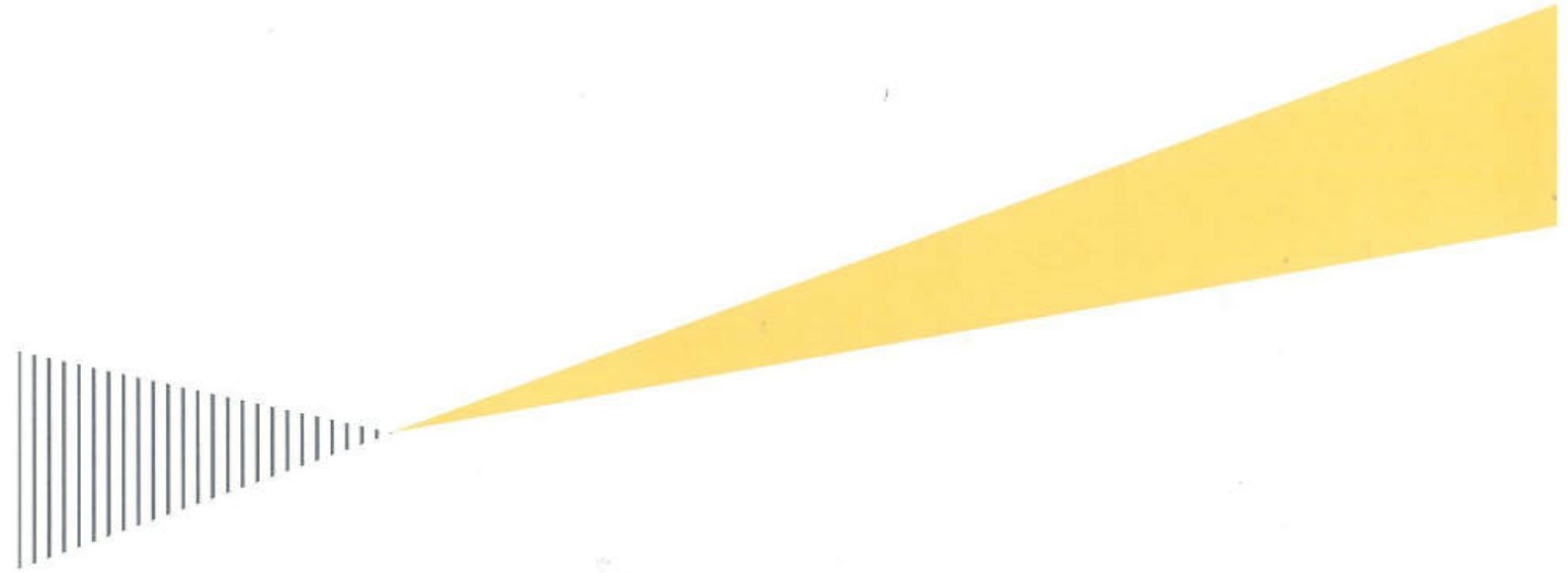
BIDV Insurance Joint Stock Corporation

Audited Separate Financial Statements

31 December 2014



EY

Building a better working world

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BIDV Insurance Joint Stock Corporation

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. As at reporting date, percentage of outstanding share held by BIDV and other shareholders was 78.83% 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 BaTrieu Street, Hai Ba Trung District, Hanoi
Operating activities:	to provide general insurance products, reinsurance, loss survey, investing activities and other business operations 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 2014, the charter capital was 762 billion VND (31 December 2013: 660 billion VND).

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. As at 31 December 2014, the Corporation has twenty-five (25) branches nationwide.

Employee

Total employees of the Corporation as at 31 December 2014 was 693 persons (31 December 2013: 628 persons).

GENERAL INFORMATION (continued)

BOARD OF DIRECTORS

Members of the Board of Directors for the year ended 31 December 2014 and at the date of this report are:

Name	*Position*	*Date of appointment*
Mr. Pham Quang Tung	Chairman	Appointed on1 October 2010
Ms. Nguyen Thi Thanh Van	Member	Appointed on 1 October 2010
Mr. Ton Lam Tung	Member	Appointed on 4 November 2013
Mr. Le Ngoc Lam	Member	Appointed on 4 November 2013
Ms. Dang Thi Hong Phuong	Member	Appointed on 4 November 2013

BOARD OF SUPERVISION

Members of the Board of Supervision for the year ended 31 December 2014 and at the date of this report are:

Name	*Position*	*Date of appointment*
Mr. Cao Cu Tri	Head of Board	Appointed on 1 October 2010
Mr. Nguyen Trung Kien	Member	Appointed on 1 October 2010
Mr. Nguyen Thanh Cong	Member	Appointed on 16 March 2012

MANAGEMENT

Members of Management for the year ended 31 December 2014 and at the date of this report are:

Name	*Position*	*Date of appointment/ resignation*
Mr. Tran Hoai An	General Director	Appointed on 31 October 2014
Mr. Ton Lam Tung	General Director	Resigned 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

LEGAL REPRESENTATIVE

The legal representative of the Corporation 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 Corporation's separate financial statements for the year ended 31 December 2014.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of financial period which give a true and fair view of the state of affairs of the Corporation and of its results and cash flows for the period. 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 registered accounting system. They are 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 separate financial statements for the year ended 31 December 2014.

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 2014 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 Vietnamese Accounting System applicable to general insurance companies, and with the statutory requirements relevant to preparation and presentation of separate financial statements.

For and on behalf of Management:

Mr. Tran Hoai An
General Director

Hanoi, Vietnam

02 March 2015

Ernst & Young Vietnam Limited
8th Floor, CornerStone Building
16 Phan Chu Trinh Street
Hoan Kiem District
Hanoi, S.R. of Vietnam

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Reference: 60755012/17104538

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 02 March 2015 and set out on pages 6 to 67, which comprise the separate balance sheet as at 31 December 2014, 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 Accounting System applicable to general insurance companies and with 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.

Auditors' 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.

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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 2014 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 Accounting System applicable to general insurance companies and with the relevant statutory requirements to preparation and presentation of separate financial statements.

Without modifying 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 for the year ended 31 December 2014 in accordance with the Vietnamese Accounting Standards and Vietnamese Accounting System. We have audited those consolidated financial statements and our auditors' report dated 02 March 2015 expressed an unmodified opinion. Users of the accompanying separate financial statements should read them together with the consolidated financial statements of the Corporation and its subsidiary for the year ended 31 December 2014 in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Corporation and its subsidiary.

Ernst & Young Vietnam Limited

CHI NHÁNH CÔNG TY TRÁCH NHIỆM HỮU HẠN ERNST & YOUNG VIỆT NAM TẠI HÀ NỘI

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

02 March 2015

SEPARATE BALANCE SHEET
As at 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Ending Balance*	*Beginning Balance (restated)*
100	**A. CURRENT ASSETS (100 = 110+120+130+140+150+190)**		**2,083,167,053,488**	**1,628,057,517,714**
110	***I. Cash and cash equivalents***	***4***	***145,220,016,867***	***22,422,009,742***
111	1. Cash		49,720,016,867	22,422,009,742
112	2. Cash equivalents		95,500,000,000	-
120	***II. Short-term investments***	***5***	***1,031,493,160,648***	***1,000,717,425,500***
121	1. Short-term investments		1,034,626,052,716	1,001,507,223,405
129	2. Provision for diminution in value of short-term investment		(3,132,892,068)	(789,797,905)
130	***III. Short-term receivables***		***298,733,582,234***	***195,674,401,585***
131	1. Trade receivables	6	265,301,208,588	138,172,363,148
131.1	*1.1. Insurance receivables*		*265,301,208,588*	*138,172,363,148*
132	2. Advances to suppliers		1,854,102,733	2,000,007,331
135	3. Other receivables	7	51,337,153,214	69,515,102,876
139	4. Allowance for doubtful debts		(19,758,882,301)	(14,013,071,770)
140	***IV. Inventories***		***146,828,992***	***-***
141	1. Inventories		146,828,992	-
150	***V. Other short-term assets***		***49,950,643,817***	***11,025,699,397***
151	1. Prepaid expense		42,866,113,304	547,126,890
151.1	*1.1. Unallocated commission expense*		*42,446,555,541*	-
151.2	*1.2. Other prepaid expense*		*419,557,763*	*547,126,890*
152	2. Deductible VAT		404,432,939	4,514,418,386
158	3. Other short-term assets	8	6,680,097,574	5,964,154,121
190	***VI. Reinsurance assets***	***19.1***	***557,622,820,930***	***398,217,981,490***
191	1. Reinsurance assets from unearned premium reserve		214,249,195,339	187,943,303,844
192	2. Reinsurance assets from claim reserve		343,373,625,591	210,274,677,646

