

Housing Development Bank

*Audited financial statements in accordance with
the Vietnamese Accounting Standards and Accounting System for
Credit Institutions*

for the financial year ended 31 December 2008

Housing Development Bank

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Reference: 60752693/13521768

INDEPENDENT AUDITORS' REPORT

To: **The Board of Management and Board of Directors of
Housing Development Bank**

We have audited the balance sheet as at 31 December 2008 of Housing Development Bank ("the Bank"), the related statements of income and cash flows and the notes thereto for the financial year then ended ("the financial statements") as set out on pages 3 to 52. These financial statements are the responsibility of the Board of Directors of the Bank. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

Except for the matter discussed in the following paragraph, we conducted our audit in accordance with Vietnamese and International Standards on Auditing applicable in Vietnam. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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.

Qualifications

As discussed in *Note 9.1 – Unlisted shares of credit institutions held by the Bank* to accompanying financial statements, other long-term investments in unlisted shares of credit institutions amounting to VNDm 114,542 are still held by the Bank as at 31 December 2008. These investments have declined its value due to the significant fall of the stock market during the year. However, as at 31 December 2008, the Bank has not measured and provided a full provision for impairment of these investments in accordance with Circular No. 13/2006/TT-BTC dated 27 February 2006 issued by the Ministry of Finance due to lack of reliable information about market value of these shares, relevant guidelines from authorities as well as the internal processes in order to determine fair value of these investments. As limitations stated above, we can not determine the amount of provision for the diminution in value of these investments, if any, to reflect the recoverable amount of these shares as at 31 December 2008.

Opinion

In our opinion, except for the effect of the matter as described in the preceding paragraph, the financial statements, in all material respects, give a true and fair view of the financial position of the Bank as at 31 December 2008 and the results of its operations and cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards and System for credit institutions and relevant regulations of the State Bank of Vietnam and the Ministry of Finance.



Ernst & Young Vietnam Ltd,

Ernst & Young Vietnam Limited

Hoan Van

Vo Tan Hoang Van
Deputy General Director
Registered Auditor
Certificate No. 0264/KTV

Xuan Minh

Vo Xuan Minh
Auditor In-charge
Registered Auditor
Certificate No. 0923/KTV

Hanoi City, Vietnam

12 March 2009

Housing Development Bank

BALANCE SHEET
as at 31 December 2008

	<i>Notes</i>	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
ASSETS			
Cash, gold	3	135,310	319,552
Balances with the SBV	4	382,124	388,351
Deposits with other credit institutions	5	1,939,755	1,709,527
Loans and advances to customers		6,135,342	8,877,033
Loans and advances to customers	6	6,175,404	8,912,366
Provisions for loan losses	7	(40,062)	(35,333)
Investment securities	8	250,469	1,450,599
Securities – available for sale		30,150	30,150
Securities – held to maturity		243,539	1,425,849
Provision for impairment of investment securities		(23,220)	(5,400)
Long-term investments		253,151	128,929
Other long-term investments	9	254,094	128,929
Provision for impairment of long-term investments	9	(943)	-
Fixed assets		150,489	66,454
<i>Tangible fixed assets</i>	<i>10.1</i>	<i>127,569</i>	<i>53,452</i>
Cost		144,493	64,626
Accumulated depreciation		(16,924)	(11,174)
<i>Intangible fixed assets</i>	<i>10.2</i>	<i>22,920</i>	<i>13,002</i>
Cost		23,546	13,314
Accumulated amortization		(626)	(312)
Other assets		311,277	882,107
Construction in progress	11	218,043	46,912
Accrued interest and fees receivable	12	67,519	208,884
Deferred tax assets	20.2	410	-
Other assets	13	25,305	626,311
TOTAL ASSETS		<u>9,557,917</u>	<u>13,822,552</u>

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

BALANCE SHEET (continued)
as at 31 December 2008

	Notes	2008 VNDm	2007 VNDm
LIABILITIES			
Borrowings from the Government and SBV	14	97,620	791
Deposits from other credit institutions	15	2,072,849	8,154,143
Deposits and other amounts due to customers	16	4,336,883	3,539,895
Valuable papers issued by the Bank	17	1,264,861	760,786
Other liabilities		113,113	626,203
Accrued interest and fees payable	18	80,395	133,742
Other payables and liabilities	19	31,862	489,009
Provision for contingent liabilities and off balance sheet commitments	7	856	3,452
Total liabilities		7,885,326	13,081,818
OWNERS' EQUITY			
Share capital		1,554,043	619,777
Share capital		1,550,000	500,000
Share premium		4,043	119,777
Reserves		58,604	29,988
Retained earnings		59,944	90,969
Capital and reserves	21	1,672,591	740,734
TOTAL LIABILITIES AND OWNERS' EQUITY		9,557,917	13,822,552

Off-balance-sheet item

Commitments	36	146,722	390,658
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Prepared by:



Ms Trinh Thu Thao
Vice Accounting Manager

Approved by:



Ms Pham Thi My Chi
Chief Accountant and
Deputy General Director



Approved by (*):
Mr. Nguyen Huu Dang
Deputy General Director

(*) According to Authorisation Letter No. 61/2009/CT-HDQT dated 26 February 2009 by the Chairman of the Bank.

Ho Chi Minh City, Vietnam

12 March 2009

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

STATEMENT OF INCOME
for the financial year ended 31 December 2008

	Notes	2008 VNDm	2007 VNDm
Interest and similar income	24	1,084,874	697,349
Interest and similar expenses	25	(970,679)	(486,748)
Net interest and similar income		114,195	210,601
Fees and commission income	26	80,024	55,535
Fees and commission expenses	26	(7,178)	(2,904)
Net gain from fees and commission income	26	72,846	52,631
Net gain from dealings in foreign currencies	27	15,723	5,606
Net loss from dealings in investment securities	28	(5,679)	(5,400)
Net gain from dealings in other long-term investments	29	7,375	-
Other operating income	30	1,024	2,556
Other operating expenses	30	(165)	(42)
Net other operating income	30	859	2,514
Gains from capital contributions and share purchases	31	9,084	3,563
Total operating income		214,403	269,515
Operating expenses			
Salaries and remunerations		(68,380)	(48,041)
Depreciation and amortization charges	10	(7,141)	(4,095)
Other operating expenses	32	(56,474)	(30,946)
		(131,995)	(83,082)
Profit before provision for credit losses		82,408	186,433
Provision expense for credit losses	7	(2,133)	(18,878)
Profit before tax		80,275	167,555
Current corporate income tax expenses	20.1	(20,741)	(46,586)
Deferred corporate income tax benefit	20.2	410	-
Corporate income tax expenses		(20,331)	46,586
Net profit after tax		59,944	120,969
Basic earnings per share (VND)	22	594	2,419

Prepared by:



Ms Trinh Thu Thao
Vice Accounting Manager

Approved by:



Ms Pham Thi My Chi
Chief Accountant and
Deputy General Director

Approved by (1):



Mr. Nguyen Huu Dang
Deputy General Director

(*) According to Authorisation Letter No. 61/2009/QĐ-CTHDQT dated 26 February 2009 by the Chairman of the Bank.

Ho Chi Minh City, Vietnam

12 March 2009

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

STATEMENT OF RETAINED EARNINGS for the financial year ended 31 December 2008

	Notes	2008 VNDm	2007 VNDm
Retained earnings at beginning of the period	21.1	90,969	67,878
Net profit for the period		59,944	120,969
Retained earnings before appropriations		150,913	188,847
Less:			
<i>Transfer to create statutory reserves of prior period</i>	21.1	(40,669)	(19,440)
<i>Dividend paid for prior period</i>	21.1	(50,000)	(48,438)
<i>Interim dividend for current period</i>	21.1	-	(30,000)
<i>Utilization during the period (*)</i>	21.1	(300)	-
Retained earnings at end of the period	21.1	59,944	90,969

(*) This represents provision for tax duty from 2007 created from retained earnings in accordance with the Solution of the Annual General Meeting of the Shareholders of the Bank.

Prepared by:



Ms Trinh Thu Thao
Vice Accounting Manager

Approved by:



Ms Pham Thi My Chi
Chief Accountant and
Deputy General Director



Mr. Nguyen Huu Dang
Deputy General Director

(*) According to Authorisation Letter No. 61/2009/QD-CTHDQT dated 26 February 2009 by the Chairman of the Bank.

Ho Chi Minh City, Vietnam

12 March 2009

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2008

	<i>Notes</i>	<i>2008 VNDm</i>	<i>2007 VNDm</i>
Cash flow from operating activities			
Profit before tax		80,275	167,555
<i>Adjustments for:</i>			
Depreciation and amortization of fixed assets	10	7,141	4,095
Provision for credit losses	7	2,133	18,878
Provision for impairment of investment securities	8, 9	18,763	5,400
Gain from disposal of long-term investments in economic entities and dividend income received		(16,459)	(2,663)
(Gain)/loss from disposal of fixed assets	30	(425)	20
Other adjustments		-	436
Net cash flow from operating activities before changes in operating assets and liabilities		91,428	193,721
Changes in operating assets			
Increase in deposits and loans with other credit institutions		(82,772)	(205,600)
Decrease/(increase) in investment securities		1,182,310	(1,180,150)
Decrease/(increase) in loans and advances to customers		2,736,962	(6,234,834)
Decrease/(increase) in other assets		728,143	(839,644)
Changes in operating liabilities			
Increase/(decrease) in borrowings from the Government and SBV		96,829	(15,209)
(Decrease)/increase in deposits and borrowings from other credit institutions		(6,081,294)	6,924,094
Increase in deposits and other amounts due to customers		796,988	1,963,023
Increase in valuable papers issued by the Bank		504,075	339,959
(Decrease)/increase in other liabilities		(457,116)	500,074
Net cash flow from operating activities before corporate income tax paid		(484,447)	1,445,434
Corporate income tax paid	20.1	(24,485)	(41,064)
Utilization of reserves	21.1	(12,053)	(5,429)
Net cash (used in)/provided by operating activities		(520,985)	1,398,941
Cash flow from investing activities			
Acquisition of fixed assets		(248,664)	(15,008)
Proceeds from sale of fixed assets		600	-
Increase in other long-term investments in economic entities		(165,730)	(81,405)
Proceeds from other long-term investment		50,000	-
Dividend income and share of profits from other long-term investments		7,024	2,663
Net cash used in investing activities		(356,770)	(93,750)

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

STATEMENT OF CASH FLOWS (continued)
for the financial year ended 31 December 2008

	<u>Notes</u>	<u>2008 VNDm</u>	<u>2007 VNDm</u>
Cash flow from financing activities			
Proceeds from issuing stocks and/or receiving capital from owners	21.1	885,828	-
Dividend paid	21.1	<u>(51,086)</u>	<u>(28,210)</u>
Net cash provided by/(used in) financing activities		<u>834,742</u>	<u>(28,210)</u>
Net increase in cash and cash equivalents		(43,013)	1,276,981
Cash and cash equivalents at the beginning of the period	33	<u>2,096,230</u>	<u>819,249</u>
Cash and cash equivalents at the end of the period	33	<u>2,053,217</u>	<u>2,096,230</u>

NON-MONETARY TRANSACTIONS

	<u>Notes</u>	<u>2008 VNDm</u>	<u>2007 VNDm</u>
Increase chartered capital from share premiums	21.1	<u>119,777</u>	-

Prepared by:



Ms Trinh Thu Thao
Vice Accounting Manager

Approved by:



Ms Pham Thi My Chi
Chief Accountant and
Deputy General Director

Approved by (*):



Mr. Nguyen Huu Dang
Deputy General Director

(*). According to Authorisation Letter No. 61/2009/QĐ-CTHDQT dated 26 February 2009 by the Chairman of the Bank.

