



BIDV INSURANCE CORPORATION

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*y*OUR
COMPANION



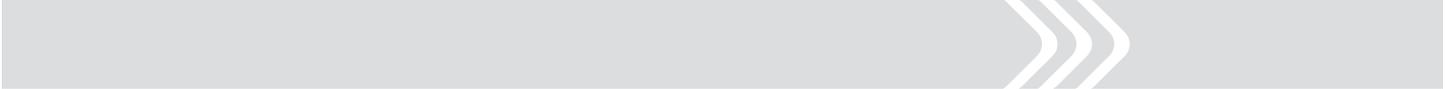
CONTENTS

VISION & MISSION	4
MESSAGE FROM THE CHAIRMAN	5
CEO'S REPORT	7
GENERAL INFORMATION	11
General Information	11
Awards and Recognition	12
Organization Structure	13
BUSINESS PERFORMANCE	19
Performance of Non-life insurance market in 2011	19
BIC's Business performance	20
INSURANCE PRODUCTS	23
Property and Engineering	24
Marine Insurance	25
Miscellaneous Insurance	26
Distribution channels	29
Bancassurance	29
Insurance via E-Business	30
Agent	31
Broker	31
Direct insurance	33
FINANCIAL INVESTMENT ACTIVITIES & FINANCIAL SERVICES	35
CUSTOMER SERVICES	39
Claims settlement and survey	39
Customer care	40
SOCIAL RESPONSIBILITY	41
TARGETS FOR 2012	43
FINANCIAL STATEMENT	45
NETWORK	50

A photograph of two hands, one from the left and one from the right, positioned to form a heart shape. The hands are light-skinned and are set against a background of a sunset or sunrise over a field. The sky is a mix of blue and orange, and the ground is a mix of green and brown. A white diamond-shaped border is overlaid on the heart, containing three lines of text.

"COMING together is BEGINNING"
"WORKING together is PROGRESS"
"STAYING together is SUCCESS"





BIC is pleased to accompany with you on your ways, we are committed to become a confident fender for your firm, carry out the mission of risk transferring and ensure the continuous development of your business.

VISION

To become one of the five largest non-life insurance companies in Viet Nam in terms of **Capital, Profitability and Market share.**

To develop BIC to be a reputable insurance brand and one of the two core business pillars of BIDV Financial Group.

MISSION

BIC is committed to provide comprehensive financial risk management solution to clients,

CORE VALUE

“Profession, Truth, Integrity”

BIC is committed to provide the maximum benefit to Community, Shareholders and BIC’s members.



"In 2011, BIC has excellently fulfilled the goals that were approved by the General Meeting of Shareholders. This result was achieved thanks to the efforts, determination, and consensus of all BIC's members, the supports of shareholders and customers as well. Given the achievements in 2011, BIC would confidently sustainably grow in 2012 and the following years".

MESSAGE FROM THE CHAIRMAN

Dear Shareholders, Clients and Partners

2011 has gone through with many challenges and concerns. There are some unfulfilled goals due to difficulties of the business environment and problems of each firm. However, with the efforts and achievements of the company, I and all members of BOM are excited and confident in the future success. It can be said that there are many changes and difficulties for BIC during the year, but it is also a successful year in terms of efficient and sustainable development.

2011 was the first year that BIC operated under the Joint-stock company model. The change of the operating mechanism after transferring has brought the efficiency to push up development of the machine quickly and professionally.

In particular, since September 06th 2011, BIC's stocks officially started to list on the stock market, that brings pressure to BIC on operating transparently and efficiently. To align benefits of shareholders, employees and clients, BIC has to improve competitive advantages and innovation constantly to operate more efficiently.

Personally, 2011 marked a big change when I resigned the CEO role to took the Chairman position to represent and ensure the interests of BIC's shareholders. This was a turning point in my career as well as for the BIC system. With this new responsibility, I am able to spend more time on strategic planning, monitoring and supporting operation of the company. It is high time to have a change in the Management position in order to create new inspiration for the development of BIC.

2011 also marked the first time the company profit hit the milestone of 100 billion VND. The achievements in developing new distribution channels help BIC maintain the 6th rank in terms of market share in the non-life insurance market. BIC strategy is on track. The shareholders may believe in the sustainable growth of BIC, believe in the capacity and governance structure of the company.

For 2012, the company has a lot of works to do.

Shareholders will continue seeing the changes of BIC in efficiency and scale. The company needs to restructure more strongly for the sound operation, taking advantage of the market opportunities more effectively and continuously improve the ability to meet the governance standards, financial security and risk management in practice. I hope that BIC would have all your trusts and supports. On behalf of Board of Management, I promise to follow the development plan of BIC to ensure to complete successfully the goals that were set by the General Meeting of Shareholders. Whereby, in 2012, total written premium revenue will increase at least 23%, profits increase at least 15% compared to 2011.

Thank you for accompanying with BIC in the last six years. I wish you will keep sharing the same way with the us for the time being. Wish you all success and development.

Yours sincerely,
Chairman



Pham Quang Tung

“At the mid-time of 2011, despite the increase in economic difficulties that threaten to the fulfillment of business plan, Board of Directors of BIC still believe and determine to complete the business plan approved by the General Meeting of Shareholders and Board of Managements. As a result, 2011 witnessed a successful year of ensuring the interests of Shareholders, maintaining market share and sustaining growth rate.”



CEO'S REPORT

Dear our valued partners,

First of all, I would like to give my deeply thanks to the Clients and Partners of BIC in the last six years, especially who have accompanied with us in 2011 – a year of difficulties and challenges. That is your support which gives BIC more power and motivation to fulfill the targets of 2011 successfully and be ready to step forward to 2012.

2011 was a memorable year with a big change of BIC. It is the first year of BIC's full operation as a public joint stock company with changes in management model and leadership. A lot of challenges have come to BIC as soon as BIC "striving to the open sea". BIC has also faced with the unexpected difficulties of the economic downturn. The government's solutions to control inflation by tightening the money supply, reducing public investment ... have had a large effect to the solvency of the BIC's customers. In addition, high inflation increased compensation costs and a series of random accidents to ships threatened to the decline of profit in 2011.

These difficulties are substantial pressure for BIC Board of Directors to give appropriate and timely solutions. A series of coordinated solutions to promote the business and increase the efficiency have been implemented such as: promoting retail distribution channels to take advantage of personal consumption trends, reducing the burden of transitional products and distribution channels that were tightened by investment reduction, tightly controlling administrative expenses in parallel with flexibility management for other expenses, enhancing risk management, reducing

debt ratio, implementing motivation programs to promote business...

At the mid-time of 2011, facing with the increasing economic problems that threaten to ability to the fulfillment of business plan, the Board of Directors still believe and determine to complete business plan approved by Board of Shareholders and Board of Management. As a result, 2011 was a successful year of BIC in maintaining market share and sustainable growth.

The biggest achievements of BIC in 2011, as follows:

The business results reached the targets approved by the General Meeting of Shareholders: Total revenue reached 1,068,553 billion VND, increased 22% compared to 2010, in which the premium revenue increased 25%. Profit before tax reached 100,521 billion VND, increased 219% compared to 2010, completed 100% of the business plans of the General Meeting of shareholders. Underwriting reserves at the end of 2011 increased 18% comparing to the end of 2010. Market share increased 0.1% up to 3.1% and remain BIC position at the 6th in the non-life insurance market.

The business network is expanding and covering nationwide. It helps the company strengthen business abilities and expand the scale. In 2011, there were 2 new wholly-owned subsidiaries and 17 business offices established, increasing the number of wholly-owned subsidiaries and business offices to 21 and 91 all over the country.

The strategy focusing on retail has been defined and well developed as a priority to reduce the burden on traditional products. As the liquidity of the corporate clients declined due to the economic difficulties, BIC has prioritized on individual clients segmentation to diversify risks and lower the burden on the traditional distribution channels and products. Thanks to this new strategy and the motto of diversifying individual prod-

ucts and service, and developing distribution channels to approach customers anywhere and everytime, BIC has achieved great success in 2011. In order to facilitate customers in buying insurance services anywhere and everytime, BIC has been a pioneer in deploying the online channel at www.baohiemtructuyen.com.vn in order to offer a wide range of personal insurance products via the Internet. Bancassurance channel has also played the role as one of the strengths of BIC while total turnover through online insurance software was 23,5 billion VND, as 146% of plan and increased 52% compared to 2010, with more than 85,000 customers.

The quality of customers care activities has been improved. Besides the customer care program to express the commitment and sharing of the Insurer, some customers' satisfaction measurement have been implemented by the Internet as the base for process and procedure improvement to better satisfy customers' needs. With such efforts in customers caring, the image of BIC is becoming more professional. It shows that the customers' satisfaction is always a top target of the company.

According to Vietnam Insurance Association, in 2012, the economic and investment difficulties will continue negatively impacting on the business activities of insurance companies. However, the non-life insurance market is expected to continually achieve a high growth rate with total estimated premium revenue at 27,500 billion VND, increased from 19 to 20% compared to 2011. Besides, according to predicts of economic experts, after a period of overheated growth, in 2012 the restructuring of the whole economy and some critical areas (e.g. public investment, the state-owned enterprise and banks) will become primary concerns and motivation for Insurers to change their thinking and ways in order to maintain sustainable growth for the next period.

With all the opportunities and difficulties, in 2012, BIC will make every effort to improve efficiency of

the insurance business, focus on improving performance effectiveness and competitive capacity by a series of solutions of improving claim and customer services, innovating management method and reforming management policies in terms of personnel policies, salary and motivation. Main planning criteria include total written premium revenue of at least 850 billion VND, profit before tax of at least 115 billion VND, loss ratio under 43%, market share of at least 3,1%, dividend increase by at least 10%.

