

TABLE OF CONTENTS

Pages

OVERVIEW.....	I
CORPORATE SOCIAL RESPONSIBILITY	II
PERFORMANCE AT A GLANCE.....	III
ORGANIZATIONAL STRUCTURE.....	IV
MESSAGE FROM THE CHAIRMAN.....	V-VI
MESSAGE FROM CHIEF EXECUTIVE OFFICER.....	VII-VIII
CORPORATE GOVERNANCE.....	IX-X
CORPORATE PROFILE.....	XI-XII
REPORT OF THE BOARD OF MANAGEMENT.....	1 - 4
AUDITED FINANCIAL STATEMENTS	
Independent auditors' report	5 - 6
Balance sheet	7
Income statement	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 56
STATEMENT BY MANAGEMENT	57
LIMITATION.....	58
NET WORTH	59
LIQUIDITY RATIO	60
SOLVENCY RATIO	61
LOAN CLASSIFICATION AND ALLOWANCE FOR LOAN LOSSES.....	62
NET OPEN POSITION IN FOREIGN CURRENCY	63-64
OTHER INFORMATION AND PRUDENTIAL REGULATIONS REQUIRED BY THE CAMBODIAN LAW ON BANKING AND FINANCIAL INSTITUTIONS	65-66
FINANCIAL SOUNDNESS INDICATORS.....	67-76
CORPORATE CONTACT INFORMATION.....	77

OVERVIEW

With the guidance and full support from Vietnamese and Cambodian government, Bank for Investment and Development of Vietnam (BIDV) and Phuong Nam Company jointly established Cambodian Investment and Development Co., Ltd. (IDCC) for the execution of financial investment in various sectors in Cambodia such as banking, insurance, and agriculture. IDCC's very first project was the acquisition of Prosperity Investment Bank (PIB), which later restructured and renamed it to Bank for Investment and Development of Cambodia Plc. (BIDC). BIDC officially started its banking operations on September 01, 2009 upon the National Bank of Cambodia's (NBC) approval with the Decision No B7.09.148 dated August 14, 2009.

BIDC's banking operations are directly and fully supported by BIDV, one of the 4 largest commercial banks with more than 57 years of experience doing business in Vietnam. Thanks to that, BIDC has been able to operate its banking operations in Cambodia, to adopt modern banking technologies, to ensure liquidity, and especially to compete in the banking sector in Cambodia.

Has been operated in the Kingdom of Cambodia for more than 5 years, BIDC has become one of the largest commercial banks in the country with the total assets of USD 589,837,253 as of December 31, 2014. With its 7 branches serving clients in both Cambodia and Vietnam, our approximately 400 employees serve individual, business and corporate clients across a diversified mix of businesses in 2 countries: Cambodia and Vietnam.

With the aim of becoming one of the 4th largest commercial banks in Cambodia, BIDC has expanded its banking operations in various provinces to better compete with the local financial institutions and serve our current and potential clients. With the full support from BIDV, and strong support from the government of Cambodia and Vietnam, we strongly believe that BIDC will be able to achieve its long term goal of becoming one of the 4th largest commercial banks in Cambodia in the very near future.

CORPORATE OBJECTIVES AND CORE VALUES

BIDC's aim is to be the leading financial institution in Cambodia for our clients. Our client-focused strategy helps to create value for our shareholders. Our corporate objectives are:

- Long-lasting client relationships
- Sound risk management
- Consistent, sustainable revenues
- Strategic growth where we have competitive advantages

Our organizational culture based on core values of Unity, Service, Responsibility, Diversity, and Integrity is the driver of our vision and mission.

Our values define who we are:

- Unity—We act as one company and work together to succeed
- Service—Excellent service to clients
- Diversity—Diversity for growth and innovation
- Integrity—Trust through integrity in everything we do

CORPORATE SOCIAL RESPONSIBILITY

We donate every year to charitable organizations across the country and to other causes that will bring a positive and lasting social and environmental impact for future generations. Such organizations, which include Cambodian Red Cross and Cambodia Disabled People's Organization, are non-profit oriented voluntary registered organizations that are committed for the all-round development and rehabilitation of disabled and suffering humanity, and the development of the society as a whole.

We help Cambodian Red Cross to promote poverty reduction



Donation made to Cambodian Red Cross in May 2014.

We aim to promote sports on both national and global scales



Picture taken with team U21 in August 2014.

With the main purpose of reducing poverty within the nation, every year BIDC supports Cambodian Red Cross by contributing the fund to ensure children residing in the rural areas get quality education, knowledge and life skills they need to realize their full potentials; to ensure they have access to health care; and to ensure clean and drinkable water by building community water points.

BIDC has been partnered with the Football Federation of Cambodia for more than 6 years to sponsor and organize the International Football Tournament BIDC Cup in the Kingdom of Cambodia, and such champion league has been done 3 times within a 6 year-period.

We also supported to bring the U21 team to play on the global stage, participating in the Hassan-alBolkiah Trophy 2014 in Darussalam of Brunei from August 08-23, 2014.

2014 PERFORMANCE AT A GLANCE

In 2014 we advanced our client-focused strategy, created value for our shareholders and delivered great returns.

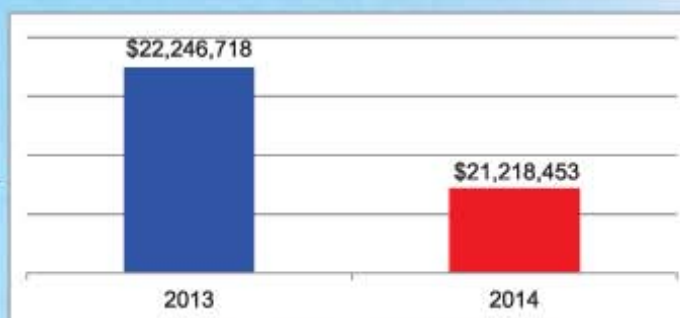
Financial highlights

For the year ended December 31

	2014	2013
Financial results (USD)		
Revenue	21,218,453	22,246,718
Credit loss expense	2,862,380	5,394,995
Expenses	12,277,699	11,404,214
Net profit	4,216,495	4,051,238
Financial measures (%)		
Return on assets	0.71	0.82
Return on equity	4.90	4.93
Net interest margin to revenue	87.82	87.02
Net fees and commission income to revenue	11.72	12.65

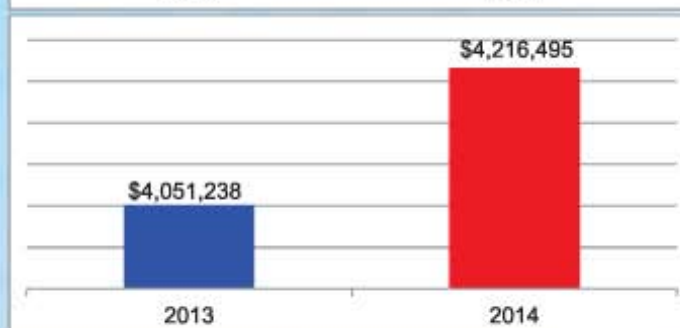
Total Revenue (USD)

- BIDC's primary source of income is Interest and Similar Income, which accounts for 87.82% of total revenue.
- BIDC's secondary source of income is Fees and Commission Income, which accounts for 11.72% of the total revenue earned.



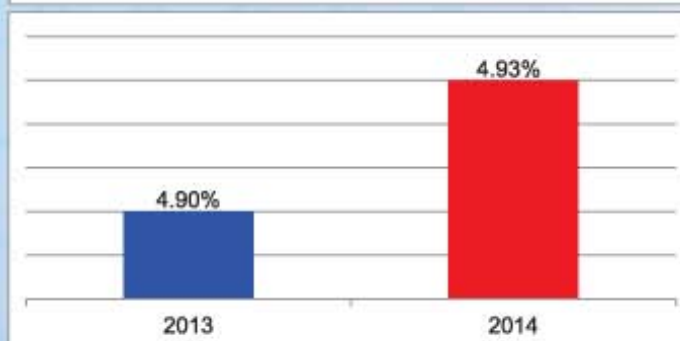
Net Profit (USD)

- Although BIDC's total revenue decreased by 3.92% in 2014, the bank's net profit surged from \$4,051,238 in 2013 to \$4,216,495 in 2014, an equivalence of 4.08% increase within a 2 year-period. This increase in net profit was solely due to a substantial reduction in the Credit Loss Expense.

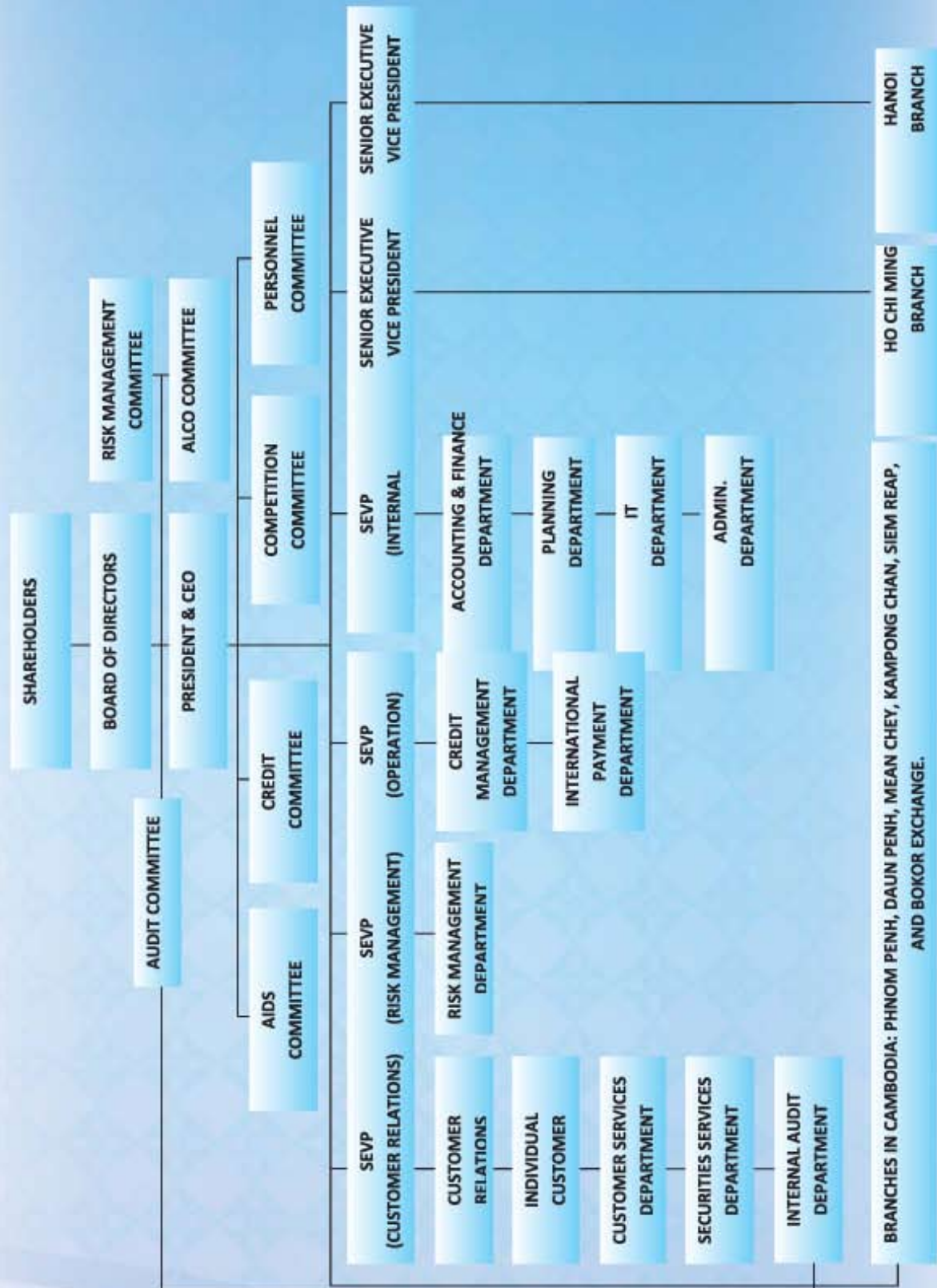


Return on Equity (%)

- An increase in net profit in 2014 resulted in a slight improvement on Return on Equity from 4.9% in 2013 to 4.93% in 2014.



ORGANIZATIONAL STRUCTURE





MESSAGE FROM THE CHAIRMAN

The business environment in Cambodia in 2014 was moderately favorable, especially in the first 6 months due to socio-economics instability occurring after the election of 2013. Like other banks in Cambodia, the business of BIDC was also affected and some business objectives which BIDC had given at the beginning of the year faced with so many challenges.

In the circumstance, the Board of Directors of BIDC has regularly discussed to set out the measures to adapt to the uncertainty, changes in the business environment. With the orientation of safety, stability, long-term business in Cambodian market, the Board of Directors has directed the Board of Management to secure BIDC to apply the right executive measures in all time. Accordingly, BIDC's operations in 2014 have basically gained the targets pointed out by the Board of Directors with the following results:

- The indicators on the scale of continual growth: total assets, gross mobilized capital, outstanding loans increased by 20.5%, 24.6% and 16.8%, respectively in the end of 2013.
- BIDC's asset structure was continually stable, complying with NBC's regulations on payment rate, liquidity, credit quality under the control.
- The products and services which have launched to the market were more and more diversified, meeting the needs of many customers in Cambodia.

- The workforce was further improved with the strong increase in both quality and quantity of local officers. The Bank has paid more attention to training to create a friendly working environment with fair competition to encourage the workers to dedicate further.

In the process of implementing business activities, the Board of Directors, the Board of Management of BIDC always are always fully aware of the progress and listening the customers' comments and contributions, readiness in face with challenges, limitations to strive for renovation and gradual perfect.

2015, following the successes of 2014 and earlier years, BIDC continues to build the business strategy towards stability, safety, fully meeting the standards set out by NBC, deeper integrating into Cambodian economy, expanding local client foundation, researching and continuing to expand the network in potential sites. BIDC continues to invest in information technology, facilities to confirm its long-term business investment strategies in Cambodia as well as to become the leading commercial bank in Cambodia. BIDC will also continue to promote the role of a bridge for investment and trade cooperation between Cambodia and Vietnam. We believe that, with the support and strict control of NBC, BIDC's operations in Cambodia are more and more growing, successful in the coming years, contributing significantly to the cause of coming economic development of Cambodia.

Representing the Board of Directors of BIDC, I would like to express our gratitude to all BIDC's customers who always go with us in the past time. BIDC hereby is committed to be side by side with such loyal customers who have shared our difficulties and to provide the consultancy on solutions to the customers to push our business. Also, I would like to thank the staff, officers, the Board of Management for their dedication, devotement for the common goal of BIDC. I hereby believe and hope that BIDC will always be the joint home for BIDC's staff and officers who are dedicated and make their best efforts to build it more and more solid in their best abilities.

Mr. Le Dao Nguyen.
Chairman of the Board of Directors



MESSAGE FROM CHIEF EXECUTIVE OFFICER

Looking back to see the development of BIDC over the past 6 years, BIDC has achieved remarkable achievements. From a bank named Prosperity Investment Bank (PBI) with a small amount of charter capital at just under 15 million US dollars in assets after restructuring activities in the late 2009, BIDC has grown rapidly with the total asset average growth rate of 30.6% per year. Its size quickly expanded to seven branches in Cambodia and Vietnam. However, due to the unfavorable conditions in Cambodia from the late 2013 to the end of 2014, BIDC's operations were negatively affected which resulted in a slow growth rate. Under the directives of BIDC's Board of Management, in line with our ultimate goal of long term sustainable growth, in 2014, we have devised many effective and efficient measures to implement and ensure BIDC's smooth operations.

- Firstly, there is a strong shift towards retail activities, and a shift of target customers from average class to all income class.
- Secondly, there is an increase in BIDC's product variety, such as an introduction of Scratch and Win 2014 Fixed-Deposit Promotional Saving Product, which was highly appreciated by our value customers.
- Thirdly, human resources are considered the most important factor for BIDC's past and future success. Therefore, we continue to promote the recruitment and training of local manpower and rotate important internal positions at the corporate levels.

- Fourthly, we carefully assess the amount and type of risk will be accepted by BIDC in line with its business objectives, and closely monitor the bank's systems and processes to manage those risks.
- Fifthly, we have gradually built a corporate culture and created a linkage between the bank's staffs and the management.

Despite the challenges and increased competition in the banking industry and political instability in Cambodia, in 2014, BIDC's operations were still manageable with fairly stable growth rates compared to 2013. By the end of the year 2014, BIDC's total assets reached 590 million USD, up 19% within a year period; outstanding loans hit 433 million USD, a 15% increase compared to 2013; and the number of the personnel climbed to 355 officers.

