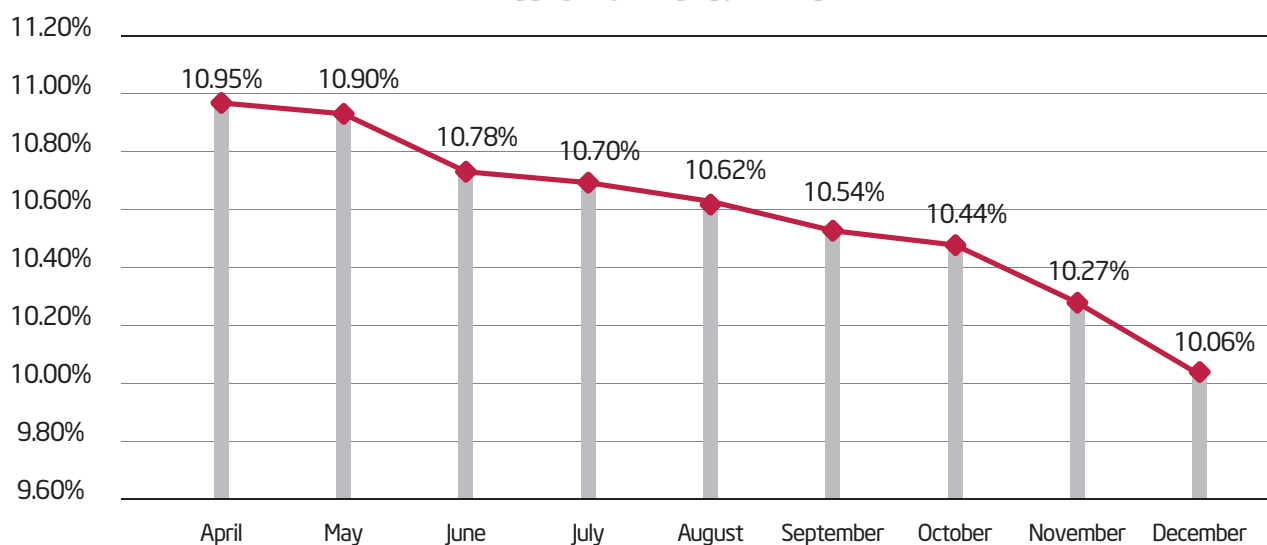
Service activities of the Bank remained stable and gained a considerable growth in 2014 compared to that of the previous year. Net income from service activities obtained 1,977 billion Dong, a rise of 10% over 2013.



### NET INCOME FROM SERVICE ACTIVITIES 2013-2014



### LENDING INTEREST RATE





## 1.4 / PAYMENT SERVICE

### DOMESTIC PAYMENT

As of 31/12/2014, payment volume attained 35,612,566 transactions, increasing by 15.54% compared to that of 2013. The turnover reached 7,630,148 billion Dong, increasing by 19.03% over 2013.

Income from domestic payment obtained 1,277 billion Dong, an year on year increase of 14.42%, of which domestic remittance alone reached 1,004 billion Dong, growing by 9.96% compared to 2013.

### INTERNATIONAL PAYMENT

Total turnover of import-export payment in 2014 reached 8,135 million USD, of which the turnover of export payment was 4,638 million USD and import payment was 3,497 million USD.

Fee income from international payment service gained 202.6 billion VND, increasing by 11.64% against that of 2013 and accounting for 7.6% of the total service income of the Bank, contributing to the increase of the service income portion in the total non-credit income of Agribank.

### BORDER PAYMENT

Turnover of border payment in 2014 experienced a sharp increase in comparison with that of 2013: the turnover of border payment with China market was 41,592 billion VND (a rise of 66.48%) and with Laos market was 165,001 million Dong (a rise of 153%).

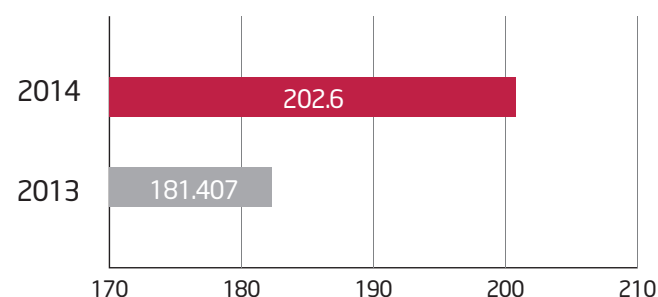
### FOREIGN CURRENCY TRADING

The total turnover of foreign currency trading in 2014 was 13,368.16 million USD. Turnover of the Bank's trading with customers increase by 12% against that of the previous year, while the sold amount of foreign currencies on interbank market was bigger than the bought amount, which pursued to the Boards' policy that the foreign currency sources should be actively balanced and reallocation to meet the needs of customers and gathered for trading on interbank market.

### OVERSEAS REMITTANCE

The turnover of overseas remittance through Agribank's network as of 31 December 2014 reached 1,362 million USD (growing 8.05%).

### FEE INCOME FROM INTERNATIONAL PAYMENT SERVICE

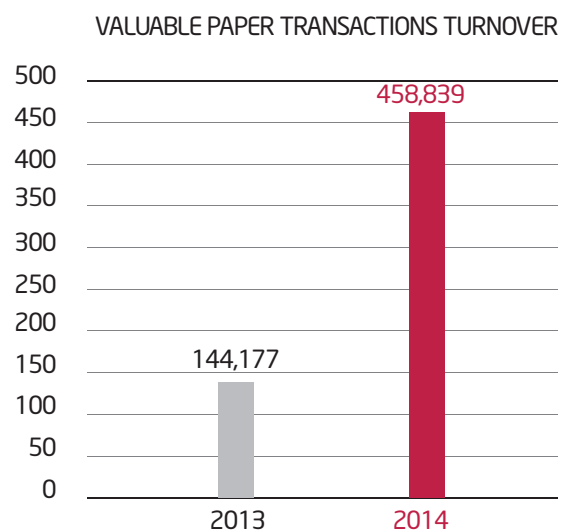
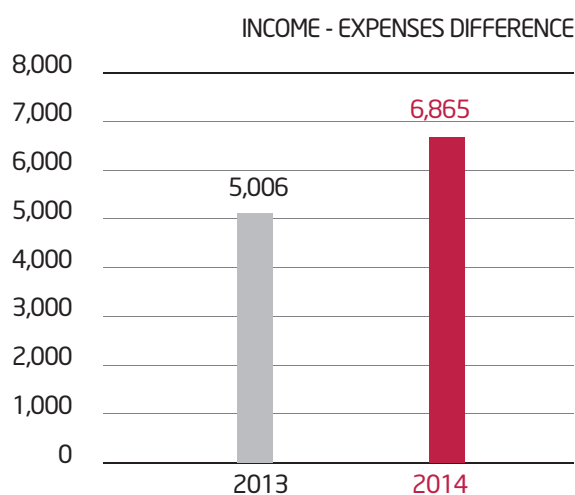




## 1.5 / TREASURY

As of 31/12/2014, the difference between income and expenses in treasury business was 6,865 billion Dong, increasing by 1,859 billion Dong (equivalent to 37%) against that on 31/12/2013 (5,006 billion Dong)

Turnover of valuable paper transactions reached 458,839 billion Dong, growing by 318% compared to 2013.



## 1.6 / INTERNATIONAL PROJECTS

In 2014, one more contract for Low carbon Agriculture Support Project financed by ADB with the value of USD 35.7 million was signed between Agribank and the Ministry of Finance, bringing the total projects implemented by Agribank to 30 with the total value of 17,706.5 billion Dong equivalent.

Besides, the accumulative number of projects that Agribank has served as of 31/12/2014 were 136 with the total amount of 6.4 billion USD, in which two projects assigned to Agribank in 2014 had the value of 174.7 million USD.

## 2/ RISK MANAGEMENT

In 2014, applying loan classification standards under Circular 02/2013/TT-NHNN and Circular 09/2014/TT-NHNN issued by the State Bank of Vietnam, Agribank defined fully and appropriately its bad debts and put forth the measures and solutions to effectively settle and recover bad debts, gradually overcome the weaknesses and steadily improve the credit quality towards international standards and practices as well as ensure the transparency in risk management.

Focusing on recovering and eliminating bad debts, Agribank has drastically implemented a number of measures including:

- Establishing Steering Committee on bad debt settlement. The Committee focused on analyzing the situation of the bad, potentially risky and big debts, developing and implementing the debt recovery plans that are workable on each debt, orienting the credit operation towards sustainable and safe growth.
- Requiring branches having bad debt ratio of over 5% to set up a bad debt handling team led directly by the director of branch; the team set out the norm and drew up the schedule of solving and recovering bad debts for each group, each member;
- Instructing all branches to re-evaluate the mortgage assets and fulfill all legal procedures and documents to give grounds for applying appropriate recovering solutions and measures;
- Applying the measures to restructure debts and help customers to overcome difficulties; intensifying inspection and risk warning; Speeding up the process of recovery of the restructured bad debts and the potentially risky debts to prevent and restrain bad debts;
- Reviewing and completing all documents to handle the bad debts that were set provision and satisfied conditions.
- Selecting the debts that were appropriate and satisfied the conditions, designing and implementing the plan for selling debts to VAMC, DATC and other debt trading institutions in accordance with the current regulations.

As at 01/06/2014 when Circular No. 02/2013/TT-NHN took effect, bad debt ratio of the whole network reached 8.72%, but being gradually restrained and lowered from August 2014. As of 31/12/2014, this ratio was 4.55% against total outstanding loans.

## 3/ HUMAN RESOURCE

As of 31/12/2014, the number of employees of Agribank was 38,240. During the year, Agribank took actions on human resources, such as:

- Reviewing and streamlining its workforce towards cutting down but ensuring the quality of human resource in accordance with the Restructuring Scheme of the Bank that had been approved by the State Bank of Vietnam. As of 31/12/2014, Agribank has disposed 777 employees.
- Organizing 143 courses with 5,740 turns of trainees and 66,563 training days, attaining 104% of the plan.
- Completing the bid and selecting the partner to implement 4 training programs including banking management, management and leadership skills, customer relations development skill, marketing and selling banking products, improving legislation knowledge for staffs.
- Modernizing operation of the Staff Training School: developing a program for training management, labor and remuneration; issuing the Regulation on IT system at the School.

## 4/ PRODUCTS, SERVICES AND ELECTRONIC CHANNELS OF DISTRIBUTION

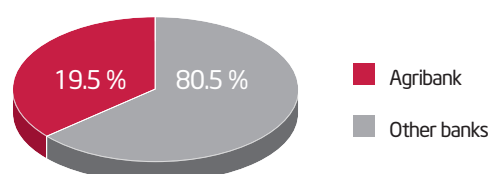
In implementation of the Restructuring Scheme, since the late of 2013, Agribank has concentrated to execution of measures aiming at increasing operation productivity, ensuring transactional stability, smoothness, speediness and sufficient capacity. Agribank phased in IT measures for facilitating business, making decision, managing risks and improving the quality of bank governance:

### CARD SYSTEM

In 2014, Agribank continued to be in the Top 3 banks leading Vietnamese card market. As of 31/12/2014, over 15 million cards had been issued by Agribank, estimatedly accounting for 19.5% market share of card issuance.

Agribank now has 2,300 ATMs, being the only commercial bank that spreads its ATMs nationwide.

CARD ISSUANCE MARKET SHARE





### INTERNET BANKING SYSTEM

Based on the system that has stably operated, Agribank upgraded its Internet Banking System in 2014 towards safer and more efficient. The system is now, available for large volume of access and the implementation of a number of new services.

### STATE BUDGET COLLECTION SYSTEM

With the success in State Budget collection, the system has been continuously implemented in branches, developed and upgraded for meeting new requirements from State Treasury, General Departments of Taxation, Custom, added a component of Tax Auto-collection and upgraded pursuant to Circular No 119 and 126 issued by the Ministry of Finance.