SEPARATE BALANCE SHEET (continued)
As at 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Ending Balance*	*Beginning Balance (restated)*
200	**B. NON-CURRENT ASSETS (200 = 210 + 220 + 250 + 260)**		**303,205,839,885**	**267,802,065,694**
210	***I. Long-term receivables***		***6,000,000,000***	***6,000,000,000***
218	1. Other long-term receivables		6,000,000,000	6,000,000,000
218.1	*1.1. Statutory deposit*	*9*	*6,000,000,000*	*6,000,000,000*
220	***II. Fixed assets***		***20,748,306,681***	***16,522,663,400***
221	1. Tangible fixed assets	10	14,211,593,725	9,964,283,772
222	*Costs*		*40,280,132,768*	*32,979,460,493*
223	*Accumulated depreciation*		*(26,068,539,043)*	*(23,015,176,721)*
227	2. Intangible assets	11	6,536,712,956	6,558,379,628
228	*Costs*		*6,606,599,125*	*6,606,599,125*
229	*Accumulated amortisation*		*(69,886,169)*	*(48,219,497)*
250	***III. Long-term investments***	***12***	***274,192,172,163***	***243,612,849,277***
251	1. Investment in subsidiary		34,660,020,000	34,660,020,000
258	2. Other long-term investments		256,090,000,000	226,235,833,333
259	3. Provision for diminution in value of long-term investment		(16,557,847,837)	(17,283,004,056)
260	***IV. Other long-term assets***		***2,265,361,041***	***1,666,553,017***
261	1. Long-term prepaid expense	13	2,219,406,495	1,231,828,056
262	2. Deferred tax asset		-	418,770,415
268	3. Other long-term assets		45,954,546	15,954,546
270	**TOTAL ASSETS (270 = 100 + 200)**		**2,386,372,893,373**	**1,895,859,583,408**

SEPARATE BALANCE SHEET (continued)
As at 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Ending Balance*	*Beginning Balance (restated)*
300	**A. LIABILITIES (300 = 310 + 330)**		**1,508,281,622,194**	**1,117,911,894,713**
310	***I. Current liabilities***		***1,500,886,362,618***	***1,114,082,304,968***
312	1. Trade payables	14	271,284,029,874	200,510,520,813
312.1	*1.1. Insurance payables*		*271,265,447,057*	*200,509,206,114*
312.2	*1.2. Other payables*		*18,582,817*	*1,314,699*
313	2. Advance from customers		3,869,042,310	3,739,260,779
314	3. Tax and other statutory obligations	15	26,210,700,683	16,628,914,668
315	4. Payables to employees		29,938,955,213	31,799,561,513
316	5. Accrued expenses	16	14,304,710,299	6,492,201,071
319	6. Other payables	17	11,702,220,027	10,327,303,352
319.1	7. Un-earned commission revenue	18	42,215,411,883	-
323	8. Bonus and welfare funds		3,931,236,644	5,585,049,585
329	9. Technical reserves	19	1,097,430,055,685	838,999,493,187
329.1	*9.1. Gross un-earned premium reserve*		*569,539,138,918*	*456,786,545,766*
329.2	*9.2. Gross claim reserve*		*454,441,140,575*	*315,922,310,556*
329.3	*9.3. Catastrophe reserve*		*73,449,776,192*	*66,290,636,865*
330	***II. Non-current liabilities***		***7,395,259,576***	***3,829,589,745***
333	1. Other long-term liabilities		2,554,754,614	168,000,000
335	2. Deferred tax liability		71,521,103	-
338	3. Unearned revenue		4,768,983,859	3,661,589,745

SEPARATE BALANCE SHEET (continued)
As at 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Ending Balance*	*Beginning Balance (restated)*
400	**B. OWNERS' EQUITY**		**878,091,271,179**	**777,947,688,695**
410	***I. Owners' equity***	***20***	***878,091,271,179***	***777,947,688,695***
411	1. Charter capital		762,299,820,000	660,000,000,000
412	2. Share premium		4,875,765,330	4,875,765,330
418	3. Financial reserve fund		1,800,187,891	1,800,187,891
419	4. Statutory reserve		17,652,521,022	13,311,197,165
421	5. Retained earnings		91,462,976,936	97,960,538,309
440	**TOTAL LIABILITIES AND OWNERS' EQUITY (440 = 300 + 400)**		**2,386,372,893,373**	**1,895,859,583,408**

OFF BALANCE SHEET ITEMS

Currency: VND

ITEMS	*Ending Balance*	*Beginning Balance (restated)*
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)	108,906,611,908	48,588,799,997
3. Foreign currencies		
- United States dollar (USD)	711,649.95	42,480.11
- Euro (EUR)	262.62	270.49

Mr. Nguyen Xuan Dong	Ms. Lai Ngan Giang	Mr. Tran Hoai An
Accountant	Director	General Director
Finance - Accounting Division	Finance - Accounting Division	

Hanoi, Vietnam

02 March 2015

SEPARATE INCOME STATEMENT

PART 1: SEPARATE COMPREHENSIVE INCOME STATEMENT
for the period ended 31 December 2014

Currency: VND

Code	*ITEMS*	*Current Year*	*Previous Year (restated)*
10	1. Total operating income	719,833,500,849	633,634,049,933
12	2. Finance income	134,417,547,204	133,432,394,245
13	3. Other incomes	1,511,280,754	1,371,705,329
20	4. Total direct operating expenses	(506,422,273,237)	(466,276,972,358)
22	5. Finance expense	(24,582,750,297)	(14,856,654,199)
23	6. General and administrative expenses	(210,288,525,981)	(173,166,557,133)
24	7. Other expenses	(3,443,136,753)	(852,295,654)
50	**8. Profit before corporate income tax (50=10+12+13+20+22+23+24)**	**111,025,642,539**	**113,285,670,163**
51	9. Current corporate income tax	(23,708,873,885)	(28,726,052,797)
52	10. Deferred corporate tax expense	(490,291,518)	418,770,415
60	**11. Net profit for the year after corporate income tax (60=50+51+52)**	**86,826,477,136**	**84,978,387,781**

SEPARATE INCOME STATEMENT (continued)

PART 2: SEPARATE OPERATIONAL INCOME STATEMENT
for the period ended 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Current Year*	*Previous Year (restated)*
01	**1. Insurance revenue (01 = 01.1 + 01.2 + 01.3)**	**21**	**1,003,665,984,251**	**859,583,660,606**
	In which:			
01.1	- Direct written premiums		991,163,210,452	789,650,231,627
01.2	- Reinsurance premium assumed		125,284,251,720	102,243,261,530
01.3	- Increase in un-earned premium reserve		(112,781,477,921)	(32,309,832,551)
02	**2. Reinsurance premium ceded (02 = 02.1 + 02.2)**	**22**	**(374,227,637,935)**	**(348,953,115,256)**
	In which:			
02.1	- Reinsurance premium ceded		(400,533,529,430)	(351,384,227,554)
02.2	- Increase in ceded premium reserve		26,305,891,495	2,431,112,298
03	**3. Net insurance premiums (03 = 01 + 02)**		**629,438,346,316**	**510,630,545,350**
04	**4. Commission on reinsurance ceded and other insurance incomes (04 = 04.1 + 04.2)**		**90,395,154,533**	**123,003,504,583**
	In which:			
04.1	- Commission on reinsurance ceded	23	66,719,366,827	88,507,963,297
04.2	- Other income from insurance activities		23,675,787,706	34,495,541,286
10	**5. Total net revenue from insurance business (10= 03 + 04)**		**719,833,500,849**	**633,634,049,933**
11	**6. Claim expenses (11 = 11.1 + 11.2)**	**24**	**(341,821,967,676)**	**(291,292,930,780)**
	In which:			
11.1	- Claim expenses		(342,644,929,219)	(291,292,930,780)
11.2	- Claim expense reductions		822,961,543	-
12	**7. Recoveries from reinsurance ceded**		**108,261,964,428**	**112,037,262,017**
13	**8. Increase in Direct and assumed claim reserve**		**(128,204,472,257)**	**(77,376,126,560**
14	**9. Increase in ceded claim reserve**		**123,953,986,544**	**48,399,675,028**
15	**10. Net claim expenses (15 = 11 + 12 + 13 + 14)**		**(237,810,488,961)**	**(208,232,120,295)**
16	**11. Increase in catastrophe reserve**		**(7,159,139,327)**	**(11,167,211,057)**

SEPARATE INCOME STATEMENT (continued)

PART 2: SEPARATE OPERATIONAL INCOME STATEMENT
for the period ended 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Current Year*	*Previous Year (restated)*
17	**12. Other operating expenses (17 = 17.1 + 17.2)**	**25**	**(261,452,644,949)**	**(246,877,641,006)**
	In which:			
17.1	- Commission expense		(65,502,553,283)	(94,292,765,547)
17.2	- Other underwriting expenses		(195,950,091,666)	(152,584,875,459)
18	**13. Total direct operating expenses (18 = 15 + 16 + 17)**		**(506,422,273,237)**	**(466,276,972,358)**
19	**14. Gross insurance operating profit (19= 10 + 18)**		**213,411,227,612**	**167,357,077,575**
23	**15. Finance income**	**26**	**134,417,547,204**	**133,432,394,245**
24	**16. Finance expense**	**27**	**(24,582,750,297)**	**(14,856,654,199)**
25	**17. Profit from financial activities (25 = 23 + 24)**		**109,834,796,907**	**118,575,740,046**
26	**18. General and administrative expenses**	**28**	**(210,288,525,981)**	**(173,166,557,133)**
30	**19. Net operating income (30= 19 + 25 + 26)**		**112,957,498,538**	**112,766,260,488**
31	**20. Other income**		**1,511,280,754**	**1,371,705,329**
32	**21. Other expenses**		**(3,443,136,753)**	**(852,295,654)**
40	**22. Net other profit (40 = 31 + 32)**		**(1,931,855,999)**	**519,409,675**
50	**23. Profit before corporate income tax (50= 30 + 40)**		**111,025,642,539**	**113,285,670,163**
51	**24. Current corporate income tax**	**29**	**(23,708,873,885)**	**(28,726,052,797)**
52	**25. Deferred (expense)/income tax**	**29**	**(490,291,518)**	**418,770,415**
60	**26. Net profit for the year after corporate income tax (60 = 50 + 51 + 52)**		**86,826,477,136**	**84,978,387,781**