On behalf of the Board of Directors and more than 550 employees of BIC, I commit and determine to bring BIC overcome all the challenges and difficulties in the coming years and successfully implement the business plan that the General Meeting of Shareholders and Board of Management have approved. At the same time, I also commit that BIC has accompanied with you on all stages of development to deserve the mission of being the solid shield to protect your financial safety.

Yours sincerely,
Chief of Executive Officer



Ton Lam Tung





**COMPANION
and
PARTNERSHIP**





GENERAL INFORMATION

Full and official name: Bank of Investment and Development of Viet Nam Insurance Corporation.

Vietnamese trade name: BIDV insurance Corporation

Stock Code (HOSE): BIC

Chartered Capital: 660.000.000.000 VND

Head Office: 16th floor, Vincom city Tower, 191, Ba Trieu, Ha Noi

Tel: (84-4) 22200282 Fax: (84-4) 22200281 Hotline: 1800 9456

BIDV Insurance Corporation was established to serve the development strategy of the Bank for Investment and Development of Vietnam to set up a financial group operating under the BIDV trademark by purchasing the share owned by the QBE insurance Group (Australia) in the BIDV – QBE joint venture (a foreign-invested company established in Vietnam in 2009) and officially operating in Vietnam under the BIC brand since January, 01st 2006. Inherited six years experience in the joint venture with QBE and more than 50 years experience of BIDV in the financial market, after establishment, BIC keeps on focusing on the target of providing non-life insurance products that were designed provide Bank's clients financial package facilities.

BIC is the first member of BIDV to conduct its equalization based on the guideline of the Government. Since October 01st 2010, BIC has officially transformed from a 100% owned-state company to a joint stock corporation with the chartered capital

of 660 billion VND. Since September 06th 2011, BIC's stocks have officially been listed in Ho Chi Minh stock exchange (HOSE) under the stock code BIC.

According to statistics of Vietnam insurance Association, BIC is the 6th largest insurance company in terms of market share among 29 non-life insurance companies in the market. The company is one of insurance companies which experience the fastest growth of direct insurance premium in the market. BIC is the leading company in terms of developing Bancassurance and E-business channels. BIC is also the first company to expand the business network covering the Indochina (including Vietnam, Laos and Cambodia).

The business strategy of BIC in the next five years is being one of five largest non-life insurance companies in terms of market share and efficiency in Vietnam and being one of 2 pillars of the BIDV system.



Awards and social recognition

- ◆ Acknowledgment as one of 500 fastest growing companies in Vietnam in 2010 and 2011 (according to the independent evaluation of Vietnam Report).
- ◆ Certificate of **"The Best Insurance Firms in 2010"** by Vietnam Economic Forum.
- ◆ **Prime Ministerial Certificate of Merit in 2010** which acknowledged BIC's contribution to national construction and defense.
- ◆ **Certificate of Merit by the Minister of Finance** in 2009 and 2010 which acknowledged the contribution of BIC to the state development of the country's financial market.
- ◆ **Emulation flag and Certificate of Merit by the Governor of State Bank of Vietnam** in 2008 and 2010.
- ◆ **Vietnam Golden Star** award in 2010.
- ◆ **Certificate of Merit by President of the Vietnam Chamber of Commerce and Industry (VCCI)** which acknowledge BIC's Chief Executive Officer as one of the country's 100 top businessmen in 2010.
- ◆ **Certificate of Merit by the Communist Party applied to State Sector** in 2008.
- ◆ **Vietnam Golden FDI** award in 2008.
- ◆ **Certificate of the most favorite Service** in 2009 (Top trade service) by Ministry of Industry and Trade
- ◆ **Vietnam strong Brand** award from 2007 to 2009.

FOUNDATION SHAREHOLDERS

Unit: VND

No	Name	Share quantity	Value (VND)	Chartered capital percentage
1	Bank for Investment and Development of Vietnam	54,317,509	543,175,090,000	82.3%
	Total	54,317,509	543,175,090,000	82.3%

SUBSIDIARIES

Unit: USD

No	Name	Chartered Capital	BIC's Contributed capital	Percentage of contributed capital(%)
1	Lao-Viet Insurance Joint Venture Company (LVI)	3,000,000	1,530,000	51%
	Total	3,000,000	1,530,000	51%

BOARD OF MANAGEMENT



MEMBER

Mr
Dang Quang Vinh

Mr Vinh has worked for BIDV system for many years and held some important position.

He is Director of Finance Department of BIDV

MEMBER

Ms
Nguyen Thi Thanh Van

Ms Van has many years of experience in finance, accounting sectors and has held some important positions in BIDV System.

She is Finance Executive Officer of BIDV Insurance Corporation. Head of Board of Supervision of Vietnam reinsurance Joint Stock Company (VINARE), Chairman of Cambodia Vietnam Insurance Company

CHAIRMAN

Mr
Pham Quang Tung

Mr Tung has many years of experience in finance, banking and insurance sectors.

He is the Deputy General Director of BIDV

DEPUTY CHAIRMAN

Mr
Tran Xuan Hoang

Mr Hoang has held some important positions in BIDV system.

He is Director of Human resources Department of BIDV, member of BOM of BIDV Labor Union Investment Joint Stock Company (BUC), member of BOM of BIDV Leasing Company

MEMBER

Mr
Trinh Minh Tam

Mr Tam has many years of working experience in BIDV System.

He is Director of Credit Risk Management Department, member of BOM of Vietnam-Russia Joint Stock Bank

Supervisory Board



HEAD OF BOS: Mr Cao Cu Tri

Mr Tri has worked for some organizations of the State Bank of Vietnam. Since 2002, he has worked in BIDV system and held some important positions such as: Deputy Director of No. 3 Transaction Center, Deputy Director of Board of Supervision of BIDV.

Mr Tri has recently been the Deputy Director of Board of Supervision of BIDV

Board of Directors



CHIEF EXECUTIVE OFFICER

Mr Ton Lam Tung

In charge of General

Mr. Tung has many years of experiences in Finance, Banking and Insurance sectors

Mr Tung was appointed to Deputy Director of BIC since August 2008, Deputy General Director since October 1st 2010 and Acting Chief Executive Officer since April 28th 2011



FINANCE EXECUTIVE OFFICER

Ms Nguyen Thi Thanh Van

In charge of the Finance

Ms. Van has worked in Finance, Accounting and Insurance for many years.

Ms Van was appointed to Deputy Director since May 2006 and Deputy General Director since October 1st 2010



MEMBER: Mr Nguyen Thanh Cong

Mr Cong has many years working in insurance accounting sector. He is the Deputy Director of Finance Division, Vietnam Reinsurance Joint Stock Corporation.

Mr Nguyen Thanh Cong has appointed to Member of BOS by the annual Meeting of Shareholder since March 16th 2012, replaced to Mr Dao Manh Duong



MEMBER: Mr Nguyen Trung Kien

Mr Kien has worked in BIDV system since 1999 and held many important positions at Banking modernization and settlement system Project Unit, SIBS management and expansion Unit, Accounting Division, BIDV Quang Trung. He is now Deputy Director of BIDV Accounting Division.



MARKETING EXECUTIVE OFFICER

Mr Dao Chi Cuong

In charge of the Customer Relationship

Mr Cuong has worked in BIDV System for many years. He is the first Chief Executive Officer of Lao-Viet Insurance Company.

He was appointed to Deputy Director of BIC since August 2007 and Deputy General Director since October 1st 2010.

Mr Dao Chi Cuong was appointed to work for BIDV since March 15th 2012



UNDERWRITING EXECUTIVE OFFICER

Mr Tran Trung Tinh

In charge of the Underwriting

Mr Tinh has many years of experience in Insurance sector.

He was officially appointed to Deputy Director of BIC since October 1st 2008 and Deputy General Director since October 1st 2010.