### BILLS PAYMENT SYSTEM

The Bank has continued to carry out the payment services for bills of electricity, water, tuition, telecommunication... in all branches nationwide as well as set up payment links with new service providers, shifting the model, developing and completing the new payment components. The system has been connected to new partners like e-wallet named EDONG, implementing utilities of MobileBanking Agribank Mplus, bills payment MobileBanking BankPlus.

### OVERSEAS REMITTANCE SYSTEM

Overseas Remittance Payment service of Agribank has unceasingly grown up, bringing to customers many options of remittance receipt. In 2014, Western Union (WU) program was upgraded to new version that facilitates customers to receive WU money via message (ABMT). Many companion promotion programs for remittance service have been put into market. The bank has simultaneously implemented the remittance services with Russlavlbank and KookminBank.

### BILATERAL PAYMENT SYSTEM

Agribank has successfully carried out the new bilateral payment systems with banks and State Treasury. These systems continued to be the important channels of Agribank in providing customers with the best utilities of payment and sending, receiving money.

### BORDER PAYMENT SYSTEM VIA INTERNET BANKING

Agribank has developed a system linkage for border payment with Phongsavanh Bank (Laos) based on the high level of security that includes payment function and other related functions. The Bank is now expanding the system to other banks of Laos and China.

### INTERBANK ELECTRONIC PAYMENT SYSTEM

In many years joining the system, Agribank has always been a crucial member, having big volume and value of transactions. To increase service quality, Agribank has developed many functions for this system including verifying and approval signing automatically the interbank orders (IBPS), upgrading applications towards centralization model, completing the software to reconcile and monitor messages during the day. As of 31/12/2014, the numbers of units joining the interbank electronic payment system directly and indirectly were 36 and 198 respectively.

## 5/ INTERNATIONAL CO-OPERATION

BANK	LONG TERM IDR	SHORT TERM IDR	VIABILITY (VR)	SUPPORT RATING FLOOR (SRF)	SUPPORT RATING (SR)	OUTLOOK
AGRIBANK	B+	B	N/A	B+	4	STABLE

In 2014, international cooperation activities were actively carried out to facilitate the Bank's business, raising the reputation and image of Agribank in international markets. The outstanding activities included: Along with the recognition and high appreciation of its domestic and foreign partners, in 11/2014, Agribank received the upgrade in credit ratings by international rating company Fitch Ratings from "B" to "B+" with the "stable" outlook.

The Cooperation Agreement signed with the Agricultural Bank of Korea (NongHuypbank) on remittance money of Vietnamese workers in Korea brought the total framework agreements and memorandum of understandings as at 31/12/2014 to 36 and the agreements with foreign partners to 96, forming the basis for the exploitation of business opportunities in the potential markets and establishing the legislation framework for cooperation in product and service development.

Agribank collaborated with the Asia - Pacific Rural and Agriculture Credit

Association (APRACA) to successfully organized an international seminar on "Agricultural credit system".

Remarkably, Agribank has completed the negotiation and conclusion of ISDA Framework Agreement with BNP Paribas Bank. This agreement was the preconditions for Agribank to efficiently develop its derivative products in foreign exchange and money market and better manage the risks.

The Bank participated actively in many activities and programs held by international organisations and agencies like WSBI, APRACA, ABA, ASEAN Banks Association, Embassy of Spain in Vietnam...

Agribank has received some awards from prestigious worldwide leading banks like Citibank, Wells Fargo, the Bank of New York Mellon for processing quality.



## 6/ PUBLIC RELATION

Agribank implemented successfully many public relation programs in 2014 like publishing documentation, video clips of popularizing brand image, sponsoring the national and international culture events and festivals, the conference on promoting investment with the participation of the leaders of the Party and State:

- Taking part in television and radio programs that were broadcasted nationwide such as: "Agriculture and Rural" Program on VOV1 Channel, "Financials and investments" Program on VOV3 Channel, "Overseas Remittance to Vietnam" on VTV4 Channel, "Farmers Doing Business" Column on VNExpress, Seminar on "Solutions assisting Fishermen in development of maritime economics", international Conference on "Morality education for sustainable development", Programs of "Glorious Viet Nam"; Program of "Spring on Viet Land", interview made by The Banker, "Proud to be Vietnamese Farmers" Program, Programs of "For Seagoing Boats".



- Sponsoring the First National Festival of "Don ca Tai Tu", "Sam Son Tourism" Festival 2014, Tea Cultural week in Bao Loc - Lam Dong, Mekong Delta Economic Conference 2014...
- Organizing successfully the Third Agribank Skilful and Talented Staff Festival In 11/2014.

## 7/ SOCIAL SECURITY ACTIVITIES

Last year, Agribank continued to pay a considerable attention to the activities for community. The budget for the implemented social security activities reached to 269 billion Dong including:

- Financing education: 161.6 billion Dong;
  - Financing health care: 28.6 billion Dong;
  - Financing natural disaster overcoming: 8.4 billion Dong;
  - Financing gratitude houses: 70.4 billion Dong.
- Besides, the Bank's leaders and staff nationwide maintained many regular activities like taking care of Vietnamese Heroic Mothers, giving presents to children on Full Moon Festival and the Children Day on 1st of June, assisting the poor people and the elderly in difficulty, people living in remote and ethnic minority areas...



# ASSESSMENT REPORT

## OF THE BOARD

## OF DIRECTORS

### ON THE BANK'S OPERATIONS IN THE YEAR

In 2014, the Board of Directors of Agribank consisted of 11 members, including 01 Chairman, 01 Deputy Chairman and 09 Members.

Thanks to the strengthening of the structure of the Board of Directors, the Executive Board, the Supervisory Board and the high solidarity and unanimity among the Boards, Mechanism for operations, internal executive management was synchronously issued, Restructure scheme was implemented efficiently and initially helped Agribank more stable and have more development opportunities.

The Board of Directors drastically directed and supported the Executive Board in the business operations and settlement of bad debts to ensure the Bank's operations to be maintained stably, safely and effectively. Each Member has been assigned a field within the governance functions of the BoDs, being responsible for monitoring, supervising and supporting the assigned field and subsidiaries. Thus, the major problems beyond the competence of the Management Board were discussed and resolved promptly by the Board of Directors.

The Supervisory Board and Internal Control and Inspection Department fully fulfilled the tasks of inspecting, supervising the compliance with the provisions of law and of Agribank during the governance and management execution of the Bank. The active and closed cooperation among the Board of Directors, the Management Board and the Supervisory Board enhanced the efficiency and safety in the business operation of Agribank.





## 1/ASSESSMENT OF OPERATION RESULTS IN 2014

In 2014, the world economy faced many challenges and difficulties. However, the macro economy of Vietnam made positive changes such as the higher year on year economic growth that exceeded the plan set by the Government from the beginning of the year, well-controlled inflation, stable exchange rates and foreign currency market. Taking part in the movements, Vietnam banking system carried out drastically restructuring to prepare for new opportunities.

With the positive changes from the system, in 2014, Agribank attempted to strengthen the apparatus, structure and rearrange the network to ensure operational safety and achieve certain achievements. The Bank basically reached or exceeded all initially planned targets of total assets, fund mobilization and lending, closely controlled the operational expenses, satisfied the prescribed safety ratios. Some specific indicators are as follows:

- Fund mobilization grew 10.3%, fully, timely and consistently meeting business operation needs. Borrowing interest rates at year-end decreased by 1.84% from that at the beginning of the year, creating conditions for reducing lending rates, raising credit growth and improving business efficiency.
  - Credit increased by 4.3%, credit structure shifted positively under the restructure scheme, focusing on the agricultural and rural sector, business production and priority sectors of the Government, the State Bank (accounting for 74.3% of total outstanding loans).
  - Deposits at the State Bank were maintained at an appropriate level, the average balance decreased, ensuring to comply with regulations and meeting the requirements of liquidity. Investments in valuable papers reached 100,154 billion Dong, increasing 34,848 billion (+ 53.4%) compared with December 31, 2013. Treasury operation and investment in valuable papers brought about an income of 6,865 billion Dong, increasing by 40% compared to that of 2013, which helped to minimize the non-interest capital wastage.
  - By November 2014, basically all adequacy ratios of Agribank met the regulations of the State Bank, the solvency ratio reached prescribed level which kept the liquidity relatively stable; The ratio of investment capital contribution, the credit limit for the customer were always in accordance with regulations under Circular No. 13.
  - Revenue from service fees of the whole system as of December 31, 2014 achieved 1,977 billion dong, increasing by 10% compared to 2013, thereby contributing to the improvement of the financial capability of Agribank.
  - The financial situation of Agribank in 2014 remained difficult. However, early in the year, Agribank implemented solutions to increase revenue, reduce costs, made provision of 8,310 billion dong, and develop plans for handling risks, ensuring life and income for officers and employees.
  - For information technology system, Agribank focused on implementing several projects, information technology solutions to improve operational efficiency of the system, ensure the stable, smooth, un-overloaded transactions, which effectively served the business operations.
  - In the past year, Agribank advocated signing brand promotion contracts through advertising, sponsoring some national and international significant programs, events. Programs were selected in accordance with guideline that attaches the Bank's public relation activities to the investment in agriculture, rural areas and farmers. The programs were held for celebrations, major holidays of the country, attracting the attention of the public, bringing greater promotion efficiency for Agribank brand.
- Following in the inherent tradition, Agribank continued to make practical contributions to the community and society. In the past year, the amount Agribank spent for social security activities reached 269 billion dong. Along with the programs for the community, Agribank's image spread and became closer to the people nationwide.
- The Bank carried out 2,778 inspections, detected, prevented and corrected numerous shortcomings and errors in business operations, which considerably contributed to strengthening the management, supervision and supported the development and amendment of processes and regulations, assessment and handling of officers and employees.





## 2 / ASSESSMENT OF OPERATIONS OF THE BOARD OF MANAGEMENT

In 2014, facing with considerable difficulties from complex fluctuations of the economy in the world and in the country, the Management Board fully fulfilled their responsibilities and duties assigned by the Board of Directors. Agribank achieved relatively comprehensive results and completed the core goals, in which profit before tax reached 2,528 billion, up 3% compared to the same period last year. In addition, the indicators of total assets, total fund mobilization and outstanding loans increased significantly compared with 2013.

Last year, the Management Board fully fulfilled the management and governance duties, thereby improving the management role, connecting closely the grassroots units. Besides, the Management Board provided timely guidance, ensuring operational oversight role on the operation of whole system.



### 3/ ORIENTATIONS FOR ACTIVITIES OF THE BOARD OF DIRECTORS IN 2015

The world economy in 2015 is forecasted to be recovered; global growth is expected to be at 4%. Notwithstanding, the political situation still witnesses complicated changes that impose significant impacts on the global economy.

The recovery of Vietnam's economy in 2014 is an important basis for the Government to set a targeted growth for 2015 of 6.2%. In the next year, Vietnam will implement the commitments under the newly-signed agreements including: Korea-Viet Nam Free Trade Agreement, the Free Trade Agreement between Vietnam and the Customs Union of Russia, Belarus and Kazakhstan. At the same time, Vietnam continues to negotiate Vietnam - EU Free Trade Agreement, the Trans-Pacific Partnership (TPP) and participating in the ASEAN Economic Community, thereby creating favorable conditions for promoting GDP growth rate. The implementation of trade agreements will bring about positive effects on imports and exports of Vietnam in 2015.

For banking financial market, the core goal is to complete restructuring of credit institutions, actively implementing measures to ensure NPL ratio of the whole sector less than 3%, credit growth at 13 - 15%, simultaneously deploying the solutions to stabilize the exchange rates, gold and foreign exchange markets.

