

CÔNG TY CỔ PHẦN CHỨNG KHOÁN  
NGÂN HÀNG ĐẦU TƯ & PHÁT TRIỂN VIỆT NAM  
BIDV SECURITIES JOINT STOCK COMPANY

Số: 1045/BSC-CBTT

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
SOCIALIST REPUBLIC OF VIETNAM  
Độc lập – Tự do – Hạnh phúc  
Independence - Freedom – Happiness

Hà Nội, ngày 20 tháng 10 năm 2017  
Hanoi, October 20<sup>th</sup>, 2017

CÔNG BỐ THÔNG TIN TRÊN CÔNG THÔNG TIN ĐIỆN TỬ CỦA ỦY BAN CHỨNG KHOÁN  
NHÀ NƯỚC VÀ SGDCK

INFORMATION DISCLOSURE ON THE WEBSITES OF THE STATE SECURITIES COMMISSION  
OF VIETNAM AND STOCK EXCHANGES

Kính gửi/To: - Ủy Ban Chứng khoán Nhà nước  
- State Securities Commission of Vietnam  
- Sở Giao dịch Chứng khoán TP HCM  
- Ho Chi Minh City Stock Exchange  
- Sở Giao dịch Chứng khoán Hà Nội  
- Hanoi Stock Exchange  
- Ủy Ban Giám sát Tài chính quốc gia  
- National Financial Supervisory Commission of the  
Socialist Republic of Vietnam

Công ty/Company: Công ty CP Chứng khoán Ngân hàng Đầu tư và Phát triển Việt Nam  
BIDV Securities Joint Stock Company

Mã chứng khoán/Securities Code: BSI

Trụ sở chính/Headquarter: Tầng 1, 10, 11 Tháp BIDV 35 Hàng Vôi, Hoàn Kiếm, Hà Nội

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Loại thông tin công bố:  24h  72h  Yêu cầu  Bất thường  Định kỳ

Type of disclosed information:  24h  72h  Request  Extraordinary  Periodic

Nội dung công bố thông tin: Báo cáo tài chính quý 3/2017  
Content: Interim financial statements at 30 September 2017

1. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 20/10/2017 tại đường dẫn: <https://www.bsc.com.vn/News/2016/10/18/583671.aspx>

Such information was disclosed on the website of the company on October 20<sup>th</sup>, 2017 at: <https://www.bsc.com.vn/News/2016/10/18/583671.aspx>

2. Giải trình nguyên nhân lợi nhuận sau thuế TNDN 9 tháng năm 2017 tăng trên 10% so với 9 tháng năm 2016.

*Explanation for changes in profit between the nine months of 2017 and 2016*

Lợi nhuận sau thuế TNDN 9 tháng năm 2017 là 146,2 tỷ đồng, tăng 275% so với cùng kỳ năm 2016. Nguyên nhân do lợi nhuận ròng từ hoạt động tự doanh chứng khoán tăng hơn 200%; lợi nhuận ròng từ hoạt động ký quỹ tăng hơn 100%; hoạt động môi giới tăng 27% so với cùng kỳ năm ngoái. Mặc dù lợi nhuận ròng từ hoạt động tư vấn và bảo lãnh phát hành giảm khoảng 67% so với cùng kỳ năm ngoái nhưng tác động không đáng kể tới tổng lợi nhuận của Công ty năm nay do hoạt động này chiếm tỷ trọng nhỏ trong tổng lợi nhuận.

Profit after tax for the nine-month period of 2017 was VND 146.2 billion, increasing 275% year-over-year (yoy) mainly because income from proprietary trading increased by more than 200%, income from margin lending activities increased by more than 100%, income from brokerage services increased by 27% yoy. Although, income from advisory, underwriting and issuance agent services decreased by about 67% yoy but it did not have a significant impact on the Company's profit in general as income from these activities only accounts for a small proportion in the Company's profit.

Chúng tôi 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.

*We hereby commit that the above published information is true and take all legal responsibilities for the contents of the information published.*



ĐỖ HUY HOÀI

# **BIDV Securities Joint Stock Company**

Interim financial statements

30 September 2017



# BIDV Securities Joint Stock Company

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INTERIM STATEMENT OF FINANCIAL POSITION  
as at 30 September 2017

Unit: VND

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
100	<b>A. CURRENT ASSETS</b>		<b>1,706,153,853,686</b>	<b>1,362,064,037,732</b>
110	<b>I. Financial assets</b>		<b>1,705,962,841,351</b>	<b>1,361,796,842,133</b>
111	1. Cash and cash equivalents	5	181,443,369,212	436,488,305,264
111.1	a. Cash		61,443,369,212	106,488,305,264
111.2	b. Cash equivalents		120,000,000,000	330,000,000,000
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	819,194,322,848	358,921,518,262
113	3. Held-to-maturity (HTM) investments	7.2	65,000,000,000	77,024,023,168
114	4. Loans	7.3	622,207,299,997	471,678,060,306
116	5. Provision for impairment of financial assets and mortgage assets	7.4	(18,667,226,859)	(18,717,408,668)
117	6. Receivables	8	33,310,552,648	34,805,705,685
117.1	a. Receivables from disposal of financial assets		17,160,877,000	14,945,333,000
117.2	b. Receivables and accruals from dividend and interest income		16,149,675,648	19,860,372,685
117.4	- Accruals for dividend and interest income		16,149,675,648	19,860,372,685
118	7. Advances to suppliers		1,721,300,000	298,958,000
119	8. Receivables from services provided by the Company	8	1,759,148,745	1,688,628,798
122	9. Other receivables	8	15,074,760	208,640
129	10. Provision for doubtful debts	8	(21,000,000)	(391,157,322)
130	<b>II. Other current assets</b>	9	<b>191,012,335</b>	<b>267,195,599</b>
131	1. Advances		170,855,000	98,500,000
132	2. Office supplies, materials and tools		20,157,335	19,896,835
135	3. Value-added tax deductible		-	148,798,764

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

Unit: VND

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>154,499,910,651</b>	<b>83,889,477,937</b>
<b>210</b>	<b>I. Long-term financial assets</b>	<b>7.2</b>	<b>99,980,384,229</b>	<b>50,311,795,942</b>
212	1. Investments		99,980,384,229	50,311,795,942
212.1	a. Held-to-maturity investments		99,980,384,229	50,311,795,942
<b>220</b>	<b>II. Fixed assets</b>		<b>7,724,616,318</b>	<b>8,297,959,432</b>
221	1. Tangible fixed assets	10	6,270,941,451	6,669,765,241
222	a. Cost		17,492,922,794	17,485,559,194
223a	b. Accumulated depreciation		(11,221,981,343)	(10,815,793,953)
227	2. Intangible fixed assets	11	1,453,674,867	1,628,194,191
228	a. Cost		2,782,980,000	2,782,980,000
229a	b. Accumulated amortization		(1,329,305,133)	(1,154,785,809)
<b>250</b>	<b>III. Other non-current assets</b>		<b>46,794,910,104</b>	<b>25,279,722,563</b>
251	1. Long-term deposits, collaterals and pledges		16,214,910,104	4,007,552,104
252	2. Long-term prepaid expenses		-	217,119,939
254	3. Deposits to Settlement Assistance Fund	12	30,580,000,000	21,055,050,520
<b>270</b>	<b>TOTAL ASSETS</b>		<b>1,860,653,764,337</b>	<b>1,445,953,515,669</b>

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

Unit: VND

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
<b>300</b>	<b>C. LIABILITIES</b>		<b>739,699,735,162</b>	<b>462,018,357,206</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>739,699,735,162</b>	<b>462,018,357,206</b>
311	1. Short-term borrowings and financial leases	13	200,000,000,000	249,500,000,000
312	a. Short-term borrowings		200,000,000,000	249,500,000,000
318	2. Payables for securities transaction activities	15	56,424,870,325	115,583,129,268
320	3. Short-term trade payables	16	10,678,905,794	4,073,893,672
321	4. Short-term advances from customers		1,533,334,478	1,737,669,723
322	5. Statutory obligations	17	8,802,654,301	13,939,361,258
323	6. Payables to employees		24,148,016,115	25,116,594,685
324	7. Employee benefits		316,428,519	3,754,346
325	8. Short-term accrued expenses	18	775,445,370	289,480,134
329	9. Other current liabilities	19	265,728,144	153,974,120
331	10. Bonus and welfare funds		8,315,852,116	-
332	11. Repurchase agreements of Government bonds	14	428,438,500,000	51,620,500,000
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,120,954,029,175</b>	<b>983,935,158,463</b>
<b>410</b>	<b>I. Owners' equity</b>	<b>20</b>	<b>1,120,954,029,175</b>	<b>983,935,158,463</b>
411	Share capital		930,126,633,457	902,432,863,457
411.1	Contributed capital		929,884,920,000	902,191,150,000
411.1a	Common shares		929,884,920,000	902,191,150,000
411.2	Share premium		241,713,457	241,713,457
414	Charter capital supplementary reserve		5,959,872,250	5,959,872,250
415	Operational risk and financial reserve		5,959,872,250	5,959,872,250
417	Undistributed profit		178,907,651,218	69,582,550,506
417.1	Realised profit		202,126,576,436	119,548,639,787
417.2	Unrealised profit		(23,218,925,218)	(49,966,089,281)
	<b>TOTAL OWNERS' EQUITY</b>		<b>1,120,954,029,175</b>	<b>983,935,158,463</b>
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>1,860,653,764,337</b>	<b>1,445,953,515,669</b>

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

OFF-BALANCE SHEET ITEMS

Unit: VND

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
001	1. Operating lease fixed assets	21.1	994,635,000	994,635,000
005	2. Foreign currencies	21.2		
	a. USD		267,152	253,967
	b. Euro		97	97
006	3. Outstanding shares	21.3	929,833,430,000	902,139,800,000
007	4. Treasury shares	21.3	51,490,000	51,350,000
008	5. Financial assets listed/registered at the Vietnam Securities Depository (the "VSD") of the Company	21.4	597,810,830,000	269,180,790,000
008.1	a. Unrestricted financial assets		239,803,730,000	154,148,290,000
008.3	b. Mortgage financial assets		350,000,000,000	100,000,000,000
008.5	c. Financial assets awaiting settlement		8,007,100,000	15,032,500,000
009	6. The Company's non-traded financial assets deposited at the VSD	21.5	63,330,000	61,710,000
009.1	a. Unrestricted and non-traded financial assets deposited at the VSD		63,330,000	61,710,000
010	7. The Company's awaiting financial assets	21.6	11,017,550,000	100,492,000,000
012	8. The Company's financial assets which have not been deposited at the VSD	21.7	19,230,270,000	19,230,270,000



INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

OFF-BALANCE SHEET ITEMS (continued)

Unit: quantity of securities

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	1. Investors' financial assets listed/registered at the VSD	21.8	1,761,302,982	1,538,412,183
021.1	a. <i>Unrestricted financial assets</i>		1,310,036,910	1,112,715,806
021.2	b. <i>Restricted financial assets</i>		39,998,995	21,291,401
021.3	c. <i>Mortgage financial assets</i>		299,409,996	305,242,308
021.4	d. <i>Blocked financial assets</i>		90,197,258	86,336,193
021.5	e. <i>Financial assets awaiting settlement</i>		21,659,823	12,826,475
022	2. Investors' non-traded financial assets deposited at the VSD	21.9	39,360,083	24,264,256
022.1	a. <i>Unrestricted and non-traded financial assets deposited at the VSD</i>		34,348,743	24,134,915
022.2	b. <i>Restricted and non-traded financial assets deposited at the VSD</i>		463,693	84,101
022.4	c. <i>Blocked and non-traded financial assets deposited at the VSD</i>		4,547,647	45,240
023	3. Investors' awaiting financial assets	21.10	24,996,507	12,267,335
025	4. Entitled financial assets of investors		22,312,200	17,462,935

