NGÂN HÀNG QUÂN ĐỘI

Số/No: 1935/MB - HS

V/v: công bố thông tin báo cáo tài chính riêng lẻ và hợp nhất quý I năm 2019

Re: disclosure of information of Separated & Consolidated Financial Statements for first quarter of 2019

CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập - Tự do - Hạnh phúc

THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

Hà Nội, ngày 19 tháng 4 năm 2019

Ha Noi, 19 April 2019

Kính gửi/*To*:

- Ngân hàng Nhà nước Việt Nam
The State Bank of Vietnam
- Ủy ban Chứng khoán Nhà nước
The State Securities Commission;
- Sở giao dịch chứng khoán Thành phố Hồ Chí Minh
Hochiminh Stock Exchange;
- Sở giao dịch chứng khoán Thành phố Hà Nội;
Hanoi Stock Exchange;

Công ty/*Company*:	Ngân hàng TMCP Quân đội / *Military Commercial Joint Stock Bank*	
Mã chứng khoán/ *Securities symbol*	MBB	
Địa chỉ trụ sở chính/ *Head office address*	Số 21 Cát Linh, Đống Đa, Hà Nội *No 21 Cat Linh, Dong Da District, Ha Noi*	
Điện thoại/*Telephone*:	024.6266.1088	
Fax:	024.6266.1080	
Người thực hiện công bố thông tin/ *Submitted by*:	Ông/Mr. Lưu Trung Thái	
Chức vụ/*Position*:	Phó Chủ tịch HĐQT kiêm Tổng Giám đốc / *BOD Vice Chairman & Chief Excecutive officer*	
Loại thông tin công bố/ *Type of Information disclosure*	☑ định kỳ/*periodic* ☐ 24 giờ/ *hours*	☐ bất thường/*irregular* ☐ theo yêu cầu/*on demand*

Nội dung thông tin công bố: Báo cáo tài chính riêng lẻ và hợp nhất quý I năm 2019

Content of Information disclosure: Separated & Consolidated Financial Statements for 1st Quarter of 2019

Thông tin trên đã được công bố trên trang thông tin điện tử MB www.mbbank.com.vn - Mục Nhà đầu tư – Phần Thông báo.

The above information was disclosed on MB website at www.mbbank.com.vn – Investors Relation - Announcement.

Ngân hàng TMCP Quân đội xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố.

MB declares that all information provided above is true and accurate and we shall take full responsibility before the law for the disclosed information.

Trân trọng cảm ơn!

Best Regards!

Nơi nhận/ Recipients:

- Như trên/*As above*;
- HĐQT, BKS (b/c) / *BOD, SB (for reporting purpose)*;
- Lưu: VT, VP HĐQT/ *Archive at Admin Office, BOD Office*

TỔNG GIÁM ĐỐC

CHIEF EXECUTIVE OFFICER

NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN QUÂN ĐỘI

Lưu Trung Thái

Chief Excecutive Officer

Hội sở chính: Tòa nhà Ngân hàng Quân đội
21 Cát Linh, Đống Đa, Hà Nội, Việt Nam, ĐT: (84-4) 6266 1088, Fax (84-4) 6266 1080
SWIFT Code: MSCBVNVX
Email: info@mbbank.com.vn * Website: www.mbbank.com.vn

Military Commercial Joint Stock Bank B02a/TCTD

Address: No. 21 Cat Linh Street – Dong Da District– Hanoi

SEPARATE BALANCE SHEET

QUARTER I/201 - 31 March 2019

	Note	***31/03/2019***	***31/12/2018 audited***
		VND million	*VND million*
ASSETS			
Cash, gold and gemstones	**III.1**	**2,082,623**	**1,734,482**
Balance with the State Banks (“SBs”)	**III.2**	**7,587,715**	**10,544,055**
Cash and gold deposits at and loans to other credit institutions (“CIs”)	**III.3**	**42,928,718**	**44,718,378**
Trading securities	**III.4**	-	-
Trading securities		-	-
Allowance for trading securities		-	-
Financial derivatives and other financial assets	**III.17**	**97,617**	**36,032**
Loans to customers	**III.4**	**217,090,615**	**203,874,440**
Loans to customers	III.4	220,013,207	206,955,635
Allowance for loans losses to customers	III.5	(2,922,592)	(3,081,195)
Investment securities	**III.6**	**79,776,080**	**72,837,158**
Available-for-sale investment securities	III.6.1	75,595,427	70,184,867
Held-to-maturity investment securities	III.6.2	4,442,947	2,909,987
Allowance for diminution of investment securities		(262,294)	(257,696)
Capital contribution & long-term investment	**III.7**	**4,207,124**	**4,207,174**
Investment in subsidiaries	III.7.1	3,820,907	3,820,907
Investment in associates		-	-
Other long-term investments	III.7.2	467,892	467,942
Allowances for diminution in the value of capital contribution & long-term investments	III.7.3	(81,675)	(81,675)
Fixed asset		**2,341,051**	**2,370,813**
Tangible fixed assets	*III.8*	*1,382,430*	*1,413,748*
Cost of tangible fixed assets		3,008,648	2,985,808
Accumulated depreciation of tangible fixed assets		(1,626,218)	(1,572,060)
Intangible fixed assets	*III.9*	*958,621*	*957,065*
Cost of intangible fixed assets		1,648,266	1,624,458
Accumulated amortization of intangible fixed assets		(689,645)	(667,393)
Other Assets		**16,171,589**	**12,160,017**
Receivables	III.10	12,269,381	8,180,546
Accrued interest and fee receivables		3,073,776	3,154,828
Other Assets	III.11	835,267	833,481
Of which, Goodwill		*57,136*	*66,658*
Allowance for other on balance sheet assets	III.12	(6,835)	(8,838)
TOTAL ASSETS		**372,283,132**	**352,482,549**

Military Commercial Joint Stock Bank B02a/TCTD
Address: No. 21 Cat Linh Street – Dong Da District – Hanoi

SEPARATE BALANCE SHEET (cont.)
QUARTER I/2019 - 31 March 2019

	Note	***31/03/2019*** *VND million*	***31/12/2018 audited*** *VND million*
LIABILITIES			
Amounts due to the Government and State Bank	**III.13**	**3,158,536**	**2,632,894**
Deposits and borrowings from other CIs	**III.14**	**68,837,753**	**57,272,468**
Customer deposits	**III.15**	**242,459,170**	**240,789,565**
Financial derivatives instruments and other financial liabilities	**III.16**	**-**	**-**
Loan granted from other borrowed and entrusted funds	**III.17**	**288,944**	**319,963**
Valuable papers issued	**III.18**	**14,397,063**	**10,290,851**
Other liabilities		**9,204,752**	**8,970,984**
Accrued interest and fee payables		3,362,371	2,764,575
Other liabilities	III.19	5,842,381	6,206,409
TOTAL LIABILITIES		**338,346,218**	**320,276,725**
SHAREHOLDERS' EQUITY			
Equity and reserves		**20,567,802**	**21,604,514**
Capital	***III.20***	21,604,514	21,604,514
Charter capital		-	-
Share premium		(1,036,712)	-
Other equity		-	-
Reserves		***4,892,502***	***3,817,318***
Retained earnings		***8,476,610***	***6,783,992***
TOTAL SHAREHOLDERS' EQUITY		**33,936,914**	**32,205,824**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**372,283,132**	**352,482,549**

Military Commercial Joint Stock Bank B02a/TCTD
Address: No. 21 Cat Linh Street – Dong Da District – Hanoi

SEPARATE BALANCE SHEET (cont.)
QUARTER I/2019 - 31 March 2019

SEPARATE OFF-BALANCE SHEET ITEMS

		31/03/2019	***31/12/2018 audited***
		VND million	*VND million*
I. Contingent liabilities		**96,874,448**	**95,916,911**
1. Loan guarantee		89,104	89,264
2. LC commitments		27,475,399	24,623,727
3. Other guarantees		69,309,945	71,203,920
II. Foreign exchange commitments		**123,715,240**	**120,015,948**
2. Foreign exchange purchase commitments		8,752,795	9,019,360
3. Foreign exchange sell commitments		9,417,296	11,102,468
4. Swap commitments		105,545,149	99,894,120
5. Future commitments		-	-
III. Other commitments		**24,226,885**	**20,325,895**
6. Irrevocable loan commitments		-	
7. Other commitments		24,226,885	20,325,895
	V.1	**244,816,573**	**236,258,754**

Prepared by: Reviewed by: Approved by:

(signed) *(signed)* *(signed)* *(signed and sealed)*

Ms. Le Thi Huyen Trang
Deputy Head of General Accounting and Reporting Department

Ms. Dang Thuy Dung
Chief Accountant

Ms. Nguyen Thi Thanh Nga
Acting Chief Financial Officer

Mr. Luu Trung Thai
Chief Executive Officer

Hanoi, Vietnam
19 April 2019

Military Commercial Joint Stock Bank
Address: No. 21 Cat Linh Street, Dong Da District, Hanoi B03a/TCTD

SEPARATE STATEMENT OF INCOME
QUARTER I/2019 - 31 March 2019

		Accruals on Quarter IV		*Accumulative from the beginning of the year to the end of Quarter*	
		Current year	***Previous year***	***Current year***	***Previous year***
	Notes	*VND million*	*VND million*	*VND million*	*VND million*
Interest and similar income		6,464,583	5,228,586	6,464,583	5,228,586
Interest and similar expenses		(3,003,244)	(2,278,070)	(3,003,244)	(2,278,070)
Net interest income	**IV.1**	**3,461,339**	**3,010,516**	**3,461,339**	**3,010,516**
Fee and commission income		351,807	240,532	351,807	240,532
Fee and commission expenses		(69,432)	(62,699)	(69,432)	(62,699)
Net fee and commission income	**IV.2**	**282,375**	**177,833**	**282,375**	**177,833**
Net gain/(loss) from trading of foreign currencies	**IV.3**	**129,017**	**75,632**	**129,017**	**75,632**
Net gain/(loss) from trading securities, investment securities and long-term capital contributions/investments	**IV.4**	**144,476**	**230,865**	**144,476**	**230,865**
Net other income	**IV.5**	**272,442**	**184,022**	**272,442**	**184,022**
Income from capital contribution and share purchase	**IV.6**	**5,260**	**-**	**5,260**	**-**
TOTAL OPERATING INCOME		**4,294,909**	**3,678,868**	**4,294,909**	**3,678,868**
TOTAL OPERATING EXPENSES	**IV.7**	**(1,462,735)**	**(1,269,858)**	**(1,462,735)**	**(1,269,858)**
Net operating profit before allowance and provision expenses		**2,832,174**	**2,409,010**	**2,832,174**	**2,409,010**
Allowance and provision expenses	**IV.9**	**(719,984)**	**(662,638)**	**(719,984)**	**(662,638)**
TOTAL PROFIT BEFORE TAX		**2,112,190**	**1,746,372**	**2,112,190**	**1,746,372**
Current corporate income tax expense	IV.11	(419,565)	(349,781)	(419,565)	(349,781)
Current period corporate income tax expense		**(419,565)**	**(349,781)**	**(419,565)**	**(349,781)**
NET PROFIT AFTER TAX		**1,692,625**	**1,396,591**	**1,692,625**	**1,396,591**

Prepared by
(signed)
Ms. Le Thi Huyen Trang
Deputy Head of General Accounting and Reporting Department
Hanoi, Vietnam
19 April 2019