OPERATION EXECUTIVE OFFICER

Mr Mai Nguyen Dong

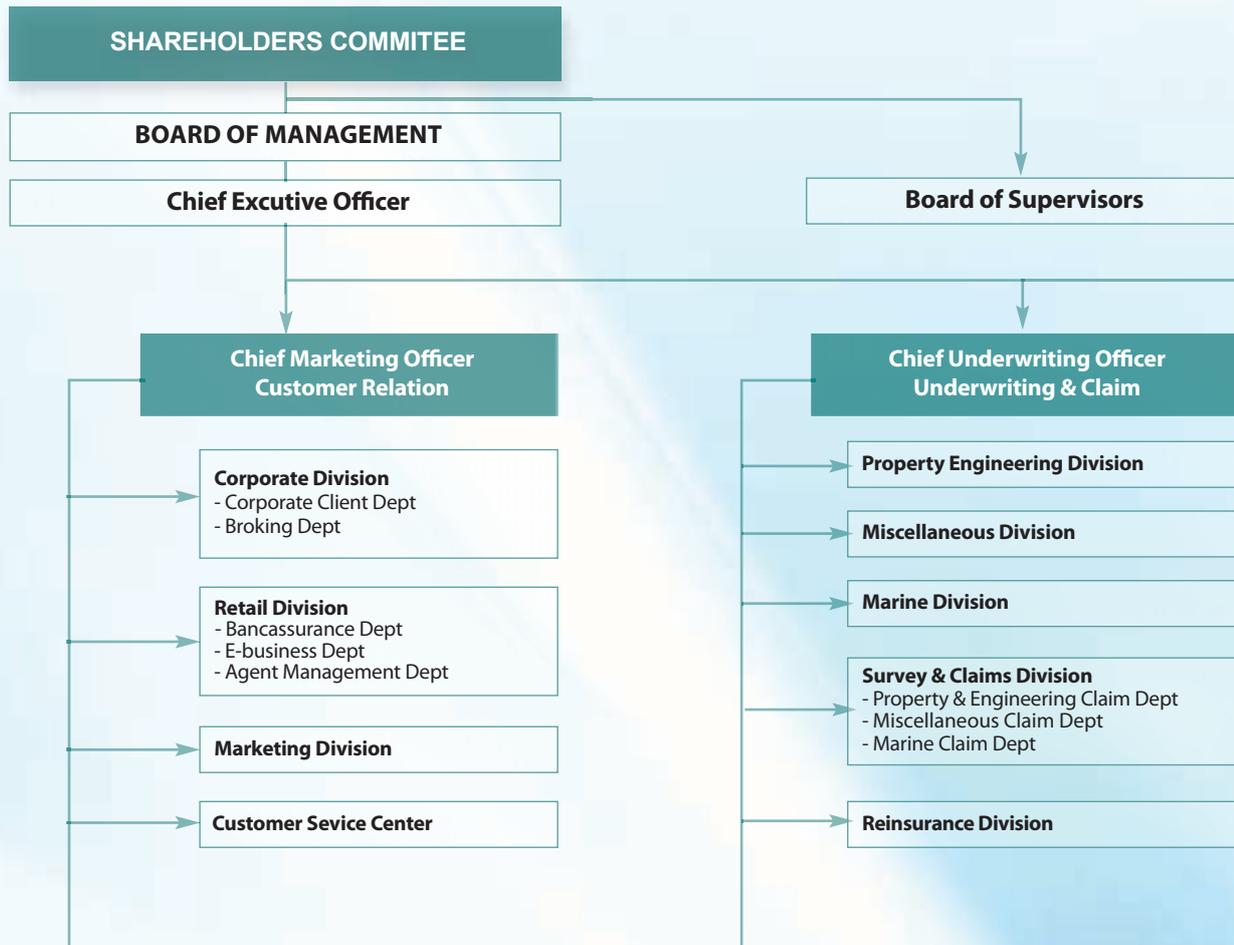
In charge of the Operation

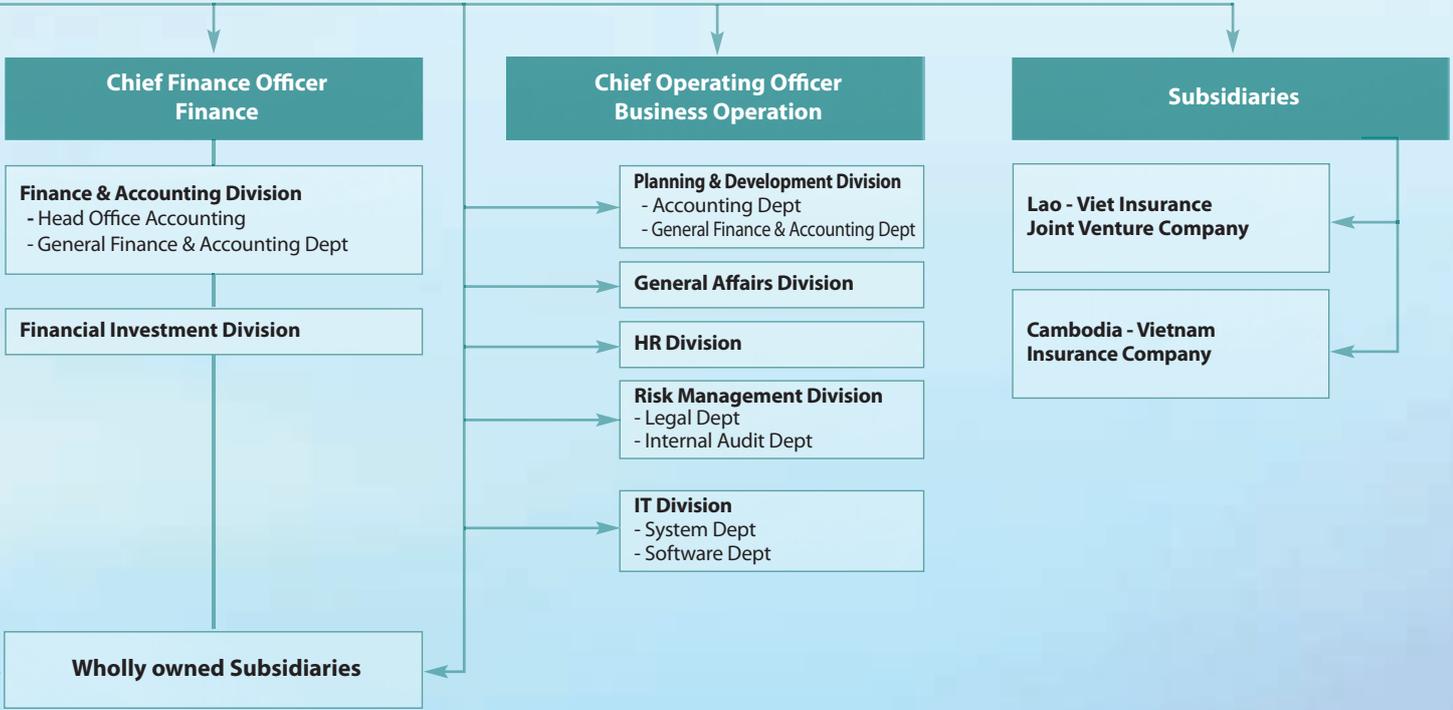
Mr Dong has worked in BIDV system for many years.

He is appointed to Deputy Director of BIC since October 1st 2008 and Deputy General Director since October 1st 2010.

Mr Mai Nguyen Dong was appointed to work for BIDV since April 01st 2012

ORGANIZATION CHART







COMPANION
and
SHARING



BUSINESS PERFORMANCE

PERFORMANCE OF NON-LIFE INSURANCE MARKET IN 2011

In 2011, the Government's policies focusing on controlling inflation as a priority (e.g. tightening the money supply, reducing public investment) have impacted on the entire economy, including the insurance business. However, in general, many insurance firms have fulfilled their business plan and maintained good growth rate.

According to statistics of Ministry of Finance, total premium revenue of the non-life insurance sector in 2011 reached 20,600 billion VND, increased 20.5% compared to 2010. This is a high growth rate in the context of the economic difficulties. On the other hand, it is also consistent with the current development trend of some businesses which change their business strategies towards effectiveness and sustainability. Meanwhile, the growth rate of direct insurance revenue of some non-life insurers has begun declining since 2011 due to the business concentrating on the operational efficiency and profitability. After a period of accelerated growth, many companies have actively restructured product proportion, including reducing the proportion of ineffective products, towards the stable and sustainable development.

In parallel with the growth of volume, the efficiency of the market has been enhanced. The business environment has improved due to the synchronized, complete and transparent legal framework that creates favorable conditions for insurance business. Since 01/7/2011, the amendment of the Insurance Business Law has taken effective with some new regulations such as allowing insurance services across borders and the establishment of foreign insurance brand in Vietnam. In addition, the legal documents for some special insurance are also improved such as the Decree on liability insurance during medical treatment, and the Circular guiding the implementation of export credit insurance, agricultural insurance etc.

As for insurers, given difficulties from the macro economy, the insurance companies have continued strengthening and improving their competitive capacity to meet the increasingly extensive needs of customers as well as the requirement in the context of economic opening and integration. In 2011, insurance companies have considerably invested for training and developing human resources, improving the quality of insurance products and customer services, developing IT applications, enhancing financial ability, and expanding the business etc.

THE GROWTH RATE OF TOTAL INSURANCE REVENUE IN THE NON-LIFE INSURANCE MARKET Unit: billion VND

Year	2006	2007	2008	2009	2010	2011
Revenue	6,403	8,211	10,950	13,754	17,364	20,600

Source: Ministry of Finance



BIC'S BUSINESS PERFORMANCE

KEY FINANCIAL FIGURES

Unit: million VND

Indicators	2010	2011
Total asset	2,498,436	1,870,011
Equity	680,274	749,898
Underwriting reserve	252,42	298,102
Total revenue	875,108	1,068,553
Insurance premium	553,067	689,576
Financial revenue	251,93	289,943
Profit before tax	31,548	100,521
Return of Equity	5.3%	11.98%
Market share	3%	3.1%

2011 is the first year of BIC operation as a joint stock company. It is also a remarkable milestone of six years operating in the Vietnam Insurance market under the brand of BIDV Insurance. It can be said that this 6th year is not only a year of numerous challenges and changes for the company but also a year of efforts and successes.

Facing to a variety of difficulties and challenges from the macro economy, becoming public joint stock company and especially listing stocks in the stock market since September 6th 2011 with loads of requirements on transparency, full disclosure of performance, ensuring the maximum benefit for shareholders by improving business efficiency and keeping the stock price are all huge pressure that forcing. The company to change its business method strongly.

To response to difficulties from the economy, BIC has carried out a series of simultaneous method to promote the business performance such as, developing retail distribution channels to take advantage of the individual consumption trend, diversifying risks and reducing the burden on traditional distribution channels and insurance

products that were tightened due to investment reduction, tightly controlling administration costs, together with managing sales costs, improving risks management, decreasing debt rate, speeding up claim settlement and improving customer services to increase renewal rate etc.