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

OFF-BALANCE SHEET ITEMS (continued)

Unit: VND

Code	ITEMS	Notes	Ending balance	Beginning balance (Restated)
026	5. Investors' deposits		652,561,909,651	272,265,430,245
027	5.1 Investors' deposits for securities trading activities	21.11	244,027,220,385	205,845,001,518
028	5.2 Investors' collective deposits for securities trading activities	21.11	332,475,189,884	51,663,201,830
029	5.3 Investors' deposits for securities transaction clearing and settlement	21.11	13,340,026,214	63,924,953
029.1	a. Domestic investors' deposits for securities transaction clearing and settlement		13,339,021,115	62,922,146
029.2	b. Foreign investors' deposits for securities transaction clearing and settlement		1,005,099	1,002,807
030	5.4. Deposits of securities issuers	21.12	62,719,473,168	14,693,301,944
031	6. Payables to investors - investors' deposits for securities trading activities managed by the Company	21.13	244,027,220,385	205,845,001,518
031.1	a. Payables to domestic investors		242,004,324,173	205,559,889,370
031.2	b. Payables to foreign investors		2,022,896,212	285,112,148
032	7. Payables to securities issuers	21.14	53,671,282,812	6,951,124,812
035	8. Payables for dividend, principal and interest from bonds	21.15	9,048,190,356	7,742,177,132

Prepared by:



Ms. Vu Thi Minh Nguyet  
Accountant

Approved by:



Ms. Tran Ngoc Diep  
Chief Accountant

Approved by:



Mr. Do Huy Hoai  
General Director

Hanoi, Vietnam

05 October 2017

INTERIM INCOME STATEMENT  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>I. OPERATING INCOME</b>			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		134,027,755,721	85,317,154,765
01.1	a. Gain from disposal of financial assets at FVTPL	22.1	92,269,723,232	64,844,537,484
01.2	b. Gain from revaluation of financial assets at FVTPL	22.2	36,742,003,149	16,735,370,689
01.3	c. Dividend, interest income from financial assets at FVTPL	22.3	5,016,029,340	3,737,246,592
02	2. Gain from held-to-maturity (HTM) investments	22.3	19,168,341,952	14,367,298,851
03	3. Gain from loans and receivables	22.3	90,773,617,689	72,949,781,832
06	4. Income from brokerage services	22.4	131,045,431,701	101,475,285,283
07	5. Income from underwriting and issuance agent services	22.4	18,372,000,000	9,359,163,437
08	6. Income from securities investment advisory services	22.4	48,000,000	42,000,000
09	7. Income from securities custodian services	22.4	7,410,481,597	6,518,493,361
10	8. Income from advisory services	22.4	4,318,501,178	18,729,385,671
20	<b>Total operating income</b>		<b>405,164,129,838</b>	<b>308,758,563,200</b>
	<b>II. OPERATING EXPENSES</b>			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		13,953,435,152	31,416,543,406
21.1	a. Loss from disposal of financial assets at FVTPL	22.1	2,878,586,733	22,410,040,295
21.2	b. Loss from revaluation of financial assets at FVTPL	22.2	9,994,839,086	7,861,027,061
21.3	c. Transaction costs of acquisition of financial assets at FVTPL	23	1,080,009,333	1,145,476,050
22	2. Loss from held-to-maturity (HTM) investments		-	20,501,420
23	3. Expense and loss from loans and receivables	24	(50,181,809)	15,244,050,347
26	4. Expenses for proprietary trading activities		2,669,360,249	1,951,413,405
27	5. Expenses for brokerage services	24	89,106,877,097	72,739,348,752
28	6. Expenses for underwriting and issuance agent services		3,700,000,000	560,000,000
30	7. Expenses for securities custodian services	24	8,202,022,790	5,684,235,086
31	8. Expenses for advisory services	24	14,051,346,302	11,191,864,412
32	9. Expenses for other services	24	(370,157,322)	350,944,949
40	<b>Total operating expenses</b>		<b>131,262,702,459</b>	<b>139,158,901,777</b>
	<b>III. FINANCE INCOME</b>			
41	1. Realised and unrealised gain from foreign exchange differences		2,593	27,532,228
42	2. Non-fixed dividend and interest income		1,583,518,368	3,189,130,877
44	3. Other finance income			69,103,943
50	<b>Total finance income</b>	<b>25</b>	<b>1,583,520,961</b>	<b>3,285,767,048</b>

INTERIM INCOME STATEMENT (continued)  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>IV. FINANCE EXPENSES</b>			
51	1. Unrealised loss from foreign exchange differences		5,722,646	100,391,423
52	2. Borrowing costs		43,272,428,315	46,398,046,895
55	3. Other financial expenses		13,200,000	56,065,686
60	<b>Total finance expenses</b>	26	<b>43,291,350,961</b>	<b>46,554,504,004</b>
62	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	27	<b>60,995,324,424</b>	<b>55,196,882,199</b>
70	<b>VI. OPERATING PROFIT</b>		<b>171,198,272,955</b>	<b>71,134,042,268</b>
	<b>VII. OTHER INCOME AND EXPENSES</b>			
71	1. Other income		10,609,089	28,063,636
72	2. Other expenses		108,185,182	-
80	<b>Total other operating profit</b>	28	<b>(97,576,093)</b>	<b>28,063,636</b>
90	<b>VIII. PROFIT BEFORE TAX</b>		<b>171,100,696,862</b>	<b>71,162,105,904</b>
91	1. Realised profit		144,353,532,799	62,287,762,276
92	2. Unrealised profit		26,747,164,063	8,874,343,628
100	<b>IX. CORPORATE INCOME TAX (CIT) EXPENSES</b>	29	<b>24,928,826,150</b>	-
100.1	1. Current CIT expense		24,928,826,150	-
200	<b>X. PROFIT AFTER TAX</b>		<b>146,171,870,712</b>	<b>71,162,105,904</b>

INTERIM INCOME STATEMENT (continued)  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
500	XI. NET INCOME PER SHARE		146,171,870,712	71,162,105,904
501	1. Earnings per share (VND/share)	33.4	1,572	765

Prepared by:



Ms. Vu Thi Minh Nguyet  
Accountant

Approved by:



Ms. Tran Ngoc Diep  
Chief Accountant

Approved by:



Mr. Do Huy Hoai  
General Director

Hanoi, Vietnam

05 October 2017

INTERIM STATEMENT OF CASH FLOWS  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Net profit before tax		171,100,696,862	71,162,105,904
02	2. Adjustments for:		(62,744,437,382)	(20,870,548,711)
03	Depreciation and amortization		1,549,021,114	1,115,544,284
04	Provision expenses		(420,339,131)	15,594,995,296
05	Unrealised gain from differences foreign exchange		4,154,148	(1,334,287)
06	Accrued expenses, prepaid expenses		43,272,428,315	46,398,046,895
08	Accrued interest income		(107,140,910,919)	(83,952,464,536)
09	Other adjustments		(8,790,909)	(25,336,363)
10	3. Increase in non-monetary expenses		9,994,839,086	7,861,027,061
11	Loss from revaluation of financial assets at FVTPL		9,994,839,086	7,861,027,061
18	Decrease in non-monetary income		(36,742,003,149)	(16,735,370,689)
19	Gain from revaluation of financial assets at FVTPL		(36,742,003,149)	(16,735,370,689)
30	Operating loss before changes in working capital		(663,005,144,378)	258,377,265,356

INTERIM STATEMENT OF CASH FLOWS (continued)  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES (continued)</b>			
31	Increase in financial assets at FVTPL		(433,525,640,523)	38,479,005,618
32	Increase in HTM investments		(37,644,565,119)	(241,110,170,674)
33	Decrease in loans		(150,529,239,691)	244,694,026,565
35	Decrease/(increase) in receivables from disposal of financial assets		(2,215,544,000)	(63,551,657,500)
36	Increase in receivables from dividend and interest income from financial assets		110,851,607,956	82,148,125,279
37	Decrease in receivables from services provided by the Company		(70,519,947)	(928,763,905)
39	Increase/(decrease) in other receivables		(1,437,208,120)	(94,129,033)
40	Increase in other assets		(21,656,124,216)	(6,386,298,974)
42	Decrease in prepaid expenses		162,077,470	799,410,677
43	CIT paid		(30,856,217,654)	-
44	Interest expenses paid		(42,731,420,610)	(47,650,047,482)
45	Increase in trade payables		6,605,012,122	2,136,852,132
46	Decrease in welfare benefits		(524,473,711)	(44,888,102)
47	Decrease/(increase) in statutory obligation		790,684,547	190,382,430
48	Increase in payables to employees		(968,578,570)	12,920,610,291
50	Decrease in other payables		(59,250,840,164)	236,799,473,747
52	Other payments for operating activities		(4,154,148)	(24,665,713)
<b>60</b>	<b>Net cash flows used in operating activities</b>		<b>(581,396,048,961)</b>	<b>299,794,478,921</b>

INTERIM STATEMENT OF CASH FLOWS (continued)  
for the nine – month period ended 30 September 2017

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(975,678,000)	(2,568,304,025)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		8,790,909	25,336,363
70	<b>Net cash flow used in investing activities</b>		<b>(966,887,091)</b>	<b>(2,542,967,662)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
73.2	- Drawdown of borrowings		6,923,641,580,000	11,947,242,590,000
74.3	- Repayments of borrowings		(6,596,323,580,000)	(12,242,934,310,000)
80	<b>Net cash flow from financing activities</b>		<b>327,318,000,000</b>	<b>(295,691,720,000)</b>
90	<b>NET (DECREASE)/INCREASE IN CASH DURING THE PERIOD</b>		<b>(255,044,936,052)</b>	<b>1,559,791,259</b>
101	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>436,488,305,264</b>	<b>53,422,468,177</b>
101.1	Cash		106,373,778,583	43,422,468,177
101.2	Cash equivalents		330,000,000,000	10,000,000,000
102	Exchanges rate difference		114,526,681	-
103	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>181,443,369,212</b>	<b>54,982,259,436</b>
103.1	Cash		61,447,523,360	9,980,925,149
103.2	Cash equivalents		120,000,000,000	45,000,000,000
104	Exchanges rate difference		(4,154,148)	1,334,287



INTERIM STATEMENT OF CASH FLOWS (continued)  
for the nine – month period ended 30 September 2017

**CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE INVESTORS**

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
	<b>I. Cash flows from brokerage and trust activities of investors</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		145,929,466,588,229	58,186,115,874,024
02	2. Cash payments for acquisition of brokerage securities of customers		(137,044,125,989,972)	(74,066,732,101,467)
07	7. Cash receipts for settlement of securities transactions of customers		108,526,104,358,631	57,205,211,760,625
08	8. Cash payments for settlement of securities transactions of customers		(117,072,591,864,185)	(41,324,771,705,412)
11	11. Cash payments for custodian fees of customers		(6,582,784,521)	(4,329,182,708)
14	14. Cash receipt from securities issuers		4,308,080,385,364	4,506,381,324,741
15	15. Cash payment to securities issuers		(4,260,054,214,140)	(4,524,114,987,341)
<b>20</b>	<b>Net increase in cash during the period</b>		<b>380,296,479,406</b>	<b>(22,239,017,538)</b>
<b>30</b>	<b>II. Cash and cash equivalents of investors at the beginning of the period</b>		<b>272,265,430,245</b>	<b>272,500,911,343</b>
31	Cash at banks at the beginning of the period:		272,265,430,245	272,500,911,343
32	Investors' deposits managed by the Company for securities trading activities In which: term deposits		205,845,001,518	156,828,160,063
33	Investors' collective deposits for securities trading activities		51,663,201,830	92,362,945,946
34	Investors' deposits for securities transaction clearing and settlement		63,924,953	210,200,000
35	Deposits of securities issuers In which: term deposits		14,693,301,944	23,099,605,334