(signed)
Ms. Dang Thuy Dung
Chief Accountant

Reviewed by:
(signed)
Ms. Nguyen Thi Thanh Nga
Acting Chief Financial Officer

Approved by
(signed and sealed)
Mr. Luu Trung Thai
Chief Executive Officer

CASH FLOWS STATEMENT (direct method)
QUARTER I/2019 - 31 March 2019

	Notes	***Period from 01/01/2019 to 31/03/2019*** *VND million*	***Period from 01/01/2018 to 31/03/2018*** *VND million*
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest and similar income received		6,572,788	5,550,636
Interest and similar expenses paid		(2,401,598)	(2,346,064)
Net fee and commission income received		282,375	177,833
Net receipts from trading activities (foreign currencies, securities)		242,491	246,905
Other incomes/(expenses)		35,983	(425,472)
Proceeds from loans settled/written off		236,459	153,071
Allowance payment to employees and for other operating activities		(1,764,976)	(1,016,399)
Corporate income tax paid for the period	IV.11	(283,519)	(192,854)
Net cash flows from operating activities before changes in operating assets and liabilities		**2,920,003**	**2,147,656**
Changes in operating assets		***(23,803,429)***	***(13,933,942)***
(Increase)/decrease in cash and gold balances with loans to other credit institutions		1,207,745	4,759,222
(Increase)/decrease in securities held for trading		(6,943,520)	(877,870)
(Increase)/decrease in financial derivatives and other financial assets		(61,585)	(25,335)
(Increase)/decrease in loans to customers		(13,057,572)	(8,887,361)
Decrease in provision for impairment (loan, securities, investment)		(876,014)	(394,119)
(Increase)/decrease in other assets		(4,072,483)	(8,508,479)
Changes in operating liabilities		***18,790,719***	***83,091***
Increase/(decrease) in borrowings from the Government and State Banks		-	2,587,794
Increase/(decrease) in deposits from other credit institutions		11,565,285	(10,562,765)
Increase/(decrease) in deposits from customers		2,195,247	6,874,292
Increase/(decrease) in bonds and valuable papers issued		4,106,212	2,204
Increase/(decrease) in other borrowed and entrusted funds		(31,019)	(30,712)
Increase/(decrease) in financial derivatives		-	-
Increase/(decrease) in other liabilities		982,809	1,251,480
Utilization of reserves		(27,815)	(39,202)
Net cash flows from operating activities		**(2,092,707)**	**(11,703,195)**
CASH FLOW FROM INVESTING ACTIVITIES			-
Payments for purchases of fixed assets		(66,096)	(14,559)
Expenses for disposals of fixed assets		141	976
Cash inflow/(outflow) for investment in, capital contribution to other entities (Sales/(Purchase) of investment in subsidiaries, capital contribution, and other long-term investment)		-	(140,043)
Cash dividend received during the period		5,260	-
Net cash flows from investment activities		**(60,695)**	**(153,626)**

Military Commercial Joint Stock Bank
Address: No. 21 Cat Linh Street, Dong Da District, Hanoi B04a/TCTD
CASH FLOW STATEMENT (direct method)
QUARTER IV/2018 - 31 December 2018

	Notes	***Period from 01/01/2019 to 31/03/2019***	***Period from 01/01/2018 to 31/03/2018***
		VND million	*VND million*
CASH FLOW FROM FINANCING ACTIVITIES			
Increase in share capital and capital surplus in cash		-	-
Dividends paid to shareholders		(1,036,712)	(1,089,303)
Other increases/(decreases)		-	-
Net cash flows from (used in) financing activities		**(1,036,712)**	**(1,089,303)**
Net cash flows during the period		**(3,190,114)**	**(12,946,124)**
Opening balance of cash and cash equivalents		**49,418,921**	**46,598,161**
Closing balance of cash and cash equivalents	**IV.13**	**46,228,807**	**33,652,037**

Prepared by	Reviewed by:		Approved by
(signed)	*(signed)*	*(signed)*	*(signed and sealed)*
Ms. Le Thi Huyen Trang Deputy Head of General Accounting and Reporting Department	Ms. Dang Thuy Dung Chief Accountant	Ms. Nguyen Thi Thanh Nga Acting Chief Financial Officer	Mr. Luu Trung Thai Chief Executive Officer

Hanoi, Vietnam
19 April 2019

Reporting entity: Military Commercial Joint Stock Bank **Form: B05a/TCTD-HN**
Address: No. 21 Cat Linh Street – Dong Da District – Hanoi

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

QUARTER I/2019

I- OPERATION FEATURES OF CREDIT INSTITUTION

1. License for establishment and operation, and valid duration

The Military Commercial Joint Stock Bank is a joint-stock commercial bank established in the Socialist Republic of Vietnam for the main activities to provide banking and relevant financial services pursuant to Operation License No. 100/NH-GP dated 17 October 2018 issued by the Governor of the State Bank of Vietnam (”SBV”), replaced Operating License No. 0054/NH-GP dated 14 September 1994 with an operation duration of 99 years, starting from 14 September 1994.

2. Form of ownership: Shares

3. Composition of Board of Directors

Full name	*Position/Date of appointment/reappointment*
Mr. Le Huu Duc	Chairman
Mr. Luu Trung Thai	Vice Chairman
Mr. Le Cong	Vice Chairman
Mr. Ha Tien Dung	Member
Mr. Nguyen Dang Nghiem	Member
Ms. Nguyen Thi Thuy	Member
Ms. Nguyen Thi Ngoc	Member
Mr. Nguyen Van Hung	Member
Mr. Nguyen Van Hue	Independent member of BOD
Mr. Nguyen Chi Thanh	Member

4. Composition of Supervisory Board

Full name	*Position/Date of appointment/reappointment*
Ms. Vu Thi Hai Phuong	Head of Supervisory Board
Ms. Le Minh Hong	Member
Mr. Dang Quoc Tien	Member
Mr. Do Van Hung	Member (from 29/03/2018)

5. Composition of Board of Management

Full name	*Date of appointment*
Mr. Luu Trung Thai	Chief Executive Officer
Ms. Nguyen Thi An Binh	Deputy Executive Officer
Ms. Pham Thi Trung Ha	Deputy Executive Officer
Mr. Uong Dong Hung	Deputy Executive Officer
Mr. Le Hai	Deputy Executive Officer
Ms. Le Thi Loi	Deputy Executive Officer – Chief Financial Officer (until 9 April 2019)
Mr. Tran Minh Dat	Deputy Executive Officer
Mr. Ha Trong Khiem	Deputy Executive Officer
Mr. Le Quoc Minh	Deputy Executive Officer
Ms. Nguyen Minh Chau	Senior Executive Member of BOM
Mr. Le Xuan Vu	Executive Member of BOM
Ms. Tran Thi Bao Que	Executive Member of BOM (from 14 February 2019)
Ms. Nguyen Thi Thanh Nga	Acting Chief Financial Officer (from 10 April 2019)

6. **Head Office:** No. 21 Cat Linh Street, Dong Da District, Hanoi, Vietnam

Branches: 1 Head Office, 102 (including 2 foreign branches) and 196 transaction offices, 1 Representative office in Russia Federation.

As at 31 March 2019, the Bank has seven (6) subsidiaries as follows:

No.	*Company name*	*Operating license No.*	*Field of business*	*% directly owned by Bank*
1	Military Commercial Joint Stock Assets Management Company Limited ("MB AMC")	0105281799 dated 11 July 2014, issued by Hanoi Department of Planning and Investment	Debt and Asset Management	100.00%
2	MB Securities Joint Stock Company ("MBS")	116/GPDC-UBCK dated 9 December 2013, issued by the State Securities Commission of Vietnam.	Securities brokerage, investment and trading	79.52%
3	MB Capital Management Joint Stock Company ("MB Capital")	06/ GP-UBCK dated 12 February 2015 issued by the State Securities Commission of Vietnam	Investment Fund Management	90.77%
4	MB Shinsei Finance Company Limited ("MCredit")	27/GP-NHNN dated 4 February 2016 issued by the State Bank of Vietnam.	Consumer finance	50.00%
5	MB Ageas Life Insurance Company Limited	74/GP/KDBH dated 21 July 2016, issued by the Ministry of Finance for the 1st time	Life insurance, health insurance, and financial investment	61.00%
6	Military Insurance Joint Stock Corporation ("MIC")	43/GPDC18/KDBH dated 21 January 2016 issued by the Ministry of Finance.	Non-life insurance	69.58%

7. **Total number of employees**

As at 31 March 2019, the Bank had **9,238** employees (including subsidiaries).

II- ACCOUNTING STANDARDS AND SYSTEM

1. Compliance with Vietnam Accounting Standards and Accounting System of credit institutions in Vietnam

The Board of Management confirms the separate financial statements attached are prepared in compliance with the Vietnam Accounting Standards and Accounting Systems for credit institutions in Vietnam.

2. Accounting standards and system

Separate financial statements of the Bank are presented in Vietnamese Dong ("dong" or "VND"), rounded to the nearest million ("VND million"), prepared in accordance with the Accounting System for Credit Institutions in Vietnam under Decision No. 479/2004/QD-NHNN dated 29 April 2004 (Decision 479) and Circular No. 10/2014/TT-NHNN dated 20 March 2014 (Circular 10) by the Governor of the State Bank of Vietnam, effective from 1 October 2004, Decision No. 16/2007/QD-NHNN dated 18 April 2007 (Decision 16) by the Governor of the State Bank of Vietnam and Circular No. 49/2014/TT-NHNN amending and supplementing to the Decision 16 dated 31 December 2014, Vietnamese Accounting Standards issued by the Ministry of Finance, including:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the issuance and publication of Four Vietnamese Accounting Standards (phase 1);

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

The separate balance sheet, separate statement of income, separate retained earnings statement, separate cash flow statement, and the notes to the separate financial statements and the use of these statements is not intended for those who are not informed about the accounting procedures and principles and practices in Vietnam. In addition, these statements are not prepared to present the financial position, results of operations, and cash flow of the Bank, in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

The purpose of these separate financial statements is to reflect the Bank's financial position and business performance, including those of the Bank's Head Office and branches. The consolidated financial statements that reflect the performance of the Bank and its subsidiaries are prepared independently from these separate financial statements.

3. Fiscal year

The Bank’s fiscal year is from 01 January to on 31 December.

4. Basis for assessment and application of accounting estimates

The presentation of the separate financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, as well as disclosures of contingent liabilities. These estimates and assumptions also affect income, expenses and the provision figures. These estimates are based on assumptions on a number of factors with varying degrees of subjectivity and uncertainty. Therefore, actual results may vary, resulting in the adjustment of related items later.

Going concern

The Bank’s Board of Management has evaluated the Bank's ability to continue as a going concern and found that the Banks has adequate resources to maintain its business in a foreseeable future. In addition, the Board of Management did not find any material uncertainty that may affect the Bank's ability to continue as a going concern. Therefore, these separate financial statements are prepared on the assumption of going concern.

5. Changes in accounting policies

The accounting policies adopted by MB in the preparation of interim consolidated financial statements are consistent with those followed in the preparation of MB’s consolidated financial statements for the year ended 31 December 2017 and interim consolidated financial statements for the six-month period ended 30 June 2017, except for the following changes:

Circular No. 14/2017/TT-NHNN regulates the methods of calculating interest on depositing and credit extension transaction between credit institutions and customers.

On 29 September 2017, the SBV issued Circular No. 14/2017/TT-NHNN regulating methods of calculation of interest in depositing and credit granting transactions between credit institutions and customers. Accordingly, the interest accruals on credit and deposit operation are calculated on the basis that a year lasts in 365 days. The circular has taken effect since 1 January 2018.

Circular No. 19/2017/TT-NHNN amending and supplementing a number of articles of Circular 36/2014/TT-NHNN of the Governor of the SBV dated 20 November 2014 stipulating prudential ratios and limits for the operations of credit institutions and foreign bank branches.

On 28 December 2017, the SBV issued Circular No. 19/2017/TT-NHNN amending and supplementing a number of articles of Circular No. 36/2014/TT-NHNN dated 20 November 2014 of the Governor of the State Bank of Vietnam providing for prudential ratios and limits for operations of credit institutions and branches of foreign banks. Accordingly, “Other commitments” disclosed in “Off balance sheet items” include unused credit limits that banks have the right to revoke or automatically revoke due to the customers’ violation on revocable commitments or reduction of capacity to perform the duty and available credit limits of credit cards. The circular has taken effect since 28 February 2018.

Circular 22/2017/TT-NHNN amending and supplementing a number of articles of the Chart of account applicable to credit institutions issued in connection with Decision No. 479/2004/QD-NHNN dated 29 April 2004 and the financial reporting regime applicable to credit institutions required under Decision No. 16/2007/QD-NHNN dated 18 April 2007 by the Governor of the SBV (“Circular 22”).

On 29 December 2017, the SBV issued Circular No. 22/2017/TT-NHNN amending and supplementing a number of articles of the Chart of Account applicable to credit institutions issued in connection with Decision No. 479/2004/QD-NHNN dated 29 April 2004 and the financial reporting regime applicable to credit institutions required under Decision No. 16/2007/QD-NHNN dated 18 April 2007 by the Governor of the SBV (“Circular 22”). The circular has taken effect since 1 April 2018 on a retroactive basis.