Ho Chi Minh City, Vietnam

12 March 2009

The attached notes from 1 to 42 form part of these financial statements

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

1. CORPORATE INFORMATION

Housing Development Bank (herein referred to as “HDBank” or “the Bank”) is a joint-stock commercial bank incorporated and registered in the Socialist Republic of Vietnam.

Establishment and Operations

The Bank is a commercial joint stock bank which was established to operate under the following Decisions:

No.	Decision	Description
1	Decision No. 47/QD-UB issued by the People's Committee of Ho Chi Minh City on 11 February 1989	Establishment of the Bank.
2	SBV Decision No. 102/QD-NH5 dated 6 June 1992	The Bank was authorized to carry out banking business such as mobilizing and receiving short, medium and long term deposits from various organizations and individuals; lending on a short, medium and long term basis to various organizations and individuals up to the nature and ability of the Bank's capital resources; conducting foreign currency transactions; international trade finance services, discounting of commercial notes, bonds and valuable papers; and other banking services as approved by the State Bank of Vietnam (“SBV”).
3	SBV Decision No. 217/QD-NH7 dated 14 October 1992	The Bank was authorized to carry out foreign currency (“FC”) dealings and to conduct banking services in FC, including FC demand deposits, term deposits and current accounts from local and foreign organizations and individuals; accepting FC savings under the requirements stipulated by the SBV; borrowing and accepting FC funds from foreign organizations and individuals; offering short, medium and long-term loans to various organizations and individuals doing business in Vietnam; conducting currency dealings at exchange rates specified by the SBV; rendering overseas foreign exchange services; and making FC payments within Vietnam.
4	SBV Official Letter No. 74/NHNN-CNH dated 21 January 2003	The Bank was authorized to conduct certain foreign exchange transactions, including offering FC loan guarantees; issuing or acting as agent for FC valuable papers; discounting, rediscounting and mortgaging FC commercial notes and others; and doing world-standard gold business locally and overseas.
5	SBV Official Letter No. 473/NHNN.HCM02 dated 21 January 2003	The Bank was authorized to conduct two additional foreign exchange operations, including international settlements and currency dealings in the international markets.
6	SBV Decision No. 1002/QD-NHNN dated 11 May 2007	The Bank was authorized to trade gold in overseas accounts.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

1. CORPORATE INFORMATION (continued)

Share capital

The share capital of the Bank as at 31 December 2008 amounted to VNDm 1,550,000 (2007: VNDm 500,000) which has been fully contributed by the shareholders.

Since the establishment date, the share capital of the Bank has increased as follows:

<i>Share capital has increased to (VNDm)</i>	<i>Approval by SBV or People's Committee of Ho Chi Minh City</i>	<i>Date issued</i>
3,000	Decision No. 47/QD- UBND	11 February 1989
5,000	Decision No. 102/QD-NH5	6 June 1992
10,008	Decision No. 199/QD-NH5	23 October 1993
21,616	Decision No. 71/QD-NH5	18 April 1994
42,074	Decision No. 50/1998/QD-NHNN5	22 January 1998
49,726	Decision No. 291/1998/QD-NHNN5	27 August 1998
59,726	Decision No. 61/1999/QD-NHNN5	20 February 1999
70,026	Letter No. 677/ NHTP.2002	12 June 2002
150,023	Letter No. 2088/ NHNN-HCM.02	10 December 2004
200,259	Letter No. 1748/ NHNN-HCM.02	12 August 2005
300,000	Letter No. 2446/ NHNN-HCM.02	27 December 2005
500,000	Letter No. 1779/ NHNN-HCM.02	19 December 2006
1,000,000	Letter No. 931/NHNN-HCM.02	25 June 2007
1,550,000	Letter No. 1682/NHNN-HCM.02	25 September 2008

Board of Management

The members of the Board of Management during the financial year 2008 and at the date of this report are as follows:

<i>Name</i>	<i>Position</i>	<i>Date</i>
Mr. Nguyen Huu Thanh	Chairman	Appointed on 23 July 2008
Mr. Tran Huu Thai	Vice Chairman	Appointed on 23 July 2008
Mr. Tran Van Vinh	Vice Chairman	Appointed on 23 July 2008
Ms Nguyen Thi Phuong Thao	Vice Chairman	Appointed on 23 July 2008
Mr. Le Chi Hieu	Member	Appointed on 23 July 2008
Ms Do Thi Hong Dung	Member	Appointed on 23 July 2008

Board of Directors

The members of the Board of Directors during the financial year 2008 and at the date of this report are as follows:

<i>Name</i>	<i>Position</i>	<i>Date</i>
Ms Nguyen Thi Phuong Thao	General Director	Appointed on 19 January 2009
Mr. Tran Anh Tuan	General Director	Resigned on 19 January 2009
Mr. Phan Quoc Tien	Deputy General Director	Appointed on 21 June 2005
Ms Nguyen Doan Duy Ai	Deputy General Director	Appointed on 15 August 2007
Mr. Nguyen Huu Dang	Deputy General Director	Appointed on 9 October 2007
Ms Pham Thi My Chi	Chief Accountand and Deputy General Director	Appointed on 1 December 2007
Mr. Nguyen Manh Quan	Deputy General Director	Appointed on 18 February 2009

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

1. CORPORATE INFORMATION (continued)

Head Office

The Bank's Head Office is located at 33-39 Pasteur Street, District 1, Ho Chi Minh City. According to Official Letter No. 9210/NHNN-CNH dated 14 October 2008, some non-trading departments of the Bank are authorized to move to New Head Office in Abacus Building located at 58 Nguyen Dinh Chieu Street, District 1, Ho Chi Minh City.

As at 31 December 2008, the Bank had one (1) Head Office, thirteen (13) branches and nineteen (19) transaction offices located in cities and provinces in Vietnam.

Employees

Total number of employees of the Bank as at 31 December 2008 was 783 people (2007: 668 people).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Bank, which are expressed in millions of Vietnam Dong ("VNDm"), are prepared in accordance with the Vietnamese Accounting Standards and System for Credit Institutions required under Decision No. 16/2007/QD-NHNN dated 18 April 2007 by the Governor of the State Bank of Vietnam, Decision No. 29/2006/QD-NHNN dated 10 July 2006 and Decision No. 479/QD-NHNN dated 29 April 2004 issued by the Governor of the State Bank of Vietnam with effect from 1 January 2005 and the Vietnamese Accounting Standards ("VAS") issued by the Ministry of Finance and other relevant regulations, including:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

The accompanying financial statements have been prepared using accounting principles, procedures and reporting practices generally accepted in Vietnam. Accordingly, the accompanying balance sheet, the related statements of income, cash flows and the accompanying notes and their utilization are not designed for those who are not informed about the Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Fiscal year

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

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Loans and advances to customers

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

2.4 Provision for credit losses

In accordance with the Law on Credit Institutions effective from 1 October 1998, Law on Amendment and Addition to a Number of Articles of the Law on Credit Institutions effective from 1 October 2004, Decision No. 127/2005/QĐ-NHNN dated 3 February 2005, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 and Decision No. 18/2007/QĐ-NHNN dated 25 April 2007 issued by the State Bank of Vietnam, credit institutions are required to make loan classification and create provision for loan losses and use provisions to resolve credit risk in their operations. Accordingly, loans are graded using the following risk classifications: *Current*, *Special Mention*, *Substandard*, *Doubtful* and *Loss* based on the overdue status and other qualitative factors.

Net loan and advance exposure for each individual customer is calculated by subtracting from the loan balance the related determined value of collateral assets which is subject to certain accepted discount rates in accordance with Decision No. 18/2007/QĐ-NHNN. Specific provision is established based on the net loan and advance exposure for each individual customer using the prescribed provision rates applicable to that loan classification as follows:

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

Loans classified as *Substandard*, *Doubtful* or *Loss* is considered non-performing.

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

The Bank has made and maintained a general provision of 0.30% of total loan balance from group 1 to 4 plus guarantees and acceptance for payment (equivalent to 40% of total required provision of 0.75%) as at 30 November 2008.

These provisions are recorded as an expense in the statement of income and will be used to write off any bad loans incurred. According to Decision No. 493/2005/QĐ-NHNN, the Bank shall establish the Risk Settlement Committee to write off bad loans if they are classified in Group 5 or if the corporate borrowers are liquidated or have bankruptcy, or if individual borrowers have deceased or are missing.

Status of debts classification and provision distribution in accordance with Decision No. 493/2005/QĐ-NHNN is presented in Notes 7.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Investments in securities

2.5.1 Held-to-maturity securities

Held-to-maturity investments are those which carry fixed or determinable payments and have fixed maturities and which the Bank has the intention and ability to hold to maturity. They are initially recognized at cost. Discount/premium is the difference between original cost and the amount which is par value plus accrued interest income (for debt securities with interest payment in arrears) or minus accrued interest income (for debt securities with interest payment in advance) and is amortized on straight-line basis till the maturity date. Interest of these investments is recognized on straight-line basis using nominal interest rate.