INTERIM STATEMENT OF CASH FLOWS (continued)  
for the nine – month period ended 30 September 2017

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE INVESTORS (continued)

Unit: VND

Code	ITEMS	Notes	Current period	Previous period
40	III. Cash and cash equivalents of the customers at the end of the period (40 = 20 + 30)		652,561,909,651	250,261,893,805
41	Cash at banks at the end of the period:		652,561,909,651	250,261,893,805
42	Investors' deposits managed by the Company for securities trading activities			
	In which: term deposits		244,027,220,385	154,612,572,003
43	Investors' collective deposits for securities trading activities		332,475,189,884	50,272,486,087
44	Investors' deposits for securities transaction clearing and settlement		13,340,026,214	40,010,892,981
45	Deposits of securities issuers			
	In which: term deposits		62,719,473,168	5,365,942,734

Prepared by:



Ms. Vu Thi Minh Nguyet  
Accountant

Approved by:



Ms. Tran Ngoc Diep  
Chief Accountant

Approved by:



Mr. Do Huy Hoai  
General Director

Hanoi, Vietnam

05 October 2017

# BIDV Securities Joint Stock Company

B04a-CTCK

## INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY for the nine – month period ended 30 September 2017

Unit: VND

ITEMS	Notes	Beginning balance		Increase/(decrease)				Ending balance	
		1/1/2016 (restated)	1/1/2017	Previous period (restated)		Current period		30/09/2016 (restated)	30/09/2017
				Increase	Decrease	Increase	Decrease		
A	B	1	2	3	4	5	6	7	8
<b>I. CHANGES IN OWNERS' EQUITY</b>	<b>21.1</b>								
1. Share capital		865,241,713,457	902,432,863,457	-	-	27,693,770,000	-	865,241,713,457	930,126,633,457
a. Charter capital		865,000,000,000	902,191,150,000	-	-	27,693,770,000	-	865,000,000,000	929,884,920,000
b. Share premium		241,713,457	241,713,457	-	-	-	-	241,713,457	241,713,457
2. Charter capital supplementary reserve		207,782,726	5,959,872,250	-	-	-	-	207,782,726	5,959,872,250
3. Operational risk and Financial reserve		207,782,726	5,959,872,250	-	-	-	-	207,782,726	5,959,872,250
4. Undistributed profit		3,478,089,065	69,582,550,506	71,162,105,904	(26,000,000)	146,171,870,712	36,846,770,000	74,614,194,969	178,907,651,218
Unrealised profit		283,399,370,529	119,548,639,787	62,287,762,276	(26,000,000)	119,424,706,649	36,846,770,000	345,661,132,805	202,126,576,436
Realised profit		(279,921,281,464)	(49,966,089,281)	8,874,343,628	-	26,747,164,063	-	(271,046,937,836)	(23,218,925,218)
<b>TOTAL</b>		<b>869,135,367,974</b>	<b>983,935,158,463</b>	<b>71,162,105,904</b>	<b>(26,000,000)</b>	<b>173,865,640,712</b>	<b>36,846,770,000</b>	<b>940,271,473,878</b>	<b>1,120,954,029,175</b>

Prepared by:



Ms. Vu Thi Minh Nguyet  
Accountant

Hanoi, Vietnam

05 October 2017

Approved by:



Ms. Tran Ngoc Diep  
Chief Accountant

Mr. Do Huy Hoai  
General Director



NOTES TO THE INTERIM FINANCIAL STATEMENTS

as at 30 September 2017 and for the nine – month period then ended

1. CORPORATE INFORMATION

BIDV Securities Joint Stock Company ("the Company") was established in accordance with Operating Licence No.111/GP-UBCK issued by the State Securities Commission of Vietnam on 31 December 2010.

BIDV Securities Joint Stock Company was privatized from BIDV Securities Company Limited. On 17 November 2010, the Company successfully completed its Initial Public Offering of 10,274,670 shares, equivalent to 11.88% of its charter capital. Included in the shares issued were 10,195,570 shares subscribed by the public and 79,100 shares offered to the Company's employees.

The Company's current principal activities are to provide brokerage services, proprietary trading, underwriting for share issues, securities investment advisory services and derivatives trading.

The Company's Head Office is located at Floors 1, 10 and 11 – BIDV Tower – 35 Hang Voi Street, Ha Noi. The Company's Ho Chi Minh branch is located at Floor 9, 146 Nguyen Cong Tru Street, District 1, Ho Chi Minh City.

*Company's operation*

*Charter capital*

As at 30 September 2017, total charter capital of the Company was VND 929,884,920,000; owners' equity was VND 1,120,954,029,175 and total assets was VND 1,860,653,764,337.

*Investment objectives*

As a listed securities company in the Vietnam Stock market, the Company's current principal activities are to provide brokerage service, securities trading, underwriting for securities issues, securities investment service and derivatives trading. The Company's goals are to contribute to the development of Vietnam Stock market, to bring benefit to its clients, its investors and its stakeholders.

*Investment restrictions*

The Company complies with Article 44 of Circular No. 210/2010/TT-BTC dated 31 November 2012 providing guidance on the establishment and operation of securities company, Circular 07/2016/TT-BTC by Ministry of Finance dated 18 January 2016 amending some articles of Circular 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current restrictions on investment are as follows:

- ▶ Securities Company is not allowed to invest, contribute capital to invest in real-estate investment except for the purpose of using as head office, branches, and transaction offices directly serving professional business activities of the securities company.
- ▶ Securities Company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.
- ▶ Securities Company is not allowed to use more than seventy percent (70%) of its charter capital to invest in corporate bonds. Securities Company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant provision on trading Government bonds.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**1. CORPORATE INFORMATION (continued)**

*Company's operation (continued)*

*Investment restrictions(continued)*

- ▶ Securities Company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the Securities Company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (15%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total equity in unlisted shares, capital contribution and a business project.

**2. BASIS OF PREPARATION**

**2.1 Accounting standards and system**

The financial statements of the Company (the "Company") expressed in Vietnam dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No.334/2016/TT-BTC dated 27 December 2016 by the Ministry of Finance amending, supplementing and replacing Appendix No. 02 and Appendix No. 04 of Circular No. 210/2014/TT-BTC; Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies, assets management companies and other Vietnamese Accounting Standards as per:

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

**2.2 Applied accounting documentation system**

The Company's applied accounting documentation system is the General Journal Voucher system.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**2. BASIS OF PREPARATION (continued)**

**2.3 *Fiscal year***

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

The Company also prepares its interim financial statements for the six - month period ended 30 June and its quarterly financial statements for the three-month period ended on 31 March, 30 June, 30 September and 31 December each year.

**2.4 *Interim financial statements***

The Company prepares its interim financial statements for every quarter in a year to submit to authorities in accordance with requirements of Circular No. 155/2015/TT-BTC dated 6 October 2015 issued by the Ministry of Finance.

**2.5 *Accounting currency***

The interim financial statements are prepared in VND which is also the Company's accounting currency.

**3. STATEMENT ON THE COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS**

Management of the Company confirms that the Company has complied with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and statutory requirements relevant to the preparation and presentation of the interim financial statements.

Accordingly, the interim financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim financial position, interim results of operations, interim cash flows and interim changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 *Changes in accounting policies and disclosures***

On 20 November 2015, the Parliament passed the Accounting law No. 88/2015/ QH13 ("New Accounting law"). The new Accounting Law provides regulations on the application of fair value principles for certain assets and liabilities whose values fluctuate frequently at market prices but can be determined reliably. The new Accounting Law came into effect since 1 January 2017.

Accordingly, the revaluation of some financial assets at fair value is subject as follows:

- ▶ Financial assets at fair value through profit and loss (FVTPL) are initially recognized at cost and subsequently recognized at fair value. Any gain or loss arising from the change in value of FVTPL financial assets is recognized in the interim statement of income.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.1 Changes in accounting policies and disclosures (continued)**

- ▶ Available-for-sale (AFS) financial assets: are initially recognized at cost and subsequently recognized at fair value. Any gain or loss arising from change in value of AFS financial assets is recognized directly in owners' equity (Other comprehensive income), except for loss from impairment of AFS financial assets which are recognized in the interim income statement.

The Company has restated the comparative figures of the previous period in accordance with fair value recognition principle as presented in Note 34.6.

**4.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of less than three months or less that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

Cash deposited by customers for securities trading and cash deposited by securities issuers are presented off balance sheet.

**4.3 Financial assets at fair value through profit and loss (FVTPL)**

Financial assets recognized at fair value through profit and loss are financial assets that satisfy either of the following conditions:

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
  - ▶ It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
  - ▶ There is evidence of a recent actual pattern of short-term profit-taking; or
  - ▶ It is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).
- b) Upon initial recognition, a financial asset is designated by the entity as fair value through profit and loss as it meets one of the following criteria:
  - ▶ The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognising gains or losses on a different basis; or
  - ▶ The assets and liabilities are part of a group of financial assets which are managed and their management performance is evaluated on a fair value basis, in accordance with the Company's risk management or investment strategy.

Financial assets at fair value through profit and loss (FVTPL) are initially recognized at cost and subsequently recognized at fair value. Any gain or loss arising from the change in value of FVTPL financial assets is recognized in the interim statement of income.

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses in the income statement.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.4 Held-to-maturity investments (HTM)**

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than :

- a) those that the entity upon initial recognition designates as at fair value through profit or loss; or
- b) those that the entity designates as available for sale; and
- c) those meet the definition of loans and receivables .

Held-to-maturity investments are recognized initially at cost plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, agent fee, issuance agent fee and banking transaction fee. After initial recognition, held-to-maturity investments are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost of HTM investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial assets or a group of HTM investments.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset.

**4.5 Loans**

Loans are non-derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:

- a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the entity categorized as such recognized at fair value through profit or loss; or
- b) The amounts categorized by the entity as available for sale upon initial recognition; and
- c) The amounts whose holders may not recover most of the initial investment value not due to the impairment of credit quality and which are categorized as available for sale.

Loans are initially recognized at cost. After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost of loans is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility (if any).



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Loans (continued)**

*Margin lending*

Margin lending is giving line of credit to customers for the purposes of securities investment and is pledged by cash or securities purchased. Margin lending is recognized initially at cost. After initial recognition, margin lending shall be still measured at cost and be assessed impairment (if any).

Provision for loans are determined based on estimated loss arising, which is the difference between market value of collateral securities and the outstanding balances of these loans.

**4.6 Market value of financial assets**

Market value/fair value of the securities is determined on the following basis:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of revaluation.
- ▶ For securities registered for trading on UPCOM, their market prices are their closing prices on the trading day preceding the date of revaluation.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest balance sheet date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions within one month preceding to the date of revaluation.
- ▶ For securities which do not have reference prices from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

**4.7 Derecognition of financial assets**

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- ▶ The rights to receive cash flows from the asset have expired;
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
  - ▶ the Company has transferred substantially all the risks and rewards of the asset; or
  - ▶ the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.8 *Reclassification of financial assets***

*Reclassification when selling financial assets other than FVTPL*

When selling financial assets other than FVTPL, securities companies are required to reclassify those financial assets to financial assets at FVTPL. The difference arising from the revaluation of AFS financial assets which recognized in "Gain/(loss) from revaluation of AFS financial assets" will be recognized as corresponding revenue or expenses at the date of reclassification of AFS financial assets.