Thanks to these efforts, 2011 was the first time that BIC reached the profit level above 100 billion VND. The growth rate of insurance revenue is at 25%, higher than the average growth rate of the market (20.5%). As the result, 2011 is the 4th consecutive year the company maintaining the 6th position in the non-life insurance market in terms of the market share of direct premium.

Besides, some efficiency criteria such as debt rate, renewal rate etc. has been significantly improved. The strategy concentrating on of retails also has achieved some success in the revenue growth rate of Bancassurance and E-business. In addition, the improvement of IT system, personnel policies, risk management, customer services, survey and claim process etc. make the operation of BIC more professional, effective, transparent and adding value for shareholders.

THE GROWTH RATE OF PERSONNEL

2006	2007	2008	2009	2010	2011
118	265	390	493	515	550

BUSINESS NETWORK DEVELOPMENT

	2006	2007	2008	2009	2010	2011
Subsidiaries	9	12	14	19	19	21
Business departments	8	37	47	56	74	91

10 achievements

I N 2 0 1 1

1

January 2011: Two new subsidiaries are established: BIC Bac Bo and BIC Sai Gon. It helps the company improve sales capacity and expand business network in Ho Chi Minh City and Northern delta region. Upon with these establishments, the numbers of subsidiaries in 2011 have increased to 21 companies.

2

March 2011: Launched a series of new insurance products to meet the customers' need such as international travel insurance, motorcycle physical insurance, liability insurance for lawyers and notaries, money and ATM insurance, insurance package for SMEs...

3

April 2011: Appointed Mr Ton Lam Tung to Acting Chief Executive Officer position, replaced Mr Pham Quang Tung from April 28th 2011. The transfer of senior manager has created the separation between management and director in accordance with modern management practices.

4

May 2011: Launched the new website (www.bic.vn) with variety of modern features. It is definitely a communication portal between the company, partners, customers and shareholders as well.

5

August 2011: Officially introduced the website for online sales at address www.baohiemtructuyen.com.vn. It is a confirmation of BIC's pioneer position with development commitment in the retail market.

6

August 2011: Completed the first issuance of the employee stock option plan (ESOP) with total value of 5 million shares. In this issue, there were nearly 400 staffs signing agreement to obtain options.

7

September 2011: Officially listed 66 million stocks on Ho Chi Minh stock exchange (HOSE) with the reference price at 11,500 VND per stock.

8

October 2011: Continually recognized as one of 1000 firms paying the highest amount of income tax in the period of 3 years (2008-2010) according to the ranking V1000 in 2011.

9

November 2011: Awarded the certificate of Vietnam Young Business Association for excellent business performance.

10

November 2011: Fulfilled the business plan of 2011. It is the first time profit before tax of the company exceeding 100 billion VND. The business network has continually expanded with 21 subsidiaries and 91 business departments in the nationwide. Two joint stock companies of BIC in Laos and Cambodia, LVI and CVI, achieved good performance in the year and strengthened their positions in local markets.



INSURANCE
PRODUCTS

BIC is among the market leaders for implementing such insurance products as: property and engineering insurance, fire and explosion insurance, cargo insurance, financial insurance and the pioneer in developing new products which well meet customer's need such as apartment insurance, rubber tree insurance, SME package insurance, surety bond and so on.

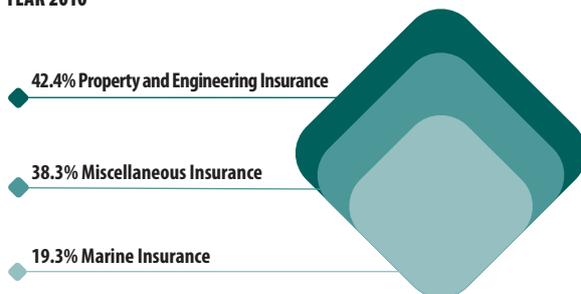
WRITTEN PREMIUM STRUCTURE

Unit: Million VND

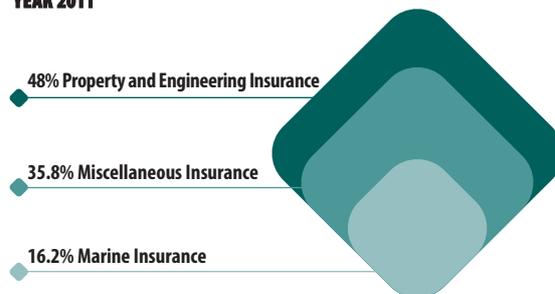
No.	Categories	2011	
		Revenue	Proportion (%)
1	Property and Damage insurance	235,361	37.73
2	Automobile Insurance	183,217	29.37
3	Hull & P&I insurance	48,384	7.76
4	Fire insurance	62,026	9.94
5	Cargo insurance	31,283	5.01
6	Health care and Personal accident	35,235	5.65
7	Health and Personal Accident Insurance	4,599	0.74
8	Aviation insurance	21,408	3.43
9	Business Interruption insurance	2,102	0.34
10	Credit and financial risks insurance	206	0.03
Total		623,821	

WRITTEN PREMIUM PROPORTION 2011

YEAR 2010



YEAR 2011





PROPERTY AND ENGINEERING

The exploitation of insurance products in general and Property and Engineering insurance in particular in 2011 is adversely influenced by the general economic difficulties, the Government policy on tightening credit and public investment as well as the estate freezing.

However, property written premium of the whole market stays optimistic at 5,034 billion dong, marking 24% increase in comparison to 2010⁽¹⁾.

Property and Engineering insurance always accounts for the biggest proportion in BIC's written premium structure. The revenue in 2011 reached 299,488 million dong, amounting 48% in the total revenue and maintaining the growth speed of

37.82% over the last year. In terms of market share, BIC stands in top 5 non-life insurance companies which have the highest revenue and higher growth speed in comparison with market average.⁽²⁾

Of which:

Property and Damages reached 235,361 million dong, equivalent to 78.59% in the total revenue and a 44.36% increase over 2010;

Fire and Explosion reached 62,026 million dong, contributing 20.71% in the total revenue and increasing 20.88% over 2010.

WRITTEN PREMIUM FROM ENGINEERING AND PROPERTY INSURANCE

Unit: Million VND

	2009	2010	2011
Property and Damages	128,518	163,034	235,361
Fire and Explosion	37,781	51,313	62,026
Business Interruption	697	2,957	2,102
Total	166,995	217,304	299,489

In general, the exploiting of Property and Engineering of BIC within 2011 has achieved following remarkable steps:

- Reaching the growth rate of 37.82%, which is valued as rather high in such unfavorable market condition in 2011;
- Improving the risk analysis, and turning the business strategy to focus on selective customers and effective services;
- Multiplying the product lines which is researched and developed on Customer’s needs and market trend (i.e., BIC An Hung – the package product for Small and Medium sized Enterprises, rubber tree insurance, and so on). As a result, annual renewal rate is rising and the preferred renewal products are taking a weighty proportion, ensuring sustainable growth speed.
- Increasing the source of customers preferring those products, especially big corporations and groups

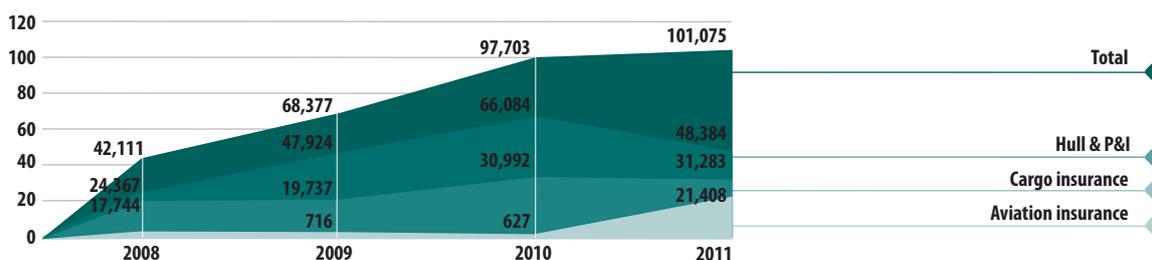
MARINE INSURANCE

The negative impacts from the world economic crisis in 2011 also make the exploiting of Marine Insurance really tough in the overall market. Especially, the drop of domestic hull building and transportation, accompanied with high risk concerns cause a dramatic fall in product revenue. However, the optimistic cargo exporting and importing in 2011 produces an advantage to the growth of Cargo Insurance (increasing 43%⁽¹⁾).

Marine written premium over the market totals 3,633 billion dong, accounting for 17.63% in the total revenue. In which, cargo insurance is 1,783 billion dong, a 43% increase in compared to toison to 2010; while P&I insurance is 1,850 billion dong, which is a 1% increase only to 2010.⁽²⁾

GROWTH OF MARINE WRITTEN PREMIUM

Unit: Million VND



(1), (2): Source: Ministry of Finance



To BIC, this is really a tough year in exploiting marine insurance. The revenue is 101,075 million dong, occupying amounting 16.2% in the total written premium. Comparing to 2010, the growth speed rate is only 3.45%, which is a significant cut-back decline to that of 2010 (in 2010, the growth speed rate of marine insurance is 43% over 2009). The downturn is caused by following reasons:

Firstly, because of the increasing claims in the end of 2010 and at the beginning of 2011, BIC has decided to govern the growth of hull insurance in a selected well-controlled risks, in order to maintain fixed re-signing contracts, and minimize the risks. One of the solutions is to restrain the exploitation of small vessels with volume under 1,000 GT, which usually compromise countless damages and are badly managed.