BIDC has expanded itself quickly within this six-year period with the total number of seven branches in both Cambodia and Vietnam. Among the seven branches, 3 of them are located in the capital city of Cambodia, Phnom Penh, where it is recognized as political and economic center of the country, and BIDC is expected to establish more branches in the upcoming year to better serve our value clients. Along with the related unit is Cambodia-Vietnam Insurance Company Plc (CVI), which its main operation is in the field of non-life insurance, BIDC and CVI formed a link chain to meet the diverse needs of our clients in the field of banking and insurance, which will eventually improve operational efficiency for BIDC.

In 2015, we believe that BIDC will continue to firmly move forward in business operations, hold a key role in the banking and financial market in Cambodia, continue to expand the network, improve and put on the market more variety of banking products and services.

On behalf of Management Board, I would like to sincerely thanks to our clients who choose to believe in BIDC ever since. We are committed to always be there, share and support our clients in the difficult times, and we always respect the values of loyalty of our clients. I also recognize and highly appreciate the contributions of the staffs who have been very dedicated and helpful in the development of BIDC. I am proud of what BIDC has achieved and extremely excited about the opportunities that lie ahead.

Nguyen Dinh Duong
Chief Executive Officer

CORPORATE GOVERNANCE

THE BOARD OF DIRECTORS



MR LE DAO NGUYEN
Chairman of the Board
of Directors

- Year of birth: 1956.
- Education: Bachelor of Engineering Post-graduate Diploma in Economics, Master of Business Administration.
- Experience: 30 years of working experience in the banking and finance sector. Has been successfully experiencing all major domain and in charge of many key positions in the banking sector including: Member of BOD of BIDV, Senior Executive Vice President of BIDV, Chairman of BIDV Asset Management Company (BAMC), Chairman of BIDV Financial Investment Company (BFI), Chairman of J.V Lao Viet Bank, Member of the BOD of Vietnam National Financial Switching JSC, BIDV-Vietnam Partners Investment Management Joint-Venture Company (BVIM), and Chairman of BIDC November 2010.



MR HOANG VAN VINH
Vice Chairman

- Year of birth: 1964.
- Education: Bachelor of Economics.
- Experience: Member of BOD of BIDC since July, 2010.



Mr. TRAN DINH DINH
Independent Member of
the BOD

- Year of birth: 1945.
- Education: Bachelor of Banking and Finance
- Experience: 36 years of experience in banking and finance sector. Has been successfully experiencing many major domains in banking sector namely Senior Executive Vice President of Vietnam Bank for Agriculture and Rural Development. Member of BOD of BIDC since August 2009.



Mr. PHAM VAN DUONG
Member of the BOD

- Year of birth: 1972.
- Education: Bachelor of Business Administration.
- Experience: Member of BOD of BIDC since August, 2009



Ms. TRAN THI OANH
Independent Member of the BOD

- Year of birth: 1965.
- Education: Bachelor of Economics.
- Experience: 25 years of experience in banking and finance sector she has been successfully experiencing several operating departments and fields including Credit Management, Accounting and Finance, and Credit Risk Management, Member of BOD of BIDC since August 2009.



Mr. NGUYEN VAN HIEN
Member of the BOD

- Year of birth: 1961.
- Education: Master of Science in Banking and Finance.
- Experience: He has over 25 years of experience in banking sector. Member of BOD of BIDC since August 2009.



Mr. DOAN ANH SANG
Member of the BOD

- Year of birth: 1961.
- Education: Major in Banking.
- Experience: Over 25 years of experience in banking sector. Member of the BOD in year 2014.



Mr. PHAN THANH HAI
Member of the BOD

- Year of birth: 1977
- Education: Master of Banking and Finance.
- Experience: Over 15 years of experience in banking sector. Member of BOD in the year 2014.



Mr. NGUYEN DINH DUONG
Member of the BOD and Chief Executive Officer

- Year of birth: 1976.
- Education: Master of Business Administration, CFVG Hanoi 2000, Master of Business Administration in Management of Technology, AIT Thailand, 2001.
- Experience: Over 20 years of experience in banking and finance sector. Member of BOD of BIDC in year 2014.

CORPORATE PROFILE

THE BOARD OF MANAGEMENT



Mr. NGUYEN DINH DUONG
Chief Executive Office

- Year of birth: 1976.
- Education: Master of Business Administration, CFVG Hanoi 2000, Master of Business Administration in Management of Technology, AIT Thailand, 2001.
- Experience: Approximately 20 years of experience in banking and finance sector. Became member of BOD of BIDC in year 2013.



Mr. PHAM HONG NHIEU
Senior Executive Vice

- Year of birth: 1970.
- Education: Bachelor of Banking and Finance, Bachelor of Mathematics.
- Experience: 20 years of experience in banking, holding a variety of senior positions prior to becoming the Senior Executive Vice President of BIDC in September 2012



Mr. MEY PHY
Senior Executive Vice President

- Year of birth: 1959
- Education: Master of Laws.
- Experience: Over 20 years of experience in banking sector. Became the Senior Executive Vice President of BIDC in August 2009.



Mrs. MAI THI NGOC HA
Senior Executive Vice President

- Year of birth: 1963
- Education: Bachelor of Banking and Finance, Bachelor of Engineering.
- Experience: Approximately 25 years of experience in banking sector. Become the Senior Executive Vice President of BIDC in August 2009.



Mr. DO VIET HUNG
Senior Executive Vice President

- Year of birth: 1973
- Education: Master of Business Administration.
- Experience: Over 20 years of experience in the banking sector. Become the Senior Executive Vice President of BIDC in October 2014.



Mr. Le Nam Trung
Senior Executive Vice President

- Year of birth: 1973
- Education: Bachelor of Economics.
- Experience: More than 15 years of experience in the financial services industry. Became the Senior Executive Vice President of BIDC in 2010-2013 and reappointed as SEVP in December 2014.



REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Bank for Investment and Development of Cambodia Plc (herein referred to as "the Bank" or "BIDC") presents its report together with the Bank's financial statements as at 31 December 2014 and for the year then ended.

THE BANK

On 15 July 2009, Prosperity Investment Bank ("PIB") was acquired by Cambodian Investment and Development Co Ltd. ("IDCC"), a company incorporated in Cambodia, which was co-founded by Bank for Investment and Development of Vietnam ("BIDV") (owning 80%) and Phuong Nam Company (owning 20%). PIB was restructured and renamed as Bank for Investment and Development of Cambodia in accordance with Decision No. B1-09-554 dated 15 July 2009 by the Governor of National Bank of Cambodia ("NBC"). The transaction was effective from 1 August 2009.

PRINCIPAL ACTIVITIES

The Bank is principally engaged in all aspects of banking business and the provision of related financial services.

There were no significant changes to these principal activities during the year.

FINANCIAL RESULTS

The financial results of the Bank are as follows:

	2014 US\$	2013 US\$
Profit before tax	6,078,374	5,447,509
Income tax expense	(1,861,879)	(1,396,271)
Net profit for the year	4,216,495	4,051,238
KHR'000 equivalent	17,182,217	16,184,693

SHARE CAPITAL

The share capital of the Bank was US\$70,000,000 as at 31 December 2014 and 31 December 2013.

RESERVES AND PROVISIONS

There were no material movements to or from reserves and provisions during the year other than those disclosed in the financial statements.

REPORT OF THE BOARD OF MANAGEMENT (continued)

BAD AND DOUBTFUL LOANS AND ADVANCES

Before the financial statements of the Bank were prepared, the Board of Management took reasonable steps to ascertain that actions had been taken in relation to writing off of bad loans and advances and making of provision for bad and doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate provision had been made for bad and doubtful loans and advances.

At the date of this report, the Board of Management is not aware of any circumstances, which would render the amount written off for bad loans and advances, or the amount of provision for bad and doubtful loans and advances in the financial statements of the Bank, inadequate to any material extent.

CURRENT ASSETS

Before the financial statements of the Bank were prepared, the Board of Management took reasonable steps to ascertain that any current assets, other than loans, which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Bank had been written down to an amount which they might be expected to realise.

At the date of this report, the Board of Management is not aware of any circumstances, which would render the values attributed to current assets in the financial statements of the Bank misleading or inappropriate in any material aspect.

VALUATION METHODS

At the date of this report, the Board of Management is not aware of any circumstances that have arisen which would render adherence to the existing method of valuation of assets or liabilities in the financial statements of the Bank misleading or inappropriate in any material respect.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

- ▶ no charge on the assets of the Bank, which has arisen since the end of the financial year which secures the liabilities of any other person; and
- ▶ no contingent liability in respect of the Bank that has arisen since the end of the financial year other than in the ordinary course of banking business.

No contingent or other liability of the Bank has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Board of Management, will or may have a material effect on the ability of the Bank to meet its obligations as and when they fall due.

EVENTS SINCE THE BALANCE SHEET DATE

There is no significant event occurring after the balance sheet date, which requires disclosure or adjustment other than those already disclosed in the accompanying notes to the financial statements.

REPORT OF THE BOARD OF MANAGEMENT (continued)

THE BOARD OF DIRECTORS

The members of the Board of Directors from 1 January 2014 to the date of this report are:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/resignation</i>
Mr. Le Dao Nguyen	Chairman	Appointed on 6 November 2010
Mr. Hoang Van Vinh	Vice Chairman	Appointed on 7 July 2010
Mr. Pham Van Duong	Member	Appointed on 1 August 2009
Mr. Nguyen Van Hien	Member	Appointed on 1 August 2009
Mr. Tran Dinh Dinh	Member	Appointed on 1 August 2009
Mrs. Tran Thi Oanh	Member	Appointed on 1 August 2009
Mr. Doan Anh Sang	Member	Appointed on 21 December 2012
Mr. Nguyen Dinh Duong	Member	Appointed on 25 October 2013
Mr. Phan Thanh Hai	Member	Appointed on 11 December 2014
Mr. Tran Long	Member	Resigned on 11 December 2014

THE BOARD OF MANAGEMENT

The members of the Board of Management from 1 January 2014 to the date of this report are:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/resignation</i>
Mr. Nguyen Dinh Duong	Chief Executive Officer	Appointed on 25 October 2013
Mrs. Mai Thi Ngoc Ha	Senior Executive Vice President	Appointed on 1 August 2009
Mr. Mey Phy	Senior Executive Vice President	Appointed on 1 August 2009
Mr. Duong Van Co	Senior Executive Vice President	Appointed on 1 May 2011
Mr. Pham Hong Nhen	Senior Executive Vice President	Appointed on 24 July 2012
Mr. Do Viet Hung	Senior Executive Vice President	Appointed on 15 October 2014
Mr. Le Nam Trung	Senior Executive Vice President	Appointed on 15 December 2014
Mr. Do Van Quyet	Senior Executive Vice President	Resigned on 1 January 2015

AUDITORS

Ernst & Young (Cambodia) Ltd., is the auditor of the Bank.

THE BOARD OF MANAGEMENT'S BENEFITS

During and at the end of the year, no arrangement existed, to which the Bank was a party, whose object was to enable the Board of Management to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate.

No manager has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Board of Management, or the fixed salary of a full time employee of the Bank as disclosed in *Note 24(c)* to the financial statements) by reason of a contract made by the Bank or with a firm of which he is a member, or with a company in which he has a material financial interest other than those disclosed in the financial statements.

REPORT OF THE BOARD OF MANAGEMENT (continued)

THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Management is responsible for ensuring that the financial statements give a true and fair view of the financial position of the Bank as at 31 December 2014, and its financial performance and cash flows for the year then ended. In preparing these financial statements, the Board of Management is required to:

- ▶ adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- ▶ comply with regulations and guidelines issued by the National Bank of Cambodia and Cambodian Accounting Standards or, if there has been any departure in the interests of fair presentation, ensure this has been appropriately disclosed, explained and quantified in the financial statements;
- ▶ maintain adequate accounting records and an effective system of internal control; and
- ▶ prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Bank will continue operation in the foreseeable future.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Bank and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2014, and its financial performance and cash flows for the year then ended in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia.

On behalf of the Board of Management:



Mr. Nguyen Dinh Duong
Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
20 March 2015



Ernst & Young (Cambodia) Ltd.
3rd Floor, SSN Center
#66 Norodom Boulevard
Sangkat Chey Chumneas, Khan Daun Penh
12206 Phnom Penh, Kingdom of Cambodia

Tel: +855 23 217 824/825
Fax: +855 23 217 805

Reference: 61090109/17473418

INDEPENDENT AUDITORS' REPORT

To: The Owners of Bank for Investment and Development of Cambodia Plc

We have audited the accompanying financial statements of Bank for Investment and Development of Cambodia Plc ("the Bank"), which comprise the balance sheet as at 31 December 2014, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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



Ernst & Young (Cambodia) Ltd.
 3rd Floor, SSN Center
 #66 Norodom Boulevard
 Sangkat Chey Chumneas, Khan Daun Penh
 12206 Phnom Penh, Kingdom of Cambodia

Tel: +855 23 217 824/825
 Fax: +855 23 217 805

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as at 31 December 2014, and its financial performance and cash flows for the year then ended in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia.



Maria Cristina M. Calimbas
 Partner

Ernst & Young (Cambodia) Ltd.
 Certified Public Accountant
 Registered Auditor

Phnom Penh, Kingdom of Cambodia

20 March 2015

BALANCE SHEET as at 31 December 2014

		2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Notes					
ASSETS					
Cash on hand	3	5,631,580	22,948,689	3,699,245	14,778,484
Balances with central banks	4	60,847,247	247,952,532	52,753,181	210,748,958
Due from other financial institutions	5	50,671,240	206,485,303	48,219,273	192,635,996
Loans and advances to customers	6	432,515,076	1,762,498,935	367,625,532	1,468,664,002
Investments in securities	7	10,915,002	44,478,633	11,507,402	45,972,071
Property and equipment	8	4,415,296	17,992,331	4,190,782	16,742,174
Intangible asset	9	2,162,078	8,810,468	2,452,596	9,798,121
Other assets	10	22,679,734	92,419,916	5,684,134	22,708,114
TOTAL ASSETS		589,837,253	2,403,586,807	496,132,145	1,982,047,920
LIABILITIES					
Due to other financial institutions	11	300,788,558	1,225,713,374	260,933,971	1,042,431,214
Due to customers	12	196,596,858	801,132,196	148,481,245	593,182,574
Income tax payable	13	1,128,714	4,599,510	518,526	2,071,512
Other liabilities	14	5,223,146	21,284,321	4,103,123	16,391,976
Total liabilities		503,737,276	2,052,729,401	414,036,865	1,654,077,276
OWNERS' EQUITY					
Paid-up capital	15	70,000,000	285,250,000	70,000,000	279,650,000
Foreign exchange translation reserve		(19,436)	(79,202)	(7,638)	(30,514)
General banking reserve	15	2,549,723	10,390,121	1,962,290	7,839,349
Retained earnings		13,569,690	55,296,487	10,140,628	40,511,809
Total owners' equity		86,099,977	350,857,406	82,095,280	327,970,644
TOTAL LIABILITIES AND OWNERS' EQUITY		589,837,253	2,403,586,807	496,132,145	1,982,047,920

INCOME STATEMENT for the year ended 31 December 2014

	Notes	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Interest and similar income	16	33,967,516	138,417,628	35,700,702	142,624,304
Interest and similar expense	17	(15,333,368)	(62,483,475)	(16,342,361)	(65,287,733)
Net interest and similar income		18,634,148	75,934,153	19,358,341	77,336,571
Fees and commission income	18	2,763,356	11,260,676	3,101,844	12,391,867
Fees and commission expense		(277,358)	(1,130,234)	(288,491)	(1,152,522)
Net fees and commission income		2,485,998	10,130,442	2,813,353	11,239,345
Net loss from dealing of investment securities		(70,602)	(287,703)	-	-
Other operating income	19	168,909	688,304	75,024	299,721
TOTAL OPERATING INCOME		21,218,453	86,465,196	22,246,718	88,875,637
General and administrative expenses	20	(12,277,699)	(50,031,623)	(11,404,214)	(45,559,835)
Credit loss expense	21	(2,862,380)	(11,664,199)	(5,394,995)	(21,553,005)
PROFIT BEFORE TAX		6,078,374	24,769,374	5,447,509	21,762,797
Income tax expense	13	(1,861,879)	(7,587,157)	(1,396,271)	(5,578,104)
NET PROFIT FOR THE YEAR		4,216,495	17,182,217	4,051,238	16,184,693

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2014

	Paid-up capital US\$	Foreign exchange translation reserve US\$	General banking reserve US\$ (Restated)	Retained earnings US\$	Total US\$
Balance as at 1 January 2013	70,000,000	-	854,675	11,523,560	82,378,235
Appropriation to reserves	-	-	1,107,615	(1,107,615)	-
Appropriation to bonus and welfare fund	-	-	-	(326,555)	(326,555)
Transfer profit to parent company	-	-	-	(4,000,000)	(4,000,000)
Net profit for the year	-	-	-	4,051,238	4,051,238
Exchange differences on translation of foreign operations	-	(7,638)	-	-	(7,638)
Balance as at 31 December 2013	70,000,000	(7,638)	1,962,290	10,140,628	82,095,280
KHR'000 equivalent (Note 2.1.5)	279,650,000	(30,514)	7,839,349	40,511,809	327,970,644
Appropriation to reserves	-	-	587,433	(587,433)	-
Appropriation to bonus and welfare fund	-	-	-	(200,000)	(200,000)
Net profit for the year	-	-	-	4,216,495	4,216,495
Exchange differences on translation of foreign operations	-	(11,798)	-	-	(11,798)
Balance as at 31 December 2014	70,000,000	(19,436)	2,549,723	13,569,690	86,099,977
KHR'000 equivalent (Note 2.1.5)	285,250,000	(79,202)	10,390,121	55,296,487	350,857,406

STATEMENT OF CASH FLOWS for the year ended 31 December 2014

		2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
	Notes				
Net cash provided by operating activities	22	254,081	1,035,380	13,572,344	54,221,511
Cash flows from investing activities					
Acquisition of property and equipment	8.1	(387,306)	(1,578,272)	(174,705)	(697,946)
Acquisition of intangible asset		-	-	(37,720)	(150,691)
Proceeds from disposal of property and equipment		-	-	26,400	105,468
Investment in construction in progress	8.2	(874,871)	(3,565,099)	(1,583,929)	(6,327,796)
Net cash used in investing activities		(1,262,177)	(5,143,371)	(1,769,954)	(7,070,965)
Net (decrease)/increase in cash and cash equivalents		(1,008,096)	(4,107,991)	11,802,390	47,150,546
Cash and cash equivalents at the beginning of the year	3	82,952,117	331,393,708	71,085,372	283,986,061
Foreign exchange difference		104,010	7,060,010	64,355	257,101
Cash and cash equivalents at the end of the year	3	82,048,031	334,345,727	82,952,117	331,393,708

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31 December 2014

1. CORPORATE INFORMATION

Bank for Investment and Development of Cambodia Plc (herein referred to as "the Bank" or "BIDC") was incorporated and registered in the Kingdom of Cambodia.