*Reclassification due to change in purpose or ability to hold*

Securities companies are required to reclassify financial assets to their applicable categories if their purpose or ability to hold have changed, consequently:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to be classified as financial asset at FVTPL at the initial recognition can be classified as loans; other receivables can be classified as cash and cash equivalent if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.
- ▶ Due to changes in purposes or ability to hold, some held-to-maturity investments are required to be reclassified into AFS financial assets or financial assets at FVTPL. The difference arising from revaluation between book value and fair value are recognized in the interim income statement on "Gain/loss from revaluation of financial assets at FVTPL".

**4.9 *Accounting policies for the recognition of investments used as collateral or mortgage***

During the period, the Company has investments used for pledge or mortgage purpose to meet its financial obligations.

Pursuant to conditions of pledge or mortgage activities, it is unauthorized for the Company, within the effective period of agreements, to sell, to transfer or to use the pledged or mortgaged assets in repurchase agreements or in swap contracts with other third parties.

On condition that the Company cannot manage the debt obligation, from the expiry payment date, after a period defined in the agreement, the mortgagee owns the right to use pledged assets to perform the Company's payment.

Assets used for pledge or mortgage purpose are kept track of in the interim statement of financial position, under matching principles with the type of assets to which they belong.

**4.10 *Receivables***

Receivables are initially recorded at cost and are always presented at cost in the subsequent period.

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "General and administrative expenses" in the interim income statement.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.10 Receivables (continued)**

The Company has made provision for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From over six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

**4.11 TANGIBLE FIXED ASSETS**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

**4.12 Intangible assets**

Intangible assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the interim income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

**4.13 Depreciation and amortization**

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

Office equipment	5 - 10 years
Transportation vehicles	6 - 15 years
Other tangible assets	4 years
Other intangible assets	2 - 20 years

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.14 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Rentals under operating leases are charged to the interim income statement on a straight-line basis over the lease term.

**4.15 Repurchase agreements**

Securities sold under the agreements to be repurchased at a specified future date ("repos") are not derecognized from the interim statement of financial position. The corresponding cash received is recognized in the interim statement of financial position as a liability. The difference between the sale price and repurchase price is treated as interest expense and is accrued over the life of the agreement using the straight-line method.

Securities purchased under the agreements to be resold at a specified future date ("reverse repos") are not recognized from the interim statement of financial position. The corresponding cash paid is recognized in the interim statement of financial position as an asset. The difference between the purchase price and resale price is treated as interest income and is accrued over the life of the agreement using the straight-line method.

The Company makes provisions for overdue repos based on the overdue date of the debts or the expected loss according to Circular No. 228/2009/TT-BTC.

Repurchase contracts are recorded in "*Repurchase agreements of Government bonds*" in the interim statement of financial position.

**4.16 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim statement of financial position and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

**4.17 Payables and accrued expenses**

Payables and accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

**4.18 Employee benefits**

**4.18.1 Post employment benefits**

Post employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labor and Social Affairs. The Company is required to contribute to these post employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 18% (from 1 June 2017 is 17.5%) of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post employment benefits.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.18 Employee benefits (continued)**

**4.18.2 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decreases to the accrued amount other than actual payment to employee will be taken to the income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

**4.18.3 Unemployment allowance**

According to prevailing regulations, the Company is required to contribute to the unemployment insurance at rate of 1% of salary fund of employees who engage in the unemployment insurance joiner and deduct 1% of monthly basic salary to each employee to contribute to the Unemployment Insurance simultaneously.

**4.19 Foreign currency transactions**

Transactions in currencies other than the Company's reporting currency (VND) are recorded at the actual transaction exchange rates of commercial banks at transaction dates. At the end of the period, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet dates, which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the period are taken to the interim income statement.

**4.20 Treasury shares**

Owners' equity instruments issued by the Company which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.21 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

*Revenue from brokerage services*

Where the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

*Revenue from trading of securities*

Revenue from trading of securities is determined by the difference between the selling price and the weighted average cost of securities sold.

*Other income*

Revenues from irregular activities other than turnover-generating activities are recorded to other incomes as stipulated by VAS 14 – "Revenue and other income", including: Revenues from asset liquidation and sale; fines paid by customers for their contract breaches; collected insurance compensation; collected debt which had been written off and included in the preceding period expenses; payables which are now recorded as revenue increase as their owners no longer exist; collected tax amounts which now are reduced and reimbursed; and other revenues.

*Interest income*

Revenue is recognized on accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

*Dividends*

Income is recognized when the Company's entitlement as an investor to receive the dividend is established, except for dividend received in shares which only the number of shares is updated.

*Rendering of other services*

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 4.22 *Borrowing costs*

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

##### 4.23 *Cost of securities sold*

The company applies monthly moving weighted average method to calculate cost of equity securities sold and specific identification method to calculate cost of debt securities sold.

##### 4.24 *Corporate income tax*

###### *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the interim statement of financial position.

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

###### *Deferred income tax*

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.24 *Corporate income tax* (continued)

*Current income tax* (continued)

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the statement of financial position date. Deferred tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity.

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

4.25 *Owners' equity*

*Contributed capital from shareholders*

Contributed capital from stock issuance is recorded at account charter capital in par value.

*Undistributed profit*

Undistributed profit comprises of realised and unrealised undistributed profit.

Unrealised profit of the period is the total differences between gain or loss arising from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the interim income statement.

Realised profit during the period is the difference between total income and total expenses in the interim income statement, except for gain or loss arisen from revaluation of financial assets recognized in unrealised profit.

*Reserves*

According to Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, securities companies are required to make appropriation from profit after tax to the following reserves if accumulated loss no longer exists:

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter Capital Supplementary Reserve	5%	10% of charter capital
Statutory Reserve	5%	10% of charter capital

Other reserves are appropriated in accordance with the Resolution of the Annual General Meeting of Shareholders.



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.26 Appropriation of net profits

Net profit after tax is available for appropriation to investors/shareholders upon approval by the appropriate level of authority/on the Annual General Meeting of Shareholders, and after making appropriation to reserve funds in accordance with the Company's Charter and under Vietnamese regulatory requirements.

4.27 Nil balances

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-NHNN dated 31 December 2014 issued by the Ministry of Finance that are not shown in these interim financial statements indicate nil balance.

5. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cash	61,443,369,212	106,488,305,264
Cash on hand	232,447,252	70,477,721
Cash at banks for the operation of the Company	30,300,585,955	98,712,211,945
Cash for securities transaction clearing and settlement	30,910,336,005	7,705,615,598
Cash equivalents	<u>120,000,000,000</u>	<u>330,000,000,000</u>
	<u>181,443,369,212</u>	<u>436,488,305,264</u>

6. VALUE AND VOLUME OF TRADING DURING THE PERIOD

	<i>Volume of trading</i> <i>during the period</i> <i>(unit)</i>	<i>Value of trading during</i> <i>the period</i> <i>(VND)</i>
1. The Company		
Shares	29,885,867	838,038,709,100
Bonds	108,593,334	11,782,660,972,526
	<u>138,479,201</u>	<u>12,620,699,681,626</u>
2. Investors		
Shares	4,340,719,423	64,854,191,918,700
Bonds	735,400,729	78,987,272,418,830
Other securities	390,720	4,739,676,300
	<u>5,076,510,872</u>	<u>143,846,204,013,830</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**7. FINANCIAL ASSETS**

**7.1. Financial assets at fair value through profit and loss (FVTPL)**

	Ending balance		Beginning balance (Restated)	
	Cost VND	Carrying value VND	Cost VND	Carrying value VND
<b>1. Listed shares</b>				
DXG	27,879,287,595	34,219,815,000	1,032,210	967,790
PNJ	33,861,513,920	39,902,832,000	1,417,290	1,417,290
HT1	19,444,488,140	14,480,337,900	515,970	515,970
VCI	26,153,535,000	25,671,000,000	-	-
PVT	29,005,657,533	30,637,096,900	1,170,630	1,170,630
ACB	22,361,873,455	27,549,700,200	4,784,455	4,784,455
Others	132,252,510,601	146,955,075,850	51,438,552,637	51,347,029,951
	<b>290,958,866,244</b>	<b>319,415,857,850</b>	<b>51,447,473,192</b>	<b>51,355,918,296</b>
<b>2. Unlisted shares</b>				
PHVU	58,063,615,500	5,769,081,000	58,063,615,500	8,269,016,100
GEX	8,979,510,000	9,435,585,000	-	-
DRI	16,917,951,400	17,141,859,000	-	-
Others	30,121,527,944	30,060,163,020	112,552,184	32,617,199
	<b>114,082,604,844</b>	<b>62,406,688,020</b>	<b>58,176,167,684</b>	<b>8,301,633,299</b>
				<b>46,072,700</b>
				<b>8,315,088,800</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

7. FINANCIAL ASSETS (continued)

7.1. Financial assets at fair value through profit and loss (FVTPL) (continued)

	Ending balance		Beginning balance	
	Cost VND	Carrying value VND	Cost VND	Carrying value VND
<b>3. Listed Bonds</b>				
<b>Government Bonds</b>				
TD1732403	54,850,000,000	54,850,000,000	-	-
TD1747411	62,169,500,000	62,169,500,000	-	-
TD1747409	300,352,276,978	300,352,276,978	-	-
TD1621487	-	-	51,929,666,667	51,929,666,667
TD1623482	-	-	104,824,000,000	104,824,000,000
TD1646503	-	-	34,684,300,000	34,684,300,000
TD1623481	-	-	107,826,000,000	107,826,000,000
Others	20,000,000,000	20,000,000,000	-	-
	<b>437,371,776,978</b>	<b>437,371,776,978</b>	<b>299,263,966,667</b>	<b>299,263,966,667</b>
<b>FVPL Total</b>	<b>842,413,248,066</b>	<b>819,194,322,848</b>	<b>408,887,607,543</b>	<b>361,820,570,147</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

7. FINANCIAL ASSETS (continued)

7.2. Held-to-maturity investments (HTM)

	Ending balance		Beginning balance	
	Cost VND	Carrying value (*) VND	Cost VND	Fair value VND
<b>Short-term</b>				
<b>1. Bonds</b>				
VIC11501	-	-	49,684,320,000	46,737,106,497
	-	-	49,684,320,000	46,737,106,497
<b>2. Term deposit</b>	65,000,000,000	65,000,000,000	-	-
<b>3. Certificates of deposit</b>				
HD SAISON Co., Ltd	-	-	32,474,700,000	30,286,916,671
	-	-	32,474,700,000	30,286,916,671
	65,000,000,000	65,000,000,000	82,159,020,000	77,024,023,168

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

7. FINANCIAL ASSETS (continued)

7.2. Held-to-maturity investments (HTM) (continued)

	Ending balance		Beginning balance (Restated)	
	Cost VND	Carrying value (*) VND	Cost VND	Carrying value VND
Long-term				
1. Bonds				
TD1520262	-	-	324,781,610	311,795,942
CIL_BOND2017-04	49,959,434,000	49,959,434,000	-	-
	<b>49,959,434,000</b>	<b>49,959,434,000</b>	<b>324,781,610</b>	<b>311,795,942</b>
2. Certificate of deposit				
Home Credit Vietnam Finance	50,000,000,000	50,020,950,229	50,000,000,000	50,000,000,000
	<b>50,000,000,000</b>	<b>50,020,950,229</b>	<b>50,000,000,000</b>	<b>50,000,000,000</b>
	99,959,434,000	99,980,384,229	50,324,781,610	50,311,795,942
<b>HTM Total</b>	<b>164,959,434,000</b>	<b>164,980,384,229</b>	<b>132,483,801,610</b>	<b>127,335,819,110</b>

(\*) The carrying value of held-to-maturity investments (HTM) is recognized at cost minus (-) principal repayments. Cumulative accrued interest using the effective interest rate ("EIR") method is recorded as "Receivables" (Note 8). Provision for impairment of financial assets (if any) is recognized in Note "Provision for impairment of financial assets".