Secondly, in spite of the high growth speed of cargo insurance in the overall market, that of BIC is only 0.94%. That is because iron insurance which brings biggest contribution to the revenue, but is dropped dramatically due to credit tightening-narrowing policy in 2011. On the other hand, revenue decrease is also rooted from a fact that many BIC's customers find difficult in accessing the bank credit (due to credit tightening policy).

In spite of the difficulties caused the standstill in revenue, marine insurance also achieved following growth:

BIC has implemented the Owner Civil Liabilities (P&I) via QBE fixed premium association, which improves the company's competitiveness and ability to penetrate in other lines of marine insurance.

Exploiting quality is also enhanced through the completion of profession test designed for BIC's executives and business officers in the whole network.

Procedures and compliance are all accomplished via the editing program of the set of united and typical Marine Policy in the whole network.

MISCELLANEOUS INSURANCE

In general, due to the impacts of economic recession, badly existing non-technical competition, fraudulent, and misconduct, the year 2011 stills observes the high overall market claim ratio of non-marine insurance, at 39%. However, thanks to being in the list of personal customers' high demand, the revenue stays optimistic: a 13% increase in car insurance, a 34%⁽¹⁾ increase in health care and personal accident.

Miscellaneous insurance maintains pretty good growth in BIC. In the non-life market, BIC stands in Top 10 companies in term of miscellaneous written premium. In 2011, BIC's miscellaneous revenue reaches 223.256 million dong, attaining 17.23% growth, occupying 35.8% in the total written premium.

Due to macro-economic difficulties, BIC's growth rate in 2011 is rather lower than that of 2010 (i.e., 41%). However, to the larger extent, this profession stills keep optimistic results with good annual growth rate. Therefore, BIC continues to pay attention this profession to add on and improve the product list, delivery procedure so as to meet the customer's needs.

In which, the exploitation of specific products is as followed:

Automobile Insurance:

Car insurance: revenue stands at 183,217 million dong, a 18.8% increase in term of growth rate. Although the mentioned growth is higher than that of 2010, it's still lower than previous years; which reflects the difficulties in exploiting the product in such a gloomy economy right after the crisis as well as in toughly competitive market.

Health care and Personal Accident Insurance

Revenue reaches 35,235 million dong, uplifts the growth speed to 27.75% in comparing to 2010. That speed also defines the clear plan in pushing personal insurance within 2011 in both size and volume of personal customers. Especially, BIC has succeeded in signing an agreement with International SOS in 2011, which brings remarkable advantages to BIC in implementing international travel insurance extensively.

Money and ATM Insurance:

Those two products are launched in 2011, in which the money insurance is mainly served BIDV system and appreciated as good product with stable premium through an annual renewal rate of 100%. Moreover, member companies find interested in offering the products to their banking partners (including MaritimeBank, NaviBank, DaiABank, etc.). As for ATM insurance, the product, which is advertised loudly by BIC's business development departments to local financial institutions, has well-matched the bank's demand on avoiding the popular ATM damages.

Surety bond:

The product has gained positive growth through 3 implementing years (from 2009 to 2011). Revenues for the period are 242 million dong, 780 million dong and 1,000 million dong alternatively. It is also expected as one of the most BIC's outstanding products in the coming years.

Apart from those traditional products mentioned above, the miscellaneous product list has added some new ones, such as Professional Liability insurance for Lawyer/ Notary, international travel insurance, motorbike insurance and so on. These are all new and potential ones which are paid great attention in the near future in order to meet market's more and more sophisticated demands.



GROWTH OF MISCELLANEOUS WRITTEN PREMIUM

Unit: Million VND

	2008	2009	2010	2011
Health care and Personal Accident Insurance	15,727	20,839	27,581	35,235
Automobile Insurance	72,751	111,001	154,22	183,217
Liability insurance	1,161	2,871	8,641	4,599
Total	89,639	134,711	190,442	223,257



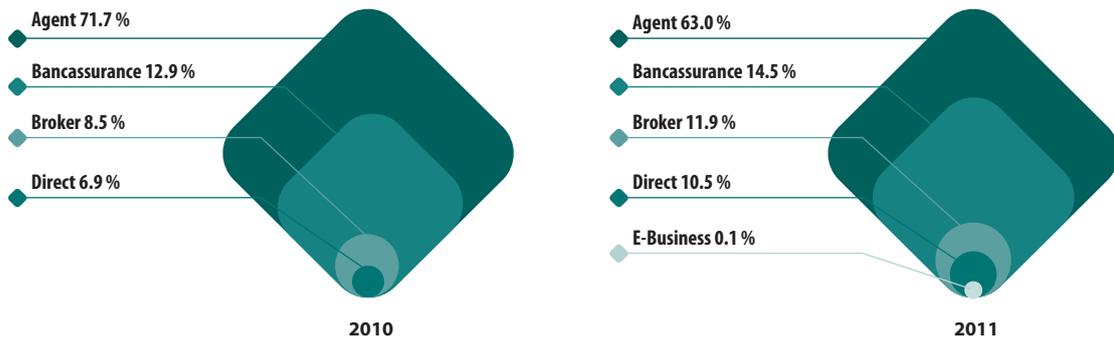
**DISTRIBUTION
CHANNELS**





BIC is one of market pioneers in developing Bancassurance, selling insurance products via bank, and now stands as Bancassurance leader in term of market share and bank partners. In 2011, BIC made a milestone when developing and executing the new distribution channel through internet, opening a new strategy to push on personal insurance.

REVENUE PROPORTION VIA DISTRIBUTION CHANNELS AT BIC



BANCASSURANCE

BIC maintains the leading position in Bancassurance in 2011. In spite of the unfavorable economic conditions, BIC’s Bancassurance still marks a stable development.

BIC keeps on leading the market when expanding the number of banking partners, excluding BIDV, to 30 partners nationwide. Inside the BIDV system, the online Bancassurance which is based on soft-ware applications also achieved impressive outcomes. The revenue in 2011 is 23,5 billion dong, which fulfills 146% plan and grows 52% in comparison to 2010. Total customers served via online Bancassurance channel is more than 85,000 people, increasing 41% in comparison to 2010.

A significant milestone that BIC’s Bancassurance channel has made in 2011 is setting up and maintaining successfully the Bancas Millionaire Club, which is carried out monthly with 890 members. They are all bank staffs who constructively join the club and pass the profession test.

Besides, the upgrading current products and deversifying the cross-selling products as well as bank-linked products, accompanied with attractive promotional campaigns and customer programs are other important factors contributing to the success of Bancassurance in 2011.

GROWTH IN BANCASSURANCE FROM 2008 TO 2011

(Unit: Billion VND)

Criteria	2008	2009	2010	2011
Revenue via online Bancassurance channel	1.2	4.5	17	23.5
Number of served customers (people)	8,000	25,800	60,000	85,000

BANKING PARTNERS WITH BIC'S BANCASSURANCE



PREMIUM PROPORTION OF BANCASSURANCE'S PRODUCTS

No	Products	Proportion (%)
1	BIC 24/24	0.16
2	Car insurance	24.46
3	Motorbike Liability insurance	1.99
4	Home insurance	1.7
5	Individual Borrowing Personal insurance (BIC Binh An)	67.13
6	Annual saving insurance	1.71
7	Visa Gold – Card owner insurance	1.13
8	Family Package insurance	1.58
9	Apartment insurance	0.01
10	Children care insurance	0.13

INSURANCE VIA E-BUSINESS

In spite of being coped with many difficulties as the pioneer, the new channel known as E-Business in BIC has gained notably achievements, which is illustrated persuasively in the total revenue of 613 million VND, 3 times higher than that of 2010.

The turning point of this channel in 2011 is to successfully set up the website through internet at www.BaoHiemTrucTuyen.com.vn in August 2011. Thanks to the convenience and simplification, the website was paid attention of massive customers since opening. In the time being, there are 50,000 views a day, of which from 300

to 500 viewers making buying decision. The products are added continuously so as to meet more and more diversified customer's needs. Most popular and preferred products are car insurance, health care and personal accident, travel insurance, etc., which reflects the current consuming trend. Together with developing website's supporting tools such as quotation checking, online claim settlement procedure checking, BIC also actively seeks agreement with other partners, including NganLuong.vn, VnPay, VnMart, MxNet to co-operate attractive common promotion campaigns.



E-Business is identified as potential, distinguished channel which brings long-term benefits to BIC and sharpens BIC's competitiveness in the market. It is believed to boost in 2012 by completing functions assisting customers to buy quickly and conveniently. The keys are electronic signatures and certificates, on-line claim settlement procedure checking, more suitable personal insurance, and more agreements with supporting paying partners. Based on those efforts, E-Business's revenue is expected to grow 100%, equal to 1.2 billion.

AGENT

Agent continues to be main channel which brings biggest revenue (contributing 63% to the total premium revenue) of BIC. The actual revenue recorded in 2011 is 393 million dong, increases 7.9% to that of 2010.

One of the most notable points of Agent in the year is successfully implementing the pilot program of the professional individual agent at the end of 2011. In 2012, BIC will officially actualize the professional individual agent network aiming to the customer segment of personal, household and small and medium sized enterprises by offering personal insurance products including motorbike insurance, car insurance and personal insurance. This year, BIC also set strong and desirable target for professional agent. Together with expressing goodwill and strategy, the channel is expected to be one of BIC's most effective distribution channels in the future.



REVENUE PROPORTION VIA BROKER

- **Engineering insurance: 54.7% total revenue.**
 - **Property and Damage insurance: 27.98% total revenue.**
 - **Money insurance: 5.2% total revenue.**
 - **Vessel insurance: 4.4% total revenue.**
-

BROKER

Broker is one of the most severely influenced channels by the economic crisis in 2011. Therefore, revenue from broker observes a sharp decrease in comparison to 2010.

