

ANNUAL REPORT

2015



A DECADE OF REACHING FURTHER

DECEMBER 28TH, 2005 - DECEMBER 28TH, 2015

- Third-Class Labor Order by the President of the Socialist Republic of Vietnam
- A.M.BEST B+ Rating
- Top 50 most efficient listed companies in Vietnam

- Top 500 fastest growing enterprises in Vietnam
- Top 1,000 corporate tax contributors in Vietnam
- Best financial leverage index performer in the insurance industry in Vietnam



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01

MESSAGE
OF 2015



MESSAGE

FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



BIC owes its growth today to the dedicated contribution of over 750 employees and the continuous trust and support from customers, shareholders and partners. Your trust is our motivation and also a goal that we have always been pursuing in the past, at present, and in the future.



Dear valued shareholders, partners and customers,

First and foremost, on behalf of the Board of Directors and staff of BIDV Insurance Corporation, I would like to express my sincere thanks to valued shareholders, partners and customers for your continuous supports for BIC over the last ten years.

Established for the mission of “completing” the financial service offerings to customers of BIDV, over the last decade BIC has relentlessly strived to fulfill our mission better and better. From 100 billion VND of charter capital and 20 employees at the time of establishment, BIC now has more than 750 employees and about 2,000 billion VND in capital. BIC has stably remained among the top non-life insurers in terms of growth and profitability. BIC is known as a dynamic company in developing business overseas as well as pioneering new and advanced distribution channels. In addition, BIC is one of the fastest growing and most efficient companies in Vietnam. The corporation was awarded many prestigious certificates and certificates of merit from domestic and foreign agencies and organizations.

BIC owes its growth today to the dedicated contribution of over 750 employees and the continuous trust and support from customers, shareholders and partners. Your trust is our motivation and also a goal that we have always been pursuing in the past, at present, and in the future.

In 2015, the insurance market flourished with the highest growth rate since the economic crisis in 2010. In this context, BIC persistently pursued the strategy of achieving both growth and profitability by encouraging new business promotion solutions. With innovative solutions and strong determination, BIC has made 2015 another successful year. Almost all business targets set forth for the year was over-achieved. This achievement is encouraging for BIC in the year that marked our 10th anniversary and we all should be proud.

2015 also marked the commencement of BIC’s cooperation with its first foreign strategic investor - Fairfax Financial Holdings, a global finance and insurance group based in Canada. Fairfax now holds 35% of BIC’s shares and designated its senior personnel to participate in BIC’s Board of Directors and Superviso-

ry Board. Together, Fairfax and BIC is implementing specific items of the Technical Support Agreement committed by Fairfax as the strategic shareholder of BIC. The strategic partnership between BIC and Fairfax is meaningful not only to BIC but also to the Vietnam insurance market in general. It showed a global insurer’s appreciation of the potentials of the insurance market in Vietnam. Particularly for BIC, the partnership has opened a new chapter of its development.

In addition to the new partnership, BIC’s business performance is extremely encouraging. Gross written premium of BIC standalone reached 1,478.7 billion VND, in which direct premium was 1,280.6 billion VND, increasing by 29.2%, approximately two-fold higher than the average growth rate of the market and the highest of the corporation in the last five years.

In 2015, A.M. Best has affirmed the financial strength rating of B+ (Good) and the issuer credit rating of “bbb-” of BIC. The outlook for both ratings is stable. In 2016, the strategic partnership followed by committed financial and technical supports from Fairfax promises high potential for rating upgrades.

Having proactively expanded business overseas at an early stage of its development, BIC can proudly see itself as a fast mover in the integration trend of Vietnam into the world economy. Passing the initial development phase, today, foreign investments have brought in significant profits for the corporation. In 2015, profit from Lao - Viet Insurance Joint Venture Company, a Lao-based subsidiary of BIC, was 1.88 million USD, a 37.8% year on year growth. The profit from Laos accounted for 26% of the total consolidated profit of BIC, affirming BIC’s successful foreign investment strategy. Following the success in Laos, BIC set up a representative office in Myanmar to lay the foundation for the establishment of an insurance company in Myanmar in the near future.

Thanks to excellent business performance and series of impressive events demonstrating growth and efficiency, BIC’s stock was among the highest priced and most liquidated stocks of listed insurance companies last year. In the second and third quarter of 2015, BIC’s stock price consistently increased after

the strategic partnership with Fairfax and good credit rating by A.M.Best were finalized. Especially, at times, BIC's stock even topped the price of all listed non-life insurers in the market.

Dear Valued shareholders, customers and partners,

In 2015, dedicatedly acting as a financial shield against unexpected risks for customers, BIC bore a 45% increase in claim expenses compared to previous year, amounting 344.6 billion VND. In the meantime, the corporation strived to maintain the loss ratio at an appropriate safety level for an insurance company. In the case of 2015, BIC's loss ratio was 41.9%. Protecting customers from financial risks and, at the same time, assuring effective and sustainable business performance are two extremely challenging goals for any insurance company to balance. BIC is not an exception. However, the strong, competent leadership has successfully stirred the corporation to achieve both goals.

In 2016, Vietnam will integrate more strongly and broadly into the region and the world economy as a member of the ASEAN and a number of free-trade agreements. The Government's integration roadmap will open massive business opportunities for Vietnamese enterprises including BIC. On the other hand, macroeconomic growth is regaining momentum after the recession and the insurance market is expected to take off as a result. In this broad context, 2016 will be a year of important changes for BIC.

Firstly, the participation of Fairfax in BIC's management and operational activities will bring about positive changes. BIC can learn from Fairfax's experience, skills and knowledge about developed insurance market to make plan for customer and product portfolio restructuring in order to differentiate itself from competitors in the market. The Technical sup-

port project between BIC and Fairfax started in the last months of 2015. Fairfax sent the world's best experts from England, the United States, Canada and Asian countries to participate in the project. From BIC's side, 12 project teams of key and experienced staff were established at the Head Office to work with Fairfax. The learning attitude of BIC combined with the strong commitments of Fairfax will surely bring about positive changes that will help to transform BIC into a new, distinctive and highly competitive player in the market. Besides technical support, Fairfax will also bring into BIC a new corporate culture and style of doing business.

Secondly, the global integration of Vietnam economy will open massive business opportunities for BIC. Although BIC is one step ahead of many in-country competitors in terms of overseas business expansion and strategic partnership with foreign investor, global integration also means open door for foreign competitors to access the domestic market. Therefore, to be truly distinctive to competitors, BIC must develop appropriate strategies and short-term plans to adapt to the new context. The experience of Fairfax in similar but more developed markets in Asia such as India, China, Thailand, and Singapore, etc. is expected to help BIC maintain its success in Vietnam.

Besides, Decree No. 135/2015/ND-CP on indirect overseas investment, taking effect on February 15th, 2016, brought opportunity for BIC to diversify its portfolio and improve profitability through indirect investment overseas.

Thirdly, having successfully closed the transaction with Fairfax, BIC increased its capital to 2,000 billions VND. This is an opportunity for BIC to realize the long-term plan to transform its organizational structure into a Holding model. In this model, shareholders will own shares of the parent company whose

main function is to ensure effective capital mobilization and allocation. The non-life insurance function will be separated from the current business license to establish a non-life insurance company wholly owned by the parent company. In 2016, the Board of Directors will submit the restructure roadmap and plan to the Annual General Meeting of Shareholders for approval.

Besides, in 2016, BIC will strive to achieve the following business targets:

- **Gross written premium of BIC standalone: 1,750 billion VND, in which, direct premium is 1,570 billion VND.**
- **Combined ratio: < 100%**
- **Profit before tax of BIC standalone: 182 billion VND**
- **Consolidated profit before tax: 230 billion VND**

As a risk management business, on one hand, BIC has to strictly comply with regulations on liquidity and financial limit for insurance companies. On the other hand, the corporation must assure its financial soundness and liquidity in case of unexpected risks. Moreover, the pressure to maintain efficiency and profitability of a listed company requires BIC to constantly change, innovate and improve its competitiveness for the benefits of shareholders. BIC still has plenty to do to conquer the market. With supports from its strategic shareholder, Fairfax, who has rich experience in similar but more advanced markets such as China, India, Thailand, and Singapore, BIC is certain to find solutions for success in the Vietnam insurance market. I am confident that BIC will surely achieve its business goals in 2016 and lay a concrete foundation for the accomplishment of its strategic goals towards 2020.

BIC can hardly meet any goals without the cooperation and supports from you, our valued fellows. I hope that you will keep your supports with every step of BIC on the significant way ahead to become a truly outstanding company in the market. We will devote all our efforts to deserve your trust and expectations.

I wish you health, happiness and success!



**Chairman
Pham Quang Tung**



MESSAGE FROM CEO



The Board of Management and over 750 employees of BIC are confident that, with a shared vision and strong will, we will overcome any challenges ahead to make BIC one of the leading insurance companies in Vietnam in the near future.



Dear Valued shareholders, partners and customers,

2015 is a memorable year marking the 10th anniversary of establishment and development of BIC. On behalf of the Board of Management, I am very pleased and proud to present to you some business performance highlights of BIC in 2015. These achievements are credited to high determination and relentless efforts of all BIC's employees. BIC has come very close to the goal of becoming one of the leading insurance companies in the market. We, BIC staff and management, collectively believes that this is only initial success and many higher goals are likely to be achieved in the next five years based on the strong foundation laid, the vision of the leadership and the unity among our staff.

I would like to express my sincere thanks to valued shareholders, customers and partners for your cooperation with and supports for BIC in the past year. I am also especially grateful to each and every employee for the contribution to BIC's development.

The highest growth rate since equitization

BIC maintained a high revenue growth rate in 2015. Gross written premium grew by 29.2%, approximately twice higher than market average growth rate at 17.2%. In fact, 2015 is the year that BIC reached the highest growth rate since equitization. BIC's market share of gross written premium has also been increasing over the last three years: 2013: 3.2%, 2014: 3.6% and 2015: 4.0%.

Besides, various solutions for performance improvement have been implemented synchronously; among them are cost, especially operation cost, saving solutions. Although significant costs incurred for business network expansion in 2015, underwriting and operating costs were well controlled thanks to effective cost management. Operating costs in 2015 decreased by 3.4% in comparison with 2014. Premium receivable ratio of the corporation reduced 2% to 5.1% in 2015. Controlling premium receivable ratio at a low level during economic recession has helped the corporation maintain strong cash inflow from insurance business to fund investment activities.

In 2015, consolidated profit before tax of BIC was 157 billion VND, increasing 14% compared to that

of 2014 and exceeding target by 9%. In the context that increasing loss ratio is a dominant trend of the insurance market, BIC was able to maintain its loss ratio below market average (41.9%), thus assure a sound business operation.

Network expansion and retail promotion

In parallel with applying mechanisms and policies that maximized business operation, BIC has continuously expanded its business network in highly potential geographic areas. Following the establishment of three subsidiaries in Tien Giang, Lao Cai, and Son La, the Ministry of Finance approved the establishment of BIC's 26th subsidiary in Ho Chi Minh City, namely BIC Ben Thanh. As a result, in Ho Chi Minh City alone BIC now has three fully operating subsidiaries which are expected to improve coverage in this large and highly potential area. Overseas, after plenty of efforts seeking investment opportunities, BIC officially launched a representative office in Myanmar to lay the foundation for the establishment of a non-life insurance company in the near future. With LVI in Laos, CVI in Cambodia and a representative office in Myanmar, BIC is the first and only insurance company to own a broad and effective business network overseas.

Along with network expansion, retail business has been strongly deployed and identified as a crucial factor in BIC's strategy to win customers and dominate the market. In previous years, BIC successfully developed business within the BIDV system by continuously improving products and processes to meet the demand of BIDV's customers. In 2015, BIC has grown beyond the BIDV system to partner with big names in the banking sector such as Techcombank, VPBank, Orient Commercial Joint Stock Bank, to name a few. High growth rate of retail distribution channels like Bancassurance, online insurance and Telesales made remarkable contributions to BIC's gross written premium.

Separate issue of shares to foreign strategic investor

BIC's search for strategic shareholder started after equitization in 2010 but was suspended during the world economic crisis lasting from 2011 to 2013. In 2014, when the economy started to show signals

of recovery, BIC determined that it should close a deal. Fairfax Asia Ltd., a wholly-owned subsidiary of Fairfax Financial Holdings, a Global finance and insurance group based in Canada, is BIC's strategic choice. After completing the transaction, Fairfax becomes BIC's foreign strategic investor, owning 35% of BIC's shares.

With Fairfax's global success and experience as well as commitments on technical assistance and supports, BIC is certain to gain further accomplishments in the near future.

Recognized accomplishments

BIC's constant efforts to strengthen business performance and improve operating efficiency has paid off. A.M. Best, the world leading credit rating agency, has affirmed the financial strength rating of B+ (Good) and the issuer credit rating of "bbb-" of BIC in 2015. The outlook for both ratings is stable.

This year, BIC continued to be recognized as one of the 50 most efficient listed companies in Vietnam, one of the 500 fastest growing enterprises in Vietnam and one of the top 1,000 corporate tax contributors in Vietnam. 2015 is also the fifth consecutive year that BIC won the Vietnam Strong Brand prize.

Especially, in its 10th anniversary ceremony, BIC was honored to receive the Third-Class Labor Order awarded by the President of the Socialist Republic of Vietnam. This is an invaluable recognition of the State to BIC's efforts and achievements in the last decade.

2016 – A pivotal year of changes

2016 will be a year of changes for BIC with the new foreign strategic partnership. Business targets set forth for the year are extremely challenging: Gross written premium of BIC standalone: 1,750 billion VND, in which, direct premium is 1,570 billion VND; Profit before tax of BIC standalone: 182 billion VND; Consolidated profit before tax: 230 billion VND. In addition, BIC has set other daring goals, for exam-

ple, moving Head Office to Ho Chi Minh City to take advantage of this market's potentials, transforming into a holding model, upgrading A.M. Best rating to B++, and maximizing gains from the technical support of Fairfax.

The 2016 macroeconomic outlook is likely to contain a great deal of uncertainties resulting from global political and economic instability as well as internal factors of the Vietnam macro economy, particularly the increasingly demanding requirements from government authorities on management standards in the insurance sector. The recovery of domestic economy promises a brighter outlook for the insurance market after a struggling period of restructuring. It also implies that insurance companies are gaining back their momentum to boost performance and increase competition pressure in the market, especially in the retail segment. We are heading into 2016, facing more challenges than ever. The Board of Management and over 750 employees of BIC are confident that, with a shared vision and strong will, we will overcome any challenges ahead to make BIC one of the leading insurance companies in Vietnam in the near future.

Yours faithfully,



Chief Executive Officer

Tran Hoai An





MESSAGE FROM FAIRFAX



Fairfax Financial Holdings Limited ("FFHL") is a financial holding company headquartered in Toronto, Canada which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management. FFHL is listed in the Toronto Stock Exchange.

In 2014, FFHL generated US\$10.02 Billion of revenue with net earnings of US\$1.67 Billion and at December 31, 2014 had shareholders' equity of US\$9.74 Billion and assets of US\$36.13 Billion.

In Asia, Fairfax Asia has operations in India, Indonesia, China, Malaysia, Singapore, Hong Kong, Thailand and Sri Lanka. With over \$3 Billion in gross premiums written, Fairfax Asia is one of the largest non-life insurers in Asia.



It gives me a great pleasure to congratulate BIC on the completion of its 10th anniversary since establishment in 2005. The company has successfully executed on many of the opportunities and overcome severe challenges, both internal and external, during this time and has emerged as one of the Top 10 general insurers in Vietnam with an enviable track record of growth and profitability.

This is therefore an important occasion for the company to celebrate its success and look forward to future tides that promises even greater accomplishments.

Vietnam has witnessed the fourth straight year of macroeconomic stability, notably with single digit inflation, exchange rate stability, and robust export growth, which has allowed a strong external balance position. We are beginning to see early signs of a growth recovery that is generalized across several sectors of the economy. Sovereign ratings have been upgraded and the Government has last year issued one billion dollars in bonds on the international capital markets on terms better than initially expected. Vietnam's next 5 years as a middle income country coincides with several important processes - the preparation of the next 5-year socio-economic development plan (2016-2020), and the preparation of key documents for the 12th Party Congress in early 2016. This is a unique opportunity to generate a new wave of institutional reforms that will build on earlier achievements to help deliver the higher productivity growth Vietnam needs, contributing to the process of economic and social modernization as well as build a more inclusive society.

We have started seeing green shoots of these reforms already with the government opening up sectors for foreign investment recently, thus reducing the restricted sectors from 51 to 6

All of this bodes very well for growth in general insurance and makes Vietnam one of the most attractive markets for general insurance in the future. The growing middle class population, increasing incomes and need for security and stability, infrastructure investments in developing roads and ports combined with historically low levels of penetration of <0.5% will see general insurance growth at double digits annually for the foreseeable future. Fairfax, therefore, has been very keen to enter and participate actively in the Vietnamese market, firmly be-

lieving in the promise the future holds for the economy in general and insurance business in particular. The search for a partner for Fairfax has been ongoing for a number of years. We have watched with keen interest BIC's progress as a general insurer and have been very impressed with the development that BIC has made since inception 10 years ago. BIC has been the cornerstone of success for BIDV bank, incorporating corporate governance, ethical business practices, highly engaged human resources and customer centricity, all of which have helped create a unique value proposition putting BIC streets ahead of its competition. Combined with the strengths of BIDV bank and its long experience in customer analytics and enhanced customer service, BIC can look forward to real and sustainable growth that can position it amongst the top 5 insurers in Vietnam.

We consider BIC to be one of the best partners available in the country. BIC's strong management and leadership, focus on profitability, presence across Vietnam, Laos and Cambodia and most importantly its close relationship with its parent BIDV bank makes it one of the most attractive partners in the Vietnamese market. Combined with Fairfax's commitment to bring its best practices, technical assistance and investment management we are convinced that our partnership will set new benchmarks for success and development in general insurance.

We therefore highly value our partnership and are confident that together with BIDV bank we will be able to create one of the best general insurance companies in the market, known for its innovative spirit, customer focus and the ability to deliver a world-class customer experience. We look forward to bring the Fair and Friendly culture that Fairfax practices worldwide, to Vietnam; and have ambitious expectations from our partnership. We are confident that BIC will be the star in Fairfax Asia's portfolio in the future. In conclusion I would like to say that nothing in this world is impossible if we have determination, hard work and team spirit on our side. The journey of a thousand miles must begin with a single step, so let us take our first steps towards creating a partnership that all of us will be proud of, for future generations to come.

Chairman and Chief Executive Officer of Fairfax Asia Limited
Ramaswamy Athappan



NOTABLE EVENTS IN 2015

THE 1ST EVENT

On February 12th, BIC officially became a member of the Vietnam E-Commerce Association - an experienced and prestigious occupational organization in e-commerce in Vietnam. The membership was meant to boost the corporation's capacity to provide products and services online (www.baohiemtruc-tuyen.com.vn)

THE 2ND EVENT

On May 4th, BIC signed a Share Subscription Agreement with FairFax Asia Limited - a wholly-owned subsidiary of Fairfax Financial Holdings, a Global finance and insurance group based in Canada. According to the signed agreement, Fairfax will purchase 35% or 41,046,913 of BIC's newly-issued shares to become BIC's foreign strategic investor.



THE 3RD EVENT

On June 23rd, BIC officially opened its Representative office in Myanmar. The representative office will serve as a hub for insurance business promotion between Vietnam and Myanmar. It is BIC's first step into the insurance market in Myanmar to gain more insights in preparation for the establishment of an Insurance company in Myanmar at the right time in the near future.



THE 4TH EVENT

On August 17th, A.M.Best, the world-leading credit rating agency, published its affirmation of BIC's re-rating results in 2015. Accordingly, BIC's financial strength rating is B+ (Good) and the issuer credit rating is "bbb-". The outlook for both ratings is stable.

THE 5TH EVENT

On October 23rd, Mr. Prem Watsa, Chairman of Fairfax Financial Holdings, paid a business visit to Vietnam after the strategic share issuance had been basically finalized. The main purpose of the trip was to strengthen the strategic partnership with BIC and BIC's biggest shareholders - the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV).



THE 6TH EVENT

BIC restructured its Board of Management by electing two more Deputy General Directors including Mr. Pham Duc Hau (since March 1st, 2015) and Mr. Huynh Quoc Viet (since November 1st, 2015).

THE 7TH EVENT

On December 25th, the Ministry of Finance issued the Adjustment License No. 11/GPDC14/KDBH on approval of BIC's charter capital increase from 762,299,820,000 VND to 1,172,768,950,000 VND.

THE 8TH EVENT

On December 28th, the Ministry of Finance issued the Adjusted License No. 11/GPDC15/KDBH for BIC in approval of the establishment of BIDV Ben Thanh Insurance Company. BIC Ben Thanh officially commenced operation since January 1st, 2016 and became the 26th subsidiary of BIC.



THE 9TH EVENT

On December 31st, BIC concluded the fiscal year of 2015 with excellent business performance. Gross written premium of the parent company experienced rocket rising by 32.5% - the highest growth rate in the last 5 years.

THE 10TH EVENT

On January 7th, 2016, BIC held an anniversary ceremony of its 10th year of establishment and was honorably awarded the Third-Class Labor Order by the President of the Socialist Republic of Vietnam in the same occasion.