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

7. FINANCIAL ASSETS (continued)

7.3. Loans

	Ending balance		Beginning balance (Restated)			
	Cost (*) VND	Provisions VND	Fair value VND	Cost VND	Provision VND	Fair value VND
1. Receivables from margin activities	561,067,591,807	(18,667,226,859)	542,400,364,948	330,208,846,357	(18,717,408,668)	311,491,437,689
2. Receivables from advances to customers	61,139,708,190	-	61,139,708,190	141,469,213,949	-	141,469,213,949
	<b>622,207,299,997</b>	<b>(18,667,226,859)</b>	<b>603,540,073,138</b>	<b>471,678,060,306</b>	<b>(18,717,408,668)</b>	<b>452,960,651,638</b>

(\*) Not excluding accrued interest.

7.4 Provision for impairment of financial assets

	Ending balance VND	Beginning balance VND
Specific provision for loans	18,667,226,859	18,717,408,668
	<b>18,667,226,859</b>	<b>18,717,408,668</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**7. FINANCIAL ASSETS (continued)**

**7.5 Change in market values of financial assets**

Financial assets	Ending balance		Beginning balance (Restated)		Revaluated amount
	Revaluation difference		Revaluation difference		
	Cost	Increase	Decrease	Decrease	
FVTPL					
Listed shares	290,958,866,244	36,043,434,348	(7,586,442,742)	51,447,473,192	51,355,918,296
Unlisted shares	114,082,604,844	698,568,801	(52,374,485,625)	58,176,167,684	8,301,633,299
Listed bonds	437,371,776,978	-	-	299,263,966,667	299,263,966,667
<b>Total</b>	<b>842,413,248,066</b>	<b>36,742,003,149</b>	<b>(59,960,928,367)</b>	<b>408,887,607,543</b>	<b>358,921,518,262</b>

**7.6 Provision for impairment of financial assets**

Financial assets	Basis for making provision of current period			Provision at the beginning of the period	Addition or reversal of provision
	Carrying value	Market value as at 30 June 2017	Provision at the end of the period		
HTM	164,980,384,229	164,980,384,229	-	-	-
Loans	622,207,299,997	603,540,073,138	(18,667,226,859)	(18,717,408,668)	(50,181,809)
<b>Total</b>	<b>787,187,684,226</b>	<b>768,520,457,367</b>	<b>(18,667,226,859)</b>	<b>(18,717,408,668)</b>	<b>(50,181,809)</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

8. RECEIVABLES

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
1. Receivables from disposal of financial assets	17,160,877,000	14,945,333,000
2. Receivables and accruals from dividend and interest income from investments	16,149,675,648	19,860,372,685
In which:		
- <i>Receivables and accruals from dividend and interest income from financial assets</i>	5,295,420,891	7,770,100,654
- <i>Interest receivables from margin activities</i>	10,854,254,757	12,090,272,031
3. Receivables from services provided by the Company	1,759,148,745	1,688,628,798
In which:		
- <i>Doubtful debts</i>	42,000,000	719,224,745
4. Advances to suppliers	1,721,300,000	298,958,000
5. Other receivables	15,074,760	208,640
6. Provision for doubtful debts	(21,000,000)	(391,157,322)
<b>Total</b>	<b>36,785,076,153</b>	<b>36,402,343,801</b>

*Details of provision for doubtful debts:*

<i>Doubtful debts</i>	<i>Balance of doubtful debts as at 31</i>		<i>Addition</i>	<i>Reversal</i>	<i>Ending provision</i>	<i>Balance of doubtful debts as at 30</i>
	<i>December 2016</i>	<i>Beginning provision</i>				<i>September 2017</i>
<b>Provision for doubtful debts</b>						
Five Star International Group	590,000,000	295,000,000	-	(295,000,000)	-	-
Anvifish Joint-Stock Company Petrovietnam	75,000,000	75,000,000	-	(75,000,000)	-	-
Marine Shipyard JSC.	12,224,745	8,557,322	-	(8,557,322)	-	-
AMD Group	42,000,000	12,600,000	8,400,000	-	21,000,000	42,000,000
	<u>719,224,745</u>	<u>391,157,322</u>	<u>8,400,000</u>	<u>(378,557,322)</u>	<u>21,000,000</u>	<u>42,000,000</u>

9. OTHER CURRENT ASSETS

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Advances	170,855,000	98,500,000
Office supplies	11,419,420	11,158,920
Materials and tools	8,737,915	8,737,915
Value-added tax receivable	-	148,798,764
	<u>191,012,335</u>	<u>267,195,599</u>



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

10. TANGIBLE FIXED ASSETS

	<i>Machineries and equipment VND</i>	<i>Means of transportation VND</i>	<i>Others VND</i>	<i>Total VND</i>
<b>Cost:</b>				
Beginning balance	15,814,782,829	1,004,312,257	666,464,108	17,485,559,194
Increase in the period				
- Purchases	975,678,000	-	-	975,678,000
Decrease in the period				
- Disposal	<u>(702,253,000)</u>	<u>-</u>	<u>(266,061,400)</u>	<u>(968,314,400)</u>
Ending balance	<u>16,088,207,829</u>	<u>1,004,312,257</u>	<u>400,402,708</u>	<u>17,063,575,194</u>
<b>Accumulated depreciation:</b>				
Beginning balance	9,437,323,976	986,709,116	391,760,861	10,815,793,953
Increase in the period				
- Charges	1,142,895,299	17,603,141	60,767,722	1,221,266,162
Decrease in the period				
- Disposal	<u>702,253,000</u>	<u>-</u>	<u>112,825,772</u>	<u>815,078,772</u>
Ending balance	<u>9,877,966,275</u>	<u>1,004,312,257</u>	<u>339,702,811</u>	<u>11,221,981,343</u>
<b>Net book value:</b>				
Beginning balance	<u>6,377,458,853</u>	<u>17,603,141</u>	<u>274,703,247</u>	<u>6,669,765,241</u>
Ending balance	<u>6,210,241,554</u>	<u>-</u>	<u>60,699,897</u>	<u>6,270,941,451</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

11. INTANGIBLE FIXED ASSETS

	<i>Other intangible assets VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Cost:</b>		
Beginning balance	2,782,980,000	
Ending balance	<u>2,782,980,000</u>	
<b>Accumulated amortization:</b>		
Beginning balance		1,154,785,809
- Charges		<u>174,519,324</u>
Ending balance		<u>1,329,305,133</u>
<b>Net book value:</b>		
Beginning balance		<u>1,628,194,191</u>
Ending balance		<u>1,453,674,867</u>
<b>Other information on intangible fixed assets:</b>		
	<i>Ending balance</i>	<i>Beginning balance</i>
	<u>VND</u>	<u>VND</u>
Cost of intangible fixed assets which are fully amortized but still in active use	<u>921,400,000</u>	<u>921,400,000</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

12. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

Advances to settlement assistance fund represent amounts deposited at Vietnam Securities Depository (“VSD”)

*Settlement assistance fund*

According to Decision No. 57/QĐ-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on the registration, custody, clearing and settlement of securities, and Circular No. 43/2010/TT-BTC dated 25 March 2010 regarding the amendment and supplement of the regulations, the Company must deposit an initial amount of VND120 million to the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion for each year.

*Clearing fund*

According to Circular No. 11/2016/TT-BTC issued by Ministry of Finance on 19 January 2016 guiding a number of articles of Decree No. 42/2015/ND-CP of the Government on 5 May 2015 on derivative securities and derivative instrument markets, clearing fund is formed from the contributions of members in cash or securities accepted by the Vietnam Securities Depository (“the VSD”) for the purpose of compensation for damages and complete derivative securities transactions on behalf of the clearing members in case the clearing members, investors of the clearing members lost its ability to pay.

According to Decision No. 97/QĐ-VSD dated 23 March 2017 of the General Director of the VSD on the promulgation of the regulation on the management and utilization of the clearing fund, the Company must deposit an initial amount of VND10 billion at the VSD into the clearing fund for transactions of derivative securities. Additional contributions include additional contributions due to periodic revaluation and extraordinaries will be announced by the VSD for each period.

Movements of the deposit to settlement assistance fund and clearing fund during the period are as follows:

	<i>Settlement Assistance Fund</i>		<i>Clearing Fund</i>	
	<i>Beginning balance</i>	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Ending balance</i>
	<i>VND</i>	<i>VND</i>	<i>VND</i>	<i>VND</i>
Initial payment	120,000,000	120,000,000	10,000,000,000	-
Additional payment	13,223,227,395	13,223,227,395	-	-
Distributed profit	7,236,772,605	7,711,823,125	-	-
	<u>20,580,000,000</u>	<u>21,055,050,520</u>	<u>10,000,000,000</u>	<u>-</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

13. SHORT-TERM BORROWINGS

	Interest rate %	Beginning balance VND	Additional borrowings during the period VND	Repayment during the period VND	Ending balance VND
<i>Bank loans</i>					
Less than 1 month	5.88%	249,500,000,000	4,229,500,000,000	(4,279,000,000,000)	200,000,000,000
		249,500,000,000	4,229,500,000,000	(4,279,000,000,000)	200,000,000,000

14. REPURCHASE AGREEMENT OF GOVERNMENT BOND

	Interest rate %	Beginning balance VND	Borrowings during the period VND	Repayment during the period VND	Ending balance VND
Repurchase agreement of Government bonds		51,620,500,000	2,694,141,580,000	(2,317,323,580,000)	428,438,500,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

15. PAYABLES FOR SECURITIES TRANSACTION ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Payables for acquisition of financial assets</b>		
Payable to Stock Exchanges for acquisition of financial assets of the Company	41,550,000,000	109,955,447,600
<b>Payables for securities trading activities</b>		
Payable to Stock Exchanges	5,509,305,946	2,506,879,183
Payable to Vietnam Securities Depository	701,288,186	694,154,558
Payable to other entities	8,664,276,193	2,426,647,927
	<b>56,424,870,325</b>	<b>115,583,129,268</b>

16. SHORT-TERM TRADE PAYABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Horizon Software Asia Ltd	3,009,357,000	-
BIDV Tower JVC	3,238,700,900	-
Minh Duc Import Export Trading Production Co.,Ltd	-	732,718,400
Red Apron Co.,Ltd	-	397,647,740
Dai Minh Construction and Trading One member Co.,Ltd.	-	428,901,500
PricewaterhouseCoopers Viet Nam Ltd.	2,459,156,363	681,818,182
Others	1,971,691,531	1,832,807,850
	<b>10,678,905,794</b>	<b>4,073,893,672</b>