The main changes in Circular 22 are as belows:

- Amending and supplementing the guidance on the accounting treatment for foreign exchange and gold transactions;
- Amending a number of accounts in the Chart of account applicable to credit institutions;
- Amending the guidance on the accounting treatment for some accounts in the Chart of account applicable to credit institutions; and
- Amending and supplementing the guidance on the Financial reporting regime applicable to credit institutions.

MB has assessed the effect of Circular 22 on the comparative figures in the interim consolidated income statement, the interim consolidated cash flow statement and the interim consolidated balance sheet. Accordingly, the effect due to the changes in exchange rate policies is immaterial. As a result, MB is not required to restate the comparative figures due to changes in exchange rate policies.

6. *Cash and cash equivalents*

Cash and cash equivalents consist of cash, gold and gemstones, balances with the State Bank of Vietnam, government bills and other short-term valuable papers eligible for SBV discount, current account and deposits with other credit institutions with maturity of less than three months from the date of granting and short-term investments with original terms not exceeding three months, with high liquidity and can be easily converted into defined amount of cash and do not have much risk in conversion into cash.

7. *Loans and advances to customers*

Loans and advances to customers are disclosed and presented at the amount of principal outstanding at the end of the fiscal year.

8. *Allowance for credit risk*

Loan classification

Pursuant to Law on Credit Institutions No. 47/2010/QH12, effective from 1 January 2011, Circular No. 02/2013/TT-NHNN dated 21 January 2013 and Circular No. 09/2014/TT-NHNN issued by the State Bank of Vietnam regarding loan classification, provisioning and utilization of allowance against credit risk in banking activities of credit institutions, credit institutions are required to perform loan classification and provisioning of credit risk. Accordingly, loans to customers are classified according to the level of risk as follows: *Current loans*, *Special-mentioned loans*, *Sub-standard loans*, *Doubtful loans* and *Loss loans* based on the overdue status and other qualitative characteristics of the loans.

Loans classified as *Sub-standard loans, Doubtful loans* and *Loss loans* are considered non-performing loans.

Since 2008, the Bank has registered and been approved by the State Bank of Vietnam under the Official Letter No. 8738/NHNN-CNH dated 25 September 2008, accordingly, the Bank is permitted to apply internal credit ratings to reclassify customer loans under Article 10, Circular No. 02/2013/TT-NHNN. Under this system, the Bank loans will be assessed and reclassified based on both qualitative and quantitative basis.

Accordingly, these loans are classified according to the level of risk as follows:

No.	*Rating*	*Group*	*Description*
1	AAA	Group 1	Current
2	AA	Group 1	Current
3	A	Group 1	Current
4	BBB	Group 2	Special-mentioned
5	BB	Group 2	Special-mentioned
6	B	Group 3	Sub standard
7	CCC	Group 3	Sub standard
8	CC	Group 4	Doubtful
9	C	Group 4	Doubtful
10	D	Group 5	Loss

On 23 April 2012, the State Bank of Vietnam issued Decision No. 780/QD-NHNN on the classification of rescheduled loans. However, the Bank is required to reclassify off-balance-sheet debts and commitments in accordance with Article 10 and Clause 1, Article 11, Circular 02 in three years from 1 June 2014. Accordingly, if the reclassification results in accordance with Article 10 and Clause 1, Article 11, Circular 02 are different, the debt in dispute shall be reclassified to a group of higher risk.

Specific allowance

Credit risk of loans and advances to customers are calculated as the remaining value of the loan minus the value of the collateral discounted at the rate stipulated in Circular No. 02/2013/TT-NHNN and Circular No. 09/2014/TT-NHNN. Specific allowance is made based on credit risk of loans at respective rate of each loan group as follows:

Group	*Classification*	*Specific provision rate*
1	Current	0%
2	Special-mentioned	5%
3	Sub-standard	20%
4	Doubtful	50%
5	Loss	100%

General allowance

In accordance with Circular No. 02/2013/TT-NHNN, general allowance is made for losses that have not been identified during loan classification and specific provisioning processes, and in case the credit institution faces deterioration in credit quality. Accordingly, the Bank is required to set and maintain a general allowance at 0.75% of total loans that are classified from Group 1 to Group 4.

Write off

Allowance is recognized as an expense in the separate statement of income and is utilized for non-performing loans. In accordance with Circular No. 02/2013/TT-NHNN, the Bank established Risk Management Committee to decide to write off non-performing loans when they have been classified to Group 5, or when the borrowers have declared bankrupt or dissolved (for borrowers being organization, enterprise), or borrowers have been dead or missing (for borrowers being individuals).

In accordance with Circular No. 02/2013/TT-NHNN dated 21 January 2013 of the State Bank of Vietnam, general and specific allowances of the Bank for the fiscal year ended 31 December are made based on the outstanding balance as at 30 November of that year.

9. Trading securities

Trading securities are debt securities, equity securities, and other securities that the Bank purchases and intends to sell in the short term in order to gain profit from the difference.

Trading securities are recognized at the cost at the date of transaction, and always reflected at cost in subsequent holding periods.

These securities are considered for diminution at the time of preparing the separate financial statement. Allowance for diminution in value of trading securities is made when the book value is higher than the market value determined in compliance with Circular 228/2009/TT-BTC dated 07 December 2009 ("Circular 228") and Circular 89/2013/TT-BTC dated 28 June 2013 ("Circular 89"). In case the market value of securities cannot be determined, no allowance is required. Allowance for diminution is recognized in the separate statement of income under the "Net gain/ (loss) from trading and investment securities".

10. Investment securities

10.1. Classification

Investment securities are classified into two types: Held-to-maturity and available-for-sale securities. The Bank classifies investment securities at the time of its purchase. Pursuant to Official Letter *No. 2601/NHNN-TCKT issued by the SBV dated 14 April 2009, for investment securities,* the Bank is permitted to reclassify investment securities no more than once after its purchase. Investment securities are initially recognized at the cost at the date of transaction.

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities, with fixed maturities and fixed or determinable payments which the Bank intends and is able to hold to maturity.

Available-for-sale investment securities

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

10.2. Recognition

The Bank recognizes Investment securities on the date that the Bank becomes counterparty to the terms of the contract(s) with respect to these securities (transaction date accounting).

10.3. Measurement

Equity securities

Available-for-sale equity securities are initially recognized at cost on transaction date; and are subsequently recognized at the lower of the book value and the market value and the diminution losses recognized in the separate statement of income.

The market value of listed available-for-sale equity securities is calculated at the closing prices on Ho Chi Minh City Stock Exchange and average price on Hanoi Stock Exchange at the balance sheet date.

The market value of unlisted available-for-sale equity securities but registered for trading on unlisted public companies (UpCom) market is determined as the average transaction price on the system at the end of accounting period.

The market value of unlisted available-for-sale equity securities but allowed to trade in the over-the-counter (OTC) market is recognized at cost of acquisition less allowance for diminution in value of securities, which is calculated at the average price of three quotations of three large securities companies, with a charter capital of over VND 300 billion.

Available-for-sale equity securities which are unlisted and unauthorized for OTC trading are subject to allowance for diminution similarly to other long-term investments described in the Note 4(e) (ii).

In cases where market value of the securities cannot be determined, these securities shall be recognized at cost.

Debt securities

Applicable from 01 June 2014

Debt securities are initially recognized at cost including transaction costs and other directly attributable costs. They are subsequently recognized at amortized cost (after amortization of premiums and discounts) less allowance for diminution in value. Premiums and discounts arising from purchases of debt securities are amortized in the separate statement of income on a straight-line basis over the period from the acquisition date to the maturity date.

Listed held-to-maturity debt securities and available-for-sale investment securities are recognized at cost minus allowance for diminution in the value of securities which is determined by reference to profitability ratio listed on Hanoi Stock Exchange at the balance sheet date.

Unlisted held-to-maturity debt securities and available-for-sale investment securities of the enterprise are recognized at cost less allowance for diminution in the value securities. Debt classification and allowance for these bonds are made in accordance with the policies applicable to loans to customers as described in Note 4(h).

The remaining unlisted debt securities (excluding unlisted held-to-maturity debt securities and available for-sale investment securities of the enterprise) are measured at cost less allowance for diminution in the value of securities which is determined by reference to the market value. In cases where market value of securities cannot be determined reliably, these securities are recognized at cost.

Post-acquisition interest income of available-for-sale debt securities and held-to maturity investment securities is recognized in the separate statement of income on an accrual basis.

Applicable before 01 June 2014

Debt securities are initially recognized at cost including transaction costs and other directly attributable costs. They are subsequently recognized at amortized cost (after amortization of premiums and discounts) less allowance for diminution in value. Premiums and discounts arising from purchases of debt securities are amortized to the separate statement of income on a straight-line basis over the period from acquisition date to maturity date.

Available-for-sale debt securities and held-to-maturity investment securities are recognized at cost less allowance for diminution in the value of securities which is determined by reference to the market value. In cases where market value of securities cannot be determined reliably, these securities are recognized at cost.

Post-acquisition interest income of available-for-sale debt securities and held-to maturity investment securities is recognized in the separate statement of income on an accrual basis.

10.4. De-recognition

The Bank derecognizes investment securities when the contractual rights to the cash flows from these securities expire or when the significant risks and rewards of ownership of these securities have been transferred.

11. Repurchase and reverse repurchase agreements

The securities sold under agreements to repurchase at a specific date in the future are still recognized in the separate financial statements. Amounts received under this agreement are recognized as a liability in the separate balance sheet, and the difference between the sale price and repurchase price is amortized in the separate statement of income over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract

The securities purchased under agreements to resell at a specific date in the future are not recognized in the separate financial statements. Amounts received under these agreements are recognized as an asset in the separate balance sheet, and the difference between the sale price and repurchase price is amortized in the separate statement of income over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract

12. Investment in Subsidiaries

Investments in subsidiaries which the Bank controls are presented at cost of acquisition. The Bank's share of year-to-date profits from the subsidiaries will be recorded from the date the Bank took control in Bank's separate income statement. Other allocations received are considered as returns on investment and recognized by decreasing investment amount.

Allowance for diminution in value of investments in subsidiaries is made when such subsidiary suffers a loss (except for expected loss as anticipated beforehand in business plan) in accordance with Circular 228 and Circular 89. Accordingly, the allowance is the difference between actual capital contributions of the Bank to the subsidiary and actual equity of the said subsidiary multiplied (x) by the ratio of capital contribution by the Bank to the total actual capital contributed by all parties in the subsidiary.

13. Investment in Associates

In accordance with the Law on Credit Institutions 2010, effective from 1 January 2011, an associate of a credit institution is a company in which the said credit institution, or that credit institution and its affiliates, own more than 11% of the charter capital or more than 11% shares with voting rights, and which is not a subsidiary of that credit institution.

Investments in associates are recognized by the method of equity accounting. The Bank's share of year-to-date profits from the associates will be recorded from the date the Bank invested in Bank's separate income statement. Other allocations are considered as returns on investment and recognized by decreasing investment amount.

Allowance for diminution of investments in associates is made when the associate suffering losses (except for the expected loss as determined in the original business plan) as stipulated in Circular 228/2009/TT-BTC issued by Ministry of Finance dated 07 December 2009. Accordingly, the provision is the difference between actual capital contributions of the Bank to the Associate and actual shareholder's equity of the Associate multiplied (x) by the ratio of capital contribution of the Bank to the total actual capital contribution of the parties in the Associate.

14. Other long-term investments

Other long-term investments represent the Bank's capital investments in other entities where the Bank owns less than 11% of voting rights and at the same time, the Bank is a founding shareholder or a strategic partner; or has a certain degree of influence over the making and deciding of financial and operational policies of the invested enterprise, but has no significant impact on financial and operational policies of these companies, under written agreements to appoint personnel to the Board of Directors/Board of Management.

Other long-term investments are initially recognized at cost, and subsequently recognized at cost less allowance for diminution in the value of investments, if any.

Other long-term capital contributions shall be considered for possibilities of diminution. Allowance for diminution in value is recognized in separate statement of income if market value is lower than book value of investment securities and if there is objective evidence of a long-term diminution in value of the initial capital contributions.