With awareness of the opportunities and challenges, the Board of Directors of Agribank set the main orientations for some fields in 2015 specifically as follows:

- Continue to effectively implement Restructure Scheme approved by the State Bank, ensuring Agribank restructuring route.
- Direct and coordinate with the Management Board to fulfill the business plan targets as set out.
- Accelerate the handling of debt recovery while improving lending quality, control arisen bad debts and strive to bring the NPL ratio of 2015 to below 3%, avoid the negative affect of handling bad debts on business operations and restructuring process of Agribank.
- Prepare and submit the proposal for additional charter capital to the Ministry of Finance; apply for permission of the State Bank for the long-term bonds issuance in order to increase tier 2 capital.

- Closely follow the regulation and policy mechanism of the Government, the State Bank to improve the quality of statistical forecasting associated with warnings and set up orientation for the branches. Therefore, strategies are proposed to deal with competition, the impact of policies to serve effectively for building the business plan, strategy, governance and management.

- On the governance and management:

- » Stabilize organizational structure, rearrange organization and operation of the units at Headquarter, clearly define the functions and tasks of each unit to amend in a synchronous manner the mechanisms, processes of planning, credit, financial allocation, operating regulations, internal management, archive... thereby improving governance efficiency and utmost preventing the potential risks.
- » Establish representative offices in regions in order to consolidate and improve the efficiency of directing, inspecting and supervising the branches.
- » Promulgate specific regulations on the rights and responsibilities of the heads of the units that attach to the results of the management of business operations; consider the personnel planning, appointment, reappointment, rotation, remuneration, reward.
- » Research to build a strategic human resource plan as a basis for payment of salary for officers and employees, improve labor quality, create a fair working environment, limit the situation of avoidance, passing the responsibility at work.

- Continue to organize and implement the restructuring plan for subsidiaries and capital investments into other enterprises of Agribank in association with restructuring goals.

- Consolidate organizational apparatus, operational network; improve the quality of human resources. Strengthen staff rotation, continue to innovate and improve the training quality for managerial personnel, standardize operational processes and enhance the effectiveness of recruitment, planning and appointment of staff.

- Regularly review, supplement and amend the issued regulations, establish new regulations consistent with the provisions of law and the operation of Agribank; strengthen the monitoring, auditing and supervision capacity; timely warn, detect, prevent risks in the operation of the whole system of Agribank.



# SUSTAINABLE DEVELOPMENT

- 50 Risk Management
- 50 Training and Development of Human Resources
- 51 Information Technology Development
- 51 Public Relation, Brand Development
- 51 Social Security



**AGRIBANK**

...the members of companies provide success ...  
...the members of companies provide success ...  
...the members of companies provide success ...

Another observed discrepancy between the theory and real markets is that at the late stages of a bull market, the market is driven by buyers who take little notice of underlying value. Towards the end of a crash, markets go into free fall as participants represent themselves from positions regardless of the unusually good value compared to fundamentals (such as forward price to earnings ratios) in bear markets. A theorist might say that rational participants by taking positions in artificially low prices should always immediately take advantage of the opportunity, but this is not, in general, enough to prevent bubbles and artificially high prices. Irrationality of the market at extremes and only take advantage of the opportunity to drive the market as far as they will, and only take advantage of the opportunity to have more than merely fundamental reasons that the market is overvalued.

Measuring market penetration accurately is essential for companies to discover new opportunities. Financial institutions use intelligence to determine what products and services online customers and where to focus their efforts. That markets behave differently with different stronger forms. Some economists, however,



## 1/ RISK MANAGEMENT

Year 2014 witnessed many changes in the national economy. Production and business activities of many enterprises continued to face difficulties, which were the potential credit risks and the possible causes of bad debt increase for commercial banks. Agribank, therefore, determined to implement policies, instruments and flexible management mechanisms step by step towards the effective and transparent model of risk management:

- Timely review, modify, amend and newly promulgate regulations and policies on debts classification and provision, using provisions to cover credit risks and recover the written-off debts in accordance with regulations of Law and of Agribank.
- Gradually build and develop a comprehensive and effective risk management system that meets standards of and is in conformity with the domestic and international regulations through the Comprehensive Risk Management Project financed by the World Bank (WB).
- Perform the debts classification and provision as defined in Circular No. 02/2013/TT-NHNN dated 21/4/2013 and Circular No. 09/2014/TT-NHNN dated 18/03/2014. Agribank considered the Circular 02 as a challenge and an opportunity as well to reassess the Bank's credit quality aiming at the goals of healthy system and stable, sustainable growth.
- Develop debt settlement and recovery strategies that were applied to each branch and resulted in outcomes as follows: As of 31/12/2014, Agribank achieved the goal of bad debt below 5%, written-off debt recovery of the whole system reached 2,623 billion dong.
- Improve the quality of inspection, control, audit, thereby detecting and timely correcting errors while offering warning information to ensure the compliance and risk prevention in operation of Agribank's whole system;
- Continue to develop and improve the system of internal credit ratings, risk control and risk management capabilities, improve customer selection process and efficiency of credit approval.

Agribank always tirelessly builds and optimizes the effectiveness and transparency of its model and policy of risk management, adhering to the targets of sustainable and effective business, maximizing the value for the Bank and its customers.

## 2/ TRAINING AND DEVELOPMENT OF HUMAN RESOURCES

Realizing clearly the important role of human resources in the development strategy, in 2014, Agribank continued to review and consolidate the personnel at all levels, determining the number of staff, restructuring human resource to promote efficiency and convenience in analyzing and evaluating labor quality throughout the system.

Agribank continued to optimize key mechanisms to improve system and human resource management process, namely the Regulation on organization of scientific studies and initiatives in the Agribank's system, Statute on training in the whole system. Simultaneously, Agribank also implemented policies to encourage qualified officers to volunteer for working at branches in remote or mountainous areas with the goal of narrowing the gap in performance among units in different regions nationwide. In addition, the rotation, innovation and improvement of training quality of management officers, standardization of processes, and enhancement of the effectiveness of recruitment, planning and appointment are activities receiving critical attention.

Over the past year, Agribank actively developed the domestic and abroad training programs; encouraged staff to learn and exchange and share knowledge and experience; improved skills for officers to meet the current human resource development goal as well as the successor personnel as part of the Bank's long-term strategy.

In the coming time, Agribank would focus on implementing the following new projects:

- Training programs of professional practice in Accounting - Credit
- Online Training Scheme named E-Learning with diversified programs and courses in both content and form. E-learning is considered as advanced solution for optimizing the current system and saving training costs, helping Agribank's employees to flexibly choose time and courses tailored to work demand.

With the improvement in the administration and training of human resource, Agribank has a determination towards strong growth based on the development of high quality human resource.



### 3/ INFORMATION TECHNOLOGY DEVELOPMENT

In the trend of strong development of digital era, Agribank identified information technology as core factor in realization of its goal to become a modern commercial bank in Vietnam. Agribank always believes the continued technology innovation investment is essential for providing its customers with the modern financial services and ideal banking solutions.

In 2014, Agribank invested in modernization of information technology systems, focusing on implementation of key IT projects such as infrastructure solutions of data center, communication network, upgrading application system, diversifying products and services to expand the customer base, completing the information security system to support better business operations, risk management and bank governance.

Although a broad network, large number of customers and transactions, Agribank's information technology system has operated stably, securely, which eliminate the intrusion into transaction processing system and terminate the transactional congestion in rush hours. Core Banking system of Agribank was highly appreciated in financial and banking market in Vietnam by an international information technology consulting organization.

In the coming time, Agribank will focus on building an information technology development strategy for the phase of 2015-2020 and long term strategic orientation for the phase to 2025, continuing to improve the data center infrastructure, communications network and developing new products and services. In 2015, Agribank will deploy the project of customer database centralization, data warehouse, smart analysis to support management and performance assessment and determine the business orientation. Simultaneously, Agribank will continue to invest in the improvement of the security, safety and efficiency of the system.

With unceasing efforts, Agribank is pursuing the strategic goals of the efficiency and quality, improving the security and sustainability for clients and Agribank.

### 4/ PUBLIC RELATION, BRAND DEVELOPMENT

At Agribank, communication has always been interested and respected, have a direct influence on the development of the whole system. Communication activities of Agribank in 2014 was implemented in a comprehensive manner and more professionally contribute towards an image of Agribank which always make effort to bring prosperity to customers and community.

Agribank promoted the products and services in a systematic way through various channel such as: television, radio, print, banners, flyers, which helps Agribank to make information about its products and services to the public in friendly, modernly way and attract the attention of customers.

In addition, Agribank paid significant attention to the communication unit from which capture movements of trends and customer demands, paving the way for accessing and exploiting potential customers effectively, as well as meeting customer demand better and better.

The internal communication activities of Agribank continued to perform synchronized, diverse and always stick to the operation of the system, transmitting the message to the entire staff of the Bank and strengthens internal interactions.

2014 noted progress in Agribank communication, branding contributes to improve the status, image, brand and Agribank culture in the banking sector and international partners.

### 5/ SOCIAL SECURITY

During the 26 years of establishment and development, operations of Agribank always directed towards the overall development of the community and society, always uphold moral values, humanistic which is a nice tradition that Agribank constantly guard maintained and promoted. Through social security activities, Agribank's brand image has continued to be promoted widely, Agribank's reputation is enhanced, won the trust of the people across the country.



# OPERATIONAL NETWORK







# OPERATIONAL NETWORK

As of 31 December 2014, Agribank had 148 branches of Level I, II; 793 branches of Level III; 1,313 transaction offices, transaction points domestically and internationally.

## HA NOI

### OPERATION CENTRE

No. 02 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Ha Noi City.

### LANG HA BRANCH

No. 24 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Ha Noi City.

### BACH KHOA BRANCH

92, Vo Thi Sau, Thanh Nhan Ward, Hai Ba Trung District, Ha Noi

### MY DINH BRANCH

A9, The Manor Tower, Me Tri Commune, Tu Liem District, Ha Noi

### SON TAY TOWN BRANCH

189 Le Loi Street, Son Tay Town, Ha Noi

### DONG ANH BRANCH

Block 1A, Dong Anh Town, Dong Anh District, Ha Noi

### HOAN KIEM BRANCH

No. 36 Bat Dan Street, Cua Dong Ward, Hoan Kiem District, Ha Noi

### DONG DA BRANCH

No.211 Xa Dan Street, Nam Dong Ward, Ha Noi City

### TAM TRINH BRANCH

409 Nguyen Tam Trinh, Hoang Mai District, Ha Noi City

### NAM HA NOI BRANCH

C3 Tower, Phuong Liet Ward, Thanh Xuan District, Ha Noi City

### TAY DO BRANCH

No. Nguyen Co Thach Street, New Urban Area My Dinh, My Dinh Commune, Tu Liem District, Ha Noi City.

### THU DO BRANCH

91 Pho Hue Street, Ngo Thi Nham Ward, Hai Ba Trung District, Ha Noi City.

### TRUNG YEN BRANCH

First Floor, 17T4 Tower Trung Hoa Nhan Chinh Urban Area, Hoang Dao Thuy Street, Nhan Chinh Ward, Cau Giay District, Ha Noi

### TRANG AN BRANCH

Tower B, Block C - D5 Cau Giay New Urban Area, Dich Vong Hau Ward, Cau Giay District, Ha Noi

### TAY HA NOI BRANCH

Tower A1K handicraft clusters, Duy Tân road, Dich Vong Hau Ward, Cau Giay District, Ha Noi

### GIA LAM BRANCH

No. 187 Nguyen Duc Thuan Street, Trau Quy Town, Gia Lam District, Ha Noi

### LONG BIEN BRANCH

No. 562 Nguyen Van Cu, Gia Thuy Ward, Long Bien District, Ha Noi

### TAY HO BRANCH

No. 447 Lac Long Quan, Xuan La Ward, Tay Ho District, Ha Noi

### ME LINH BRANCH

Km 8 Bac Thang Long Noi Bai Street, Quang Minh Town, Me Linh District, Ha Noi

### HA NOI BRANCH

No. 77, Lac Trung Road, Vinh Tuy Ward, Hai Ba Trung District, Ha Noi

### BAC HA NOI BRANCH

No. 266, Doi Can Road, Lieu Giai Ward, Dong Da District, Ha Noi

### HOANG QUOC VIET BRANCH

No. 135 Lac Long Quan Street, Nghia Do Ward, Cau Giay District, Ha Noi.