17. TAXATION AND OTHER STATUTORY OBLIGATIONS

No.	Items	<i>Beginning balance</i> VND	<i>Increase</i> VND	<i>Decrease</i> VND	<i>Ending balance</i> VND
I	<b>Tax receivables</b>				
1	Value added tax receivable	148,798,764	837,611,175	(986,409,939)	-
II	<b>Tax</b>				
1	Value added tax	-	1,061,477,981	(1,010,489,914)	50,988,067
2	Corporate income tax	10,957,973,281	24,928,826,150	30,856,217,654	5,030,581,777
3	Personal income tax	400,907,910	5,079,616,122	(5,202,436,679)	278,087,353
4	Other taxes	2,580,480,067	33,688,030,595	(32,825,513,558)	3,442,997,104
	<i>Personal income tax from securities transfer of investors</i>	2,363,575,232	30,772,447,299	(30,371,170,608)	2,764,851,923
	<i>Business registration tax</i>	-	4,000,000	(4,000,000)	-
	<i>Foreign contractor tax</i>	216,904,835	2,911,583,296	(2,450,342,950)	678,145,181
		<b>13,939,361,258</b>	<b>64,757,950,848</b>	<b>(69,894,657,805)</b>	<b>8,802,654,301</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

18. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
	<u>                    </u>	<u>                    </u>
Accrued expenses for loan contracts	153,433,029	57,138,889
Accrued expenses for valuable paper discount and transfer contracts	612,783,333	168,069,768
Other accrued expenses	9,229,008	64,271,477
	<u>775,445,370</u>	<u>289,480,134</u>

19. OTHER CURRENT LIABILITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
	<u>                    </u>	<u>                    </u>
Song Da Corporation	60,000,000	-
Others	205,728,144	153,974,120
	<u>265,728,144</u>	<u>153,974,120</u>

# BIDV Securities Joint Stock Company

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

## 20. OWNERS' EQUITY

### 20.1 Owners' equity

	Share capital VND	Share premium VND	Charter capital supplementary reserves VND	Operational risk and financial reserves VND	Undistributed earnings VND	Total VND
As at 1 January 2017	902,191,150,000	241,713,457	5,959,872,250	5,959,872,250	69,582,550,506	983,935,158,463
Charter capital supplementary reserves	-	-	-	-	(9,153,000,000)	(9,153,000,000)
Dividend payment by shares for 2016	27,693,770,000	-	-	-	(27,693,770,000)	-
Net profit for the period	-	-	-	-	146,171,870,712	146,171,870,712
<b>As at 30 September 2017</b>	<b>929,884,920,000</b>	<b>241,713,457</b>	<b>5,959,872,250</b>	<b>5,959,872,250</b>	<b>178,907,651,218</b>	<b>1,120,954,029,175</b>

Details of the Company's charter capital as at 30 September 2017 are as follows:

	Number of shares Unit	Par value VND	Ownership %
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV)	81,943,761	819,437,610,000	88.12
Other shareholders	11,044,731	110,447,310,000	11.88
	<b>92,988,492</b>	<b>929,884,920,000</b>	<b>100.00</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**20. OWNERS' EQUITY (continued)**

**20.1 Owners' equity (continued)**

Details of the Company's shares are as follows:

	<i>Ending balance</i> <i>Unit</i>	<i>Beginning balance</i> <i>Unit</i>
Ordinary shares authorized for issuance <i>Ordinary shares</i>	92,988,492 <u>92,988,492</u>	90,219,115 <u>90,219,115</u>
Shares issued and fully paid <i>Ordinary shares</i>	92,988,492 <u>92,988,492</u>	90,219,115 <u>90,219,115</u>
Outstanding shares <i>Ordinary shares</i>	92,988,492 <u>92,988,492</u>	90,219,115 <u>90,219,115</u>
<b>20.2 Undistributed profit</b>		
	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Undistributed realised profit	202,126,576,436	119,548,639,787
Unrealised profit	<u>(23,218,925,218)</u>	<u>(49,966,089,281)</u>
	<b><u>178,907,651,218</u></b>	<b><u>69,582,550,506</u></b>

**21. DISCLOSURE OF 0 ACCOUNTS**

**21.1 Operating lease fixed assets**

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Tangible fixed assets	<u>994,635,000</u>	<u>994,635,000</u>

**21.2 Foreign currencies**

	<i>Ending balance</i>	<i>Beginning balance</i>
- US Dollar (USD)	267,152	253,967
- Euro (EUR)	97	97

**21.3 Outstanding shares of the Company**

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Less than or equivalent to 1 year	929,884,920,000	902,191,150,000
- Outstanding shares	929,833,430,000	902,139,800,000
- Treasury stocks	<u>51,490,000</u>	<u>51,350,000</u>



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

21. DISCLOSURE OF 0 ACCOUNTS (continued)

21.4. *Financial assets listed/registered at the VSD of the Company*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Detailed by:		
Less than or equivalent to 1 year	103,803,750,000	37,347,390,000
More than 1 year	550,333,400,000	231,833,400,000
<b>Total</b>	<b>654,137,150,000</b>	<b>269,180,790,000</b>

Details of listed financial assets deposited at VSD of the Company are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Assets</b>		
Unrestricted financial assets	239,803,730,000	154,148,290,000
Mortgage financial assets	350,000,000,000	100,000,000,000
Financial assets awaiting settlement	8,007,100,000	15,032,500,000
<b>Total</b>	<b>597,810,830,000</b>	<b>269,180,790,000</b>

21.5. *The Company's non-traded financial assets deposited at the VSD*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Less than or equivalent to 1 year	63,330,000	61,710,000

21.6 *The Company's awaiting financial assets*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial assets at fair value through profit and loss	11,017,550,000	100,492,000,000

21.7 *The Company's financial assets which are not deposited at the VSD*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	19,230,270,000	19,230,270,000

21.8 *Investors' financial assets listed/registered at the VSD*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrestricted financial assets	1,310,036,910	1,112,715,806
Restricted financial assets	39,998,995	21,291,401
Mortgage financial assets	299,409,996	305,242,308
Blocked financial assets	90,197,258	86,336,193
Financial assets awaiting settlement	21,659,823	12,826,475
<b>Total</b>	<b>1,761,302,982</b>	<b>1,538,412,183</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

21. DISCLOSURE OF 0 ACCOUNTS (continued)

21.9 Investors' non-traded financial assets deposited at VSD

	<i>Quantity of securities</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Unrestricted and non-traded financial assets deposited at the VSD	34,348,743	24,134,915
Restricted and non-traded financial assets deposited at the VSD	463,693	84,101
Blocked and non-traded financial assets deposited at the VSD	4,547,647	45,240
<b>Total</b>	<b><u>39,360,083</u></b>	<b><u>24,264,256</u></b>

21.10 Investors' awaiting financial assets

	<i>Quantity of securities</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Shares	<u>24,996,507</u>	<u>12,267,335</u>

21.11 Investors' deposits

	<u>Ending balance</u>	<u>Beginning balance</u>
	VND	VND
Investors' deposits for securities trading activities managed by the Company	244,027,220,385	205,845,001,518
- Domestic investors' deposits	242,004,324,173	205,559,889,370
- Foreign investors' deposits	2,022,896,212	285,112,148
Investors' collective deposits for securities trading activities	332,475,189,884	51,663,201,830
Investors' deposits for securities transaction clearing and settlement	13,340,026,214	63,924,953
- Domestic investors' deposits	13,339,021,115	62,922,146
- Foreign investors' deposits	1,005,099	1,002,807
<b>Total</b>	<b><u>589,842,436,483</u></b>	<b><u>257,572,128,301</u></b>

21.12 Deposits of securities issuers

	<u>Ending balance</u>	<u>Beginning balance</u>
	VND	VND
Deposits from securities underwriting and issuance agency services	53,671,282,812	6,951,124,812
Dividend, bond principal and interest payables	9,048,190,356	7,742,177,132
<b>Total</b>	<b><u>62,719,473,168</u></b>	<b><u>14,693,301,944</u></b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

21. DISCLOSURE OF 0 ACCOUNTS (continued)

21.13 Payables to investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to investors – Investors' deposits for securities trading activities managed by the Company	244,027,220,385	205,845,001,518
- Domestic investors	242,004,324,173	205,559,889,370
- Foreign investors	2,022,896,212	285,112,148
<b>Total</b>	<b><u>244,027,220,385</u></b>	<b><u>205,845,001,518</u></b>

21.14 Payables to securities issuers

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Vietnam Electric Cable Corporation	-	1,824,260,000
Vietnam Electrical Equipment Joint Stock Corporation	-	4,785,300,000
Huong Son Hydro Power Joint Stock Company	53,076,180,000	-
Other organizations	595,102,812	341,564,812
	<b><u>53,671,282,812</u></b>	<b><u>6,951,124,812</u></b>

21.15 Payable for dividend, principal and interest from bonds

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Dividend	6,497,232,836	5,064,893,412
Bond principals and interests	570,728,080	570,728,080
Others	1,980,229,440	2,106,555,640
	<b><u>9,048,190,356</u></b>	<b><u>7,742,177,132</u></b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**22. GAIN, LOSS FROM FINANCIAL ASSETS**

**22.1. Gain, loss from disposal of financial assets at FVTPL**

No	Financial assets	Selling Quantity	Selling price VND	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain in the current period VND	Loss in the current period VND	Gain/(loss) in the current period VND	Gain/(loss) in the previous period VND
1	Listed shares	9,631,440		303,703,194,000		40,945,833,097	(2,878,586,733)	38,067,246,364	(9,879,853,158)
	HBC	840,000	51,741	43,462,283,000	32,017	16,567,737,200	-	16,567,737,200	-
	MBB	648,760	21,812	14,150,882,000	14,667	4,635,486,641	-	4,635,486,641	874,085,095
	PPC	965,660	19,107	18,451,086,000	13,905	5,023,977,847	-	5,023,977,847	(575,857,001)
	REE	1,550,000	35,317	54,741,625,000	31,579	6,511,197,331	(717,715,000)	5,793,482,331	-
	HT1	415,000	16,229	6,735,078,000	20,374	-	(1,720,133,550)	(1,720,133,550)	-
	Others	5,212,020		166,162,240,000		8,207,434,078	(440,738,183)	7,766,695,895	(10,178,081,252)
2	Unlisted shares	-		-		-	-	-	1,723,400,000
3	Listed bonds	36,453,334		3,958,434,262,526		50,933,211,777	-	50,933,211,777	41,984,977,584
	TD1747409	2,920,000	103,681	302,747,920,000	100,117	10,405,036,978	-	10,405,036,978	-
	TD1631462	2,000,000	108,556	217,112,000,000	102,965	11,182,000,000	-	11,182,000,000	-
	TD1631463	1,580,000	107,623	170,044,340,000	102,084	8,751,620,000	-	8,751,620,000	-
	Others	29,953,334		3,268,530,002,526		20,594,554,799	-	20,594,554,799	41,984,977,584
4	Unlisted bonds	97		99,504,667,528		390,678,358	-	390,678,358	8,605,972,763
	MCHBONDS20	97	1,025,821,315	99,504,667,528	1,021,793,703	390,678,358	-	390,678,358	8,605,972,763
	15								
	Total	46,084,871		4,361,642,124,054		92,269,723,232	(2,878,586,733)	89,391,136,499	42,434,497,189