Allowance for diminution in value of initial capital contribution is made when the economic institution in which the Bank and its subsidiaries suffering losses (except for the expected loss as determined in the original business plan) as stipulated in Circular 228 and Circular 89. Accordingly, the provision is the difference between actual capital contributions of the parties to the economic institution and actual shareholders' equity multiplied (x) by the ratio of capital contribution of the enterprise to the total actual capital contribution of the parties in the economic entity.

15. Tangible fixed asset

Tangible fixed assets are recognized at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of all costs incurred by the Bank and its subsidiaries in acquiring the tangible fixed assets up to the time the asset was put into use.

Expenses for procurement, upgrading and renovation of the tangible fixed assets are recognized as an increase to their cost; expenses for maintenance and repair are accounted for in the separate statement of income when incurred.

Upon sales or liquidation of the tangible fixed asset, the cost and accumulated depreciation are written off and the gains / (losses) incurred from liquidation of the asset shall be accounted for in the separate statement of income.

16. Intangible fixed assets

Intangible fixed assets are recognized at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of all costs incurred by the Bank and its subsidiaries in acquiring the tangible fixed assets up to the time the asset was put into use.

The cost of upgrading and renovation of the intangible fixed assets are recognized as an increase to their cost; and other costs are accounted for in the separate statement of income when incurred.

Upon sales or liquidation of the intangible fixed asset, the cost and Accumulated amortization are written off and the gains / (losses) incurred from liquidation of the asset shall be accounted for in the separate statement of income.

17. Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible fixed assets are calculated on straight-line basis over the estimated life cycle of the fixed assets as follows:

Building and structures	6-25 years
Machines and equipment	3-4 years

Means of transportation	6 years
Other tangible fixed assets	4 years
Computer software	3 years
Other intangible fixed assets	3 years

The land use rights with indefinite term granted by the Government are not amortized, whereas definite Land use rights are amortized over the lease term.

18. Recognition of revenues and expenses

Interest incomes on loans and interest expense are recognized in the separate statement of income on accrual basis. Accrued interest on loans from Group 2 to Group 5 in accordance with Circular No. 02/2013/TT-NHNN and Circular No. 09/2014/TT-NHNN shall not be recognized in the separate statement of income. Instead, these accruals are tracked in off-balance-sheet accounts and only recognized in the separate statement of income when they are physically received by the Bank.

Cash dividends from investment activities are recognized as income when the right to receive dividends of the Bank and its subsidiaries is established. Dividends in shares and bonus shares received are not recognized as income of the Bank and its subsidiaries; but only the number of shares is updated.

19. Transactions in foreign currencies

All transactions of the Bank are accounted for in the original currency. At the end of the period, assets and liabilities denominated in foreign currencies are converted into VND at the exchange rate as at the date of the separate balance sheet (see details of exchange rates applicable at the balance sheet date in Note V.6). Incomes and expenses denominated in foreign currencies of the Bank are converted into VND at the exchange rate at the date of the transaction. Foreign exchange differences due to revaluation of assets and liabilities in foreign currencies into VND during the year are recognized in the separate Statement of income.

20. Corporate income tax

Current corporate income tax

Tax assets and tax liabilities for the current year and previous years are measured at the amount payable to (or recovered from) the tax authorities based on enacted tax rates and tax laws at the date of separate balance sheet.

Current income taxes are recognized in the separate statement of income except when it relates to items recognized directly to shareholders' equity, in which case the current income tax is also recognized directly to shareholders' equity.

Enterprises can only offset current income tax assets and current income tax payables when enterprises have a legal right to offset current income tax assets with current income tax payables on net basis and intend to do so.

The Bank's reports on tax return are subject to inspection by the tax authorities. Tax amounts presented in the separate financial statements are subject to change upon the final decision by the tax authorities.

Deferred income tax

Deferred income tax is identified as temporary differences between payable assets and liabilities subject to income tax and their book value presented on separate financial statements as at balance sheet date.

Deferred tax payable is recognized for all temporary taxable differences, except:

- Deferred income tax liabilities arising from initial recognition of an asset or liability in a transaction which did not affect accounting profit or taxable profit (or loss) at the time of the transaction.
- Temporary taxable differences associated with investments in subsidiaries, associates and joint ventures which can be controlled in terms of the reversal time and certainty that such temporary gain will not be reversed in the foreseeable future.

Deferred income tax assets which are recognized for all deductible temporary differences, deductible amounts of the tax losses transferred to the next years and unused tax incentives when it is certain that future taxable profits will arise to use deductible differences, taxable losses and unused tax incentives, except:

- Deferred income tax assets arising from initial recognition of an asset or liability in a transaction which did not affect accounting profit or taxable profit (or loss) at the time of the transaction.
- All deductible temporary differences arising from investments in subsidiaries, associates and joint ventures when it is certain that the temporary difference will be reversed in the foreseeable future and with taxable profits to use such temporary differences.

The book value of deferred tax assets must be reviewed again at the end of the fiscal year and depreciated to the extent to ensure enough taxable profit to use part or all deferred tax assets. Deferred corporate income tax assets previously not recognized will be reviewed at the end of the fiscal year and recognized when it is certain that taxable profit is sufficient to use such unrealized deferred income tax assets.

Deferred tax assets and deferred tax liabilities are calculated at the tax rates expected to be applied for the fiscal year when the asset is realized or the liability is paid, based on applicable tax rates and tax laws at the end of the fiscal year.

Deferred income taxes are recognized in the separate Statement of income except when income tax incurred in relation to items recognized directly to equity, in which case the deferred income tax is also recognized directly to equity.

The Bank can only apply clearing payment between deferred income tax assets and deferred income tax liabilities when it has legal right to offset between deferred income tax assets and deferred income tax liabilities and such deferred income taxes are managed by the same tax authority and the Bank intend to pay current income tax liabilities and current tax assets on a net basis.

21. Provision for off-balance sheet commitments

Under Circular No. 02/2014/TT-NHNN and Circular No. 09/2014/TT-NHNN of the State Bank, credit institutions must classify and make risk provisioning for the loan guarantee, acceptance payment for the common economic contracts and loan commitments which are unconditionally irrevocable, with specific implementation time (referred to as off-balance sheet commitments) into loan groups in accordance with the Bank's internal credit rating system. Accordingly, off-balance sheet items are classified per the level of risk as follows: *Current loans*, *Special Mentioned loans*, *Sub Standard loans*, *Doubtful loans*, and *Loss loans* based on the overdue status and other qualitative factors of the loan, except letter of credit to serve national defense purposes. According to Official Letter No. 941 / NHNN-TTGSNH dated 27 May 2010 of the State Bank of Vietnam, commercial banks issuing national defense letters of credit as a guarantee or commitment to pay for contracts to import equipment for national defense and security shall not be bounded by regulations on lending limits and risk provision of the State Bank of Vietnam.

22. Assets entrusted for management and safe-keeping

Assets entrusted for management and safe-keeping are not considered assets of the Bank and therefore not included in its separate financial statements.

23. Currency derivative contracts

Currency forward and swap contracts

For currency forward and swap contracts, the difference between the value of VND amount of foreign currencies committed to buy / sell at forward rate and spot rate on the effective date of the contract is recognized immediately at the effective date of the contract as an asset to “Financial derivatives and other financial assets” if positive or as a liability to “Financial derivatives and other financial liabilities” if negative. This difference is then amortized to "Profit / (loss) from foreign exchange operations" over the term of the contract. Foreign exchange differences due to revaluation of commitments under currency forward and swap contracts during the year are recognized and tracked in “Exchange rate differences” accounts and transferred to the separate statement of income at the end of the fiscal year in accordance with Decision 479 and Circular 10 on the chart of accounts applicable for credit institutions.

24. Clearing

Financial assets and liabilities are netted off and the net amounts are recognized on the separate balance sheet only when the Bank has the legal right to offset and the Bank intends to pay the debts and assets on a net basis, or the final accounting of assets and liabilities occur simultaneously.

25. Receivables

Receivables other than those from credit activities of credit institutions are initially recognized at cost and shall always be presented at cost subsequently.

Other receivables are subject to review for risk provision based on overdue period of receivables or estimated losses that may arise from undue debts of which indebted economic institutions go bankrupt or undergo dissolution procedures; debtors are missing, have fled, are prosecuted, detained or tried by law enforcement bodies or dead. Provision expenses incurred is recognized under “Provision expenses for other Assets during the year".

For overdue receivables, the provision rates are specified in Circular 228 and Circular 89 as follows:

Overdue period	*Provision rate*
From over six (06) months up to one (01) year	30%
From one (01) year up to less than two (02) years	50%
From two (02) years up to less than three (03) years	70%
Three (03) years or more	100%

26. Use of estimates

The presentation of the separate financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, as well as disclosures of contingent liabilities. These estimates and assumptions also affect the income, expenses and the relevant figures.

27. Employees benefits

27.1. Retirement allowance

Retired bank employees will receive retirement benefits from Social Insurance under the management of the Ministry of Labor, Invalids and Social Affairs. The Bank shall pay social insurance for every employee at 17.00% of their monthly basic salaries. Besides, the Bank shall disclaim any other obligations.

27.2. Voluntary severance allowance and job loss allowance

Voluntary severance allowance: According to Article 48 of Vietnam Labor Code 10/2012/QH13 effective from 1 May 2013, the Bank is obligated to pay severance allowance equal to a half of monthly salary plus other allowances (if any) for every working year until 31 December 2008 to the employees voluntarily resigning. From 1 January 2009, the average monthly salary used to calculate severance allowance shall be recalculated and adjusted at the end of every reporting period based on the average of the most recent six months before reporting.

Job loss allowance: In accordance with Article 17 of the Labor Code, the Bank is obligated to pay the allowance to any employees losing their jobs due to organization or technology restructuring. In such case, the Bank is obligated to pay the employee a job loss allowance equivalent to one month salary for every working year; the minimum appropriation level shall be two month pay. Increase or decrease in provision balance shall be accounted into overhead expenses in the reporting period.

27.3. Unemployment allowance

According to Circular No. 32/2010/TT-BLDTBXH guiding the implementation of Decree No. 127/2008/ND-CP on Unemployment insurance, from 1 January 2009, the Bank is obligated to pay 1% of the salary fund for unemployment insurance for the participants and concurrently deduct 1% of salary or wage of each unemployment insurance participating employee for payment of unemployment insurance into Unemployment Insurance Fund.