Establishment and operations

On 15 July 2009, Prosperity Investment Bank ("PIB") was acquired by Cambodian Investment and Development Co Ltd. ("IDCC"), a company incorporated in Cambodia, which was co-founded by Bank for Investment and Development of Viet Nam ("BIDV") (owning 80%) and Phuong Nam Company (owning 20%). PIB was restructured and renamed as Bank for Investment and Development of Cambodia in accordance with Decision No. B1-09-554 dated 15 July 2009 by the Governor of National Bank of Cambodia ("the NBC"). The transaction was effective from 1 August 2009.

BIDC is a financial institution operating pursuant to the laws and regulations of the NBC. The Bank's operations are directly supported by BIDV, which is one of the biggest banks in Vietnam serving this market for more than 50 years. The support of BIDV to BIDC extends to development and improvement of technology system, systems and processes and provision of advanced banking products and high quality services.

The principal activities of the Bank are to provide a full range of banking and related financial services in Cambodia and Vietnam.

Paid-up Capital

The paid-up capital of the Bank as at 31 December 2014 is US\$70,000,000 or KHR'000 285,250,000 (2013: US\$70,000,000).

Location

The head office of the Bank is located at No. 370 Preah Monivong Blvd, Boeung keng kang I, Khan Chamkarmon, Phnom Penh, Cambodia. The Bank has five branches in Cambodia (Phnom Penh, Siem Reap, Kampong Cham, Daun Penh and Mean Chey) and two branches in Vietnam (Ho Chi Minh and Ha Noi).

Employees

As at 31 December 2014, the Bank had 335 employees (31 December 2013: 316 employees) including 99 employees in the head office, 29 employees in Phnom Penh Branch, 18 employees in Daun Penh Branch, 18 employees in Mean Chey Branch, 23 employees in Siem Reap Branch, 23 employees in Kampong Cham Branch, 72 employees in Ho Chi Minh Branch and 53 employees in Ha Noi Branch.

2. ACCOUNTING POLICIES

2.1 *Basis of preparation*

2.1.1 *Statement of compliance*

The financial statements have been prepared in accordance with Cambodian Accounting Standards ("CAS") and the guidelines of the NBC on the preparation and presentation of financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.1 *Basis of preparation* (continued)

2.1.1 *Statement of compliance* (continued)

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

The accounting policies set out below have been consistently applied by the Bank.

2.1.2 *Basis of measurement*

The financial statements have been prepared based on the historical cost convention.

2.1.3 *Fiscal year*

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

2.1.4 *Functional and presentation currency*

The Bank operates within two geographical segments, the Kingdom of Cambodia and the Socialist Republic of Vietnam. The national currencies of Cambodia and Vietnam are the Khmer Riel ("KHR") and Vietnamese Dong ("VND"), respectively. However, the Bank transacts its business and maintains its accounting records primarily in United States dollar ("US\$"). Management has determined the US\$ to be the Bank's measurement and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Bank. This is in accordance with Prakas No. B7-07-164 dated 13 December 2007.

Transactions in foreign currencies ("FC") are translated into US\$ at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than US\$ at the balance sheet date are translated into US\$ at the rates of exchange ruling at that date. Exchange differences arising on translation are recognised in the income statement.

2.1.5 *Translation of US\$ into KHR*

The translation of the US\$ amounts into KHR is presented in the financial statements to comply with the Cambodian Law on Corporate Accounts, their Audit and the Accounting Profession dated 8 July 2002 and relevant Prakas of NBC, using the closing exchange rate of KHR4,075: US\$1 ruling as at 31 December 2014 (KHR3,995: US\$1 as at 31 December 2013), as announced by NBC. Such translation should not be construed as a representation that the US\$ amounts represent, or have been or could be converted into KHR at that or any other rate.

2.2 *Significant accounting judgments and estimates*

In applying accounting policies, management has used its judgment and made estimates in determining the amounts recognised in the financial statements, as follows:

2.2.1 *Operating lease*

The Bank has entered into lease on premises used for its operations. The Bank has determined, based on the evaluation of the terms and conditions of the lease agreements (i.e., the lease does not transfer ownership of the asset to the lessee by the end of the lease term and lease term is not for the major part of the asset's economic life), the lessor retains all the significant risks and rewards of ownership of these properties.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.2 Significant accounting judgments and estimates (continued)

2.2.2 Functional currency

CAS 21 requires management to use its judgment to determine the entity's functional currency such that it most faithfully represents the economic effects of the underlying transactions, events and conditions that are relevant to the entity. In making this judgment, the Bank considers the following:

- a) the currency that mainly influences prices for financial instruments and services (this will often be the currency in which prices for its financial instruments and services are denominated and settled);
- b) the currency in which funds from financing activities are generated; and
- c) the currency in which receipts from operating activities are usually retained.

2.2.3 Allowance for loan losses

When preparing the financial statements, the quality of loans and advances is reviewed and assessed to determine their classification and level of allowance for loan losses, as more fully disclosed in Note 2.3.7.

2.2.4 Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The Bank assesses impairment on assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Bank considers important which could trigger an impairment review include the following:

- ▶ significant underperformance relative to expected historical or projected future operating results;
- ▶ significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- ▶ significant negative industry or economic trends.

2.2.5 Estimated useful lives of property and equipment, and software cost

The Bank estimates the useful lives of its property and equipment, and software cost. This estimate is reviewed periodically to ensure that the period of depreciation and amortisation are consistent with the expected pattern of economic benefits from the items of property and equipment, and software cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies

2.3.1 Change in accounting policies

The accounting policies and methods of computation applied by the Bank are consistent with those adopted in prior periods, except for the changes of accounting policy related to the Accounting System for Credit institutions. On 20 March 2014, the State Bank of Vietnam issued Circular No. 10/2014/TT-NHNN amending and supplementing the Accounting System for Credit institutions in accordance with Decision No. 479/2004/QĐ-NHNN ("Circular 10"). The Bank has applied the amended accounting system from the effective date of Circular 10, 1 June 2014.

2.3.2 Segment information

The Bank operates within two geographical segments, the Kingdom of Cambodia and the Socialist Republic of Vietnam.

Segment information is presented in respect of the Bank's business segments only. The primary format and business segments are based on internal management reports, which are used by senior management for decision-making and performance management. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated upon consolidation. All inter-segment transactions are conducted on an arm's length basis on normal commercial terms that are not more favourable than those generally available to the public.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2.3.3 Cash and cash equivalents

For cash flow statement purposes, cash and cash equivalents consist of cash, demand deposits, short-term deposits and highly liquid investments with original maturities of three months or less when purchased, and that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

2.3.4 Deposits and placements with banks

Deposits and placements with banks are carried at cost.

2.3.5 Statutory deposits

Statutory deposits for banking activities are maintained with the NBC in compliance with the Cambodian Law on Banking and Financial Institutions and are determined by defined percentages of minimum share capital and customers' deposits as required by the NBC.

2.3.6 Loans and advances

All loans and advances to customers are stated in the balance sheet at principal amount, less any amounts written off and allowance for losses on loans and advances. Short-term loans are those with a repayment date within one year from the date the loan was advanced. Long-term loans are those with a final repayment date of more than one year from the date the loan was advanced.

Loans are written off when there is no realistic prospect of recovery. Recoveries of loans and advances previously written off, or provided for, decrease the amount of allowance for losses on loans and advances in the income statement.

Loans and advances classified as substandard, doubtful or loss are considered as non-performing loans.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.7 Allowance for losses on loans and advances

Kingdom of Cambodia

Allowance for losses on loans and advances is made with regard to specific risks and relate to those loans and advances that have been individually reviewed and specifically identified as special mention, substandard, doubtful or loss. In addition, a general allowance is also maintained for loans classified as normal.

The Bank follows the mandatory credit classification and provisioning as required by NBC Prakas No. B7-09-074 dated 25 February 2009, which is to classify their loan portfolio into five classes. The Prakas also requires that minimum general and specific allowances be provided depending on loan classification.

The allowance is based on a percentage of total outstanding loans and advances as follows:

<i>Classification</i>	<i>Number of days past due</i>	<i>Allowance percentage</i>
<i>General allowance</i>		
Normal	Less than 30 days	1%
<i>Specific allowance</i>		
Special mention	30 days or more but less than 90 days	3%
Substandard	90 days or more but less than 180 days	20%
Doubtful	180 days or more but less than 360 days	50%
Loss	360 days or more	100%

An uncollectible loan or portion of a loan classified as bad is written off after taking into consideration the realisable value of the collateral, if any, when in the judgment of the management, there is no prospect of recovery.

2.3.8 Other credit-related commitments

In the normal course of business, the Bank enters into other credit-related commitments including loan commitments, letters of credit and guarantees. The accounting policy and provision methodology are similar to originated loans as disclosed above.

2.3.9 Investments in securities

2.3.9.1 Available-for-sale financial investments

AFS investment is a non-derivative financial asset which is designated as such and is purchased and held indefinitely, and may be sold in response to liquidity requirements or changes in market conditions.

2.3.9.2 Held-to-maturity financial investments

Held-to-maturity financial investments are non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Bank has the intention and ability to hold to maturity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.10 Other assets

Other assets are carried at anticipated realisable values. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

2.3.11 Intangible asset

Computer software is stated at cost less accumulated amortisation. Computer software is amortised on a straight-line basis at the rate of 10% per annum.

2.3.12 Property and equipment

- (i) Items of property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Where an item of property and equipment comprises major components having different useful lives, the components are accounted for as separate items of property and equipment.
- (ii) Land and construction in progress are not subject to depreciation. Buildings and leasehold improvements are depreciated on straight-line method at the rate of 5%. Depreciation of other property and equipment items is charged to the income statement by the reducing balance method at the following rates:

Furniture, fixtures and equipment	25%
Information technology ("IT") equipment	50%
Motor vehicles	25%

- (iii) Subsequent expenditure relating to an item of property and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Bank. All other subsequent expenditure is recognised as an expense in the year in which it is incurred.
- (iv) Land and construction in progress are stated at cost. The costs of construction include cost of construction, equipment and other direct costs. Construction in progress is not depreciated until such time as the construction is completed and the relevant assets are put into operational use.
- (v) Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the assets and are recognised in the income statement at the date of retirement or disposal.
- (vi) Fully depreciated property and equipment are retained in the financial statements until disposed of or written off.
- (vii) The carrying amounts of property and equipment are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. An impairment loss is charged to the income statement immediately.

Reversal of impairment losses recognised in prior years is recorded where there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.13 Due to other financial institutions and due to customers

Due to other financial institutions and due to customers are stated at their placement values.

2.3.14 Other liabilities

Other liabilities are stated at cost which also represents the fair value of the consideration expected to be paid in the future for goods and services received.

2.3.15 Provisions for liabilities

Provisions for liabilities are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

2.3.16 Corporate income tax

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amounts 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 at the balance sheet date.

Deferred tax

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

Deferred tax liabilities are recognised 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 recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these differences can be utilised, except where the deferred tax arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.17 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a current enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the balance sheet.

2.3.18 Recognition of income and expense

a) Interest income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.

Interest income from loans and advances to customers, balances with the NBC and due from other financial institutions, investments in debt securities are recognised on a daily accrual basis. Where a loan becomes non-performing, the recording of interest is suspended until it is realised on a cash basis. Loans are deemed to be non-performing where repayments are in arrears for ninety days or more.

b) Income from various activities of the Bank

Income from various activities of the Bank is accrued using the following bases:

- 1) Loan arrangement fees and commissions on services and facilities extended to customers are recognised on the occurrence of such transactions;
- 2) Service charges and processing fees are recognised when the service is provided;
- 3) Dividend income is recognised when the Bank's right to receive the payment is established.

c) Interest expense

Interest expense on due to other financial institutions and due to customers are recognised on an accrual basis.

d) Fees and commission expense

Fee and commission expense is recognised as incurred.

2.3.19 Operating leases

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.20 Related parties

Under CAS 24 on Related Party Disclosures, parties are considered to be related if the Bank has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or vice-versa, or where the Bank and the party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related parties, as defined in Article 49 and 50 of the Cambodian Law on Banking and Financial Institutions, include the following:

- (a) any person holding directly or indirectly at least ten percent (10%) of the capital or voting rights;
- (b) any company of which the Bank directly or indirectly holds at least 10% of the capital or voting rights;
- (c) any individual who participates in the administration, direction, management or internal control; and
- (d) the external auditors.

2.3.21 Fiduciary assets

Assets held in trust or in a fiduciary capacity are not reported in the financial statements since they are not the assets of the Bank.

2.3.22 Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest dollar and nearest thousand KHR ("KHR'000") for US\$ and KHR amounts, respectively.

2.3.23 Corresponding figures

Certain corresponding figures have been reclassified to conform to current year's presentation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. CASH ON HAND

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
US\$	5,201,139	21,194,641	3,297,668	13,174,184
KHR	168,999	688,671	53,672	214,421
Other foreign currencies	261,442	1,065,377	347,905	1,389,879
	5,631,580	22,948,689	3,699,245	14,778,484

For the purpose of the statement of cash flows, cash and cash equivalents comprise:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Cash on hand	5,631,580	22,948,689	3,699,245	14,778,484
Balances with central banks	33,745,211	137,511,735	30,927,619	123,555,838
Balances with other banks - current and deposits with original maturity of less than three months	42,671,240	173,885,303	48,325,253	193,059,386
	82,048,031	334,345,727	82,952,117	331,393,708

4. BALANCES WITH CENTRAL BANKS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Current accounts at NBC	27,264,119	111,101,285	27,610,014	110,302,006
KHR	2,764,610	11,265,786	1,188,104	4,746,476
US\$	24,499,509	99,835,499	26,421,910	105,555,530
Term deposits at NBC	1,000,000	4,075,000	-	-
US\$	1,000,000	4,075,000	-	-
Statutory deposits at NBC	26,102,036	106,365,797	21,825,562	87,193,120
Capital guarantee deposit - US\$ (i)	7,000,000	28,525,000	7,000,000	27,965,000
Reserve deposits - KHR (ii)	176,076	717,510	179,602	717,510
Reserve deposits - US\$ (ii)	18,925,960	77,123,287	14,645,960	58,510,610
Balances with State Bank of Vietnam ("SBV") (iii)	6,481,092	26,410,450	3,317,605	13,253,832
VND	4,644,999	18,928,371	1,618,557	6,466,135
US\$	1,836,093	7,482,079	1,699,048	6,787,697
	60,847,247	247,952,532	52,753,181	210,748,958

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. BALANCES WITH CENTRAL BANKS (continued)

(i) Capital guarantee deposit at NBC

Under NBC Prakas No. B7-01-136 dated 15 October 2001, banks are required to maintain a statutory deposit of 10% of registered capital with the NBC. This deposit is not available for use in the Bank's day-to-day operations but it is refundable when the Bank voluntarily ceases to operate the business in Cambodia.