# BIDV Securities Joint Stock Company

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

## 22. GAIN, LOSS FROM FINANCIAL ASSETS (continued)

### 22.2. Gain, loss from revaluation of financial assets at FVTPL

No.	Financial assets	Cost VND	Market value or Fair value VND	Revaluation difference at 30/09/2017 VND	Revaluation difference at 1/1/2017 VND	Gain/Loss recorded in current period VND	Increase VND	Decrease VND
<b>FVTPL</b>								
1	Listed shares	290,958,866,244	319,415,857,850	28,456,991,606	(91,529,096)	28,548,520,702	36,043,434,348	(7,494,913,646)
	DXG	27,879,287,595	34,219,815,000	6,340,527,405	(32,210)	6,340,559,615	6,340,527,405	32,210
	HT1	19,444,488,140	14,480,337,900	(4,964,150,240)	-	(4,964,150,240)	-	(4,964,150,240)
	PNJ	33,861,513,920	39,902,832,000	6,041,318,080	-	6,041,318,080	6,041,318,080	-
	ACB	22,361,873,455	27,549,700,200	5,187,826,745	-	5,187,826,745	5,187,826,745	-
	PVT	29,005,657,533	30,637,096,900	1,631,439,367	-	1,631,439,367	1,631,439,367	-
	VCI	26,153,536,000	25,671,000,000	(482,535,000)	-	(482,535,000)	-	(482,535,000)
	Others	132,252,510,601	146,955,075,850	14,702,565,249	(91,496,886)	14,794,062,135	16,842,322,751	(2,048,260,616)
2	Unlisted shares	114,082,604,844	62,406,688,020	(51,675,916,824)	(49,874,560,185)	(1,801,356,639)	698,568,801	(2,499,925,440)
	PHVU	58,063,615,500	5,769,081,000	(52,294,534,500)	(49,794,599,400)	(2,499,935,100)	-	(2,499,935,100)
	GEX	8,979,510,000	9,435,585,000	456,075,000	-	456,075,000	456,075,000	-
	DRI	16,917,951,400	17,141,859,000	223,907,600	-	223,907,600	223,907,600	-
	Others	30,121,527,944	30,060,163,020	(61,364,924)	(79,960,785)	18,595,861	18,586,201	9,660
	<b>Total</b>	<b>405,041,471,088</b>	<b>381,822,545,870</b>	<b>(23,218,925,218)</b>	<b>(49,966,089,281)</b>	<b>26,747,164,063</b>	<b>36,742,003,149</b>	<b>(9,994,839,086)</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

22. GAIN, LOSS FROM FINANCIAL ASSETS (continued)

22.3. *Dividend, interest income from FVTPL financial assets, HTM investments, loans and receivables*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
FVTPL financial assets	5,016,029,340	3,737,246,592
HTM investments	19,168,341,952	14,367,298,851
Loans and receivables	90,773,617,689	72,949,781,832
	<u>114,957,988,981</u>	<u>91,054,327,275</u>

22.4. *Revenue other than gain/loss from financial assets*

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Revenue from brokerage services	131,045,431,701	101,475,285,283
Revenue from underwriting and issuance agency services	18,372,000,000	9,359,163,437
Revenue from financial advisory services	4,318,501,178	18,729,385,671
Revenue from securities investment advisory services	48,000,000	42,000,000
Revenue from securities custodian services	7,410,481,597	6,518,493,361
	<u>161,194,414,476</u>	<u>136,124,327,752</u>

23. TRANSACTION COSTS OF ACQUISITION OF FINANCIAL ASSETS AT FVTPL

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	371,349,592	353,320,470
Bonds	708,659,741	792,155,580
	<u>1,080,009,333</u>	<u>1,145,476,050</u>

24. EXPENSES FROM OPERATING ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Expenses from securities brokerage activities	89,106,877,097	72,739,348,752
Expenses from securities underwriting activities and securities issuance agency services	3,700,000,000	560,000,000
Expenses from securities custodian activities	8,202,022,790	5,684,235,086
Expenses from financial advisory activities	14,051,346,302	11,191,864,412
Provision expenses for diminution in value and impairment of financial assets, doubtful receivables and borrowing costs of loans	(50,181,809)	15,244,050,347
Expenses for other services	(370,157,322)	350,944,949
	<u>114,639,907,058</u>	<u>105,770,443,546</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

25. FINANCE INCOME

	<i>Current period VND</i>	<i>Previous period VND</i>
Foreign exchange rate differences	2,593	27,532,228
- Realised gain	2,593	26,197,941
- Unrealised gain	-	1,334,287
Interest income from demand deposits	1,583,518,368	3,189,130,877
Other finance income	-	69,103,943
	<b>1,583,520,961</b>	<b>3,285,767,048</b>

26. FINANCE EXPENSES

	<i>Current period VND</i>	<i>Previous period VND</i>
Loss from foreign exchange rate difference		
- Realised exchange rate difference	1,568,498	100,391,423
- Unrealised exchange rate difference	4,154,148	-
Borrowing costs	43,272,428,315	46,398,046,895
Other finance expenses	13,200,000	56,065,686
	<b>43,291,350,961</b>	<b>46,554,504,004</b>

27. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Current period VND</i>	<i>Previous period VND</i>
Expenses for administrative staff	31,631,972,300	30,988,849,875
- Salary and allowances	29,988,546,607	29,442,738,416
- Social security, health insurance, union fee and unemployment insurance	1,643,425,693	1,546,111,459
Office supplies	102,738,589	140,311,181
Tools	883,273,996	560,724,903
Depreciation expenses	1,240,961,620	984,563,791
Taxes and fees	2,344,028,679	1,759,128,287
External service expenses	24,054,809,763	20,025,603,428
Other expenses	737,539,477	737,700,734
	<b>60,995,324,424</b>	<b>55,196,882,199</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

28. OTHER INCOME AND EXPENSES

	<i>Current period</i> <u>VND</u>	<i>Previous period</i> <u>VND</u>
Other income		
- Proceeds from disposal of fixed assets	8,790,909	25,336,363
- Other income	<u>1,818,180</u>	<u>2,727,273</u>
	<u>10,609,089</u>	<u>28,063,636</u>
Other expenses		
- Proceeds from disposal of fixed assets	98,690,174	-
- Other expenses	<u>9,495,008</u>	<u>-</u>
	<u>108,185,182</u>	<u>-</u>
	<u>(97,576,093)</u>	<u>28,063,636</u>

29. CORPORATE INCOME TAX

	<i>Current period</i> <u>VND</u>	<i>Previous period</i> <u>VND</u>
CIT payable at the end of the period	<u>24,928,826,150</u>	<u>-</u>

30. INVESTORS' PAYABLES TO THE COMPANY FOR SECURITIES SERVICES

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Brokerage fee payables	<u>856,291,155</u>	<u>439,647,266</u>

31. DISCLOSURE OF STATEMENT OF CASH FLOWS

During the period, the Company did not have any non-cash transactions which might have impact on the statement of cash flows or any cash managed by the Company which is unused.



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION

32.1 *Related party transactions*

Related party transactions include all transactions undertaken with other parties to which the Company is related. A party is considered to be related if the party has ability to control or to influence other parties in making decision of financial policies and operational activities. A party is related to the Company if:

- (a) Directly, or indirectly through one or more intermediaries, the party:
  - ▶ Controls, is controlled by, or is under common control with, the Company (including parents and subsidiaries);
  - ▶ Has an interest (owning 5% or more of the charter capital or voting share capital) in the Company that gives it significant influence over the Company;
  - ▶ Has joint control over the Company.
- (b) The party is a joint venture in which the Company is a venture or an associate (owning over 11% of the charter capital or voting share capital, but is not a subsidiary of the Company);
- (c) The party is a member of the key management personnel of the Company;
- (d) The party is a close member of the family of any individual referred to in (a) or (c); or
- (e) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such company resides with, directly or indirectly, any individual referred to in (c) or (d).

<u>Related parties</u>	<u>Relationship</u>
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV)	Parent bank
BIDV Insurance Corporation (BIC)	Fellow subsidiary
Bank for Investment and Development of Cambodia (BIDC)	Fellow subsidiary
BIDV Tower	Joint venture of parent bank

Significant transactions with related parties during the period are as follows:

<u>Related parties</u>	<u>Relationship</u>	<u>Transactions</u>	<u>Income/(Expense)</u>	
			<u>Current period</u> VND	<u>Previous period</u> VND
BIDV	Parent Bank	Interest income from deposits	6,982,468,674	3,732,268,169
		Interest income from bonds	-	378,317,070
		Service fee income	719,914,309	8,431,830,742
		Service fee expense	(17,399,978,581)	(10,415,630,747)
BIDC	Fellow subsidiaries	Interest income from deposits	355,223,241	-
BIC	Fellow subsidiaries	Securities brokerage fees receipt	53,332,875	141,228,647
BIDV Tower	Joint venture of BIDV	Office rental expense	(10,419,578,963)	(11,137,535,153)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.1 *Related party transactions* (continued)

Balances with related parties at 30 September 2017 are as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Receivables/(Payables)</i>	
			<i>Ending balance VND</i>	<i>Beginning balance VND</i>
BIDV	Parent Bank	Deposits	159,605,144,222	267,187,127,004
		Investment in shares (odd lots)	81,255,980	47,616,840
		Accrued interest from term deposits	1,210,138,888	526,472,222
		Service fees payable	(1,847,153,546)	(1,375,697,280)
BIDC	Fellow subsidiaries	Deposits	3,493,332	15,004,325,458
		Accrued interest from term deposits	-	11,458,333
BIDV Tower	Joint venture of BIDV	Rental deposits	2,891,650,104	2,891,650,104
BIC	Fellow subsidiaries	Equity investments (odd lots)	750,495	348,060

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.2 Segment report

Unit: VND

	Brokerage and customer services	Proprietary trading	Financial advisory	Other segments	Total
For the six – month period ended 30 September 2017					
1. Net revenue from operating activities	229,229,530,987	145,579,500,452	22,738,501,178	9,200,118,182	406,747,650,799
2. Direct costs	97,258,718,078	16,622,795,401	17,381,188,980	43,291,350,961	174,554,053,420
3. Depreciation and amortization and other allocated expenses (*)	34,374,948,651	21,830,903,859	3,409,834,706	1,379,637,207	60,995,324,424
<b>Profit before tax from operating activities</b>	<b>97,595,864,258</b>	<b>107,125,801,192</b>	<b>1,947,477,492</b>	<b>(35,470,869,986)</b>	<b>171,198,272,955</b>
As at 30 September 2017					
1. Segment assets	615,690,888,154	888,553,117,206	441,588,486	238,077,887,762	1,742,763,481,608
- Cash and cash equivalents	-	-	-	120,000,000,000	120,000,000,000
- Financial assets at FVTPL	-	819,194,322,848	-	-	819,194,322,848
- Held-to-maturity investments (short-term)	-	-	-	65,000,000,000	120,000,000,000
- Loans	622,207,299,997	-	-	-	622,207,299,997
- Provision for impairment of financial assets and mortgage assets	(18,667,226,859)	-	-	-	(18,667,226,859)
- Receivables	10,854,254,757	19,399,360,358	-	3,056,937,533	33,310,552,648
- Receivables from services provided by the Company	1,296,560,259	-	462,588,486	-	1,759,148,745
- Provision for impairment of receivables	-	-	(21,000,000)	-	(21,000,000)
- Held-to-maturity investments (long-term)	-	49,959,434,000	-	50,020,950,229	99,980,384,229
2. Allocated assets (*)	66,439,066,493	42,194,241,158	6,590,445,766	2,666,529,312	117,890,282,729
- Cash and cash equivalents	34,627,451,883	21,991,264,064	3,434,881,850	1,389,771,415	61,443,369,212
- Advances to suppliers	970,067,783	616,072,382	96,226,203	38,933,632	1,721,300,000
- Other receivables	8,495,636	5,395,424	842,728	340,972	15,074,760
- Other short term assets	107,648,238	68,365,436	10,678,204	4,320,457	191,012,335
- Fixed assets	4,353,338,420	2,764,725,949	431,830,883	174,721,066	7,724,616,318
- Other long-term assets	26,372,064,533	16,748,417,903	2,615,985,898	1,058,441,770	46,794,910,104
<b>Total assets</b>	<b>682,129,954,647</b>	<b>930,747,358,364</b>	<b>7,032,034,252</b>	<b>240,744,417,074</b>	<b>1,860,653,764,337</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.2 Segment report (continued)