Military Commercial Joint Stock Bank

Address: No. 21 Cat Linh Street, Dong Da District, Hanoi B04a/TCTD

III– ADDITIONAL INFORMATION FOR BALANCE SHEET ITEMS

1. Cash, gold and gemstones

	31/03/2019 VND million	*31/12/2017 VND million*
Cash in VND	1,612,551	1,198,411
Cash in foreign currencies	466,961	533,311
Gold	3,111	2,760
	2,082,623	**1,734,482**

2. Balances with State banks

	31/03/2019 VND million	*31/12/2018 VND million*
Balances with the State Bank of Vietnam	6,703,674	9,652,851
- *In VND*	5,604,156	9,214,301
- *In foreign currencies*	*1,099,518*	*438,550*
Balances with the Bank of the Lao PDR	175,334	292,892
Balances with the National Bank of Cambodia	708,707	598,312
	7,587,715	**10,544,055**

3. Cash and gold deposits at and loans to other credit institutions

	31/03/2019 VND million	*31/12/2018 VND million*
Cash, gold deposits at other credit institutions		
Demand deposit		
- *In VND*	7.024.374	8,096,593
- *In foreign currencies, gold*	3.969.839	3,536,844
Term deposit		
- *In VND*	22.810.250	21,992,750
- *In foreign currencies, gold*	2.754.006	3,514,197
Loans to other credit institutions		
In VND	4.388.600	5,741,782
In foreign currencies, gold	2.177.649	2,032,212
Allowance for loans losses of loans to other CIs	(196.000)	(196,000)
	42.928.718	**44,718,378**

4. Loans to customers

	31/03/2019 VND million	*31/12/2018 VND million*
Loans to domestic economic entities and individuals	215,776,649	202,434,003
Discounted commercial bills and valuable papers	733,227	560,381
Loans granted from borrowed and entrusted funds	425,396	453,531
Payables on behalf of customers	7,898	11,388
Loans to foreign economic entities and individuals	3,070,037	3,496,332
	220,013,207	**206,955,635**

- ***Loan quality analysis:***

	31/03/2019	*31/12/2018*

	VND million	*VND million*
Current loans	213,846,590	201,284,651
Special-mentioned loans	3,333,296	3,136,256
Sub-standard loans	870,368	872,407
Doubtful loans	1,399,703	703,752
Loss	563,250	958,569
	220,013,207	**206,955,635**

- ***Analysis of outstanding loans by term:***

	31/03/2019 *VND million*	*31/12/2018* *VND million*
Short-term	114,980,563	104,430,499
Mid-term	27,498,344	28,559,388
Long-term	77,534,300	73,965,748
	220,013,207	**206,955,635**

- ***Analysis of outstanding loans by category of customer and type of economic entities***

	31/03/2019 *VND million*	*%*	*31/12/2018* *VND million*	*%*
Loans to economic entities	**135.663.187**	**61,66**	**127,717,227**	**61.71**
State-owned enterprises	11.295.750	5,13	9,061,436	4.38
One-member limited liability companies with 100% State-owned capital	8.303.163	3,77	8,093,086	3.91
Limited liability companies with more than one members with more than 50% State-owned capital	575.343	0,26	552,172	0.27
Other limited liability companies	44.771.818	20,35	42,429,561	20.50
Joint Stock companies with more than 50% State-owned Capital (the State holds dominating shares)	7.958.509	3,62	7,390,803	3.57
Other joint stock companies	55.756.080	25,35	53,021,971	25.62
Partnership companies	-	-	-	-
Private enterprises	-	-	-	-
Foreign invested enterprises	6.774.172	3,08	6,892,653	3.33
Cooperatives and cooperative unions	228.352	0,10	275,545	0.13
Loans to individuals	**81.085.213**	**36,85**	**75,530,544**	**36.50**
Household business, individuals	81.085.213	36,85	75,530,544	36.50
Other loans	**194.770**	**0,09**	**211,532**	**0.10**
Administrative, Communist Party, Union and Association units	42.844	0,02	56,663	0.03
Others	151.926	0,07	154,869	0.07
Loans to customers of the Foreign branches	**3.070.037**	**1,40**	**3,496,332**	**1.69**
Loans to Enterprises	2.301.433	1,05	2,724,665	1.32
Loans to individuals	768.604	0,35	771,667	0.37
	220.013.207	**100,00**	**206,955,635**	**100.00**

- ***Analysis of outstanding loans by sectors***

	31/12/2018 *VND million*	*%*	*31/12/2018* *VND million*	*%*
Agriculture, Forestry, Fishery	3.097.604	1,41	3.095.756	1,50
Mining	4.475.558	2,03	3.941.497	1,90
Manufacturing and processing	37.996.378	17,27	36.303.626	17,54
Production & Distribution of Power, Gas, Hot Water, Steam and Air-Conditioner	6.989.581	3,18	6.263.470	3,03

Water supply, management & treatment of garbage & sewage	742.678	0,34	748.549	0,36
Construction	19.681.693	8,95	20.494.258	9,90
Wholesale, Retail & Repair of Automobiles, Motorbikes and other Automotive Vehicles	54.408.806	24,72	47.291.140	22,85
Transportation, Warehousing	9.786.068	4,45	10.048.584	4,86
Hospitality services	5.254.675	2,39	4.623.610	2,23
Information & Communication	3.112.691	1,41	3.133.806	1,51
Finance, Banking and Insurance	818.549	0,37	626.759	0,30
Real estate trading	5.181.484	2,36	5.234.177	2,53
Professional, scientific & technological activities	251.259	0,11	210.248	0,10
Administration & Supporting services	631.237	0,29	612.640	0,30
Education & Training	534.375	0,24	525.213	0,25
Healthcare and social work	766.386	0,35	916.753	0,44
Arts, entertainment and recreation	83.446	0,04	74.206	0,04
Other services	71.034	0,03	74.323	0,04
Working in the households, producing household self-consumed products and services	63.059.668	28,66	59.240.688	28,63
Loans at Foreign branches	3.070.037	1,40	3.496.332	1,69
	220.013.207	**100,00**	**206.955.635**	**100,00**

5. Movements (increase/decrease) of allowance for loans losses:

Movements in the allowance for loans losses as at 31 March 2019 include the following items:

	In Vietnam			*In foreign branches*			*Total*		
	Specific Allowance	*General Allowance*	*Total*	*Specific Allowance*	*General Allowance*	*Total*	*General Allowance*	*General Allowance*	*Total*
Balance as at 1 January 2019	1.439.473	1.501.696	2.941.169	113.743	26.283	140.026	1.553.216	1.527.979	3.081.195
Allowance made / reversed during the period	661.590	63.014	724.604	860	(3.477)	(2.617)	662.450	59.537	721.987
Utilized allowances	(800.716)	-	(800.716)	(79.896)	-	(79.896)	(880.612)	-	(880.612)
Adjustment for exchange rate	-	-	-	19	3	22	19	3	22
Balance as at the end of period	**1.300.347**	**1.300.347**	**2.865.057**	**34.726**	**22.809**	**57.535**	**1.335.073**	**1.587.519**	**2.922.592**

Movements in the allowance for loans losses for the fiscal year 2018 include the following items:

Unit: VND million

	In Vietnam			*In foreign branches*			*Total*		
	Specific Allowance	*General Allowance*	*Total*	*Specific Allowance*	*General Allowance*	*Total*	*General Allowance*	*General Allowance*	*Total*
Balance as at 1 January 2018	698,747	1,284,841	1,983,588	98,323	27,193	125,516	797,070	1,312,034	2,109,104
Allowance made / reversed during the period	2,488,049	216,855	2,704,904	38,427	(1,924)	36,503	2,526,476	214,931	2,741,407
Utilized allowances	(1,733,669)	-	(1,733,669)	(25,393)	-	(25,393)	(1,759,062)	-	(1,759,062)
Adjustment for exchange rate	-	-	-	2,386	1,014	3,400	2,386	1,014	3,400
State Audit adjustment	(13,654)	-	(13,654)	-	-	-	(13,654)	-	(13,654)
Balance as at 31 December 2018	**1,439,473**	**1,501,696**	**2,941,169**	**113,743**	**26,283**	**140,026**	**1,553,216**	**1,527,979**	**3,081,195**

6. Investment securities

6.1. Available-for-sale investment securities

The detailed data of available-for-sale investment securities of the Bank is as follows:

		31/03/2019 *VND million*	*31/12/2018* *VND million*
Debt securities			
Debt securities issued by the Government	(i)	25.111.149	26.297.832
Debt securities guaranteed by the Government	(i)	16.635.648	16.223.851
Treasury bills by SBV	(i)	1.280.775	1.281.273
Debt securities issued by other credit institutions	(ii)	23.495.389	20.897.686
Debt securities issued by domestic economic entities	(iii)	9.072.466	5.484.225
Equity securities			
Equity securities issued by other credit institutions		-	-
Equity securities issued by domestic economic entities		-	-
		75.595.427	**70.184.867**
Allowance for diminution in the value of available-for-sale securities		(152.101)	(132.450)
		75.443.326	**70.052.417**

(i) *Debt securities issued by the Government* (including SBV bills) *and Debt securities guaranteed by the Government* include bonds with 3 year to 15-year term at annual interest rates from 3.80% to 11,60%,

(ii) D*ebt securities issued by other credit institutions* include bonds with 6-month to 5-year term at annual interest rates from 5.30% to 8.78%,

(iii) *Debt securities issued by domestic economic* entities include bonds with 1,5 to 10-year term at annual interest rates from 9.80% to 10.50%

6.2. Held-to-maturity investment securities

		31/03/2019 *VND million*	*31/12/2018* *VND million*
Held-to-maturity investment securities			
Bonds guaranteed by the other credit institutions	(i)	80,000	2,080,000
Bonds issued by domestic economic entities	(ii)	2,829,987	5,331,424
		2,909,987	**7,411,424**
Allowance for diminution in the value of held-to-maturity investment securities		(125,246)	(302,366)
		2,784,741	**7,109,058**

(i) *Bonds issued by other credit institutions* with 3-year to 15-year term at annual interest rates from 9% to 17.2%,

(ii) *Bonds issued by domestic economic entities* include bonds with 1,5-year to 15-year term at annual interest rates from 8,90% to 10,50%,

7. Capital contribution & long-term investment

Details of long-term investments items as at 31 March 2019 and 31 December 2018 are as follows:

	31/03/2019 VND million	31/12/2018 VND million
Investment in subsidiaries	3,820,907	3,820,907
Other long-term investments	467,892	467,942
	4,288,799	**4,288,849**
Allowance for diminution in the value of long-term investments	***(81,675)***	***(81,675)***
	4,207,124	**4,207,174**

7.1. Investments in Subsidiaries

Details of investments in subsidiaries as at 31 March 2019 and 31 December 2018 are as follows:

	31/03/2019		31/12/2018	
	Cost VND	% owned by Bank	Cost VND	% owned by Bank
Military Commercial Joint Stock Assets Management Company Limited	665,862	100.00%	665,862	100.00%
MB Securities Joint Stock Company	971,109	79.52%	971,109	79.52%
MB Capital Management Joint Stock Company	293,900	90.77%	293,900	90.77%
MB Shinsei Finance Company Limited (“MCredit”)	400,000	50.00%	400,000	50.00%
Military Insurance Joint Stock Corporation (“MIC”)	575,036	69.58%	575,036	69.58%
MB Ageas Life Insurance Company Limited	915,000	61.00%	915,000	61.00%
	3,820,907		**3,820,907**	

7.2. Other long-term investments

Details of other capital contributions & long-term investments as at 31 March 2019 and 31 December 2018 are as follows:

	31/03/2019 VND million	31/12/2018 VND million
Investment in economic entities	445,892	445,942
Investment in investment fund	22,000	22,000
	467,892	**467,942**

7.3. Allowance for diminution of investment securities and capital contributions/long-term investments

	31/03/2019 VND million	31/12/2018 VND million
Allowance for diminution of investment securities	262,294	257,696
Allowances for diminution of capital contribution & long-term investments	81,675	81,675
	343,969	**339,371**

7.3.1. Allowance for diminution of investment securities

	31/03/2019 VND million	*31/12/2018 VND million*
Available-for-sale investment securities	152,101	132,450
Held-to-maturity investment securities	110,193	125,246
	262,294	**257,696**

7.3.2. Allowances for diminution of long-term capital contribution & investments

	31/03/2019 VND million	*31/12/2018 VND million*
Investment in Subsidiaries	-	-
Other capital contributions / long-term investments	81,675	81,675
	81,675	**81,675**

8. Tangible fixed assets

Movements in tangible fixed assets ending on 31 March 2019 are as follows:

	Building and structures VND million	*Machines, equipment VND million*	*Means of transportation VND million*	*Other tangible fixed assets VND million*	*Total VND million*
Cost					
Opening balance	1,275,614	1,043,437	529,300	137,457	2,985,808
Increase during the period	42	22,166	1,839	-	24,047
Decrease during the period	-	(304)	(324)	(571)	(1,199)
Adjustment for exchange rates	(2)	(5)	(1)	-	(8)
Closing balance	1,275,654	1,065,294	530,814	136,886	3,008,648
Accumulated depreciation					
Opening balance	193,164	843,348	407,505	128,043	1,572,060
Depreciation during the period	12,790	28,892	14,392	(727)	55,347
Decrease during the period	-	(304)	(324)	(554)	(1,182)
Adjustment for exchange rates	(2)	(4)	(1)	-	(7)
Closing balance	205,952	871,932	421,572	126,762	1,626,218
Net book value					
Opening balance	1.082.450	200.089	121.795	9.414	1.413.748
Closing balance	1.069.702	193.362	109.242	10.124	1.382.430

Movements in tangible fixed assets ending on 31 December 2018 are as follows:

	Building and structures VND million	*Machines, equipment VND million*	*Means of transportation VND million*	*Other tangible fixed assets VND million*	*Total VND million*
Cost					
Opening balance	1,241,579	899,740	472,157	135,941	2,749,417
Increase during the period	33,977	146,144	66,900	9,753	256,774
Decrease during the period	(124)	(2,801)	(9,869)	(8,237)	(21,031)
Adjustment for exchange rates	182	354	112	-	648
Closing balance	1,275,614	1,043,437	529,300	137,457	2,985,808
Accumulated depreciation					
Opening balance	139,659	747,901	360,540	124,943	1,373,043
Depreciation during the period	53,479	97,970	55,074	3,937	210,460
Decrease during the period	-	(2,757)	(8,197)	(837)	(11,791)
Adjustment for exchange rates	26	234	88	-	348
Closing balance	193,164	843,348	407,505	128,043	1,572,060
Net book value					
Opening balance	1,101,920	151,839	111,617	10,998	1,376,374
Closing balance	1,082,450	200,089	121,795	9,414	1,413,748

9. Intangible fixed assets

Movements in intangible fixed assets ending on 31 March 2019 are as follows:

	Definite land use rights VND million	*Computer software VND million*	*Total VND million*
Cost:			
Opening balance	1,058,064	566,394	1,624,458
Increase during the period	-	23,808	23,808
Decrease during the period	-	-	-
Adjustment for exchange rate	-	-	-
Closing balance	1,058,064	590,202	1,648,266
Accumulated amortization:			
Opening balance	141,870	525,523	667,393
Amortization during the period	4,671	17,581	22,252
Decrease during the period	-	-	-
Adjustment for exchange rate	-	-	-
Closing balance	146,541	543,104	689,645
Net book value:			
Opening balance	916,194	40,871	957,065
Closing balance	911,523	47,098	958,621

Movements in intangible fixed assets ending on 31 December 2018 are as follows:

	Definite land use rights VND million	*Computer software VND million*	*Total VND million*
Cost:			
Opening balance	963,712	505,579	1,469,291
Increase during the period	94,352	60,781	155,133
Decrease during the period	-	-	-
Adjustment for exchange rate	-	34	34
Closing balance	1,058,064	566,394	1,624,458
Accumulated amortization:			
Opening balance	123,266	445,568	568,834
Amortization during the period	18,604	79,929	98,533
Decrease during the period	-	-	-
Adjustment for exchange rate	-	26	26
Closing balance	141,870	525,523	667,393
Net book value:			
Opening balance	840,446	60,011	900,457
Closing balance	916,194	40,871	957,065

10. Receivables

	31/03/2019 VND million	*31/12/2018 VND million*

Internal receivables	1,529,181	104,826
External receivables	10,740,200	8,075,720
	12,269,381	**8,180,546**

Details of external receivables are as follows:

	31/03/2019 VND million	*31/12/2018 VND million*
- Advances and deposits for contract	113,808	592,368
- Escrow deposit at foreign banks	2,156,371	463,856
- Draft Buyback LC & Upas LC	3,118,300	3,929,665
- Other receivables	5,351,721	3,089,831
	10,740,200	**8,075,720**

11. Other Assets

	31/03/2019 VND million	*31/12/2018 VND million*
Deferred expenses	350,907	335,657
Goodwill	57,136	66,658
Other assets	427,224	431,166
	835,267	**833,481**

12. Allowance for other On-balance sheet Assets

	31/03/2019 VND million	*31/12/2018 VND million*
Opening balance	**8,838**	**406,474**
Allowance made / (reversed) during the year	(2,003)	-
Utilization of fund	-	(397,636)
Closing balance	**6,835**	**8,838**

13. Borrowings from the Government and SBV

	31/12/2018 VND million	*31/12/2017 VND million*
- *Deposit at State Treasury*	*3,158,536*	*2,632,894*
	3,158,536	**2,632,894**

14. Deposits and borrowings from other credit institutions

	31/03/2019 VND million	*31/12/2018 VND million*
Demand deposits from other credit institutions	7,819,137	5,419,688
- *In VND*	*7,066,119*	*5,401,135*
- *In gold and foreign currencies*	*753,018*	*18,553*
Term deposits from other credit institutions	42,991,946	34,859,525
- *In VND*	*35,697,488*	*28,317,851*
- *In gold and foreign currencies*	*7,294,458*	*6,541,674*

Borrowings from other credit institutions	18,026,670	16,993,255
- *In VND*	*4,340,250*	*4,197,246*
- *In gold and foreign currencies*	*13,686,420*	*12,796,009*
	68,837,753	**57,272,468**

15. Customer deposits

- Notes to deposits by type:

	31/03/2019 *VND million*	*31/12/2018* *VND million*
Demand deposits and gold	61,128,680	77,397,793
- *Demand deposits in VND*	*51,027,308*	*66,777,624*
- *Demand deposits in foreign currencies*	*10,101,372*	*10,620,169*
Term deposits and gold	160,489,019	143,192,010
- *Term deposits in VND*	*155,736,754*	*138,451,273*
- *Term deposits in foreign currencies*	*4,752,265*	*4,740,737*
Deposits for specific purpose	4,846,868	4,925,942
Margin deposits	15,994,603	15,273,820
- *Margin deposits in VND*	*8,242,023*	*7,904,125*
- *Margin deposits in foreign currencies*	*7,752,580*	*7,369,695*
	242,459,170	**240,789,565**

- ***Notes to deposits by category of customers, type of economic entities***

	31/03/2019 *VND million*	*31/12/2018* *VND million*
Deposits of economic entities	135,237,280	140,696,218
Deposits of individuals	107,221,890	100,093,347
	242,459,170	**240,789,565**

16. Financial derivatives and other financial liabilities

	Total book value (at exchange rate of the reporting date)		
	Assets *VND million*	*Liabilities* *VND million*	*Net value* *VND million*
As at 31 March 2019			
Currency derivative financial instruments	**97,617**	**-**	**97,617**
Currency forward transactions	27,816	-	27,816
Currency swap transactions	69,801	-	69,801
As at 31 December 2018			
Currency derivative financial instruments	**36,032**	**-**	**36,032**
Currency forward transactions	15,207	-	15,207
Currency swap transactions	20,825	-	20,825

17. Borrowed and entrusted funds and risk-bearing loans to CI

	31/03/2019 *VND million*	*31/12/2018* *VND million*
Fund received from other institutions (*)	288,944	319,963

	288,944	**319,963**

(*) Fund received from other organizations represent ODA funds from the Japan Bank for International Cooperation in VND through the State Bank of Vietnam under their project to finance Small and Medium Enterprise, The framework agreement was signed on 17 March 2010, Term loans are long-term and medium-term loans with an interest rate of 5,04% per annum,

18. Valuable papers issued

		31/03/2019 VND million	*31/12/2018 VND million*
Ordinary bonds issued in 2017	(i)	3,256,150	3,254,095
Ordinary bonds issued in 2018	(ii)	2,993,788	2,993,756
Depositary certificate issued in 2018	(iii)	3,900,000	4,043,000
Depositary certificate issued in 2019	(iv)	4,247,125	-
		14,397,063	**10,290,851**

(i) Ordinary bonds issued by the Bank in 2017 at the annual interest rate of 8.3-8.55%,
(ii) Ordinary bonds issued by the Bank in 2018 at the annual interest rate of 7.775 – 8.575%,
(iii) Depositary certificate issued by the Bank in 2018 at the annual interest rate of 6-7%
(iv) Depositary certificate issued by the Bank in 2018 at the annual interest rate of 4.1-7%

19. Other payables and liabilities

	31/03/2019 VND million	*31/12/2018 VND million*
Internal payables	1,007,636	1,440,164
External payables	4,834,745	4,766,245
Of which: Tax payables (Note IV,11)	*568,419*	*444,654*
	5,842,381	**6,206,409**

20. Capital and reserves

21.1. Report on changes in owners' equity and reserves

As at 31 March 2019 the number of outstanding shares issued by the Bank was **2,160,451,381** at par value of VND 10,000. Hence the Bank's charter capital was VND **21,604,514** million.

Unit: VND million

Items	Opening balance	Provision	Used/ Decreased	State Audit adjustment	Ending balance
Charter capital	21,604,514	-	-	21,604,514	21,604,514
Share premium	-	-	-	-	-
Treasury shares	-	(1,036,712)	-	(1,036,712)	-
Financial reserves	2,289,825	735,000	-	3,024,825	2,289,825
Additional charter capital reserve	1,152,313	368,000	-	1,520,313	1,152,313
Other reserves	375,180	-	(27,816)	347,364	375,180
Retained earnings	6,783,992	1,692,626	(8)	8,476,610	6,783,992
Total	**32,205,824**	**1,758,914**	**(27,824)**	**33,936,914**	**32,205,824**

Details of MB's equity are as follows:

Unit: VND million

	31/03/2019			*31/12/2018*		
	Total	*Ordinary Shares*	*Preferred shares*	Total	*Ordinary Shares*	*Preferred shares*
Shareholders' capital	21,604,514	21,604,514	-	21,604,514	21,604,514	-
Treasury shares	(1,036,712)	(1,036,712)	-	-	-	-
	20,567,802	**20,567,802**	**-**	**21,604,514**	**21,604,514**	**-**

21.2. Bank's reserves

In accordance with Decree 93/2017/ND-CP issued by the Government dated 07 August 2017, before making profit distribution, Bank is required to make appropriation of reserves as follows:

	Profit after tax percentage	*Maximum percentage*
Equity reserve fund	5% Profit after tax	100% of the charter capital
Financial reserves	10% Profit after tax	

The appropriation of other funds shall be at the discretion of the credit institution as per resolutions of General Meeting of Shareholders,

21.3. Shares:

	31/03/2019	*31/12/2018*
Number of shares registered for issuance		
Number of shares offered to the public	2,160,451,381	2,160,451,381
- *Ordinary shares*	*2,160,451,381*	*2,160,451,381*
Number of repurchased shares	47,052,980	-
- *Ordinary shares*	*47,052,980*	-
- *Preference shares*		
Number of outstanding shares	2,113,398,401	2,160,451,381
- *Ordinary shares*	*2,113,398,401*	*2,160,451,381*
- *Preference shares*		

* Nominal value of ordinary share: VND 10,000

IV- Additional information to items presented in the Statement of income

1. Net Interest income

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Interest and similar income		
Interest Income from deposits with other CIs	286,285	145,916
Interest Income from loans	4,627,222	3,901,984
Interest income from debt securities	1,178,271	876,537
Fees from Guarantee services	284,074	286,995
Other credit activities	88,731	77,154
	6,464,583	**5,288,586**
Interest and similar expenses		
Interest expense for deposits	(2,597,067)	(2,012,075)
Interest expense for borrowings from SB and other CIs	(133,825)	(105,790)
Interest expense for valuable papers issued	(214,963)	(127,384)
Other credit activities	(57,389)	(32,821)
	(3,003,244)	**(2,278,070)**
Net Interest income	**3,461,339**	**3,010,516**

2. Net fee and commission income

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Fee and commission income		
Settlement and cash services	170,444	151,850
Other services	181,363	88,682
	351,807	**240,532**
Fee and commission expenses		
Settlement and cash services	(51,931)	(49,222)
Other services	(17,501)	(13,477)
	(69,432)	**(62,699)**
Net fee and commission income	**282,375**	**177,833**

3. Net gain/loss from trading of foreign currencies

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Income from trading of foreign currencies		
Income from spot foreign currencies contracts and gold	155,367	141,283
Income from currencies derivatives contracts	196,118	131,709
	351,485	**272,992**
Expenses on foreign currencies		
Expenses for spot foreign currencies contracts and gold	(21,879)	(105,486)
Expenses for currencies derivatives contracts	(200,589)	(91,874)
	(222,468)	**(197,360)**

Net gain/(loss) from trading of foreign currencies	**129,017**	**75,632**

4. Net gain/(loss) from trading securities, investment securities and capital contribution and long-term investments

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Gain/(loss) from trading securities, investment securities and capital contribution and long-term investments		
Income from trading securities, investment securities and capital contribution and long-term investments	154,058	188,409
Expenses for trading securities, investment securities and capital contribution and long-term investments	(4,984)	(17,137)
	149,074	**171,272**
Allowance for diminution in the value of trading securities, investment securities and capital contribution and long-term investments		
Reversal of/ (expense for) allowance for diminution in the value of trading securities, investment securities	(4,598)	59,078
Reversal of/ (expense for) allowance for diminution in the value of long-term capital contributions / investments	-	515
	(4,598)	**59,593**
Net gain/(Loss) from trading securities, investment securities and capital contribution and long-term investments	**144,476**	**230,865**