2.5.2 Available-for-sale securities

Available-for-sale investments include debt and equity securities which do not qualify to be classified as trading and held-to-maturity. Equity securities are measured at cost while debt securities are initially recognized at cost. Discount/premium is the difference between original cost and the amount which is par value plus accrued interest income (for debt securities with interest payment in arrears) or minus accrued interest income (for debt securities with interest payment in advance) and is amortized on straight-line basis till the estimated maturity date.

Available-for-sale equity investment is reviewed for any impairment when there has been a "significant" or "prolonged" decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment. The Bank treats "significant" generally as 20% or more and "prolonged" as greater than 6 months. In addition, the Bank evaluates other factors, such as share price volatility.

2.6 Other long-term investments

Other long-term investments represent investments in equity securities in which the Bank is represented by its members of the Board of Management or of the Board of Supervisors in an entity invested at the rate of less than 20% of voting rights, and investments in unlisted shares from credit institutions. These shares have not been listed on the stock market and their recovery or repayment date is above one year in accordance with Decision No. 29/2006/QĐ-NHNN dated 10 July 2006 and Circular No. 7459/NHNN-KTTC dated 30 August 2006 by the State Bank of Vietnam.

Other long-term investments are stated at cost less provision for investments. A provision for long-term investments is created in case any entity being invested by the Bank is in a loss position (except for losses as identified in the business projects prior to investment) in accordance with Circular No. 13/2006/TT-BTC dated 27 February 2006 by the Ministry of Finance. Accordingly, the provision amount is the difference between the actual contributed capital from economic entities and actual equity multiplied by the percentage of contributed legal capital of an entity to total actual contributed capital of all economic entities.

In addition, a provision for other long-term investments in unlisted shares from credit institutions is created based on their reference market prices.

2.7 Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

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

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Depreciation

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

Buildings and structure	5 - 25 years
Machines and equipment	7 - 10 years
Transportation vehicles	6 - 10 years
Office equipment	3 - 10 years
Accounting software	3 - 8 years
Other fixed assets	3 - 10 years

The land use right of the Bank is not amortized if it has indefinite term. The land use right of the Bank with definite term is amortized over the term of the right to use the land.

2.9 Revenue and expenditure recognition

Interest income and expense are recognized in the statement of income on an accrual basis. The recognition of accrued interest income is suspended when a loan is classified from group 2 to 5 according to Decision No. 493/2005/QĐ-NHNN and Decision No. 18/2007/QĐ-NHNN. Suspended interest income is recorded off-balance sheet and recognized in income statement upon actual receipt.

Fees and commissions are recognized on an accrual basis. Dividends received from investments are recognized in the statement of income when the Board of Management of the investees approve and declare dividend.

2.10 Foreign currency transactions

According to the chart of accounts for banks, the Bank maintains its accounting system and records all transactions in original currencies. Monetary assets and liabilities denominated in foreign currencies at year-end are re-translated into VND using ruling exchange rates at the balance sheet date (see list of exchange rates of applicable foreign currencies against VND as at 31 December in Note 41). Income and expenses arising in foreign currencies during the year are converted into VND at rates prevailing at the transaction dates. Exchange differences of the re-translation of monetary assets and liabilities at the balance sheet date are recognized in the statement of income.

2.11 Corporate income tax

Current tax

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

The Bank's tax returns are subject to examination by the tax authorities. Due to the ambiguity associated with the applicability of tax laws and regulations in Vietnam, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Corporate income tax (continued)

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these differences can be utilized, except:

- where the deferred tax arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

2.12 Cash and cash equivalents

Cash and cash equivalents comprises cash, gold, current accounts with SBV and deposits with other credit institutions on demand or with an original maturity of three months or less.

2.13 Provision for off-balance-sheet commitments

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

Specific and general provision for off-balance-sheet commitments is calculated similarly to the provision for loans and advances to customers as described in Note 2.4. Provision expense is recorded as provision expense for credit losses in the income statement and provision balance is recorded in other liabilities in the balance sheet.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Offsetting

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

2.15 Use of estimates

In preparing these financial statements, the Board of Directors make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities in the financial statements. These estimates and assumptions also affect the income and expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty and actual results may differ resulting in future changes in such provisions.

2.16 Employee benefits

2.16.1 Post employment benefits

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

2.16.2 Voluntary resignation and retrenchment benefits

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

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

Although the obligations under Sections 17 and 42 are compulsory, the implementation of these Sections is subject to detailed guidance as issued by the Ministry of Finance in implementing circulars. In accordance with Circular No. 64/1999/TT-BTC dated 7 June 1999 and after that Circular No. 82/2003/TT-BTC dated 14 August 2003 by the Ministry of Finance which superseded Circular No. 64/1999/TT-BTC, banks are required to calculate retrenchment allowance equal to 3.00% p.a. on the basis salary of the employees; and the outstanding balance of employee termination reserve which was previously created at 10% from the profit after tax and after appropriation of supplementary capital reserve in accordance with the guidance of Circular No. 64/1999/TT-BTC should be transferred to retrenchment allowance as allowed under Circular No. 82/2003/TT-BTC.

In 2008, the Bank has recorded a provision for voluntary resignation and retrenchment benefits adequately for each employee at the rate of one-half of monthly basic salary for each working year under Section 42 of the Labor Code.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

3. CASH AND GOLD

	<u>2008</u> VNDm	<u>2007</u> VNDm
Cash in VND	54,486	24,823
Cash in foreign currencies ("FC")	20,754	10,845
Monetary gold	60,070	283,884
	<u>135,310</u>	<u>319,552</u>

4. BALANCES WITH THE SBV

	<u>2008</u> VNDm	<u>2007</u> VNDm
Current account	382,124	388,351

Balances with the State Bank of Vietnam include settlement and clearing deposits and compulsory deposits. Under regulations of the SBV, only compulsory deposits in VND and settlement deposits in foreign currencies bear interests at a rate of 8.50% p.a. and 1.00% p.a., respectively as at 31 December 2008.

Under regulations of the SBV, as at 31 December 2008, the Bank is required to maintain certain cash reserves with the SBV in the form of compulsory deposits, which are computed at 6.00% and 2.00% (as at 31 December 2007: 10.00% and 4.00%) of customer deposits in VND with original terms of less than 12 months and from 12 months to 24 months, respectively; and 7.00% and 3.00% (as at 31 December 2007: 10.00% and 4.00%) of customer deposits in foreign currencies with original maturities of less than 12 months and from 12 months to 24 months, respectively. Accordingly, the average balances of compulsory deposits in VND and foreign currencies for December 2008 were VNDm 180,673 and US\$ 1,324,855.

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

5. DEPOSITS WITH OTHER CREDIT INSTITUTIONS

	<u>2008</u> VNDm	<u>2007</u> VNDm
Demand deposits at other credit institutions (Note 5.1)	61,043	114,928
Term deposits at other credit institutions (Note 5.2)	1,878,712	1,594,599
	<u>1,939,755</u>	<u>1,709,527</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

5. DEPOSITS WITH OTHER CREDIT INSTITUTIONS (continued)

5.1 Demand deposits at other credit institutions

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Demand deposits in VND at local credit institutions	9,360	18,905
Demand deposits in FC at local credit institutions	24,485	81,054
Demand deposits in FC at foreign credit institutions	27,198	14,969
	61,043	114,928

5.2 Term deposits at other credit institutions

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Term deposits with other credit institutions of less than 3 months		
Term deposits in VND at local credit institutions	1,395,000	1,217,000
Term deposits in FC at local credit institutions	-	43,509
Term deposits in FC at foreign credit institutions	-	12,890
Term deposits in gold at local credit institutions	79,740	-
Included in cash and cash equivalents (Note 33)	1,474,740	1,273,399
Term deposits with other credit institutions of more than 3 months		
Term deposits in VND at local credit institutions	341,952	321,200
Term deposits in gold at local credit institutions	62,020	-
	403,972	321,200
	1,878,712	1,594,599

Year-end interest rates of term deposits with other credit institutions were as follows:

	<i>2008</i> <i>Per annum</i>	<i>2007</i> <i>Per annum</i>
Term deposits in VND at local credit institutions	from 4.70% to 18.00%	from 7.10% to 12.00%
Term deposits in FC at local credit institutions	none	5.67%
Term deposits in FC at foreign credit institutions	none	from 5.20% to 5.30%
Term deposits in gold at local credit institutions	from 5.00% to 5.80%	none

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

6. LOANS AND ADVANCES TO CUSTOMERS

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Loans to local economic entities and individuals	5,703,081	6,453,890
Loans for discounted commercial notes and valuable papers	472,323	2,458,476
	<u>6,175,404</u>	<u>8,912,366</u>

Year-end interest rates of loans and advances to customers were as follows:

	<i>2008</i> <i>Per annum</i>	<i>2007</i> <i>Per annum</i>
Loans denominated in VND	from 11.55% to 12.75%	from 10.80% to 15.00%
Loans denominated in FC	from 8.00% to 8.50%	from 4.35% to 7.80%
Loans denominated in gold	from 8.00% to 8.50%	from 4.20% to 7.80%

6.1 Analysis of loan quality

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Standard	5,946,387	8,844,373
Special mention	110,086	40,086
Substandard	51,172	9,841
Doubtful	36,091	8,413
Loss	31,668	9,653
	<u>6,175,404</u>	<u>8,912,366</u>

6.2 Breakdown of loan portfolio by term

Short, medium and long-term loans have term of up to 1 year, 5 years and over 5 years, respectively. Details are described as follows:

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Short-term loans	3,159,593	5,808,469
Medium-term loans	1,586,540	1,757,820
Long-term loans	1,429,271	1,346,077
	<u>6,175,404</u>	<u>8,912,366</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

6.3 Analysis of loan portfolio by type of customer and ownership

	2008		2007	
	VNDm	%	VNDm	%
Loans to individuals	3,550,503	57.49	6,612,165	74.19
Loans to economic entities				
Other joint-stock companies	1,219,548	19.75	668,136	7.50
Limited liability private enterprises	1,121,474	18.16	1,263,619	14.18
Private enterprises	124,421	2.01	145,786	1.64
Central State-owned enterprises	101,130	1.64	35,457	0.40
Local State-owned enterprises	43,773	0.71	37,798	0.42
Limited liability State-owned enterprises	8,244	0.13	8,829	0.10
Joint-stock State-owned enterprises	4,821	0.08	12,048	0.14
Foreign-invested enterprises	1,134	0.02	1,750	0.02
Cooperatives	356	0.01	96,778	1.09
Partnership enterprises	-	-	30,000	0.34
	6,175,404	100.00	8,912,366	100.00