(ii) Reserve deposits at NBC

Under NBC Prakas No. B7-012-140 dated 13 September 2012, banks are required to maintain certain cash reserves with the NBC in the form of compulsory deposits, computed at 8% and 12.5% of deposits from customers in KHR and in foreign currencies, respectively. The statutory deposits on customers' deposits fluctuate depending on the level of the customers' deposits.

(iii) Balances with SBV

Balances with SBV include settlement and clearing deposits and compulsory deposits. In 2014, compulsory deposits in VND and settlement deposits in foreign currencies earned interest at rates of 1.20% p.a and 0.05% p.a, respectively.

In accordance with the regulations of the SBV, as at 31 December 2014, the Bank is required to maintain certain cash reserves with the SBV in the form of compulsory deposits, which are computed at:

- ▶ 3.00% and 1.00% of customer deposits in VND with original maturities of less than and over 12 months, respectively;
- ▶ 8.00% and 6.00% of customer deposits in foreign currencies with original maturities of less than and over 12 months, respectively; and
- ▶ 1.00% of deposits from overseas credit institutions.

Annual interest rates of balances with central banks were summarised as follows:

	2014	2013
Capital guarantee deposits - US\$	0.08%	0.11%
Reserve deposits - US\$ and KHR	0.08%	0.08%
Current accounts	Nil	Nil
Term deposits - US\$	0.11%	N/A

5. DUE FROM OTHER FINANCIAL INSTITUTIONS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Local financial institutions	25,511,609	103,959,807	2,178,410	8,702,748
Overseas financial institutions	25,159,631	102,525,496	46,146,843	184,356,638
Less: General provision for loans to other financial institutions	-	-	(105,980)	(423,390)
	50,671,240	206,485,303	48,219,273	192,635,996

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. DUE FROM OTHER FINANCIAL INSTITUTIONS (continued)

Changes in general provision for loans to other financial institutions were summarised below:

	2014 US\$ (Note 2.1.5)	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Note 2.1.5)	2013 KHR'000 (Note 2.1.5)
Balance as at 1 January	105,980	423,390	258,355	1,032,128
Reversal provision for the year	(104,932)	(427,598)	(149,821)	(598,535)
Exchange difference	(1,048)	4,208	(2,554)	(10,203)
Balance as at 31 December	-	-	105,980	423,390

According to Circular No. 02/2013/TT-NHNN issued by the SBV, credit institutions and foreign banks' branches are not required to make provision for loans to other credit institutions; therefore, the Bank had reversed the general provision for loans to other financial institutions.

Annual interest rates of balances with other financial institutions were as follows:

	2014	2013
Demand deposits	0.00% - 4.30%	0.10% - 0.50%
Term deposits and loans to other banks - VND	3.20% - 5.40%	3.20% - 5.70%
Term deposits and loans to other banks - USD	0.50% - 3.75%	N/A

6. LOANS AND ADVANCES TO CUSTOMERS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Loans				
Term loans	266,711,317	1,086,848,617	228,393,313	912,431,285
Overdraft	92,091,323	375,272,141	81,661,223	326,236,586
Credit card facilities	82,044,000	334,329,300	67,306,670	268,890,147
Total loans - gross	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Allowance for losses on loans and advances	(8,331,564)	(33,951,123)	(9,735,674)	(38,894,016)
Loans and advances to customers - net	432,515,076	1,762,498,935	367,625,532	1,468,664,002

Changes in the allowance for losses on loans and advances were summarised below:

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
Balance as at 1 January	9,735,674	38,894,016	4,367,919	17,449,836
Provision expense in the year	2,939,160	11,977,077	5,381,766	21,500,155
Provision used to write off bad debts	(4,322,508)	(17,614,220)	-	-
Exchange differences	(20,762)	694,250	(14,011)	(55,975)
Balance as at 31 December	8,331,564	33,951,123	9,735,674	38,894,016

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

Further analyses of loans and advances were as follows:

(a) The loan portfolio was graded as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Normal loans				
Secured	255,665,369	1,041,836,379	280,647,911	1,121,188,404
Unsecured	159,657,689	650,605,083	75,588,432	301,975,785
Special mention loans				
Secured	8,882,865	36,197,674	2,221,947	8,876,680
Unsecured	-	-	-	-
Substandard loans				
Secured	15,008,857	61,161,092	14,590,589	58,289,402
Unsecured	-	-	-	-
Doubtful loans				
Secured	1,339,527	5,458,573	1,782,200	7,119,889
Unsecured	104,043	423,975	-	-
Loss loans				
Secured	188,290	767,282	2,530,127	10,107,858
Unsecured	-	-	-	-
Total	440,846,640	1,796,450,058	377,361,206	1,507,558,018

(b) For an analysis of loans and advances by maturity, refer to Note 26 on Financial Risk Management.

(c) For an analysis of loans and advances by currency, refer to Note 26 on Financial Risk Management.

(d) Analysis of loans and advances by type of loans was as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Commercial loans	412,514,169	1,680,995,239	341,710,046	1,365,131,635
Consumer loans	28,332,471	115,454,819	35,651,160	142,426,383
Total gross loans	440,846,640	1,796,450,058	377,361,206	1,507,558,018

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Analysis of loan portfolio by industrial sector was as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Wholesale and retail	157,390,745	641,367,286	124,921,369	499,060,868
Manufacturing	53,348,723	217,396,046	43,399,488	173,380,955
Construction	50,032,356	203,881,851	41,597,495	166,181,993
Agriculture	48,903,415	199,281,416	46,788,142	186,918,627
Consumer items	39,874,441	162,488,347	35,651,160	142,426,384
Real estate	20,360,577	82,969,351	5,797,206	23,159,838
Transportation, storage and communication	2,407,644	9,811,149	1,222,471	4,883,772
Others	68,528,739	279,254,612	77,983,875	311,545,581
Total gross loans	440,846,640	1,796,450,058	377,361,206	1,507,558,018

(f) Further analyses of loans and advances by residency, relationship, and exposure were as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Residence status				
Residents	276,742,807	1,127,726,939	245,300,727	979,976,404
Non-residents	164,103,833	668,723,119	132,060,479	527,581,614
	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Relationship				
Related parties	6,755,234	27,527,579	4,737,261	18,925,358
Non-related parties	434,091,406	1,768,922,479	372,623,945	1,488,632,660
	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Exposure				
Large	158,926,409	647,625,117	149,538,605	597,406,726
Non-large	281,920,231	1,148,824,941	227,822,601	910,151,292
	440,846,640	1,796,450,058	377,361,206	1,507,558,018

The annual interest rates of loans and advances to customers were as follows:

	2014	2013
Term loans	2.50% - 14.00%	5.05% - 12.00%

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INVESTMENTS IN SECURITIES

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Investment in bonds (Note 7.1)	9,390,002	38,264,258	9,982,402	39,879,696
Investment in stocks (Note 7.2)	1,525,000	6,214,375	1,525,000	6,092,375
	10,915,002	44,478,633	11,507,402	45,972,071

7.1 Investment in bonds

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Bonds issued by Tai Nguyen Construction - Manufacture - Trade Co., Ltd	9,413,536	38,360,159	9,507,511	37,982,506
Government debt securities	47,068	191,802	474,891	1,897,190
	9,460,604	38,551,961	9,982,402	39,879,696
General provision for losses on corporate bonds	(70,602)	(287,703)	-	-
	9,390,002	38,264,258	9,982,402	39,879,696

- Bonds are issued by Tai Nguyen Construction - Manufacture - Trade Co., Ltd to finance the construction of Phuoc Nguyen Hung Apartments (Kenton Residences) at Phuoc Kien, Nha Be District, Ho Chi Minh City and a multi-functional urban center at Phu My Ward, District 7, Ho Chi Minh City. These bonds have original term of three years and bear interest at 16.00% p.a for the first year. Interest rate for the following years is equal to the average interest rate on 12-month saving deposits in VND with interest payment in arrears offered by BIDV (Transaction Center II), Agribank (Saigon branch), Vietinbank (HCM branch) and VCB (HCM branch) plus a margin of 4.5% p.a. Interest is paid annually. The principal and interest (at rate of 15%) payments are guaranteed by Bank for Investment and Development of Vietnam (BIDV) – Transaction Center II. The bonds matured on 15 December 2013 and are approved for extension of repayment until 31 March 2014 by the Board of Directors. Up to the date of these financial statements, the principal of the bonds were collected.
- Government debt securities include treasury bonds with 3-year term and interest rates at 5.4% p.a. Interest is paid annually.

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INVESTMENTS IN SECURITIES

7.2 Investment in stocks

	2014			2014		
	US\$	KHR'000 (Note 2.1.5)	% owned by the Bank	US\$	KHR'000 (Note 2.1.5)	% owned by the Bank
Cambodia - Vietnam Securities Plc	1,500,000	6,112,500	15	1,500,000	5,992,500	15
Credit Bureau of Cambodia Company	25,000	101,875	1	25,000	99,875	1
	1,525,000	6,214,375		1,525,000	6,092,375	

8. PROPERTY AND EQUIPMENT

Property and equipment comprise:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Property and equipment (Note 8.1)	4,158,774	16,947,004	3,573,295	14,275,312
Construction in progress (Note 8.2)	256,522	1,045,327	617,487	2,466,862
	4,415,296	17,992,331	4,190,782	16,742,174

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. PROPERTY AND EQUIPMENT (continued)

8.1 Property and equipment

Movements of property and equipment during the year were as follows:

	Buildings and leasehold improvements US\$	Furniture, fixtures and equipment US\$	IT equipment US\$	Motor vehicles US\$	Total US\$
Cost					
As at 1 January 2014	2,162,345	857,164	1,943,595	822,512	5,785,616
Additions	-	18,355	82,562	286,389	387,306
Transferred from construction in progress (Note 8.2)	235,155	503,552	80,253	95,000	913,960
Foreign exchange difference	-	(552)	(5,126)	(3,544)	(9,222)
As at 31 December 2014	2,397,500	1,378,519	2,101,284	1,200,357	7,077,660
Accumulated depreciation					
As at 1 January 2014	205,082	294,813	1,428,905	283,521	2,212,321
Charges	108,972	235,014	257,251	109,191	710,428
Foreign exchange difference	-	(310)	(2,948)	(605)	(3,863)
As at 31 December 2014	314,054	529,517	1,683,208	392,107	2,918,886
Net book value					
As at 1 January 2014	1,957,263	562,351	514,690	538,991	3,573,295
As at 31 December 2014	2,083,446	849,002	418,076	808,250	4,158,774
KHR'000 equivalent (Note 2.1.5)					
As at 1 January 2014	7,819,266	2,246,591	2,056,186	2,153,269	14,275,312
As at 31 December 2014	8,490,042	3,459,683	1,703,660	3,293,619	16,947,004

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. PROPERTY AND EQUIPMENT (continued)

8.2 Construction in progress

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
As at 1 January	617,487	2,466,862	610,577	2,439,256
Additions	874,871	3,565,099	1,583,929	6,327,798
Transferred to buildings and leasehold improvement (Note 8.1)	(235,155)	(958,257)	(553,493)	(2,211,204)
Transferred to motor vehicles (Note 8.1)	(95,000)	(387,125)	(142,822)	(570,572)
Transferred to IT equipment (Note 8.1)	(80,253)	(327,031)	(72,757)	(290,665)
Transferred to furniture, fixtures and equipment (Note 8.1)	(503,552)	(2,051,974)	(191,286)	(764,189)
Transferred to computer software (Note 9)	(79,973)	(325,890)	(404,189)	(1,614,735)
Transferred to tools and supplies	(241,903)	(985,755)	(212,344)	(848,316)
	256,522	995,929	617,615	2,467,373
Foreign exchange difference	-	49,398	(128)	(511)
As at 31 December	256,522	1,045,327	617,487	2,466,862

9. INTANGIBLE ASSET

	Computer software US\$
Cost	
As at 1 January 2014	3,577,662
Transferred from construction in progress (Note 8.2)	79,973
Foreign exchange difference	(10,737)
As at 31 December 2014	3,646,898
Accumulated amortisation	
As at 1 January 2014	1,125,066
Charges	363,120
Foreign exchange difference	(3,366)
As at 31 December 2014	1,484,820
Net book value	
As at 1 January 2014	2,452,596
As at 31 December 2014	2,162,078
KHR'000 equivalent (Note 2.1.5)	
As at 1 January 2014	9,798,121
As at 31 December 2014	8,810,468

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. OTHER ASSETS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Deposit for land and house rental (*)	15,112,998	61,585,468	767,204	3,064,980
Interest receivable	6,435,899	26,226,288	4,097,424	16,369,207
Advances and prepayments	1,058,204	4,312,181	254,419	1,016,404
Receivable from disposal of fixed assets	-	-	350,000	1,398,250
Others	306,605	1,249,415	383,878	1,533,593
Total	22,913,706	93,373,352	5,852,925	23,382,434
Provision for doubtful debts	(233,972)	(953,436)	(168,791)	(674,320)
	22,679,734	92,419,916	5,684,134	22,708,114

(*) This is the deposit amount for the land rental for the construction of staff house and offices at Phnom Penh.

11. DUE TO OTHER FINANCIAL INSTITUTIONS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Demand deposits	835,633	3,405,204	201,463	804,845
Term deposits and loans	299,952,925	1,222,308,170	260,732,508	1,041,626,369
Total	300,788,558	1,225,713,374	260,933,971	1,042,431,214

The annual interest rates of deposits from other financial institutions were as follows:

	2014 US\$	2013 US\$
Demand deposits	0.00%	0.00%
Term deposits	1.90% - 6.00%	1.00% - 6.00%

12. DUE TO CUSTOMERS

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Current accounts	30,760,118	125,347,481	15,833,820	63,256,111
Fixed deposits	163,148,102	664,828,516	129,251,347	516,359,131
Savings deposits	2,254,998	9,189,117	1,449,584	5,791,088
Margin deposits	433,640	1,767,082	1,946,494	7,776,244
Total	196,596,858	801,132,196	148,481,245	593,182,574

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Bank for Investment and Development of Cambodia Plc (herein referred to as "the Bank" or "BIDC") presents its report together with the Bank's financial statements as at 31 December 2014 and for the year then ended.

THE BANK

On 15 July 2009, Prosperity Investment Bank ("PIB") was acquired by Cambodian Investment and Development Co Ltd. ("IDCC"), a company incorporated in Cambodia, which was co-founded by Bank for Investment and Development of Vietnam ("BIDV") (owning 80%) and Phuong Nam Company (owning 20%). PIB was restructured and renamed as Bank for Investment and Development of Cambodia in accordance with Decision No. B1-09-554 dated 15 July 2009 by the Governor of National Bank of Cambodia ("NBC"). The transaction was effective from 1 August 2009.

PRINCIPAL ACTIVITIES

The Bank is principally engaged in all aspects of banking business and the provision of related financial services.

There were no significant changes to these principal activities during the year.

FINANCIAL RESULTS

The financial results of the Bank are as follows:

	2014 US\$	2013 US\$
Profit before tax	6,078,374	5,447,509
Income tax expense	(1,861,879)	(1,396,271)
Net profit for the year	4,216,495	4,051,238
KHR'000 equivalent	17,182,217	16,184,693

SHARE CAPITAL

The share capital of the Bank was US\$70,000,000 as at 31 December 2014 and 31 December 2013.