5. Net gain/loss from other operations

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Recovery of bad debts previously written off	236,459	153,071
Profit/(Loss) from other derivative instruments	26,244	16,949
Other incomes/(expense)	9,739	14,002
	272,442	**184,022**

6. Income from capital contribution, share purchase

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Dividends received from subsidiaries	5,260	-
Income from capital contribution and share purchase	-	-
	5,260	**-**

7. Operating expenses

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Taxes, duties and fees	6,411	4,828
Salaries and related expenses	976,860	743,919
Expenditures on assets, instrument & tools	231,927	227,048
- Depreciation and amortization	*77,599*	*69,515*
- Others	*154,328*	*157,533*
Expenditures for administration and official purposes	210,921	260,584
- Expenditure for business trip	*23,133*	*20,793*
- Union activities	*818*	*607*
- Others	186,970	*239,184*
Insurance expense on deposit of customers	36,616	33,479
	1,462,735	**1,269,858**

8. Employee incomes

	For the period from 1/1/2019- 31/3/2019 VND million
Average total number of employees during the period (employees)	9,173
Total income	**863,377**
Average monthly income	31.37

9. Allowance made/(reserved) for losses

	From 1/1/2019 to 31/03/2019 VND million	*From 1/1/2018 to 31/03/2018 VND million*
Allowance made/(reversed) for loans to other CIs	-	-
Allowance made/(reserve) for customer credit risk	721,987	677,708
Allowance made/(reversed) for other risks	(2,003)	(15,070)
	719,984	**662,638**

10. Obligations to the State Budget

Unit: VND million

	Opening balance	*Changes during the period*		*State Audit Adjustment*	*Ending balance*
		Amount payable	*Amount paid*		
VAT	22,974	35,688	(44,983)	13,679	22,974
Corporate Income Tax	289,152	419,565	(283,519)	425,198	289,152
Other taxes	132,528	192,701	(195,687)	129,542	132,528
	444,654	**647,953**	**(524,189)**	**568,419**	**444,654**

11. Current Corporate income tax

The Bank is obligated to pay corporate income tax on the total taxable profits:

	31/03/2019 VND million	*31/03/2018 VND million*
Gross accounting profit before tax	**2,112,190**	**1,746,372**
Adjustments for:		
- Income from non-taxable income (including dividends, business results from foreign branches) and others	(52,789)	5,449
- Non-deductible expenses	497	102
Taxable income of the Bank	**2,059,898**	**1,751,923**
Current corporate income tax (i)	411,980	349,781
Current corporate income tax of foreign branches (ii)	7,585	-
Corporate income tax expenses (i) + (ii)	**419,565**	**349,781**
Payables due to reversal from previous year	-	-
Corporate income tax expenses incurred during the year	**419,565**	**349,781**

12. Cash and cash equivalents

Net cash and cash equivalents shown on the separate cash flow statement include items in the following separate balance sheet:

	31/03/2019 VND million	*31/03/2018 VND million*
Cash and cash equivalents in funds	2,082,623	1,734,482
Balances with the SBV	7,587,715	10,544,055
Deposits at credit institutions with original term not exceeding 3 months	36,558,469	37,140,384
Securities with time to recovery or maturity not exceeding 3 months from the date of purchase	-	-
	46,228,807	**49,418,921**

V- Other information

1. Other significant risk-bearing off-balance sheet activities of the Bank

Item	*31/03/2019 VND million*	*31/03/2018 VND million*
I, Contingent liabilities	**96,874,448**	**95,916,911**
+ Loan guarantee	89,104	89,264
+ LC commitments	27,475,399	24,623,727
+ Other guarantees	69,309,945	71,203,920
II, Foreign exchange commitments	**123,715,240**	**120,015,948**
+ Foreign exchange purchase commitments	8,752,795	9,019,360
+ Foreign exchange sell commitments	9,417,296	11,102,468
+ Swap commitments	105,545,149	99,894,120
+ Future contract commitments	-	-

III, Other commitments	**24,226,885**	**20,325,895**
+ Irrevocable loan commitments	-	-
+ Other commitments	24,226,885	20,325,895

Contingent liabilities and commitments

In the course of business, the Bank provides financial instruments relating to off-balance sheet items in the separate financial statement, These financial instruments primarily include guarantee commitments and letters of credit, These instruments also generate credit risk for the Bank in addition to the credit risk presented on the balance sheet,

Credit risk of off-balance sheet financial instruments is defined as the possibility to generate credit risk for the Bank when one of the parties involved in such financial instruments fails to fulfill terms and conditions under the contract,

Financial guarantees are conditional commitments issued by the Bank to its customers to conduct transaction with a third party in the form of loan guarantee, payment guarantee, contract performance guarantee and bidding guarantee, Credit risk relating to guarantees essentially entails the same risk as lending to customers,

Sight letters of credit is the kind of transaction where the Bank provides financing to its customers, usually the buyer / importer, and the beneficiary is typically the seller / exporter, Credit risk entailed in sight letters of credit is usually lower because imported goods are used as collateral for this type of transaction,

For time letters of credit, risks will arise when the contract is performed but the customer fails to pay the beneficiary, Unpaid time letters of credit will be recognized as forced loan by the Bank, and the corresponding liabilities indicate its financial obligation to pay the beneficiary and fulfill the guarantee obligations,

The Bank often requires deposit from customers as collateral for credit-related financial instruments when necessary, Deposit value ranges from 0% to 100% of the offered commitment, depending on customer’s creditworthiness rated by the Bank,

2. Transactions with related parties

Transactions with related parties are transactions made with parties related to the Bank, A party is considered to be related party to the Bank if:

(a) The party either directly or indirectly through one or more intermediaries:

- controls or is controlled by, or under general control of the Bank (including holding company, their subsidiaries);
- has capital contributions to the Bank and therefore has significant influence over the Bank;
- has joint control over the Bank;

(b) Related party is a joint venture in which the Bank is a party (see Vietnam Accounting Standard No, 8 - Financial Information of Investments in Joint Ventures);

(c) A member of the party is key personnel in the management board of the Bank or its holding company;

(d) The party is a relative of any individual referred to in point (a) or (c);

(e) The related party is a bank being directly or indirectly controlled, co-controlled or significantly influenced, or subject to voting rights of any individual referred to in point (c) or (d);

Details of payables and receivables with related parties as at 31 March 2019 are as follows:

Related parties	*Relationship*	*Transactions*	*Receivables VND million*	*(Payable) VND million*
MB Securities Joint Stock Company	Subsidiary	Capital contribution	971,109	-
		Deposits	-	(58,484)
MB Capital Management Joint Stock Company	Subsidiary	Capital contribution	293,900	-
		Deposits	-	(58,919)
Military Commercial Joint Stock Assets Management Company Limited	Subsidiary	Capital contribution	665,862	-
		Deposits		(313,818)
		Loans	-	-
MB Shinsei Finance Company Limited ("MCredit")	Subsidiary	Capital contribution	400,000	-
		Deposits	2,645,000	(207,026)
MB Ageas Life Insurance Company Limited	Subsidiary	Capital contribution	915,000	-
		Deposits	-	(333,612)
Military Insurance Joint Stock Corporation ("MIC")	Subsidiary	Capital contribution	575,036	-
		Deposits	-	(84,325)
		Loans	39,586	

Details of payables and receivables with related parties as at 31 December 2018 are as follows:

Related parties	*Relationship*	*Transactions*	*Receivables VND million*	*(Payable) VND million*
MB Securities Joint Stock Company	Subsidiary	Capital contribution	971,109	-
		Deposits	-	(145,013)
MB Capital Management Joint Stock Company	Subsidiary	Capital contribution	293,900	-
		Deposits	-	(92,637)
Military Commercial Joint Stock Assets Management Company Limited	Subsidiary	Capital contribution	665,862	-
		Deposits		(305,368)
		Loan	-	-
MB Shinsei Finance Company Limited ("MCredit")	Subsidiary	Capital contribution	400,000	-
		Deposits	2,260,000	(76,281)
MB Ageas Life Insurance Company Limited	Subsidiary	Capital contribution	915,000	-
		Deposits	-	(500,260)
Military Insurance Joint Stock Corporation ("MIC")	Subsidiary	Capital contribution	575,035	-
		Deposits	-	(155,535)
		Loan	49,925	

3. Separate segment reporting according to geographical segments

3.1. The level of geographical concentration of assets, liabilities and off-balance sheet items

Total outstanding loans, total deposits, credit commitments derivatives, securities trading and investment by geographical segment are presented in the following table:

	Total outstanding loans	Total deposits	Letter of credit commitments	Securities trading and investment
Domestic	216,943,170	241,496,261	27,475,399	80,038,374
Foreign	3,070,037	962,909	-	-

3.2. Separate segment reporting according to geographical segment

31 March 2019	*North* *VND million*	*Central* *VND million*	*South* *VND million*	*Foreign* *VND million*	*Total* *VND million*
Assets	256,452,246	29,984,966	82,050,458	3,795,462	372,283,132
Liabilities	222,997,218	29,880,513	81,793,497	3,674,990	338,346,218
Fixed asset	2,270,631	19,559	44,104	6,757	2,341,051
Revenue	5,552,179	429,793	1,376,676	85,829	7,444,477
Expenses	4,038,998	274,777	980,212	38,300	5,332,287
Profit before tax	1,513,181	155,016	396,464	47,529	2,112,190

31 December 2018	*North* *VND million*	*Central* *VND million*	*South* *VND million*	*Foreign* *VND million*	*Total* *VND million*
Assets	247,489,482	26,561,351	73,743,036	4,688,680	352,482,549
Liabilities	216,756,672	26,083,133	72,828,085	4,608,835	320,276,725
Fixed asset	2,301,326	18,817	43,223	7,447	2,370,813
Revenue	13,124,236	3,186,745	9,883,218	614,643	26,808,842
Expenses	8,080,457	2,564,154	8,578,372	556,225	19,779,208
Profit before tax	5,043,779	622,591	1,304,846	58,418	7,029,634

4. Notes on changes in profit:

Separate profit before tax of MB in QI of 2019 increased by VND 365,818 compared to QI of 2018, equivalent to 20.95% due to the following reasons:

Items with material changes	**Impact on Profit before tax VND million**
Increase/(Decrease) in profit due to decrease in net interest income	450,823
Increase/(Decrease) in profit due to increase in net interest income from commission and fee income	104,542
Increase/(Decrease) in profit due to increase in net interest income from foreign currencies trading	53,385
Increase/(Decrease) in profit due to increase in net loss from trading securities, investment securities and capital contribution and long-term investments	(86,389)
Increase/(Decrease) in profit due to increase in net interest income from other operations	88,420
Increase/(Decrease) in profit due to income from capital contribution and share purchase	5,260
Increase/(Decrease) in profit due to increase in operating expenses	(192,877)
Increase/(Decrease) in profit due to increase in provision expenses	(57,346)
Total increase/(decrease) impacting to business results	**365,818**

5. RISK MANAGEMENT POLICIES RELATED TO FINANCIAL INSTRUMENTS

The Bank's vision is to become a diversified financial group, Therefore, the use of financial instruments, including funding from customers (with deposit products and valuable paper issued) and investments in high quality financial assets has become key activities which help the bank gain necessary interest rate gaps, From risk management perspective, the Bank must maintain the its structure of assets, liabilities and capital (including balance sheet and off-balance sheet items) for the purpose of ensuring prudence and mitigating risk in banking operations, In addition, the Bank also invests in securities or extends credit to other banks, Risks associated with foreign exchange and interest rate changes are managed through application of position limits to restrict over-concentration and engagement in optimally correlated operations to mitigate risks, A balance sheet of more high quality financial instruments will enable the Bank to absorb significant risks during its operations and ensure liquidity, In addition, the Bank also engages in multiple hedging transactions for financial instruments such as foreign currencies swap for the purpose of managing interest rate risk,