6.4 Analysis of loan portfolio by industry

	2008		2007	
	VNDm	%	VNDm	%
Individuals and public activities	3,564,135	57.73	6,301,050	70.70
Construction	1,283,896	20.79	730,593	8.20
Trading, repair of motor vehicles, motorcycles, personal appliances and household appliances	285,258	4.62	284,797	3.20
Transportation, warehousing and communications	276,711	4.48	183,203	2.06
Household services	213,225	3.45	806,467	9.05
Electricity, gas and water supply/distribution	169,250	2.74	213,347	2.39
Manufacturing and processing	104,478	1.69	129,966	1.46
Agriculture and forestry	81,824	1.32	131,513	1.48
Asset trading activities and services	64,792	1.05	14,396	0.16
Hospitality	45,981	0.74	38,792	0.44
Financial services	28,610	0.46	15,065	0.17
Sport and cultural activities	25,044	0.41	21,934	0.25
Science and technology activities	15,649	0.25	9,078	0.10
Education and training	8,012	0.13	5,274	0.06
Aquaculture	6,402	0.10	9,356	0.10
State governance and national defence:				
Communist Party, unions, social obligations	1,101	0.02	7,748	0.09
Health care and social relief activities	1,036	0.02	7,402	0.08
International activities of organizations and unions	-	-	2,135	0.02
Mining exploration	-	-	250	0.00
	6,175,404	100.00	8,912,366	100.00

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

7. PROVISIONS FOR LOAN LOSSES, CONTINGENT LIABILITIES AND OFF BALANCE SHEET COMMITMENTS

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Provisions for loan losses		
Specific provision	23,325	10,129
General provision	16,737	25,204
	40,062	35,333
General provision for contingent liabilities and off balance sheet commitments	856	3,452
	40,918	38,785

Movements in provision for credit losses in 2008 were as follows:

	<i>Specific provision</i> <i>VNDm</i>	<i>General provision</i> <i>VNDm</i>	<i>Total</i> <i>VNDm</i>
Opening balance	10,129	28,656	38,785
Provisions charged to expenses	14,289	13,692	27,981
Reversal of provisions during the period	(1,093)	(24,755)	(25,848)
Balance as at 30 November	23,325	17,593	40,918
Bad loans written-off in December	-	-	-
Closing balance	23,325	17,593	40,918

Movements in provision for credit losses in prior year were as follows:

	<i>Specific provision</i> <i>VNDm</i>	<i>General provision</i> <i>VNDm</i>	<i>Total</i> <i>VNDm</i>
Opening balance	3,426	16,045	19,471
Provisions made for the period	19,849	28,998	48,847
Reversal of provisions during the period	(13,582)	(16,387)	(29,969)
Foreign exchange difference	436	-	436
Balance as at 30 November	10,129	28,656	38,785
Bad loans written-off in December	-	-	-
Closing balance	10,129	28,656	38,785

The Bank has classified its loans and advances to customers in accordance with Decision No. 493/2005/QD-NHNN, Decision No. 18/2007/QD-NHNN and its Policy on Loan Classification and Loan Loss Provisions. According to Decision No. 493/2005/QD-NHNN, provision for credit losses as at 31 December 2008 were made based on the classification of outstanding loan balances and the guarantees in off balance sheet items as at 30 November 2008.

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

7. PROVISIONS FOR LOAN LOSSES, CONTINGENT LIABILITIES AND OFF BALANCE SHEET COMMITMENTS (continued)

The breakdown of loan classification and provision as required by Decision No. 493 and its own policy as at 30 November 2008 was as follows:

	<i>As at 30 November 2008 VNDm</i>	<i>Specific provision VNDm</i>	<i>General provision VNDm</i>	<i>Total VNDm</i>
Loan balance				
Current (*)	5,467,646	-	40,306	40,306
Special mention	118,875	1,759	892	2,651
Substandard	46,001	2,478	345	2,823
Doubtful	39,846	6,582	299	6,881
Loss	24,725	12,506	-	12,506
	<u>5,697,093</u>	<u>23,325</u>	<u>41,842</u>	<u>65,167</u>
Off balance sheet commitments	<u>285,142</u>	-	<u>2,139</u>	<u>2,139</u>
		<u>23,325</u>	<u>43,981</u>	<u>67,306</u>

(*): in which mandate loans are amounting to 93,430 million Vietnam dong. Mandate financial institution bears risks for these loans.

Status of provision for credit losses as at 30 November 2008 was as follows:

	<i>Specific provision VNDm</i>	<i>General provision VNDm</i>	<i>Total VNDm</i>
Provision required by SBV Decision No. 493	23,325	43,981	67,306
Provision recorded by the Bank	<u>23,325</u>	<u>17,593</u>	<u>40,918</u>
Shortage amount of provision	<u>-</u>	<u>26,388</u>	<u>26,388</u>

In 2008, the Bank has fully made specific provision for credit losses. General provision was not made adequately by VNDm 26,388 as at 30 November 2008. However, Decision No. 493 permits the Bank make adequate general provision for credit losses within five (5) years from the effective date of this Decision (May 2005).

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

8. INVESTMENT SECURITIES

	<u>2008</u> <u>VNDm</u>	<u>2007</u> <u>VNDm</u>
Available-for-sale securities (<i>Note 8.1</i>)		
Equity securities issued by other local economic entities	30,150	30,150
Held-to-maturity securities (<i>Note 8.2</i>)		
Government securities	143,539	145,849
Debt securities issued by other local credit institutions	100,000	1,280,000
	<u>243,539</u>	<u>1,425,849</u>
Provision for impairment of available-for-sale securities (<i>Note 8.1</i>)	<u>(23,220)</u>	<u>(5,400)</u>
	<u>250,469</u>	<u>1,450,599</u>

8.1 Available-for-sale securities

Breakdown of available-for-sale investments as at 31 December was as follows:

	<u>2008</u> <u>VNDm</u>		<u>2007</u> <u>VNDm</u>	
	<u>Face</u> <u>value</u>	<u>Carrying</u> <u>value</u>	<u>Face</u> <u>value</u>	<u>Carrying</u> <u>value</u>
Vietnam Securities Investment Fund	<u>9,000</u>	<u>30,150</u>	<u>9,000</u>	<u>30,150</u>

Breakdown of provision for impairment of available-for-sale securities as at 31 December was as follows:

	<u>2008</u> <u>VNDm</u>	<u>2007</u> <u>VNDm</u>
Opening balance	5,400	-
Provisions made for the period	17,820	5,400
Reversal of provisions during the period	-	-
Closing balance	<u>23,220</u>	<u>5,400</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

8. INVESTMENT SECURITIES (continued)

8.2 Held-to-maturity securities

	2008 VNDm		2007 VNDm	
	Face value	Carrying value	Face value	Carrying value
Government notes and bonds	143,439	143,439	145,647	145,647
Certificates of deposits issued by other local credit institutions	100,000	100,000	1,280,000	1,280,000
Educational bonds	100	100	202	202
	243,539	243,539	1,425,849	1,425,849

Certificates of deposits issued by other local credit institutions include certificates of deposits from Vietnam Technological and Commercial Joint-stock Bank (Techcombank) with term of 5 years and interest rate at 8.60% per annum (2007: from 8.40% to 9.52% per annum).

Government notes and bonds issued by the State Treasury have term of 5 years and bear interest rates ranging from 8.45% to 8.75% per annum (2007: from 8.45% to 8.75% per annum). Interest is payable annually.

Educational bonds of the Government have term of 5 years and bear interest rate at 8.20% per annum (2007: from 8.00% to 8.20% per annum). Interest is payable on maturity date.

The Bank has intention to hold these securities until maturity.

9. OTHER LONG-TERM INVESTMENTS

Breakdown of the Bank's other long-term investments as at 31 December 2008 was as follows:

	2008 VNDm	2007 VNDm
Unlisted shares in credit institutions held by the Bank (Note 9.1)	114,542	3,793
Other long-term investments (Note 9.2)	139,552	125,136
	254,094	128,929
Provision for impairment of unlisted shares in credit institutions held by the Bank (Note 9.1)	(943)	-
	253,151	128,929

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

9. OTHER LONG-TERM INVESTMENTS (continued)

9.1 Unlisted shares in other credit institutions

	2008 VNDm	2007 VNDm
Unlisted shares in other credit institutions	114,542	3,793
Provision for impairment of unlisted shares in other credit institutions (*)	(943)	-
	113,599	3,793

(*): A provision for the diminution in value of securities has not been fully created in respect of investments in unlisted shares from credit institutions as at 31 December 2008, due to lack of reliable information about reference market price of these shares as well as an internal banking system to determine the fair value of these shares.

9.2 Other long-term investments

	2008 VNDm			2007 VNDm		
	Face value	Carrying value	% owned by the Bank	Face value	Carrying value	% owned by the Bank
HDBank JSC	33,000	33,000	11.00%	660	660	11.00%
VietJet Airline JSC	30,000	30,000	5.00%	30,000	30,000	5.00%
Chanh Phu Hoa Construction Investment JSC	17,050	17,050	7.75%	13,200	13,200	11.00%
Ho Chi Minh City Securities JSC	13,355	30,952	3.38%	12,156	22,801	6.08%
3D JSC	12,000	13,000	10.00%	9,000	9,800	9.00%
Vinh Tuong Industrial JSC	7,000	7,000	7.61%	7,000	7,000	7.60%
North-Central-South Housing Development JSC	4,400	4,400	8.80%	4,400	4,400	8.80%
Banking Card and Credit JSC	2,000	2,000	4.00%	2,000	2,000	4.00%
Vietnam Investment and Gold Trading JSC	1,500	1,500	1.50%	-	-	-
Small & medium enterprise Guarantee Fund	500	500	1.00%	500	500	1.00%
Banking Training Co Ltd	150	150	5.15%	150	150	5.15%
Vietnam Investment Fund	-	-	-	24,000	24,000	5.22%
Duc Hoa III Residential and Industrial Zone JSC	-	-	-	10,625	10,625	10.60%
	120,955	139,552		113,691	125,136	

Other long-term investments represent investments in equity securities in which the Bank is represented by its members of the Board of Management or of the Board of Supervisors in an entity invested at the rate of less than 20% of voting rights, and investments in unlisted shares from credit institutions.