Mr. Nguyen Xuan Dong	Ms. Lai Ngan Giang	Mr. Tran Hoai An
Accountant	Director	General Director
Finance - Accounting Division	Finance - Accounting Division	

Hanoi, Vietnam

02 March 2015

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Current Year*	*Previous Year (restated)*
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net profit before tax**		**111,025,642,539**	**113,285,670,163**
	Adjustments for:			
02	Depreciation and amortisation		3,075,028,994	2,318,549,996
03	Insurance reserves and provision for diminution in investment value		265,794,310,973	63,702,023,524
05	Profits from investing activities		(115,516,810,103)	(120,528,265,152)
07	Interest expense		-	991,208,516
08	**Operating income before changes in working capital**		**264,378,172,403**	**59,769,187,047**
09	Increase in receivables		(103,271,974,050)	(77,035,491,651)
10	Increase in inventory		(146,828,992)	-
11	(Increase)/ decrease in payables		(19,487,851,964)	72,154,865,460
12	Increase in prepaid expense		(43,306,564,853)	(1,332,029,699)
13	Interest expense paid		-	(991,208,516)
14	Corporate income tax paid		(26,268,355,967)	(27,461,914,493)
15	Increase in receivables from other activities		4,594,413,836	1,434,761,419
16	Increase in receivables from other activities		(18,123,998,503)	-
20	**Net cash inflows from operating activities**		**58,367,011,910**	**26,538,169,567**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets		(7,300,672,275)	(6,332,304,646)
23	Payments for investments in other entities		(1,133,395,364,022)	(1,257,167,426,157)
24	Proceeds from sale of investment		1,070,422,368,044	1,181,651,779,454
27	Interest received		101,728,606,468	120,528,265,153
30	**Net cash inflows from investing activities**		**31,454,938,215**	**38,680,313,804**

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2014

Currency: VND

Code	*ITEMS*	*Notes*	*Current Year*	*Previous Year (restated)*
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
	Sale treasury shares		-	6,557,533,810
	Capital increased	20	33,000,000,000	-
	Dividends paid		(23,943,000)	(64,546,053,200)
40	**Net cash inflows/(outflows) from/(used in) financing activities**		**32,976,057,000**	**(57,988,519,390)**
50	**Net increase in cash**		122,798,007,125	7,229,963,981
60	**Cash and cash equivalents at beginning of the year**		**22,422,009,742**	**15,192,045,761**
61	**Impact of exchange rate fluctuation**		-	-
70	**Cash and cash equivalents at end of the year**	**4**	**145,220,016,867**	**22,422,009,742**

Mr. Nguyen Xuan Dong	Ms. Lai Ngan Giang	Mr. Tran Hoai An
Accountant	Director	General Director
Finance - Accounting Division	Finance - Accounting Division	

Hanoi, Vietnam

02 March 2015

1. 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 equitization 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. As at reporting date, percentage of outstanding share held by BIDV and other shareholders was 78.83% 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 BaTrieu Street, Hai Ba Trung District, Hanoi
Operating activities:	to provide general insurance products, reinsurance, loss survey, investing activities and other business operations 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 2014, the charter capital was 762 billion VND (31 December 2013: 660 billion VND).

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. As at 31 December 2014, the Corporation has twenty-five (25) branches nationwide.

Employee

Total employees of the Corporation as at 31 December 2014 was 693 persons (31 December 2013: 628 persons).

2. BASIS FOR PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

2.1 *Accounting standard and system*

The Separate Financial Statements of BIDV Insurance Joint Stock Corporation, which are expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Accounting System for non-life insurance companies issued by the Ministry of Finance in Circular 232/2012/TT-BTC (Circular 232) dated 28 December 2013 and the accounting framework applied for enterprises in Decision 15/2006/QĐ-BTC dated 20 March 2006, in accordance with Vietnamese Accounting Standards issued by the Ministry of Finance as per the:

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

The accompanying separate balance sheet, separate income statement, separate cash flow statement and related notes, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

The separate financial statements reflect only the operations of the Corporation for the year ended 31 December 2014. The consolidated financial statements which include the Corporation and its subsidiary are prepared separately and independently from the separate financial statements. Users of these separate financial statements should read them together with the consolidated financial statements of the Corporation as at 31 December 2014 and for the year then ended in order to obtain full information on the consolidated financial position, results of operations and cash flows of the Corporation and its subsidiary as a whole.

2.2 *Applied accounting documentation system*

The Corporation's applied accounting documentation system is the Journal Ledger system.

2.3 *Fiscal year*

The Corporation's financial year starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The Corporation maintains its accounting records in VND which is also the Corporation's reporting currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Changes in accounting policies and disclosures

Accounting policies that the Corporation applied are consistent with the accounting policies for the preparation of the financial statements for the year ended 31 December 2013, except for changes in accounting policies related to non-life insurance activities as follows:

On 28 December 2012, the Ministry of Finance issued Circular 232/2012/TT-BTC guiding accounting regime for non-life insurers, reinsurers and branch of foreign non-life insurers "Circular 232". The Circular took effect from 01 January 2014 and replaced the guidance relevant to non-life insurers in Decision 1296/TC/QD/CDKT of Ministry of Finance dated 31 December 1996 and Decision 150/2001/QD-BTC dated 31 December 2001 amending and supplementing accounting regime for insurers in Decision 1296/TC/QD/CDKT.

According to Circular 232, accounting principles and policies applied to insurance operations have significant changes as follows:

i) Insurance commission

Non-life insurers have to record commission income and expense incurred in period by business line and by insurance activity (direct insurance, inward and outward reinsurance). At the end of accounting period, unallocated commission income and expense corresponding to ceded unearned premium and direct unearned premium shall be calculated based on unearned premium reserve estimation method registered with the Ministry of Finance.

Commission expense which incurred, however was not accounted in income statement shall be recorded in "short-term prepaid expense". Commission on reinsurance ceded which incurred, but was not accounted in income statement shall be recorded in "Unearned revenue". Basis and movement shall be disclosed if identifiable.

ii) Technical reserve

Non-life insurance companies are not entilted to offset technical reserve arising from direct insurance and inward reinsurance with reserve on outward reinsurance. Accordingly, separately presented on balance sheet, unearned premium reserve, direct and reinsurance claim reserve, catastrophe reserves are presented as liabilities; ceded unearned premium reserve and reinsurance ceded claim reserve are presented as reinsurance assets.

iii) Insurance expense recognition

Insurance expense includes all incurred expenses relating to insurance business such as product design and development, marketing, loss survey, claim, technical reserve establishment, expense to collect salvages and sub-rogation, risk assessement, acquisition cost (commission, selling expense, agent support and management expense, agent recruitment, etc.) other expenses such as contribution to policyholder protection fund, and other funds as required by the authorities.

iv) Reinsurance receivables and payables recognition

Commission receivables and payables on outward and inward reinsurance are offset with ceded premium payables and assumed premium receivables on the separate balance sheet.

In addition, due to the change in financial statement presentation, the Corporation made some adjustments to separate financial statement of the prior period as to be in line with Circular 232/2012/TT-BTC. Unearned premium reserve and claim reserve from direct insurance activities and outward reinsurance activities are separately presented on separate balance sheet and separate income statement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Presentation and disclosures of financial instruments

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") with effectiveness from financial years beginning on or after 1 January 2011. Circular 210 provides the definitions of financial assets, including financial liabilities and derivative financial instruments, equity instruments as well as presentation and disclosures of financial instruments.

As Circular 210 only requires the presentation and disclosure of financial instruments, the definition of financial assets, financial liabilities and other relevant definitions are applicable to the preparation of the notes in accordance with Circular 210 only. The recognition and measurement of assets, liabilities and equities of the Corporation are still in accordance with the Vietnamese Accounting Standards and System applicable to insurance companies and comply with the relevant statutory requirements.

3.3 Cash and cash equivalents

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

3.4 Receivables

Receivables comprise of trade receivables and other receivables that are initially recognized at cost and subsequently are recognized at cost.

Provision for impairment of other receivables will be made based on their overdue ages. For undue receivables owned by indebted economic organizations which fall bankrupt or are undergoing dissolution procedures, debtors are missing, have absconded, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased, these undue receivables should be estimated the irrecoverable loss for appropriating the provision. The increase or decrease to the provision balance is recorded as the general and administrative expense in the separate income statement.

The Corporation adopts the provision policy as promulgated by the Ministry of Finance in Circular 228/2009/TT-BTC dated 07 December 2009 ("Circular 228"). Details on the basis of provision are as follows:

Overdue receivables	*Allowance rate*
Over six (06) months to less than one (01) year	30%
From one (01) to less than two (02) years	50%
From two (02) to less than three (03) years	70%
From three (03) years	100%

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs is charged to the separate income statement.

When assets are sold or retired, their cost and accumulated depreciation are removed from the separate balance sheet and any gain or loss resulting from their disposal is included in the separate income statement.

3.6 *Intangible assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs is charged to the separate income statement.

When assets are sold or retired, their cost and accumulated depreciation are removed from the separate balance sheet and any gain or loss resulting from their disposal is included in the separate income statement.