However, with great efforts brought about in 2011, the channel has gained several exceptional results, as follows:

- Debt ratio has fallen dramatically in comparing to that of 2010
- Revenue Proportion is well-maintained thanks to the focusing on BIC's strong services including engineering insurance, property and damage insurance (counting to 82.68%). These services are all well-managed in risk control and analysis.
- BIC also succeeds in setting up good relationship with broker companies in the market, especially with foreign broker companies. With

those efforts, BIC is one of most preferred insurance organizations to be offered service by broker companies.

- In order to perform the brokering activity in a consistent manner in the whole network as well as to display the professionalism, BIC has released the Regulation on Broker which standardizes the exploiting activity and enhances the channel's effectiveness.

The year 2012 is forecasted to be another tough year of the whole economy and the non-life insurance as well. Key factors that influence the broker foremost are investment downturn, severe competitiveness between broker companies and insurance companies, reinsurance tightening on risk analyzing and taking, and so on.

However, based on the result in 2011, BIC still places confidence in the channel and determines to push the activity in 2012 so as to achieve the expecting growth of 48.6%.

BIC'S BROKER PARTNERS





DIRECT INSURANCE

Featured by big corporations and Project Management Units as main customers, and direct auction/ competitive offering as main approach; direct channel is always facing market cruel tough competition. However, the channel preserves great growth, an 86.6% increase comparing to 2010

Thanks to the widely recognized capacity and brand, BIC succeeds in accessing important projects, which are:

- Construction and installation all risk insurance contract for An Khanh 1 Thermoelectricity Power Plant, in Thai Nguyen with total sum insured of 140 million USD.
- Property/ Business Interruption and Public Responsibility Insurance contract for VinGroup as main insurance supplier to VinGroup and its member companies with total sum insured of 200 million USD.
- Construction and installation all risk insurance contract for Mong Duong 1 Thermoelectricity Power Plant (Cam Pha, Quang Ninh) with total sum insured of 1.3 billion USD. This is BIC's biggest contract in term of value in construction/installation insurance.

In 2012, to speed up and professionalize the direct channel, BIC shall implement the research thoroughly, classify the customers, strengthen in both number and quality of sale staff via recruitment, and set up co-operative mechanism to enable information exchange between member companies.

GROWTH OF DIRECT SALE STAFF

Year	2008	2009	2010	2011
Number of staff (people)	164	151 (*)	188	195

(*) In 2009, the Underwriting and Survey and Claim are divided into two separate divisions to ensure the professionalism in subsidiary companies



**FINANCIAL
INVESTMENT**



Due to the economic recession and high inflation in 2011, the security market took a heavy hit and suffered a record decrease. The two main indexes slip sharply: VN-Index drops from 486 point to 356.2 point (lowest point since May 2010) and HNX-Index sinks to the bottom as from the index took effective, at 58 point on 26th December 2011.

Rolled by the terrible downturn of the market, prices of many stocks have touched the bottom that never happened before. At the same time, in the beginning of 2011, the market experiences the high record of deposit rate because of Government's effort in restricting the inflation and maintaining real positive deposit rate.

Owing to the flexibility and seizing the market conditions, especially the hot deposit trend in 2011, financial investment activities has succeeded beyond the expectation. Revenue from financial investment activities reaches 150,08 billion dong, fulfilling 158% annual plan, a three time higher than that of 2010. This profit is also made up from the dividends of long-term investments and long-term investment restructure.

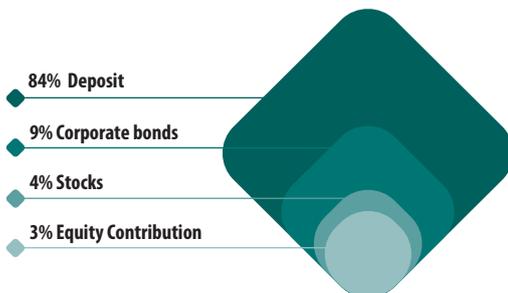
GROWTH OF FINANCIAL INVESTMENT ACTIVITIES

Unit: Million VND

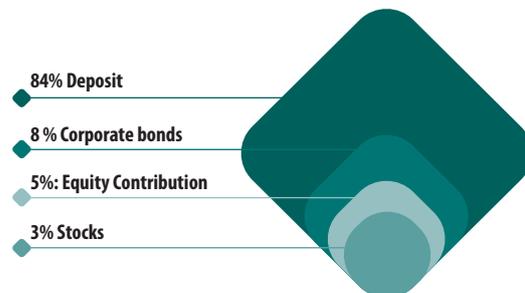
Criteria	2006	2007	2008	2009	2010	2011
Profit from financial investment	14,352	33,472	-26,154	89,678	43,929	150,078
Revenue from financial investment	20,043	40,483	71,023	141,305	251,93	289,943

BIC'S INVESTMENT PORTFOLIO STRUCTURE

YEAR 2010



YEAR 2011





Investment Portfolio:

BIC stills follows the safe orientation approach, which means bonds and deposit investments account for more than 70% in the overall structure. In which:

- Deposit at 31st December 2011 valued 1,279 billion dong, accounting for 84% in the total categories; which guarantees maximum profitability target as well as the safety and liquidity for BIC's investment in such a gloomy security market.
- Stock: evaluating the current security market, BIC has withdrawn its investment in several securities, lessening the investment list (from 82 billion dong in 2010 to 74 billion dong in 2011)
 - Corporate bonds: in 2011 after making final settlement to some bonds that were invested previously and taking no more, the bonds' value has decreased about 72.6 billion VND.
 - Equity contribution: the equity contribution list keeps unchanged but the value is adjusted a little due to the company's re-evaluation on LVI's equity contribution (increasing from 3% in 2010 to 4.7% in 2011)

BIC'S INVESTMENT PORTFOLIO

No.	Content	31/12/2010		31/12/2011	
		Value (VND)	Proportion	Value (VND)	Proportion
I	Short-term investment	1,842,075,027,310	89.70%	1,400,608,746,540	92.00%
1	Listed stocks	31,560,598,250	1.50%	36,340,585,857	2.40%
2	Non-listed stocks	50,982,426,636	2.50%	37,758,426,636	2.50%
4	Deposit in VND	1,704,000,000,000	83%	1,239,500,000,000	81.43
5	Deposit in USD	4,733,000,000	0.20%	39,573,200,000	2.60%
6	Short-term corporate bonds	62,624,800,000	3.10%	69,790,000,000	4.60%
7	Provision for impairment of stocks	(11,825,797,310)	(0.60%)	(22,353,465,953)	(1.50%)
II	Long-term investment	198,831,412,553	9.70%	121,606,510,526	8.00%
1	Non-list long-term bonds	129,790,000,000	6.30%	50,000,000,000	3.30%
2	Joint venture investment	19,041,412,583	0.90%	21,606,510,526	1.40%
3	Other investment and equity contributions	50,000,000,000	2.40%	50,000,000,000	3.30%
Total		2,052,732,237,469	100%	1,522,215,257,066	100%



**COMPANYING
FOR
IMPROVEMENT**





**CUSTOMER
SERVICES**



CLAIMS SETTLEMENT AND SURVEY

The high inflation and monetary tightening policy have put significant influences on the business of many companies, including BIC's customers. Especially, the high inflation also elevates repairing and replacing expenses which adding more cost to the BIC's claim in particular and to all non-life market in general. These above factors push the market average on claim ratio high-flying (approximately 41%). Businesses suffering the high claim ratio are fire and explosion insurance (68%), hull insurance (57%), aviation insurance (54%), automobile insurance (51%) and health care insurance (43%)⁽¹⁾.

BIC is not a exceptional case in the insurance context. In 2011, BIC has received 18,011 arising cases, a 31.78% increase to 2010 and a 104% increase to 2009. The average ratio of claim paid from retained liability in 2011 stands at 47% (a 9% increase to 2010).

However in the year, BIC has experienced great improvements in claim settlement and survey thanks to better risk management, customer services awareness and IT application, etc. Besides, BIC made remarkable efforts in shortening the time for claim settling, developing staff's communication skills and consolidating as well as spreading the supporting network (including linked garage, damage survey unit, etc). Owing to the rapid settlement, uncompleted cases at the end of 2011 is ranked lowest in the 3 recent years.



(1): Source: Ministry of Finance



CUSTOMER CARE

Customer services of BIC has achieved positive shift from recognition to performance in 2011. Common customer policy applied to the whole system with the constructive participation of member companies has received good comments from customers.

Procedure and report system for renewal has been set up and implemented, which helps member companies and business staffs better control the actual renewal rate. In 2011, renewal rate increases to 16% comparing to 2010, and the total renewal customers increases more than 6000 ones comparing to 2010. The customer's information keying in and controlling are strictly checked, which are first step to build up correct customer data used in customer policy and further exploiting.

Professionalized Call Center is operating 24/7, giving answer to all customer's concerns and problems. In 2011, there are more than 5,400 calls recored through Call Center, in which 1,500 calls are from potential customers with real need for insurance.

There are more than 1,240 customers joining BIC's satisfaction measuring activities through Call Center, website and direct mail. Not only diversified in measuring channels, the outcomes are also meaningful to the practice as an useful channel to understand customer's feedbacks. Based on that, BIC could provide timely corrections to improve the service quality and better meet customer's demands.