### THANG LONG BRANCH

No. 4, Pham Ngoc Thach, Kim Lien Ward, Dong Da District, Ha Noi.

### HA THANH BRANCH

No. 75 Phuong Mai, Dong Da, Ha Noi

### DONG HA NOI BRANCH

No. 23B, Quang Trung Road, Trang Tien Ward, Hoan Kiem District, Ha Noi

### CAU GIAY BRANCH

No. 99, Tran Dang Ninh, Dich Vong Ward, Cau Giay District, Hanoi City

### THANH TRI BRANCH

No. 300 Road Thanh Tri Ngoc Hoi township Van Dien, Thanh Tri District, Hanoi City

### TU LIEM BRANCH

No. 10 Nguyen Co Thach, Cau Dien Ward, Nam Tu Liem District, Hanoi City

### SOC SON BRANCH

Street III, Soc Son town, Soc Son District, Hanoi City

### HOANG MAI BRANCH

813 Giai Phong, Giap Bat Ward, Hoang Mai District, Hanoi city

### HA TAY BRANCH

No. 34 To Hieu, Nguyen Trai Ward, Ha Dong District, Hanoi

## RED RIVER DELTA

### HAI PHONG CITY BRANCH

No. 283 Lach Tray, Bach Dang Ward, Ngo Quyen District, Hai Phong City

### VINH PHUC BRANCH

Kim Ngoc Street, Lien Bao Ward, Vinh Yen City, Vinh Phuc Province

### PHUC YEN BRANCH

Tran Hung Dao Trung Trac Ward, Phuc Yen Town, Vinh Phuc Province

**SAO DO BRANCH**

136 Nguyen Trai I, Sao Do Ward, Chi Linh Town, Hai Duong Province

**HAI DUONG BRANCH**

04 Le Thanh Nghi Street Pham Ngu Lao Ward, Hai Duong city, Hai Duong Province

**THAI BINH BRANCH**

No.150 Le Loi Street, De Tham Ward, Thai Binh City, Thai Binh Province

**NAM DINH BRANCH**

No. 315 Tran Hung Dao, Ba Trieu Ward, Nam Dinh city, Nam Dinh Province

**BAC NAM DINH BRANCH**

Block N5, Pham Ngu Lao street, Hoa Xa Industrial Park, My Xa, Nam Dinh City, Nam Dinh Province

**NINH BINH BRANCH**

Tran Hung Dao, Tan Thanh Ward, Ninh Binh City, Ninh Binh Province

**HUNG YEN BRANCH**

No. 304 Nguyen Van Linh, Hien Nam Ward, Hung Yen City, Hung Yen Province

**MY HAO BRANCH**

Van Nhue Village, Ban Yen Nhan Town, My Hao District, Hung Yen Province

**BAC NINH BRANCH**

37 Nguyen Dang Dao, Suoi Hoa Ward, Bac Ninh City, Bac Ninh Province

**TU SON BRANCH**

New land, National Road 1A, Dinh Bang Ward, Tu Son town, Bac Ninh Province

**HA NAM BRANCH**

No. 52 Tran Phu Street, Quang Trung Ward, Phu Ly City, Ha Nam Province.

**NORTHERN MOUNTAINS REGION****CAO BANG BRANCH**

Urban Area Km5, De Tham Ward, Cao Bang City, Cao Bang Province

**LANG SON BRANCH**

03 Ly Thai To Street, Dong Kinh Ward, Lang Son City, Lang Son Province

**LAI CHAU BRANCH**

Dien Bien Phu Street, Tan Phong Ward, Lai Chau City, Lai Chau Province

**SON LA BRANCH**

No. 8 Chu Van Thinh Street, Group 5, Quyet Thang Ward, Son La City, Son La Province

**LAO CAI BRANCH**

No 003A Hoang Lien, Lao Cai City, Lao Cai Province

**HA GIANG BRANCH**

No. 101 Tran Hung Dao, Nguyen Trai Ward, Ha Giang City, Ha Giang Province

**BAC KAN BRANCH**

Group 1A, Phung Chi Kien Ward, Bac Kan Town, Bac Kan Province

**DIEN BIEN BRANCH**

No. 884 Muong Thanh Ward, Dien Bien City Phu Dien Bien Province

**NORTHERN MIDLAND REGION****TUYEN QUANG BRANCH**

Minh Xuan Ward, Tuyen Quang City, Tuyen Quang Province

**YEN BAI BRANCH**

No. 43 Dinh Tien Hoang Street, Dong Tam Ward, Yen Bai City, Yen Bai Province

**THAI NGUYEN BRANCH**

279 Street Thong Nhat, Thai Nguyen City, Thai Nguyen Province

**BAC GIANG BRANCH**

No. 166 Nguyen Thi Luu II, Ward Ngo Quyen Street, City, Bac Giang, Bac Giang Province

**MONG CAI CITY BRANCH**

No. 24 Chu Van An Street, Hoa Lac Ward, City Mong Cai, Quang Ninh Province

**QUANG NINH BRANCH**

Tran Hung Dao Ward, Ha Long City, Quang Ninh Province

**HOA BINH BRANCH**

No. 751 Cu Chinh Lan Street, Ward Phuong Lam Hoa Binh City, Hoa Binh Province

**PHU THO BRANCH**

Tran Phu Street, Gia Cam Ward, Viet Tri City, Phu Tho Province.

**OLD ZONE 4****THANH HOA BRANCH**

No. 12 Phan Chu Trinh Street, Dien Bien Ward, Thanh Hoa City, Thanh Hoa Province

**NGHE AN BRANCH**

No. 364 Nguyen Van Cu, Hung Phuc Ward, Vinh City, Nghe An Province

**HA TINH BRANCH**

No. 01 Phan Dinh Phung Street, Ha Tinh City, Ha Tinh Province

**SAM SON BRANCH**

37 Ho Xuan Huong Street, Ward Truong Son, Sam Son town, Thanh Hoa Province

**THUA THIEN HUE BRANCH**

No. 10 Royal Tham Hoa, Vinh Ninh Ward, Hue City, Thua Thien Hue Province



# OPERATIONAL NETWORK

## QUANG BINH BRANCH

No. 02 Me Suot Hai Dinh Ward, Dong Hoi City, Quang Binh Province

## QUANG TRI BRANCH

01 Le Quy Don, Dong Ha City, Quang Tri Province

## CENTRAL COAST REGION

### DA NANG CITY BRANCH

No. 23 Phan Dinh Phung Street, Danang City

### HAI CHAU BRANCH

No. 107 Phan Chu Trinh Street, Phuoc Ninh Ward, Hai Chau District, Da Nang City

### QUANG NAM BRANCH

No. 06 Phan Boi Chau - CITY.Tam States - Quang Nam Province

### QUANG NGAI BRANCH

194 Tran Hung Dao, Ward Nghia Lo, Quang Ngai City, Quang Ngai Province

### BINH DINH BRANCH

No. 64 Le Duan Street, Ward Ly Thuong Kiet Street, Quy Nhon City, Binh Dinh Province

### PHU YEN BRANCH

No. 321 Tran Hung Dao Street, Tuy Hoa City, Phu Yen Province

### KHANH HOA BRANCH

02 Hung Vuong Street, Loc Tho Ward, Nha Trang City, Khanh Hoa Province

### NINH THUAN BRANCH

No. 540-544 Thong Nhat Long Dao Ward, City Phan Rang - Thap Cham, Ninh Thuan Province

### BINH THUAN BRANCH

No. 02-04 Trung Trac, Phan Thiet City, Binh Thuan Province

## CENTRAL HIGHLAND REGION

### GIA LAI BRANCH

25 Tang Bat Ho Yen Do Ward, Pleiku City, Gia Lai Province

### KON TUM BRANCH

88 Tran Phu, Thang Loi Ward, Kon Tum City, Kon Tum Province

### DAK LAK BRANCH

37 Phan Boi Chau Street, Thang Loi Ward, Buon Ma Thuot City, Dak Lak Province

### BUON HO BRANCH

158 Hung Vuong Street, An Lac Ward, Buon Ho town, Dak Lak Province

### DAK NONG BRANCH

No. 49 Truong Dinh Nghia Thanh Ward, Gia Nghia town, Dak Nong Province

### LAM DONG BRANCH

No. 21B Tran Phu Street, Ward 3, Da Lat City, Lam Dong Province

### NAM LAM DONG BRANCH

02 Ly Tu Trong, P2, Bao Loc city, Lam Dong Province

## HO CHI MINH

### AN PHU BRANCH

Number 310-312-314 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City

### AN SUONG BRANCH

66/7 Highway 22 Ba Diem Commune, Hoc Mon District, City Ho Chi Minh

### BINH CHANH BRANCH

E6 / 36 Nguyen Huu Tri, Tan Tuc Town, Binh Chanh District, Ho Chi Minh City

### BINH THANH BRANCH

347-349-351 4 Binh Thanh Dien Bien Phu, Ward 15, Binh Thanh District, Ho Chi Minh City

### CAN GIO BRANCH

Luong Van Nho Street, Can Thanh town, Can Gio District, Ho Chi Minh City

### NUMBER 11 BRANCH

485 Lac Long Quan, Ward 5, District 11, Ho Chi Minh City

### NUMBER 9 BRANCH

48 Le Van Viet, Hiep Phu Ward, District 9, Ho Chi Minh City

### CU CHI BRANCH

No. 44 Highway 8, Quarter 2, Cu Chi Town, Cu Chi District, Ho Chi Minh City

### HIEP PHUOC BRANCH

280A12-A13 Luong Dinh Cua Street, An Phu Ward, District 2, Ho Chi Minh City

### HUNG VUONG BRANCH

131 Kinh Duong Vuong Street, Ward 12, District 6, Ho Chi Minh City

### MIEN DONG BRANCH

107 Binh Quoi, 27 Ward, Binh Thanh District, Ho Chi Minh City

### PHUOC KIEN BRANCH

NL03-05 Ngan Long Business villa - Nguyen Huu Tho Street, Phuoc Kien Commune, Nha Be District, Ho Chi Minh City

### DISTRICT 5 BRANCH

1103-1105 Tran Hung Dao Street, Ward 5, District 5, Ho Chi Minh City

### TAN BINH BRANCH

1200 Lac Long Quan, Ward 8, Tan Binh District, Ho Chi Minh City

### TAN PHU BRANCH

126 Thoai Ngoc Hau Street, Phu Tho Hoa Ward, Tan Phu District, Ho Chi Minh City

**THANH DO BRANCH**

56-58-60 Nguyen Van Cu Street, Cau Kho Ward, District 1, Ho Chi Minh City

**THU DUC BRANCH**

14 Road 6, Linh Chieu Ward, Thu Duc District, Ho Chi Minh City

**XUYEN A BRANCH**

No.2025 / 2A Highway 1A, Quarter 2, Dong Hung Thuan Ward, District 12, Ho Chi Minh City

**SAI GON BRANCH**

02 Vo Van Kiet, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City

**HO CHI MINH CITY BRANCH**

20 2A Pho Duc Chinh, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City

**MAC THI BUOI BRANCH**

Number 28-30-32 Mac Thi Bui Street, Ben Nghe Ward, District 1, Ho Chi Minh City

**DONG SAI GON BRANCH**

No. 96 Road Dong Van Cong, Quarter 1, Thanh My Loi Ward, District 2, Ho Chi Minh City

**TAY SAI GON BRANCH**

131A Le Van Khuong Street, Block 1, Hiep Thanh Ward, District 12, Ho Chi Minh City