A provision for other long-term investments is created in case any entity being invested by the Bank is in a loss position (except for losses as identified in the business projects prior to investment) in accordance with Circular No. 13/2006/TT-BTC dated 27 February 2006 by the Ministry of Finance.

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

10. FIXED ASSETS

10.1 Tangible fixed assets

Movements in tangible fixed assets for the year ended 31 December 2008 were as follows:

	<i>Buildings and structure</i> VNDm	<i>Machines and equipment</i> VNDm	<i>Transport ation vehicles</i> VNDm	<i>Office equipment</i> VNDm	<i>Other fixed assets</i> VNDm	<i>Total</i> VNDm
Cost						
Opening balance	41,698	3,581	10,820	8,262	265	64,626
Additions during the period	61,626	1,757	11,320	6,104	312	81,119
Disposals	<u>(50)</u>	<u>(72)</u>	<u>(1,019)</u>	<u>(111)</u>	<u>-</u>	<u>(1,252)</u>
Closing balance	<u>103,274</u>	<u>5,266</u>	<u>21,121</u>	<u>14,255</u>	<u>577</u>	<u>144,493</u>
Accumulated depreciation						
Opening balance	4,434	1,199	2,535	2,951	55	11,174
Charge for the period	1,569	562	1,920	2,697	79	6,827
Disposals	<u>(40)</u>	<u>(62)</u>	<u>(875)</u>	<u>(100)</u>	<u>-</u>	<u>(1,077)</u>
Closing balance	<u>5,963</u>	<u>1,699</u>	<u>3,580</u>	<u>5,548</u>	<u>134</u>	<u>16,924</u>
Net book value						
Opening balance	<u>37,264</u>	<u>2,382</u>	<u>8,285</u>	<u>5,311</u>	<u>210</u>	<u>53,452</u>
Closing balance	<u>97,311</u>	<u>3,567</u>	<u>17,541</u>	<u>8,707</u>	<u>443</u>	<u>127,569</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

10. FIXED ASSETS (continued)

10.1 Tangible fixed assets (continued)

Movements in tangible fixed assets for the year ended 31 December 2007 were as follows:

	<i>Buildings and structure VNDm</i>	<i>Machines and equipment VNDm</i>	<i>Transportation vehicles VNDm</i>	<i>Office equipment VNDm</i>	<i>Other fixed assets VNDm</i>	<i>Total VNDm</i>
Cost						
Opening balance	40,490	2,433	6,010	4,707	99	53,739
Additions during the period	1,208	1,162	4,810	3,612	177	10,969
Disposals	-	(14)	-	(57)	(11)	(82)
Closing balance	<u>41,698</u>	<u>3,581</u>	<u>10,820</u>	<u>8,262</u>	<u>265</u>	<u>64,626</u>
Accumulated depreciation						
Opening balance	3,258	907	1,587	1,565	45	7,362
Charge for the period	1,176	306	948	1,427	17	3,874
Disposals	-	(14)	-	(41)	(7)	(62)
Closing balance	<u>4,434</u>	<u>1,199</u>	<u>2,535</u>	<u>2,951</u>	<u>55</u>	<u>11,174</u>
Net book value						
Opening balance	<u>37,232</u>	<u>1,526</u>	<u>4,423</u>	<u>3,142</u>	<u>54</u>	<u>46,377</u>
Closing balance	<u>37,264</u>	<u>2,382</u>	<u>8,285</u>	<u>5,311</u>	<u>210</u>	<u>53,452</u>

Other information on tangible fixed assets

	<u>2008 VNDm</u>	<u>2007 VNDm</u>
Cost of tangible fixed assets fully depreciated but still in use	<u>2,116</u>	<u>2,060</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

10. FIXED ASSETS (continued)

10.2 Intangible fixed assets

Movements in intangible fixed assets for the year ended 31 December 2008 were as follows:

	<i>Land use rights VNDm</i>	<i>Accounting software VNDm</i>	<i>Total VNDm</i>
Cost			
Opening balance	12,212	1,102	13,314
Additions during the period	9,369	863	10,232
Closing balance	<u>21,581</u>	<u>1,965</u>	<u>23,546</u>
Accumulated amortization			
Opening balance	-	312	312
Charge for the period	-	314	314
Closing balance	<u>-</u>	<u>626</u>	<u>626</u>
Net book value			
Opening balance	<u>12,212</u>	<u>. 790</u>	<u>13,002</u>
Closing balance	<u>21,581</u>	<u>1,339</u>	<u>22,920</u>

Movements in intangible fixed assets for the year ended 31 December 2007 were as follows:

	<i>Land use rights VNDm</i>	<i>Accounting software VNDm</i>	<i>Total VNDm</i>
Cost			
Opening balance	8,625	649	9,274
Additions during the period	3,587	453	4,040
Closing balance	<u>12,212</u>	<u>1,102</u>	<u>13,314</u>
Accumulated amortization			
Opening balance	-	90	90
Charge for the period	-	222	222
Closing balance	<u>-</u>	<u>312</u>	<u>312</u>
Net book value			
Opening balance	<u>8,625</u>	<u>559</u>	<u>9,184</u>
Closing balance	<u>12,212</u>	<u>790</u>	<u>13,002</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

11. CONSTRUCTION IN PROGRESS (“CIP”)

	<u>2008</u> VNDm	<u>2007</u> VNDm
Pham Ngoc Thach	6,586	3,024
Tam Binh Branch – Thu Duc	6,561	141
Head Office	3,575	-
Binh Duong Avenue	1,479	-
Trieu Nu Vuong – Danang	477	477
Hai Chau Branch	193	-
Le Duan Transaction Office – Da Nang	-	270
Hai Thuong Lan Ong	-	993
Danang Branch	-	586
Long Hau Transaction Office	-	250
Phu My Hung Branch	-	237
Ngo Gia Tu Transaction Office	-	230
Purchases of fixed assets (*)	198,017	40,704
Overhauls of fixed assets (**)	1,155	-
	<u>218,043</u>	<u>46,912</u>

(*): This represents advances for purchases of fixed assets as follows:

	<u>2008</u> VNDm	<u>2007</u> VNDm
Purchases of houses and offices	127,863	5,716
Fixed assets acquired for in progress implementation of the core banking system	69,166	33,514
Purchases of other assets	988	1,474
	<u>198,017</u>	<u>40,704</u>

(**): This represents advances for overhauls of fixed assets as follows:

	<u>2008</u> VNDm	<u>2007</u> VNDm
Overhauls of houses	806	-
Overhauls of other assets	349	-
	<u>1,155</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

12. ACCRUED INTEREST AND FEES RECEIVABLE

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Accrued interest receivable on deposits in VND	9,991	23,510
Accrued interest receivable on deposits in FC, gold	507	1,107
Accrued interest receivable from held-to-maturity securities	15,536	93,449
Accrued interest receivable on borrowings in VND	37,196	87,916
Accrued interest receivable on borrowings in FC, gold	4,289	2,887
Accrued interest receivable on forward contracts	-	15
	<u>67,519</u>	<u>208,884</u>

13. OTHER ASSETS

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Deferred expenses (*)	10,814	10,693
Advances for operations	4,182	3,075
Deposits, mortgage and pledge	3,985	9,929
Foreclosed assets awaiting for resolution (**)	3,783	-
Deposits for purchases of shares and bonds	-	601,400
Dividend receivable from capital contributions and share purchases	-	700
Other assets	2,541	514
	<u>25,305</u>	<u>626,311</u>

(*): Deferred expenses include advertise fee, payments to acquire tools and supplies, repair costs of fixed assets, prepayments of office rental and leased lines.

(**): These were placed as collateral for two credit agreements with Da Nang Branch under which the Customers became insolvent. The Bank obtained the ownership of these assets as at 31 December 2008.

14. BORROWINGS FROM THE GOVERNMENT AND STATE BANK OF VIETNAM

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Asian Development Bank (*)	4,754	791
Japan Bank of International Cooperation (**)	92,866	-
	<u>97,620</u>	<u>791</u>

(*) These borrowings under the Credit Financing Project funded by Asia Development Bank through the State Bank of Vietnam ("SBV"). According to the agreement dated 16 January 2006 and its amendment dated 24 November 2006 signed with the SBV, total borrowings amount to VNDm 30,000 and have a term of 20 years from 6 January 2004 and bear interest rate which is equivalent to the average interest rates of all types of term deposits in the banking system at end of each quarter.

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

14. BORROWINGS FROM THE GOVERNMENT AND STATE BANK OF VIETNAM (continued)

(**) These borrowings represent borrowings under the Credit Financing for Small and Medium Enterprises Project – Phase II funded by Japan Bank of International Cooperation (JBIC) through the State Bank of Vietnam (“SBV”). According to the agreement dated 1 November 2007, the Bank obtained these loans to support qualified enterprises which adapt criterion of the project.

15. DEPOSITS FROM OTHER CREDIT INSTITUTIONS

	<u>2008</u> VNDm	<u>2007</u> VNDm
Demand deposits from other credit institutions (Note 15.1)	5,883	869
Term deposits from other credit institutions (Note 15.2)	<u>2,066,966</u>	<u>8,153,274</u>
	<u>2,072,849</u>	<u>8,154,143</u>
15.1 Demand deposits from other credit institutions		
	<u>2008</u> VNDm	<u>2007</u> VNDm
Demand deposits from local credit institutions in VND	527	33
Demand deposits from local credit institutions in FC	<u>5,356</u>	<u>836</u>
	<u>5,883</u>	<u>869</u>
15.2 Term deposits from other credit institutions		
	<u>2008</u> VNDm	<u>2007</u> VNDm
Term deposits of less than 3 months by other credit institutions		
Term deposits in VND by local credit institutions	1,872,000	6,080,500
Term deposits in FC by local credit institutions	<u>25,466</u>	<u>223,084</u>
	<u>1,897,466</u>	<u>6,303,584</u>
Term deposits of more than 3 months by other credit institutions		
Term deposits in VND by local credit institutions	169,500	1,665,000
Term deposits in FC by local credit institutions	<u>-</u>	<u>184,690</u>
	<u>169,500</u>	<u>1,849,690</u>
	<u>2,066,966</u>	<u>8,153,274</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

15. DEPOSITS FROM OTHER CREDIT INSTITUTIONS (continued)

15.2 Term deposits from other credit institutions (continued)

Interest rates of term deposits at year-end were as follows:

	<i>2008</i> <i>Per annum</i>	<i>2007</i> <i>Per annum</i>
Term deposits in VND by local credit institutions	from 4.40% to 17.50%	from 7.00% to 11.64%
Term deposits in FC by local credit institutions	2.30% from 4.50% to 5.50%	

16. CUSTOMER DEPOSITS AND OTHER AMOUNTS DUE TO CUSTOMERS

16.1 Breakdown by type of deposits

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Demand deposits		
Demand deposits in VND	655,211	642,924
Demand savings in VND	9,703	22,088
Demand deposits in FC	15,813	36,850
Demand savings in FC	1,074	9,105
Term deposits		
Term deposits in VND	1,481,047	1,240,369
Term savings in VND	1,473,997	1,106,275
Term deposits in FC	6,380	-
Term savings in FC	262,501	67,710
Margin deposits		
Margin deposits in VND	22,421	24,679
Margin deposits in FC	9,402	41,133
Other amounts owing to customers		
Other saving deposits	355,210	227,337
Capital accounts in VND	18,348	121,425
Capital accounts in FC	25,776	-
	<u>4,336,883</u>	<u>3,539,895</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

16. CUSTOMER DEPOSITS AND OTHER AMOUNTS DUE TO CUSTOMERS (continued)

Interest rates at year-end applicable to customer deposits were as follows:

	<u>2008</u> <i>Per annum</i>	<u>2007</u> <i>Per annum</i>
Demand deposits in VND	maximum to 3.60%	maximum to 3.00%
Demand savings in VND	maximum to 3.60%	maximum to 3.00%
Demand deposits in FC	from 0.50% to 1.50%	from 1.00% to 1.60%
Demand savings in FC	from 0.50% to 1.50%	from 1.00% to 1.60%
Term deposits in VND	from 5.50% to 9.00%	from 6.00% to 9.70%
Term savings in VND	from 5.50% to 9.00%	from 7.44% to 9.72%
Term deposits in FC	from 2.50% to 3.70%	from 1.20% to 4.90%
Term savings in FC	from 3.00% to 4.20%	from 4.00% to 5.50%

In case customers withdraw before maturity day of deposits in VND and foreign currencies, non-term interest rate shall be applied if less than 1 month and 70% of term interest rate shall be applied for actual days if over 1 month.

16.2 Breakdown by customer and type of business

	<u>2008</u> <i>VNDm</i>	<u>2007</u> <i>VNDm</i>
Deposits from individuals	2,107,961	1,434,323
Deposits from economic entities		
Private and other enterprises	1,907,423	1,652,360
State-owned enterprises	310,847	444,744
Foreign-invested enterprises	10,652	8,468
	<u>4,336,883</u>	<u>3,539,895</u>

17. VALUABLE PAPERS ISSUED BY THE BANK

	<u>2008</u> <i>VNDm</i>	<u>2007</u> <i>VNDm</i>
Certificates of deposits with term		
Under 12 months	1,157,421	686,604
From 12 months to 2 years	107,440	74,182
	<u>1,264,861</u>	<u>760,786</u>

Certificates of deposits issued by the Bank comprised of certificates of deposits denominated in VND, FC and gold with term from 1 month to 2 years. Interest is payable at maturity for deposits with term from 1 to 3 months and quarterly for deposits of 6 months and above.

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

17. VALUABLE PAPERS ISSUED BY THE BANK (continued)

Interest rates at year-end applicable to customer deposits were as follows:

	<u>2008</u> <i>Per annum</i>	<u>2007</u> <i>Per annum</i>
Certificates of deposits in VND	from 9.90% to 11.96%	-
Certificates of deposits in FC	from 3.50% to 5.95%	-
Certificates of deposits in gold	from 2.00% to 4.60%	from 1.80% to 2.40%

No interest rate shall be applied in case customers withdraw before maturity date of certificates of deposits in gold.

18. ACCRUED INTEREST AND FEES PAYABLE

	<u>2008</u> <i>VNDm</i>	<u>2007</u> <i>VNDm</i>
Accrued interest payables of saving deposits in VND	35,138	22,779
Accrued interest payables of deposits in VND	22,147	106,092
Accrued interest payables of valuable papers in VND	15,986	-
Accrued interest payables of valuable papers in gold	4,119	1,381
Accrued interest payables of saving deposits in FC	1,759	725
Accrued interest payables of loans in VND	1,177	1
Accrued interest payables of deposits in FC	69	2,764
	<u>80,395</u>	<u>133,742</u>

19. OTHER PAYABLES AND LIABILITIES

	<u>2008</u> <i>VNDm</i>	<u>2007</u> <i>VNDm</i>
Corporate income tax payable (Note 20)	11,254	14,998
Withholding and outstanding payables	10,726	79,948
Provision for severance allowance	2,409	237
Dividend payable	765	50,289
Payables to employees	302	932
Remittances payable	253	1,725
Other taxes payable (Note 20)	141	592
Interest received in advance	37	4,109
Deposits for purchase of shares of the Bank	7	332,256
Interest on deposits for purchase of shares of the Bank	1	2,101
Settlements with other credit institutions	-	221
Other payables	5,967	1,601
	<u>31,862</u>	<u>489,009</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

20. STATUTORY OBLIGATIONS

	Opening balance VNDm	Amounts incurred during the period		Closing balance VNDm
		Payable VNDm	Paid VNDm	
Value added tax ("VAT")	285	3,352	3,662	(25)
VAT on services	144	1,361	1,540	(35)
VAT on foreign exchange	141	1,991	2,122	10
Corporate income tax	14,998	20,741	24,485	11,254
Other taxes	307	2,804	2,945	166
Personal income tax	309	2,152	2,295	166
Licence tax	(2)	35	33	-
Foreign contractors' tax	-	617	617	-
	15,590	26,897	31,092	11,395

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

20.1 Current corporate income tax

The Bank has the obligation to pay corporate income tax ("CIT") at a rate of 28% of taxable profit.

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years due to the difference between accounting and tax regulations and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

	2008 VNDm	2007 VNDm
Profit before tax	80,275	167,555
<i>Less:</i>		
Non-taxable dividend income	(9,084)	(2,663)
<i>Plus:</i>		
Provision for severance allowance	1,641	-
Non-deductible expenses	1,244	1,488
Taxable profit of the Bank	74,076	166,380
CIT expense for the period	20,741	46,586
CIT payable at beginning of the period	14,998	9,476
CIT paid during the period	(24,485)	(41,064)
CIT payable at the end of the period	11,254	14,998

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2008

20. STATUTORY OBLIGATIONS (continued)

20.2 Deferred income tax

The following is the major deferred income tax recognised by the Bank, and the movements thereon, during the current and prior reporting year:

	<i>Balance sheet</i>		<i>Income statement</i>	
	<i>Opening balance VNDm</i>	<i>Closing balance VNDm</i>	<i>Current year VNDm</i>	<i>Prior year VNDm</i>
Provision for severance allowance	-	410	410	-
Deferred income tax benefit			410	-

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

21. CAPITAL AND RESERVES

21.1 Statement of changes in capital and reserves

Changes in capital and reserves of the Bank in 2008 are described in the following table:

	Share capital VNDm	Share premium VNDm	Financial reserve VNDm	Supplementary capital reserve VNDm	Bonus and welfare fund VNDm	Dividend reserve VNDm	BOM and BOD's fund VNDm	Retained earnings VNDm	Total VNDm
Opening balance	500,000	119,777	13,224	7,144	2,106	7,338	176	90,969	740,734
Increase during the period									
Proceeds from share issues	881,785	4,043	-	-	-	-	-	-	885,828
Share premium transferred to equity	119,777	(119,777)	-	-	-	-	-	-	-
Reversal of 2006 proposed dividends	-	-	-	-	-	-	-	48,438	48,438
Retained earnings transferred to equity	48,438	-	-	-	-	-	-	(48,438)	-
Net profit for the period	-	-	-	-	-	-	-	59,944	59,944
Decrease during the period									
Create reserves for the prior period	-	-	11,463	6,033	10,319	10,854	2,000	(40,669)	-
Utilization during the period	-	-	-	-	(9,877)	-	(2,176)	(300)	(12,353)
Cash dividends	-	-	-	-	-	-	-	(50,000)	(50,000)
Closing balance	1,550,000	4,043	24,687	13,177	2,548	18,192	-	59,944	1,672,591

The Bank has not yet created statutory reserves from net profit after tax for the year 2008. The statutory reserves shall be made in accordance with the approval by the shareholders at the Annual General Meeting of Shareholders of the Bank.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

21. CAPITAL AND RESERVES (continued)

21.1 Statement of changes in capital and reserves (continued)

Changes in capital and reserves of the Bank in 2007 are described in the following table:

	Share capital VNDm	Share premium VNDm	Financial reserve VNDm	Supplementary capital reserve VNDm	Bonus and welfare fund VNDm	Dividend reserve VNDm	BOM and BOD's fund VNDm	Retained earnings VNDm	Total VNDm
Opening balance	500,000	119,777	6,776	3,750	832	4,544	75	67,878	703,632
Increase during the period	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	120,969	120,969
Decrease during the year	-	-	-	-	-	-	-	-	-
Create reserves for the prior period	-	-	6,448	3,394	5,804	2,794	1,000	(19,440)	-
Dividends paid out for prior period	-	-	-	-	-	-	-	(48,438)	(48,438)
Dividends paid out for current period	-	-	-	-	-	-	-	(30,000)	(30,000)
Utilization during the period	-	-	-	-	(4,530)	-	(899)	-	(5,429)
Closing balance	500,000	119,777	13,224	7,144	2,106	7,338	176	90,969	740,374

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

21. CAPITAL AND RESERVES (continued)

21.1 Statement of changes in capital and reserves (continued)

In 2008, the Bank's chartered capital increased from VND 500 billion to VND 1,550 billion by proceeds from share issues and distribution of dividends and share premium in accordance with Official Letter No. 931/NHNN-HCM.02 dated 25 June 2007 and Official Letter No. 1682/NHNN-HCM.02 dated 25 September 2008 by the State Bank of Vietnam.