RESERVES AND PROVISIONS

There were no material movements to or from reserves and provisions during the year other than those disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. TAXATION (continued)

Details of estimated CIT expense were as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Cambodia operation	1,170,741	4,770,770	406,548	1,624,159
Hanoi branch	439,844	1,792,364	607,353	2,426,375
Hochiminh branch	251,294	1,024,023	382,370	1,527,570
Total current CIT	1,861,879	7,587,157	1,396,271	5,578,104

A reconciliation between the tax expense and the accounting profit multiplied by 20% tax rate is as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Accounting profit before tax	6,078,374	24,769,374	5,447,509	21,762,797
Statutory income tax rate of 20%	1,215,675	4,953,876	1,089,502	4,352,560
<i>Adjustments in respect of current income tax of current year</i>				
- Effect of different tax rates between Vietnam and Cambodia	60,796	247,744	192,310	768,280
- Non-deductible expenses	297,710	1,213,168	21,986	87,834
Current income tax expense	1,574,181	6,414,788	1,303,798	5,208,674
Additional tax payments for prior year	287,698	1,172,369	92,473	369,430
Income tax expense in the income statement	1,861,879	7,587,157	1,396,271	5,578,104

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Balance at the beginning of the year	518,526	2,071,512	1,504,190	6,009,239
Current tax charge for the year	1,861,879	7,587,157	1,396,271	5,578,104
Payment of tax during the year	(1,013,683)	(4,130,758)	(2,179,872)	(8,708,589)
Net off with advances for State budget	(236,048)	(961,896)	(199,618)	(797,474)
Foreign exchange difference	(1,960)	33,495	(2,445)	(9,768)
Balance at the end of the year	1,128,714	4,599,510	518,526	2,071,512

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. OTHER LIABILITIES

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Interest payable	4,293,387	17,495,552	3,287,639	13,134,118
Wages and salaries payable	717,319	2,923,075	324,465	1,296,238
Bonus and welfare fund (*)	27,216	110,905	25,179	100,590
Others	185,224	754,789	465,840	1,861,030
	5,223,146	21,284,321	4,103,123	16,391,976

(*) Movement of bonus and welfare fund during the year was as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Balance at the beginning of the year	25,179	100,590	17,469	69,789
Appropriation to bonus and welfare fund	200,000	815,000	326,555	1,304,587
Utilisation of bonus and welfare fund	(197,963)	(806,699)	(318,845)	(1,273,786)
Foreign exchange difference	-	2,014	-	-
Balance at the end of the year	27,216	110,905	25,179	100,590

15. PAID-UP CAPITAL AND RESERVES

The paid-up capital amounting to US\$70,000,000 or KHR'000 285,250,000 was fully contributed by one individual owner and Cambodian Investment and Development Co Ltd. ("IDCC"), a company incorporated in Cambodia, which was co-founded by Bank for Investment and Development of Vietnam ("BIDV") (owning 80%) and Phuong Nam Company (owning 20%).

General banking reserve

Vietnam operation

According to Decree No. 57/2012/ND-CP effective from 15 September 2012, the Bank is required to make the following statutory reserves based on the percentage of profit after tax as follows:

	Basis for calculation	Maximum balance
Supplementary capital reserve	5% of profit after tax	100% charter capital
Financial reserve	10% of profit after tax	25% of charter capital

Cambodia operation

The Bank also makes the supplementary capital reserve, financial reserve and other reserve based on the percentage of profit after tax approved by the owners.

	Supplementary capital reserve US\$	Financial reserve US\$	Total US\$
Balance as at 1 January 2014	676,714	1,285,576	1,962,290
Appropriations to reserve	202,562	384,871	587,433
Balance as at 31 December 2014	879,276	1,670,447	2,549,723

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. INTEREST AND SIMILAR INCOME

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Interest income from lending	31,454,497	128,177,075	32,450,148	129,638,342
Interest income from deposits:				
Central banks	27,564	112,324	20,016	79,963
Local credit institutions	151,293	616,519	121,821	486,674
Overseas credit institutions	887,118	3,615,006	1,636,714	6,538,673
Interest income from investments in debt securities	1,447,044	5,896,704	1,472,003	5,880,652
	33,967,516	138,417,628	35,700,702	142,624,304

17. INTEREST AND SIMILAR EXPENSE

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Interest expense on due to other financial institutions	8,012,440	32,650,693	8,783,581	35,090,406
Interest expense on due to customers	7,320,928	29,832,782	7,558,780	30,197,327
	15,333,368	62,483,475	16,342,361	65,287,733

18. FEES AND COMMISSION INCOME

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Loan arrangement fees	1,505,717	6,135,797	1,848,547	7,384,945
Commission received on remittances	499,491	2,035,426	485,239	1,938,530
Trade finance	204,917	835,037	323,280	1,291,504
Loan processing fees	137,503	560,325	99,791	398,665
Other commissions and fees	415,728	1,694,091	344,987	1,378,223
	2,763,356	11,260,676	3,101,844	12,391,867

19. OTHER OPERATING INCOME

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Foreign exchange gain	30,913	125,970	71,994	287,616
Others	137,996	562,334	3,030	12,105
	168,909	688,304	75,024	299,721

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. GENERAL AND ADMINISTRATIVE EXPENSES

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Personnel	4,712,417	19,203,099	4,040,262	16,140,848
Operating lease expense	1,631,962	6,650,245	1,176,409	4,699,754
Depreciation and amortisation	1,073,548	4,374,708	1,002,752	4,005,994
Advertising expense	1,012,291	4,125,086	890,825	3,558,846
Other tax expenses	584,982	2,383,802	446,867	1,785,234
Repairs and maintenance	564,378	2,299,840	537,864	2,148,767
Business meals and entertainment	313,294	1,276,673	366,127	1,462,677
Telephone and telex	298,975	1,218,323	275,842	1,101,989
Travelling and accommodation	276,365	1,126,187	205,854	822,387
Utilities	241,928	985,857	236,104	943,235
Tools and supplies	203,775	830,383	302,430	1,208,208
Donation and social activities	203,300	828,448	537,650	2,147,912
Bank license fees	178,350	726,776	89,317	356,821
Building security	109,886	447,785	110,435	441,188
Convention and conference	101,354	413,018	283,674	1,133,278
Board of Directors' meeting	98,366	400,841	85,954	343,385
Motor operating expense	73,504	299,529	64,294	256,855
Directors' remuneration	72,801	296,664	55,188	220,475
Deposit insurance expense	62,556	254,916	41,459	165,629
Professional fees	44,370	180,808	33,193	132,605
Insurance	44,050	179,504	18,115	72,369
Dues and memberships, stamp and registration expenses	24,294	98,998	17,290	69,074
Patent tax	3,128	12,747	7,212	28,812
Loss on disposal of fixed assets	-	-	434,676	1,736,532
Others	347,825	1,417,386	144,421	576,961
	12,277,699	50,031,623	11,404,214	45,559,835

21. CREDIT LOSS EXPENSE

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Provision for due from other financial institutions	(104,932)	(427,598)	(149,821)	(598,535)
Provision for loans and advances to customers	2,939,160	11,977,077	5,381,766	21,500,155
Provision for off-balance-sheet commitments	(38,697)	(157,690)	(5,741)	(22,935)
Provision for other assets	66,849	272,410	168,791	674,320
	2,862,380	11,664,199	5,394,995	21,553,005

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. NET CASH PROVIDED BY OPERATING ACTIVITIES

	Notes	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$ (Restated)	2013 KHR'000 (Note 2.1.5) (Restated)
Cash flows from operating activities					
Profit before income tax		6,078,374	24,769,374	5,447,509	21,762,797
<i>Adjustments for:</i>					
Depreciation and amortisation expense	20	1,073,548	4,374,708	1,002,752	4,005,994
Credit loss expense	21	2,862,380	11,664,199	5,394,995	21,553,005
Net loss from dealing of investment securities		70,602	287,703	-	-
Interest receivable		(2,273,294)	(9,263,673)	737,808	2,947,543
Interest payable		1,005,748	4,098,423	(871,257)	(3,480,672)
Income tax paid during the year	13	(1,013,683)	(4,130,758)	(2,179,872)	(8,708,589)
Loss from disposal of property and equipment		-	-	434,676	1,736,531
Foreign exchange differences		(30,913)	(125,970)	(71,994)	(287,616)
Operating profit before changes in working capital		7,772,762	31,674,006	9,894,617	39,528,993
<i>(Increase)/decrease in operating assets:</i>					
Balances with central banks		(5,276,474)	(21,501,632)	(2,155,000)	(8,609,225)
Placements with and loans other credit institutions		(8,000,000)	(32,600,000)	30,196,803	120,636,227
Loans and advances to customers		(67,807,942)	(276,317,364)	(21,130,214)	(84,415,205)
Investments in securities		427,823	1,743,379	99,037	395,653
Other assets		(14,547,251)	(59,280,048)	3,084,601	12,322,981
<i>Increase/(decrease) in operating liabilities:</i>					
Due to other financial institutions		39,854,587	162,407,442	(12,096,173)	(48,324,211)
Due to customers		48,115,613	196,071,123	5,555,594	22,194,598
Other liabilities		(87,074)	(354,827)	441,924	1,765,486
Bonus and welfare paid	14	(197,963)	(806,699)	(318,845)	(1,273,786)
Net cash provided by operating activities		254,081	1,035,380	13,572,344	54,221,511

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. COMMITMENTS AND CONTINGENCIES

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
(i) Credit-related commitments				
Unutilised portion of overdrafts	19,700,348	80,278,918	26,335,729	105,211,238
Letters of credit	7,742,016	31,548,715	9,330,561	37,275,590
Bank guarantees	3,444,321	14,035,608	3,490,896	13,946,130
	30,886,685	125,863,241	39,157,186	156,432,958
(ii) Lease commitments				
Up to 1 year	1,596,772	6,506,846	1,273,831	5,088,957
From 1 to 5 years	6,053,072	24,666,268	4,244,903	16,958,387
Over 5 years	5,257,012	21,422,324	5,117,500	20,444,412
	12,906,856	52,595,438	10,636,234	42,491,756

24. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Significant transactions with related parties during the year included:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Interest expense				
Cambodia Vietnam Insurance Company	404,523	1,648,432	392,075	1,566,339
BIDV (Head Office)	4,572,303	18,632,133	4,508,842	18,012,826
BIDV (Representative Office)	847	3,452	481	1,921
BIDV Insurance Corporation	97,544	397,490	684,754	2,735,592
IDCC	20,714	84,410	50,592	202,115
Cambodia - Vietnam Securities Plc	423,519	1,725,841	508,016	2,029,524
	5,519,450	22,491,758	6,144,760	24,548,317

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Outstanding amounts due from/to related parties included the following:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Due from related parties				
BIDV (Hochiminh Branch)	496,115	2,021,668	2,309,347	9,225,841
BIDV (Ha Thanh Branch)	811,669	3,307,551	390,277	1,559,156
BIDV (Transaction Center II)	29,048	118,370	104,966	419,340
BIDV (Nam Ky Khoi Nghia Branch)	102	415	110	439
BIDV (Head Office)	7,500,986	30,566,516	9,613,792	38,407,101
	8,837,920	36,014,520	12,418,492	49,611,877
Due to related parties				
BIDV (Head Office)	202,077,464	823,465,666	185,404,830	740,692,296
BIDV (Representative Office)	36,274	147,817	70,719	282,523
Cambodia - Vietnam Securities Plc	3,555,554	14,488,883	8,512,554	34,007,653
Cambodia Vietnam Insurance Company	6,403,319	26,093,526	6,659,971	26,606,583
IDCC	440,244	1,793,995	168,510	673,198
BIDV Insurance Corporation	941,354	3,836,016	2,139,190	8,546,064
Lao Viet Bank (Head Office)	-	-	18,412	73,556
	213,454,209	869,825,903	202,974,186	810,881,873
Loans and advances to related parties				
Loan to Cavifoods Co., Ltd	6,629,218	27,014,064	4,671,000	18,660,645
Loans to employees	126,016	513,515	66,261	264,713
	6,755,234	27,527,579	4,737,261	18,925,358

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Key management personnel compensation

The details of remuneration of directors and members of key management of the Bank are as follows:

	2014 US\$	2014 KHR'000 (Note 2.1.5)	2013 US\$	2013 KHR'000 (Note 2.1.5)
Board of Directors	72,801	296,664	33,680	134,552
Board of Management	193,771	789,617	303,495	1,212,463
Net remuneration	266,572	1,086,281	337,175	1,347,015

Related party transactions include all transactions undertaken with other parties to which the Bank are related as defined in Note 2.3.20.

25. GEOGRAPHICAL MARKETS

The Bank operates in two geographic markets: Kingdom of Cambodia ("domestic") and Socialist Republic of Vietnam ("Vietnam"). The assets allocation based on geographical region as at 31 December 2014 was as follows:

	Domestic US\$	Vietnam US\$	Total US\$
ASSETS			
Cash on hand	5,223,390	408,190	5,631,580
Balances with central banks	54,366,155	6,481,092	60,847,247
Due from other financial institutions	36,578,327	14,092,913	50,671,240
Loans and advances to customers	269,622,241	162,892,835	432,515,076
Investments in securities	1,525,000	9,390,002	10,915,002
Property and equipment	3,640,736	774,560	4,415,296
Intangible assets	1,559,758	602,320	2,162,078
Other assets	17,225,836	5,453,898	22,679,734
TOTAL ASSETS	389,741,443	200,095,810	589,837,253
KHR'000 equivalent (Note 2.1.5)	1,588,196,380	815,390,427	2,403,586,807
LIABILITIES			
Due to other financial institutions	190,648,737	110,139,821	300,788,558
Due to customers	89,048,143	107,548,715	196,596,858
Income tax payable	883,855	244,859	1,128,714
Other liabilities	3,877,596	1,345,550	5,223,146
TOTAL LIABILITIES	284,458,331	219,278,945	503,737,276
KHR'000 equivalent (Note 2.1.5)	1,159,167,700	893,561,701	2,052,729,401

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT

The Bank's activities are exposed to a variety of financial risks: credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. Taking risk is core to the financial business, and operational risks are an inevitable consequence of being in business.

The Bank does not use derivative financial instruments such as foreign exchange contract and interest rate swaps to manage its risk exposure.

A primary objective of the Bank in risk management is to comply with the NBC's regulations. On the other hand, the Bank has recognised the importance of achieving international best practices on risk management. The Bank has established a Risk Management Department to formulate broad parameters of acceptable risk for the Bank and monitor the activities against these parameters.

The Bank holds the following financial assets and liabilities:

	2014		2013	
	US\$	KHR'000 equivalent (Note 2.1.5)	US\$ (Restated)	KHR'000 equivalent (Note 2.1.5) (Restated)
Financial assets				
Cash on hand	5,631,580	22,948,689	3,699,245	14,778,484
Balances with central banks	60,847,247	247,952,532	52,753,181	210,748,958
Due from other financial institutions (*)	50,671,240	206,485,303	48,325,253	193,059,386
Loans and advances to customers (*)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Investments in securities (*)	10,985,604	44,766,336	11,507,402	45,972,071
Other assets (*)	21,589,566	87,977,481	5,329,646	21,291,936
Total financial assets	590,571,877	2,406,580,399	498,975,933	1,993,408,853
Financial liabilities				
Due to other financial institutions	300,788,558	1,225,713,374	260,933,971	1,042,431,214
Due to customers	196,596,858	801,132,196	148,481,245	593,182,574
Other liabilities	4,346,848	17,713,406	3,576,055	14,286,340
Total financial liabilities	501,732,264	2,044,558,976	412,991,271	1,649,900,128
Net financial assets	88,839,613	362,021,423	85,984,662	343,508,725

(*) Excluding provisions

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk

The Bank takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss to the Bank by failing to discharge an obligation. Credit risk is the most important risk for the Bank's business. Credit exposure arises principally in lending activities that lead to loans and advances. There is also credit risk in off-balance-sheet financial instruments, such as loan commitments. The credit risk management is carried out by the Credit Risk Department.

(a) Credit risk measurement

The Bank assesses the probability of default of individual counterparties in accordance with its credit policy, procedures and practices. Credit Risk Department is responsible for determining the risk rating policies.

(b) Risk limit control and mitigation policies

The Bank operates and provides loans and advances to individuals or enterprises within the Kingdom of Cambodia and Vietnam. The Bank manages, limits and controls the concentration of credit risk whenever it is identified. Large exposure is defined by the NBC as overall credit exposure to any single beneficiary which exceeds 10% of the Bank's net worth.

The Bank is required, under the conditions of NBC Prakas No. B7-06-226 of the NBC, to maintain at all times a maximum ratio of 20% between the Bank's overall credit exposure to any single beneficiary and the Bank's net worth. The aggregation of large credit exposure must not exceed 300% of the Bank's net worth. As at 31 December 2014, the Bank has eleven large exposures exceeding 10% of its net worth and has two large exposures exceeding the maximum ceiling limit of 20% for individual large exposure. The Bank has obtained approval from NBC for these exceptional cases.

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security in the form of collateral for loans and advances to customers, which is a common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types to secure for loans and advances to customers are:

- Mortgages over residential properties (land, building and other properties);
- Charges over business assets such as land and buildings;
- Customers' fixed deposits placed with the Bank;
- Cash in the form of margin deposits; and
- Debenture over fixed and floating assets of borrowers.