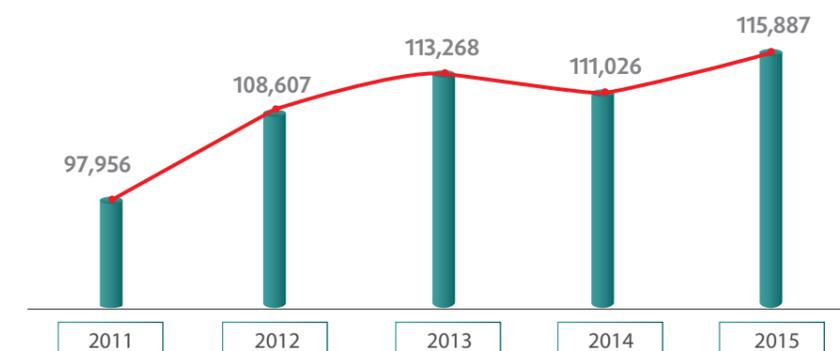
KEY PERFORMANCE INDICATORS OF 2015

CONSOLIDATED INDICATORS

ITEMS	2014	2015
Total assets	3,066.760	4,344.249
Owners' equity	905.402	2,031.548
Total insurance revenue	1,307.756	1,686.950
Direct premium	1,219.543	1,550.943
Reinsurance premium assumed	88.213	136.007
Profit from financial investment	148.881	157.977
Retained liability loss ratio	36.24%	39.50%
Total profit before tax	138.019	156.860
Total underwriting reserves	1,552.798	1,789.357
ROE (Profit after tax/Charter capital)	14.08%	16.31%
ROA (Profit after tax/Total assets)	3.50%	3.35%

(Unit: Billion VND)

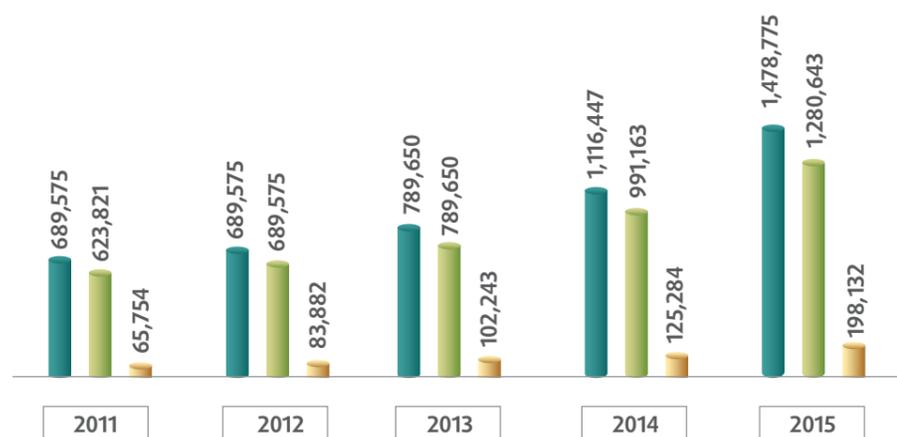
PROFIT BEFORE TAX



(Unit: Billion VND)

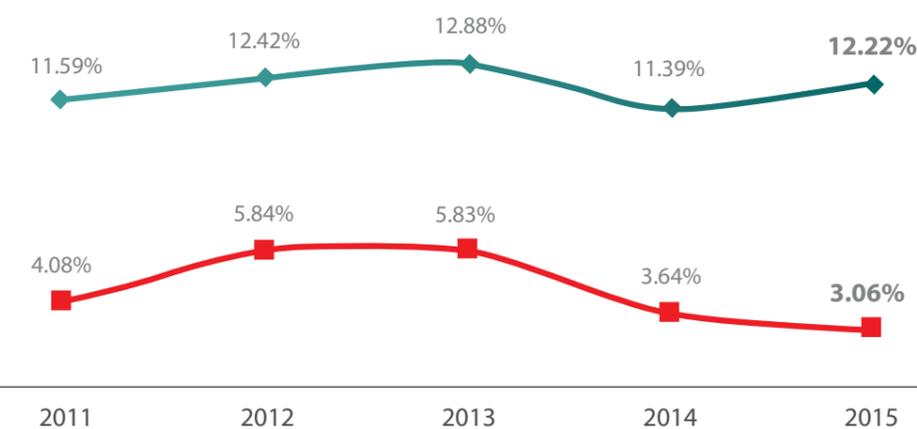
INDICATORS OF PARENT COMPANY - BIC

PREMIUM REVENUE



(Unit: Billion VND)

Total insurance revenue
Direct premiums
Reinsurance premium



ROE (Profit after tax/Charter capital)
ROA (Profit after tax/Total assets)

TITLES AND AWARDS



- Third-Class Labor Order by the President of the Socialist Republic of Vietnam
- Certificate of Merit by the Prime Minister in 2010 in recognition of BIC's contribution to the construction of the Fatherland
- Emulation Flag and Certificate of Merit by the Governor of the State Bank of Vietnam in 2008 and 2010
- Certificate of Merit by the Minister of Finance in 2009, 2010 and 2013 for recognition of BIC's positive contributions to the sustainable development of financial market in Vietnam
- Vietnam Gold Star Award in 2010
- Emulation Flag and Certificate of Merit of the Party Committee of Central Business Block in 2008 and 2013
- Recognized as one of the 50 most efficient enterprises in Vietnam in 2014 and 2015
- Recognized as one of the 500 fastest growing enterprises in Vietnam for five

consecutive years from 2010 to 2015 and one out of 50 enterprises with the most excellent growth rate in Vietnam during 2009–2014 period (according to independent assessment result of Vietnam Report)

- Certificate of "The best non-life insurance brand in 2010" by Vietnam Economic Forum
- Vietnam Strong Brand Prize for 3 consecutive years twice from 2007 to 2009 and from 2013 to 2015
- Top Trade Service Award in 2009 and 2013 by the Ministry of Industry and Trade
- Certificate of Merit by the Chairman of Vietnam Chamber of Commerce and Industry (VCCI) in recognition of BIC's CEO as one of the 100 outstanding Vietnamese businessmen in 2010
- Recognized as an Enterprise with the best financial leverage ratio in 2014 under "Enterprise performance evaluation" program assessed by the Enterprise Forum Newspapers and the Vietnam Young Entrepreneurs Association
- Vietnam Golden FDI Award 2008



02

CORPORATE
GENERAL
INFORMATION



CORPORATE GENERAL INFORMATION



Official full name:
Bank For Investment And Development Of
Vietnam Insurance Joint Stock Company

Transaction name in Vietnamese: BIDV Insurance Corporation

Stock code: BIC

Charter capital: 1.172.768.950 VND

Head Office

BIDV Insurance Corporation
16th Floor, Building A Vincom, 191 Ba Trieu Str.,
Hai Ba Trung Dist., Hanoi, Vietnam
Tel : (84-4) 22200282
Fax : (84-4) 22200281
Hotline : 1900 9456
Email : bic@bidv.com.vn
Website : www.bic.vn
www.baohiemtructuyen.com.vn

Company

Lao-Viet Insurance Joint Venture Company

Charter capital: 3 million VND

Office: Floor 3, LVB Building, Lanexang Avenue,
Chathabouly ward, Vientiane, Lao People's
Democratic Republic.

Scope of business: Non-life insurance, Reinsur-
ance and other businesses in accordance with
the laws of Lao People's Democratic Republic.

BIC's ownership at LVI: 65%

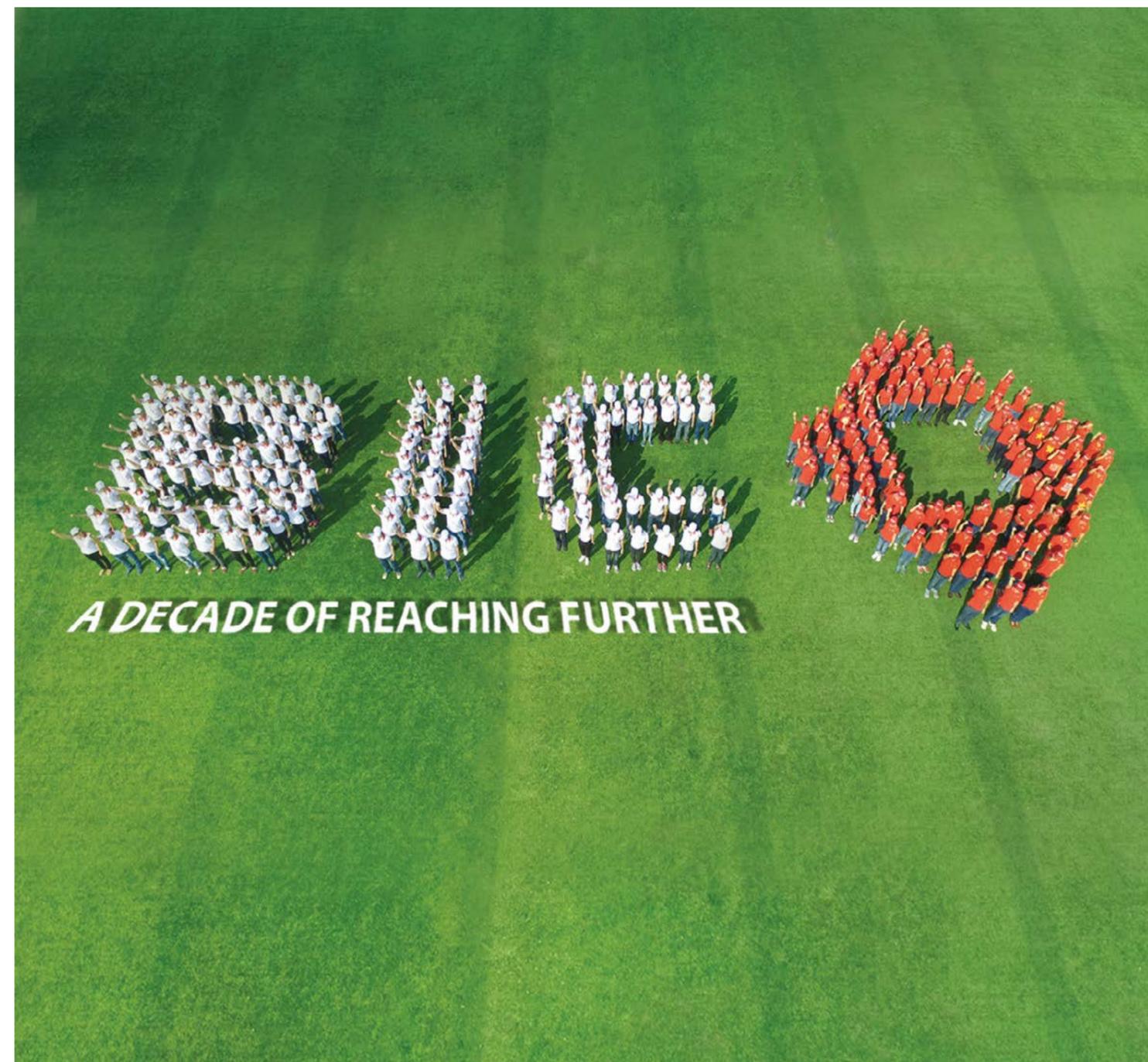
ABOUT BIC

Bank for Investment and Development of Vietnam Insurance Joint Stock Corporation (BIC) was founded as a part of BIDV's broader strategy to establish a financial group under the overarching BIDV brand. In execution of this strategy, BIDV bought out the capital of QBE Insurance (Australia) in the Vietnam-Australia Insurance Joint Venture, a foreign-invested enterprise established and operated in Vietnam since 1999 to form a new company. The new company was named BIC and put into operation since January 1st, 2006.

BIC is now one of the top 10 leading non-life insurance companies in terms of market share of direct written premium and one of the fastest-growing insurance companies in the market. BIC is also the first insurance company whose network covers the whole Indochina region. It is the biggest shareholder, owning 65% of shares, of the Lao-Viet Insurance Joint Venture Company (LVI) and is undergoing necessary procedures to gain direct ownership of Cambodia-Vietnam Insurance Company (CVI). Executing strategy on overseas network expansion, in June 2015, BIC opened a representative office in Myanmar and has been seeking opportunity to establish an insurance company in this market.

On October 1st, 2010, BIC officially transformed its operation model into a joint stock corporation and became listed on the Ho Chi Minh City Stock Exchange (HOSE) with the stock symbol of BIC on September 6th, 2011.

At present, BIC has over 750 employees and serves customers with a network of 26 subsidiaries, 132 sales offices and over 1,500 insurance agencies nationwide.



2006 – 2009: Startup

In 1999, Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) cooperated with QBE Insurance Group of Australia to establish Vietnam - Australia Insurance Joint Venture Company. The cooperation between BIDV and QBE led to a brand-new insurance model and marked the beginning of the banking - insurance alliance which had been popular in the world for a long time. After six years of cooperation, BIDV made a daring decision on buying back contribution capital of QBE into this Joint Venture in 2005 to establish a wholly-owned subsidiary of BIDV. At that time, BIDV was the first Vietnamese enterprise to buy back foreign contribution capital into an enterprise to establish an entity that runs business across sectors, including insurance.



On April 10th, 2006, the Ministry of Finance issued the Establishment and Operation License No.11/GP/KDBH to BIDV Insurance Company. According to the license, BIDV Insurance Company was a member company of BIDV with initial charter capital of 100 billion VND. BIC was officially put into operation since January 1st, 2006 with 24 employees and a branch in Ho Chi Minh City. For BIDV, establishing BIC to penetrate the insurance market was a strategic move to make BIDV a financial institution offering a full packing of banking and finance products in a “one-door” regime.

At its dawn, BIC decided on the strategy of rapid growth in scale to grasp market share. BIC's operation network was first developed along with the system of BIDV branches, focusing on key geographic areas. Right in the first year of operation, BIC expanded its operation network to eight branches in Hai Phong, Nghe An, Da Nang, Binh Dinh, Tay Nguyen, Dong Nai, Vung Tau and Can Tho and increased its charter capital to 200 billion VND.

In 2007, the Ministry of Finance approved BIC's Adjusted License No.11/GPDC4/KDBH to increase charter capital to 500 billion VND and establish three branches in Hai Duong, Ha Noi and Quang Ninh. Taking advantage of being a member of BIDV, one of the leading financial institutions in Vietnam, BIC was the pioneer in deployment of Bancassurance, a strategic sales channel that makes BIC distinctive. After three years of promotion, BIC possesses the biggest associated bank network (8 banks) and the largest number of products supplied via Bancassurance (10 products) in the market.

In 2008, in execution of the overseas network expansion strategy, BIC cooperated with Lao-Viet Joint Venture Bank (LVB) and Banque Pour Le Commerce Extérieur Lao Public (BCEL) to establish Lao-Viet Insurance Joint Venture Company (LVI) based in Vientiane. Soon after establishment, LVI rapidly became one of the two most popular and reputable insurance brands in Laos. In 2009, BIC was authorized to fully manage Cambodia-Vietnam Insurance Company (CVI). Managing LVI and CVI, BIC has become the first insurance company in Vietnam to own an operation network across the Indochina.

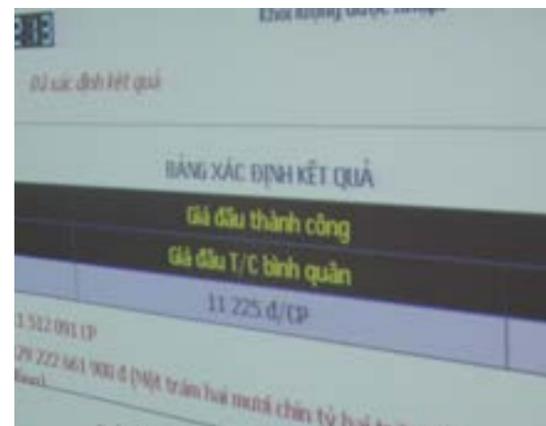


Despite utmost difficulties at the initial stage in terms of human resource, financial resources and competitive environment, BIC rapidly expanded and grew in the first three years of operation. The corporation was recognized in the top 10 insurance companies in terms of market share and maintained the highest growth rate of 20% to 30% per annual. Moreover, BIC successfully developed a network of 19 subsidiaries from scratch in key operation areas of BIDV. BIC's efforts have been recognized with prestigious awards, among them are the Certificate of Merit by the Prime Minister for BIC's contributions to the Fatherland development and socialism protection, the Certificate of Merit by the Minister of Finance for BIC's contributions to the development of insurance market, the

Gold Cup for Excellent Products and Services by Industry and Trade Newspapers, and the Top 100 Vietnam Gold Star Award.

2010 – 2011: Equitization and operation model transformation

In 2010, in accordance with the state-owned enterprise equitization policy of the Government, BIC was selected as the first unit of BIDV's system to equitize.



On August 5th, 2010, BIC conducted Initial Public Offering (IPO) on the Hanoi Stock Exchange. 11,512,091 shares were offered at par value of 10,000 VND/share and starting price of 10,200 VND/share. All 11,512,091 shares were sold out at the average selling price of 11,225 VND/share, making 129,222,661,900 VND in proceeds. The highest auction price was 26,500 VND/share whereas the lowest auction price was 10,900 VND/share. A representative of Hanoi Stock Exchange referred to the IPO of BIC as “extremely successful”, especially in the middle of the securities market recession. “This is the second largest IPO of HNX since 2007 (after IPO of Bao Viet Holdings) in terms of the number of participating investors and total number of offered shares”, he added.

On October 1st, 2010, the Ministry of Finance issued License No. 11/GPDC7/KDBH on approval of BIC's change operation model from a state-owned enterprise to a joint stock company under a new name of Bank for Investment and Development of Vietnam Insurance Joint Stock Corporation. Accordingly, all 19 branches of BIC were transformed into Subsidiaries with dependent accounting regime. In addition to becoming a joint stock company, BIC gained approval to increase its charter capital from 500 billion VND to 660 billion VND.



On September 6th, 2011, BIC's stocks (stock symbol: BIC) were officially traded for the first time on Ho Chi Minh City Stock Exchange at a reference price of 11,500 VND per stock. BIC was the 8th insurance stock to be traded on a concentrated stock exchange.

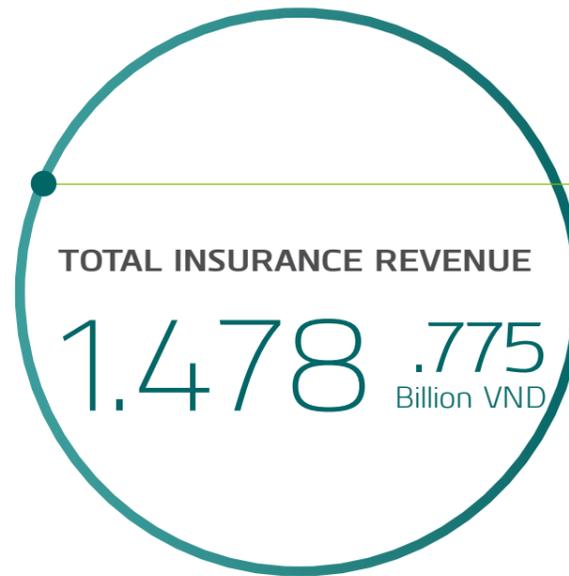
2011 – 2014: Consistent to a performance-based development strategy during economic recession

After equitization and operation model transformation, BIC started to pursue a performance-based development strategy in replacement of the scale growth strategy. From 2011 to 2014, the Vietnamese economy endured crisis and the domestic insurance market experienced continuous growth decrease, even hitting bottom at 7% in 2013. Insurance enterprises had to adjust their business plans, set unambitious goals and seek solutions to maintain market share and customers. In addition, “fierce” competition of the insurance market slowed down BIC's growth and profit from core business was uncertain. However, BIC kept being persistent with the performance-based development strategy with many creative and drastic business solutions.

Taking advantage of the strong development of e-commerce in Vietnam, in August 2011, BIC was one of the two first non-life insurance enterprises to deploy online insurance distribution channel on <http://www.baohiemtructuyen.com.vn>.

After a period of temporary seize in scale expansion to focus on performance reinforcement, in 2011, BIC resumed network development by establishing two new subsidiaries which were BIC Sai Gon based in Ho Chi Minh city and BIC Northern Region based in Nam Dinh. As a result, BIC then owned an operation net-

Total assets increased **53.8%**
compared to 2014



Reinsurance premium
198.132 Billion VND

work of 21 Subsidiaries and 87 Sales offices in focal provinces and cities nationwide.

Aiming to boost retail product development, in 2012, BIC piloted and later deployed Telesales, a new sales channel via telephone(). The year of 2012 witnessed BIC's great efforts which resulted in the excellent accomplishment of its business plan with premium revenue of 754 billion VND and profit before tax of 111 billion VND despite adverse impacts of the economic recession.

For 3 consecutive years from 2010 to 2012, BIC was listed in V1000 List - Top 1,000 corporate tax contributors in Vietnam.

In 2013, with an orientation to expand overseas business, BIC bought the shares of Lao-Viet Joint Venture Bank in Lao-Viet Insurance Joint Venture Company to increase its ownership of LVI to 65% and officially issued consolidated financial statements in the third quarter. In the same year, in line with the plan to develop BIC Holdings, BIC, BIDV and MetLife - the largest

life insurance group in the United States – signed a Joint Venture Agreement, according to which BIDV MetLife Life Insurance Limited Liability Company was established to complete insurance services offered to customers.

Despite the difficulties caused by the economic recession, BIC's growth rate was always 1.5 to 2 times higher than that of the market during this period. Moreover, BIC was continuously recognized as one of the 500 fastest growing enterprises, one of the 1,000 largest corporate tax contributors and one of the 50 most efficient listed companies in Vietnam.

2014 – 2015: Impressive growth

Since 2014, domestic economy showed signs of recovery and the insurance market bottomed out and regained two-digit growth rate. Determining to pursue a performance-focused and profit-based development strategy, BIC's business operation started to flourish thanks to favorable market conditions and

changes in internal management mechanisms and policies.

In 2014, BIC successfully completed two transactions to increase its charter capital. The first was the successful ESOP program that offered 3.3 million newly-issued stocks to its employees and the second was the payment of dividends at a 10% yield to shareholders in the form of newly-issued stocks. After the two transactions, BIC's charter capital increased from 660 billion VND to over 762 billion VND. In the same year, A.M. Best, the world leading credit rating agency, assigned BIC the financial strength rating of B+ (Good) and the issuer credit rating of "bbb-". The outlook of both ratings are Stable. Also in 2014, BIC experienced the corporation's highest growth rate ever, which was 2.5 times higher than market average. At the same time, major business targets were fully achieved. With the addition of three new subsidiaries in Tien Giang, Lao Cai and Son La, BIC's operation network then had 25 subsidiaries and 120 sales offices nationwide.

Additionally, overseas business of BIC flourished thanks to impressive business results of Lao-Viet Insurance Joint Venture Company (LVI). In 2014, gross written premiums of LVI reached 11.5 million USD, increasing by 28% in comparison with that of 2013 and equivalent to that of some insurance companies in Vietnam. Profit before tax of LVI was 1.36 million USD, increasing 82% compared to previous year, in which, profit from insurance business was 683,941 USD - an extremely impressive figure in comparison with the average profit from insurance business of insurance companies in Vietnam. Excellent business results of LVI accounted for about 25% of gross written premium and consolidated profit of BIC.

In June 2015, BIC officially opened its Representative office in Myanmar. The representative office will serve as a hub for insurance business promotion between Vietnam and Myanmar. It is BIC's first step into the insurance market in Myanmar to gain more insights in preparation for the establishment of an Insurance com-

pany in Myanmar at the right time in the near future.