3.7 *Depreciation and amortisation*

Depreciation and amortisation of fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful lives of these assets, which are as follows:

Buildings	8 - 25 years
Machinery	3 - 7 years
Motor vehicles	6 - 10 years
Office equipment	5 years
Other tangible fixed assets	5 years
Accounting software	3 - 5 years
Land use right with indefinite term	No amortization

3.8 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Investments

3.9.1 Investment in securities

The Corporation's investments in securities include investments in equity securities and debt securities. Investments are categorised as short term and long term as follows:

- Short-term investments comprise listed and unlisted shares which are maturing within 12 months or intended to be held for not more than one year.
- Long-term investments include corporate bonds and unlisted shares which are intended to be held for more than one year.

All investments in securities (debts securities and equity securities) are initially recognised at cost and subsequently are recognized at cost during the holding period.

Investments in securities are subject to review for impairment. Provision for impairment is recorded when carrying value of the securities is higher than its market value at reporting date. Any impairment losses are recognized in the Corporation's separate income statement.

3.9.2 Other long-term investments

Other long term investments represent the Corporation's capital investments in other enterprises where the Corporation either owns less than 20% of voting right and is foundation shareholder; or strategic partner; or impacts on the enterprise' foundation, determines financial and operating policies under agreements with the Board of Directors/ Board of Management.

The investments are initially recognized at cost and subsequently are recognized at cost during the holding period.

Other investments are subject to review for impairment. Any impairment losses are recognized in the Corporation's separate income statement.

3.9.3 Provision for diminution in value of investment

Provision for impairment of investment is made with reference to Circular 228/2009/TT-BTC dated 07 December 2009 and Circular 89/2013/TT-BTC dated 28 June 2013 which provides the amendments and supplements to Circular 228 issued by the Ministry of Finance ("MOF"). Details of the basis of determination of impairment of investment are as follows:

Listed shares

Investment in listed shares are carried at cost in accordance with Vietnamese Accounting Standards, if there is objective evidence about an impairment loss on a listed share that is carried at cost, the amount of the loss is measured as the difference between the asset's carrying amount and the closing market value as of the balance sheet date as per the formula given in the Circular No. 228/2009/TT-BTC dated 07 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 which provides the amendments and supplements to Circular 228 issued by the Ministry of Finance ("MOF"). Given below is the formula to calculate the impairment provision for quoted securities:

$$\text{Provision for impairment of individual stock} = \text{Quantity of security held at reporting date} \times \left(\text{Unit price of security in accounting book} - \text{Closing market price of a unit of security} \right)$$

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Investments (continued)

3.9.3 Provision for diminution in value of investment (continued)

Unlisted shares

For unlisted shares, the following methods were used in calculating the fair value in order to compare with the book value to determine the provision:

- For shares which have been registered for trading in the market specially tailored for shares of unlisted companies (UPCom), market value is the average trading price on the system as at 31 December 2014.
- Market value of over-the-counter (OTC) shares is the average price announced by at least three independent securities companies operating in Vietnam.

For other securities that have no market prices for purpose of making provision of impairment, the Corporation considers to use book value of securities.

Equity investments in other entities

For capital amounts invested by the enterprise in economic organizations and other long-term investments, a provision was set up if economic organizations in which the enterprise is investing suffer from loss (except where such losses are already planned in their business plans before investment).

The level of provision for each financial investment to be set up shall be at most equal to the capital amount already invested and calculated according to the following formula as given in the Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance and Circular No. 89/2013/TT-BTC dated 28 June 2013:

$$\text{Level of provision for loss of financial investments} = \left(\text{Parties' actual capital contribution to the economic organization} - \text{Actual owners' equity}\right) \times \frac{\text{Investment capital of the enterprise}}{\text{Parties' total actual capital contribution to the economic organization}}$$

The basis for setting up the provision is the positive difference between the parties' actual capital contributions and the actual owners' equity at the time of preparing the economic organization's financial statements.

3.10 Investment in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

3.11 Payables and accruals

Payables and accruals are recognised for the amount to be paid in the future for goods and services received, whether or not billed to the Corporation.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Employee benefits

3.12.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Corporation by the social insurance agency which belongs to the Ministry of Labour, Invalids and Social Affairs. The Corporation is required to contribute to these post-employment benefits by paying social insurance premiums to the social insurance agency at the rate of 18% of employee basic salaries on a monthly basis. The Corporation has no further obligation concerning post-employment benefits for its employees other than this.

In addition, in accordance with internal policy No. 100/QĐ-HĐQT dated 1 August 2014 regulating post-employment benefits to the Corporation's employees, the Corporation also providing post-employment benefits including convalescence, annual leave, sightseeing, post-employment allowance based on employees' position and employment term as well as other benefits based on performance achievement.

3.12.2 Unemployment benefits

According to Social Insurance Law and Decree No. 127/2008/ND-CP dated 12 December 2008 by the Government, the Unemployment insurance fund is implemented from 1 January 2009, to which, employees contribute 1% of their salary, employers contribute 1% of salary of their employees participating in the unemployment insurance, and the Government contributes 1% of salary of all those participating in the unemployment insurance from the State budget.

3.13 Technical reserves

The technical reserves include (i) unearned premium reserve, (ii) claims reserve and (iii) catastrophe reserve. The reserving methodologies are based on Circular 125/2012/TT-BTC dated 30 July 2012 issued by the Ministry of Finance. Details of such reserving methodologies are as follows:

(i) Unearned premium reserve:

The Corporation applied the daily basis to calculate unearned premium reserve for all types of insurance and reinsurance businesses, following the formula:

$$\text{Unearned premium reserve} = \frac{\text{Retained premiums} * \text{Remaining day of insurance policy}}{\text{Number of coverage days}}$$

(ii) Claims reserve

Claim reserve includes the reserve for outstanding claims and for claims incurred but not reported.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year after deducting the amount recoverable from reinsurers; and
- Reserve for incurred but not reported claims for which the insurer is liable (IBNR) is established based on the formula in Circular 125/2012/TT-BTC issued by the Ministry of Finance on 30 July 2012.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Technical reserves* (continued)

(iii) Claims reserve

The Corporation is calculating the reserve for incurred but not reported claims based on the following formula:

$$\text{Reserve for payment of losses which have incurred but not yet reported for the current fiscal year} = \frac{\text{Total indemnity for claims incurred but not reported at the end of the last three years}}{\text{Total indemnity for losses arising in the last three years}} \times \text{Indemnity for losses arising in the current fiscal year} \times \frac{\text{Net operating revenue of current fiscal year}}{\text{Net operating revenue of the previous fiscal year}} \times \frac{\text{Average delay in making claims of current fiscal year}}{\text{Average delay in making claims of previous fiscal year}}$$

(iv) Catastrophe reserve:

Catastrophe reserve is accrued annually until such reserve reaches 100% of the retained premiums of the current fiscal year and is made based on retained premiums according to Circular 125/2012/TT-BTC dated 30 July 2012 issued by the Ministry of Finance.

On 28 December 2005, the Ministry of Finance issued Decision 100/2005/QD-BTC governing the publication of four new accounting standards, one of which is Vietnamese Accounting Standard ("VAS") 19-Insurance Contract. Following the issuance of this Standard, starting from January 2006, the provision of catastrophe reserve is no longer required since it represents "possible claims under contracts that are not in existence at the reporting date". However, since the Ministry of Finance has not issued detailed guidance for the implementation of VAS 19 and in accordance with the provision set out in Decree 46/2007/ND-CP issued by the Government of Vietnam on 27 March 2007 regarding financial regulations for insurance enterprises, the Corporation has elected to adopt the policy of providing for the catastrophe reserve at 1% of total retained premiums for the year 2014 (2% for the year 2013).

3.14 *Transactions in foreign currencies*

The Corporation follows the guidance under Vietnamese Accounting Standard No. 10 "The Effects of Changes in Exchange Rates" (the "VAS 10") and Circular 179/2012/TT-BTC dated on 24 October 2012 issued by the Ministry of Finance in relation to foreign currency transactions.

Transactions in currencies other than the Corporation's reporting currency of (VND) are recorded at the exchange rates ruling at the date of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at purchasing rate of the bank that the Corporation has the published account ruling at the separate balance sheet date. All realised and unrealised foreign exchange differences are taken to the separate income statement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Appropriation of net profits

Net profit after tax is available for appropriation to investors/shareholders after approval by the appropriate level of authority in the annual general meeting, and after making appropriation to reserve funds and remuneration to Board of Directors in accordance with the Corporation's Charter and Vietnam's regulatory requirements.

The Corporation maintains the following reserve funds which are appropriated from the Corporation's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

- Statutory reserve fund is set in order to supplement the Corporation's charter capital and ensure its solvency. This fund shall deduct 5% of the Corporation's annual profit after tax until it equals to 10% of the Corporation's charter capital based on Degree 46/2007/ND-CP dated 22 March 2007 by Ministry of Finance.
- Bonus and welfare fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits.

3.16 Revenue recognition

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

(i) Gross written premiums

Gross written premiums are recognized in accordance with 125/2012/TT/BTC issued by the Ministry of Finance on 30 July 2012 ("Circular 125") on financial regime applicable to insurers, reinsurers, insurance brokers and foreign non-life insurance branches. Specifically, gross written premium is recognized as revenue at the point of time when the following conditions are met: (1) the insurance contract has been entered into by the insurer and the insured; and (2) the premium has been paid by the insured or there is agreement between the Corporation and the insured for delayed payment of insurance premium. If the Corporation and its customers mutually agree a method of insurance premium payment on an instalment basis, only the insurance premium which is due in accordance with the instalment contract shall be taken to revenue for the period. Prepaid premium before due date is recorded as "Unearned revenue" in the separate balance sheet as at the separate balance sheet date.