(c) Impairment and provisioning policies

The Bank is required to follow the mandatory credit classification and provisioning in accordance with the relevant Prakas, as disclosed in Note 2.3.7.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk (continued)

(d) Maximum exposure to credit risk before collateral held or other credit enhancements

	2014		2013	
	US\$	KHR'000 equivalent (Note 2.1.5)	US\$ (Restated)	KHR'000 equivalent (Note 2.1.5) (Restated)
Due from other financial institutions	50,671,240	206,485,303	48,325,253	193,059,386
Loans and advances to customers	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Investments in securities	9,460,604	38,551,961	9,982,402	39,879,696
Other assets	21,589,566	87,977,481	5,329,646	21,291,936
	522,568,050	2,129,464,803	440,998,507	1,761,789,036

The details of credit risk exposure relating to off-balance sheet items are disclosed in Note 23 on Credit-related commitments.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk (continued)

e) Credit quality by class of financial assets

The Bank manages the credit quality of financial assets using internal credit ratings. The table below shows the credit quality by class of asset for all financial assets exposed to credit risk, based on the Bank's internal credit rating system. The amounts presented are gross of impairment allowance.

	Neither past due nor impaired (i) US\$	Past due but not impaired (ii) US\$	Individually impaired (iii) US\$	Total US\$
2014				
Due from other financial institutions	50,671,240	-	-	50,671,240
Loans and advances to customers	396,601,666	25,633,910	18,611,064	440,846,640
Investments in securities	47,068	9,413,536	-	9,460,604
Other assets	21,222,654	30,000	336,912	21,589,566
	468,542,628	35,077,446	18,947,976	522,568,050
	1,909,311,209	142,940,592	77,213,002	2,129,464,803
KHR'000 equivalent (Note 2.1.5)				
2013				
Due from other financial institutions	48,325,253	-	-	48,325,253
Loans and advances to customers	355,661,528	2,669,809	19,029,869	377,361,206
Investments in securities	9,982,402	-	-	9,982,402
Other assets	4,992,064	-	337,582	5,329,646
	418,961,247	2,669,809	19,367,451	440,998,507
	1,673,750,182	10,665,887	77,372,967	1,761,789,036
KHR'000 equivalent (Note 2.1.5)				

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk (continued)

(e) Credit quality by class of financial assets (continued)

(i) *Loans and advances neither past due nor impaired*

Loans and advances that are not past due are not considered impaired, unless other information is available to indicate the contrary.

(ii) *Loans and advances past due but not impaired*

Past due but not impaired loans and advances are those for which contractual interest or principal payments are past due more than 30 days but less than 90 days, unless other information is available to indicate otherwise. In compliance with NBC guidelines such loan are classified as special mention with a provision of 3%.

(iii) *Loans and advances individually impaired*

Individually impaired loans and advances are loans and advances for which the Bank determines that there is an objective evidence of impairment and it does not expect to collect all principal and interest due according to the contractual terms of the loans and advances. In accordance with NBC Prakas No. B7-09-074 dated 25 February 2009 on the classification and provisioning for bad and doubtful debts, loans and advances more than 90 days past due are considered impaired and a minimum level of specific provision for impairment is made depending on the classification concerned, unless other information is available to indicate the contrary.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk (continued)

f) Concentration of risks of financial assets with credit risk exposure

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographic location.

The Bank monitors concentration of credit risk of counterparty by industry. An analysis of concentrations of the Bank's credit risk as at 31 December 2014 is as follows:

2014	Financial services US\$	Government US\$	Consumers US\$	Wholesale and retail US\$	Construction US\$	Manufacturing US\$	Agriculture US\$	Others US\$	Total US\$
Financial assets									
Due from other financial institutions	50,671,240	-	-	-	-	-	-	-	50,671,240
Loans and advances to customers	-	-	39,874,441	157,390,745	50,032,356	53,348,723	48,903,415	91,296,960	440,846,640
Investments in securities	-	47,068	-	-	9,413,536	-	-	-	9,460,604
Other assets	143,743	1,046	117,444	1,748,127	2,556,259	1,143,245	458,340	15,421,362	21,589,566
	50,814,983	48,114	39,991,885	159,138,872	62,002,151	54,491,968	49,361,755	106,718,322	522,568,050
KHR'000 equivalent (Note 2.1.5)	207,071,056	196,065	162,966,931	648,490,903	252,658,765	222,054,770	201,149,152	434,877,161	2,129,464,803

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.1 Credit risk (continued)

f) Concentration of risks of financial assets with credit risk exposure (continued)

2013	Financial services US\$	Government US\$	Consumers US\$	Retail and wholesale US\$	Construction US\$	Manufacturing US\$	Agriculture US\$	Others US\$	Total US\$
Financial assets									
Due from other financial institutions	48,325,253	-	-	-	-	-	-	-	48,325,253
Loans and advances to customers	-	-	35,651,160	124,921,369	41,597,495	43,399,488	46,788,142	85,003,552	377,361,206
Investments in securities	-	474,891	-	-	9,507,511	-	-	-	9,982,402
Other assets	136,723	11,628	334,833	1,173,251	795,606	407,604	439,430	2,030,571	5,329,646
	48,461,976	486,519	35,985,993	126,094,620	51,900,612	43,807,092	47,227,572	87,034,123	440,998,507
KHR'000 equivalent (Note 2.1.5)	193,605,594	1,943,643	143,764,042	503,748,007	207,342,945	175,009,333	188,674,150	347,701,322	1,761,789,036

NOTES TO THE FINANCIAL STATEMENTS (continued)**26. FINANCIAL RISK MANAGEMENT (continued)****26.2 Liquidity risk**

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence of this may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

The Bank's management monitors balance sheet liquidity and manages the concentration and profile of debt maturities. Monitoring and reporting take the form of the daily cash position and projection for the next day, week and month respectively, as these are key periods for liquidity management. Management monitors the movements of the main depositors and projection of their withdrawals.

In accordance with NBC Prakas No.B7-00-38 dated 9 February 2000 amended by Prakas No. B7-02-187 dated 13 September 2002 and by Prakas No. B7-04-207 dated 29 December 2004, banks are required to calculate a liquidity ratio which should be at least 50%. The Bank has complied with this requirement during 2014.

Analysis of financial assets and liabilities by remaining contractual maturities

An analysis of the assets and liabilities of the Bank by relevant maturity based on the remaining period as at 31 December 2014 to the contractual or estimated maturity dates is set out on the next page.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.2 Liquidity risk (continued)

2014	Overdue		Current				Total US\$
	Above 3 months US\$	Up to 3 months US\$	Up to 1 month US\$	From 1 to 3 months US\$	From 3 to 12 months US\$	From 1 to 5 years US\$	
Financial assets							
Cash on hand	-	-	5,631,580	-	-	-	5,631,580
Balances with central banks	-	-	33,745,211	-	1,000,000	-	60,847,247
Due from other financial institutions	-	-	37,964,472	4,706,768	8,000,000	-	50,671,240
Loans and advances to customers	18,611,063	25,633,911	24,282,432	79,272,640	150,228,627	35,294,153	440,846,640
Investments in securities	9,413,536	-	-	47,068	-	1,525,000	10,985,604
Other assets	366,912	-	1,489,490	331,173	2,106,718	1,165,665	21,589,566
Total discounted financial assets	28,391,511	25,633,911	103,113,185	84,357,649	161,335,345	37,984,818	590,571,877
Financial liabilities							
Due to other financial institutions	-	-	111,584,077	20,725,528	164,478,953	4,000,000	300,788,558
Due to customers	-	-	60,339,754	47,345,895	86,337,320	2,573,889	196,596,858
Other liabilities	-	-	652,878	715,422	2,974,449	4,099	4,346,848
Total discounted financial liabilities	-	-	172,576,709	68,786,845	253,790,722	6,577,988	501,732,264
Net discounted financial assets (liabilities)	28,391,511	25,633,911	(69,463,524)	15,570,804	(92,455,377)	31,406,830	88,839,613
KHR'000 equivalent	115,695,407	104,458,187	(283,063,859)	63,451,026	(376,755,661)	127,982,832	362,021,423
<i>(Note 2.1.5)</i>							

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.2 Liquidity risk (continued)

2013	Overdue		Current				Total US\$
	Above 3 months US\$	Up to 3 months US\$	Up to 1 month US\$	From 1 to 3 months US\$	From 3 to 12 months US\$	From 1 to 5 years US\$	
Financial assets							
Cash on hand	-	-	3,699,245	-	-	-	3,699,245
Balances with central banks	-	-	30,927,619	-	-	-	52,753,181
Due from other financial institutions	-	-	38,817,742	9,507,511	-	-	48,325,253
Loans and advances to customers	19,476,229	2,223,449	30,631,890	43,007,232	163,455,894	27,245,693	377,361,206
Investments in securities	-	-	-	9,507,511	474,891	1,525,000	11,507,402
Other assets	337,582	-	4,039,511	102,234	44,171	690,033	5,329,646
Total discounted financial assets	19,813,811	2,223,449	108,116,007	62,124,488	163,974,956	28,886,808	498,975,933
Financial liabilities							
Due to other financial institutions	-	-	136,971,376	94,858,206	29,104,389	-	260,933,971
Due to customers	-	-	44,920,473	45,489,746	57,566,541	504,485	148,481,245
Other liabilities	-	-	1,063,653	747,461	1,759,100	5,841	3,576,055
Total discounted financial liabilities	-	-	182,955,502	141,095,413	88,430,030	510,326	412,991,271
Net discounted financial assets (liabilities)	19,813,811	2,223,449	(74,839,495)	(78,970,925)	75,544,926	28,376,482	85,984,662
KHR'000 equivalent (Note 2.1.5)	79,156,175	8,882,679	(298,983,783)	(315,488,845)	301,801,979	113,364,046	343,508,725

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.3 Market risk

The Bank takes on exposure to market risk, which is the risk that the fair value or future cash flow of a financial instrument, will fluctuate because of changes in market prices. Market risk arises from open positions in interest rates and currency, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads and foreign exchange rates.

The Bank does not use derivative financial instruments such as foreign exchange contract and interest rate swaps to hedge its risk exposure.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest margins may increase as a result of changes and may reduce losses in the event that unexpected movements arise. The management of the Bank at this stage does not have a policy to set limits on the level of mismatch of interest rate re-pricing that may be undertaken; however, the management regularly monitors the mismatch.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.3 Market risk (continued)

Interest rate risk (continued)

The table below analyses the Bank's interest rate risk exposure on financial assets and liabilities as at 31 December 2014. The Bank's assets and liabilities are included at carrying amount and categorised by the earlier of contractual re-pricing or maturity dates.

2014	Interest re-pricing period								Total US\$
	Overdue US\$	Non-interest bearing US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
Financial assets									
Cash on hand	-	5,631,580	-	-	-	-	-	-	5,631,580
Balances with central banks	-	-	33,745,211	19,102,036	8,000,000	-	-	-	60,847,247
Due from other financial institutions	-	-	37,964,472	4,706,768	-	8,000,000	-	-	50,671,240
Loans and advances to customers	44,244,974	-	24,282,432	79,272,640	50,139,110	100,089,517	35,294,153	107,523,814	440,846,640
Investments in securities	9,413,536	1,525,000	-	47,068	-	-	-	-	10,985,604
Other assets	366,912	21,222,654	-	-	-	-	-	-	21,589,566
Total discounted financial assets	54,025,422	28,379,234	95,992,115	103,128,512	58,139,110	108,089,517	35,294,153	107,523,814	590,571,877
Financial liabilities									
Due to other financial institutions	-	-	111,584,077	20,725,528	143,744,505	20,734,448	4,000,000	-	300,788,558
Due to customers	-	-	60,339,754	47,345,895	38,185,665	48,151,655	2,573,889	-	196,596,858
Other liabilities	-	4,346,848	-	-	-	-	-	-	4,346,848
Total discounted financial liabilities	-	4,346,848	171,923,831	68,071,423	181,930,170	68,886,103	6,573,889	-	501,732,264
Total interest sensitivity gap	54,025,422	24,032,386	(75,931,716)	35,057,089	(123,791,060)	39,203,414	28,720,264	107,523,814	88,839,613
KHR'000 equivalent (Note 2.1.5)	220,153,595	97,931,973	(309,421,743)	142,857,638	(504,448,570)	159,753,912	117,035,076	438,159,542	362,021,423

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.3 Market risk (continued)

Interest rate risk (continued)

2013	Overdue US\$	Non-interest bearing US\$	Interest re-pricing period					Total US\$
			Less than 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	
Financial assets								
Cash on hand	-	3,699,245	-	-	-	-	-	3,699,245
Balances with central banks	-	-	30,927,619	14,825,562	7,000,000	-	-	52,753,181
Due from other financial institutions	-	-	38,817,742	9,507,511	-	-	-	48,325,253
Loans and advances to customers	21,699,678	-	30,631,890	43,007,232	48,085,572	115,370,322	91,320,819	377,361,206
Investments in securities	-	1,525,000	-	9,507,511	-	474,891	-	11,507,402
Other assets	337,582	4,992,064	-	-	-	-	-	5,329,646
Total discounted financial assets	22,037,260	10,216,309	100,377,251	76,847,816	55,085,572	115,845,213	27,245,693	498,975,933
Financial liabilities								
Due to other financial institutions	-	-	136,971,376	94,858,206	8,302,778	20,801,611	-	260,933,971
Due to customers	-	584,233	44,336,240	45,489,746	34,048,961	23,517,580	504,485	148,481,245
Other liabilities	-	3,576,055	-	-	-	-	-	3,576,055
Total discounted financial liabilities	-	4,160,288	181,307,616	140,347,952	42,351,739	44,319,191	504,485	412,991,271
Total interest sensitivity gap	22,037,260	6,056,021	(80,930,365)	(63,500,136)	12,733,833	71,526,022	26,741,208	85,984,662
KHR'000 equivalent (Note 2.1.5)	88,038,854	24,193,804	(323,316,809)	(253,683,043)	50,871,663	285,746,458	106,831,126	343,508,725

NOTES TO THE FINANCIAL STATEMENTS (continued)**26. FINANCIAL RISK MANAGEMENT (continued)****26.3 Market risk (continued)****Currency risk**

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Bank's functional currency.

The Bank was incorporated and is operating in Cambodia and Vietnam, and US\$ is the reporting currency. The major currency in which the Bank transacts is also US\$. However, some transactions were denominated in KHR, VND, EUR and other foreign currencies. The Bank's management has set limits to control the positions of the currencies. Positions are monitored on a daily basis and hedging strategies are used to ensure positions of the currencies are maintained within established limits.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.3 Market risk (continued)

Currency risk (continued)

Assets and liabilities denominated in other currencies which were translated into US\$ as at 31 December 2014 were as follows:

2014	KHR equivalent to US\$	VND equivalent to US\$	EUR equivalent to US\$	Other foreign currencies equivalent to US\$	Total US\$
Financial assets					
Cash on hand	168,999	259,801	1,641	-	430,441
Balances with central banks	2,940,686	4,644,999	-	-	7,585,685
Due from other financial institutions	34,544	11,428,955	321,233	49,281	11,834,013
Loans and advances to customers	-	142,089,238	-	-	142,089,238
Investments in securities	-	9,460,604	-	-	9,460,604
Other assets	66	4,926,628	-	-	4,926,694
Total financial assets	3,144,295	172,810,225	322,874	49,281	176,326,675
Financial liabilities					
Due to other financial institutions	58,197	94,908,694	-	-	94,966,891
Due to customers	621,230	74,906,112	75,786	48,399	75,651,527
Other liabilities	921	1,283,362	8	-	1,284,291
Total financial liabilities	680,348	171,098,168	75,794	48,399	171,902,709
Foreign exchange position on-balance-sheet	2,463,947	1,712,057	247,080	882	4,423,966
KHR'000 equivalent (Note 2.1.5)	10,040,584	6,976,632	1,006,851	3,594	18,027,661

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.3 Market risk (continued)

Currency risk (continued)

2013	KHR equivalent to US\$	VND equivalent to US\$	EUR equivalent to US\$	Other foreign currencies equivalent to US\$	Total US\$
Financial assets					
Cash on hand	53,672	320,241	27,474	189	401,576
Balances with central banks	1,367,706	1,618,557	-	-	2,986,263
Due from other financial institutions	17,869	29,969,340	142,858	936	30,131,003
Loans and advances to customers	-	111,220,197	-	-	111,220,197
Investments in securities	-	9,982,402	-	-	9,982,402
Other assets	68	2,915,805	-	-	2,915,873
Total financial assets	1,439,315	156,026,542	170,332	1,125	157,637,314
Financial liabilities					
Due to other financial institutions	-	90,819,594	-	-	90,819,594
Due to customers	277,802	63,006,672	9,885	-	63,294,359
Other liabilities	1,311	1,425,102	2	-	1,426,415
Total financial liabilities	279,113	155,251,368	9,887	-	155,540,368
Foreign exchange position on-balance-sheet	1,160,202	775,174	160,445	1,125	2,096,946
KHR'000 equivalent (Note 2.1.5)	4,635,007	3,096,820	640,978	4,494	8,377,299

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. FINANCIAL RISK MANAGEMENT (continued)

26.4 Fair value of financial assets and liabilities

Fair value represents the amount at which an asset could be exchanged or a liability settled on an arms-length basis. As verifiable market prices are not available, market prices are not available for a significant proportion of the Bank's financial assets and liabilities. Fair values, therefore, have been based on management assumptions according to the profile of the asset and liability base. In the opinion of the management, the carrying amounts of the financial assets and liabilities included in the balance sheet are a reasonable estimation of their fair values. In making this assessment, the management assumes that loans and advances are mainly held to maturity with fair values equal to the book value of loans adjusted for allowance for loan losses, if any.