**NAM SAI GON BRANCH**

18Bis Cu Ca Ngan hang, Tan Thuan Tay Ward, District 7, Ho Chi Minh City

**CHO LON BRANCH**

43 Hai Thuong Lan Ong Street, Ward 10, District 5, Ho Chi Minh City

**PHU NHUAN BRANCH**

135A Phan Dang Luu Street, Ward 2, Phu Nhuan District, Ho Chi Minh City

**HOC MON BRANCH**

12 Ly Thuong Kiet Street, Hoc Mon town, Hoc Mon District, Ho Chi Minh City

**BAC SAI GON BRANCH**

101 Ha Huy Giap, Thanh Loc Ward, District 12, Ho Chi Minh City

**DISTRICT 1 BRANCH**

No. 428 Vo Van Kiet, Ward Co Giang, District 1, Ho Chi Minh city

**NUMBER 3 BRANCH**

No. 596A Nguyen Dinh Chieu Street, Ward 3, District 3, Ho Chi Minh City

**NUMBER 4 BRANCH**

Ground floor, mezzanine, first floor, second floor, Building H2 Hoang Dieu Street, Ward 8, District 4, Ho Chi Minh City

**NUMBER 8 BRANCH**

368-370 Tung Thien Vuong Street, Ward 13, District 8, Ho Chi Minh City

**NUMBER 10 BRANCH**

326 Nguyen Chi Thanh, Ward 5, District 10, Ho Chi Minh City

**GIA DINH BRANCH**

22 Quang Trung Street, Ward 11, Go Vap District, Ho Chi Minh City

**BINH TAN BRANCH**

676 Business Duong Vuong, An Lac Ward, Binh Tan District, Ho Chi Minh City

**NHA BE BRANCH**

18 Huynh Tan Phat, Nha Be Town, Nha Be District, Ho Chi Minh City

**LY THUONG KIET BRANCH**

162-166 Ly Thuong Kiet Ward 14, District 10, Ho Chi Minh City

**PHAN DINH PHUNG BRANCH**

151-153-155, Phan Dinh Phung Street, Ward 17, Phu Nhuan District, Ho Chi Minh City

**TRUONG SON BRANCH**

26 Truong Son Street, Ward 2, Tan Binh District, Ho Chi Minh City

**INDUSTRIAL ZONE TAN TAO BRANCH**

Road No. 02, 2-4 Tan Tao Industrial zone, Binh Tan District, Ho Chi Minh City

**SOUTH-WEST REGION****HAU GIANG BRANCH**

55, 30/4 Road, I Ward, Vi Giang City, Hau Giang Province

**CAN THO CITY BRANCH**

No. 3 Phan Dinh Phung Street, Tan An Ward, Ninh Kieu District, Can Tho City

**NINH KIEU BRANCH**

No. 8-10 Nam Ky Khoi Nghia Tan An Ward, Ninh Kieu District, Can Tho City.

**LONG AN BRANCH**

No. 01 Vo Van Tan, Ward 2, Tan An City, Long An Province

**DONG THAP BRANCH**

No. 01 Nguyen Du Street, 2 Ward, Cao Lanh City, Dong Thap Province

**AN GIANG BRANCH**

No. 51B Ton Duc Thang, My Binh Ward, Long Xuyen City, An Giang Province

**TIEN GIANG BRANCH**

31 Le Loi Street, I Ward, My Tho city, Tien Giang Province

**BEN TRE BRANCH**

284A1, Dai Lo Dong Khoi Street, Tan Phu Ward, Ben Tre City, Ben Tre Province

# OPERATIONAL NETWORK

## **VINH LONG BRANCH**

28 Hung Dao Vuong, 1 Ward, Vinh Long City, Vinh Long Province

## **TRA VINH BRANCH**

138 Tran Quoc Tuan, 2 Ward, Tra Vinh City, Tra Vinh Province

## **SOC TRANG BRANCH**

20B Tran Hung Dao, 2 Ward, Soc Trang City - Soc Trang Province

## **KIEN GIANG BRANCH**

No. 01 Ham Nghi Street, Vinh Thanh Van Ward, Rach Gia City, Kien Giang Province

## **PHU QUOC BRANCH**

02 Tran Hung Dao Street, Duong Dong town, Phu Quoc District, Kien Giang Province.

## **BAC LIEU BRANCH**

No. 250 Tran Phu Street, Ward 7, Bac Lieu City, Bac Lieu Province

## **CA MAU BRANCH**

No. 5 An Duong Vuong Street, Ward 7, Ca Mau City, Ca Mau Province

## **SOUTH - EAST REGION**

### **BINH DUONG BRANCH**

No. 45 Binh Duong Avenue, Chanh Nghia Ward, City of Thu Dau Mot, Binh Duong Province

### **SONG THAN INDUSTRIAL ZONE BRANCH**

No. 27 Thong Nhat Avenue, Song Than II Industrial Zone, Di An Town, Binh Duong Province

### **TAY NINH BRANCH**

No. 468 Cach mang thang 8 Street, Ward 3, Tay Ninh town, Tay Ninh Province

### **DONG NAI BRANCH**

180, 30/4 street, Thanh Binh Ward, Bien Hoa City, Dong Nai Province

### **BIEN HOA BRANCH**

No. 1A Highway Hanoi, Binh Da Ward, Bien Hoa city, Dong Nai Province

### **BA RIA VUNG TAU BRANCH**

No. 21 Nguyen Huu Tho, Phuoc Trung Ward, Ba Ria City, Ba Ria - Vung Tau Province.

### **VUNG TAU BRANCH**

No. 43A 30/4 street, 9 Ward, Vung Tau City, Ba Ria Vung Tau Province

### **BINH PHUOC BRANCH**

No. 711 Highway 14, Tan Binh Ward, Dong Xoai town, Binh Phuoc Province

## **OVERSEAS REPRESENTATIVE OFFICE, BRANCH**

### **CAMBODIAN BRANCH**

364 ABEE, Monivong Street, Phnomphenh Capital, Kingdom of Cambodia







# FINANCIAL STATEMENT









# CONSOLIDATED BALANCE SHEET

As at 31 December 2014

	31/12/2014 VND million	31/12/2013 (Restated) VND million
<b>ASSETS</b>		
<b>Cash, gold and gemstones</b>	<b>10,947,504</b>	<b>9,637,819</b>
<b>Balances with the State Bank of Vietnam ("the SBV")</b>	<b>14,268,021</b>	<b>31,255,520</b>
<b>Deposits at and loans to other credit institutions</b>	<b>42,048,734</b>	<b>32,338,760</b>
Deposits at other credit institutions	15,936,274	15,021,991
Loans to other credit institutions	26,112,460	17,360,000
Provision for credit losses	-	(43,231)
<b>Securities held for trading</b>	<b>374,357</b>	<b>400,854</b>
Securities held for trading	430,513	478,413
Provision for diminution in value of securities held for trading	(56,156)	(77,559)
<b>Derivatives and other financial assets</b>	<b>1,234</b>	<b>14,301</b>
<b>Loans to customers</b>	<b>543,351,750</b>	<b>518,779,577</b>
Loans to customers	558,658,784	536,788,478
Provision for loans to customers	(15,307,034)	(18,008,901)
<b>Investment securities</b>	<b>128,276,785</b>	<b>78,451,009</b>
Available-for-sale securities	101,025,957	66,647,362
Held-to-maturity securities	29,413,848	12,220,505
Provision for diminution in value of investment securities	(2,163,020)	(416,858)
<b>Long-term investments</b>	<b>685,376</b>	<b>739,175</b>
Investments in joint ventures	406,325	453,416
Investments in associates	113,991	118,959
Other long-term investments	213,895	213,895
Provision for diminution in value of long-term investments	(48,835)	(47,095)
<b>Fixed assets</b>	<b>7,345,032</b>	<b>6,969,609</b>
<i>Tangible fixed assets</i>	<i>4,748,256</i>	<i>4,646,984</i>
Cost	11,228,647	10,261,765
Accumulated depreciation	(6,480,391)	(5,614,781)
<i>Intangible fixed assets</i>	<i>2,596,776</i>	<i>2,322,625</i>
Cost	3,124,697	2,737,680
Accumulated amortization	(527,921)	(415,055)
<b>INVESTMENT PROPERTIES</b>	<b>10,903</b>	<b>11,256</b>
Cost	12,822	12,822
Accumulated amortization	(1,919)	(1,566)
<b>Other assets</b>	<b>16,280,101</b>	<b>18,543,066</b>
Receivables	5,581,684	5,724,535
Accrued interest and fee receivables	10,280,467	11,936,163
Deferred income tax assets	90,479	103,485
Other assets	2,377,662	2,842,178
Provision for other assets	(2,050,191)	(2,063,295)
<b>TOTAL ASSETS</b>	<b>763,589,797</b>	<b>697,140,946</b>

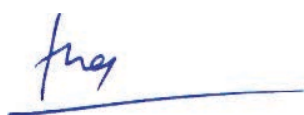
# CONSOLIDATED

## BALANCE SHEET (Continue)

As at 31 December 2014

	31/12/2014 VND million	31/12/2013 (Restated) VND million
<b>LIABILITIES</b>		
<b>Borrowings from Government and the SBV</b>	<b>17,566,583</b>	<b>21,587,628</b>
<b>Deposits and borrowings from other credit institutions</b>	<b>9,644,601</b>	<b>16,329,982</b>
Deposits from other credit institutions	7,179,370	14,053,692
Borrowings from other credit institutions	2,465,231	2,276,290
<b>Deposits from customers</b>	<b>656,271,081</b>	<b>568,691,890</b>
<b>Other borrowed and entrusted funds</b>	<b>13,772,743</b>	<b>12,351,521</b>
<b>Valuable papers issued</b>	<b>4,397,225</b>	<b>18,407,159</b>
<b>Other liabilities</b>	<b>20,756,405</b>	<b>22,005,763</b>
Accrued interest and fee payables	13,067,951	13,245,323
Tax payables	703,383	811,683
Deferred CIT payables	4,595	2,435
Other payables and liabilities	6,980,476	7,509,105
Provision for contingent liabilities and off-balance sheet commitments	-	437,217
<b>TOTAL LIABILITIES</b>	<b>722,408,638</b>	<b>659,373,943</b>
<b>OWNER'S EQUITY</b>		
<b>Capital and reserves</b>		
<b>Capital</b>	<b>29,204,499</b>	<b>26,565,880</b>
Charter capital	28,840,252	26,204,382
Share premium	23,360	23,277
Treasury shares	(15,827)	(15,759)
Other capital	356,714	353,980
<b>Reserves</b>	<b>13,826,921</b>	<b>12,491,170</b>
<b>Foreign exchange differences</b>	<b>113,028</b>	<b>108,673</b>
<b>Assets revaluation differences</b>	<b>37,548</b>	<b>31,373</b>
<b>Accumulated losses</b>	<b>(2,931,167)</b>	<b>(2,304,345)</b>
<b>Non-controlling interest</b>	<b>930,330</b>	<b>874,252</b>
<b>TOTAL OWNER'S EQUITY</b>	<b>41,181,159</b>	<b>37,767,003</b>
<b>TOTAL LIABILITIES, OWNER'S EQUITY AND NON-CONTROLLING INTEREST</b>	<b>763,589,797</b>	<b>697,140,946</b>
	31/12/2014 VND million	31/12/2013 (Restated) VND million
<b>OFF-BALANCE SHEET ITEMS</b>		
<b>Contingent liabilities</b>	<b>17,568,348</b>	<b>18,632,339</b>
Borrowing guarantees	150,702	184,986
Commitments of Letters of Credit	4,209,520	5,433,415
Other guarantees	13,208,126	13,013,938
<b>Commitments</b>	<b>420,492</b>	<b>554,885</b>
Other commitments	420,492	554,885
	<b>17,988,840</b>	<b>19,187,224</b>