Unit: VND

	Brokerage and customer services	Proprietary trading	Financial advisory	Other segments	Total
As at 30 September 2017					
1. Segment liabilities	18,374,304,693	41,550,000,000	1,593,334,478	629,204,716,362	690,722,355,533
- Short-term borrowings	-	-	-	200,000,000,000	200,000,000,000
- Advances from customers	-	-	1,533,334,478	-	1,533,334,478
- Payables for securities transaction activities	14,874,870,325	41,550,000,000	-	-	56,424,870,325
- Statutory obligations	3,442,997,104	-	-	-	3,442,997,104
- Repurchase agreements of Government bonds	-	-	-	428,438,500,000	428,438,500,000
- Accrued expenses	-	-	-	766,216,362	766,216,362
- Other short-term payables	56,437,264	-	60,000,000	-	116,437,264
2. Allocated liabilities (*)	27,602,032,216	17,529,547,980	2,737,992,959	1,107,806,475	48,977,379,629
- Trade payables	6,018,278,315	3,822,098,955	596,985,161	241,543,363	10,678,905,794
- Statutory obligations	3,020,525,633	1,918,280,821	299,622,066	121,228,677	5,359,657,197
- Other current payables	84,135,405	53,432,864	8,345,840	3,376,771	149,290,880
- Payables to employees	13,609,023,672	8,642,843,090	1,349,951,725	546,197,629	24,148,016,115
- Expenses payables	5,201,164	3,303,164	515,931	208,749	9,229,008
- Employee benefits	178,328,654	113,253,280	17,689,371	7,157,214	468,440,829
- Bonus and welfare funds	4,686,539,373	2,976,335,806	464,882,865	188,094,072	8,315,852,116
<b>Total liabilities</b>	<b>45,976,336,909</b>	<b>59,079,547,980</b>	<b>4,331,327,437</b>	<b>630,312,522,837</b>	<b>739,699,735,162</b>

(\*) Expenses, assets and liabilities are allocated to segments based on the proportion of that segment in total revenue from operating activities of the Company.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**32. OTHER INFORMATION (continued)**

**32.3 Commitments under operating lease**

The Company currently leases its offices under the operating lease contracts. As at 30 September 2017, the future rental payables as stated in the rental contracts are as follows:

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Within 1 year	1,819,200,000	-
From 1 – 5 years	51,944,662,500	51,448,897,500
	<u>53,763,862,500</u>	<u>51,448,897,500</u>

These rental payables were estimated based on the rental fees stated in the lease contracts as at 30 September 2017.

**32.4 Basic earnings per share**

Basic earnings per share are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following reflects the profit and shares data used in the basic earnings per share computations:

	<u><i>Current period</i></u>	<u><i>Previous period</i></u>
Profit after tax attributable to ordinary equity holders for basic earnings - VND	146,171,870,712	71,162,105,904
Weighted average number of outstanding ordinary shares for basic earnings per share – Unit	92,988,492	92,988,492
Basic earnings per share – VND	1,572	765

Basic earnings per share of the prior year was adjusted due to the effects from the issuance of bonus shares to current shareholders in August 2017.

**32.5 Purposes and policies of financial risk management**

Financial liabilities of the Company mainly comprise of loans and borrowings, trade payables and other payables. Primary purpose of financial liabilities is to finance main business operation of the Company. The Company possesses loans, receivables from customers and other receivables, cash on hand and short-term deposit incurring directly from business operation of the Company. The Company does not hold or issue any derivative instruments.

The Company is exposed to market risk, credit risk and liquidity risk in its daily operation.

Risk management is integral to the whole business of the Company. The Company has a system of control in place to achieve an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for managing each of these risks which are summarized below.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**32. OTHER INFORMATION (continued)**

**32.5. Purposes and policies of financial risk management (continued)**

***Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include receivables from securities trading, deposits and available-for-sale investments.

The sensitivity analysis in the following sections relates to the Company's interim financial position as at 30 September 2017.

The sensitivity analysis has been prepared on the assumption that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

In calculating the sensitivity analysis, the Management assumes that the interim statement of financial position relates to available-for-sale debt instruments and the sensitivity of the relevant statement of comprehensive income items is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 September 2017 and 31 December 2016.

***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cooperation contracts, customer receivables, cash and short-term deposits. These investments are mainly short term in nature and they are not held for speculative purposes.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain relevant interest policies, which are favorable for its purposes within its risk management limits.

A sensitivity analysis is not performed for the interest rate risk as the Company's exposure to interest-rate risk is minimal at the reporting date.

***Currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company assesses that its exposure to currency risk is at low level because in the year 2016 and the first nine months of 2017, the Company was almost not involved in foreign currency transactions.

***Equity price risk***

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages share price risk by establishing investment limit. Management of the Company also reviews and approves decisions on making shares investments.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.5. *Purposes and policies of financial risk management* (continued)

*Equity price risk* (continued)

At the reporting date, the fair value of both of the Company's listed and unlisted shares registered on UPCOM amounted to VND 346,050,725,350. A decrease by 10% on market price of these shares may result in a decrease in Company's net profit by VND 34,605,072,53, depending on whether this change is significant or prolonged. An increase by 10% of securities index may result in an increase in the Company's net profit by VND 34,605,072,53.

*Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables, securities trading receivables) and from its financing activities, including deposits with banks, and other financial instruments.

*Trade receivables*

The Company based on its established policies, procedures and controls relating to customer credit risk management to manage its customer credit risk.

The Company closely monitors uncollected trade receivables on a regular basis and thoroughly considered impairment of customers' credit quality at the reporting date.

*Bank deposits*

The Company's bank balances are mainly maintained at the parent bank; therefore, the company assessed the credit risk for bank deposits to be low.

*Loans and advances to customers*

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin and advance payments to customers. The Company conducts the customer assessment and appraisal for determining credit and advance limits prior to the signing of margin and advance payment contracts. Also, the Company periodically examines customers' financial position in order to make appropriate and timely adjustments for margin ratio and credit limits.

The Company's management assessed that all financial assets are neither past due nor impaired as they are related to recognized and credit worthy counter parties, except for impaired receivables, as presented below:

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.5. Purposes and policies of financial risk management (continued)

Credit risk (continued)

Details of credit risk for each group of assets as at 30 September 2017 are as follows

Unit: VND

30 September 2017	Neither past due nor impaired	Past due but not impaired				Total
		Less than 3 months	3 - 6 months	6 - 12 months	Over 1 year	
Held-for-trading investments	437,371,776,978	-	-	-	-	437,371,776,978
Bonds	437,371,776,978	-	-	-	-	437,371,776,978
Held-to-maturity investments	288,650,601,620	-	-	-	-	288,650,601,620
Bonds	50,572,713,858	-	-	-	-	50,572,713,858
Term deposits	238,077,887,762	-	-	-	-	238,077,887,762
Loans	614,394,327,895	-	-	-	18,667,226,859	633,061,554,754
Other financial assets	69,205,369,109	-	-	-	42,000,000	69,247,369,109
Receivable from disposal of financial assets	17,160,877,000	-	-	-	-	17,160,877,000
Receivable from securities transaction activities (*)	1,717,148,745	-	-	-	42,000,000	1,759,148,745
Collaterals and pledges	16,214,910,104	-	-	-	-	16,214,910,104
Other receivables (*)	34,112,433,260	-	-	-	-	34,112,433,260
<b>TOTAL</b>	<b>1,409,622,075,602</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,709,226,859</b>	<b>1,428,331,302,461</b>

(\*): These items do not include provision. Value of collaterals have been deducted.

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulties in meeting financial obligations due to the shortage of funds. The Company's exposure to liquidity risk arises primarily from the mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintain a level of cash and cash equivalents and bank loans deemed adequate by Management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 30 September 2017:



NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

32. OTHER INFORMATION (continued)

32.5. Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

	Overdue	On demand	Up to 1 year	From 1-5 years	Over 5 years	Unit: VND Total
30 September 2017						
<b>FINANCIAL ASSETS</b>						
Held-for-trading investments	-	381,822,545,870	437,371,776,978	-	-	819,194,322,848
Listed shares (*)	-	319,415,857,850	-	-	-	319,415,857,850
Shares registered on Upcom (*)	-	26,634,867,500	-	-	-	26,634,867,500
Unlisted shares	-	35,771,820,520	-	-	-	35,771,820,520
Bonds	-	-	437,371,776,978	-	-	437,371,776,978
Held-to-maturity investments	-	-	66,899,222,222	101,751,379,398	-	168,650,601,620
Bonds	-	-	-	50,572,713,858	-	50,572,713,858
Term deposits	-	-	66,899,222,222	51,178,665,540	-	118,077,887,762
Loans	18,667,226,859	-	614,394,327,895	-	-	633,061,554,754
Other financial assets	42,000,000	-	52,990,459,005	16,214,910,104	-	69,247,369,109
Receivables from disposal of financial assets	-	-	17,160,877,000	-	-	17,160,877,000
Receivables from securities transaction activities (*)	42,000,000	-	1,717,148,745	-	-	1,759,148,745
Collaterals and pledges	-	-	-	16,214,910,104	-	16,214,910,104
Other receivables (*)	-	-	34,112,433,260	-	-	34,112,433,260
Cash and cash equivalents	-	61,443,369,212	120,000,000,000	-	-	181,443,369,212
<b>TOTAL</b>	<b>18,709,226,859</b>	<b>443,265,915,082</b>	<b>1,291,655,786,100</b>	<b>117,966,289,502</b>	<b>-</b>	<b>1,871,597,217,543</b>
<b>FINANCIAL LIABILITIES</b>						
Financial liabilities stated at amortized cost						
Short-term loans and borrowings	-	-	629,204,716,362	-	-	629,204,716,362
Payables from securities trading activities	-	-	56,424,870,325	-	-	56,424,870,325
Other payables	-	-	45,268,014,174	-	-	45,268,014,174
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>730,897,600,861</b>	<b>-</b>	<b>-</b>	<b>730,897,600,861</b>
<b>Net liquidity difference</b>	<b>18,709,226,859</b>	<b>443,265,915,082</b>	<b>560,758,185,239</b>	<b>117,966,289,502</b>	<b>-</b>	<b>1,140,699,616,682</b>

(\*) Provision is excluded

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the nine – month period then ended

**32. OTHER INFORMATION (continued)**

**32.5. Purposes and policies of financial risk management (continued)**

**Collaterals**

As at the reporting date, the Company was entering into selling and buying commitment agreements, which have term of less than three (03) months. The contractual underlying assets were Government bonds with total book value of VND 350,000,000,000. Its total selling price was VND 428,438,500,000 and total repurchase price was VND 430,411,500,000 VND.

The Company uses bonds as collaterals for the short-term bank loans at commercial banks. As at 30 September 2017, there were bonds with the par value of VND 155,000,000,000 used as collaterals for short-term loans (31 December 2016: VND 100,000,000,000).

The Company held securities as collateral for the receivables from customers as at 30 September 2017.

**32.6 Events since the reporting date**

There is no matter or circumstance that has arisen since the interim statement of financial position date that requires adjustment or disclosure in the interim financial statements of the Company.

Prepared by:



Ms. Vu Thi Minh Nguyet  
Accountant

Approved by:



Ms. Tran Ngoc Diep  
Chief Accountant



Approved by:



Mr. Do Huy Hoai  
General Director

Hanoi, Vietnam

05 October 2017