(ii) Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless recovery is in doubt.

(iii) Dividends

Income is recognised when the Corporation's entitlement as an investor to receive the dividend in cash is established. If Corporation is entitled to receive dividend in shares or bonus share, only the number of shares received will be reflected in the share portfolio of the Corporation.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Expense recognition

(i) Claim expense

Claim expense is recognized at the point of time when the claim documents are completed and approved by authorized persons. In case that the final claim amount has not been finalized but the Corporation is certain that the loss is within its insured liabilities and has paid an advance to the customer as per their request, such advance would also be recognized as claim expense. Any claim that is not yet approved by authorized persons is considered as an outstanding claim and included in claim reserve.

(ii) Commission expense

Commission is calculated at percentage of direct premiums for specific line of insurance as stipulated in Circular 124/2012/TT-BTC dated 30 July 2012 issued by Ministry of Finance. Commission expense is allocated and recognized in income statement for direct premiums earned during the period.

(iii) General administrative expenses

Other general and administrative expenses are recognized on accrual basis.

(iv) Operating lease

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

3.18 Recognition of reinsurance activities

(i) Reinsurance ceded

Reinsurance premium ceded under treaty reinsurance agreements are recognized when gross written premiums within the scope of the treaty agreements are recognized.

Reinsurance premium ceded under facultative reinsurance agreements is recognized when the facultative reinsurance agreement has been entered into by the Corporation and when gross written premiums within the scope of the facultative agreements are recognized.

Reinsurance recovery is recognized when there is evidence of liability on the part of the reinsurer.

Reinsurance commission is recognized when there is a corresponding reinsurance premium ceded. At the end of accounting period, the part of reinsurance commission which is not included in income and expense of period corresponding to unearned premium of reinsurance ceded shall be determined and allocated in the subsequent periods based on registered method for unearned premium reserve.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Recognition of reinsurance activities (continued)

(ii) Reinsurance assumed

Reinsurance assumed under treaty arrangement:

- Income and expenses relating to reinsurance assumed under treaty arrangements are recognized when the statement of account is received from the cedants. As at the reporting date, income and expenses relating to reinsurance assumed under treaty arrangements but for which the cedants have not sent their statement of accounts are estimated based on the historical experience and the Corporation's own estimate taking into account.

Reinsurance assumed under facultative arrangement:

- Reinsurance premium assumed is recognized when the facultative reinsurance agreement has been entered into by the Corporation and a statement of account (for each facultative reinsurance agreement) has been received from the cedants;
- Claim expenses for reinsurance assumed is recognized when there is evidence of liability of the Corporation and when a statement of account has been sent to the Corporation; and
- Reinsurance commission is recognized when the reinsurance premium is ceded and when a statement of account has been sent to the Corporation. At the end of accounting period, the part of reinsurance commission which is not included in income and expense of period corresponding to unearned premium of reinsurance assumed shall be determined and allocated in the subsequent periods based on registered method for unearned premium reserve.

3.19 Taxation

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the separate balance sheet date.

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Taxation (continued)

Deferred tax (continued)

- in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except :

- where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the separate balance sheet date.

Deferred tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Corporation to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Corporation intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.20 Use of estimates

The preparation of the separate financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income and expenses and the resultant provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

4. CASH AND CASH EQUIVALENTS

	Ending Balance VND	*Beginning Balance VND*
Cash on hand	519,564,735	547,650,628
In which:		
VND	*519,564,735*	*547,650,628*
Cash at banks	41,699,708,393	21,874,359,114
In which:		
VND	*26,481,398,477*	*20,970,836,083*
Foreign currencies	*15,218,309,916*	*903,523,031*
Cash in transit	7,500,743,739	-
Cash equivalents (*)	95,500,000,000	-
Total	**145,220,016,867**	**22,422,009,742**

(*) Cash equivalents are bank deposits with original term of less than or equal to three (03) months at Bank of Investment and Development of Vietnam (BIDV) and other commercial banks.

5. SHORT-TERM INVESTMENTS

	Note	*Ending Balance VND*	*Beginning Balance VND*
Short-term security investments		72,626,052,716	100,507,223,405
Listed shares	*(i)*	*67,187,909,716*	*50,169,080,405*
Unlisted shares	*(i)*	*5,438,143,000*	*5,438,143,000*
Corporate bonds		-	*44,900,000,000*
Other short-term investments		962,000,000,000	901,000,000,000
Term deposits in VND	*(ii)*	*962,000,000,000*	*901,000,000,000*
Provision for diminution in value of short-term investments		(3,132,892,068)	(789,797,905)
Net value of short-term investments		**1,031,493,160,648**	**1,000,717,425,500**

5. SHORT-TERM INVESTMENTS (continued)

(i) Details of share portfolio of the Corporation are as follows:

Stock code	*Ending Balance*		*Beginning Balance*	
	Quantity	*Amount*	*Quantity*	*Amount*
Listed shares	**3,221,947**	**67,187,909,716**	**2,217,880**	**50,169,080,405**
VNR	1,267,110	16,181,794,140	974,700	16,181,794,140
PVD	-	-	50,000	2,930,671,054
PVS	-	-	199,000	2,935,997,400
HCM	251,697	9,507,668,437	210,310	4,484,817,326
PHR	-	-	53,480	1,590,896,437
TNB	-	-	46,100	537,028,020
FPT	156,300	7,863,352,668	152,010	6,997,435,153
MBB	-	-	131,250	1,717,804,000
PGS	-	-	72,800	1,517,964,421
DPM	-	-	66,970	2,906,122,657
REE	159,500	4,604,834,660	159,260	4,353,106,570
DRC	-	-	102,000	4,015,443,227
VCG	257,700	3,700,923,070	-	-
TCM	242,950	7,999,727,978	-	-
KBC	601,000	9,329,852,100	-	-
SSI	285,690	7,999,756,663	-	-
Non-listed shares	**371,849**	**5,438,143,000**	**371,849**	**5,438,143,000**
DAB	235,449	1,648,143,000	235,449	1,648,143,000
SABECO	100,000	3,000,000,000	100,000	3,000,000,000
VIDIFA	14,400	450,000,000	14,400	450,000,000
VTEC	22,000	340,000,000	22,000	340,000,000
	3,593,796	**72,626,052,716**	**2,589,729**	**55,607,223,405**

(ii) They are bank deposits in VND at Bank of Investment and Development of Vietnam (BIDV) and other commercial banks with deposit term from over 3 months to 12 months.

6. TRADE RECEIVABLES

	Ending Balance VND	*Beginning Balance VND*
Gross written premium receivables	76,415,891,438	37,812,675,801
Assumed premium receivables	60,696,642,289	32,697,543,695
Reinsurance claim recoverables	120,342,137,044	61,734,514,063
Claim recoverable from co-insurers	6,416,442,190	4,609,397,090
Other receivables	1,430,095,627	1,318,232,499
Total	**265,301,208,588**	**138,172,363,148**

7. OTHER RECEIVABLES

	Ending Balance VND	*Beginning Balance VND*
Accrued interests	46,303,806,694	35,289,989,321
Dividend receivables	89,676,000	-
Other receivables	4,943,670,520	34,225,113,555
Total	**51,337,153,214**	**69,515,102,876**

8. OTHER SHORT-TERM ASSETS

	Ending Balance VND	*Beginning Balance VND*
Advance (*)	4,318,902,281	5,449,144,121
Office rental deposit	580,800,000	490,800,000
Short-term deposits, collaterals, mortgages	1,780,395,293	24,210,000
Total	**6,680,097,574**	**5,964,154,121**

(*) They are advances to employees of the Corporation for business trip, underwriting, claim and other advances to support business operation.

9. STATUTORY DEPOSIT

The Corporation has to maintain statutory deposit equivalent to 2% of its legal capital, equal to VND 6,000,000,000, as per Point 1 - Article 4 of Decree No. 46/2007/ND-CP dated 22 March 2007.

10. TANGIBLE FIXED ASSETS

	Buildings VND	*Machinery VND*	*Motor vehicles VND*	*Office equipment VND*	*Other tangible fixed assets VND*	*Total VND*
Costs:						
Beginning Balance	2,300,000,000	2,278,812,525	28,201,818,114	-	198,829,854	32,979,460,493
Additions	-	520,285,911	6,696,179,091	52,727,273	31,480,000	7,300,672,275
Newly purchased	-	*520,285,911*	*6,696,179,091*	*52,727,273*	*31,480,000*	*7,300,672,275*
Ending Balance	2,300,000,000	2,799,098,436	34,897,997,205	52,727,273	230,309,854	40,280,132,768
Accumulated depreciation:						
Beginning Balance	(168,666,674)	(2,009,947,193)	(20,744,568,750)	-	(91,994,104)	(23,015,176,721)
Increase	(92,000,004)	(209,194,408)	(2,711,846,415)	(5,888,155)	(34,433,340)	(3,053,362,322)
Depreciation for the period	*(92,000,004)*	*(209,194,408)*	*(2,711,846,415)*	*(5,888,155)*	*(34,433,340)*	*(3,053,362,322)*
Ending Balance	(260,666,678)	(2,219,141,601)	(23,456,415,165)	(5,888,155)	(126,427,444)	(26,068,539,043)
Net book value:						
Beginning Balance	2,131,333,326	268,865,332	7,457,249,364	-	106,835,750	9,964,283,772
Ending Balance	2,039,333,322	579,956,835	11,441,582,040	46,839,118	103,882,410	14,211,593,725