Prepared by



**Mr. Chu Manh Hung**  
Deputy Head of Finance and Accounting  
Hanoi, Vietnam  
12 August 2015

Approved by



**Mr. Phung Van Hung Quang**  
Chief Accountant

Approved by



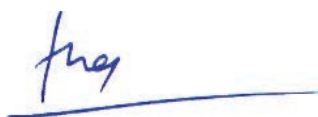
**Mr. Tiet Van Thanh**  
General Director

# CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2014

	2014 VND million	2013 VND million
Interest and similar income	57,616,105	58,976,961
Interest and similar expenses	(36,197,321)	(38,315,846)
<b>Net interest income</b>	<b>21,418,784</b>	<b>20,661,115</b>
Fee and commission income	3,320,278	2,871,016
Fee and commission expenses	(1,343,167)	(1,074,682)
<b>Net fee and commission income</b>	<b>1,977,111</b>	<b>1,796,334</b>
<b>Net gain from trading of foreign currencies</b>	<b>378,204</b>	<b>209,202</b>
<b>Net gain from trading of securities held for trading</b>	<b>8,208</b>	<b>18,336</b>
<b>Net loss from trading of investment securities</b>	<b>(38,133)</b>	<b>(14,442)</b>
Other income	2,565,866	2,950,684
Other expenses	(534,094)	(29,443)
<b>Net other income</b>	<b>2,031,772</b>	<b>2,921,241</b>
<b>(Expenses)/income from investments in other entities</b>	<b>(39,022)</b>	<b>18,820</b>
<b>TOTAL OPERATING INCOME</b>	<b>25,736,924</b>	<b>25,610,606</b>
Payroll and other staff costs	(8,142,298)	(8,124,236)
Depreciation and amortization charges	(1,035,200)	(1,037,111)
Other operating expenses	(5,720,285)	(5,991,058)
<b>TOTAL OPERATING EXPENSE</b>	<b>(14,897,783)</b>	<b>(15,152,405)</b>
<b>Net profit before provision for credit losses</b>	<b>10,839,141</b>	<b>10,458,201</b>
Provision expenses for credit losses	(8,310,735)	(8,001,421)
<b>PROFIT BEFORE TAX</b>	<b>2,528,406</b>	<b>2,456,780</b>
Current income tax expenses	(726,245)	(811,380)
Deferred income tax expenses/(income)	(15,166)	33,285
<b>Income tax expenses</b>	<b>(741,411)</b>	<b>(778,095)</b>
<b>PROFIT AFTER TAX</b>	<b>1,786,995</b>	<b>1,678,685</b>
<b>Non-controlling interest</b>	<b>63,488</b>	<b>27,579</b>
<b>NET PROFIT FOR THE YEAR</b>	<b>1,723,507</b>	<b>1,651,106</b>

Prepared by



**Mr. Chu Manh Hung**  
Deputy Head of Finance and Accounting  
Hanoi, Vietnam  
12 August 2015

Approved by



**Mr. Phung Van Hung Quang**  
Chief Accountant

Approved by



**Mr. Tiet Van Thanh**  
General Director



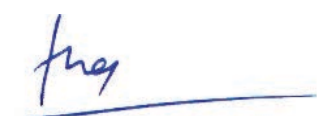
# CONSOLIDATED

## CASH FLOWS STATEMENT

For the financial year ended 31 December 2014

	2014 VND million	2013 (Restated) VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest and similar income received	59,224,267	59,536,699
Interest and similar expenses paid	(36,343,763)	(35,295,719)
Fee and commission income received	1,993,776	1,787,955
Net receipts/disbursements from foreign currencies, gold and securities trading activities	378,323	186,515
Other income/(expenses)	(396,205)	593,510
Proceeds from loans previously written off	2,426,927	2,699,857
Operating and salary expenses payments	(14,275,281)	(15,041,715)
Income tax paid for the year	(860,464)	(519,322)
<b>Net cash flows from operating activities before changes in operating assets and liabilities</b>	<b>12,147,580</b>	<b>13,947,780</b>
<b>Changes in operating assets</b>		
Increase in deposits at and loans to other credit institutions	(10,181,821)	(17,720,753)
Increase in securities held for trading	(6,278,427)	(18,768,217)
(Increase)/Decrease in derivatives and other financial assets	13,067	(10,239)
Increase in loans to customers	(21,870,306)	(47,404,591)
Increase in provision for credit, securities and long-term investment losses	(9,842,849)	(8,500,403)
Other (Increase)/Decrease in operating assets	1,156,665	(505,346)
<b>Changes in operating liabilities</b>		
Decrease in borrowings from the Government and the SBV	(4,021,045)	(5,150,417)
Increase/(Decrease) in deposits at and borrowings from other credit institutions	(6,685,381)	5,384,689
Increase in deposits from customers	87,579,191	75,862,805
Increase/(Decrease) in valuable paper issued (except valuable paper issued for financial activities)	(14,009,934)	689,013
Increase in other borrowed and entrusted funds	1,421,222	669,856
Other decrease in operating liabilities	(1,579,260)	(1,369,808)
Utilization of reserves	-	(22)
<b>Net cash flows from/(used in) operating activities</b>	<b>27,848,702</b>	<b>(2,875,653)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchases of fixed assets	(1,502,102)	(1,530,551)
Proceeds from disposals of fixed assets	2,376	6,418
Proceeds from investments in other entities	52,059	5,000
Dividends received from long-term investments	15,815	22,524
<b>Net cash flows used in investing activities</b>	<b>(1,431,852)</b>	<b>(1,496,609)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in charter capital	2,517,400	-
Increase in charter capital from interest of Special Government Bond	118,470	118,470
<b>Net cash flows from financing activities</b>	<b>2,635,870</b>	<b>118,470</b>
<b>Net cash flows during the year</b>	<b>29,052,720</b>	<b>(4,253,792)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60,504,730</b>	<b>64,758,522</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>89,557,450</b>	<b>60,504,730</b>

Prepared by



**Mr. Chu Manh Hung**  
Deputy Head of Finance and Accounting  
Hanoi, Vietnam  
12 August 2015

Approved by



**Mr. Phung Van Hung Quang**  
Chief Accountant

Approved by



**Mr. Tiet Van Thanh**  
General Director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

## 1. CASH, GOLD, GEMSTONE

	31/12/2014 VND million	31/12/2013 VND million
Cash on hand in VND	9,253,560	7,616,318
Cash on hand in foreign currencies	1,402,895	1,315,403
Monetary gold	9,063	393,927
Non-monetary gold	275,945	305,638
Other gemstones	6,041	6,533
	<b>10,947,504</b>	<b>9,637,819</b>

## 2. BALANCES WITH THE STATE BANK OF VIETNAM ("SBV")

	31/12/2014 VND million	31/12/2013 VND million
Balances with the State Bank of Vietnam	14,268,021	31,255,520
- In VND	11,372,393	26,171,785
- In foreign currencies	2,895,628	5,083,735
Frozen deposits	-	-
Other deposits	-	-
	<b>14,268,021</b>	<b>31,255,520</b>

Balances with the State Bank of Vietnam include settlement and compulsory deposits in accordance with the regulations of the SBV. During the year, the Bank complied with the regulations of the SBV related to compulsory reserve.

## 3. DEPOSITS AT AND LOANS TO OTHER CREDIT INSTITUTIONS

### Deposits at other credit institutions

	31/12/2014 VND million	31/12/2013 VND million
Demand deposits	4,007,423	1,902,633
- In VND	509,222	148,343
- In foreign currencies	3,498,201	1,754,290
Term deposits	11,928,851	13,119,358
- In VND	11,598,689	9,880,740
- In foreign currencies	330,162	3,238,618
	<b>15,936,274</b>	<b>15,021,991</b>

### Loans to other credit institutions

	31/12/2014 VND million	31/12/2013 VND million
- In VND	25,900,000	17,360,000
- In foreign currencies	212,460	-
	<b>26,112,460</b>	<b>17,360,000</b>

### Provision for credit losses of deposits at and loans to other credit institutions

	31/12/2014 VND million	31/12/2013 VND million
	-	(43,231)
	<b>42,048,734</b>	<b>32,338,760</b>

## 4. SECURITIES HELD FOR TRADING

### Investments in securities held for trading as at 31 December include:

#### Debt securities

	31/12/2014 VND million	31/12/2013 VND million
Bonds issued by local economic entities	332,000	378,000

#### Equity securities

	31/12/2014 VND million	31/12/2013 VND million
Shares issued by local credit institutions	17,305	13
Shares issued by local economic entities	81,208	100,400

#### Provision for securities held-for-trading

	31/12/2014 VND million	31/12/2013 VND million
Specific provision	(53,666)	(77,559)
General provision	(2,490)	-
	<b>374,375</b>	<b>400,854</b>

Notes to listed status of securities held for trading:

#### Debt securities

	31/12/2014 VND million	31/12/2013 VND million
Listed	-	-
Unlisted	332,000	378,000

#### Equity securities

	31/12/2014 VND million	31/12/2013 VND million
Listed	98,513	100,413
Unlisted	291	-
	<b>430,513</b>	<b>478,413</b>

## 5. DERIVATIVES AND OTHER FINANCIAL ASSETS

	Total contract nominal value (foreign exchange rate at effective date) VND million	Total book value (foreign exchange rate at reporting date)		
		Assets VND million	Liabilities VND million	Net value VND million
<b>As at 31 December 2014</b>				
<b>Currency derivatives</b>				
Currency forward contracts	61,857	789	(164)	625
Currency swap contracts	62,676	609	-	609
	<b>124,533</b>	<b>1,398</b>	<b>(164)</b>	<b>1,234</b>
<b>As at 31 December 2013</b>				
<b>Currency derivatives</b>				
Currency forward contracts	1,709,441	11,921	-	11,921
Currency swap contracts	827,663	2,909	(529)	2,380
	<b>2,537,104</b>	<b>14,830</b>	<b>(529)</b>	<b>14,301</b>

	31/12/2014 VND million	31/12/2013 VND million
<b>6. LOANS TO CUSTOMERS</b>		
Loans to local economic entities and individuals	542,610,193	520,212,798
Discounted bills and valuable papers	467,767	438,637
Receivables from financial leases	4,173,288	5,234,659
Loans through trading securities contract of Agriseco	661,732	789,236
Payment on behalf of customers	354,158	203,272
Loans made from sponsored and entrusted funds	8,581,558	9,163,318
Loans to overseas organizations and individuals	2,791	1,705
Loans under Governmental direction	1,514,646	379,156
Frozen loans and loans waiting for resolution	292,651	365,697
	<b>558,658,784</b>	<b>536,788,478</b>
<b>6.1. Loan portfolio by loan quality</b>		
Current	479,719,936	448,493,796
Special mention	47,003,403	56,629,222
Substandard	3,886,137	5,398,885
Doubtful	4,214,397	3,047,485
Loss	23,834,911	23,219,090
	<b>558,658,784</b>	<b>536,788,478</b>
<b>6.2. Loan portfolio by original term</b>		
Short term	357,812,043	348,646,759
Medium term	148,548,895	130,320,055
Long term	52,297,846	57,821,664
	<b>558,658,784</b>	<b>536,788,478</b>
<b>6.3 Loans portfolio by types of customers and types of enterprises</b>		

	31/12/2014 VND million	%	31/12/2013 VND million	%
<b>Loans to economic entities</b>	<b>219,300,491</b>	<b>39.25</b>	<b>236,681,861</b>	<b>44.09</b>
State-owned enterprises	15,845,168	2.84	17,356,610	3.23
Co-operatives	799,230	0.14	747,600	0.14
Joint stock, limited liability companies	181,786,323	32.54	196,630,653	36.63
Private enterprises	17,886,972	3.20	19,060,418	3.55
Foreign invested enterprises	2,982,798	0.53	2,886,580	0.54
<b>Loans to individuals</b>	<b>321,300,792</b>	<b>57.51</b>	<b>284,609,461</b>	<b>53.02</b>
<b>Others</b>	<b>18,057,501</b>	<b>3.23</b>	<b>15,497,156</b>	<b>2.89</b>
	<b>558,658,784</b>	<b>100</b>	<b>536,788,478</b>	<b>100</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