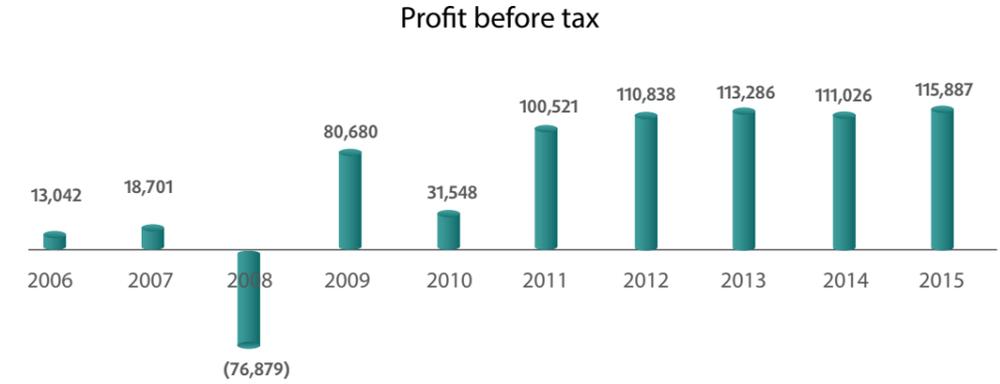
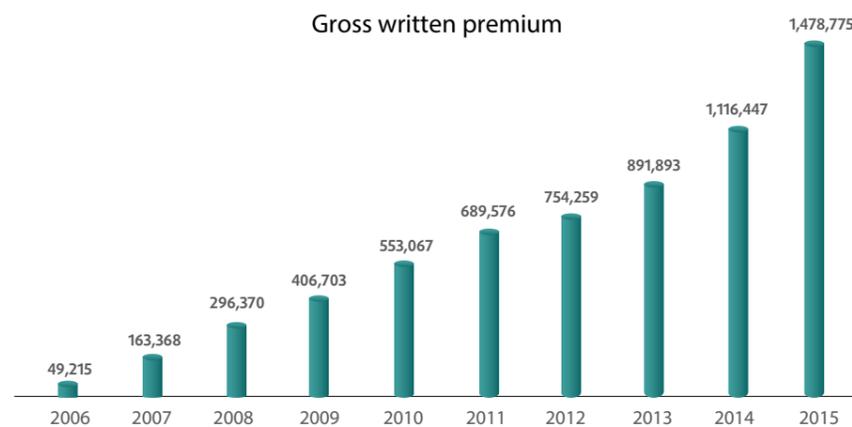
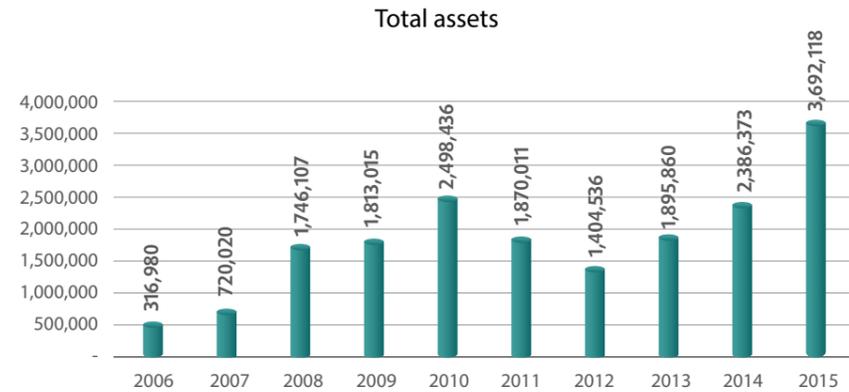
In 2015, FairFax – the world-leading insurer and reinsurer from Canada – became a strategic shareholder of BIC after purchasing 35% of newly-issued shares. This event marked a turning point in BIC's 10 years of development (2005 - 2015). With the strategic investment, technical support and technology transfer from FairFax, BIC aimed to become the market-leading non-life insurance company in terms of advanced distribution channels and profitability. Completing the transaction with Fairfax, on December 25th, 2015, BIC increased its charter capital from 762 billion VND to 1,172 billion VND.

At the end of 2015, BIC achieved the highest growth rate since equitization, which was over 2 times higher than market average. After establishing a subsidiary in Ho Chi Minh City, BIC's operation network continue to expand to 26 subsidiaries and 132 sales offices nationwide. In addition, the 2015 business plans was fulfilled beyond expectations and all important targets for the 2010-2015 period were well accomplished.

For 10 years of operation, BIC has gained proud achievements. Highlights among them were to increase charter capital to over 1,100 billion VND, to maintain strong human resource of over 750 employees, to expand in-country business network to 26 subsidiaries and 132 sales offices, to establish 2 Joint Venture Companies and 1 Representative Office overseas, to be in the top 10 market-leading non-life insurance company in terms of market share, to be among the leading enterprises in terms of direct written premium growth rate, to be ranked third in terms of profitability ratio and be the second business pillar in BIDV's system, to be chosen by Fairfax, a global insurance group, for strategic investment in Vietnam, and to be rated B+ by A.M.Best. Thanks to such outstanding achievements, BIC was honorably awarded Third-Class Labor Order by the President of the Socialist Republic of Vietnam in recognition of BIC's efforts and determination during the last 10 years of development.

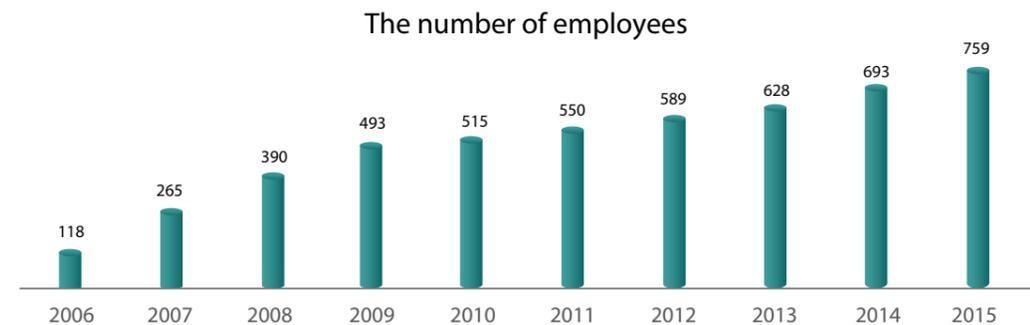
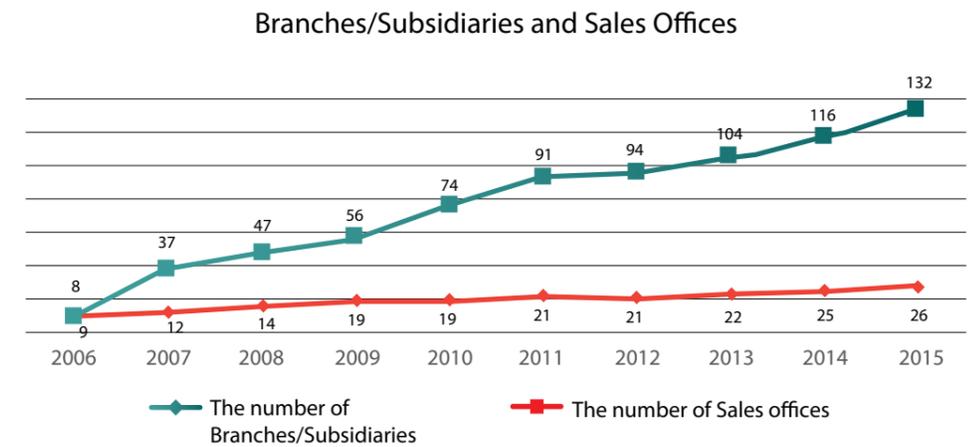


KEY PERFORMANCE INDICATORS OF BIC FROM 2006 TO 2015



(*) In 2008, economic crisis and recession of the securities market presented difficulties and challenges to enterprises, including BIC. As a result of the recession of the securities market, BIC had to make significant provisions for devaluation of its investment portfolio. Moreover, along with the largest operation network expansion by establishing 10 more branches, BIC experienced a sharp increase in claim ratio due to frequent natural disasters occurring during the year, which in return decreased the corporation's profit.

(*) In 2010, BIC conducted equitization. Under regulations on equitization, BIC shall settle financial issues related to equitization including transfer of state-owned capital and making financial provisions for pre-equitization and post-equitization periods. Total amount of provisions to be made for both periods was 46.3 billion VND. Excluding the impacts of the provisions made and financial settlements before equitization, profit before tax of BIC in the year was 102.232 billion VND.





VISION, MISSION AND CORE VALUES



VISION

- To be in the top 5 market-leading non-life insurance enterprises in terms of equity, market share and profit.
- To develop BIC into a reputable insurance brand and one of the business pillars of BIDV financial group.

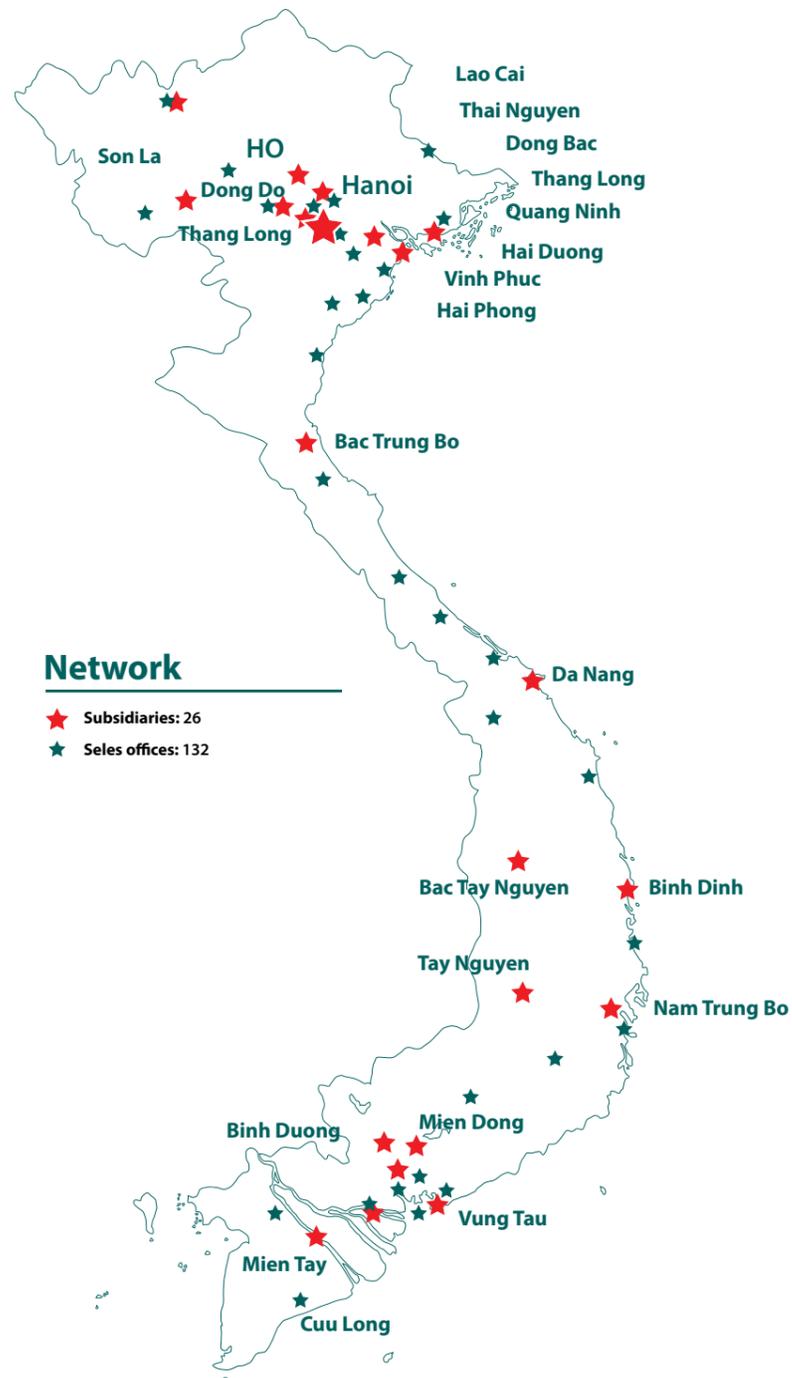
CORE VALUES

- Dedication to customers
- Transparency
- Solidarity

MISSION

- For customers: providing customers with comprehensive solutions for financial risk management.
- For employees: building a dynamic and effective working environment and a cohesive corporate culture to maximize human resource.
- For shareholders: creating sustainable values and benefits
- For community: proactively contributing to community development

BUSINESS SERVICES AND NETWORK



BUSINESS SERVICES

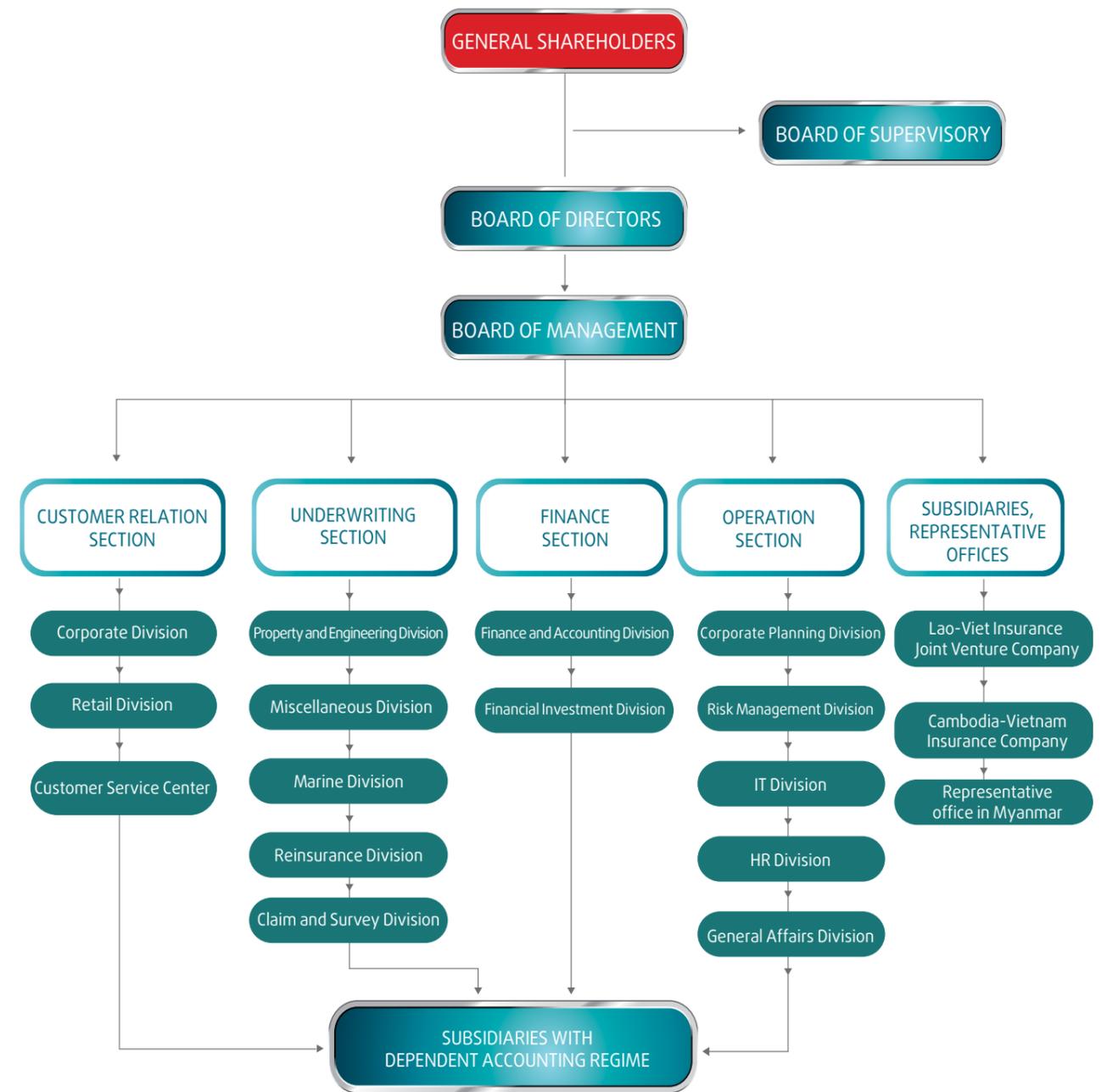
BIDV Insurance Corporation operates under Business License No. 11/GP/KDBH issued by the Ministry of Finance dated 10th April 2006 and Adjusted License No. 11/GPDC16/KDBH dated 06th June 2016.

BIC's services cover non-life insurance, reinsurance, and financial investment services.

BUSINESS NETWORK

- ◆ BIC currently has 26 subsidiaries and 132 sales offices nationwide.
- ◆ Over 1,500 insurance agencies distributing diversified non-life insurance products and services to customers.
- ◆ BIC offers over 100 non-life insurance products in personal, property and liability insurance.

ORGANIZATIONAL STRUCTURE



BOARD OF DIRECTORS

Mr. PHAM QUANG TUNG

Chairman

Mr. Pham Quang Tung formerly held important positions at BIDV including Head of Appraisal Department, Head of Credit Department, Deputy Director of Credit Division, Deputy Director of Transaction Center 1.

Mr. Tung started his career in the insurance business since November, 2005 as Deputy General Director of Vietnam-Australia Insurance Joint Venture Company (BIDV-QBE). He was appointed CEO of BIC since January, 2006. On October 1st, 2010, Mr. Tung was nominated Chairman and CEO of BIC.

At present, Mr. Tung is Senior Executive Vice President of BIDV, Chairman of BIDV Insurance Corporation, and Chairman of the Members' Council of BIDV-MetLife Life Insurance Limited Liability Company.



Mr. RAMASWAMY ATHAPPAN (*)

Vice Chairman

Mr. Athappan has a long and tremendous record as an insurance executive running various insurance companies in Asia, including First Capital in Singapore - one of Asia's most profitable insurance companies. Mr. Athappan is currently managing FairFax Asia's operations in Singapore, Hong Kong, Malaysia, China, Indonesia, India, Thailand, Sri Lanka and Vietnam.

Mr. Athappan is now the Chairman and Chief Executive Officer of FairFax Asia Limited.



Mrs. DANG THI HONG PHUONG

Independent member

Mrs. Phuong has over 20 years of experience in insurance, reinsurance and financial investment in Vietnam Insurance Corporation and Vietnam National Reinsurance Corporation. She held important positions in the mentioned corporations such as Head of Reinsurance Department, Head of Capital Investment Department, Director of Investment Center and Director of Fund Management Company.

From 2007 to 2010, Mrs. Phuong was CEO of SSI Asset Management Limited Company.

Since 2011, Mrs. Phuong has been CEO of An Binh Fund Management Joint Stock Company.



Mr. TRAN HOAI AN

Member

Mr. Tran Hoai An joined BIC in 2009 and excellently managed BIDV Binh Dinh Insurance Company and BIDV Ho Chi Minh Insurance Company. Since April 1st, 2013, Mr. An was Deputy General Manager of BIC in charge of customer development in Southern area cum Director of BIDV Ho Chi Minh Insurance Company.

On October 31st, 2014, BIC's Board of Directors issued Decision No. 189/QD-HDQT on the appointment of Mr. Tran Hoai An as CEO of BIC since November 1st, 2014. In the Annual General Meeting of Shareholders on April 20th, 2015, Mr. Tran Hoai An was elected as a member of BIC's Board of Directors by the General Shareholders Meeting.



Mrs. PHAM THI VAN KHANH

Member

Mrs. Khanh joined BIDV in late 1999 and held many important positions such as Head of Investment Division, CEO of BIDV Land Company, Deputy Director of Corporate Division.

In June, 2015 Mrs. Khanh was appointed as Director of BIDV's Small and Medium Enterprise Division.

Since January 29th, 2016, Mrs. Khanh has become a member of BIC's Board of Directors.



Mr. VO HAI NAM

Member

Mr. Nam has joined BIDV for over 20 years and held many important positions such as Head of General Affairs Department, Head of Human Resource Department 1 - Human Resource Division, Deputy Director of Transaction Center 3, Director of BIDV Thanh Xuan Branch and Director of Corporate Customer Division.

Mr. Nam is Director of Credit Risk Management Division of Joint Stock Commercial Bank for Investment and Development of Vietnam at present.



Mr. GOBINATH ARVIND ATHAPPAN

Member

Mr. Athappan is the Chief Executive Officer of Pacific Insurance Berhad in Malaysia, Vice Chairman of Fairfax Asia Limited, Vice Chairman of Falcon Insurance Company (Hong Kong) Limited and Regional Director of First Capital Insurance Limited in Singapore.

He has been working in various member companies of Fairfax Financial Holdings for over 14 years including Odyssey America Reinsurance Corporation in the United States.



(*) In Extraordinary General Meeting of Shareholders on January 29th, 2016, the strategic shareholder, Fairfax, nominated Mr. Ramaswamy Athappan and Mr. Gobinath Arvind Athappan as members of BIC's Board of Directors. In the meeting, BIDV also nominated Ms. Pham Thi Van Khanh - Director of Small and Medium Enterprise Division - as a member of BIC's Board of Directors in replacement of Ms. Nguyen Thi Quynh Giao.

BOARD OF SUPERVISORY

Mr. CAO CUTRI

Head of the Board

Mr. Tri has worked in the State Bank of Vietnam in Nghe An province for many years. Before joining BIDV, Mr. Tri held many important positions such as Deputy Head of Institution Selection Department, International Credit Project Board of Management in the State Bank of Vietnam. Since 2002, Mr. Tri has joined BIDV system and held many important positions such as Deputy Director of Transaction Center III, Deputy Head of BIDV's Supervisory Board.

Mr. Tri is Deputy Head of BIDV's Supervisory Board at present.



Mr. ZAINUL ABIDIN RASHEED (*)

Member

Mr. Zainul Abidin Rasheed was the Minister for Foreign Affairs of Singapore during 2006-2011 period. Mr. Zainul also held some important positions in public service sector, media industry, trade union movement and community development programs/organizations.

Mr. Zainul Abidin Rasheed has been a member of BIC's Board of Supervisory since January 29th, 2016.



Mr. NGUYEN TRUNG KIEN

Member

Mr. Nguyen Trung Kien joined BIDV in 1999 and held various positions in Banking modernization and settlement system project management unit, SIBS project expansion and management unit, Accounting Division, BIDV Quang Trung Branch.

Currently, Mr. Kien is Deputy Director of BIDV Accounting Division.



Mr. OSITH RAMANATHAN (*)

Member

Mr. Osith has more than 25 years of experience in operating various organizations including an advisory company specializing in startup transportation-related ventures, a trade consultancy and investment promotion company and a private investment holding company specializing in management of listed equity portfolio, fixed income and other investment assets.

Mr. Osith Ramanathan has been a member of BIC's Board of Supervisory since January 29th, 2016.



Mr. NGUYEN THANH CONG

Member

Mr. Cong has many years of experience in financial, accounting and insurance sectors.

Mr. Cong is currently Deputy Director of Finance and Accounting Division, Vietnam National Reinsurance Joint Stock Corporation.



(*) In the Extraordinary General Meeting of Shareholders on January 29th, 2016, the strategic shareholder - Fairfax - nominated Mr. Zainul Abidin Rasheed and Mr. Osith Ramanathan as member of BIC's Board of Supervisory.

BOARD OF MANAGEMENT

Mr. TRAN HOAI AN

Chief Executive Officer

Mr. Tran Hoai An used to work in the Customs sector before joining BIC in 2009. He successfully managed BIDV Binh Dinh Insurance Company and BIDV Ho Chi Minh Insurance Company. Since April 1st, 2013, Mr. An held position of Deputy General Manager of BIC in charge of customer development in Southern area cum Director of BIDV Ho Chi Minh Insurance Company.

