

INDOVINA BANK LIMITED

46-48-50 Pham Hong Thai Street, District 1
Ho Chi Minh City, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Indovina Bank Limited (“the Bank”) presents this report together with the Bank’s audited financial statements for the year ended 31 December 2009.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Bank who held office during the year and at the date of this report are as follows:

Board of Directors

Roger M. H. Lee	Chairman
Pham Huy Hung	Vice Chairman
Chen Tsu Pei	Member
Nguyen Van Du	Member
Yei-Fong Jan	Member
Le Van Phu	Member

Board of Management

Yei-Fong Jan	General Director
Le Van Phu	First Deputy General Director
Chan Kun Lu	Second Deputy General Director

THE BOARD OF MANAGEMENT’S STATEMENT OF RESPONSIBILITY

The Board of Management of the Bank is responsible for preparing the financial statements of each year, which give a true and fair view of the financial position of the Bank and of its results and cash flows for the year. In preparing those financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing the financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Bank and to ensure that the financial statements comply with Vietnamese Accounting Standards and Vietnamese Accounting System and other prevailing accounting regulations applicable to credit institutions in Vietnam. The Board of Management is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that the Bank has complied with the above requirements in preparing the financial statements.

For and on behalf of the Board of Management,



Yei-Fong Jan
General Director
22 March 2010

Le Van Phu
First Deputy General Director

No. 191 /Deloitte-AUDHCM-RE

AUDITORS' REPORT

To: **The Boards of Directors and Management of Indovina Bank Limited**

We have audited the accompanying balance sheet of Indovina Bank Limited ("the Bank") as at 31 December 2009, and the related statements of income, cash flows and the notes to the financial statements for the year then ended. The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Respective Responsibilities of the Board of Management and Auditors

As stated in the Statement of the Board of Management on page 1, these financial statements are the responsibility of the Bank's Board of Management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

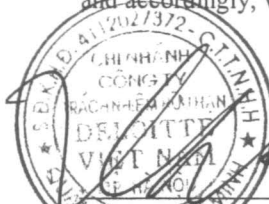
We have conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of the Bank as at 31 December 2009 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing regulations applicable to credit institutions in Vietnam.

We have also audited the adjustments described in Note 27 that were applied to restate the cashflow statement for the year ended 31 December 2009. In our opinion, such adjustments are appropriate and have been properly applied.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole on pages 3 to 25. The supplementary information on pages 26 to 30 is not a required part of the basic financial statements. This supplementary information is the responsibility of the Bank's management. Such information has not been subject to the auditing procedures applied in our audit of the basic financial statements and accordingly, we express no opinion on it.



Vo. Thát Hòa
Audit Partner

CPA Certificate No. 0138/KTV

For and on behalf of

DELOITTE VIETNAM COMPANY LIMITED

22 March 2010

Ho Chi Minh City, S.R. Vietnam

Huynh Vu Dai Trong
Auditor

CPA Certificate No. 1204/KTV

BALANCE SHEET
 As at 31 December 2009

FORM B 02/TCTD

	Notes	31/12/2009 USD	31/12/2008 USD
<u>Assets</u>			
Cash on hand and valuable documents	4	6,712,056	8,951,216
Deposits with the State Bank of Vietnam	5	21,098,971	78,931,021
Deposits with other credit institutions	6	38,671,989	67,791,728
Trading securities	7	5,493,973	3,144,818
Loans to customers		523,546,102	376,267,624
<i>Loan balances</i>	8	528,202,640	379,025,471
<i>Less provision for loan losses</i>		(4,656,538)	(2,757,847)
Available-for-sale debt securities	9	15,302,517	6,813,247
Tangible fixed assets	10	5,502,880	5,261,281
Intangible assets	11	12,747,346	1,333,632
Other assets		5,161,599	4,748,856
<i>Construction in progress</i>	12	140,627	670,136
<i>Other receivables and prepayments</i>	13	2,625,088	1,469,101
<i>Accrued interest receivable</i>		2,395,884	2,609,619
Total assets		634,237,433	553,243,423
<u>Resources</u>			
Deposits from other credit institutions	14	455,695	7,199,091
Borrowings from other credit institutions	15	18,806,644	22,000,000
Deposits from customers	16	463,227,846	394,225,240
Derivatives and other financial liabilities		968,731	-
Certificates of deposits	17	1,022	45,710
Other liabilities		6,149,616	40,160,317
<i>Accrued interest payable</i>		2,691,657	5,844,112
<i>Other payables</i>	18	3,001,265	34,040,555
<i>Other provision</i>		456,694	275,650
Equity and reserves		144,627,879	89,613,065
<i>Charter capital</i>	19	125,000,000	70,000,000
<i>Reserves</i>	19.2	10,437,456	8,692,549
<i>Retained earnings</i>	19	9,190,423	10,920,516
Total resources		634,237,433	553,243,423