## 6.4. Loan portfolio by sectors

	31/12/2014 VND million	%	31/12/2013 VND million	%
Agriculture	133,277,305	23.86	115,407,886	21.50
Forestry	3,901,629	0.70	3,424,081	0.64
Fisheries	19,065,396	3.41	16,609,281	3.09
Mining	2,533,182	0.45	2,537,229	0.47
Manufacturing and processing	53,698,092	9.61	56,269,335	10.48
Production and distribution of electricity, gas, hot water, steam and air conditioning	19,118,539	3.42	19,237,350	3.58
Construction	47,798,297	8.56	51,417,000	9.58
Real estate business	7,943,978	1.42	10,687,208	1.99
Sales and repair of automobiles motorcycles, motorbikes and other motor vehicles	7,809,681	1.44	8,307,970	1.55
Whole sale and retail	115,422,695	20.61	114,096,093	21.26
Export and import	23,341,672	4.18	23,524,755	4.38
Shipping, warehouse	21,426,318	3.84	22,756,186	4.24
Accommodation services, dining	9,734,646	1.74	10,638,882	1.98
Arts, entertainment and recreation	1,077,365	0.19	1,169,082	0.22
Information and Telecommunications	1,235,275	0.22	1,647,274	0.31
Health care, education and public utilities	1,686,765	0.30	2,071,285	0.39
Professional activities, science and technology	427,833	0.08	382,597	0.07
Financial, Banking and Insurance	3,107,382	0.55	2,798,930	0.52
Administrative and operational support services	315,000	0.06	368,308	0.07
Other services	4,623,431	0.83	4,399,840	0.82
Household work, manufacture of household self-assumption of goods and services	150,120	0.03	79,342	0.01
Activities of international organizations and agencies	1,445	0.00	220	0.00
Water supply; wastewater and waste management and handling	1,889,119	0.34	1,616,796	0.30
Consumption and individual consumption by cards	79,073,619	14.15	67,341,548	12.55
	<b>558,658,784</b>	<b>100</b>	<b>536,788,478</b>	<b>100</b>

	31/12/2014 VND million	31/12/2013 VND million
<b>7. INVESTMENT SECURITIES</b>		
<b>Available-for-sale securities</b>		
<b>Equity securities</b>	<b>484,847</b>	<b>481,530</b>
Equity securities issued by local credit institutions	4,721	4,721
Equity securities issued by local economic entities	480,126	476,809
<b>Debt securities</b>	<b>100,541,110</b>	<b>66,157,532</b>
Government bonds	94,129,267	60,743,834
Debt securities issued by local credit institutions	5,478,950	4,009,893
Debt securities issued by local economic entities	932,893	1,403,805
<b>Equity certificates</b>	<b>-</b>	<b>8,300</b>
	<b>101,025,957</b>	<b>66,647,362</b>
<b>Provision for impairment of available-for-sale investment securities</b>	<b>(470,856)</b>	<b>(416,858)</b>
<b>Held-for-maturity securities</b>		
Government bonds	3,590,000	3,590,000
DATC bonds	169,684	169,684
Shares issued by Vietnam Asset Management Company ("VAMC")	25,654,164	8,460,821
	<b>29,413,848</b>	<b>12,220,505</b>
<b>Provision for impairment of held-to-maturity investment securities</b>	<b>(1,692,164)</b>	<b>-</b>
	<b>128,276,785</b>	<b>78,451,009</b>

## 8. FIXED ASSETS

### 8.1 Tangible fixed assets

Movements of tangible fixed assets in 2014 are as follows:

	Buildings VND million	Office equipment VND million	Vehicles VND million	Computer equipment VND million	Other fixed assets VND million	Total VND million
<b>Cost</b>						
Opening balance	4,742,180	1,956,151	1,213,753	1,912,046	437,635	10,261,765
Additions	575,796	114,199	131,247	276,956	59,314	1,157,512
Other increases	157,116	164,951	265,919	541,040	25,142	1,154,168
Disposal	(10,601)	(36,618)	(12,958)	(23,665)	(240)	(84,082)
Other decreases	(239,175)	(174,965)	(320,319)	(503,166)	(23,091)	(1,260,716)
Closing balance	<b>5,225,316</b>	<b>2,023,718</b>	<b>1,277,642</b>	<b>2,203,211</b>	<b>498,760</b>	<b>11,228,647</b>
<b>Accumulated depreciation</b>						
Opening balance	1,869,995	1,201,429	976,168	1,506,647	60,542	5,614,781
Depreciation	248,741	274,867	100,216	268,093	36,327	928,244
Adjustment according to State Auditors	27,685	(148)	(228)	161	(277)	27,193
Other increases	22,750	10,149	71,031	35,749	50,853	190,532
Disposal	(7,897)	(36,435)	(12,889)	(22,774)	(240)	(80,235)
Other decreases	(33,019)	(20,775)	(67,496)	(28,085)	(50,749)	(200,124)
Closing balance	<b>2,128,255</b>	<b>1,429,087</b>	<b>1,066,802</b>	<b>1,759,791</b>	<b>96,456</b>	<b>6,480,391</b>
<b>Net book value</b>						
Opening balance	2,872,185	754,722	237,585	405,399	377,093	4,646,984
Closing balance	<b>3,097,061</b>	<b>594,631</b>	<b>210,840</b>	<b>443,420</b>	<b>402,304</b>	<b>4,748,256</b>

Movements of tangible fixed assets in 2013 are as follow:

	Buildings VND million	Office equipment VND million	Vehicles VND million	Computer equipment VND million	Other fixed assets VND million	Total VND million
<b>Cost</b>						
Opening balance	4,044,779	2,730,333	1,147,328	1,978,963	271,550	10,172,953
Additions	761,307	194,321	180,206	148,259	106,660	1,390,753
Disposal	(7,459)	(934,255)	(129,259)	(205,611)	(4,974)	(1,281,558)
Other increases/(decreases)	(56,447)	(34,248)	15,478	(9,565)	64,399	(20,383)
Closing balance	<b>4,742,180</b>	<b>1,956,151</b>	<b>1,213,753</b>	<b>1,912,046</b>	<b>437,635</b>	<b>10,261,765</b>
<b>Accumulated depreciation</b>						
Opening balance (reclassified) (*)	1,631,722	1,637,765	883,270	1,448,274	18,575	5,619,606
Depreciation	266,658	339,385	105,953	213,212	15,519	940,727
Disposal	(7,445)	(727,752)	(15,177)	(157,941)	(3,834)	(912,149)
Other increases/(decreases)	(20,940)	(47,969)	2,122	3,102	30,282	(33,403)
Closing balance	<b>1,869,995</b>	<b>1,201,429</b>	<b>976,168</b>	<b>1,506,647</b>	<b>60,542</b>	<b>5,614,781</b>
<b>Net book value</b>						
Opening balance	2,413,057	1,092,568	264,058	530,689	252,975	4,553,347
Closing balance	<b>2,872,185</b>	<b>754,722</b>	<b>237,585</b>	<b>405,399</b>	<b>377,093</b>	<b>4,646,984</b>

(\*): Reclassify opening balance of tangible fixed assets.

#### Additional information of tangible fixed assets

The cost of tangible fixed assets which have been fully depreciated but are still in use

31/12/2014  
VND million

**3,793,365**

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

## 8. FIXED ASSETS

### 8.2 Intangible fixed assets

Movements of intangible fixed assets in 2014 are as follows:

	Definite land use right VND million	Computer software VND million	Others VND million	Total VND million
<b>Cost</b>				
Opening balance	1,850,082	823,963	63,635	2,737,680
Additions	342,012	1,250	1,328	344,590
Other increases	55,353	3,252	485	59,090
Disposals	-	(7,343)	-	(7,343)
Other decreases	(5,582)	(3,252)	(486)	(9,320)
Closing balance	<b>2,241,865</b>	<b>817,870</b>	<b>64,962</b>	<b>3,124,697</b>
<b>Accumulated depreciation</b>				
Opening balance	67,900	345,657	1,498	415,055
Depreciation	28,464	77,078	1,061	106,603
Adjustment according to State Auditors	725	-	-	725
Other increases	13,043	430	26	13,499
Disposals	-	(7,343)	-	(7,343)
Other decreases	(163)	(429)	(26)	(618)
Closing balance	<b>109,969</b>	<b>415,393</b>	<b>2,559</b>	<b>527,921</b>
<b>Net book value</b>				
Opening balance	1,782,182	478,306	62,137	2,322,625
Closing balance	<b>2,131,896</b>	<b>402,477</b>	<b>62,403</b>	<b>2,596,776</b>

Movements of intangible fixed assets in 2013 are as follow:

	Definite land use right VND million	Computer software VND million	Others VND million	Total VND million
<b>Cost</b>				
Opening balance	1,714,419	829,934	63,653	2,608,006
Additions	135,663	4,135	-	139,798
Disposals	-	(10,006)	(18)	(10,024)
Other decreases	-	(100)	-	(100)
Closing balance	<b>1,850,082</b>	<b>823,963</b>	<b>63,635</b>	<b>2,737,680</b>
<b>Accumulated depreciation</b>				
Opening balance (reclassified) (*)	51,590	267,523	875	319,988
Depreciation	16,310	79,081	625	96,016
Disposals	-	(887)	(2)	(889)
Other decreases	-	(60)	-	(60)
Closing balance	<b>67,900</b>	<b>345,657</b>	<b>1,498</b>	<b>415,055</b>
<b>Net book value</b>				
Opening balance	1,662,829	562,411	62,778	2,288,018
Closing balance	<b>1,782,182</b>	<b>478,306</b>	<b>62,137</b>	<b>2,322,625</b>

(\*): Reclassify opening balance of intangible fixed assets

Additional information on intangible fixed assets

The cost of intangible fixed assets which have been fully depreciated but are still in use

31/12/2014  
VND million

23,155



## 9. INVESTMENT PROPERTIES

Movements of investment properties in 2014 are as follows:

	Definite land use right VND million	Other assets VND million	Total VND million
<b>Cost</b>			
Opening balance	12,509	313	12,822
Closing balance	<b>12,509</b>	<b>313</b>	<b>12,822</b>
<b>Accumulated depreciation</b>			
Opening balance	1,338	228	1,566
Depreciation	299	54	353
Closing balance	<b>1,637</b>	<b>282</b>	<b>1,919</b>
<b>Net book value</b>			
Opening balance	11,171	85	11,256
Closing balance	<b>10,872</b>	<b>31</b>	<b>10,903</b>

Movements of investment properties in 2013 are as follows:

	Definite land use right (reclassified) VND million	Other assets (reclassified) VND million	Total VND million
<b>Cost</b>			
Opening balance	12,509	349	12,858
Reclassification	-	(36)	(36)
Closing balance	<b>12,509</b>	<b>313</b>	<b>12,822</b>
<b>Accumulated depreciation</b>			
Opening balance	1,039	194	1,233
Depreciation	299	69	368
Reclassification	-	(35)	(35)
Closing balance	<b>1,338</b>	<b>228</b>	<b>1,566</b>
<b>Net book value</b>			
Opening balance	11,470	155	11,625
Closing balance	<b>11,171</b>	<b>85</b>	<b>11,256</b>