26.5 Capital management

The main regulatory capital requirement of the Bank is for the banking operations to which the Bank's lead regulator, NBC, sets and monitors capital requirements for the banks as a whole.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain further development of the business. The Bank recognised the impact of the level of capital on shareholders' return and the need to maintain a balance between the possible higher return with greater gearing, advantages and security afforded by a sound capital position.

The Bank has complied with all externally imposed capital requirement throughout the year.

27. SUBSEQUENT EVENTS

Other than as disclosed elsewhere in these financial statements, at the date of this report, there were no events which occurred subsequent to 31 December 2014 that had significant impact on the financial position of the Bank as at 31 December 2014.

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain corresponding figures have been reclassified to conform with the current year's presentation of the financial statements. The balances as at 31 December 2013 were reclassified as follows:

	US\$	KHR'000 (Note 2.1.5)
Balance sheet		
Balances with central banks		
Balance stated previously	49,435,576	197,495,126
Reclassification of balances with SBV from due from other financial institutions	3,317,605	13,253,832
Restated balance	<u>52,753,181</u>	<u>210,748,958</u>
Due from other financial institutions		
Balance stated previously	51,536,878	205,889,828
Reclassification of balances with SBV to balances with central banks	(3,317,605)	(13,253,832)
Restated balance	<u>48,219,273</u>	<u>192,635,996</u>
Other assets		
Balance stated previously	6,076,429	24,275,333
Reclassification of interest in suspense from other liabilities	(392,295)	(1,567,219)
Restated balance	<u>5,684,134</u>	<u>22,708,114</u>
Other liabilities		
Balance stated previously	4,470,239	17,858,605
Reclassification of interest in suspense to other assets	(392,295)	(1,567,219)
Reclassification of the welfare and bonus funds from general banking reserve	25,179	100,590
Restated balance	<u>4,103,123</u>	<u>16,391,976</u>
General banking reserve		
Balance stated previously	1,987,469	7,939,939
Reclassification of the welfare and bonus funds to other liabilities	(25,179)	(100,590)
Restated balance	<u>1,962,290</u>	<u>7,839,349</u>

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA
as at 31 December 2014 and for the year then ended

STATEMENT BY MANAGEMENT

I, the undersigned, being the Chief Executive Officer of Bank for Investment and Development of Cambodia Plc ("the Bank"), do hereby state that in our opinion, the accompanying supplementary financial information consisting of the disclosure requirements set by the relevant Prakas of the National Bank of Cambodia ("NBC") is properly drawn up so as to reflect fairly the required financial information of the Bank as at 31 December 2014 and for the year then ended. Information and data contained herein are the responsibility of the Bank's management.



Mr. Nguyen Dinh Duong
Chief Executive Officer

Phnom Penh, Kingdom of Cambodia

20 March 2015

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

LIMITATION

This supplementary financial information is prepared by the management of the Bank solely for the use of the NBC. It is not to be used for any other purpose without written consent of Directors or management of the Bank.

The computations in the supplementary financial information were made according to the definitions of the relevant Prakas and applicable notices set out in the respective schedules, form an integral part of, and should be read in conjunction with this supplementary financial information.

For the purpose of this supplementary financial information, unless otherwise stated, United States dollar ("US\$") is the reporting currency. The translation of US\$ amounts into Khmer Riel ("KHR") is included solely to comply with the guidelines issued by the NBC regarding the preparation and presentation of financial statements and have been made using the prescribed official exchange rate of US\$1 to KHR4,075 published by the NBC on 31 December 2014 (31 December 2013: KHR3,995). This translation should not be construed as a representation that the US\$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

NET WORTH

On 15 October 2010, the National Bank of Cambodia ("NBC") issued Prakas B7-010-182 on calculation of the Bank's net worth. The regulatory calculation aims at adopting the international standards related to the regulatory capital's structure, by operating a distinction between core capital ("Tier 1") and complimentary capital ("Tier 2").

The Bank's net worth is calculated as follows:

	2014		2013	
	US\$	KHR'000	US\$	KHR'000
Section A				
Paid-up capital	70,000,000	285,250,000	70,000,000	279,650,000
Reserves other than revaluation	2,549,723	10,390,121	1,962,290	7,839,349
Retained earnings	9,353,195	38,114,270	6,089,390	24,327,116
Net profit during the year	4,216,495	17,182,217	4,051,238	16,184,693
	86,119,413	350,936,608	82,102,918	328,001,158
Limit check on retained earnings (maximum 20% of Section A)	15.76%	15.76%	12.35%	12.35%
Section B				
Accumulated losses	-	-	-	-
Intangible assets	2,162,078	8,810,468	2,452,596	9,798,121
Shareholders, directors, and any other related party				
1. Unpaid portions of capital (a)	-	-	-	-
2. Loans, overdrafts and other advances (b)	6,755,234	27,527,579	4,737,261	18,925,358
3. Debt instruments held bearing signature of Shareholders, Directors, Related parties (c)	-	-	-	-
Other loss	-	-	-	-
	8,917,312	36,338,047	7,189,857	28,723,479
Total Tier 1 - Core Capital (A - B)	77,202,101	314,598,561	74,913,061	299,277,679
Section C				
1% General provision	4,153,230	16,924,414	3,523,381	14,075,908
Section D				
Equity participation in banking or financial institutions	1,525,000	6,214,375	1,525,000	6,092,375
Total Tier 2 - Complimentary Capital (C - D)	2,628,230	10,710,039	1,998,381	7,983,533
Limit check on tier 2 capital (maximum of 100% of tier 1 capital)	3.40%	3.40%	2.67%	2.67%
Net worth (A - B + C - D)	79,830,331	325,308,600	76,911,442	307,261,212

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

LIQUIDITY RATIO

In accordance with NBC Prakas No. B7-00-38 dated 9 February 2000 amended by Prakas No. B7-02-187 dated 13 September 2002 and by Prakas No. B7-04-207 dated 29 December 2004, banks are required to calculate a liquidity ratio which should be at least 50%.

The Bank's liquidity ratio is calculated as follows:

	2014		2013	
	US\$	KHR'000	US\$	KHR'000
Numerator				
Debit items				
Cash and gold	5,631,580	22,948,689	3,699,245	14,778,484
Deposits with the NBC (excluding statutory deposits)	27,264,119	111,101,285	27,610,014	110,302,006
Deposits with banks	44,445,564	181,115,673	51,536,878	205,889,828
Portion of lending to bank and financial Institutions less than one month	-	-	-	-
	77,341,263	315,165,647	82,846,137	330,970,318
Credit items				
Sight accounts with the NBC, banks and financial institutions	835,633	3,405,204	201,463	804,845
Borrowings from the NBC and banks less than one month	2,882,707	11,747,033	2,376,878	9,495,627
	3,718,340	15,152,237	2,578,341	10,300,472
Lender position	73,622,923	300,013,410	80,267,796	320,669,846
Numerator				
Treasury balance - lender position	73,622,923	300,013,410	80,267,796	320,669,846
Portion of lending less than one month (excluded loans to customers without maturity date)	20,813,448	84,814,802	30,631,890	122,374,401
Treasury bills less than one month	-	-	-	-
Settlement accounts of security firms	30,407	123,909	-	-
	94,405,964	384,704,303	110,899,686	443,044,247
Denominator				
Treasury balance - borrower position	-	-	-	-
Settlement accounts of security firms	30,407	123,909	-	-
Fixed deposits less than one month at 80%	51,193,568	208,613,790	27,069,604	108,143,068
Fixed deposits more than one month at 50%	97,291,268	396,461,916	84,182,571	336,309,371
Savings deposits at 50%	1,127,499	4,594,558	724,792	2,895,544
Demand deposits at 60%	18,456,071	75,208,489	10,789,066	43,102,319
	168,098,813	685,002,662	122,766,033	490,450,302
Liquidity ratio - Numerator/ Denominator	56%	56%	90%	90%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

SOLVENCY RATIO

In accordance with NBC Prakas No. B7-00-46 dated 16 February 2000 amended by Prakas No. B7-04-206 dated 29 December 2004 and Prakas No. B7-07-135 dated 27 August 2007, banks shall observe a solvency ratio, which is the ratio of their net worth to their aggregate credit risk exposures, of not less than 15 percent.

The Bank's solvency ratio is calculated as follows:

		2014		2013	
	Weighting	US\$	KHR'000	US\$	KHR'000
Numerator					
Bank's net worth		79,830,331	325,308,600	76,911,442	307,261,212
Denominator					
Total aggregate assets*					
Cash, gold and claims on NBC	0%	-	-	-	-
Assets collateralised by deposits	0%	-	-	-	-
Claims on sovereigns rated AAA to AA-	0%	-	-	-	-
Claims on sovereigns rated A+ to A-	20%	-	-	-	-
Claims on banks rated AAA to AA-	20%	159,104	648,347	507,730	2,028,381
Claims on sovereigns rated BBB+ to BBB-	50%	-	-	-	-
Claim on banks rated A+ to A-	50%	361,922	1,474,834	209,728	837,863
Investment securities	120%	11,268,002	45,917,110	11,978,882	47,855,634
Other assets	100%	483,787,257	1,971,433,072	394,323,140	1,575,320,944
Off-balance-sheet items					
Full risk	100%	1,212,453	4,940,745	2,952,392	11,794,806
Medium risk	50%	4,836,158	19,707,345	3,965,593	15,842,544
Moderate risk	20%	-	-	-	-
Total risk-weighted assets		501,624,896	2,044,121,454	413,937,465	1,653,680,172
Solvency ratio - Numerator/ Denominator					
		15.91%	15.91%	18.58%	18.58%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

LOAN CLASSIFICATION AND ALLOWANCE FOR LOAN LOSSES

In accordance with NBC Prakas No. B7-09-074 dated 25 February 2009, banks shall classify their loan portfolio and their off-balance sheet commitments into five classes defined as normal, special mention, substandard, doubtful and loss. The mandatory level of general and specific allowance for loan losses are provided depending on the loan classification.

The loan classification and allowance for loan losses are as follows:

	2014						2013					
	Principal loans US\$	Allowance %	NBC's Standard US\$	Bank's Allowance US\$	Difference US\$	Principal Loans US\$	Allowance %	NBC's Standard US\$	Bank's Allowance US\$	Difference US\$		
Normal	415,323,058	1%	4,153,232	4,153,232	-	356,236,343	1%	3,562,363	3,401,084	161,279		
Special mention	8,882,865	3%	266,486	266,486	-	2,221,947	3%	66,658	125,607	(58,949)		
Substandard	15,008,857	20%	3,001,771	3,001,771	-	14,590,589	20%	2,918,118	2,900,783	17,335		
Doubtful	1,443,570	50%	721,785	721,785	-	1,782,200	50%	891,100	891,100	-		
Loss	188,290	100%	188,290	188,290	-	2,530,127	100%	2,530,127	2,417,100	113,027		
Total loans, gross	440,846,640		8,331,564	8,331,564	-	377,361,206		9,968,366	9,735,674	232,692		
Provision	(8,331,564)					(9,735,674)						
Total loans, net	432,515,076					367,625,532						
KHR'000 equivalent	1,762,498,935					1,468,664,002						

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

NET OPEN POSITION IN FOREIGN CURRENCY

In accordance with NBC Prakas No. B7-07-134 dated 27 August 2007, commercial banks shall at all times maintain their net open position in foreign currencies in either any foreign currency or overall net open position in all foreign currencies, whether long or short, not exceeding 20% of a bank's net worth.

Furthermore, in accordance with the NBC Prakas No. B7-00-50 dated 9 February 2000, the Bank is required to disclose a summary of assets and liabilities as at balance sheet date in their source currency, as follows:

2014	Assets US\$	Liabilities and capital US\$	Off-balance sheet - receivables US\$	Off-balance sheet - payables US\$	Net open position (+) long / (-) short US\$	Net open position / net worth %	Limit %	Excess
US\$	414,892,912	(417,241,994)	-	-	(2,349,082)	-3%	20%	None
KHR	680,368	(680,368)	-	-	-	0%	20%	None
EUR	76,225	(75,794)	-	-	431	0%	20%	None
VND	174,139,352	(171,790,698)	-	-	2,348,654	3%	20%	None
Other currencies	48,396	(48,399)	-	-	(3)	0%	20%	None
Total	589,837,253	(589,837,253)	-	-	-			
KHR'000 equivalent	2,403,586,806	(2,403,586,806)	-	-	-			

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

NET OPEN POSITION IN FOREIGN CURRENCY (continued)

2013	Assets US\$	Liabilities and capital US\$	Off-balance sheet - receivables US\$	Off-balance sheet - payables US\$	Net open position (+) long / (-) short US\$	Net open position / net worth %	Limit %	Excess
US\$	337,706,856	(337,400,386)	-	-	306,470	0.4%	20%	None
KHR	1,442,259	(279,126)	-	-	1,163,133	1.5%	20%	None
EUR	170,333	(9,887)	-	-	160,446	0.2%	20%	None
VND	156,811,571	(158,442,746)	-	-	(1,631,175)	-2.0%	20%	None
Other currencies	1,126	-	-	-	1,126	0.0%	20%	None
Total	496,132,145	(496,132,145)	-	-	-			
KHR'000 equivalent	1,982,047,920	(1,982,047,920)	-	-	-			

The Bank did not enter into any hedging transaction for the above balances.

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)

as at and for the year ended 31 December 2014

OTHER INFORMATION AND PRUDENTIAL REGULATIONS REQUIRED BY THE CAMBODIAN LAW ON BANKING AND FINANCIAL INSTITUTIONS

- (i) **Minimum capital** (NBC Prakas No. B7-00-39 dated 9 February 2000 and Prakas No. B7-08-193 dated 19 September 2008)

Under NBC Prakas No. B7-08-193, commercial banks having shareholders as individuals or companies must have a minimum capital of at least KHR150 billion.

The paid-up capital of the Bank at the balance sheet date is US\$70.00 million (equivalent to KHR285.25 billion) which meets the current minimum capital requirement.

- (ii) **Fixed assets** (NBC Prakas No. B7-01-186 dated 8 November 2001)

The fixed assets of the Bank at the balance sheet date represent 5.56% of the net worth calculated elsewhere in this report and is within the ceiling limit of 30% of net worth as required by this Prakas.

- (iii) **Net worth** (NBC Prakas No. B7-010-182 dated 15 October 2010)

Based on NBC Prakas No. B7-010-182 dated 15 October 2010, the Bank should maintain its net worth equal to at least the minimum capital of KHR150 billion. As the calculated net worth of the Bank is KHR323.32 billion, the Bank has a surplus of KHR173.32 billion as at 31 December 2014.

- (iv) **Loans to related parties** (NBC Prakas No. B7-01-137 dated 15 October 2001)

As at 31 December 2014, the Bank has loans to related parties of USD 6,755,234, representing 1.53% of the loan portfolio of the Bank.

- (v) **Large exposures** (NBC Prakas No. B7-06-226 dated 3 November 2006)

Based on NBC Prakas No. B7-06-226, large exposure is defined as the overall gross exposure resulting from banking operations with one single beneficiary, where such exposure exceeds 10% of the Bank's net worth. Exposure means the higher of two items: (a) the outstanding loans or commitments, and (b) the authorised loans or commitments.

Banks are further required: (a) to maintain at all times the ratio not exceeding 20% between their overall exposure resulting from their operations with each individual beneficiary and their net worth, and (b) to maintain at all times a maximum ratio of 300% between the total of their large exposures and their net worth.

As at 31 December 2014, the Bank has thirteen large exposures exceeding 10% of its net worth and has two large exposures exceeding the maximum ceiling limit of 20% for individual large exposure.

The Bank maintains the ratio between the total of the large exposures and net worth within the maximum ratio of 300% as disclosed in item 20 on Financial soundness indicators.