11. INTANGIBLE ASSETS

	Computer software VND	*Land use right VND*	*Total VND*
Costs:			
Beginning Balance	106,599,125	6,500,000,000	6,606,599,125
Ending Balance	106,599,125	6,500,000,000	6,606,599,125
Accumulated amortisation:			
Beginning Balance	(48,219,497)	-	(48,219,497)
Increase	(21,666,672)	-	(21,666,672)
Ending Balance	(69,886,169)	-	(69,886,169)
Net book value:			
Beginning Balance	58,379,628	6,500,000,000	6,558,379,628
Ending Balance	36,712,956	6,500,000,000	6,536,712,956

12. LONG-TERM INVESTMENTS

	Note	*Ending Balance VND*	*Beginning Balance VND*
Investment in bonds	(i)	130,000,000,000	150,145,833,333
Investment in subsidiary	(ii)	34,660,020,000	34,660,020,000
Investment in unlisted shares	(iii)	76,090,000,000	76,090,000,000
Other equity investments	(iv)	50,000,000,000	-
		290,750,020,000	**260,895,853,333**
Provision for diminution in value of long-term investments	(v)	(16,557,847,837)	(17,283,004,056)
Net value of financial long-term investments		**274,192,172,163**	**243,612,849,277**

(i) Investment in bonds

Long-term investment in bonds of the Corporation as at 31 December 2014 as follow:

	Term	*Annual rate*	*Ending Balance VND*
Parent Company – Housing and Urban Development Corporation (*)	3 years	10.08%	50,000,000,000
Vietnam Prosperity Commercial Joint-Stock bank	3 years	9.05%	50,000,000,000
Vietnam Prosperity Commercial Joint-Stock bank	5 years	8.50%	30,000,000,000
Total			**130,000,000,000**

(*) Ability to pay principal and interest are guaranteed by BIDV.

12. LONG-TERM INVESTMENTS (continued)

(i) Investment in bonds (continued)

Long-term investment in bonds of the Corporation as at 31 December 2013 as follow:

	Term	*Annual rate*	*Beginning balance VND*
Bank of Investment and Development of Vietnam	3 years	9.55%	30,145,833,333
Parent Company – Housing and Urban Development Corp	3 years	11.9%	50,000,000,000
Bank of Investment and Development of Vietnam	3 years	9.55%	20,000,000,000
Vietnam Prosperity Commercial Joint- Stock bank	3 years	10.0%	50,000,000,000
Total			**150,145,833,333**

(ii) Investment in subsidiary

This is the investment in Lao – Viet Insurance Company. Following the Foreign Investment Certificate No. 146/BKH/ĐTRNN granted by the Ministry of Investment and Planning of Vietnam on 19 June 2008, the Corporation invested USD 1,530,000 to enter into a joint venture in Lao PDR to establish Lao - Viet Insurance Joint Venture Company ("LVI") with the operating period of 50 years, of which the Corporation owns 51% of the total charter capital.

On 2 August 2013, the Corporation increased its investment in LVI with additional amount of USD 420,000 under the revised Foreign Investment Certificate No.146/BKH/ĐTRNN-ĐC1 granted by the Ministry of Investment and Planning of Vietnam, accordingly, Lao – Viet Insurance Company is subsidiary of the Corporation. For the purpose of preparing the separate financial statements, the Corporation applied in this investment cost method in accounting this investment.

(iii) Investment in unlisted shares

	Ownership %	*Number of shares*	*Unit cost*	*Amount VND*
Green Indochina Development JSC	4.24%	1,000,000	26,090	26,090,000,000
Vinaconex – Viettel Finance JSC	5%	5,000,000	10,000	50,000,000,000
Total		**6,000,000**		**76,090,000,000**

(iv) Other equity investments

Other equity investment of the Corporation as at 31 December 2014 is the investment in BIDV Metlife with amount of VND 50,000,000,000 (equivalent to 5% of total charter capital).

(v) Provision for diminution in value of long-term investments

Provision for long-term investment is the provision for shares Green Indochina Development JSC.

13. LONG-TERM PREPAID EXPENSES

Long-term prepaid expenses are assets reclassified as required in Circular 45/2013/TT-BTC, office maintenance expenses, tools and consumables which can be used in more than 1 year.

14. TRADE PAYABLES

	Ending Balance VND	*Beginning Balance VND*
Insurance payables	**271,265,447,057**	**200,509,206,114**
Payables for ceded activities	226,652,690,978	165,849,363,827
Payables to co-insurers	5,985,184,480	3,253,113,974
Claim payables	10,073,891,721	9,330,479,978
Commission payables	13,439,801,383	13,998,583,431
XOL payables	15,098,240,047	8,044,001,857
Other insurance payables	15,638,448	33,663,047
Other payables	**18,582,817**	**1,314,699**
Total	**271,284,029,874**	**200,510,520,813**

15. TAXES AND OTHER STATUTORY OBLIGATIONS

	Beginning Balance VND	*Movement during the period*		*Ending Balance VND*
		Payables VND	*Paid VND*	
Value added tax	6,505,217,593	53,276,198,533	(51,773,420,835)	8,007,995,291
Corporate income tax	6,232,158,623	31,640,507,107	(26,268,355,967)	11,604,309,763
Other taxes	3,891,538,452	15,919,050,792	(13,212,193,615)	6,598,395,629
Total	**16,628,914,668**	**100,835,756,432**	**(91,253,970,417)**	**26,210,700,683**

16. ACCRUED EXPENSES

	Ending Balance VND	*Beginning Balance VND*
Office rental fee payables	-	21,387,273
Compulsory civil liability fund	829,535,849	1,741,468,477
Policy holder protection fund	1,994,971,439	1,675,081,658
Compulsory fire and miscellaneous fund	466,421,912	310,000,000
Other accrued expenses	11,013,781,099	2,744,263,663
Total	**14,304,710,299**	**6,492,201,071**

17. OTHER PAYABLES

	Ending Balance VND	*Beginning Balance VND*
Payables for salary allowance	468,952,905	36,984,142
Short-term deposits	2,754,576,068	1,184,121,926
Charity funds	275,984,859	-
Other payables	8,202,706,195	9,106,197,284
Total	**11,702,220,027**	**10,327,303,352**

18. UNEARNED COMMISSION REVENUE

Unearned commission revenue was the deferred commission on reinsurance ceded in accordance with Circular 232/2012/TT-BTC issued by Ministry of Finance.

19. TECHNICAL RESERVES

19.1. Unearned premium reserve and claim reserve

	Reserve for direct insurance and inward reinsurance	*Reserve for outward reinsurance*	*Net reserve for direct insurance and inward reinsurance*
1 January 2014			
Unearned premium reserve	456,786,545,766	(187,943,303,844)	268,843,241,922
Claim reserve	315,922,310,556	(210,274,677,646)	105,647,632,910
	772,708,856,322	**(398,217,981,490)**	**374,490,874,832**
31 December 2014			
Unearned premium reserve	569,539,138,918	(214,249,195,339)	355,289,943,579
Claim reserve	454,441,140,575	(343,373,625,591)	111,067,514,984
	1,023,980,279,493	**(557,622,820,930)**	**466,357,458,563**

19. TECHNICAL RESERVES (continued)

19.1 Unearned premium and claim reserve (continued)

19.1.1 Unearned premium reserve

Gross unearned premium reserve

Product	*Ending Balance VND*	*Beginning Balance VND*
Health and Personal Accident	72,089,568,149	45,440,608,534
Property and Damages	220,282,151,730	191,809,254,419
Cargo	5,925,865,302	4,367,689,221
Automobile	188,182,532,276	153,758,455,571
Fire	59,891,962,275	42,010,218,773
Liability	5,242,212,597	4,917,018,965
Business Risk	3,468,036,883	3,300,379,510
Aviation	1,339,469,250	629,976,119
Hull and P&I	10,453,933,859	9,136,668,751
Financial and credit risk	2,303,016,020	1,416,275,903
Agriculture	360,390,577	-
Total	**569,539,138,918**	**456,786,545,766**

Ceded unearned premium reserve (Reinsurance assets)

Product	*Ending Balance VND*	*Beginning Balance VND*
Health and Personal Accident	234,187,245	624,528,615
Property and Damages	159,447,206,502	149,527,556,161
Cargo	3,963,074,519	2,870,764,163
Automobile	441,770,819	241,196,985
Fire	33,655,651,390	21,298,839,499
Liability	3,682,681,018	3,141,269,493
Business Risk	3,257,773,694	3,165,119,164
Aviation	694,436,663	493,662,193
Hull and P&I	7,066,748,986	6,194,461,318
Financial and credit risk	1,463,293,455	385,906,253
Agriculture	342,371,048	-
Total	**214,249,195,339**	**187,943,303,844**

19. TECHNICAL RESERVES (continued)

19.1 Unearned premium and claim reserve (continued)

19.1.2 Claim reserve

Gross claim reserve

Product	*Ending Balance VND*	*Beginning Balance VND*
Health and Personal Accident	3,872,939,544	17,450,776,156
Property and Damages	168,729,242,100	165,918,199,182
Cargo	28,732,030,489	16,458,309,744
Automobile	27,706,630,783	13,006,862,752
Fire	57,064,194,145	27,923,759,168
Liability	1,485,697,214	3,215,661,162
Business Risk	21,085,000	240,932,425
Aviation	13,272,763,519	14,309,080,532
Hull and P&I	119,419,650,661	23,647,195,985
Financial and credit risk	33,759,520,013	32,080,883,450
Agriculture	377,387,107	1,670,650,000
Total	**454,441,140,575**	**315,922,310,556**

Ceded reinsurance claim reserve (Reinsurance assets)

Product	*Ending Balance VND*	*Beginning Balance VND*
Property and Damages	135,748,396,262	128,315,285,827
Cargo	21,463,566,414	8,792,723,310
Automobile	5,998,019	171,307,559
Fire	27,120,163,084	14,856,880,020
Liability	1,080,773,645	2,777,195,243
Business Risk	20,218,195	-
Aviation	12,347,572,195	12,749,839,057
Hull and P&I	112,816,347,566	11,892,229,430
Financial and credit risk	32,770,590,211	30,719,217,200
Total	**343,373,625,591**	**210,274,677,646**

Claim reserves include:

1. Outstanding claim reserves were calculated based on loss estimate for each individual claim, for which the Corporation is liable, which is either notified to the Corporation or requested for payment but is still unresolved as at 31 December 2014. Such reserves amounted to VND 444,297,043,113 as at 31 December 2014, in which, the amount recoverable from reinsurers relating to these outstanding claims amounted to VND 343,373,625,591.
2. Reserves for claims incurred but not reported as at 31 December 2014, amounted to VND 10,144,097,462. The decrease in claim reserve of VND 9,763,091,070 was reverted from the separate income statement.