	31/12/2014 VND million	31/12/2013 VND million
<b>10. BORROWINGS FROM THE GOVERNMENT AND THE SBV</b>		
<b>Deposits with the State Treasury</b>	<b>16,494,608</b>	<b>20,736,718</b>
In VND	16,490,821	20,732,984
In foreign currencies	3,787	3,734
<b>Borrowings from the SBV</b>	<b>1,071,975</b>	<b>850,910</b>
Borrowings in foreign currencies to implement Bank Modernization and settlement system project	727,878	804,064
Borrowings according to credit files	335,710	38,460
Other borrowings	8,387	8,342
Overdue debts	-	44
	<b>17,566,583</b>	<b>21,587,628</b>
	31/12/2014 VND million	31/12/2013 VND million
<b>11. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS</b>		
<b>Deposits from other credit institutions</b>		
Demand deposits	4,636,955	4,313,767
In VND	3,598,580	1,914,674
In gold and foreign currencies	1,038,375	2,399,093
Term deposits	2,542,415	9,739,925
In VND	2,011,265	9,739,925
In gold and foreign currencies	531,150	-
	<b>7,179,370</b>	<b>14,053,692</b>
<b>Borrowings from other credit institutions</b>		
In VND	340,631	481,920
In gold and foreign currencies	2,124,600	1,794,370
	<b>2,465,231</b>	<b>2,276,290</b>
	<b>9,644,601</b>	<b>16,329,982</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

	31/12/2014 VND million	31/12/2013 VND million
<b>12. DEPOSITS FROM CUSTOMERS</b>		
<b>12.1 Deposits from customers by type of deposits</b>		
<b>Demand deposits</b>	<b>74,421,026</b>	<b>67,077,861</b>
Demand deposits in VND	69,607,258	61,426,233
Demand deposits in foreign currencies	4,813,768	5,651,628
<b>Term deposits</b>	<b>561,336,339</b>	<b>475,423,591</b>
Term deposits in VND	543,843,563	457,400,243
Term deposits in foreign currencies	17,492,776	18,023,348
<b>Deposits for special purposes</b>	<b>19,272,030</b>	<b>24,491,407</b>
<b>Margin deposits</b>	<b>1,241,686</b>	<b>1,699,031</b>
Margin deposits in VND	717,646	681,369
Margin deposits in foreign currencies	524,040	1,017,662
	<b>656,271,081</b>	<b>568,691,890</b>
	31/12/2014 VND million	31/12/2013 VND million
<b>12.2 Deposits from customers by type of customers</b>		
Economic entities	145,845,126	141,233,866
Individuals	509,202,451	425,510,940
Others	1,223,504	1,947,084
	<b>656,271,081</b>	<b>568,691,890</b>
	31/12/2014 VND million	31/12/2013 VND million
<b>13. OTHER BORROWED AND ENTRUSTED FUNDS</b>		
Sponsored capital, entrusted investment, loans in VND	11,227,207	9,612,092
Sponsored capital, entrusted investment, loans in foreign currencies	2,545,536	2,739,429
	<b>13,772,743</b>	<b>12,351,521</b>
<b>Funds received from local organizations</b>	<b>5,080,877</b>	<b>3,119,744</b>
Funds received from other credit institutions	50,990	-
Funds received from other non-credit institutions	5,029,887	3,119,744
<b>Funds received from overseas organizations</b>	<b>8,691,866</b>	<b>9,231,777</b>
Funds received from World Bank	993,849	997,082
Funds received from International Development Association and French Development Agency	2,806,885	2,811,755
Funds received from Asian Development Bank	1,213,217	1,336,756
Funds received from French Development Agency	1,531,587	1,850,817
Funds received from European Investment Bank	1,713,050	1,817,870
Funds received from European Community	3,506	3,506
Funds received from International Fund for Agriculture Development	197,137	170,190
Funds received from Japan Bank for International Cooperation	181,072	174,316
Funds received from Kreditanstalt für Wiederaufbau	51,563	69,485
	<b>13,772,743</b>	<b>12,351,521</b>
	31/12/2014 VND million	31/12/2013 VND million
<b>14. VALUABLE PAPERS ISSUED</b>		
<b>Certificate of deposits</b>	<b>11,007</b>	<b>1,471,894</b>
Less than 12 months	8,777	1,335,094
From 12 months to 5 years	2,230	136,800
<b>Bills</b>	<b>98,592</b>	<b>12,640,526</b>
Less than 12 months	98,440	12,640,310
From 12 months to 5 years	152	216
<b>Bonds</b>	<b>4,287,626</b>	<b>4,294,739</b>
Less than 12 months	220	220
Over 5 years	4,287,406	4,294,519
	<b>4,397,225</b>	<b>18,407,159</b>

	2014 VND million	2013 VND million
<b>15. INTEREST AND SIMILAR INCOME</b>		
Interest income from deposits	947,004	845,600
Interest income from loans to customers	50,082,617	53,047,986
Interest income from trading of and investment in debt securities	6,483,325	5,009,357
Interest income from finance lease	99,384	69,616
Other income from credit activities	3,775	4,402
	<b>57,616,105</b>	<b>58,976,961</b>
	2014 VND million	2013 VND million
<b>16. INTEREST AND SIMILAR EXPENSES</b>		
Interest expenses on deposits	34,674,092	36,539,161
Interest expenses on borrowings	769,235	810,832
Interest expenses on valuable papers issued	704,062	891,928
Interest expenses on financial lease fixed assets	11,186	-
Other expenses on mobilizing activities	38,746	73,925
	<b>36,197,321</b>	<b>38,315,846</b>
	2014 VND million	2013 VND million
<b>17. NET FEE AND COMMISSION INCOME</b>		
<b>Fee and commission income</b>		
Settlement services	2,102,817	1,633,022
Guarantee services	239,476	231,420
Cashiering services	136,231	134,057
Entrust and agency	106,463	90,586
Consulting services	28,241	30,821
Insurance activity	529,603	437,396
Other services	177,447	313,714
	<b>3,320,278</b>	<b>2,871,016</b>
<b>Fee and commission expenses</b>		
Settlement services	(428,913)	(149,450)
Post, telecommunication	(104,814)	(107,406)
Cashiering services	(326,579)	(307,482)
Agency commission	(142,093)	(191,255)
Consulting services	(9,769)	(7,010)
Insurance activity	(190,331)	(167,165)
Other services	(140,668)	(144,914)
	<b>(1,343,167)</b>	<b>(1,074,682)</b>
<b>Net fee and commission income</b>	<b>1,977,111</b>	<b>1,796,334</b>
	2014 VND million	2013 VND million
<b>18. NET GAIN FROM TRADING OF FOREIGN CURRENCIES</b>		
<b>Income from trading of foreign currencies</b>		
Spot foreign exchange trading	404,794	485,179
Gold trading	2,605,282	7,553,949
Currency derivatives	-	10,447
	<b>3,010,076</b>	<b>8,049,575</b>
<b>Expenses for trading of foreign currencies</b>		
Spot foreign exchange trading	(112,379)	(288,934)
Gold trading	(2,508,488)	(7,550,160)
Currency derivatives	(11,005)	(1,279)
	<b>(2,631,872)</b>	<b>(7,840,373)</b>
<b>Net gain from trading of foreign currencies</b>	<b>378,204</b>	<b>209,202</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2014

	2014 VND million	2013 VND million
<b>19. NET GAIN FROM TRADING OF SECURITIES HELD FOR TRADING</b>		
Income from trading of securities held for trading	11,749	15,311
Reversal of provision for securities held for trading	(27,434)	(71,030)
Provision expenses for diminution of trading of securities held for trading	23,893	74,055
	<b>8,208</b>	<b>18,336</b>
	2014 VND million	2013 VND million
<b>20. NET LOSS FROM TRADING OF INVESTMENT SECURITIES</b>		
Income from trading of investment securities	15,865	29,754
Expenses from trading of investment securities	-	-
Provision for diminution of investment securities	(53,998)	(44,196)
	<b>(38,133)</b>	<b>(14,442)</b>
	2014 VND million	2013 VND million
<b>21. NET OTHER INCOME</b>		
<b>Other operating income</b>		
Recovery of loan principal previously written-off	1,975,311	2,249,179
Recovery of loan interest previously written-off	451,616	450,676
Income from disposal of fixed assets	2,376	6,418
Other income	136,563	244,411
	<b>2,565,866</b>	<b>2,950,684</b>
<b>Other operating expenses</b>		
Social work expenses	(268,981)	-
Other expenses	(265,113)	(29,443)
	<b>(534,094)</b>	<b>(29,443)</b>
<b>Net other income</b>	<b>2,031,772</b>	<b>2,921,241</b>
	2014 VND million	2013 VND million
<b>22. INCOME FROM INVESTMENTS IN OTHER ENTITIES</b>		
Dividends received in the year from equity investment	15,815	22,524
Gain/losses divided by equity method of investment in joint ventures, associates	(54,837)	(3,704)
	<b>(39,022)</b>	<b>18,820</b>
<b>23. CASH AND CASH EQUIVALENTS</b>		
Net cash and cash equivalents in consolidated cash flows statements include the following items in consolidated balance sheet		
	2014 VND million	2013 VND million
Cash and cash equivalent on hand	10,947,504	9,637,819
Balances with the State Bank of Vietnam	14,268,021	31,255,520
Demand deposits at other credit institutions	4,007,423	1,902,633
Securities with recovery or maturity terms within three months from the date of purchase	60,207,002	14,961,390
Deposits at and loans to other credit institutions with maturity terms of less than three months	127,500	2,747,368
	<b>89,557,450</b>	<b>60,504,730</b>

## 24 . OBLIGATIONS TO THE STATE BUDGET

Unit: VND million

	Opening balance	Movement in the year		Closing balance
		Payable	Paid	
Value added tax	(59,749)	235,949	(265,441)	(89,241)
Corporate Income Tax	733,973	737,131	(860,464)	610,640
Other taxes	40,687	246,451	(255,978)	31,160
	<b>714,911</b>	<b>1,219,531</b>	<b>(1,381,883)</b>	<b>552,559</b>
			2014 VND million	2013 VND million
<b>24.1 Corporate Income Tax</b>				
<b>Profit before tax</b>			2,528,406	2,456,780
Add				
Adjustment on profit for consolidation purpose			522,325	(473,127)
Losses from subsidiaries			598,636	1,191,258
Less				
Dividend exempt from tax			(75,789)	(63,665)
Difference in provision for credit losses expenses of Cambodia Branch due to difference in Accounting Standards of Cambodia and Vietnam			(9,821)	(8,563)
Non-deductible expenses			16,076	987
Temporary differences due to provision made/(reversal of provision) in the year			(174,553)	139,190
(Over)/deficit of provision of previous years			(100)	2,665
Losses used for tax calculation			(104,066)	-
<b>Taxable income</b>			<b>3,301,114</b>	<b>3,245,525</b>
Tax rate			22%	25%
Corporate income tax ("CIT") expense			<b>726,245</b>	<b>811,380</b>
Adjustment according to State Auditors			9,154	-
Other adjustments			1,732	-
<b>Corporate income tax for the year</b>			<b>737,131</b>	<b>811,380</b>
<b>CIT payable at the beginning of the year</b>			<b>733,973</b>	<b>441,915</b>
<b>CIT paid in the year</b>			<b>(860,464)</b>	<b>(519,322)</b>
<b>CIT payable at the end of the year</b>			<b>610,640</b>	<b>733,973</b>
			2014 VND million	2013 VND million
<b>24.2 Deferred income tax</b>				
<b>24.2.1 Deferred income tax assets</b>				
Deferred income tax assets related to deductible temporary differences			65,468	103,485
Provision for overdue receivables			13,524	57,192
Provision for overdue receivables			51,944	46,293
Deferred income tax assets related to losses that have not been used for tax calculation			25,011	-
<b>Closing balance</b>			<b>90,479</b>	<b>103,485</b>
<b>24.2.2 Deferred income tax payables</b>				
Deferred income tax expenses arisen from taxable temporary differences			2,160	1,512
<b>Total deferred income tax expenses</b>			<b>2,160</b>	<b>1,512</b>
<b>Opening balance</b>			<b>2,435</b>	<b>923</b>
<b>Closing balance</b>			<b>4,595</b>	<b>2,435</b>

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