On October 31st, 2014, BIC's Board of Directors issued Decision No. 189/QD-HDQT on appointment of Mr. Tran Hoai An as CEO of BIC since November 1st, 2014.



Mr. VU MINH HAI

Chief Marketing Officer

Mr. Hai has many years of experience in Insurance sector. Mr. Hai joined BIC in 2007 and held some important positions such as Deputy Head of Claim and Survey Department at Head Office, Deputy Director in charge of BIC - West Ha Noi Branch (now BIC Thang Long). Since March 2009, Mr. Hai has been appointed as CEO of Lao-Viet Insurance Joint Venture Company (LVI).

Mr. Vu Minh Hai has been appointed Chief Marketing Officer of BIC since April 16th, 2012.



Mrs. DOAN THI THU HUYEN

Chief Operating Officer

Mrs. Huyen has many years of experience at BIDV, holding many important positions. Before being appointed as Chief Operating Officer of BIC, Mrs. Huyen was Deputy Director of Human Resource Division of BIDV.

Mrs. Doan Thi Thu Huyen has been appointed Chief Operating Officer of BIC since May 1st, 2012.



Mr. PHAM DUC HAU

Deputy General Manager

Mr. Pham Duc Hau joined BIC in 2006 and excellently managed Lao-Viet Insurance Joint Venture Company (LVI) - a joint venture of BIC in Laos from March, 2012 to February, 2015.

In BIC, Mr. Hau held important positions such as Deputy General Director of LVI, Deputy Director of BIC's Corporate Division, Deputy Director of BIDV Thang Long Insurance Company, Head of Project Department.

Mr. Hau has been officially appointed as Deputy General Manager of BIC since March 1st, 2015.



Mr. TRAN TRUNG TINH

Chief Underwriting Officer

Mr. Tinh has many years of experience in the insurance sector. Before joining BIC, Mr. Tinh held many important positions in large insurance companies such as Deputy Head of Non-Marine Department, Deputy Head of Property and Engineering Insurance Department of Ho Chi Minh Insurance Company - Hanoi Branch, Head of Property and Engineering Insurance Department of Bao Minh Insurance Corporation - Hanoi Branch, Deputy Director of Bao Minh Insurance Corporation - Hanoi Branch, Head of Business Development Department of BIC.

Mr. Tinh has been appointed Deputy Director of BIC since October 1st, 2008 and Chief Underwriting Officer of BIC since October 1st, 2010.



Mr. HUYNH QUOC VIET

Deputy General Manager

Mr. Huynh Quoc Viet has worked in BIC since its establishment and held many important positions such as Head of Sales Department - Vietnam - Australia Insurance Joint Venture Company, Ho Chi Minh City Branch; Head of Sales Department 1 - BIDV Insurance Corporation, Ho Chi Minh City Branch; Deputy Director and Acting Director of BIDV Insurance Corporation, Ho Chi Minh City Branch; Director of BIDV Ho Chi Minh Insurance Company and Director of BIDV Saigon Insurance Company.

Mr. Viet has been officially appointed as Deputy General Manager of BIC since November 1st, 2015.





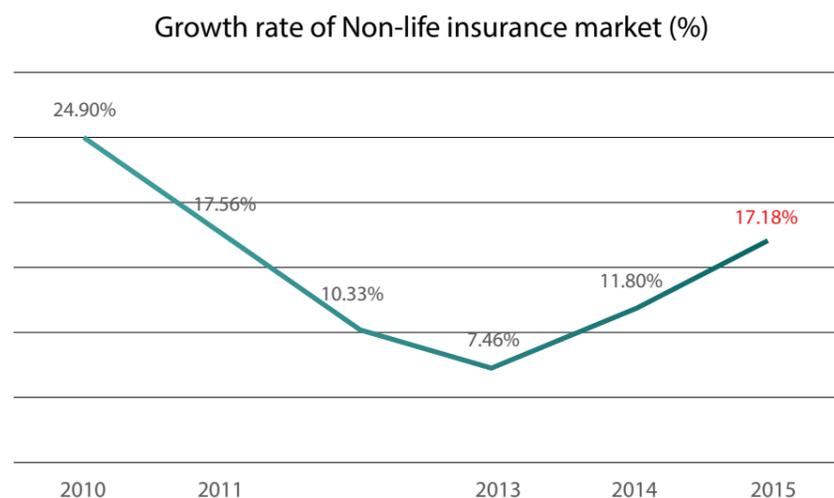
03

BIC'S BUSINESS
ACTIVITIES IN
2015 AND PLAN
FOR 2016

NON-LIFE INSURANCE MARKET IN 2015 AND MARKET FORECAST FOR 2016

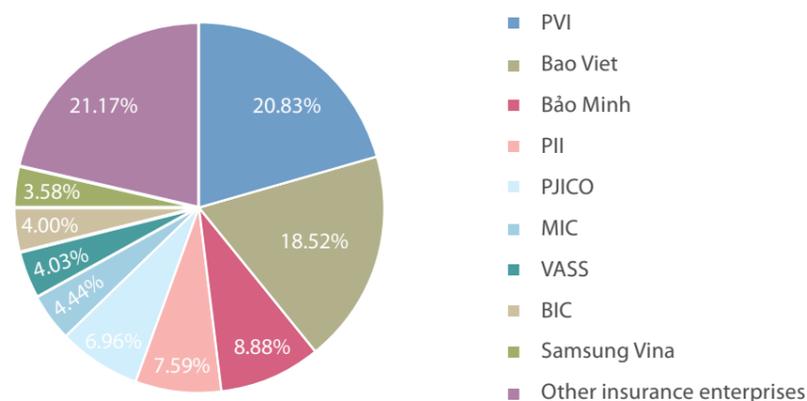
NON-LIFE INSURANCE MARKET IN 2015

2015 is the last year to implement the medium-term targets of the Vietnamese insurance market development strategy for the 2011-2015 period and Decision No. 1826/QĐ-TTg of the Prime Minister approving the Scheme on Restructuring the securities market and insurance companies. In such context, insurance market in general and non-life insurance market in particular have made positive progress.



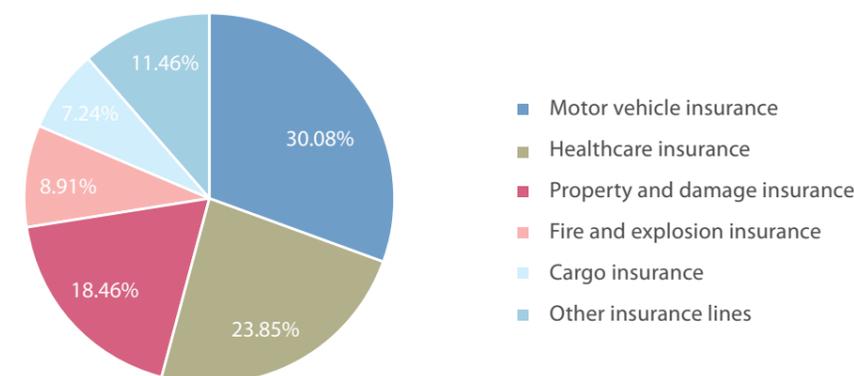
In detail, according to statistics of the Insurance Supervisory Authority - Ministry of Finance, in 2015, total direct written premiums of the non-life insurance market was 32,038 billion VND, increasing 17.18% in comparison with that of 2014.

ESTIMATED NON-LIFE INSURANCE MARKET SHARE IN 2015



In terms of insurance lines, motor vehicle insurance accounted for the highest percentage of total revenue (9,637 billion VND, accounting for 30.08%), followed by healthcare insurance (7,643 billion VND, accounting for 23.85%), property and damage insurance (5,915 billion VND, accounting for 18.46%), fire and explosion insurance (2,856 billion VND, accounting for 8.91%), and cargo insurance (2,320 billion VND, accounting to 7.24%).

OPERATION-BASED REVENUE PERCENTAGE IN 2015



Net claim amount of direct non-life insurance in 2015 was estimated to be 13,579 billion VND whereas retained liability loss ratio was 42.38%, higher than that of the same period in 2014 (39.37%). However, the year of 2015 witnessed profitability from non-life insurance business thanks to the regulation on prohibition of outstanding premium.

Besides impressive financial results, non-life insurance market in 2015 also witnessed other positive signs as detailed below.

- The National Assembly passed a number of laws and codes to facilitate the development of the insurance market. In detail, the Civil Code removed the Chapter on Insurance Contract; the Penal Code included insurance fraud as a crime and regulated the penalties for such crime, the Maritime Code stipulated regulations on ship, cargo insurance and civil liability of ship owners, the Statistics Law stipulated regulations on information disclosure, and the Law on amending and supplementing Tax Laws increased the deductible threshold of commission income of agents to 150 million VND/year.

- The Ministry of Finance issued and approved non-life insurance products to facilitate insurance companies' operation, for example, approval of regulations, terms and tariff of automobile material insurance for each insurance company, submission of the Decree on insurance of construction investment to the Government and preparation for the issuance of a Circular on regulations, terms and tariffs of compulsory insurance of construction works, liability for survey and design consultancy, and worker accidents on construction sites; preparation for the issuance of a Circular amending Circular 126 and 103, in which insurance liability shall be increase to 100 million VND and humanity support level shall be increase to 30 million VND to meet the demand on compulsory civil liability insurance of motor vehicle owners.

- Insurance enterprises purchased the 20-year-term Government bond for the first time. It is an evidence of the role of insurance enterprises as an effective channel for the State to mobilize medium-term and long-term capital for the end result of socio-economic development.

- Moreover, changes in capital structure was happening fast in non-life insurance market. In detail, Fairfax (Canada) purchased over 41 million stocks (35%) of BIC, Dongbu (Korea) purchased 30 million stocks of PTI, equivalent to 1,077 billion and the Government decided to withdraw 100% of state-owned capital from Bao Minh and Vinare.

VIETNAMESE NON-LIFE INSURANCE MARKET FORECAST FOR 2016

As a member of the ASEAN Economic Community (AEC) and Trans-Pacific Partnership, in 2016, the economy of Vietnam is forecasted to make a development breakthrough that will lead to higher insurance demand, thus promoting insurance business in general and non-life insurance business in particular. Through TPP and AEC, Vietnam will have opportunities to open insurance market, call for investment from foreign enterprises and diversify insurance products. Thus, competition will be stronger in the Vietnamese insurance market, motivating players to improve the quality of products and services. Especially for non-life insurance, most product lines can take advantage of this situation. Property insurance can boost up when FDI from 11 member countries of TPP and other countries flow into Vietnam.

2016 is also an important transitional year to the next medium-term period to implement the Insurance market development strategy from 2016 to 2020. According to the strategy, the State agencies in charge of insurance management will continue to review and complete legal institution and framework on insurance business with a focus on compiling a new Decree in replacement of previous decrees on insurance business, develop and propose policies to encourage insurance enterprises to roll out insurance products that have impacts on socio-economic development, etc.

The Insurance Supervisory Authority estimated that, thanks to Vietnam's integration and the recovery of the insurance market, non-life insurance will grow by at least 18% in 2016. BIC believes that that insurance market will achieve high growth rate in 2016 and that insurance enterprises are ready to take advantage of Vietnam's integration to leverage their competitiveness.

BUSINESS PERFORMANCE OF BIC IN 2015

INSURANCE BUSINESS ACTIVITIES

Along with recovery of non-life insurance market, BIC achieved impressive business results and completed planned targets in 2015.

Consolidated business performance

This is an extremely successful year for both BIC - the Parent company and Lao-Viet Insurance Joint Venture Company (LVI), evidenced by an excellent consolidated business performance.

- Consolidated gross written premium of the Corporation was 1,686.9 billion VND, growing by 29% compared with that of 2014, in which, direct premium and inward reinsurance premium were 1,550.9 billion VND and 136 billion VND respectively.

- Consolidated profit before tax was 156.8 billion VND, increasing by 13.6%.

- After issuing separate shares to foreign strategic shareholder, total assets and owners' equity of BIC significantly increased. Total consolidated assets and owners' equity at the end of 2015 were 4,344.2 billion VND and 2,031.5 billion VND, increasing by 41.6% and 124.3% compared with that of the same period in 2014 respectively.

- Consolidated technical reserves were 1,789,3 billion VND, rising by 15.2% compared with previous year.

BUSINESS PERFORMANCE OF PARENT COMPANY

- Premium growth: Gross written premium of Parent company in 2015 was 1,478.7 billion VND, growing by 32.5% in comparison with that of 2014 and accomplishing 113.3% of the year plan, in which, direct premium and inward reinsurance premium reached 1,280.6 billion VND and 198.1 billion VND, climbing by 29.2% and 58.1% compared with that of 2014 respectively.

Thanks to effective promotion programs, most of BIC's products (except for aviation insurance) achieved impressive growth rate including cargo insurance (60.82%), hull and ship-owner's liability insurance (52%), motor vehicle insurance (32.1%), health and accident insurance (31.7%), fire and explosion insurance (26.7%).

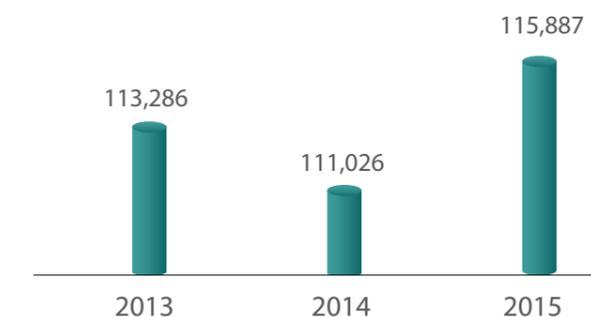
Insurance lines	2014		2015		Growth rate
	Premium	Percentage	Premium	Percentage	
Motor vehicle	360.668	36.39%	476.698	37.22%	32.17%
Property and damage	239.908	24.20%	264.074	20.62%	10.07%
Fire and explosion	123.686	12.48%	156.788	12.24%	26.76%
Health and accident	117.570	11.86%	154.931	12.10%	31.78%
Cargo	76.815	7.75%	123.531	9.65%	60.82%
Hull and civil liability of ship owner	45.600	4.60%	69.314	5.41%	52.00%
Financial risk and credit risk	7.962	0.80%	13.724	1.07%	72.37%
Business damage	6.261	0.63%	7.109	0.56%	13.54%
Agriculture	424	0.04%	7.641	0.60%	1.702.12%
Liability	6.010	0.61%	6.403	0.50%	6.54%
Aviation	6.259	0.63%	430	0.03%	-93.13%
Total	991.163		1,280.643		29.21%

(Unit: Billion VND)

Profit before tax of Parent company

- Profit: Total profit before tax of Parent company in 2015 was 115.9 billion VND, increasing by 4.4% compared with that of 2014.

The increase mainly resulted from growth of profit from financial investment. In 2015, profit from financial investment of BIC was 117.8 billion VND, increasing by 7.3% in comparison to that of 2014.



THE PARENT COMPANY MADE NO PROFIT FROM INSURANCE BUSINESS IN 2015 BECAUSE CLAIM EXPENSES WERE HIGHER THAN EXPECTED.

- Total assets and owner's equity:

Total assets of the Parent company as at December 31st, 2015 was 3,692 billion VND, rising by 54.7% compared with that of 2014.

Owners' equity of the Parent company in 2015 was 1,944.9 billion VND, climbing by 121.5% in comparison to that of 2014.

Technical reserves reached 1,302.4 billion VND, increasing by 18.7% compared with that of 2014. Such figures showed that BIC maintained good solvency and was ready to handle huge losses, if any.

FINANCIAL INVESTMENT PORTFOLIO

No.	Item	December 31 st , 2013		December 31 st , 2014		December 31 st , 2015	
		Value	Percent	Value	Percent	Value	Percent
I By type of investment							
1	Deposit	1,009.714	77%	1,231.726	79.90%	2,328.679	84.90%
2	Bond	195.046	15%	130.000	8.40%	233.440	8.50%
3	Stock	64.077	5%	79.478	5.20%	80.923	3.00%
4	Contribution capital	50.000	4%	100.000	6.50%	100.000	3.60%
II By term							
1	Short-term investment	1,059.288	80%	1,159.344	75.20%	2,139.878	78.00%
2	Long-term investment	259.550	20%	381.861	24.80%	603.164	22.00%
Total		1,318.837	100%	1,541.204	100%	2,743.041	100%
<i>Annual growth rate</i>		<i>8.40%</i>		<i>16.90%</i>		<i>78.00%</i>	

(Unit: Billion VND)

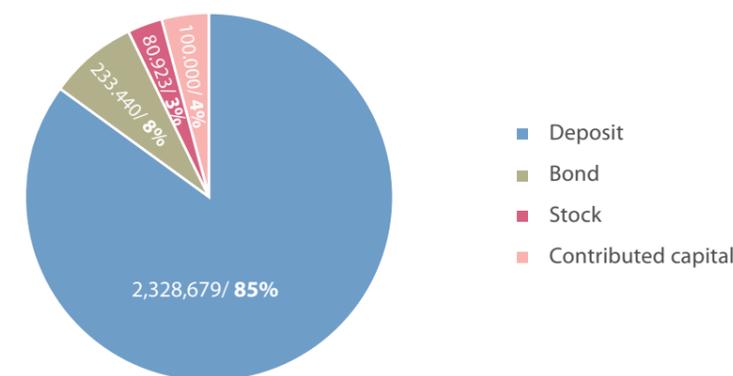
Total value of consolidated investment portfolio of BIC in 2015 reached 2,743 billion VND, increasing by 78% in comparison to that of 2014.

Value of investment portfolio rocketed in 2015 because BIC collected over 1,000 billion VND from successful issue of 35% of its charter capital to Strategic shareholder - Fairfax Asia.

As the additional capital was injected late 2015, most of it was used to invest into interest-bearing deposit in preparation for investment plans in 2016.

Deposits still accounted for the the largest portion of BIC's investment portfolio in 2015 (84.9%), followed by bond (8.5%), capital contribution and joint venture (3.6%) and stock (3.0%).

PERCENTAGE OF INVESTMENT PORTFOLIO IN 2015



Consolidated investment profit in 2015 (excluding profit/loss from foreign exchange) reached 135.5 billion VND, rising by 7.3% compared with that of 2014. Profit from deposits accounted for the largest portion (77%) and the return rate on the average of the beginning and ending deposit balance of the year was 5.5% because strategic shareholder's capital was only paid in since October, 2015. Stock and bond investment accounted for 10% of consolidated investment profit and maintained good performance, which was above market average.

STRUCTURE OF INVESTMENT PROFIT

No.	Item	2013		2014		2015	
		Income	ROI	Income	ROI	Income	ROI
1	BIC	119.744	10.20%	113.856	8.80%	119.747	6.10%
	Deposit	87.336	10.10%	78.573	8.00%	88.069	5.50%
	Bond	24.982	12.70%	16.409	10.10%	16.174	8.90%
	Stock	4.576	8.77%	18.874	26.30%	15.504	19.33%
	Capital contribution	2.850	5.70%	0	0.00%		0.00%
2	LVI	4.018	4.10%	12.399	8.70%	15.798	8.70%
	Deposit	4.018	4.10%	12.339	8.70%	15.865	8.80%
	Stock	0	0.00%	60	13.20%	-67	-15.60%
3	Total	123.762	9.70%	126.255	8.80%	135.545	6.30%

BUSINESS PERFORMANCE OF JOINT VENTURES



LAO-VIET INSURANCE JOINT VENTURE COMPANY

Overview of LVI

LVI was founded and officially put in operation in 2008 with 03 partners in the joint venture including BIDV Insurance Corporation (BIC), Banque Pour Le Commerce Exterieur Lao Public (BCEL) and Lao-Viet Joint Venture Bank (Lao Viet Bank). For 8 years of operation, LVI has rapidly developed its human resource as well as business network throughout Laos. With sustainable and effective development strategies, LVI is currently one of the two leading insurers in Laos insurance market in terms of gross written premium, market share and brand.

By the end of 2015, LVI has two shareholders, which are BIDV Insurance Corporation (BIC) owning 65% of shares and Banque Pour Le Commerce Exterieur Lao Public (BCEL) owning 35% of shares.

BUSINESS PERFORMANCE OF LVI IN 2015

Business performance

In 2015, the economy of Laos kept maintaining a stable growth rate. Total Gross domestic product (GDP) of Laos in 2015 was estimated to increase by 7.5% compared with that of 2014 where inflation rate was low (1.33%). In such context, LVI continuously achieved positive business performance in 2015:

- Gross written premium in 2015 was 12,403,472 USD, increasing by 7.24% in comparison to that of 2014.
- Loss ratio in 2015 was 18.62%, slumping by 20% compared with that of 2014.
- Profit before tax in 2015 amounted to 1,880,198 USD, rising by 37.75% compared with that of 2014.
- Total assets as at December 31st, 2015 reached 34,083,881 USD, dropping by 14% compared with that as at December 31st, 2014.
- Owners' equity as at December 31st, 2015 was 6,307,803 USD, climbing by 29% in comparison to that as at December 31st, 2014.
- Technical reserves as at December 31st, 2015 amounted to 2,395,227 USD, falling by 6% compared with that of 2014.
- ROE in 2015 reached 26.35%, rising by 11% compared with that of 2014.

Other business performance

- Financial management: Good practices of budget control and cost saving made important contribution to the business performance of LVI.
- Business management: Completed assessment of business performance of each product and product group for underwriting orientation. Good practices of risk assessment, classification, selection and management of underwriting.
- Advertising and branding: LVI's brand has appeared in most provinces and cities in Laos as well as domestic and international flights of Lao Airlines.
- Other cross-selling activities: LVI has deployed nearly 120 Bancassurance retailers by signing cooperation agreements with LVB, APB, STBanks, Indochina Bank, BCEL, etc.
- LVI established Online sales department for management and development of current Bancassurance retailers as well as researched and applied IT for development of new sales channels.
- Moreover, LVI established Southern Laos Branch in charge of managing LVI's insurance business in provinces of Savannakhet, Salavan, Sekong, Champasak and Attapeu.



CAMBODIA-VIETNAM INSURANCE COMPANY (CVI)

Overview of CVI

CVI is the sixth non-life insurance company to operate in Cambodia. It was established and developed based on 58 years of operating in financial - banking sector of BIDV and over 15 years of experience in Vietnamese and Lao insurance market of BIDV-QBE Joint Venture and BIC.

The founding shareholders of CVI consist of IDCC (100% owned by BIDV), Kasimex and NH Holdings. Putting into operation in September 2009, CVI operates in the field of non-life insurance, reinsurance, risk management and investment.

CVI aims to become one of the leading non-life insurance companies in Cambodia market and a significant contributor to the development and prosperity of Cambodia's economy as well as strengthen and reinforce the traditional, long-lasting friendship between Vietnam and Cambodia.

