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Reference: 61246289/18233128

## INDEPENDENT AUDITORS' REPORT

To: **China Construction Bank Corporation - Ho Chi Minh City Branch**

We have audited the accompanying financial statements of China Construction Bank Corporation - Ho Chi Minh City Branch ("the Branch") as prepared on 15 March 2017 and set out on pages 5 to 46, which comprise the balance sheet as at 31 December 2016, the income statement and the cash flow statement for the year then ended and the notes thereto.

### *The Board of Management's responsibility*

The Branch's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, relevant regulations stipulated by the State Bank of Vietnam and other statutory requirements relevant to preparation and presentation of the financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Branch's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Branch as at 31 December 2016, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and comply with relevant regulations stipulated by the State Bank of Vietnam and other statutory requirements relevant to preparation and presentation of the financial statements.

### **Other matters**

The financial statements of the Branch for the year then ended 31 December 2015 were audited by another audit firm which expressed an unmodified opinion on those financial statements on 16 March 2016.

The equivalent amounts in millions of Vietnam Dong (VNDm) presented in the accompanying financial statements have been translated on the basis set forth in *Note 2.4* to the financial statements and for purpose of submitting the financial statements to relevant authorities only.



Nguyen Xuan Dai  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 0452-2013-004-1



Nguyen Quoc Tuan  
Auditor  
Audit Practicing Registration  
Certificate No. 1841-2013-004-1

Ho Chi Minh City, Vietnam

15 March 2017

# China Construction Bank Corporation - Ho Chi Minh City Branch

BALANCE SHEET  
as at 31 December 2016

B02/TCTD

	Notes	Ending balance		Beginning balance	
		USD	VNDm equivalent	USD	VNDm equivalent
<b>ASSETS</b>					
<b>Cash</b>	5	410,975	9,107	685,175	14,998
<b>Balances with the State Bank of Vietnam</b>	6	14,758,084	327,024	4,047,788	88,606
<b>Due from other credit institutions</b>	7	206,355,847	4,572,639	122,487,617	2,681,253
Placements with other credit institutions		107,671,300	2,385,888	46,968,547	1,028,141
Loans to other credit institutions		98,684,547	2,186,751	75,519,070	1,653,112
<b>Loans to customers</b>		51,476,249	1,140,662	27,185,167	595,083
Loans to customers	8	51,852,311	1,148,995	27,435,104	600,554
Provision for credit losses	9	(376,062)	(8,333)	(249,937)	(5,471)
<b>Fixed assets</b>		31,033	687	59,359	1,299
Tangible fixed assets	10	31,033	687	59,359	1,299
Cost		1,104,490	24,474	1,104,490	24,177
Accumulated depreciation		(1,073,457)	(23,787)	(1,045,131)	(22,878)
Intangible fixed assets		-	-	-	-
Cost		42,748	947	42,748	936
Accumulated amortization		(42,748)	(947)	(42,748)	(936)
<b>Other assets</b>		1,348,733	29,887	926,278	20,276
Receivables	11.1	73,379	1,626	73,850	1,617
Interest and fees receivable	11.2	1,229,930	27,254	782,655	17,132
Other assets	11.3	45,424	1,007	69,773	1,527
<b>TOTAL ASSETS</b>		<b>274,380,921</b>	<b>6,080,006</b>	<b>155,391,384</b>	<b>3,401,515</b>
<b>LIABILITIES</b>					
<b>Due to other credit institutions</b>	12	188,522,205	4,177,464	60,238,850	1,318,628
Deposits from other credit institutions		118,522,205	2,626,334	60,238,850	1,318,628
Borrowings from other credit institutions		70,000,000	1,551,130	-	-
<b>Customer deposits</b>	13	24,007,700	531,987	33,986,435	743,963
<b>Derivatives</b>		-	-	118,069	2,585
<b>Other liabilities</b>		578,606	12,820	320,241	7,007
Interest and fees payable	14.1	340,373	7,542	8,437	185
Other payables	14.2	238,233	5,278	311,804	6,822
<b>TOTAL LIABILITIES</b>		<b>213,108,511</b>	<b>4,722,271</b>	<b>94,663,595</b>	<b>2,072,183</b>
<b>OWNER'S EQUITY</b>					
<b>Paid-up capital</b>	16	58,119,359	1,287,867	58,119,359	1,272,233
<b>Reserves</b>		933,127	20,677	851,434	18,638
<b>Retained earnings</b>		2,219,924	49,191	1,756,996	38,461
<b>TOTAL OWNER'S EQUITY</b>	17	<b>61,272,410</b>	<b>1,357,735</b>	<b>60,727,789</b>	<b>1,329,332</b>
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>274,380,921</b>	<b>6,080,006</b>	<b>155,391,384</b>	<b>3,401,515</b>

