



## **II** Report of the board of directors



## REPORT OF THE BOARD OF DIRECTORS

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### 1. HIGHLIGHTS IN PERFORMANCE

Early in 2007, seeing that ACB could be growing faster, the board of directors conducted discussions with the management to increase the targets in terms of total assets, outstanding loans and profit. Consequently, as of 31 December 2007, ACB's pre-tax profit mounted to VND 2,127 billion which is 3 times larger from 687 billion in 2006. Deposits reached VND 55,283 billion; outstanding loans attained VND 31,974 billion. The Group's total assets remarkably increased by 91.2%, reaching VND 85,392 billion.

The board as usual approved the branch network expansion, bankcard and ATM business plans, appointments of officers, the purchase of long-term assets, including technological fixed assets, and regulation for employee stock ownership plan.

The board also discussed with the management the investment strategy of ACB Group, issues of investment into state-owned enterprises being equitized. Business model adjustments were approved to enhance company-wide management.



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### 2. MAJOR CHANGES

The board regularly had discussions with the management on how to balance between growth targets and potential risks arising therein and from the imbalances in the banking industry and macroeconomic environment. The board prepared for the elections of a new board of directors and a new supervisory board for the term of office from 2008 to 2012, the introduction of members of board of founders, which was approved by the stockholders and functions as advisors to the board and the management. The Compensation and Personnel Committee has been set up in replacement of the Compensation Committee and the Personnel Committee, with additional and adjusted roles and responsibilities to meet requirements of a fast growing institution.