BUSINESS PERFORMANCE OF CVI IN 2015

Business performance

- Gross written premium of CVI in 2015 reached 5,483,984 USD, rising by 25.64% compared with that of 2014.
- Loss ratio was controlled effectively at 21.8%. Claim processing has been continuously improved.
- Profit before tax in 2015 amounted to 731,287 USD, going up by 69.76% compared with that of 2014. Particularly, in 2015, profit from insurance business of CVI was 329,864 USD.
- Total assets as at December 31st, 2015 reached 11,666,964 USD, increasing by 25.22% in comparison to that as at December 31st, 2014.
- Owner's equity was 7,727,017 USD, climbing by 5.79% compared with that as at December 31st, 2014.
- Technical reserves reached 525,327 USD, rising by 64.77% as at December 31st, 2014.

Other business performance

- Successfully providing a series of new insurance products such as D&O, BBB and Elaeis tree insurance in Cambodia market.
- Maintaining and developing the cooperation relationship with partners, banks and domestic and international brokers.
- Strengthening branding and advertising activities to increase customers' awareness of a friendly image of CVI.
- Restructuring management mechanism, improving operation process and simplifying administration procedures for effective business operation.
- Gradually developing corporate culture, narrowing the gap related to cultural difference between Vietnamese and local officers.

ADVANCES AND ACHIEVEMENTS OF BIC IN 2015

The highest growth rate since equitization

In 2015, premium revenue of BIC dramatically increased by 32.5% compared to that of 2014, about twice higher than the growth rate of the market. This was the highest growth rate since equitization in 2010.

Since 2011, the Vietnamese economy endured crisis and the domestic insurance market experienced continuous growth decrease, even hitting bottom at 7%, the lowest growth rate in the last 15 years, in 2013-. Despite adverse impacts caused by market difficulties during recession, BIC managed to maintain a stable growth rate that was 1.5-2 times higher than market average and consistently pursued the set performance and profit targets. In addition to efforts in business promotion and risk management, BIC found comprehensive and innovative solutions to take advantage of market trends. Highlights among them were advanced distribution channels and retail development solutions. Taking concrete and creative steps, BIC consistently achieved high year-on-year growth rates ever since the economic recession came to an end in 2014.. In 2015, BIC even achieved the highest growth rate in the last 5 years, which was approximately twice higher than the growth rate of the market.

Besides, BIC has fulfilled many important targets during the last 5 years and is likely to develop more strongly in the near future. In detail, BIC was rate B+ twice in terms of financial strength by A.M.Best, the world-leading credit rating agency-. In 2016, there are potentials for rating upgrade. Moreover, BIC successfully closed the deal with its foreign strategic partner – Fairfax, a global insurer from Canada- and joined the “1-trillionClub” (a club of insurance companies with premium revenue of over 1 trillion VND). BIC also expanded its presence overseas with a new Representative office in Myanmar.

With good preparation, BIC quickly accelerated its development when the insurance market started to recover in 2015 and turned into a new chapter of rapid and sustainable development.

Strategic partnership with the world-leading insurer - Brand improvement

In 2015 when the economy tended to recover, BIC resumed the search for a foreign strategic investor and was connected by broker with Fairfax Asia Limited, a wholly-owned insurance company of Fairfax Financial Holdings – a global insurer from Canada. Beyond eco-

nomical benefits, BIC and Fairfax quickly found a shared vision to pursue a strategy that focused on sustainable development and performance.

FairFax Financial Holdings, headquartered in Toronto, Canada, specializes in non-life insurance, reinsurance and financial investment with global operation network, high profitability ratio and corporate value. FairFax was very successful in developing insurance companies in Asian markets. For example, FairFax put ICICI Lombard, an insurance joint venture of FairFax with the second largest bank in India, into operation in 2001 and made it the largest insurance company in the private sector in India. In addition, FairFax turned First Capital Insurance Limited in Singapore, the smallest insurance company with bad performance, into one of the largest and most effective insurance companies in Singapore after 10 years. Most importantly, BIC and FairFax shared a many common values in business culture such as transparency, friendliness, and friendship.

On May 4th, 2015, BIC and FairFax signed a strategic cooperation agreement. This is a significant turning point for BIC not just for the capital gained but even more importantly the technical support and transfer of world-class technologies from FairFax that will help BIC become one of the leading insurance brands in Vietnam and Southeast Asia.

Excellent performance in overseas markets

As the first Vietnamese insurance company to operate in Laos and Cambodia, BIC established two insurance joint ventures in these potential markets and such joint ventures have achieved impressive business results since 2014. In 2015, LVI and CVI continued to make good profit and contributed significantly to the consolidated business performance of BIC.

Lao-Viet Insurance Joint Venture Company (LVI) continued to be one of the two leading insurance companies in terms of market share and profitability ratio in Laos. Profit before tax of LVI in 2015 impressively reached 1,880,198 USD, shooting up by 37.7% compared to that of 2014 whereas its return on equity (ROE) was 26.3%, an exceptional figure compared to that of other insurance companies in the region. By the end of 2015, LVI accounted for 24.1% of insurance market share in Laos. Not only the second largest insurance company in terms of revenue in Laos, LVI has remarkably bridged the gap to the largest one. In 2015, LVI became the first insurance company to open a branch in Laos and owned the largest product distribution network in this market with 1 branch, 11 transaction offices, more than 200 Bancassurance cross-selling points and over 200 insurance agencies across Laos.

In Cambodia, Cambodia-Vietnam Insurance Company



(CVI) achieved excellent business performance in 2015. Premium revenue of CVI in 2015 was 5,483,984 USD, climbing by 25.6% in comparison with that of 2014 whereas its profit before tax was 731,287 USD, increasing by 69.7% compared to that of the previous year. Although CVI is the sixth insurance company to operate in Cambodia, it is always the market-leading insurance company in terms of aviation insurance the requires high-end techniques and strong financial capacity of the insurer. At present, CVI is supplying its insurance services to 5 out of 6 airlines in Cambodia with about 3,000,000 insured passengers, 50,000 insured flights and 15,000 tons of insured cargo. Total premium of this product line was over 3 million USD.

Besides Indochina market, in 2015, BIC expanded its operation network to Myanmar, a highly potential market, by establishing a Representative office in this country. The representative office will serve as a hub for insurance business promotion between Vietnam and Myanmar.. In detail, it will assist BIC and Vietnamese insurance enterprises to access Myanmar insurance market, conduct market research and provide information on Myanmar insurance market to BIC and Vietnamese insurance enterprises, and promote insurance activities across border with Myanmar. It is BIC's first step into the insurance market in Myanmar to gain more insights in preparation for the establishment of an Insurance company in Myanmar at the right time in the near future

Effective risk management – Sound business performance

Risk management is an effective tool to assure sound-business performance and sustainable development of insurance enterprises.

In 2015, BIC deployed a series of detailed researches, surveys and statistics nationwide, both quantitatively and qualitatively, to study risk managers' independence and objectiveness and the appropriate relationship between risk management and business management and supports. Based on findings, BIC took initial steps in developing its risk management framework and corporate risk management system, schedule and model.

Especially in 2015, BIC and its foreign strategic partner FairFax formed expert teams to implement technical transfer, in which risk management was one of the main tasks. With “imported” technology, qualified employees and knowledgeable, talented risk managers, BIC will surely make outstanding progress in the near future.

Operation network expansion in focal areas

Besides product diversification and service quality improvement, operation network expansion was one of the main tasks of BIC in 2015. BIC established 12 new Sales offices in focal areas in 2015 including Hanoi (05

Sales offices), Hai Phong (01 Sales office), Vinh Phuc (01 Sales office), Son La (01 Sales office), Hai Duong (01 Sales office), Nghe An (01 Sales office), Ho Chi Minh City (01 Sales office) and Vinh Long (01 Sales office).

Especially, in 2015, BIC was approved by the Ministry of Finance to establish BIDV Ben Thanh Insurance Company (BIC Ben Thanh) in Ho Chi Minh City. The establishment of BIC Ben Thanh along with two current effective subsidiaries in Ho Chi Minh City (BIC Ho Chi Minh and BIC Sai Gon) will be a basis for BIC to continue to breakthrough in business operation, strongly improve competitiveness and become the leading insurance brand in Ho Chi Minh City – the key economic center of Vietnam.

At present, BIC has 26 subsidiaries and 132 sales offices in all focal areas nationwide.

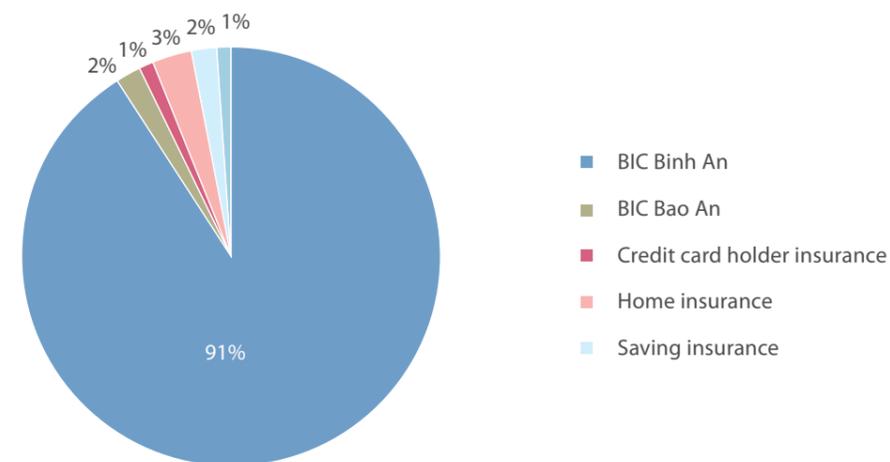
Extremely successful retail and distribution channels

BIC is the pioneer in deployment of advanced retail

and distribution channels such as Bancassurance and online insurance. In 2015, BIC’s retail channels (Bancassurance, Online insurance and Telesales) continuously achieved impressive business performance and accounted for a higher percentage of total revenue of the whole system.

Bancassurance

In 2015, BIC kept its position as the leading insurance company in Bancassurance in terms of product quantity and associated bank network. Revenue from this distribution channel in 2015 went up 21.4% compared to that of 2014, excellently accomplishing the annual plan. Bancassurance continued to be one of the most effective distribution channels of BIC with retained liability loss ratio of 12% in 2015. Especially, the retained liability loss ratio of BIC Binh An, an insurance product for Borrower accounting for 90% of Bancassurance revenue, was only 5%.



BANCASSURANCE REVENUE STRUCTURE BY PRODUCTS

BIC’s impressive business performance in Bancassurance in 2015 was the result of the following effective solutions:

- Coordinating with the Training center of Insurance Supervisory Authority to organize training programs on skills and operations and issue agent certificate to over 500 officers in BIDV’s system;
- Deploying various attractive promotion programs for officers of BIDV and BIC;
- Extending insurance benefits to BIC Binh An one of the most attractive products in the market and continuously developing new products;
- Researching and later offering VIP customer care services;
- Applying digital signature to Bancassurance and minimizing the process of insurance policy issuing, etc

Online insurance

Along with the development of e-commerce in Vietnam, online insurance channel (E-business) of BIC kept achieving excellent business performance in 2015. Revenue of this distribution channel in 2015 increased by 23% compared to that of 2014 and accomplished 106% of the annual plan.

Besides, the year of 2015 witnessed many breakthroughs of BIC’s online insurance channel. Among

them were the interface design, optimization and upgrading of its e-business website (www.baohiemtructuyen.com.vn); the launch of large-scale customer care and promotion programs, improvement of customers’ awareness of BIC brand via advertisements on Google, Facebook, etc., thus increasing value for customers purchasing insurance online.

Especially in 2015, BIC became a member of Vietnam E-Commerce Association (VECOM). As a member of VECOM, BIC will have chances to strengthen its cooperation with other members in VECOM and improve its business performance as well as make greater contribution to e-commerce development in Vietnam.

Telesales

BIC deployed the insurance selling channel via telephones (Telesales) since 2014 to add a potential distribution channel to its retail business. In 2015, with tremendous efforts in seeking new customers, providing of enthusiastic, dedicated consultation to customers and conducting effective promotion and value-added programs, revenue of telesales went up by 140% compared to that of 2014 and affirmed the effectiveness of BIC’s creative strategies for this new sales channel.



BUSINESS PLANS AND SOLUTIONS FOR 2016

BUSINESS PLANS FOR 2016

- Gross written premium of BIC standalone: 1,750 billion VND.
- In which, direct written premiums: 1,570 billion VND.
- Combined ratio: <100%.
- Profit before tax of BIC standalone: 182 billion VND.
- Consolidated profit before tax: 230 billion VND

BUSINESS SOLUTIONS FOR 2016

- To concentrate on improving competitiveness in insurance business by taking the most advantage of the technical support project of the Strategic investor.
- To appropriately develop and allocate investment portfolios to ensure short-term profitability and develop long-term investment portfolios.
- To increase revenue based on effective risk management, ensure retained loss liability ratio and costs at an appropriate level as well as maintain combined ratio at less than 100%.
- To strengthen the supply of insurance service via BIDV's branches to maximize the potentials of BIDV's system.
- To improve target setting mechanism, financial and decentralization mechanism to Subsidiaries to boost competitiveness, revenue and ensure excellent business performance of the Corporation.
- To move the Corporation's headquarter to Ho Chi Minh City with an appropriate and cost-saving execution plan, ensure stable business operation and suitable job assignment to officers.
- For overseas business operation: to concentrate on expanding business operation, boost up market share and business performance in Laos; to grow based on effective risk management in Cambodia; and to seek business opportunities in Myanmar.

STRATEGIC TARGETS FOR 2016 – 2020 PERIOD

TARGET

- To expand operation scale in association with sustainable development, good claim control and sound business results.
- To grow BIC into one of the five largest non-life insurance companies in terms of market share and profitability in Vietnam; one of the insurance companies with the highest credit rating in Vietnam; to increase the proportion of revenue from overseas markets to over 30% of total revenue by 2020.
- To transform into a Holding operation model, apply modern management skills and link activities related to non-life insurance products among Vietnam, Laos, Cambodia and Myanmar.
- To strongly apply information technology, diversify insurance-banking products and services, improve skills and professionalism in line with best practices and further develop Bancassurance to gain competitive advantages.

SOME KEY BUSINESS PLANS FOR THE 2016 – 2020 PERIOD

- Annual average growth rate of premium revenue of 22% during the period.
- Improve business performance and ensure profitability ratio of over 15% per annual and 18% by 2020; maintain minimum dividend yield of at least 10% per annual and 12% by 2020.
- Improve claim survey quality and ensure retained liability loss ratio of no more than 42% per year.





04

SUSTAINABLE
DEVELOPMENT
ORIENTATION

Vision and efforts towards efficient business operation and sustainable development

BIC understands that its business activities will have direct impacts on the economy, the society and the environment. Thus, sustainable development has always been of BIC's strategy for the last 10 years of operation. In BIC's viewpoint, in order to develop sustainably and bring benefits to the society and the community, firstly the corporation itself must have stable sources and consistently achieve its business targets.



From 100 billion VND of charter capital and 20 employees at the time of establishment, after 10 years of development, BIC now become one of the market-leading insurance companies in terms of market share. BIC is also the pioneer in reaching out to overseas market by expanding its operation network to Laos, Cambodia and establishing representative office in Myanmar. Moreover, BIC is one of the first insurance companies to deploy new and advanced retail channels such as Bancassurance, Online insurance and Telesales. BIC is also one of the market-leading non-life insurance companies in terms of growth rate and profitability ratio. Excellent growth and efficient performance of BIC have made great contributions to the development of non-life insurance market in particular and Vietnamese economy in general. Since 2010, BIC has been continuously recognized as one of the top 1,000 corporate tax contributors, one of the 500 fastest growing enterprises and one of the 50 most efficient listed companies in Vietnam.

At present, BIC has 26 Subsidiaries and 132 sales offices nationwide and creates jobs for over 750 employees and 1,500 agents. Products and services of BIC are financial shields of both individual and corporate customers. Along with premium revenue of 66 million USD, BIC also bears total liability of 28 billion USD, a figure that shows BIC's significant role in protecting the community and society from risks.

BIC always ensure strict compliance to the guidelines of the Party and State in all business activities. BIC has successfully completed its equitization, contributing to the fulfillment of the Government's guideline on state-owned enterprise equitization, and successfully partnered with a foreign strategic investor. In line with Vietnam's integration into the regional and world economy, BIC acted as a pioneer in expanding business overseas,

cooperating with a world-leading reinsurer and acquiring international standard credit ratings from A.M.Best.

For 10 years of operation, BIC has always took its social and community responsibilities seriously, evident by its participation in various social welfare programs of the State and its supports for the poor, the unfortunate and communities seriously affected by natural disasters. BIC's insurance service is completely environment-friendly and each employee of BIC is an exemplar of practicing "green business" and natural resource and environment protection.

Corporate governance towards sustainable development

BIC considers corporate governance a core factor of sustainable development. Thus, BIC has developed a strong corporate governance structure that is in line with laws and regulations of Vietnam and international standards.

In 2010, BIC equitized and transformed its operation model into a joint stock corporation. Accordingly, BIC also adapted international standards and best practices to adjust its governance structure to match with the new operation model. BIC's governance structure has been developed with full components applicable for a public company including General Shareholders Meeting, Board of Directors, Board of Supervisory and Board of Management. Besides, in order to ensure consistent operation, BIC has issued a system of internal management regulations covering all operation fields such as risk management, human resource, planning, finance, insurance line, network organization, etc.

After a period of development by scale and by market share from 2006 to 2009, BIC started to consistently pursue a performance-focused strategy since equitization in 2010. In order to achieve outstanding performance,

BIC has relentlessly reviewed and completed its organizational model and management system to response to actual business situation to improve productivity. Ever since, BIC has consistently been listed as one of the enterprises with the highest profitability ratio in the market despite the recession of the domestic insurance market in particular and the Vietnamese economy in general.

In short, the governance system of BIC can be characterized by the followings:

- Strong governance foundation with all the governance components applicable for a public company.
- In line with Vietnam and international standards and best practices.
- Compliance with laws and regulations of Vietnam and governance regulations applied to a listed company.

Customer service quality improvement

Understanding that customers play a key role in the success of an enterprise, BIC has relentlessly improved its customer service quality to remain the preferred choice of customers. BIC started investing in customer care early by deploying hotlines to support customer 24/7 (1900.9456 and 1800.9456) and establishing Call Center Division whose main functions are to improve customer service and customer care quality. In addition to providing counselling and supports to thousands of customers per year about insurance products, services, and claim procedures, BIC has performed many researches and surveys on customer satisfaction to continuously improve product and service quality via the Call Center. Moreover, BIC always contacts customers after claim settlement to understand their opinions and assessment of BIC's claim settlement quality.

BIC has made tremendous efforts to improve its product and service quality and to develop new products and distribution channels to satisfy customers' demand on non-life insurance products. BIC is also a leading insurance company in offering "niche" insurance products such as Condominium insurance, Rubber tree insurance, Motorbike fire and explosion insurance as well as a pioneer in developing advanced distribution channels such as Bancassurance, online insurance and Telesales. Such retail channels have gained stable growth rate over the years and accounted for a high percentage of total revenue of BIC.

Considering claim settlement "the heart" of the corporation, BIC set the three principles of "Fast - Timely - Accurate" for claim settlement and has always made every effort to keep up with these principles. BIC currently cooperates with many large and prestigious health care institutions in a network of hospital expense guarantee as well as hundreds of garages nationwide to bring

the best services to customers. BIC has continuously revised and simplified its claim settlement procedures by applying modern technologies to minimize the administration burden for customers and improve claim settlement efficiency. In addition, customers purchasing health insurance and car insurance can monitor claim settlement process on BIC website. They can modify their applications for claim settlement and ensure claim settlement progress as committed. With dedication and understanding, BIC's officers in charge of claim settlement always support customers with all their might and fulfill the responsibilities of an insurance enterprise with unexpected risks and damages of customers under any circumstance. BIC's timeliness and proactiveness has gained the trust and appreciation of insurance partners and persuaded more partners to participate in its insurance distribution network.

Typical cases showing BIC's proactiveness in fulfilling responsibilities of an insurance enterprise

Proactive claim payment to customers of Lien Viet Post Bank

On April 1st, 2015, BIC made payment to a borrower of Lien Viet Post Bank who also purchased Borrower insurance from BIC. The beneficiary was family of Ms. Vu Thi Loc who unfortunately died of a traffic accident.

Ms. Vu Thi Loc borrowed 41.8 million VND with a three-year term from January 14th, 2015 in Lien Viet Post Bank - Vinh Phuc Branch and purchased BIC Binh An - a Borrower insurance product in BIC Vinh Phuc for the loan. Although her family and doctors of 354 Hospital and Bach Mai Hospital tried their best to save her life, Ms. Loc passed away after a traffic accident. BIC Vinh Phuc and Lien Viet Post Bank Vinh Phuc promptly visited and showed sympathy to her family as well as assisted her family in completing necessary procedures for payment in accordance with policy.

This is the first claim settlement to customer in the cooperation framework between Lien Viet Post Bank and BIC. In this case, BIC shall pay principal and interest of such loan at the time of the customer's death, equivalent to 41.1 million VND to Lien Viet Post Bank on behalf of the customer under the insurance conditions of BIC Binh An.

Claim payment to depositor of BIDV

On April 22nd, 2015, BIC paid 16 million VND to the family of Mr. Le Duy Phuong under the conditions of Comprehensive Welfare insurance product.

Mr. Le Duy Phuong deposited his money into BIDV Quang Tri under Tich Luy Bao An saving program and purchased Comprehensive Welfare insurance product from BIC on January 22nd, 2014. On January 24th, 2015, he suffered a traffic accident and unfortunately died afterwards. BIDV and BIC proactively provided supports and guidance for the family of the customer to com-

plete necessary procedures to get payment. Under the insurance conditions of the Comprehensive Welfare product, the amount to be paid to the customer's family shall be equivalent to accumulated balance of the customer's saving account in BIDV up to the time that the risk happened.

Payment of 4 billion VND to customers of BIC Bao An

On February 11th, 2015, BIC directly met and handed Tay Do Joint Stock Company, a corporate customer of BIC Bao An, an Enterprise Manager Insurance product, a claim amount of 4 billion VND.



Tay Do Joint Stock Company operates in wood industry and is a borrower of BIDV Ha Tay. The company purchased an insurance product of BIC Bao An from September 18th, 2014 with one-year term. Accordingly, the insured was Mr. Hoang Phu Toan - General Director of the Company and the maximum claim liability was 4 billion VND. Under the terms of the insurance policy, in case the enterprise manager suffers risks such as death or permanent injuries due to accident, BIC shall pay the company an amount up to 4 billion VND.