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)

as at and for the year ended 31 December 2014

OTHER INFORMATION AND PRUDENTIAL REGULATIONS REQUIRED BY THE LAW ON BANKING AND FINANCIAL INSTITUTIONS (continued)

(v) **Large exposures** (NBC Prakas No. B7-06-226 dated 3 November 2006) (continued)

Details of large exposure exceeding 10% of net worth:

Item	2014			Exposure ratio %	Maximum (%)
	Outstanding loan balance US\$	Commitment US\$	Net worth US\$		
Item 1 (*)	18,073,321	3,687,259	79,830,331	27%	20%
Item 2 (**)	18,721,392	-	79,830,331	23%	20%
Item 3	15,000,000	-	79,830,331	19%	20%
Item 4	13,996,405	-	79,830,331	18%	20%
Item 5	13,984,325	-	79,830,331	18%	20%
Item 6	13,110,850	-	79,830,331	16%	20%
Item 7	13,008,857	-	79,830,331	16%	20%
Item 8	9,976,520	-	79,830,331	12%	20%
Item 9	9,653,137	-	79,830,331	12%	20%
Item 10	8,609,880	318,292	79,830,331	11%	20%
Item 11	8,606,755	-	79,830,331	11%	20%
Item 12	8,094,870	-	79,830,331	10%	20%
Item 13	8,090,097	-	79,830,331	10%	20%
	158,926,409	4,005,551			

(*) Pursuant to Letter No. 0650/2011 dated 16 June 2011 requesting an increase in the credit limit to this company and Reply Letter No. 7-011-103 from NBC dated 1 July 2011, NBC agreed to increase the credit limit up to US\$ 30,000,000.

(**) Pursuant to Letter No. 957/2010-BIDC dated 12 November 2010 requesting to increase credit limit to this company and Reply Letter No. 7-10-209 from NBC dated 26 November 2010, NBC agreed to increase the credit limit up to US\$ 20,000,000 and LC commitment up to US\$10,000,000.

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS

CAPITAL

1. Equity to total assets

- A. Equity
- B. Total assets

Equity to total assets (A/B)

2. Capital tier I to total assets

- A. Capital tier 1
- B. Total assets

Capital tier I to total assets (A/B)

3. Capital tier I to risk-weighted assets

- A. Capital tier 1
- B. Risk-weighted assets

Capital tier I to risk-weighted assets (A/B)

4. Capital tier I + tier II to risk-weighted assets

- A. Capital tier 1 + tier 2
- B. Risk-weighted assets

Capital tier I + tier II to risk-weighted assets (A/B)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
1. Equity to total assets				
A. Equity	86,099,977	350,857,406	82,095,280	327,970,644
B. Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Equity to total assets (A/B)	14.60%	14.60%	16.55%	16.55%
2. Capital tier I to total assets				
A. Capital tier 1	77,202,101	314,598,562	74,913,061	299,277,679
B. Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Capital tier I to total assets (A/B)	13.09%	13.09%	15.10%	15.10%
3. Capital tier I to risk-weighted assets				
A. Capital tier 1	77,202,101	314,598,562	74,913,061	299,277,679
B. Risk-weighted assets	501,624,897	2,044,121,454	413,937,465	1,653,680,172
Capital tier I to risk-weighted assets (A/B)	15.39%	15.39%	18.10%	18.10%
4. Capital tier I + tier II to risk-weighted assets				
A. Capital tier 1 + tier 2	79,830,331	325,308,600	76,911,442	307,261,212
B. Risk-weighted assets	501,624,897	2,044,121,454	413,937,465	1,653,680,172
Capital tier I + tier II to risk-weighted assets (A/B)	15.91%	15.91%	18.58%	18.58%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

CAPITAL (continued)	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
5. Net worth to total assets				
A. Net worth	79,830,331	325,308,600	76,911,442	307,261,212
B. Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Net worth to total assets (A/B)	13.53%	13.53%	15.50%	15.50%
6. Solvency ratio				
A. Net worth	79,830,331	325,308,600	76,911,442	307,261,212
B. Risk-weighted assets	501,624,897	2,044,121,454	413,937,465	1,653,680,172
Solvency ratio (A/B)	15.91%	15.91%	18.58%	18.58%
7. Debt to total assets				
A. Total liabilities	503,737,276	2,052,729,400	414,036,865	1,654,077,276
B. Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Debt to total assets (A/B)	85.40%	85.40%	83.45%	83.45%
8. Debt to equity				
A. Total liabilities	503,737,276	2,052,729,400	414,036,865	1,654,077,276
B. Equity	86,099,977	350,857,406	82,095,280	327,970,644
Debt to equity (A/B)	585.06%	585.06%	504.34%	504.34%
9. Dividend to net profit				
A. Dividend	-	-	4,000,000	15,980,000
B. Net profit	4,216,495	17,182,217	4,051,238	16,184,693
Dividend to net profit (A/B)	0.00%	0.00%	98.74%	98.74%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY

10. Banking reserves to total loans

A - Banking reserves
B - Total loans (gross)

Banking reserves to total loans (A/B)

11. Banking reserves to total assets

A - Banking reserves
B - Total assets

Banking reserves to total assets (A/B)

12. Non-performing loans ("NPL") to total loans

A - NPL
B - Total loans (gross)

NPL to total loans (A/B)

13. NPL to total assets

A - NPL
B - Total assets

NPL to total assets (A/B)

14. Classified assets to total loans

A - Classified assets
B - Total loans (gross)

Classified assets to total loan (A/B)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
10. Banking reserves to total loans				
A - Banking reserves	2,549,723	10,390,121	1,962,290	7,839,349
B - Total loans (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Banking reserves to total loans (A/B)	0.58%	0.58%	0.52%	0.52%
11. Banking reserves to total assets				
A - Banking reserves	2,549,723	10,390,121	1,962,290	7,839,349
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Banking reserves to total assets (A/B)	0.43%	0.43%	0.40%	0.40%
12. Non-performing loans ("NPL") to total loans				
A - NPL	16,640,717	67,810,922	18,902,916	75,517,149
B - Total loans (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
NPL to total loans (A/B)	3.77%	3.77%	5.01%	5.01%
13. NPL to total assets				
A - NPL	16,640,717	67,810,922	18,902,916	75,517,149
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
NPL to total assets (A/B)	2.82%	2.82%	3.81%	3.81%
14. Classified assets to total loans				
A - Classified assets	25,523,582	104,008,597	21,124,863	84,393,828
B - Total loans (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Classified assets to total loan (A/B)	5.79%	5.79%	5.60%	5.60%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

15. Classified assets to total assets

A - Classified assets
B - Total assets

Classified assets to total assets (A/B)

16. Classified assets to equity

A - Classified assets
B - Equity

Classified assets to equity (A/B)

17. Loans to related parties to total loans

A - Loans to related parties
B - Total loans (gross)

Loans to related parties to total loans (A/B)

18. Large exposures to total loans

A - Large exposures
B - Total loans (gross)

Large exposures to total loans (A/B)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
25,523,582		104,008,597		84,393,828
589,837,253		2,403,586,806	21,124,863	1,982,047,920
4.33%		4.33%	4.26%	4.26%
25,523,582		104,008,597	21,124,863	84,393,828
86,099,977		350,857,406	82,095,280	327,970,644
29.64%		29.64%	25.73%	25.73%
6,755,234		27,527,579	4,737,261	18,925,358
440,846,640		1,796,450,058	377,361,206	1,507,558,018
1.53%		1.53%	1.26%	1.26%
158,926,409		647,625,117	149,538,605	597,406,726
440,846,640		1,796,450,058	377,361,206	1,507,558,018
36.05%		36.05%	39.63%	39.63%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

19. Loans to related parties to net worth

A - Loans to related parties
B - Net worth

Loans to related parties to net worth (A/B)

20. Large exposures to net worth

A - Large exposures
B - Net worth

Large exposures to net worth (A/B)

21. General provision to total loans

A - General provision
B - Total loans (gross)

General provision to total loan (A/B)

22. Specific provision to total loans

A - Specific provision
B - Total loans (gross)

Specific provision to total loans (A/B)

23. Specific provision to NPL

A - Specific provision
B - NPL

Specific provision to NPL (A/B)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
19. Loans to related parties to net worth				
A - Loans to related parties	6,755,234	27,527,579	4,737,261	18,925,358
B - Net worth	79,830,331	325,308,600	76,911,442	307,261,212
Loans to related parties to net worth (A/B)	8.46%	8.46%	6.16%	6.16%
20. Large exposures to net worth				
A - Large exposures	158,926,409	647,625,117	149,538,605	597,406,726
B - Net worth	79,830,331	325,308,600	76,911,442	307,261,212
Large exposures to net worth (A/B)	199.08%	199.08%	194.43%	194.43%
21. General provision to total loans				
A - General provision	4,153,230	16,924,414	3,417,402	13,652,519
B - Total loans (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
General provision to total loan (A/B)	0.94%	0.94%	0.91%	0.91%
22. Specific provision to total loans				
A - Specific provision	4,178,334	17,026,710	6,318,272	25,241,497
B - Total loans (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
Specific provision to total loans (A/B)	0.95%	0.95%	1.67%	1.67%
23. Specific provision to NPL				
A - Specific provision	4,178,334	17,026,710	6,318,272	25,241,497
B - NPL	16,640,717	67,810,922	18,902,916	75,517,149
Specific provision to NPL (A/B)	25.11%	25.11%	33.42%	33.42%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
24. All allowances to total assets				
A - Total all allowances	4,482,908	18,267,849	6,487,063	25,915,817
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
All allowances to total assets (A/B)	0.76%	0.76%	1.31%	1.31%
25. Loans to deposits				
A - Total loans to non-bank customers (gross)	440,846,640	1,796,450,058	377,361,206	1,507,558,018
B - Customer's deposits	196,596,858	801,132,196	148,481,245	593,182,574
Loans to deposits (A/B)	224.24%	224.24%	254.15%	254.15%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS

26. Return on assets ("ROA")

A - Net profit
B - Total assets

ROA (A/B)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
A - Net profit	4,216,495	17,182,217	4,051,238	16,184,693
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	0.71%	0.71%	0.82%	0.82%

27. Return on equity ("ROE")

A - Net profit
B - Equity

ROE (A/B)

A - Net profit	4,216,495	17,182,217	4,051,238	16,184,693
B - Equity	86,099,977	350,857,406	82,095,280	327,970,644
	4.90%	4.90%	4.93%	4.93%

28. Gross yield

A - Interest income
B - Total assets

Gross yield (A/B)

A - Interest income	33,967,516	138,417,628	35,700,702	142,624,304
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	5.76%	5.76%	7.20%	7.20%

29. Net interest margin ("NIM") to total assets

A - Interest income
B - Interest expense
C - Total assets

NIM to total assets [(A-B)/C]

A - Interest income	33,967,516	138,417,628	35,700,702	142,624,304
B - Interest expense	15,333,368	62,483,475	16,342,361	65,287,733
C - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	3.16%	3.16%	3.90%	3.90%

30. Other income to total assets

A - Other income
B - Total assets

Other income to total assets (A/B)

A - Other income	168,909	688,304	75,024	299,721
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	0.03%	0.03%	0.02%	0.02%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
EARNINGS (continued)				
31. Provision to total assets				
A - Provision	2,862,380	11,664,199	5,394,995	21,553,005
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Provision to total assets (A/B)	0.49%	0.49%	1.09%	1.09%
32. Overhead ("OHEAD") to total assets				
A - Non-interest expense	17,349,918	70,700,916	18,483,971	73,843,464
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
OHEAD to total assets (A/B)	2.94%	2.94%	3.73%	3.73%
33. Net income before tax ("NIBT") to total assets				
A - Net income before tax	6,078,374	24,769,374	5,447,509	21,762,797
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
NIBT to total assets (A/B)	1.03%	1.03%	1.10%	1.10%
34. Tax to total assets				
A - Tax (all categories)	1,866,908	7,607,651	1,780,155	7,111,718
B - Total assets	589,837,253	2,403,586,806	496,132,145	1,982,047,920
Tax to total assets (A/B)	0.32%	0.32%	0.36%	0.36%
35. Interest margin to gross income				
A - Interest income	33,967,516	138,417,628	35,700,702	142,624,304
B - Interest expense	15,333,368	62,483,475	16,342,361	65,287,733
C - Gross income	36,899,781	150,366,608	38,877,570	155,315,892
Interest margin to gross income [(A-B)/C]	50%	50%	49.79%	49.79%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS (continued)

36. Non-interest income to gross income

A - Non-interest income
B - Gross income

Non-interest income to gross income (A/B)

37. Non-interest expense to gross income

A - Non-interest expense
B - Gross income

Non-interest expense to gross income (A/B)

38. Times interest earned

A - Income before tax
B - Interest expense

Times interest earned [(A+B)/B]

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
2,932,265				
36,899,781				
7.95%		7.95%	8.17%	8.17%
17,349,918				
36,899,781				
47.02%		47.02%	47.54%	47.54%
6,078,374				
15,333,368				
139.64%		139.64%	133.33%	133.33%

Bank for Investment and Development of Cambodia Plc

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2014 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

LIQUIDITY

39. Liquid assets to total assets

A - Liquid assets
B - Total assets

	2014 US\$	2014 KHR'000	2013 US\$	2013 KHR'000
	77,341,263	315,165,647	82,846,137	330,970,318
	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	13%	13%	16.70%	16.70%

Liquid assets to total assets (A/B)

40. Short-term liabilities to total assets

A - Short-term liabilities
B - Total assets

	497,159,288	2,025,924,099	412,943,753	1,649,710,293
	589,837,253	2,403,586,806	496,132,145	1,982,047,920
	84%	84%	83.23%	83.23%

Short-term liabilities to total assets (A/B)

41. Net liquid assets

A - Liquid assets
B - Short-term liabilities
C - Total liabilities

	77,341,263	315,165,647	82,846,137	330,970,318
	497,159,288	2,025,924,099	412,943,753	1,649,710,293
	503,737,276	2,052,729,401	414,036,865	1,654,077,276
	-83%	-83%	-79.73%	-79.73%

Net liquid assets [(A-B)/C]

42. Quick ratio

A - Quick assets
B - Current liabilities

	77,341,263	315,165,647	82,846,137	330,970,318
	497,159,288	2,025,924,099	412,943,753	1,649,710,293
	16%	16%	20.06%	20.06%

Quick ratio (A/B)

43. Deposits to total loans

A - Total customers' deposits
B - Total loans to non-bank customers (gross)

	196,596,858	801,132,196	148,481,245	593,182,574
	440,846,640	1,796,450,058	377,361,206	1,507,558,018
	45%	45%	39.35%	39.35%

Deposits to total loans (A/B)

CORPORATE CONTACT INFORMATION



HEAD OFFICE

#370 Preah Monivong Blvd, Sangkat Boeung Keng Kang I, Khan Chamkarmon, Phnom Penh, Cambodia.

Tel: (855-23) 210 044, **Fax:** (855-23) 220 511.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



MEAN CHEY BRANCH

#583 National Road 1, Sangkat Chbar Ampeou I, Khan Mean Chey, Phnom Penh, Cambodia.

Tel: (855-23) 720 710.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



DAUN PENH BRANCH

#56 Preah Monivong Blvd, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia.

Tel: (855-23) 666 0328, **Fax:** (855-23) 214 631.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



KAMPONG CHAM BRANCH

#29 Monivong, Street Village 7, Sangkat Kampong Cham, Krong Kampong Cham, Kampong Cham, Cambodia.

Tel: (855-42) 210 012, **Fax:** (855-23) 42 210 789.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



PHNOM PENH BRANCH

#335 Monivong Blvd, Sangkat Orrusey 4, Khan 7 Makara, Phnom Penh, Cambodia.

Tel: (855-23) 210 440, **Fax:** (855-23) 214 854.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



SIEM REAP BRANCH

#22-23, Tep vong street, Mondul 2, Svay Dangkum Village, Sangkat Svay Dangkum, Siem Reap, Cambodia.

Tel: (855-63) 760 123, **Fax:** (855-63) 760 456.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



BOKOR EXCHANGE

#Thansur Bokor Resort, Monivong National Park, Kampot Province, Cambodia.

Tel: (855-336) 660 329, **Fax:** (855-336) 868 046.



HA NOI BRANCH

10A, Hai Ba Trung Street, District Hoan Kiem, Ha Noi City, Vietnam.

Tel: (844-39) 388 559, **Fax:** (844-39) 388 479.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.



HO CHI MINH BRANCH

110, CMT8 Street, Precinct 7, District 3, Ho Chi Minh City, Vietnam.

Tel: (848-62) 666 999, **Fax:** (848-62) 904 479.

Email: info@bidc.com.kh, **Website:** www.bidc.com.kh.

our vision

To become one of the top four commercial banks and to maintain the position of the largest Vietnamese commercial bank in Cambodia

our mission

Assisting Cambodian government in the economic development of Cambodia
Continuing being a bridge for both Cambodia and Vietnam in order to promote investment and financial activities, trade and tourism between the two countries

our values

Our organizational culture based on our core values of Unity, Service, Responsibility, Diversity, and Integrity are the drivers of our vision and mission.



Be your side, by your hand