The accompanying notes set out on pages 8 to 25 are an integral part of these financial statements

OFF BALANCE SHEET ACCOUNTS
 As at 31 December 2009

	31/12/2009	31/12/2008
	<u>USD</u>	<u>USD</u>
Outstanding letters of credit	60,111,334	18,143,093
Guarantees	6,578,397	6,589,084
	<u>66,689,731</u>	<u>24,732,177</u>



Yei-Fong Jan
 General Director
 22 March 2010

Le Van Phu
 First Deputy General Director

Tran Le Thuy
 Chief Accountant

INCOME STATEMENT
 For the year ended 31 December 2009

FORM B 03/TCTD

	Notes	2009 USD	2008 USD
1. Interest and similar income	20	40,325,178	54,809,368
2. Interest expense and similar charges	21	(22,544,209)	(34,592,155)
I. Net interest and similar income		17,780,969	20,217,213
1. Fee and commission income		5,297,672	3,568,044
2. Fee and commission expense		(311,908)	(215,539)
II. Net fee and commission income		4,985,764	3,352,505
III. Net gain from dealing in foreign currencies	22	2,177,665	3,070,503
IV. Net gain/(loss) from trading of held-for-sale securities		770,487	(1,651,403)
1. Other operating income		1,191,811	152,557
2. Other operating expenses		(50,304)	(67,281)
V. Gain from other activities		1,141,507	85,276
VI. General and administrative expenditures		(10,498,406)	(8,444,436)
VII. Net income before provision for credit losses		16,357,986	16,629,658
VIII. Provision for credit losses		(3,341,255)	(1,027,975)
IX. Profit before tax		13,016,731	15,601,683
X. Current tax expense	23	(2,784,993)	(3,133,863)
XI. Profit after tax		10,231,738	12,467,820



Yei-Fong Jan
 General Director
 22 March 2010

Le Van Phu
 First Deputy General Director

Tran Le Thuy
 Chief Accountant

CASH FLOW STATEMENT
For the year ended 31 December 2009
(Under direct method)

FORM B 04/TCTD

	2009	2008
		(Restated)
	<u>USD</u>	<u>USD</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest and similar income received	40,538,913	54,547,183
Interest expense and similar charges paid	(25,696,664)	(32,667,658)
Fee and commission income received	4,985,764	3,352,505
Net gain on trading activities (foreign currencies and securities)	2,177,665	3,070,503
Other income	1,141,507	85,276
Cash paid to employees and related operating activities	(9,307,963)	(7,421,126)
Corporate income tax paid	(3,717,661)	(4,066,531)
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	10,121,561	16,900,152
Changes in operating assets		
Decrease/(Increase) in deposits with and loans to other credit institutions	7,000,000	(3,897,108)
(Increase)/Decrease in trading securities	(10,067,938)	2,559,886
Increase in derivatives and other financial assets	968,731	-
Increase in loans to customers	(149,177,169)	(31,790,336)
Increase in other operating assets	(1,155,987)	(974,948)
Changes in operating liabilities		
Decrease in borrowings from the State Bank of Vietnam	-	(930,868)
(Decrease)/Increase in deposits and borrowings from other credit institutions	(9,936,752)	23,758,275
Increase in deposits from customers	69,002,606	5,857,362
Decrease in issuing certificate of deposits	(44,688)	(10,239,417)
Decrease in other liabilities	(1,671,680)	(30,109,155)
Payment from reserves	(216,924)	(132,161)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(85,178,240)	(28,998,318)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets and construction in progress	(12,316,248)	(1,388,192)
Proceeds from disposal fixed assets	-	16,255
Net cash used in investing activities	(12,316,248)	(1,371,937)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contribution	20,000,000	15,750,000
Dividend paid	(5,000,000)	(4,250,000)
Net cash from financing activities	15,000,000	11,500,000
Net decrease in cash and cash equivalents	(82,494,488)	(18,870,255)
Cash and cash equivalents at beginning of year	148,673,965	167,057,542
Effect of changes in foreign exchange rate	303,539	486,678
Cash and cash equivalents at end of year	66,483,016	148,673,965

The accompanying notes set out on pages 8 to 25 are an integral part of these financial statements

CASH FLOW STATEMENT (Continued)
For the year ended 31 December 2009

FORM B 04/TCTD

Non-cash transactions

Cash inflow from capital contribution during the year ended 31 December 2009 excludes an amount of USD 30,000,000 (2008: nil) and USD 5,000,000 (2008: USD 4,250,000), representing an amount of other payables and dividend declared to shareholders but was converted as capital contribution, respectively. Since these conversions did not constitute movement of cash, they were not reflected in the above statement.



Yei-Fong Jan
General Director
22 March 2010

Le Van Phu
First Deputy General Director

Tran Le Thuy
Chief Accountant