In the process of credit risk management, the Bank effectively uses Credit Handbook which provides in details the lending policies and procedures as well as implementation guidance to standardize the Bank's credit operations, Liquidity risk is minimized through holding a reasonable amount of cash and cash equivalents in Nostro account, term deposits at the State Bank and other credit institutions, and valuable papers, Prudential ratios taking into account risk factors are also used to manage liquidity risk, The Bank often evaluates and benchmarks interest rate gaps of the domestic and international market for timely adjustments, In addition, the application of internal risk management processes is becoming more efficient thanks to the deployment of the Centralized Capital Management System and Centralized Payment System, whereby all capital transactions and the Bank's payments are carried out at the Head Office, This allows the Bank to monitor changes in capital and minimize the errors that may occur as well as redundant cumbersome administrative procedures,

5.1. CREDIT RISKS

Credit risks are the intrinsic risk entailed in banks' operations, Credit risk is the possibility of losses due to customers' failure or inability to perform its obligations as committed, The Bank has maintained a policy of credit risk management ensuring the following basic principles:

- ► Establishing an appropriate credit risk management setting;
- ► Operating in accordance with a healthy credit extension scheme;
- ► Maintaining an appropriate process for credit management, measurement and monitoring; and
- ► Ensuring adequate control over credit risk,

The Bank's credit appraisal process is comprised of multiple layers of approval to ensure independence; at the same time, approval of loans is done based on the credit line assigned to each competent authority level, Besides, the Bank's credit approval process also involves the Credit Council to ensure centralized credit approval with the highest quality,

The Bank is applying the internal credit rating system approved by the State Bank as a credit risk management tool, whereby each customer is assigned a specific risk classification level, This level of risk can be modified, updated on a regular basis, Customers' credit data and ratings across the system are controlled and managed centrally at the Head Office, This is the basis for the credit granting and service delivery to customers as well as the allowance for loans losses in accordance with the law,

5.2. MARKET RISKS

5.2.1. Interest rate risks

Effective interest rate re-pricing term is the period from the date of the separate financial statements to the next interest re-pricing time of assets and equity,

The following assumptions and conditions are applied in the analysis of the effective interest rate re-pricing of assets and liabilities of the Bank:

- ► Cash, gemstones; long-term capital contribution and investments and other assets (including fixed assets and other assets) are not subject to interest rate re-pricing;
- ► Balances at the State Bank of Vietnam is classified as demand deposit so the effective interest rate re-pricing term is up to one month;
- ► Effective interest rate re-pricing term of investment securities are calculated based on actual time to maturity of each individual stock at the date of the separate financial statements;
- ► Effective interest rate re-pricing term of deposits at and loans to other credit institutions, loans to customers, loans from the Government and State Bank of Vietnam; deposits and borrowings from other credit institutions and customer deposits is determined as follows:
  - Items with a fixed rate throughout their term: Effective interest rate re-pricing term is based on actual time to maturity at the date of the separate financial statements,
  - Items with floating interest rates: Effective interest rate re-pricing term is based on the period from the date of the separate financial statements to the next interest re-pricing time;
- ► Effective interest rate re-pricing term of valuable papers issued is based on actual time to maturity of such valuable papers;
- ► Effective interest rate re-pricing term of funding items entrusted investment and loans where credit institutions bearing the risk is classified into items not subject to interest rate re-pricing;
- ► Interest rate re-pricing term of other liabilities which are classified into items not subject to interest rate re-pricing,

Classification of assets and liabilities as at 31 March 2019 is as follows:

Unit: VND million

		Interest rate to be re-priced within						
	Overdue by	*Free of interest*	*Up to 1 month*	*From more than 1 - 3 months*	*From more than 3 - 6 months*	*From more than 6 - 12 months*	*Over 1 year*	*Total*
Assets								
Cash, gold and gemstones	-	2,082,623	-	-	-	-	-	2,082,623
Balances with State Banks	-	-	7,587,715	-	-	-	-	7,587,715
Cash, gold deposits with and loans to other credit institutions	196,000	-	34,857,236	4,473,731	2,768,891	663,860	165,000	43,124,718
Securities held for trading (*)	-	-	-	-	-	-	-	-
Financial derivatives and other financial assets	-	-	97,617	-	-	-	-	97,617
Loans to customers (*)	6,111,792	-	72,388,658	110,294,024	17,009,581	9,071,107	5,138,045	220,013,207
Investment securities (*)	80,000	-	489,203	470,479	2,990,576	3,712,012	72,296,104	80,038,374
Capital contribution & long-term investment (*)	-	4,288,799	-	-	-	-	-	4,288,799
Fixed asset	-	2,341,051	-	-	-	-	-	2,341,051
Other Assets (*)	-	16,178,424	-	-	-	-	-	16,178,
Total assets	**6,387,792**	**24,890,897**	**115,420,429**	**115,238,234**	**22,769,048**	**13,446,979**	**77,599,149**	**375,752,528**
Liabilities								
Amount due to Government and SBV	-	-	3,158,536	-	-	-	-	3,158,536
Deposits and borrowings from other credit institutions	-	-	47,542,863	12,543,713	7,542,408	750,175	458,594	68,837,753
Customer deposits	-	-	126,967,898	18,532,331	29,765,899	23,921,838	43,271,204	242,459,170
Financial derivatives and other financial liabilities	-	-	-	-	-	-	-	-
Borrowed and entrusted funds and risk bearing loan to other CIs	-	-	-	-	421	7,848	280,675	288,944
Valuable papers issued	-	-	90,000	130,000	27,125	100,000	14,049,938	14,397,063
Other liabilities (*)	-	9,204,752	-	-	-	-	-	9,204,752
Total liabilities	**-**	**9,204,752**	**177,759,297**	**31,206,044**	**37,335,853**	**24,779,861**	**58,060,411**	**338,346,218**
On-balance sheet interest sensitivity gap	**6,387,792**	**15,686,145**	**(62,338,868)**	**84,032,190**	**(14,566,805)**	**(11,332,882)**	**19,538,738**	**37,406,310**

(*): These items do not include risk provisions,

5, 2 MARKET RISKS (cont.,)

5.2.2. Currency risks

Currency risk is the risk that the value of financial instruments fluctuates due to changes in foreign exchange rates,

The Bank was established and operated in Vietnam with its reporting currency being VND, Transaction currency of the Bank is also VND, In the past year, exchange rate between VND and USD fluctuated in a narrow range, Loans and advances to customers of the Bank are mainly denominated in VND and US dollar, Other foreign currencies assets are mainly denominated in US dollar, partly in Euro and other currencies, The Bank has set limits on positions by currency based on internal system, Currency position is managed on a daily basis and hedging strategies are applied to ensure that the position is maintained within established limits,

Classification of assets and liabilities by currency converted into VND million as at 31 March 2019 as follows:

Unit: VND million

	Converted USD	*Converted EUR*	*Converted other currencies*	*Total*
Assets				
Cash, gold and gemstones	334,781	66,672	68,619	470,072
Balance with the SBV	1,811,006	-	172,553	1,983,559
Cash, gold deposits with and loans to other credit institutions	6,769,664	1,902,436	229,394	8,901,494
Trading securities	-	-	-	-
Financial derivatives and other financial assets	355,999	210,784	(164,286)	402,497
Loans to customers	22,523,486	9,972	692,824	23,226,282
Investment securities	4,640,000	-	-	4,640,000
Capital contribution & long-term investments	-	2,608	-	2,608
Fixed assets and investment properties	3,019	-	3,738	6,757
Other assets	3,521,265	1,908,932	-	5,430,197
Total assets	**39,959,220**	**4,101,404**	**1,002,842**	**45,063,466**
Liabilities				
Deposits and borrowing from other CIs	21,223,662	100,139	410,095	21,733,896
Customer deposits	19,374,008	3,562,553	339,541	23,276,102
Financial derivatives and other financial liabilities	-	-	-	-
Other liabilities	274,610	7,185	-	281,795
Total liabilities	**40,872,280**	**3,669,877**	**749,636**	**45,291,793**
On balance sheet currency position	(913,060)	431,527	253,206	(228,327)
Off balance sheet currency position	159,143	(423,587)	11,622	(252,822)
On and Off balance sheet currency position	**(753,917)**	**7,940**	**264,828**	**(481,149)**

5, 2 MARKET RISKS (cont.,)

5.2.3. Liquidity risk

The maturity of assets and liabilities represents time to maturity of the assets and liabilities from the date of the separate financial statements to the individual final payment as stipulated in the contract or in the issuance terms and conditions,

The following assumptions and conditions are applied in analyzing maturity period of the Bank's assets and liabilities:

- Balances with the State Bank of Vietnam are classified as demand deposit, which includes required reserves, The required balance of the compulsory reserve depends on the composition and maturity of customer deposits in the Bank,
- Time to maturity of investment securities is based on the maturity date of individual securities,
- Time to maturity of deposits and loans to other credit institutions and customers' loans are determined based on the contract's maturity date, Actual time to maturity may vary due to renewal of the loan contract,
- Time to maturity of capital contribution or purchase of shares is deemed to be more than five years as these investments do not have defined maturities,
- Deposits and borrowings from other credit institutions and customer deposits are identified based on the nature of these amounts or maturity specified in the contract, Transaction account shall be used to settle transactions upon the request of customers and is a demand deposit account, Time to maturity of loans and term deposits is determined based on contractual maturity dates, In reality, these contracts can be renewed and are effectively maintained for longer terms,
- Time to maturity of the fixed assets is determined based on the time remaining useful life of the asset,

Classification of assets and liabilities as at 31 December 2018 is as follows:

Unit: VND million

		Current					
	Overdue by	*Up to 1 month*	*From more than 1 - 3 months*	*From more than 3 - 12 months*	*From more than 1 - 5 years*	*Over 5 years*	*Total*
Assets							
Cash and gold	-	2,082,623	-	-	-	-	2,082,623
Balances with the SBV	-	7,587,715	-	-	-	-	7,587,715
Deposits with and loans to other credit institutions	196,000	34,857,236	4,473,731	3,432,751	165,000	-	43,124,718
Securities held for trading	-	-	-	-	-		-
Financial derivatives and other financial assets	-	97,617		-	-	-	97,617
Loans to customers	6,111,792	12,751,204	45,695,469	69,219,632	49,053,957	37,181,153	220,013,207
Investment securities (*)	80,000	489,203	470,479	6,702,588	43,130,339	29,165,765	80,038,374
Capital contribution & long-term investment (*)	-	-	-	-	4,288,799	-	4,288,799
Fixed asset	-	-	-	-	2,341,051		2,341,051
Other Assets (*)		3,073,776	-	13,104,648	-	-	16,178,424
Total Assets	**6,387,792**	**60,939,374**	**50,639,679**	**92,459,619**	**98,979,146**	**66,346,918**	**375,752,528**
Liabilities							
Amounts due to the Government and SBV	-	3,158,536	-	-	-	-	3,158,536
Deposits and borrowings from other credit institutions	-	47,542,863	12,543,713	8,292,583	421,916	36,678	68,837,753
Customer deposits	-	126,967,898	18,532,331	53,687,737	43,249,373	21,831	242,459,170
Financial derivatives and other financial liabilities	-	-	-	-	-	-	-
Loan granted from others borrowed and entrusted funds	-	-	-	8,269	208,937	71,738	288,944
Valuable papers issued	-	90,000	130,000	127,125	11,743,900	2,306,038	14,397,063
Other liabilities (*)	-	3,362,371	-	5,842,381	-	-	9,204,752
Total Liabilities	**-**	**181,121,668**	**31,206,044**	**67,958,095**	**55,624,126**	**2,436,285**	**338,346,218**
Net liquidity gap	**6,387,792**	**(120,182,294)**	**19,433,635**	**24,501,524**	**43,355,020**	**63,910,633**	**37,406,310**

(*): Risk provisions excluded,

6. Exchange rates of some currencies at the balance sheet date

	31/3/2019 *VND*	*31/12/2018* *VND*
USD	23,200.00	23,210.00
EUR	26,199.00	26,699.50
GBP	30,398.50	29,528.00
JPY	209.81	210.56
CHF	23,343.50	23,654.50
AUD	16,491.50	16,441.00
CAD	17,363.00	17,137.50
SGD	17,151.50	17,013.00
KHR	5.86	5.88
THB	704.18	706.75
SEK	2,588.73	2,629.07

Prepared by:	Reviewed by:		Approved by:
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Hanoi, Vietnam
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