NUMBER OF RENEWAL CUSTOMERS 2011

Re-signing customers	Year 2010	Year 2011
Individual (people)	400	3,384
Organization (unit)	555	3,640
Total	955	7,024

BIC keeps on the mission as an insurance company having hearty interests of community, presenting through series of charity programs carried out nationwide, contributing hundreds of million VND to poor and suffering families.

SOCIAL RESPONSIBILITY

Humanity Blood Donation

Humanity Blood Donation is an annual activity at BIC. Every year, BIC calls on all staff to join the program taken place in Hanoi and HoChiMinh city under BIDV Youth Union, which often receives much enthusiastic response.

Visiting children faced with incurable disease

From a news posted in Dantri.com.vn writing on a little orphan girl who is suffering from brain cancer in May 2011, BIC's representatives paid a visit after raising a subscription to help her. The lofty and beautiful act has been copied in the entire system, which brings more courage and finance to the girl to overcome the disease.

Sponsored charity walk for agent orange victims

In August 2011, responding the call from Vietnam Red Cross Association, BIC staff have taken part in the charity walk for agent orange victims and raise a subscription to share the difficulty with the victims. BIC handed total 16 million VND to Vietnam Red Cross Association in the ceremony.

Gifts for unlucky teenagers in the mid-autumn festival

On the occasion of mid-autumn festival, bringing into play the supportiveness spirit, on September 11th 2011 BIC representatives visited and gave gifts to teenagers living in Hong Duc Humanity Center (Tam Trinh St., Hoang Mai Dist., Hanoi) with a hope of sharing and encouraging these teenagers to have more will and hope in the life and become good citizens.

Subscription raising for the flood area

Witnessing the severe destroy of historic flood sweeping through the Central area and Cuu Long Delta, BIC has raised a subscription and took trips to hand gifts and money to most heavily ruined families in the above areas. Total supporting sum from 500 BIC staff is nearly 53 million VND and 10 boxes of clothes.

Tet's gifts for the poor

On the occasion of Nham Thin Tet holiday (2012), BIC staff have raised a subscription to sponsor poor families in mountainous and remote areas nationwide. BIC representatives has paid visits to hand gifts to nearly 200 poor households and pupils in the provinces of Dongnai, Taynguyen, Binhdin and Hoabinh.





**ACCOMPANY FOR
DEVELOPMENT**



TARGETS FOR 2012

Enhancing the insurance business effectiveness through sound risk management, claim ratio and contract renewal rate improvement, etc.

Focussing on retail development and investment including Bancassurance, individual agents and e-business channel.

Improving staff productivity through better human policy, wage and bonus mechanism.

Improving the company's competitiveness through product's price, provisions and functions, as well as claim services.

Strengthen customer services to ensure the effective customer policy and to lift up the renewal rate in the whole network.

Strongly investing in IT to increase working productivity, network control and operation.

Restructuring the company and offering company's share to strategic shareholder(s).

CRITICAL FINANCIAL CRITERIA IN 2012

TT Criteria	Unit	2011 (performed)	2012 (plan)	Increase/ Decrease to 2011
1 Total premium revenue	Million VND	689,576	850	+23,3%
2 Profit before tax	Million VND	100,521	115,000	+15%
3 Dividend rate	%	10	10	-



**FINANCIAL
STATEMENT**

INDEPENDENT AUDITORS' REPORT

To: Shareholders of BIDV Insurance Joint Stock Corporation

We have audited the financial statements of BIDV Insurance Joint Stock Corporation ("the Corporation") as set out on pages 5 to 52 which comprise the balance sheet as at 31 December 2011, the income statement and cash flow statement for the year then ended and the notes thereto.

The preparation and presentation of these financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements, give a true and fair view of the financial position of the Corporation as at 31 December 2011 and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and the Vietnamese Accounting System applicable for insurance companies and comply with the relevant statutory requirements



Emst & Young Vietnam Ltd.
Emst & Young Vietnam Limited



Vo Tan Hoang Van
Deputy General Director
Certificate: 0264/KTV



Tran Thi Minh Tien
Auditor
Certificate: 1331/KTV

Hanoi, Vietnam
24 February 2012

Balance sheet

Code	ASSETS	Notes	31 December 2011	31 December 2010
100	A. CURRENT ASSETS		1,733,798,447,811	2,280,558,095,044
110	I. Cash	4	17,800,852,232	21,421,465,480
111	1. Cash on hand		605,026,144	614,750,726
112	2. Cash at banks		17,056,226,088	11,601,165,386
113	3. Cash in transit		139,600,000	9,205,549,368
120	II. Short-term investments	5	1,400,608,746,540	1,842,075,027,576
121	1. Short-term investments in securities		143,889,012,493	145,167,824,886
128	2. Other short-term investments		1,279,073,200,000	1,708,733,000,000
129	3. Provision for impairment of short-term investment		(22,353,465,953)	(11,825,797,310)
130	III. Account receivables	6	311,241,196,420	413,415,882,274
131	1. Trade receivables		276,526,039,044	252,599,611,682
132	2. Advances to suppliers		678,042,882	2,140,789,225
133	3. Deductible VAT		7,994,634,946	2,605,917,369
138	4. Other receivables		32,375,581,984	161,213,726,920
139	5. Allowance for doubtful debts		(6,333,102,436)	(5,144,162,922)
150	V. Other short-term assets		4,147,652,619	3,645,719,714
151	1. Advances		3,452,188,363	3,170,296,880
152	2. Prepaid		266,149,756	475,422,834
153	3. Other short-term assets		429,314,500	-
200	B. NON-CURRENT ASSETS		136,213,005,415	220,483,810,738
210	I. Fixed assets		8,576,494,889	10,110,995,554
211	1. Tangible fixed assets	7	6,511,853,206	10,110,995,554
212	Costs		28,361,387,359	27,566,631,967
213	Accumulated depreciation		(21,849,534,153)	(17,455,636,413)
214	2. Finance leases	8	2,064,641,683	-
215	Costs		2,152,579,273	-
216	Accumulated depreciation		(87,937,590)	-
217	3. Intangible fixed assets	9	-	-
218	Costs		56,057,850	56,057,850
219	Accumulated depreciation		(56,057,850)	(56,057,850)
220	II. Long-term investments	10	121,606,510,526	198,831,412,583
221	1. Investment in securities	10,1	50,000,000,000	129,790,000,000
222	2. Investments in associates and joint-ventures	10,2	21,606,510,526	19,041,412,583
228	3. Other long-term investments	10,3	50,000,000,000	50,000,000,000
240	III. Other long-term assets		6,030,000,000	11,541,402,601
241	1. Compulsory deposit		6,000,000,000	6,000,000,000
242	2. Long-term deposits		30,000,000	76,446,497
244	3. Long-term prepaid expenses		-	5,464,956,104
270	TOTAL ASSETS		1,870,011,453,226	2,501,041,905,782

Currency: VND

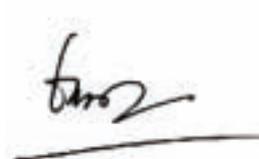
Balance Sheet

Code	RECOURSE	Notes	31 December 2011	31 December 2010
300	A. LIABILITIES		1,200,112,997,492	1,820,768,327,732
310	I. Short-term liabilities		821,469,334,345	1,568,348,035,768
313	1. Trade payables	11	240,347,597,966	215,250,684,791
314	2. Premium received in advance		8,315,273,924	11,022,065,858
315	3. Statutory obligations	12	16,527,238,981	7,385,696,355
316	4. Payable to employees		16,305,812,063	728,792,095
318	5. Accrued expenses		19,379,257,044	9,682,537,999
319	6. Other payables	13	519,253,362,416	1,323,094,719,497
323	7. Bonus and welfare funds		1,340,791,951	1,183,539,173
330	II. Other long-term payables		542,138,757	-
331	1. Long-term loan		542,138,757	-
340	III. Reserves		298,101,524,390	252,420,291,964
341	1. Unearned premium reserve	16.4.1	190,128,680,491	159,300,556,281
343	2. Claim reserve	16.4.2	67,332,841,109	64,586,322,712
344	3. Catastrophe reserve	16.4.3	40,640,002,790	28,533,412,971
400	B. OWNERS' EQUITY		749,898,455,734	680,273,578,050
410	I. Owners' equity	14	749,898,455,734	680,273,578,050
411	1. Chartered capital		660,000,000,000	660,000,000,000
412	2. Share premium		2,271,699,140	2,271,699,140
414	3. Treasury shares		(6,215,238,666)	-
	4. Financial reserve fund		1,800,187,891	-
416	5. Statutory reserves		4,853,369,576	-
418	6. Retained earnings		87,188,437,793	18,001,878,910
430	TOTAL LIABILITIES AND OWNER'S EQUITY		1,870,011,453,226	2,501,041,905,782

Currency: VND

OFF BALANCE SHEET ITEMS

ITEMS	31 December 2011	31 December 2010
1. Doubtful debts written off (VND)	2,293,099,309	2,293,099,309
2. Insurance policies signed but for which no obligations have arisen on the part of the Corporation (VND)	64,799,769,016	69,933,894,205
3. Foreign currencies		
– United States dollar (US\$)	1,974,577.64	118,641.3
– Euro (EUR)	287.04	286.8



Ms. Lai Ngan Giang
Deputy Director in charge of Financial and Accounting Division



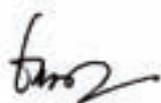
Mr. Ton Lam Tung
Acting General Director