# China Construction Bank Corporation - Ho Chi Minh City Branch

BALANCE SHEET (continued)  
as at 31 December 2016

B02/TCTD

## OFF-BALANCE SHEET ITEMS

Notes	Ending balance		Beginning balance	
	USD	VNDm equivalent	USD	VNDm equivalent
<b>Trade finance commitments</b>	<b>27.1</b>			
- Letters of credit	2,593,550	57,470	-	-
- Other guarantees	3,547,694	78,613	3,114,540	68,177
<b>Other commitments</b>	<b>27.2</b>			
- Swap contract	-	-	3,118,069	68,255
	<b>6,141,244</b>	<b>136,083</b>	<b>6,232,609</b>	<b>136,432</b>

Prepared by:



Ms. Nguyen Thi Ngoc Trinh  
Financial Controller

Reviewed by:



Mr. Wang Zhaoyang  
Chief Accountant

Approved by:



Mr. Huang Guoyong  
General Manager

Ho Chi Minh City, Vietnam

15 March 2017

# China Construction Bank Corporation - Ho Chi Minh City Branch

INCOME STATEMENT  
for the year ended 31 December 2016

B03/TCTD

	Notes	Current year		Previous year	
		USD	VNDm equivalent	USD	VNDm equivalent
Interest and similar income	18	4,829,801	107,024	4,197,226	91,877
Interest and similar expenses	19	(1,154,339)	(25,579)	(432,559)	(9,469)
<b>Net interest and similar income</b>		<b>3,675,462</b>	<b>81,445</b>	<b>3,764,667</b>	<b>82,408</b>
Fee and commission income		94,932	2,104	83,181	1,821
Fee and commission expenses		(57,293)	(1,270)	(54,772)	(1,199)
<b>Net fees and commission income</b>	20	<b>37,639</b>	<b>834</b>	<b>28,409</b>	<b>622</b>
<b>Net gain from foreign currencies trading</b>	21	<b>66,812</b>	<b>1,480</b>	<b>67,098</b>	<b>1,469</b>
Other income		5	-	26	1
Other expenses		(18,930)	(419)	-	-
<b>Net other (expenses)/income</b>	22	<b>(18,925)</b>	<b>(419)</b>	<b>26</b>	<b>1</b>
<b>TOTAL OPERATING INCOME</b>		<b>3,760,988</b>	<b>83,340</b>	<b>3,860,200</b>	<b>84,500</b>
Personnel expenses		(2,147,546)	(47,587)	(2,044,968)	(44,764)
Depreciation expenses		(28,326)	(628)	(114,631)	(2,509)
Other operating expenses		(660,805)	(14,643)	(701,558)	(15,357)
<b>TOTAL OPERATING EXPENSES</b>	23	<b>(2,836,677)</b>	<b>(62,858)</b>	<b>(2,861,157)</b>	<b>(62,630)</b>
<b>Profit before credit loss expense</b>		<b>924,311</b>	<b>20,482</b>	<b>999,043</b>	<b>21,870</b>
Credit loss expense	9	(126,125)	(2,795)	(82,074)	(1,797)
<b>PROFIT BEFORE TAX</b>		<b>798,186</b>	<b>17,687</b>	<b>916,969</b>	<b>20,073</b>
Current corporate income tax expense	15.1	(253,565)	(5,619)	(240,105)	(5,256)
<b>NET PROFIT AFTER TAX</b>		<b>544,621</b>	<b>12,068</b>	<b>676,864</b>	<b>14,817</b>

Prepared by:



Ms. Nguyen Thi Ngoc Trinh  
Financial Controller

Reviewed by:



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Chief Accountant

Approved by:



Mr. Huang Guoyong  
General Manager

Ho Chi Minh City, Vietnam

15 March 2017