On January 18th, 2015, during wood loading and transport, Mr. Hoang Phu Toan unfortunately suffered an accident and died afterwards. After cooperating with the company to complete necessary documents, on February 5th, 2015, BIC issued a notification of payment of the whole contractual liability amount, equivalent to 4 billion VND to Tay Do Joint Stock Company.

Making a speech at the ceremony, Mr. Hoang Phu Chinh, General Director of Tay Do Joint Stock Company, highly appreciated the humanity of BIC's insurance product and its valuable meaning to the activities of Tay Do Joint Stock Company after a huge loss of human resource.

Assured rights of investors and shareholders

As a listed company, BIC is highly aware of the importance of investors and shareholders to corporate governance. In the relationship with investors, BIC always aims to protect the rights of investors and shareholders, and ensure transparency in information disclosure and compliance with laws and regulations applicable to a listed company.

Equal treatment of all shareholders is BIC highest principle to protect the rights of and its relationship with investors and shareholders. The consistent application of this principle is demonstrated through the following specifics:

- Shareholders are entitled to get dividend payment equally and promptly under regulations.
 - Shareholders are entitled to participate and be fully informed of decisions related to important changes of BIC such as regulation/charter amendment.
 - Shareholders are entitled to give their opinions on important decisions of BIC such as nomination of members of the Board of Directors, remuneration policy of the Board of Directors and Board of Supervisory.
 - Shareholders are entitled to participate and vote in General Meeting of Shareholders and be fully informed of meeting regulations, voting procedures and General Meeting of Shareholders (time, place, contents, etc) as well as ask questions on key issues of BIC.
 - Shareholders are entitled to directly vote or vote by proxy.
 - BIC always ensures investors and shareholders' equal rights to access important information related to strategies, business performance and new events affecting BIC's stock price.
- BIC particularly respects compliance, timeliness and accuracy in terms of information disclosure. Besides compliance with regulations on information disclosure of State Securities Commission of Vietnam and Ho Chi Minh City Stock Exchange, BIC issued an internal policy on information disclosure process including detailed and specific rules on information disclosure responsibilities and obligations applicable to each information type. Moreover, BIC has diversified the information disclosure channels to ensure that information reaches investors in the most timely manner.



In terms of transparency, BIC prepares Financial statements under two accounting standards, i.e.e the Vietnamese Accounting Standards (VAS) and the International Financial Reporting Standards (IFRS), to provide information to both domestic and foreign investors. In addition to information published in compliance with laws and regulations, updated information on BIC's business operation in Vietnam and foreign countries are available on www.bic.vn and mass media to ensure easy and timely access of customers and investors to corporate information, as a result, enabling them to make good investment decisions.

CORPORATE SOCIAL RESPONSIBILITY

in parallel with fulfilling its mission to share risks with customers, BIC has always paid much attention to community benefits and fulfilled its corporate social responsibility.

Typical charity and community activities of BIC in 2015

Supports to the Orphanage Center in Son La and the Centers of Social Affairs in Lao Cai and Tien Giang

In January, 2015, BIC's Trade Union visited the Orphanage Center in Son La province and the Centers of Social Affairs in Lao Cai province Tien Giang province and provided assistance of 100 million VND both in cash and in kind.



Supports to students and people seriously affected by natural disasters in Ban Sen, Van Don, Quang Ninh



In July, 2015, officers of BIDV Quang Ninh Insurance Company organized a charity trip to give gifts to students and people seriously affected by rains and flood in Ban Sen, Van Don, Quang Ninh.

"White shirts for poor students" in Can Gio District, Ho Chi Minh City

In March 2015, officers of BIDV Sai Gon Insurance Company organized a charity trip to Thanh An Island, Can Gio District, Ho Chi Minh City. Thanh An Island has about 3,000 residents, the majority of them do fishing for a living. Life of students there are extremely poor. BIC Sai Gon gave students in Thanh An Island 200 sets of new clothes, cash and 16 scholarships.



Bringing spring to the poor in Vinh Thanh commune, Nhon Trach district, Dong Nai province

On February 13th, 2015, BIDV Mien Dong Insurance Company visited and gave gifts to the poor who could not afford to prepare for Tet holiday (Vietnamese Lunar New Year) in Vinh Thanh commune, Nhon Trach district, Dong Nai province.



School bags for poor students in Son La province

Charity programs of BIDV Tay Bac Insurance Company in Son La province helped poor students with excellent school performance by providing winter clothes and school bags to student in Kindergarten school, Elementary school and Secondary school in Chieng An commune, Muong La district, giving scholarships to poor students in Sao Do Elementary school, Van Ho district, giving 100 school bags to students Kim Bon commune, Phu Yen district and 80 school bags to schools in Chieng Noi commune, Mai Son district.



Giving gifts to poor patients in the General Hospital of Son La Province



BIDV Tay Bac Insurance Company gave gifts to poor patients in the General Hospital of Son La Province.

Bringing Tet holiday to soldiers in Spratly Island



On December 31st, 2015, the Trade Union and Youth Union of BIDV Insurance Corporation gave soldiers in Spratly Island 30 million VND, equivalent to 300 Chung cakes for a better Tet holiday of the Year of Monkey.

POLICIES FOR EMPLOYEES

Create the best working environment for and assure the rights of employees

To turn the workplace into the second home for employees, BIC always tries to bring the best working environment to employees both materially and mentally. Working offices are located in open and bright places to ensure good health for employees. Employees are equipped with sufficient equipment and tools for their jobs. In addition, the friendly, sociable and supportive work atmosphere at BIC makes employees feel happy and motivated at work. Besides basic rights of employees such as social insurance and health insurance, BIC provides separate health care and treatment programs to its employees named BIC Care (premium personal and health insurance for employees). BIC also organizes annual health examinations for employees to check and improve their health.

Additionally, BIC has developed a unique, attractive and competitive remuneration policy that balances between monetary income and other benefits of its employees. Sharing benefits to all employees on a fair and reasonable basis is BIC's strategy to attract and retain talents. The following criteria are typical of BIC's remuneration system:

- Salary structure based on market mechanism and work performance, subject to review on an annual basis.
- Attractive bonus for those who well deserve.
- Policy on long-term, favourable financial supports for employees.
- Investment opportunity via attractive stock policy.

Create a friendly, harmonious and sharing corporate culture

Another visible feature of BIC besides a professional governance system is a culture of friendliness, harmony and sharing among employees. A part of this corporate culture originates from BIDV and the rest results from BIC's development through actual business and fierce competition in non-life insurance market. For the last ten years, this culture has been nurtured and reinforced through various meaningful, team building activities outside of work: among employees:

- Sport programs: annual football competitions and tennis tournaments.
- Annual art performance contests in the whole system of BIDV and BIC.

- Celebrate women's days on March 8th, October 20th: giving spa vouchers, cinema tickets, inviting experts to facilitate talk shows about family happiness, organizational culture, sports and art programs for women, etc.

- Organizing events for employees' children on the occasion of Mid-Autumn Festival, giving gifts to employees' children for their academic excellence and giving gifts to children on June 1st.

- Visiting, giving gifts and supporting employees who have disadvantaged living conditions.

Human resource quality improvement and training

Future successes of BIC depend on talents nurtured at present. Being aware of challenges of a fierce competition environment in insurance sector in the context of Vietnamese economy's integration into the region and world economy, BIC has actively organized training courses to improve profession and qualification of its managers and employees. All employees are entitled to participate training courses appropriate to their qualifications for excel in their work performance and meet the corporation's quality standards



BIC designs and offers different training courses appropriate to different target groups such as agents, specialists and managers. Training courses are made available through diversified channels including online, remote, in-house, out-sourced, in-country and overseas trainings to ensure that employees are continuously supported in capacity building and career development.

In addition, BIC has developed of a team of 30 trainers of specialized officers and experienced managers who are willing to share their knowledge with colleagues. through in-house trainings combined with discussions and seminars, the Board of Management and employees can share experience and find out solutions for BIC's performance improvement. This type of training has helped to build competence of BIC's employees. Besides, many of BIC's mid-managers and executives are participating in the ANZIF's insurance

training course organized by Malaysian Insurance Institute. This is the most prestigious training course in insurance sector in the world. After completing this training course, trainees will be awarded an international insurance certificate.

Every year, BIC also send employees overseas (Australia, Malaysia, Singapore, Japan, England, Switzerland, Hong Kong, etc) to explore the market and participate in training courses on profession, skills and management to regularly update knowledge of insurance lines and operations.

Business operation in association with environmental protection

As an enterprise operating in service sector, business activities of BIC are completely environment-friendly. However, BIC does not ignore issues on green business and environmental protection. Besides assured business performance, BIC has applied many creative ideas towards green business in recent years such as:

- Compliance with labor regulations: to ensure a green working environment that is sound to employees by appropriately planting green trees in working rooms, arranging sufficient light for working and using working equipment that is safe and good to employees' health.

- Energy saving: limiting use of energy-consumption equipment, applying green ideas such as making green working offices by saving paper, power, using intelligent electrical equipment as well as recycling working tools (using one-sided paper for reference document printing, etc).

- Initiatives for green working process improvement: Application of advanced software in product, service supply and management has remarkably saved resources of the enterprise. Such initiatives are:

+ Online document management software facilitates units in the system to continuously update documents and papers from the Headquarter and save printing cost and postal express cost.

+ Application of digital signatures to issue of online insurance policy (on www.baohiemtructuyen.vn) has saved a huge amount of money for BIC in terms of Insurance Certificate printing and sending to Customers.

+ Online insurance policy software in transaction counters (BIDV and other associated banks in implementing Bancassurance): Application of online insurance policy software reduces the time to issue an insurance policy in transaction counters to only a few minutes, saving times and minimize the administrative procedures for the insureds. This initiative is highly appreciated by banks and customers.



05

CORPORATE
GOVERNANCE



LIST OF INTERNAL SHAREHOLDERS OF BIC AS AT DECEMBER 31ST, 2015

No.	Full name	Positions in BIC	The number of shares owned at the end of the period	Percentage of shares owned at the end of the period
1	Pham Quang Tung	Chairman of the Board of Directors	253,000	0.2157%
2	Tran Hoai An	Member of the Board of Directors and CEO	37,950	0.0324%
3	Nguyen Thi Quynh Giao	Member of the Board of Directors	-	
4	Vo Hai Nam	Member of the Board of Directors	-	
5	Dang Thi Hong Phuong	Member of the Board of Directors	-	
6	Tran Trung Tinh	Chief Underwriting Officer	-	
7	Doan Thi Thu Huyen	Chief Operating Officer	20,000	0.0171%
8	Vu Minh Hai	Chief Marketing Officer	-	
9	Pham Duc Hau	Deputy General Manager	2,400	0.0020%
10	Huynh Quoc Viet	Deputy General Manager	7	0.0000%
11	Cao Cu Tri	Head of the Board of Supervisory	1,100	0.0009%
12	Nguyen Trung Kien	Member of the Board of Supervisory	-	
13	Nguyen Thanh Cong	Member of the Board of Supervisory	-	
14	Lai Ngan Giang	Director of Finance - Accounting Division	-	

Operation report of the Board of Directors

In 2015, the Board of Directors of BIC had 08 Meetings including Meeting 20, 21, 22 of 2010 - 2015 tenure on January 19th, 2015, February 12th, 2015, March 23rd, 2015 respectively and Meeting 01, 02, 03, 04, 05 of 2016-2020 tenure on April 20th, 2015, May 13th, 2015, May 20th, 2015, September 1st, 2015 and October 15th, 2015 respectively.

No.	Member of the Board of Directors	Position	Meeting participation	Rate	Absence reason
1	Mr. Pham Quang Tung	Chairman	8/8	100%	
2	Mr. Ton Lam Tung	Member	3/8	37.5%	Dismissed since April 20 th , 2015
3	Ms. Nguyen Thi Thanh Van	Member	3/8	37.5%	Dismissed since April 20 th , 2015
4	Mr. Le Ngoc Lam	Member	3/8	37.5%	Dismissed since April 20 th , 2015
5	Mr. Tran Hoai An	Member	5/8	62.5%	Appointed since April 20 th , 2015
6	Ms. Nguyen Thi Quynh Giao	Member	4/8	50%	Appointed since April 20 th , 2015
7	Mr. Vo Hai Nam	Member	5/8	62.5%	Appointed since April 20 th , 2015
8	Ms. Dang Thi Hong Phuong	Independent member	8/8	100%	

For issues arising in meetings, the Board of Directors discussed and resolved by collecting opinions in writing or email and reconfirmed in the next meeting.

Supervision of the Board of Directors to the Board of Management:

- The Board of Directors strictly monitored activities of the Board of Management and promptly settled issues within its authority to facilitate management of the Board of Management.

- In 2015, the Board of Management strictly and responsibly performed directions and regulations issued by the Board of Directors.

Resolutions of the Board of Directors in 2015

No.	Resolution no.	Date of issue	Contents
1	010/NQ-HĐQT	January 26 th , 2015	Resolution of the 20 th meeting of the Board of Directors
2	015/NQ-HĐQT	January 27 th , 2015	Approving main indicators of business plan of BIC in 2015
3	020/NQ-HĐQT	January 29 th , 2015	Assigning representative to manage contributed capital and participate in the Board of Directors after establishment of Electronic Road Pricing Company
4	043/NQ-HĐQT	March 24 th , 2015	Approving settlement of Income Fund in 2014
5	047/NQ-HĐQT	March 30 th , 2015	Assigning representative to manage contributed capital and participate in the Board of Directors after establishment of VETC Vietnam Joint Stock Company

6	050/NQ-HĐQT	March 31 st , 2015	Nominating personnel to participate in the Board of Supervisory of VNR
7	061/NQ-HĐQT	April 7 th , 2015	Nominating independent member of the Board of Directors
8	091/NQ-HĐQT	May 13 th , 2015	Assigning representative to manage contributed capital and participate in the Board of Directors after establishment of VETC Vietnam Joint Stock Company
9	101/NQ-HĐQT	May 26 th , 2015	Changing representative in charge of managing contributed capital and participating in the Board of Directors after establishment of Vinaconex-Viettel Finance Joint Stock Company
10	108/NQ-HĐQT	June 8 th , 2015	Changing address of Representative office in Myanmar
11	200/NQ-HĐQT	October 22 nd , 2015	Decentralizing limits in management of BIDV Insurance Corporation
12	219/NQ-HĐQT	December 9 th , 2015	Withdrawing capital from Vinaconex - Viettel Finance Joint Stock Company
13	227/NQ-HĐQT	December 28 th , 2015	Organizing Extraordinary General Meeting of Shareholders in 2015

Operation report of the Board of Supervisory

On January 29th, 2016, BIC organized an Extraordinary General Meeting of Shareholders to elect two more members of the Board of Supervisory nominated by Strategic shareholder - Fairfax.

No.	Member of the Board of Supervisory	Position	Note
1	Mr. Cao Cu Tri	Head	
2	Mr. Nguyen Trung Kien	Member	
3	Mr. Nguyen Thanh Cong	Member	
4	Mr. Zainul Abidin Rasheed	Member	Appointed since January 29 th , 2016
5	Mr. Osith Ramanathan	Member	Appointed since January 29 th , 2016

Supervising activities of BIDV Insurance Corporation on behalf of shareholders, the Board of Supervisory performed the following activities in 2015:

- Assigning specific tasks to members of the Board of Supervisory on an annual basis and assigning representatives to participate meetings of the Board of Directors.
- Supervising management and administration of the Board of Directors and Board of Management.
- Supervising the implementation of Resolutions of the General Meetings of Shareholders/Resolutions of the Board of Directors and Board of Management.
- Reviewing annual independent financial statements every six months.
- Evaluating the reasonableness, validity, honesty and prudence in financial management, investment, business administration, accounting, etc to ensure that activities of the Board of Directors and Board of Management comply with laws and regulations and the Corporation's charter.
- Performing other tasks regulated by the Enterprise Law, Corporation's Charter, Operation Regulation of the Board of Supervisory and Decisions of the General Meeting of Shareholders.

Management report

Salary, bonus, remuneration and benefits

Based on approval of the Annual General Meeting of Shareholder in 2015, BIDV Insurance Corporation paid remuneration and allowance to members of the Board of Directors and Board of Supervisory as follows:

Unit: VND

No.	Contents	Amount
1	Remuneration	462,000,000
2	Allowance	538,000,000

Stock trading with related people

No.	Trading individual	Relationship with internal/major shareholders	Shares owned at the beginning of the period		Shares owned at the end of the period		Reason of increase/decrease (purchase, sale, transfer, bonus, etc)
			Number	Rate	Number	Rate	
1	Doan Thi Thu Huyen	Chief Operating Officer	28,930	0.038%	20,000	0.017%	Sale
2	Pham Duc Hau	Deputy General Manager	30,120	0.040%	2,400	0.002%	Sale

06

SHAREHOLDER RELATION

Information on BIC's stock

As at December 31st, 2015

Charter capital	1,172,768,950,000	VND
The number of listed stocks	117,276,895	Stock
Stock type	Common	
The number of outstanding stocks	117,276,895	stock
Treasury stock	0	stock
Par value	10,000	VND/stock

Dividend payment history

Year	Dividend yield	Payment date
2014	10% (cash)	April 24th, 2015
2013	10% (stock)	July 30th, 2014
2012	10% (cash)	April 26th, 2013
2011	10% (cash)	April 26th, 2012

Statistics of the volume of BIC's stock trading

As at December 31st, 2015

Total number of sessions	248	session
Total matched volume	40,037,900	stock
Total matched value (VND)	801,273,000,000	VND
The average trading volume/day	159,663	stock
The highest trading volume (July 14th, 2015)	1,196,170	stock
The lowest trading volume (February 3rd, 2015)	1,641	stock
The highest trading price (July 14th, 2015)	26,500	VND/stock
The lowest trading price (January 6th, 2015)	12,300	VND/stock

Fluctuations of BIC's stocks compared to the market

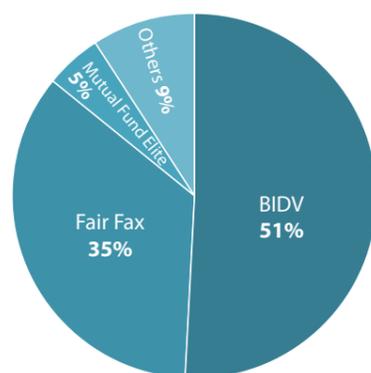
2015 kept being a successful year of investors holding BIC's stocks. BIC's stock price increased from 12,300 VND/stock to 18,500 VND/stock, increasing by 49.2% while the growth rate of VN-Index was only 6.12%. In fact, it rocketed to 26,500 VND/stock on July 14th, 2015 but then slumped to 18,500 VND/stock at the ending session of 2015. BIC's stock price in 2015 went up because BIC's strategic investor - FairFax purchased newly-issued stocks of BIC at a price of 26,323 VND/stock, much higher than the current market price. In addition, audited consolidated profit after tax of BIC in 2015 increased by 14.8% compared to that of 2014.

Graph of BIC's stock price in 2015



Shareholder structure (*)

SHAREHOLDER STRUCTURE OF BIC



Ownership structure in geographic areas

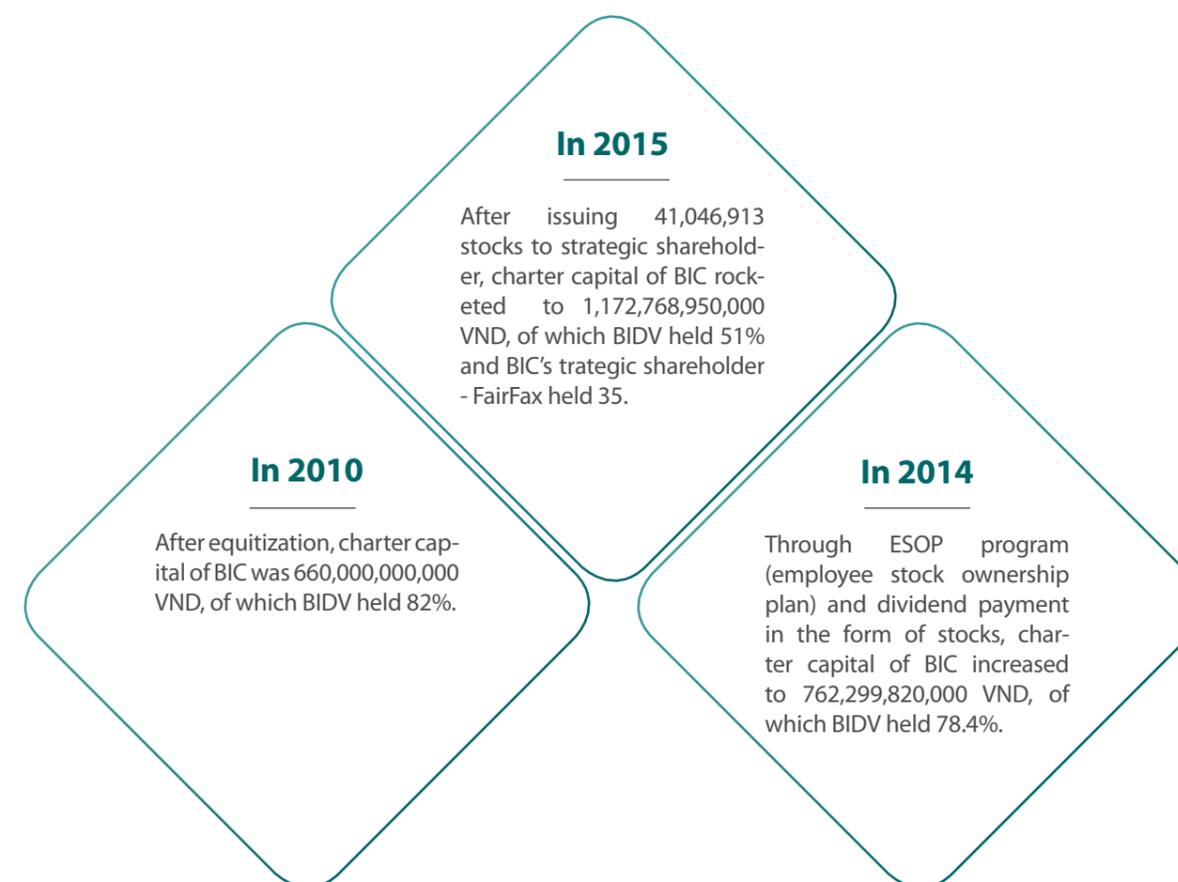
Ownership in geographic areas	Number of shareholders	Rate	Number of shares	Rate
Vietnam	1,121	95.2%	65,330,150	55.7%
- Individual	1,104	93.8%	5,299,833	4.5%
- Institution	17	1.4%	60,030,317	51.2%
Foreign country	56	4.8%	51,946,745	44.3%
- Individual	38	3.2%	190,072	0.2%
- Institution	18	1.5%	51,756,673	44.1%
TOTAL	1,177	100.0%	117,276,895	100.0%