24 February 2012

Income Statement

Code	ITEMS	Notes	For year ended 31 December 2011	For the period from 10 October 2010 to 31 December 2010
1	1. Gross written premiums	15.1	623,821,018,508	169,425,039,079
2	2. Reinsurance premiums assumed	15.2	65,754,497,203	12,077,411,809
3	3. Deductions		(284,806,075,314)	78,234,977,662)
4	Reinsurance premiums ceded	15.3	(273,632,415,806)	(76,056,362,103)
6	Premium returns		(11,173,659,508)	(2,178,615,559)
8	4. Increase in unearned premium reserve	16.4	(30,827,495,640)	(16,117,862,717)
9	5. Commissions on reinsurance ceded		69,310,834,174	18,862,577,747
10	6. Other income from insurance activities		18,883,405,268	7,600,586,920
13	Income from other activities		18,883,405,268	7,600,586,920
14	7. Total operating revenues (14 = 01 + 02 + 03 + 08 + 09 + 10)		462,136,184,199	113,612,775,176
15	8. Claim expenses	16.1	(353,405,742,630)	(63,407,455,295)
16	9. Claim expenses on reinsurance assumed	16.2	(19,575,088,192)	(17,369,697,193)
17	10. Recoveries from reinsurance ceded	16.3	199,830,717,832	47,661,679,868
21	11. Net claim expenses on retained risks (21 = 15 + 16 + 17)		(173,150,112,990)	(33,115,472,620)
23	13. Increase on claim reserve	16.4	(2,783,468,469)	(4,975,965,851)
24	14. Provision for catastrophe reserve charged to the current period's expense	16.4	(12,106,589,819)	(3,052,284,849)
25	15. Other operating expenses		(141,969,890,458)	(20,652,603,722)
27	Commissions expense		(62,907,172,611)	(15,091,206,969)
39	Expenses of reinsurance ceded		(30,911,884,915)	-
40	Other underwriting expenses		(48,150,832,932)	(5,561,396,753)
41	16. Total direct operating expenses (41 = 21 + 22 + 23 + 24 + 25)		(330,010,061,736)	(61,796,327,042)
42	17. Operating income (42 = 14 + 41)		132,126,122,463	51,816,448,134
44	18. Administrative expenses	17	(184,146,111,594)	(37,100,044,216)
45	19. Net operating (loss)/income (45 = 42 + 44)		(52,019,989,131)	14,716,403,918
46	20. Financial income	18	289,942,921,726	64,993,847,408
47	21. Financial expense	19	(139,864,418,193)	(46,960,611,275)
51	22. Financial profit (51 = 46 + 47)		150,078,503,533	18,033,236,133
52	23. Other income	20	839,833,726	118,182,420
53	24. Other expenses	20	(942,368,569)	(39,450,561)
54	25. Net other (loss)/income (54 = 52 + 53)		(102,534,843)	78,731,859
55	26. Share of the profit/(loss) of the associate and joint venture		2,565,097,943	(6,714,607,417)
56	27. Profit before enterprise income tax (56 = 45 + 51 + 54 + 55)		100,521,077,502	26,113,764,493
60	28. Current enterprise income tax	21.2	(21,455,564,893)	(8,111,885,584)
61	29. Net profit for the year after enterprise income tax (62 = 55 + 60 + 61)		79,065,512,609	18,001,878,909
62	30. Earnings per share	24	1,199	273

Currency: VND



Ms. Lai Ngan Giang

Deputy Director in charge of Financial and Accounting Division



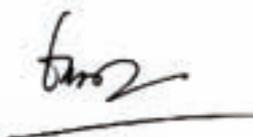
Mr. Ton Lam Tung

Acting General Director

Cash flow Statement

Code	ITEMS	Notes	For year ended 31 December 2011	For the period from 10 October 2010 to 31 December 2010
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1	Net profit before tax		100,521,077,502	26,113,764,493
	Adjustments for:			
2	Depreciation and amortisation		4,481,835,330	964,791,589
3	Provisions		57,397,840,583	41,116,308,789
5	Profits from investing activities		(162,142,137,435)	(32,283,196,235)
6	Loss from disposal of fixed assets		-	30,436,189
7	Interest expense		13,760,361	51,784,604
8	Operating income before changes in working capital		272,376,341	35,993,889,429
9	(Increase)/Decrease in receivables		487,830,431,702	(113,297,379,665)
11	Increase/(Decrease) in payables		81,581,700,434	(599,265,283,374)
12	Decrease in prepaid expense		5,691,027,526	447,052,079
13	Interest expense paid		(13,760,361)	(51,784,604)
14	Corporate income tax paid		(15,967,404,693)	-
15	Decrease/(Increase) in receivables from other activities		(4,158,062,751)	(452,623,890)
20	Net cash inflows from operating activities		555,236,308,198	(676,626,130,025)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	TPurchase of fixed assets		(2,947,334,665)	(20,475,000)
25	Payments for investments in other entities		(806,814,166,901)	-
26	Proceeds from sale of investment		94,977,681,351	59,404,862,954
27	Receipt from withdrawal and maturity of investment		-	608,981,607,417
28	Interest received		162,142,137,435	26,264,096,481
30	Net cash outflows from investing activities		(552,641,682,780)	694,630,091,852
III. CASH FLOWS FROM FINANCING ACTIVITIES				
	Purchase treasury shares	14	(6,215,238,666)	-
40	Net cash flows from financing activities		(6,215,238,666)	-
50	Net cash flows		(3,620,613,248)	18,003,961,827
60	Cash and cash equivalents at the beginning of the period		21,421,465,480	3,417,503,653
70	Cash and cash equivalents at the end of the period	4	17,800,852,232	21,421,465,480

Currency: VND



Ms. Lai Ngan Giang
Deputy Director in charge of Financial and
Accounting Division



Mr. Ton Lam Tung
Acting General Director

24 February 2012

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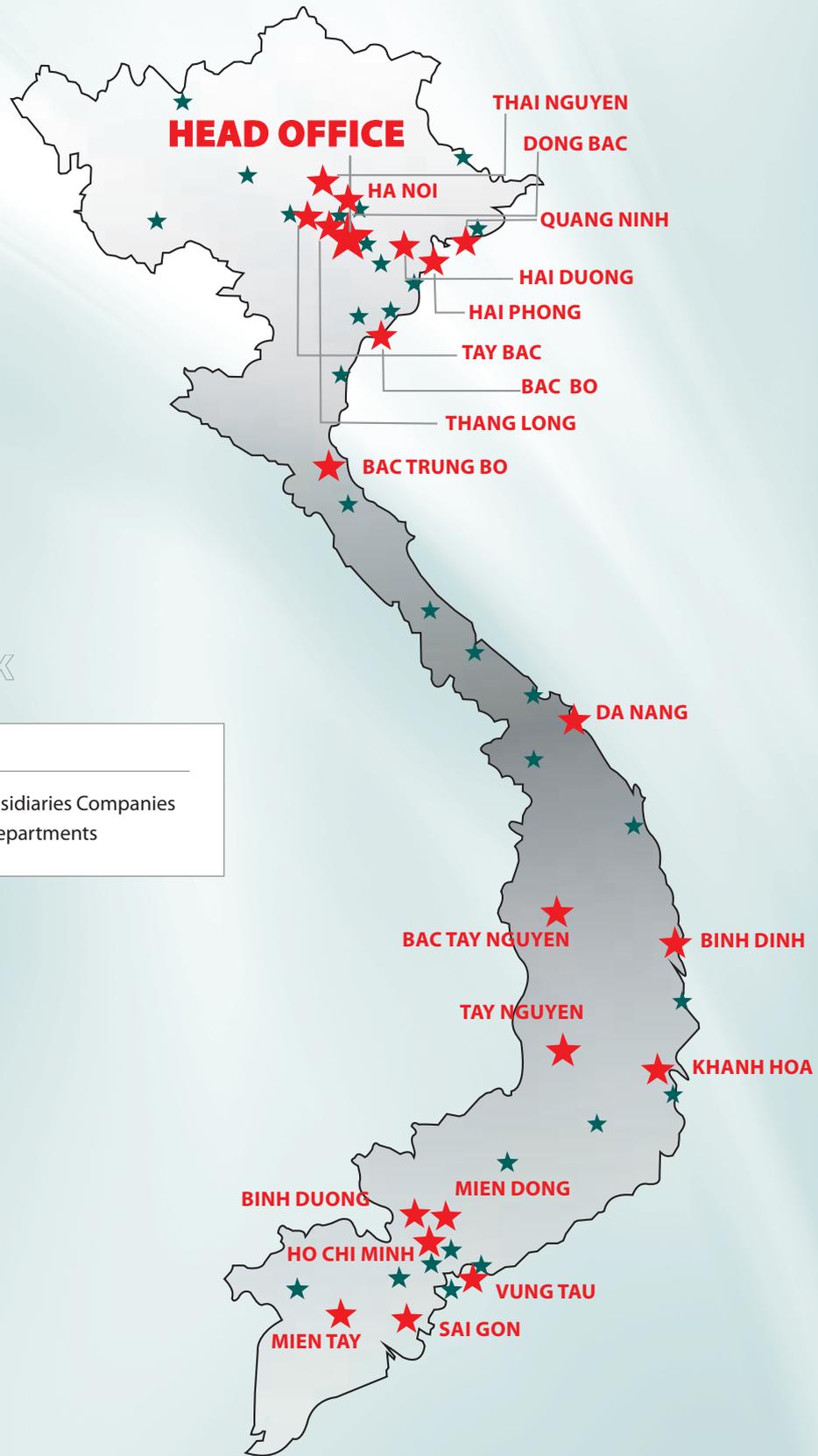
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NETWORK

NOTE:

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- ★ Business Departments