19. TECHNICAL RESERVES (continued)

19.2. Catastrophe reserve

Product	*Ending Balance VND*	*Beginning Balance VND*
Health and Personal Accident	9,382,149,055	8,204,011,424
Property and Damages	15,439,887,909	14,072,687,442
Cargo	2,352,066,261	2,084,516,708
Automobile	36,822,982,619	33,222,219,995
Fire	5,704,167,092	5,172,542,338
Liability	535,256,240	506,161,907
Business Risk	71,778,747	60,159,255
Aviation	552,942,544	529,734,225
Hull and P&I	1,965,697,521	1,842,937,708
Financial and credit risk	587,990,147	568,330,134
Agriculture	34,858,057	27,335,729
Total	**73,449,776,192**	**66,290,636,865**

20. OWNERS' EQUITY

	Charter capital VND	*Share premium VND*	*Treasury shares VND*	*Financial reserve fund VND*	*Statutory reserve VND*	*Retained earnings VND*	*Total VND*
Balance at 1 January 2013	**660,000,000,000**	**2,271,699,140**	**(6,577,533,810)**	**1,800,187,891**	**9,062,277,776**	**93,789,569,917**	**760,346,200,914**
Payment of 2012 dividends	-	-	-	-	-	(65,000,000,000)	(65,000,000,000)
Profit for the year	-	-	-	-	-	84,978,387,781	84,978,387,781
Appropriation of profit to statutory reserves for 2013	-	-	-	-	4,248,919,389	(4,248,919,389)	-
Sale of treasury shares	-	2,604,066,190	6,577,533,810	-	-	-	9,181,600,000
Appropriation to Bonus and Welfare funds	-	-	-	-	-	(11,500,000,000)	(11,500,000,000)
Remuneration to Board of Directors	-	-	-	-	-	(58,500,000)	(58,500,000)
Balance at 31 December 2013	**660,000,000,000**	**4,875,765,330**	**-**	**1,800,187,891**	**13,311,197,165**	**97,960,538,309**	**777,947,688,695**
Balance at 1 January 2014	**660,000,000,000**	**4,875,765,330**	**-**	**1,800,187,891**	**13,311,197,165**	**97,960,538,309**	**777,947,688,695**
Capital increased in current year	102,299,820,000	-	-	-	-	-	102,299,820,000
Dividend distribution by shares	-	-	-	-	-	(69,299,820,000)	(69,299,820,000)
Adjustments for under accrual of prior years' CIT and other taxes	-	-	-	-	-	(7,937,001,000)	(7,937,001,000)
Profit for the year	-	-	-	-	-	86,826,477,136	86,826,477,136
Other increases	-	-	-	-	-	1,254,106,348	1,254,106,348
Appropriation of profit to statutory reserves for 2014	-	-	-	-	4,341,323,857	(4,341,323,857)	-
Appropriation to Bonus and Welfare funds	-	-	-	-	-	(13,000,000,000)	(13,000,000,000)
Balance at 31 December 2014	**762,299,820,000**	**4,875,765,330**	**-**	**1,800,187,891**	**17,652,521,022**	**91,462,976,936**	**878,091,271,179**

21. INSURANCE REVENUE

	Current year VND	*Previous year VND*
Direct premiums	991,917,847,051	792,263,387,574
Deductions from direct premiums	(754,636,599)	(2,613,155,947)
Assumed premiums	125,284,251,720	102,243,261,530
Increase in un-earned premium reserve	(112,781,477,921)	(32,309,832,551)
Total	**1,003,665,984,251**	**859,583,660,606**

21.1 Direct premiums

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	117,570,220,732	82,139,329,020
Property and Damages	239,908,480,502	186,696,193,853
Cargo	76,815,003,248	53,188,947,018
Automobile	360,667,852,779	307,743,544,590
Fire	123,686,003,020	96,379,376,719
Liability	6,010,046,704	4,392,177,277
Business Risk	6,261,347,675	4,985,523,559
Aviation	6,257,851,784	17,051,169,849
Hull and P&I	45,600,122,698	35,523,755,455
Financial and credit risk	7,962,265,990	1,550,214,287
Agriculture	424,015,320	-
Total	**991,163,210,452**	**789,650,231,627**

21.2 Reinsurance premiums assumed

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	817,634,753	106,818,962
Property and Damages	96,414,464,900	79,721,450,150
Cargo	4,534,697,430	3,308,019,899
Automobile	824,384,008	1,328,138,766
Fire	10,754,642,127	7,015,258,783
Liability	692,601,917	273,147,603
Business Risk	5,814,965,562	4,344,349,110
Aviation	4,229,825,429	3,511,080,996
Hull and P&I	470,003,567	1,726,366,556
Financial and credit risk	-	12,338,600
Agriculture	731,032,027	896,292,105
Total	**125,284,251,720**	**102,243,261,530**

22. REINSURANCE PREMIUM CEDED

	Current year VND	*Previous year VND*
Reinsurance premium ceded	400,533,529,430	351,384,227,554
Increase in ceded unearned premium reserve	(26,305,891,495)	(2,431,112,298)
Total	**374,227,637,935**	**348,953,115,256**

22.1 Reinsurance premium ceded

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	574,092,324	1,199,531,662
Property and Damages	199,602,898,745	192,640,298,166
Cargo	54,594,745,385	36,454,794,345
Automobile	1,415,974,352	705,101,724
Fire	81,278,169,698	61,015,661,915
Liability	3,793,215,362	2,355,403,339
Business Risk	10,914,364,004	8,884,033,241
Aviation	8,166,845,356	19,281,600,439
Hull and P&I	33,794,144,960	28,148,492,695
Financial and credit risk	5,996,264,690	699,310,028
Agriculture	402,814,554	-
Total	**400,533,529,430**	**351,384,227,554**

23. COMMISSION ON REINSURANCE CEDED

	Current year VND	*Previous year VND*
Reinsurance ceded commission	66,893,781,320	88,894,204,444
Deductions on commission (Commission return/reduction)	(174,414,493)	(386,241,147)
Total	**66,719,366,827**	**88,507,963,297**

23.1 Commission on reinsurance ceded

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	118,005,924	413,763,145
Property and Damages	29,776,425,511	51,169,057,149
Cargo	14,417,205,478	10,475,282,307
Automobile	307,568,508	213,807,289
Fire	13,825,601,543	17,356,233,296
Liability	543,227,826	665,216,764
Business Risk	2,140,773,045	2,034,394,244
Aviation	441,641,631	659,143,959
Hull and P&I	4,640,484,562	5,109,863,300
Financial and credit risk	500,643,178	411,201,844
Agriculture	7,789,621	-
Total	**66,719,366,827**	**88,507,963,297**

24. CLAIM EXPENSES

	Current year VND	*Previous year VND*
Claim expense	342,644,929,219	291,292,930,780
- Direct claim expense	*307,616,093,398*	*256,300,228,559*
- Claim expense on reinsurance assumed	*35,028,835,821*	*34,992,702,221*
Salvage and sub-rogation	(822,961,543)	-
Recovery from reinsurance ceded	(108,261,964,428)	(112,037,262,017)
Increase in gross claim reserve	128,204,472,257	77,376,126,560
Increase in ceded reinsurance claim reserve	(123,953,986,544)	(48,399,675,028)
Total	**237,810,488,961**	**208,232,120,295**

24.1 Direct claim expenses

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	32,191,999,097	22,314,483,415
Property and Damages	48,581,059,571	32,717,924,294
Cargo	24,727,656,248	12,639,802,499
Automobile	135,107,844,093	109,556,827,124
Fire	37,606,904,151	67,658,270,599
Liability	1,238,021,626	770,450,487
Business risk	63,494,531	2,817,555,225
Aviation	3,393,520,859	660,326,512
Hull and P&I	24,705,593,222	7,164,588,404
Total	**307,616,093,398**	**256,300,228,559**

24.2 Claim expense on reinsurance assumed

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	12,175,833	287,881,472
Property and Damages	28,500,297,592	12,253,945,808
Cargo	2,207,955,176	492,629,530
Automobile	1,024,820,359	759,433,519
Fire	59,317,137	5,170,103,859
Liability	15,476,390	76,734,581
Business risk	-	58,116,862
Aviation	923,750,421	12,935,579,859
Hull and P&I	876,600	2,071,264,859
Financial and credit risk	-	-
Agriculture	2,284,166,313	887,011,872
Total	**35,028,835,821**	**34,992,702,221**