Ownership structure in share quantity

Ownership in share quantity	Number of shareholders	Rate	Number of shares	Rate
1-999	561	47.7%	128,809	0.1%
1,000 - 10,000	519	44.1%	1,579,843	1.3%
10,001 - 1,000,000	91	7.7%	3,998,063	3.4%
More than 1,000,000	6	0.5%	111,570,180	95.1%
TOTAL	1,177	100.0%	117,276,895	100.0%

(*) At the time of closing shareholder list on January 12th, 2016

Charter capital change





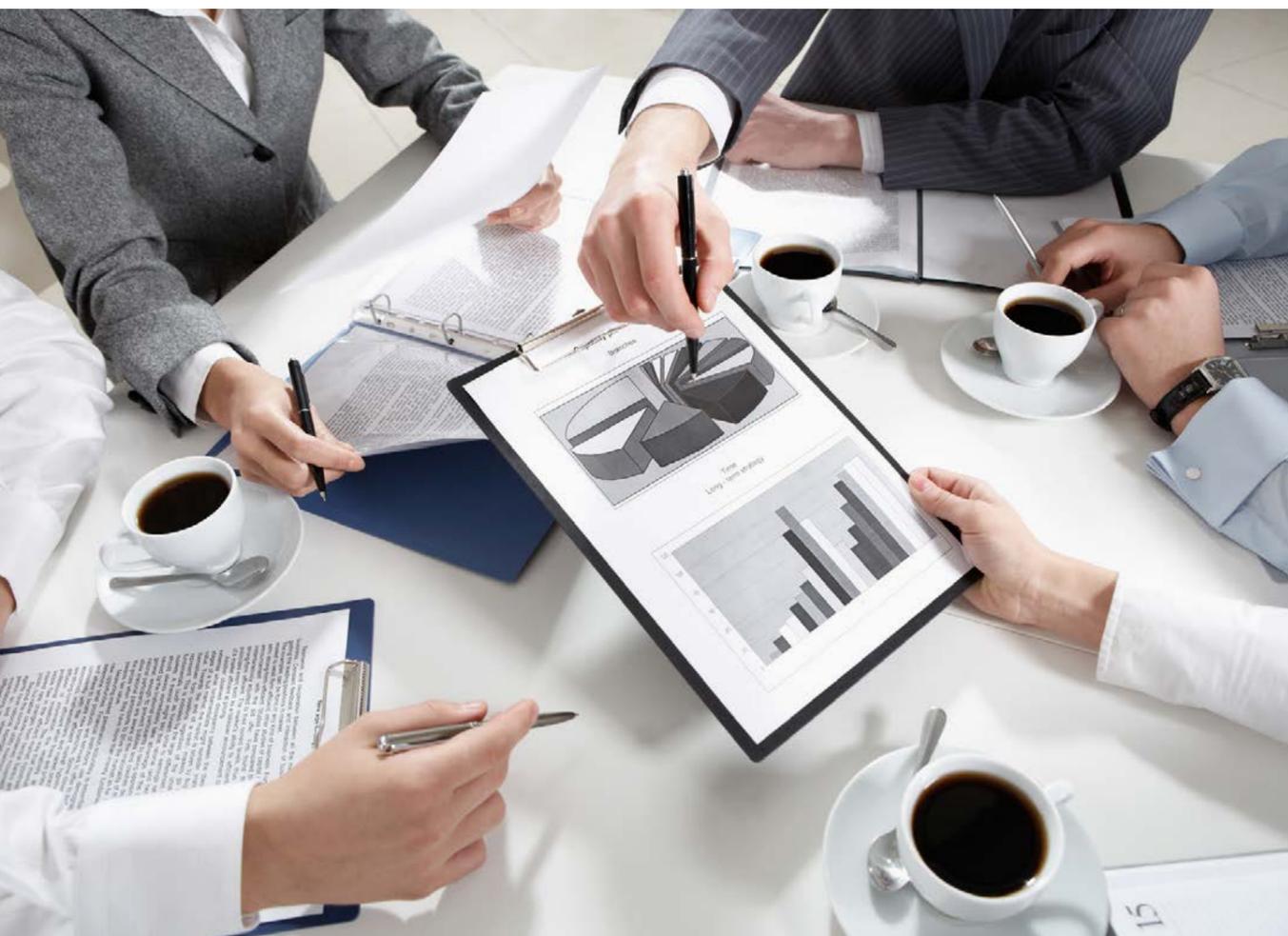
07

FINANCIAL
STATEMENTS



AUDITED CONSOLIDATE FINANCIAL STATEMENT

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GENERAL INFORMATION

CORPORATION

BIDV Insurance Joint Stock Corporation ("the Corporation") was established on 1 October 2010 under the Business Licence No.11/GPDC7/KDBH dated 1 October 2010 issued by the Ministry of Finance.

The Corporation was transformed from equalization of BIDV Insurance Company, which was a wholly-owned subsidiary of Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") and established under Business License No 11GP/KDBH dated 10 April 2006 granted by the Ministry of Finance. On 5 August 2010, the Company successfully completed the Initial Public Offering. Accordingly, percentage of share held by Bank for Investment and Development of Vietnam (BIDV) and other shareholders was respectively 82.3% and 17.7% of its charter capital. Under Employee Share Option Program (ESOP), the Corporation issued shares to its employees on 5 May 2014, percentage of share held by BIDV and other shareholders was respectively 78.83% and 21.62%. In 2015, the Corporation issued shares to Strategic Investor (Fairfax Asia Limited) in accordance with Decision No 11836/BTC-QLBH and Amended Business License No 11/GPDDC14/KDBH dated 25 December 2015 issued by Ministry of Finance, percentage of share held by BIDV, Fairfax Asia Limited and other shareholders was 51%, 35% and 21.62%, respectively.

THE FOLLOWING SUMMARIZES SOME KEY INFORMATION ABOUT THE ENTITY:

Registered Company name: BIDV Insurance Joint Stock Corporation

Address: 16th Floor, A Tower, Vincom, 191 Ba Trieu Street, Hai Ba Trung District, Hanoi

Operating activities: to provide general insurance products, reinsurance, loss survey, investing activities and other activities that are in line with prevailing laws and regulations.

THE CORPORATION HAS ONE SUBSIDIARY AS FOLLOW:

Subsidiary	Address	Principal activities	% directly owned
Lao Viet Insurance Company	3rd Floor, LVB Tower, No 44, Lanexang Avenue, Hatsady Village, Chanthabouly District, Vientiane, Lao PDR	General insurance products, reinsurance services, investing activities and other business activities that are in line with prevailing laws and regulations in Lao PDR	65%

Charter Capital

As at 31 December 2015, the charter capital was VND 1,172,768,950,000 (31 December 2014: VND 762,299,820,000).

Location and branch network

The Corporation has its Head office located at 16th floor, Tower A, Vincom City Towers, 191 Ba Trieu Street, Hai Ba Trung district, Hanoi and twenty-five (25) branches nationwide.

Employee

Total employees of the Corporation and its subsidiary as at 31 December 2015 was 830 persons (31 December 2014: 753 persons).

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Name	Position	Date of appointment/ Reappointment/ Resignation
Mr. Pham Quang Tung	Chairman	Reappointed on 20 April 2015
Mr. Tran Hoai An	Member	Appointed on 20 April 2015
Ms. Dang Thi Hong Phuong	Member	Reappointed on 20 April 2015
Ms. Nguyen Thi Quynh Giao	Member	Appointed on 20 April 2015
Mr. Vo Hai Nam	Member	Appointed on 20 April 2015
Ms. Nguyen Thi Thanh Van	Member	Resigned on 20 April 2015
Mr. Ton Lam Tung	Member	Resigned on 20 April 2015
Mr. Le Ngoc Lam	Member	Resigned on 20 April 2015

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Name	Position	Date of reappointment
Mr. Cao Cu Tri	Head of Board	Reappointed on 20 April 2015
Mr. Nguyen Trung Kien	Member	Reappointed on 20 April 2015
Mr. Nguyen Thanh Cong	Member	Reappointed on 20 April 2015

MANAGEMENT

Members of Management during the year and at the date of this report are:

Name	Position	Date of appointment
Mr. Tran Hoai An	General Director	Appointed on 31 October 2014
Mr. Tran Trung Tinh	Deputy General Director	Appointed on 1 October 2012
Mr. Vu Minh Hai	Deputy General Director	Appointed on 16 April 2012
Ms. Doan Thi Thu Huyen	Deputy General Director	Appointed on 1 May 2012
Mr. Pham Duc Hau	Deputy General Director	Appointed on 1 March 2015
Mr. Huynh Quoc Viet	Deputy General Director	Appointed on 1 November 2015

LEGAL REPRESENTATIVE

The legal representative of the Corporation during the year and at the date of this report is Mr. Tran Hoai An – Title: General Director.

AUDITORS

The auditor of the Corporation is Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of BIDV Insurance Joint Stock Corporation (“the Corporation”) presents its report and the consolidated financial statements of the Corporation for the year ended 31 December 2015.

STATEMENT OF MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of financial year which give a true and fair view of the state of the financial position of the Corporation and of its results and cash flows for the year. In preparing those consolidated financial statements, the management is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

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

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements for the year ended 31 December 2015.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2015 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System applicable to insurance companies, and with the statutory requirements relevant to preparation and presentation of financial statements.

For and on behalf of Management

Mr. Tran Hoai An
General Director

Hanoi, Vietnam
29 February 2016

Reference: 60755012/17866688-HN

INDEPENDENT AUDITORS' REPORT

To: The shareholders of BIDV Insurance Joint Stock Corporation

We have audited the accompanying consolidated financial statements of BIDV Insurance Joint Stock Corporation and its subsidiary (collectively referred to as "the Corporation") as prepared on 29 February 2016 and set out on pages 6 to 75, which comprise the consolidated balance sheet as at 31 December 2015, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, the accounting guidance applicable to insurance companies and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Corporation as at 31 December 2015 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System, the accounting guidance applicable to general insurance companies and the statutory requirements relevant to preparation and presentation of consolidated financial statements.



Saman Bandara
Deputy General Director
Audit Practising Registration
Certificate No. 2036-2013-004-1

Le Duc Linh
Auditor
Audit Practising Registration
Certificate No. 1672-2013-004-1

Hanoi, Vietnam

29 February 2016

CONSOLIDATED BALANCE SHEET

as at 31 December 2015

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
100	A. CURRENT ASSETS		3,692,463,409,312	2,697,758,118,116
110	I. Cash and cash equivalents	4	253,572,611,354	154,229,365,232
111	1. Cash		77,572,611,354	58,729,365,232
112	2. Cash equivalents		176,000,000,000	95,500,000,000
120	II. Short-term investments	5	1,963,877,613,022	1,113,843,940,648
121	1. Trading securities		76,929,280,499	72,626,052,716
122	2. Provision for trading securities		(5,197,652,878)	(3,132,892,068)
123	3. Held-to-maturity investments		1,892,145,985,401	1,044,350,780,000
130	III. Short-term receivables	6	381,436,691,124	408,583,970,798
131	1. Short-term trade receivables		327,997,053,231	365,416,745,338
131.1	1.1. Insurance receivables		322,086,269,998	364,128,325,660
131.2	1.2. Other trade receivables		5,910,783,233	1,288,419,678
132	2. Short-term advances to suppliers		1,551,758,776	1,854,102,733
136	3. Other receivables		71,210,725,039	67,870,622,354
137	4. Allowance for doubtful debts		(19,322,845,922)	(26,557,499,627)
140	IV. Inventories		529,247,157	583,061,744
141	1. Inventories		529,247,157	583,061,744
150	V. Other short-term assets		64,430,741,917	53,262,608,755
151	1. Prepaid expenses		63,523,595,575	52,397,729,174
151.1	1.1. Unallocated commission expense	7	61,648,202,424	51,465,154,806
151.2	1.2. Other prepaid expenses		1,875,393,151	932,574,368
152	2. Deductible VAT		907,146,342	864,879,581
190	VI. Reinsurance assets	17.1	1,028,616,504,738	967,255,170,939
191	1. Reinsurance assets from unearned premium reserve		347,927,493,039	272,365,386,336
192	2. Reinsurance assets from claim reserve		680,689,011,699	694,889,784,603

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
200	B. NON-CURRENT ASSETS		651,785,996,538	370,974,271,787
210	I. Long-term receivables		14,113,514,378	12,201,089,546
216	1. Other long-term receivables		14,113,514,378	12,201,089,546
216.1	1.1. Statutory deposit	8	6,000,000,000	6,000,000,000
216.2	1.2. Other long-term receivables		8,113,514,378	6,201,089,546
220	II. Fixed assets		33,765,016,382	24,693,259,879
221	1. Tangible fixed assets	9	27,146,722,186	18,156,546,923
222	Costs		65,352,315,643	50,631,521,299
223	Accumulated depreciation		(38,205,593,457)	(32,474,974,376)
227	2. Intangible assets	10	6,618,294,196	6,536,712,956
228	Costs		6,739,599,125	6,606,599,125
229	Accumulated amortisation		(121,304,929)	(69,886,169)
240	II. Construction in progress		97,317,909	-
242	1. Construction in progress		97,317,909	-
250	III. Long-term investments	5	603,163,655,300	331,860,515,867
253	2. Other long-term investments		125,946,505,000	126,542,783,704
254	3. Provision for impairment of long-term investments		(16,755,601,931)	(16,557,847,837)
255	4. Held-to-maturity investments		493,972,752,231	221,875,580,000
260	IV. Other long-term assets		646,492,569	2,219,406,495
261	1. Long-term prepaid expenses	11	646,492,569	2,219,406,495
270	TOTAL ASSETS (270=100+200)		4,344,249,405,850	3,068,732,389,903

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
300	A. LIABILITIES		2,312,701,365,388	2,129,203,579,013
310	I. Current liabilities		2,304,496,043,661	2,126,577,303,296
311	1. Trade payables	12	307,550,330,357	394,648,158,408
311.1	1.1. Insurance payables		307,343,606,294	394,629,575,591
311.2	1.2. Other payables		206,724,063	18,582,817
312	1. Short-term advance from customers		6,209,193,205	6,711,317,151
313	2. Tax and other statutory obligations	13	31,817,313,865	52,448,181,931
314	3. Payables to employees		38,783,686,576	33,844,232,187
315	4. Short-term accrued expenses	14	14,924,414,434	14,304,710,299
318	5. Short-term deferred revenue		6,940,508,479	4,768,983,859
318.1	6. Un-earned commission revenue	15	73,971,584,762	47,552,650,052
319	7. Other short-term payables	16	29,552,696,758	15,487,106,419
322	8. Bonus and welfare funds		5,389,533,649	3,931,236,644
329	9. Technical reserves	17	1,789,356,781,576	1,552,880,726,346
329.1	10.1. Gross un-earned premium reserve		873,565,330,247	657,906,891,657
329.2	10.2. Gross claim reserve		837,332,406,448	816,413,815,739
329.3	10.3. Catastrophe reserve		78,459,044,881	78,560,018,950
330	II. Non-current liabilities		8,205,321,727	2,626,275,717
337	1. Other long-term liabilities	16	2,730,570,343	2,554,754,614
341	2. Deferred tax liability		5,474,751,384	71,521,103

CONSOLIDATED INCOME STATEMENT

PART 1 – CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

For the year ended 31 December 2015

Currency: VND

Code	ITEMS	Current Year	Previous Year (restated)
10	1. Total operating income	1,065,501,641,629	798,989,923,350
12	2. Finance income	157,976,700,528	148,880,793,220
13	3. Other income	3,913,745,341	2,446,863,715
20	4. Total direct operating expenses	(809,719,134,528)	(549,290,011,513)
22	5. Finance expense	(18,019,065,685)	(25,801,906,269)
23	6. General and administrative expenses	(241,431,233,229)	(232,079,587,304)
24	7. Other expenses	(1,362,208,481)	(4,154,994,773)
50	8. Profit before corporate income tax (50=10+12+13+20+22+23+24)	156,860,445,575	138,991,080,426
51	9. Current corporate income tax expense	(27,161,786,404)	(30,419,702,058)
52	10. Deferred corporate income tax income	(5,403,230,281)	(490,291,518)
60	11. Net profit for the year after corporate income tax (60=50+51+52)	124,295,428,890	108,081,086,850
61	12. Net profit after tax attribute to non-controlling interests	10,899,023,083	7,173,831,082
62	13. Net profit after tax attribute to equity owners of the parent	113,396,405,807	100,907,255,768
70	14. Basic earnings per share	1,481	1,422

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
400	A. OWNERS' EQUITY		2,031,548,040,462	939,528,810,890
410	I. Owners' equity	18	2,031,548,040,462	939,528,810,890
411	1. Charter capital		1,172,768,950,000	762,299,820,000
411a	- Common shares with voting rights		1,172,768,950,000	762,299,820,000
412	2. Share premium		655,565,033,362	4,875,765,330
417	3. Foreign exchange differences		2,771,814,246	7,052,332,500
418	4. Investment and development fund		1,800,187,891	1,800,187,891
419	5. Statutory reserve		22,310,289,169	17,652,521,022
421	6. Retained earnings		132,536,576,307	112,479,320,566
421a	6.1. Accumulated undistributed profit of previous years		37,165,273,389	20,736,114,489
421b	6.2. Undistributed profit of current year		95,371,302,918	91,743,206,077
429	7. Non-controlling interest		43,795,189,487	33,368,863,581
440	TOTAL LIABILITIES AND OWNERS' EQUITY (440=300+400)		4,344,249,405,850	3,068,732,389,903

Mr. **Nguyen Xuan Dong**
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016

Mrs. **Lai Ngan Giang**
Chief Accountant

Mr. **Tran Hoai An**
General Director

PART 2 – CONSOLIDATED OPERATIONAL INCOME STATEMENT

For the year ended 31 December 2015

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (re-stated)
01	1. Insurance revenue	19	1,449,906,517,803	1,144,209,415,744
	(01 = 01.1 + 01.2 + 01.3)			
	In which:			
01.1	- Direct written premiums		1,550,942,831,613	1,220,424,538,401
01.2	- Reinsurance premium assumed		136,007,191,009	89,012,650,525
01.3	- Increase in un-earned premium reserve		(237,043,504,819)	(165,227,773,182)
02	2. Reinsurance premium ceded	20	(544,378,528,036)	(440,469,103,339)
	(02 = 02.1 + 02.2)			
	In which:			
02.1	- Reinsurance premium ceded		(642,854,921,380)	(513,937,725,343)
02.2	- Increase in ceded premium reserve		98,476,393,344	73,468,622,004
03	3. Net insurance premiums		905,527,989,767	703,740,312,405
	(03 = 01 + 02)			
04	4. Commission on reinsurance ceded and other insurance incomes		159,973,651,862	95,249,610,945
	(04 = 04.1 + 04.2)			
	In which:			
04.1	- Commission on reinsurance ceded	21	122,800,606,808	67,180,789,680
04.2	- Other income from insurance activities		37,173,045,054	28,068,821,265
10	5. Total net revenue from insurance business		1,065,501,641,629	798,989,923,350
	(10 = 03 + 04)			
11	6. Claim expenses (11 = 11.1 + 11.2)		(528,623,499,978)	(405,982,001,038)
	In which:			
11.1	- Claim expenses		(533,357,181,515)	(406,804,962,581)
11.2	- Claim expense reductions		4,733,681,537	822,961,543
12	7. Recoveries from reinsurance ceded		198,164,773,382	153,731,840,585
13	8. Increase in Direct and assumed claim reserve		(31,152,095,087)	(85,412,989,354)
14	9. Increase in ceded claim reserve		3,951,606,630	82,929,964,589
15	10. Net claim expenses	22	(357,659,215,053)	(254,733,185,218)
	(15 = 11 + 12 + 13 + 14)			
16	11. Increase in catastrophe reserve		(10,488,033,531)	(7,956,048,431)

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (re-stated)
17	1. Other operating expenses (17 = 17.1 + 17.2)	23	(441,571,885,944)	(286,600,777,864)
	In which:			
17.1	- Commission expense		(145,728,132,981)	(73,916,136,260)
17.2	- Other underwriting expenses		(295,843,752,963)	(212,684,641,604)
18	2. Total direct operating expenses (18 = 15 + 16 + 17)		(809,719,134,528)	(549,290,011,513)
19	3. Gross insurance operating profit (19 = 10 + 18)		255,782,507,101	249,699,911,837
23	4. Finance income	24	157,976,700,528	148,880,793,220
24	5. Finance expense	25	(18,019,065,685)	(25,801,906,269)
25	6. Profit from financial activities (25 = 23 + 24)		139,957,634,843	123,078,886,951
26	7. General and administrative expenses	26	(241,431,233,229)	(232,079,587,304)
30	8. Net operating income (30 = 19 + 25 + 26)		154,308,908,715	140,699,211,484
31	9. Other income	27	3,913,745,341	2,446,863,715
32	10. Other expenses	28	(1,362,208,481)	(4,154,994,773)
40	11. Net other profit (40 = 31 + 32)		2,551,536,860	(1,708,131,058)
50	12. Profit before corporate income tax (50 = 30 + 40)		156,860,445,575	138,991,080,426
51	13. 50. Current corporate income tax income	29	(27,161,786,404)	(30,419,702,058)
52	14. 51. Deferred corporate/income tax income	29	(5,403,230,281)	(490,291,518)
60	15. 52. Net profit for the year after corporate income tax (60 = 50 + 51 + 52)		124,295,428,890	108,081,086,850
61	16. 27. Net profit after tax attribute to non-controlling interests		10,899,023,083	7,173,831,082
62	17. 28. Net profit after tax attribute to equity owners of the parent		113,396,405,807	100,907,255,768
70	18. 29. Basic earnings per share		1,481	1,422

Mr. **Nguyen Xuan Dong**
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016

Mrs. **Lai Ngan Giang**
Chief Accountant

Mr. **Tran Hoai An**
General Director

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Net profit before tax		156,860,445,575	138,991,080,426
Adjustments for:				
02	Depreciation and amortisation		5,106,304,721	3,935,461,326
03	Insurance reserves and provision for diminution in investment value		160,133,533,804	281,618,505,575
04	Losses from revaluation of foreign currencies		7,164,156,488	-
05	Profits from investing activities		(128,543,937,828)	(129,980,056,117)
06	Interest expense		125,341,702	-
08	Operating income before changes in working capital		200,845,844,462	294,564,991,210
09	Increase/(decrease) in receivables		29,679,000,773	(133,018,797,168)
10	Increase in inventory		(260,793,974)	(472,839,213)
11	Increase/(decrease) in payables		(55,248,588,772)	58,598,119,654
12	Increase in prepaid expense		(12,500,286,365)	(56,331,307,488)
13	Increase in trading securities		(3,803,607,142)	-
14	Interest expense paid		(119,295,338)	-
15	Corporate income tax paid		(37,976,760,722)	(27,191,191,974)
16	Increase in receivables from other activities		451,299,780	4,594,413,836
17	Increase in payables for other activities		(21,951,384,752)	(28,001,008,640)
20	Net cash flow from operating activities		99,115,427,950	112,742,380,217
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase of fixed assets		(13,671,846,382)	(9,156,745,176)
22	Disposal of fixed assets and other long-term assets		22,970,908	-
23	Payments for investments in other entities		(2,264,987,485,942)	(998,011,897,500)
24	Proceeds from sale of investment		1,150,860,908,354	891,645,833,333
25	Payments for investments in other entities		-	(200,895,364,022)
26	Proceeds from sale of investment		55,000,000	178,776,534,711
27	Borrowing, dividends and contribution from other entities		123,175,735,634	116,191,852,484
30	Net cash flow used in investing activities			(21,449,786,170)

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	Capital contribution and insurance of shares	18	1,080,500,000,000	33,000,000,000
36	Dividends paid		(75,727,464,400)	(23,943,000)
40	Net cash flow from financing activities		1,004,772,535,600	32,976,057,000
50	Net increase in cash and cash equivalent (50 = 20 + 30 + 40)		99,343,246,122	124,268,651,047
60	Cash and cash equivalents at beginning of the year		154,229,365,232	29,960,714,185
70	Cash and cash equivalents at end of the year (70 = 50 + 60)	4	253,572,611,354	154,229,365,232

Mr. **Nguyen Xuan Dong**
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016

Mrs. **Lai Ngan Giang**
Chief Accountant

Mr. **Tran Hoai An**
General Director



AUDITED SEPARATE FINANCIAL STATEMENT

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GENERAL INFORMATION

CORPORATION

BIDV Insurance Joint Stock Corporation ("the Corporation") was established on 1 October 2010 under the Business Licence No.11/GPDC7/KDBH dated 1 October 2010 issued by the Ministry of Finance.