Details of the Bank's share capital were as follows:

	2008 VNDm		2007 VNDm	
	Total	Ordinary shares	Total	Ordinary shares
Contributed capital	1,550,000	1,550,000	500,000	500,000
Share premium	4,043	4,043	119,777	119,777
	1,554,043	1,554,043	619,777	619,777

Details of the Bank's shares were as follows:

	2008 One unit	2007 One unit
Number of authorized shares	155,000,000	50,000,000
Number of issued shares	155,000,000	50,000,000
<i>Ordinary shares</i>	155,000,000	50,000,000
Number of outstanding shares	155,000,000	50,000,000
<i>Ordinary shares</i>	155,000,000	50,000,000
Par value of outstanding shares (VND)	10,000	10,000

21.2 Statutory reserves

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

	Annual allocation from net profit after tax	Maximum balance
Supplementary capital reserve	5% of net profit after tax	Chartered capital

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

21. CAPITAL AND RESERVES (continued)

21.2 Statutory reserves (continued)

The following reserves are calculated based on net profit after tax and after making the supplementary capital reserve, i.e. the remaining profit:

	<i>Annual allocation from net profit after tax</i>	<i>Maximum balance</i>
Financial risk reserve	10% of remaining profit	25% chartered capital
Welfare and bonus fund	Subject to resolution of the Board of Management of the Bank	Not applicable
Other funds	Subject to resolution of the Board of Management of the Bank	Not applicable

The utilization of these reserves is made in accordance with Decree No. 146/2005/ND-CP.

22. BASIC EARNINGS PER SHARE

Earning per shares is calculated by net profit distributed to shareholders of the Bank divided by weighted average number of outstanding ordinary shares in the year. Details of earning per share of the Bank were as follows:

	<u>2008</u>	<u>2007</u>
Profit available for appropriation (VNDm)	59,944	120,969
Net profit distributable to shareholders (VNDm)	59,944	120,969
Weighted average number of outstanding ordinary shares (million shares)	101	50
Basic earnings per share (VND), (face value of VND 10,000 per share)	<u>594</u>	<u>2,419</u>

Net profit attributable to the Bank's ordinary shareholders used to calculate basic earnings per share represents profit after tax, which includes amounts used to create reserves according to the Bank's regulations and policies as presented in Note 21.2.

23. DIVIDENDS

As at 16 January 2009, the Board of Management of the Bank approved the 2008 dividend advance plan at the rate of 6% of share capital based on the actual holding period. Accordingly, dividend payment started on 21 January 2009.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

24. INTEREST AND SIMILAR INCOME

	2008 VNDm	2007 VNDm
Interest income from loans	818,936	424,491
Interest income from deposits at other credit institutions	141,358	144,887
Interest income from trading, investing in debt securities	62,626	127,850
Other fees from credit activities	61,954	121
	1,084,874	697,349

25. INTEREST AND SIMILAR EXPENSES

	2008 VNDm	2007 VNDm
Interest expense from customer deposits	854,804	472,193
Interest expense from borrowings	58,699	6,796
Interest expense from valuable papers issued by the Bank	55,941	5,402
Other expense from credit activities	1,235	2,357
	970,679	486,748

26. NET GAIN FROM FEE AND COMMISSION INCOME

	2008 VNDm	2007 VNDm
Service fee and commission income		
Settlement services	7,545	5,244
Consultancy services	1,715	5
Trust investments and agencies	841	965
Discounted fees	65,302	44,806
Guarantee transactions	2,311	1,944
Treasury services	1,072	709
Collection of credit service fees	1,237	1,859
Asset maintenance	1	3
	80,024	55,535
Service fee and commission expenses		
Expense from settlement services	(1,748)	(778)
Expense from consultancy services	(488)	(268)
Expense from trust investments and agencies	(409)	(50)
Postal and telecommunications cost	(2,939)	(770)
Expense from cash protection	(792)	(556)
Expense from cash checking, counting, classification and packaging	(355)	(135)
Expense from cash transport and loading and unloading	(35)	(13)
Brokerage commission	(22)	(46)
Other fees	(390)	(288)
	(7,178)	(2,904)
	72,846	52,631

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

27. NET GAIN FROM DEALINGS IN FOREIGN EXCHANGE

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Gain from dealings in foreign exchange		
Income from gold trading	12,441	3,594
Income from spot foreign exchange	532,833	2,327
Income from derivatives	4,982	196
	550,256	6,117
Loss from dealings in foreign exchange		
Expense from gold trading	(864)	(190)
Expense from spot foreign exchange	(528,846)	(136)
Expense from derivatives	(4,823)	(185)
	(534,533)	(511)
	15,723	5,606

28. NET LOSS FROM DEALINGS IN INVESTMENT SECURITIES

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Income from LILAMA bonds	12,141	-
Provision for impairment of investment securities	(17,820)	(5,400)
	(5,679)	(5,400)

29. NET GAIN FROM DEALINGS IN OTHER LONG-TERM INVESTMENTS

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Income from sale of investment securities	50,000	-
Cost of sold investment securities	(42,625)	-
	7,375	-

30. NET OTHER OPERATING INCOME

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Other operating income		
Gain from disposal of fixed assets	425	-
Other income	599	2,556
	1,024	2,556
Other operating expenses		
Loss from disposal of fixed assets	-	(20)
Other expenses	(165)	(22)
	(165)	(42)
	859	2,514

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

31. GAINS FROM CAPITAL CONTRIBUTIONS AND SHARE PURCHASES

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Equity securities	1,080	900
Capital contribution, long-term investments	5,944	2,663
Bonus shares received	2,060	-
	<u>9,084</u>	<u>3,563</u>

32. OTHER OPERATING EXPENSES

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Office rental	16,703	6,949
Advertising, marketing, promotion and entertainment	8,747	5,332
General and administration expenses	4,958	2,830
Tool and equipment	2,792	2,207
Repair and maintenance	2,770	1,793
Insurance for customer deposits	2,610	1,091
Other taxes and fees	2,551	778
Material and printing	2,018	1,214
Traveling	1,852	1,325
Post and telecommunication	1,446	866
Impairment loss on investment securities	943	-
Insurance of the Bank's assets	453	253
Training	107	584
Other expenses	8,524	5,724
	<u>56,474</u>	<u>30,946</u>

33. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts on the balance sheet:

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
Cash in VND	54,486	24,823
Cash in FC	20,754	10,845
Monetary gold	60,070	283,884
Current account with the SBV	382,124	388,351
Demand deposits with other credit institutions	61,043	114,928
Term deposits with other credit institutions with term of 3 months or less	1,474,740	1,273,399
	<u>2,053,217</u>	<u>2,096,230</u>

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

34. EMPLOYEE BENEFITS

	<u>2008</u>	<u>2007</u>
I. Average number of employees (persons)	783	668
II. Employees' income (VNDm)		
1. Total salary fund	56,181	42,208
2. Lunch allowance	3,755	1,890
3. Total income (1+2)	<u>59,936</u>	<u>44,098</u>
4. Average monthly salary	5.5	4.9
5. Average monthly income	5.9	5.1

35. TYPE AND VALUE OF COLLATERAL ASSETS OF CUSTOMERS

	<u>2008</u> VNDm	<u>2007</u> VNDm
Real estates	9,066,330	9,190,652
Movable assets	4,403,823	565,022
Valuable papers	2,113,916	6,068,086
Other secured assets	921,686	995,244
	<u>16,505,755</u>	<u>16,819,004</u>

36. COMMITMENTS

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

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

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

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

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

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

36. COMMITMENTS (continued)

The Bank requires margin deposits to support credit-related financial instruments when it is deemed necessary. The margin deposit required varies from nil to 100% of the value of a commitment granted, depending on the creditworthiness of clients as assessed by the Bank. The outstanding commitments and contingent liabilities as at 31 December are as follows:

	<i>2008</i> <i>VNDm</i>	<i>2007</i> <i>VNDm</i>
L/Cs		
At sight L/Cs	23,447	174,146
Deferred L/Cs	16,401	115,423
	39,848	289,569
Financial guarantees	129,484	158,389
	169,332	447,958
Less: margin deposits	(22,610)	(57,300)
Commitments	146,722	390,658

37. RELATED PARTY TRANSACTIONS

Related party transactions are the transactions exercised with the Bank's related parties. One party is considered as a related party to the Bank:

- (a) once that party directly, or indirectly controls via one or more intermediary parties if:
- The party controls, is controlled, or is subject to the overall control exerted by the Bank, including parent company, subsidiaries;
 - The party has capital contributed to the Bank and, as a result, exerts its significant influence on the Bank; and
 - The party jointly controls the Bank;
- (b) The related party is a joint venture to which the Bank is a party;
- (c) The related party has members who are key personnel in the Bank's management or in its parent company;
- (d) The related party is a family member of any individual as mentioned in items (a) or (c); and
- (e) The related party is bank that that is directly or indirectly subject to the control, joint control, or is subject to significant influence, or has voting right held by any individual as mentioned in items (c) or (d).

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

37. RELATED PARTY TRANSACTIONS (continued)

Details of receivables and payables with the related parties at 31 December 2008 were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Receivables VNDm</i>	<i>(Payables) VNDm</i>
Saigon Real Estate JSC	Shareholder	Current account	-	(2,356)
		Capital account	-	(1,236)
		Margin deposits	-	(112)
Ho Chi Minh City Development and Investment Fund	Shareholder	Current account	-	(4,684)
Bac Ha Investment JSC	Shareholder	Loans	29,420	-
		Current account	-	(235)
North-Central-South Housing Development JSC	Shareholder	Loans	4,048	-
		Current account	-	(5,715)
Chanh Phu Hoa Construction JSC	Shareholder	Loans	32,218	-
		Current account	-	(25)

Significant transactions with related parties during the year were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>2008 VNDm</i>	<i>2007 VNDm</i>
Saigon Real Estate JSC	Shareholder	Deposits to current account	509	25,737
		Withdrawal from current account	1,100	24,987
		Deposits to capital account	4,895	1
		Withdrawal from capital account	3,664	160
Ho Chi Minh City Development and Investment Fund	Shareholder	Deposits to current account	5,377,885	1,450,566
		Withdrawal from current account	5,423,507	1,403,367
		Deposits to capital account	45	131,894
		Withdrawal from capital account	89,884	42,055
Bac Ha Investment JSC	Shareholder	Deposits to current account	269,172	2,512
		Withdrawal from current account	268,945	2,511
Thu Duc House Development JSCc	Shareholder	Deposits to current account	-	58,695
		Withdrawal from current account	-	59,115
Saigon Trading Company	Shareholder	Deposits to current account	-	30,591
		Withdrawal from current account	-	82,932
Petrol Vietnam Finance Company	Shareholder	Term deposit placement	-	100,000
Housing Development and Trading one-member Limited Liability Company	Shareholder	Deposits to current account	-	379,904
		Withdrawal from current account	-	373,517
		Deposits to capital account	-	56
		Term deposit placement	-	132,000