The Corporation was transformed from equalization of BIDV Insurance Company, which was a wholly-owned subsidiary of Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") and established under Business License No 11GP/KDBH dated 10 April 2006 granted by the Ministry of Finance. On 5 August 2010, the Company successfully completed the Initial Public Offering. Accordingly, percentage of share held by Bank for Investment and Development of Vietnam (BIDV) and other shareholders was respectively 82.3% and 17.7% of its charter capital. Under Employee Share Option Program (ESOP), the Corporation issued shares to its employees on 5 May 2014, percentage of share held by BIDV and other shareholders was respectively 78.83% and 21.62%. In 2015, the Corporation issued shares to Strategic Investor (Fairfax Asia Limited) in accordance with Decision No 11836/BTC-QLBH and Amended Business License No 11/GPDDC14/KDBH dated 25 December 2015 issued by Ministry of Finance, percentage of share held by BIDV, Fairfax Asia Limited and other shareholders was 51%, 35% and 21.62%, respectively.

THE FOLLOWING SUMMARIZES SOME KEY INFORMATION ABOUT THE ENTITY:

Registered Company name: BIDV Insurance Joint Stock Corporation

Address: 16th Floor, A Tower, Vincom, 191 Ba Trieu Street, Hai Ba Trung District, Hanoi

Operating activities: to provide general insurance products, reinsurance, loss survey, investing activities and other activities that are in line with prevailing laws and regulations.

THE CORPORATION HAS ONE SUBSIDIARY AS FOLLOW:

Subsidiary	Address	Principal activities	% directly owned
Lao Viet Insurance Company	3rd Floor, LVB Tower, No 44, Lanexang Avenue, Hatsady Village, Chanthabouly District, Vientiane, Lao PDR	General insurance products, reinsurance services, investing activities and other business activities that are in line with prevailing laws and regulations in Lao PDR	65%

Charter Capital

As at 31 December 2015, the charter capital was VND 1,172,768,950,000 (31 December 2014: VND 762,299,820,000).

Location and branch network

The Corporation has its Head office located at 16th floor, Tower A, Vincom City Towers, 191 Ba Trieu Street, Hai Ba Trung district, Hanoi and twenty-five (25) branches nationwide.

Employee

Total employees of the Corporation as at 31 December 2015 was 755 persons (31 December 2014: 693 persons).

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Name	Position	Date of appointment/ Reappointment/ Resignation
Mr. Pham Quang Tung	Chairman	Reappointed on 20 April 2015
Mr. Tran Hoai An	Member	Appointed on 20 April 2015
Ms. Dang Thi Hong Phuong	Member	Reappointed on 20 April 2015
Ms. Nguyen Thi Quynh Giao	Member	Appointed on 20 April 2015
Mr. Vo Hai Nam	Member	Appointed on 20 April 2015
Ms. Nguyen Thi Thanh Van	Member	Resigned on 20 April 2015
Mr. Ton Lam Tung	Member	Resigned on 20 April 2015
Mr. Le Ngoc Lam	Member	Resigned on 20 April 2015

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Name	Position	Date of reappointment
Mr. Cao Cu Tri	Head of Board	Reappointed on 20 April 2015
Mr. Nguyen Trung Kien	Member	Reappointed on 20 April 2015
Mr. Nguyen Thanh Cong	Member	Reappointed on 20 April 2015

MANAGEMENT

Members of Management during the year and at the date of this report are:

Name	Position	Date of appointment
Mr. Tran Hoai An	General Director	Appointed on 31 October 2014
Mr. Tran Trung Tinh	Deputy General Director	Appointed on 1 October 2012
Mr. Vu Minh Hai	Deputy General Director	Appointed on 16 April 2012
Ms. Doan Thi Thu Huyen	Deputy General Director	Appointed on 1 May 2012
Mr. Pham Duc Hau	Deputy General Director	Appointed on 1 March 2015
Mr. Huynh Quoc Viet	Deputy General Director	Appointed on 1 November 2015

LEGAL REPRESENTATIVE

The legal representative of the Corporation during the year and at the date of this report is Mr. Tran Hoai An – Title: General Director.

AUDITORS

The auditor of the Corporation is Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of BIDV Insurance Joint Stock Corporation (“the Corporation”) presents its report and the separate financial statements of the Corporation for the year ended 31 December 2015.

STATEMENT OF MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of financial year which give a true and fair view of the state of the financial position of the Corporation and of its results and cash flows for the year. In preparing those separate financial statements, the management is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

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

Management confirmed that it has complied with the above requirements in preparing the accompanying separate financial statements for the year ended 31 December 2015.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Corporation as at 31 December 2015 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System applicable to insurance companies, and with the statutory requirements relevant to preparation and presentation financial statements.

For and on behalf of Management

Mr. Tran Hoai An
General Director

Hanoi, Vietnam
29 February 2016

Reference: 60755012/17866688

INDEPENDENT AUDITORS' REPORT

To: Shareholders of BIDV Insurance Joint Stock Corporation

We have audited the accompanying separate financial statements of BIDV Insurance Joint Stock Corporation ("the Corporation") as prepared on 29 February 2016 and set out on pages 6 to 70, which comprise the separate balance sheet as at 31 December 2015, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, the accounting guidance applicable to general insurance companies and the statutory requirements relevant to preparation and presentation of separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 separate financial statements.

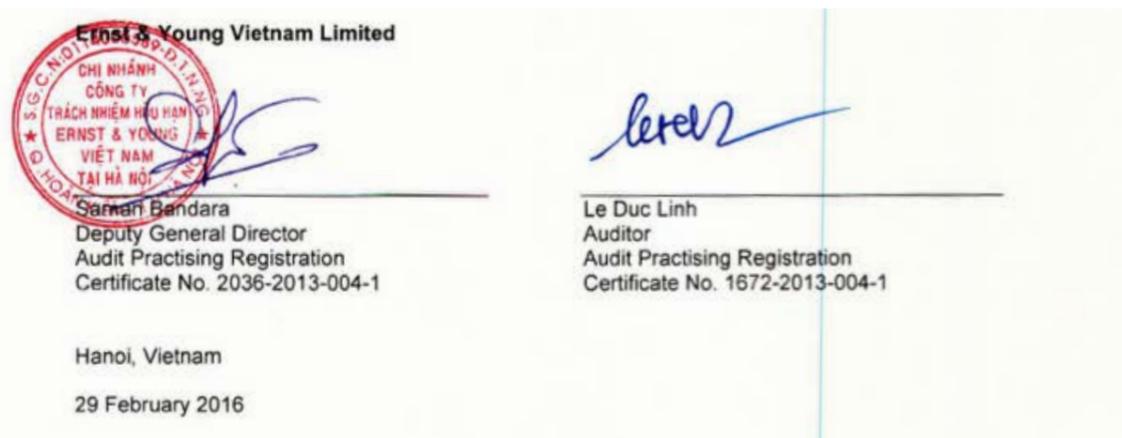
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Corporation as at 31 December 2015 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System applicable to insurance companies and with the relevant statutory requirements to preparation and presentation of separate financial statements.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2.1 of the separate financial statements which states that the Corporation prepared and issued its consolidated financial statements of the Corporation and its subsidiary for the year ended 31 December 2012 in accordance with the Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System applicable insurance companies and with the relevant statutory requirements to preparation and presentation of consolidated financial statements. We have audited those consolidated financial statements and our auditors' report dated 29 February 2016 expressed an unmodified opinion. Users of the accompanying separated financial statements should read them together with the consolidated financial statements of the Corporation and its subsidiary for the year ended 31 December 2015 in order to obtain full information on the consolidated financial position, consolidated results of the operations and consolidated cash flows of the Corporation and its subsidiary



SEPARATE BALANCE SHEET

as at 31 December 2015

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
100	A. CURRENT ASSETS		3,071,004,521,398	2,135,139,310,205
110	I. Cash and cash equivalents	4	234,893,788,001	145,220,016,867
111	1. Cash		58,893,788,001	49,720,016,867
112	2. Cash equivalents		176,000,000,000	95,500,000,000
120	II. Short-term investments	5	1,833,299,078,283	1,081,493,160,648
121	1. Trading securities		76,429,659,858	72,626,052,716
122	2. Provision for trading securities		(5,130,581,575)	(3,132,892,068)
123	3. Held-to-maturity investments		1,762,000,000,000	1,012,000,000,000
130	III. Short-term receivables	6	343,175,717,721	306,877,542,885
131	1. Short-term trade receivables		294,070,925,872	266,765,071,665
131.1	1.1 Insurance receivables		294,065,838,178	266,765,071,665
131.2	1.2 Other trade receivables		5,087,694	-
132	2. Short-term advances to suppliers		1,551,758,776	1,854,102,733
136	3. Other receivables		61,859,884,074	58,017,250,788
137	4. Allowance for doubtful debts		(14,306,851,001)	(19,758,882,301)
140	IV. Inventories		146,828,992	472,839,213
141	1. Inventories		146,828,992	472,839,213
150	V. Other short-term assets		56,984,109,455	43,389,922,869
151	1. Prepaid expenses		56,495,652,538	42,985,489,930
151.1	1.1 Unallocated commission expense	7	54,874,855,847	42,565,932,167
151.2	1.2 Other prepaid expenses		1,620,796,691	419,557,763
152	2. Deductible VAT		488,456,917	404,432,939
190	VI. Reinsurance assets	17.1	602,504,998,946	557,685,827,723
191	1. Reinsurance assets from un-earned premium reserve		277,659,988,399	214,312,202,132
192	2. Reinsurance assets from claim reserve		324,845,010,547	343,373,625,591

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
200	B. NON-CURRENT ASSETS		621,113,101,087	253,205,839,885
210	I. Long-term receivables		6,411,432,734	6,045,954,546
216	1. Other long-term receivables		6,411,432,734	6,045,954,546
216.1	1.1. Statutory deposit	8	6,000,000,000	6,000,000,000
216.2	1.2. Other long-term receivables		411,432,734	45,954,546
220	II. Fixed assets		29,167,434,806	20,748,306,681
221	1. Tangible fixed assets	9	22,549,140,610	14,211,593,725
222	Costs		52,342,975,405	40,280,132,768
223	Accumulated depreciation		(29,793,834,795)	(26,068,539,043)
227	2. Intangible assets	10	6,618,294,196	6,536,712,956
228	Costs		6,739,599,125	6,606,599,125
229	Accumulated amortisation		(121,304,929)	(69,886,169)
240	III. Construction in progress		97,317,909	-
242	1. Investment in subsidiary		97,317,909	-
250	III. Long-term investments	5	584,790,423,069	224,192,172,163
251	1. Investment in subsidiary		34,660,020,000	34,660,020,000
253	2. Other long-term investments		125,946,505,000	126,090,000,000
254	3. Provision for impairment of long-term investments		(16,755,601,931)	(16,557,847,837)
255	4. Held-to-maturity investments		440,939,500,000	80,000,000,000
260	IV. Other long-term assets		646,492,569	2,219,406,495
261	1. Long-term prepaid expenses	11	646,492,569	2,219,406,495
270	TOTAL ASSETS (270=100+200)		3,692,117,622,485	2,388,345,150,090

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
300	A. LIABILITIES		1,747,226,367,383	1,509,495,929,431
310	I. Current liabilities		1,739,021,045,656	1,506,869,653,714
311	1. Trade payables	12	260,242,871,481	272,018,564,245
311.1	1.1. Insurance payables		260,036,147,418	271,999,981,428
311.2	1.2. Other payables		206,724,063	18,582,817
312	1. Short-term advance from customers		3,921,618,371	3,869,042,310
313	2. Tax and other statutory obligations	13	13,221,437,624	26,621,858,510
314	3. Payables to employees		36,477,927,753	29,938,955,213
315	4. Short-term accrued expenses	14	14,257,972,097	14,304,710,299
318	5. Short-term deferred revenue		6,940,508,479	4,768,983,859
318.1	6. Un-earned commission revenue	15	67,155,147,363	42,201,089,205
319	7. Other short-term payables	16	28,947,438,009	11,702,220,027
322	8. Bonus and welfare funds		5,389,533,649	3,931,236,644
329	9. Technical reserves	17	1,302,466,590,830	1,097,512,993,402
329.1	10.1. Gross un-earned premium reserve		759,915,619,653	569,832,186,917
329.2	10.2. Gross claim reserve		470,722,803,331	454,224,711,072
329.3	10.3. Catastrophe reserve		71,828,167,846	73,456,095,413
330	II. Non-current liabilities		8,205,321,727	2,626,275,717
337	1. Other long-term liabilities	16	2,730,570,343	2,554,754,614
341	2. Deferred tax liability		5,474,751,384	71,521,103

SEPARATE INCOME STATEMENT

PART 1: SEPARATE COMPREHENSIVE INCOME STATEMENT

For the year ended 31 December 2015

Currency: VND

Code	ITEMS	Notes	Ending Balance	Beginning Balance (restated)
400	A. OWNERS' EQUITY		1,944,891,255,102	878,849,220,659
410	I. Owners' equity	18	1,944,891,255,102	878,849,220,659
411	1. Charter capital		1,172,768,950,000	762,299,820,000
411a	- Common shares with voting rights		1,172,768,950,000	762,299,820,000
411b	- Preference shares		-	-
412	2. Share premium		655,565,033,362	4,875,765,330
417	3. Investment and development fund		1,800,187,891	1,800,187,891
419	4. Statutory reserve		22,310,289,169	17,652,521,022
421	5. Retained earnings		92,446,794,680	92,220,926,416
421a	5.1. Accumulated undistributed profit of previous years		5,998,513,158	22,654,990,804
421b	5.2. Undistributed profit of current year		86,448,281,522	69,565,935,612
440	TOTAL LIABILITIES AND OWNERS' EQUITY (440=300+400)		3,692,117,622,485	2,388,345,150,090

Currency: VND

Code	ITEMS	Current Year	Previous Year (restated)
10	1. Total operating income	961,455,193,725	720,451,758,342
12	2. Finance income	133,913,366,273	134,417,547,204
13	3. Other income	3,301,276,059	1,511,280,754
20	4. Total direct operating expenses	(746,368,983,406)	(506,394,810,848)
22	5. Finance expense	(16,049,394,908)	(24,582,750,297)
23	6. General and administrative expenses	(219,476,320,374)	(209,962,515,760)
24	7. Other expenses	(888,462,783)	(3,443,136,753)
50	8. Profit before corporate income tax (50=10+12+13+20+22+23+24)	115,886,674,586	111,997,372,642
51	9. Current corporate income tax expense	(17,328,081,366)	(23,922,654,508)
52	10. Deferred corporate income tax income	(5,403,230,281)	(490,291,518)
60	11. Net profit for the year after corporate income tax (60=50+51+52)	93,155,362,939	87,584,426,616



Mr. **Nguyen Xuan Dong**
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016



Mrs. **Lai Ngan Giang**
Chief Accountant



Mr. **Tran Hoai An**
General Director

PART 2: SEPARATE OPEATIONAL INCOME STATEMENT

For the year ended 31 December 2015

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
01	1. Insurance revenue	19	1,288,691,665,535	1,005,054,503,168
	(01 = 01.1 + 01.2 + 01.3)			
	In which:			
01.1	- Direct written premiums		1,280,643,016,222	992,045,133,539
01.2	- Reinsurance premium assumed		198,132,082,049	126,083,895,549
01.3	- Increase in un-earned premium reserve		(190,083,432,736)	(113,074,525,920)
02	2. Reinsurance premium ceded	20	(467,017,573,772)	(375,319,655,460)
	(02 = 02.1 + 02.2)			
	In which:			
02.1	- Reinsurance premium ceded		(530,365,360,039)	(401,688,553,748)
02.2	- Increase in ceded premium reserve		63,347,786,267	26,368,898,288
03	3. Net insurance premiums		821,674,091,763	629,734,847,708
	(03 = 01 + 02)			
04	4. Commission on reinsurance ceded and other insurance incomes		139,781,101,962	90,716,910,634
	(04 = 04.1 + 04.2)			
	In which:			
04.1	- Commission on reinsurance ceded	21	110,729,301,110	67,041,122,928
04.2	- Other income from insurance activities		29,051,800,852	23,675,787,706

10	5. Total net revenue from insurance business		961,455,193,725	720,451,758,342
	(10 = 03 + 04)			
11	6. Claim expenses (11 = 11.1 + 11.2)		(463,431,668,740)	(341,821,967,676)
	In which:			
11.1	- Claim expenses		(468,165,350,277)	(342,644,929,219)
11.2	- Claim expense reductions		4,733,681,537	822,961,543
12	7. Recoveries from reinsurance ceded		153,883,717,486	108,261,964,428
13	8. Increase in Direct and assumed claim reserve		(70,636,297,278)	(127,988,042,754)
14	9. Increase in ceded claim reserve		35,604,281,975	123,953,986,544
15	10. Net claim expenses	22	(344,579,966,557)	(237,594,059,458)
	(15 = 11 + 12 + 13 + 14)			
16	11. Increase in catastrophe reserve		(9,484,097,382)	(7,165,458,548)

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
17	1. Other operating expenses (17 = 17.1 + 17.2)	23	(392,304,919,467)	(261,635,292,842)
	In which:			
17.1	- Commission expense		(121,055,711,023)	(65,685,201,176)
17.2	- Other underwriting expenses		(271,249,208,444)	(195,950,091,666)
18	2. Total direct operating expenses (18 = 15 + 16 + 17)		(746,368,983,406)	(506,394,810,848)
19	3. Gross insurance operating profit (19 = 10 + 18)		215,086,210,319	214,056,947,494
23	4. Finance income	24	133,913,366,273	134,417,547,204
24	5. Finance expense	25	(16,049,394,908)	(24,582,750,297)
25	6. Profit from financial activities (25 = 23 + 24)		117,863,971,365	109,834,796,907
26	7. General and administrative expenses	26	(219,476,320,374)	(209,962,515,760)
30	8. Net operating income (30 = 19 + 25 + 26)		113,473,861,310	113,929,228,641
31	9. Other income	27	3,301,276,059	1,511,280,754
32	10. Other expenses	28	(888,462,783)	(3,443,136,753)
40	11. Net other profit (40 = 31 + 32)		2,412,813,276	(1,931,855,999)
50	12. Profit before corporate income tax (50 = 30 + 40)		115,886,674,586	111,997,372,642
51	13. Current corporate income tax expense	29	(17,328,081,366)	(23,922,654,508)
52	14. Deferred corporate income tax income	29	(5,403,230,281)	(490,291,518)
60	15. Net profit for the year after corporate income tax (60 = 50 + 51 + 52)		93,155,362,939	87,584,426,616

Mr. **Nguyen Xuan Dong**
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016

Mrs. **Lai Ngan Giang**
Chief Accountant

Mr. **Tran Hoai An**
General Director

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Net profit before tax		115,886,674,586	111,997,372,642
	Adjustments for:			
02	Depreciation and amortisation		3,776,714,014	3,075,028,994
03	Insurance reserves and provision for diminution in investment value		158,511,373,812	265,877,248,690
04	Losses from revaluation of foreign currencies		1,508,233,586	-
05	Profits from investing activities		(110,686,492,136)	(115,516,810,103)
06	Interest expense		125,341,702	-
08	Operating income before changes in working capital		169,121,845,564	265,432,840,223
09	Increase in receivables		(26,565,758,586)	(104,735,837,129)
10	Increase in inventory		-	(472,839,213)
11	Increase/(decrease) in payables		34,560,106,092	(18,633,269,858)
12	Increase in prepaid expense		(12,056,625,308)	(43,425,941,479)
13	Increase in trading securities		(3,803,607,142)	-
14	Interest expense paid		(119,295,338)	-
15	Corporate income tax paid		(25,173,329,488)	(26,268,355,967)
16	Increase in receivables from other activities		451,299,780	4,594,413,836
17	Increase payables for other activities		(14,872,716,862)	(18,123,998,503)
20	Net cash flow from operating activities		121,541,918,712	58,367,011,910
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase of fixed assets and other long-term assets		(12,293,160,546)	(7,300,672,275)
22	Disposal of fixed assets and other long-term assets		22,970,908	-
23	Payments for investments in other entities		(2,137,439,500,000)	(1,133,395,364,022)
24	Proceeds from matured investments		1,007,500,000,000	1,070,422,368,044
26	Proceeds from sale of investment		55,000,000	-
27	Interest received		105,514,006,460	101,728,606,468
30	Net cash flow from/(used in) investing activities		(1,036,640,683,178)	31,454,938,215

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year (restated)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	Capital contribution and issuance of shares	18	1,080,500,000,000	33,000,000,000
36	Dividends paid		(75,727,464,400)	(23,943,000)
40	Net cash flow from financing activities		1,004,772,535,600	32,976,057,000
50	Net increase in cash and cash equivalent (50=20+30+40)		89,673,771,134	122,798,007,125
60	Cash and cash equivalents at beginning of the year		145,220,016,867	22,422,009,742
70	Cash and cash equivalents at end of the year (70=50+60)	4	234,893,788,001	145,220,016,867

Mr. Nguyen Xuan Dong
Accountant
Finance - Accounting Division
Hanoi, Vietnam 29 February 2016

Mrs. Lai Ngan Giang
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Mr. Tran Hoai An
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