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

37. RELATED PARTY TRANSACTIONS (continued)

Significant transactions with related parties during the year were as follows (continued):

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>2008 VNDm</i>	<i>2007 VNDm</i>
Ho Chi Minh City Securities JSC	Share purchasing	Deposits to current account	-	2,967,584
		Withdrawal from current account	-	2,937,719
		Deposits to capital account	-	595,565
		Withdrawal from capital account	-	596,051
		Term deposit placement	-	290,000
Duc Hoa III Residential and Industrial Zone JSC	Shareholder	Deposits to current account	-	125,168
		Withdrawal from current account	-	132,284
		Term deposit placement	-	13,000
North-Central-South Housing Development JSC	Shareholder	Deposits to current account	54,611	115,368
		Withdrawal from current account	50,514	115,659
Chanh Phu Hoa Construction JSC	Shareholder	Deposits to current account	21,702	21,574
		Withdrawal from current account	22,992	20,552
		Term deposit placement	25	611
		Withdrawal from term deposit	636	-
Vinh Tuong Industrial JSC	Shareholder	Deposits to current account	-	338,943
		Withdrawal from current account	-	335,555

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>2008 VNDm</i>	<i>2007 VNDm</i>
Ho Chi Minh City Credit Guarantee Fund	Shareholder	Deposits to current account	-	46,356
		Withdrawal from current account	-	45,439
3D JSC	Shareholder	Deposits to current account	-	130,884
		Withdrawal from current account	-	112,623
		Deposits to capital account	-	7
		Withdrawal from capital account	-	257
		Term deposit placement	-	7,071
VIETJET Airline JSC	Shareholder	Deposits to current account	-	281,206
		Withdrawal from current account	-	280,648
		Term deposit placement	-	40,000
HDSReal JSC	Shareholder	Deposits to current account	-	2,026
		Withdrawal from current account	-	55
Pham Van Dau	Head of Planning Department of the Bank	Shares purchasing	32,000	-
		Loan	32,000	-

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

38. MARKET RISKS

38.1 Interest rate risk

Classification of assets and liabilities by changes in interest rate as at 31 December 2008 was as follows:

	Overdue VNDm	Non- interest bearing VNDm	Up to 1 month VNDm	1-3 months VNDm	3-6 months VNDm	6-12 months VNDm	1-5 years VNDm	Above 5 years VNDm	Total VNDm
ASSETS									
Cash, gold	-	135,310	-	-	-	-	-	-	135,310
Balances with the SBV	-	-	382,124	-	-	-	-	-	382,124
Deposits with other credit institutions	-	-	1,434,609	257,939	137,620	50,000	59,587	-	1,939,755
Loans and advances to customers	115,205	-	1,258,822	669,528	419,697	690,682	1,692,489	1,328,981	6,175,404
Investment securities	-	-	-	1,663	-	15,000	257,026	-	273,689
Long-term investments	-	254,094	-	-	-	-	-	-	254,094
Fixed assets	-	150,489	-	-	-	-	-	-	150,489
Other assets	-	311,277	-	-	-	-	-	-	311,277
TOTAL ASSETS	115,205	851,170	3,075,555	929,130	557,317	755,682	2,009,102	1,328,981	9,622,142
LIABILITIES									
Borrowings from the SBV	-	-	1,427,883	475,466	-	169,500	32,057	65,563	97,620
Deposits from credit institutions	-	-	-	-	-	-	-	-	2,072,849
Deposits and other amount due to customers	-	-	2,029,764	658,645	267,682	1,262,184	118,608	-	4,336,883
Valuable papers issued by the Bank	-	-	570,015	510,121	124,208	57,228	3,289	-	1,264,861
Other liabilities	-	113,113	-	-	-	-	-	-	113,113
TOTAL LIABILITIES	-	113,113	4,027,662	1,644,232	391,890	1,488,912	153,954	65,563	7,885,326
Sensitive difference with on-balance-sheet interest rate	115,205	738,057	(952,107)	(715,102)	165,427	(733,230)	1,855,148	1,263,418	1,736,816
Off-balance-sheet commitments affecting sensitive difference with interest rate of assets and liabilities (net)	-	169,332	-	-	-	-	-	-	169,332
Sensitive difference with on and off-balance-sheet interest rate	115,205	907,389	(952,107)	(715,102)	165,427	(733,230)	1,855,148	1,263,418	1,906,148

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

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

38. MARKET RISKS (continued)

38.2 Currency risk

Classification of assets and liabilities denominated in currencies other than VND as at 31 December 2008 was as follows:

	EUR equivalent VNDm	US\$ equivalent VNDm	Gold equivalent VNDm	Other currencies equivalent VNDm	Total VNDm
ASSETS					
Cash, gold	609	20,145	60,070	-	80,824
Balances with the State Bank of Vietnam	-	24,272	-	-	24,272
Deposits with other credit institutions	1,522	50,047	141,760	114	193,443
Loans and advances to customers	883	337,581	564,338	-	902,802
Other assets	6	17,379	2,821	-	20,206
TOTAL	3,020	449,424	768,989	114	1,221,547
LIABILITIES					
Deposits from other credit institutions	-	30,822	-	-	30,822
Deposits and other amounts due to customers	2,651	318,296	-	-	320,947
Valuable papers issued by the Bank	-	89,660	753,903	-	843,563
Other liabilities	7	2,387	14,988	-	17,382
TOTAL	2,658	441,165	768,891	-	1,212,714
Currency position	362	8,259	98	114	8,833
Balance sheet currency position	-	-	-	-	-
Balance sheet, off balance sheet currency position	362	8,259	98	114	8,833

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank was incorporated and operates in Vietnam and uses VND as its reporting currency. The main currency in which the Bank uses is also VND. The exchange rate between VND and US\$ during the year fluctuated within a broad range (at a certain time reached 9%). The Bank's loans and advances to customers were mainly denominated in VND and partly in US\$. However, some of the Bank's other assets are in currencies other than the reporting currency and US\$. The Bank's management has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

38. MARKET RISKS (continued)

38.3 Liquidity risk

Classification of assets and liabilities by remaining maturity duration as at 31 December 2008 was as follows:

	Overdue			Current					Total VNDm
	Over 3 months VNDm	Up to 3 months VNDm	Up to 1 month VNDm	1-3 months VNDm	3-12 months VNDm	1-5 years VNDm	Over 5 years VNDm		
ASSETS									
Cash, gold	-	-	135,310	-	-	-	-	-	135,310
Balances with the State Bank of Vietnam	-	-	382,124	-	-	-	-	-	382,124
Deposits with other credit institutions	-	-	1,434,609	257,939	187,620	59,587	-	-	1,939,755
Loans and advances to customers	54,508	60,697	1,258,822	669,527	1,110,380	1,692,489	1,328,981	-	6,175,404
Investment securities	-	-	-	1,663	15,000	257,026	-	-	273,689
Long-term investments	-	-	-	-	-	254,094	-	-	254,094
Fixed assets	-	-	-	-	-	-	150,489	-	150,489
Other assets	-	-	48,370	1,724	2,115	41,025	218,043	-	311,277
TOTAL ASSETS	54,508	60,697	3,259,235	930,853	1,315,115	2,304,221	1,697,513	9,622,142	
LIABILITIES									
Borrowings from the Government and SBV	-	-	-	-	-	32,057	65,563	-	97,620
Deposits from other credit institutions	-	-	1,427,883	475,466	169,500	-	-	-	2,072,849
Deposits and other amounts due to customers	-	-	2,029,764	658,645	1,529,866	118,608	-	-	4,336,883
Valuable papers issued by the Bank	-	-	570,014	510,121	181,437	3,289	-	-	1,264,861
Other liabilities	-	-	55,361	32,151	22,618	2,983	-	-	113,113
TOTAL LIABILITIES	-	-	4,083,022	1,676,383	1,903,421	156,937	65,563	7,885,326	
NET LIQUIDITY	54,508	60,697	(823,787)	(745,530)	(588,306)	2,147,284	1,631,950	1,736,816	

Note: This represents gross amount which excludes provision for credit losses and impairment of investment securities.

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

38. MARKET RISKS (continued)

38.3 Liquidity risk (continued)

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

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

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

39. CAPITAL EXPENDITURE AND OPERATING LEASE COMMITMENTS

	<u>2008</u> <u>VNDm</u>	<u>2007</u> <u>VNDm</u>
Irrevocable operating leases	56,963	52,981
<i>Of which:</i>		
<i>Due within 1 year</i>	11,312	3,759
<i>Due within 2-5 years</i>	38,882	38,644
<i>Due after 5 years</i>	6,769	10,578

Housing Development Bank

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the financial year ended 31 December 2008

40. SUBSEQUENT EVENTS

There are no significant events happen since the balance sheet date which require adjustments, notes and disclosures in financial statements.

On 16 January 2009, Shareholders meeting has passed the resolution to declare dividends of 2008 which are equivalent to 6% share capital. Dividend payments have been started on 29 January 2009. Up to the time of this audit report prepared, all dividends declared have been fully paid to shareholders.

41. EXCHANGE RATES OF SOME FOREIGN CURRENCIES AGAINST VIETNAMESE DONG AT YEAR-END

	2008 VND	2007 VND
USD	16,977	16,114
EUR	24,435	23,405
JPY	191.7	142
AUD	11,935	14,004
Gold SJC (tael)	17,720,000	16,060,000

42. APPROVAL FOR ISSUANCE OF FINANCIAL STATEMENTS

Financial statements as at and for the financial year ended 31 December 2008 are approved by Deputy General Director for issuance on 26 February 2009 under the Authorisation dated 12 March 2009.

Prepared by:



Ms Trinh Thu Thao
Vice Accounting Manager

Approved by:



Ms Pham Thi My Chi
Chief Accountant and
Deputy General Director

Approved by (*):



Stamp: S.Đ.K.K.D. 0500000000
NGÂN HÀNG
THƯƠNG MẠI CỔ PHẦN
PHÁT TRIỂN NHÀ
TP. HỒ CHÍ MINH
QUẢN LÝ TÀI CHÍNH

Mr. Nguyen Huu Dang
Deputy General Director

(*). According to Authorisation Letter No. 61/2009/QĐ-CTHDQT dated 26 February 2009 by the Chairman of the Bank.

Ho Chi Minh City, Vietnam

12 March 2009