24. CLAIM EXPENSES (continued)

24.3 *Recoveries from reinsurance ceded*

Product	*Current year VND*	*Previous year VND*
Health and Personal Accident	111,165,963	101,992,530
Property and Damages	47,427,075,025	36,395,836,599
Cargo	18,852,949,405	9,379,105,027
Automobile	315,579,057	256,924,164
Fire	20,403,077,121	43,289,363,057
Liability	993,639,030	610,265,844
Business risk	-	2,604,049,609
Aviation	3,627,739,611	12,608,206,930
Hull and P&I	16,530,739,216	6,791,518,257
Total	**108,261,964,428**	**112,037,262,017**

25. OPERATING EXPENSES

	Current year VND	*Previous year VND*
Commission	65,502,553,283	94,292,765,547
Insurance risk assessment expenses	686,940,135	495,904,279
Agent management activities	14,736,126,554	9,918,761,789
Loss prevention	1,830,707,682	3,492,312,201
Contribution as required by the authorities	2,783,276,228	1,675,081,658
Other expenses (*)	175,913,041,067	137,002,815,532
Total	**261,452,644,949**	**246,877,641,006**

(*) Other expenses include the expenses related to underwriting activities such as salary paid for underwriting personnel, marketing expense, ect. Corresponding figures of the opening balance were reclassified to be suitable for the presentation of financial statement for this period.

26. FINANCE INCOME

	Current year VND	*Previous year VND*
Interest income from deposits at banks	78,573,656,468	88,327,335,835
Interest income from bonds	16,409,056,557	24,981,602,928
Dividend income	4,798,277,862	6,154,159,100
Gain from exchange rate difference	12,228,817,523	9,894,677,336
Gain from security trading	22,343,383,568	4,068,379,848
Other financial incomes	64,355,226	6,239,198
Total	**134,417,547,204**	**133,432,394,245**

27. FINANCE EXPENSE

	Current year VND	*Previous year VND*
Interest expense	607,809	991,208,516
Security trading expense	352,606,115	84,994,811
Loss on security trading	5,396,060,506	180,190,751
Loss on exchange rate difference	16,279,560,502	10,142,489,430
Provisions for diminution in value of investments	2,517,937,944	2,632,380,812
Other financial expenses	35,977,421	825,389,879
Total	**24,582,750,297**	**14,856,654,199**

28. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year VND	*Previous year VND*
Employee expense	102,458,949,624	72,384,645,061
Material expense	7,849,617,003	10,836,442,351
Tool and equipment expense	8,282,715,226	3,068,239,533
Depreciation expense	3,075,028,994	2,318,549,996
Tax, fee, and charge	4,013,708,528	3,258,631,210
Expense for external services	76,457,445,928	73,743,985,301
Provision for doubtful debts	4,845,810,531	3,017,660,364
Other expenses	3,305,250,147	4,538,403,317
Total	**210,288,525,981**	**173,166,557,133**

29. CORPORATE INCOME TAX

The Corporation is subject to paying Corporate Income Tax ("CIT") at the rate of 22% of its taxable profits.

The Corporation's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations is susceptible to varying interpretations, amounts reported in the separate financial statements could be changed at a later date upon final determination by the tax authorities.

29.1 Corporate Income Tax Expense

	Current year VND	*Previous year VND*
Current Corporate Income Tax	23,708,873,885	28,726,052,797
Deferred Corporate Income Tax	490,291,518	(418,770,415)
Corporate Income Tax Expense	**24,199,165,403**	**28,307,282,382**

29. CORPORATE INCOME TAX (continued)

29.2 Current Corporate Income Tax

The current corporate income tax payable is determined based on taxable income for the period. Taxable profit distinguishes from accounting profit reported on separate income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible for tax purpose. The Corporation's liability for current tax is calculated using tax rates that have been enacted by the separate balance sheet date.

The reconciliation between accounting profit and taxable profit is presented below:

	Current year VND	*Previous year VND*
Profit before Corporate income tax	**111,025,642,539**	**113,285,670,163**
Adjustments to increase	**10,754,477,501**	**4,857,516,459**
Non-deductible expenses	6,452,047,901	3,182,434,801
Penalty for late payment of tax	2,307,458,161	-
Accrual of policy holder protection fund	1,994,971,439	1,675,081,658
Adjustments to decrease	**(14,012,511,471)**	**(6,154,159,100)**
Tax exempt dividend income	(5,503,277,862)	(6,154,159,100)
Policy holder protection fund of previous year	(1,675,081,658)	-
Credit rating expenses of 2013	(882,683,333)	-
Treaty estimation	(5,951,468,618)	-
Estimated current taxable profit	**107,767,608,569**	**111,989,027,522**
Estimated Current Corporate Income Tax expense	23,708,873,885	27,997,256,881
Current Corporate Income Tax	**23,708,873,885**	**27,997,256,881**
Corporate Income Tax payables at beginning of the year	6,232,158,623	4,968,020,319
Adjustment under accrual of prior years' CIT	7,931,633,222	728,795,916
Corporate Income Tax paid during the year	(26,268,355,967)	(27,461,914,493)
Corporate Income Tax payable at the end of the year	**11,604,309,763**	**6,232,158,623**

30. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related companies during the period were as follows:

Company	*Relationship*	*Transaction*	*Revenue VND*	*Expense VND*
Joint Stock Commercial Bank of Investment and Development of Vietnam (BIDV)	Parent	Gross written premiums	57,782,701,486	
		Insurance policy management fee	18,042,992,353	
		Claim expense		3,651,439,615
		Commission expense		8,457,146,532
		Interest income from term deposit	39,824,208,383	
		Bond interest income	2,786,506,850	
		Bank transfer expense		1,332,938,858
		Office rental expense		11,501,352,949
BIDV Leasing Company	Affiliate	Gross written premiums	596,414,549	
		Claim expense		137,864,027
BIDV Securities Company	Affiliate	Gross written premiums	30,467,051	
The Bank of Investment and Development of Cambodia (BIDC)	Affiliate	Gross written premiums	211,695,461	
		Claim expense		234,658,600
		Interest income from term deposit	3,506,550,000	
BIDV Union Company	Affiliate	Gross written premiums	1,817,440,776	
		Claim expense		568,676,600
Lao Viet Insurance Company	Subsidiary	Assumed reinsurance premium	37,071,245,024	
		Commission from reinsurance assumed		7,081,805,924
		Claim expense from reinsurance assumed		3,807,708,454

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related companies at the separate balance sheet date are as follows:

Related company	*Relationship*	*Description*	*Receivables VND*	*Payables VND*
Joint stock Commercial Bank of Investment and Development of Vietnam (BIDV)	Parent	Premium receivables	1,266,020,456	
		Commission payables		1,606,985,878
		Current account	40,027,824,600	
		Term deposits	440,500,000,000	
		Interest from term deposits	14,747,526,386	
		Mortgage, deposit	1,281,225,185	
		Office rental payables		47,492,216
		Compulsory deposit at BIDV	6,000,000,000	
BIDV Leasing Company	Affiliate	Premium receivables	118,937,927	
		Commission payables		60,398,942
The Bank of Investment and Development of Cambodia (BIDC)	Affiliate	Term Deposits	36,000,000,000	
		Interest from term deposits	1,584,722,222	
BIDV Union Company	Affiliate	Premium receivables	15,266,650	
		Commission payables		3,578,735
Lao Viet Insurance Company	Subsidiary	Assumed commission payables		8,921,862,197
		Claim payables for reinsurance assumed		8,380,101,674
		Total	**541,541,523,426**	**19,020,419,642**

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Remuneration to members of Board of Directors

	Current year VND	*Previous year VND*
Remuneration	532,000,000	443,500,000
Total	**532,000,000**	**443,500,000**

Remuneration to members of Board of Management

	Current year VND	*Previous year VND*
Salaries and bonus	4,463,361,855	3,564,036,141
Other benefits	68,800,000	556,111,000
Total	**4,532,161,855**	**4,120,147,141**

Apart from salaries and bonus, the Board of Management is not entitled to any other benefits.

31. INFORMATION ON SEGMENT REPORTING

According to VAS 28, the reportable segments defined as follows:

- A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments;
- A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

In view of BIC, the member companies of Corporation provide same non-life insurance products, operate in the same economic, use the same processes and underwriting channels that are standardized designed by the Corporation.

Besides, the companies engaged in the same business risk, legal environment and have no other economic benefit with entities in other economic environment and the geographical segment does not effect on the scope of providing insurance service of those companies. Therefore, BIC does not have segments which fit the definition of segmental disclosures as require by VAS 28.

32. CONTINGENT LIABILITIES

Operating lease commitments

The Corporation leases office premises under an operating lease. Future rental amounts due under operating leases as at 31 December 2014 were as follows:

ITEMS	*Ending Balance VND*
Operating lease commitments	
Within one year	*175,000,000*
Within 1 – 5 years	*20,489,435,314*
More than 5 years	-
Total	**20,664,435,314**

Foreign contractor withholding tax

The Corporation accounted for the FCT on reinsurance premiums ceded to overseas reinsurers from countries without Double Tax Treaty with Vietnam or from countries with Double Tax Treaty with Vietnam but the reinsurers have not submitted adequate supporting documents.

33. RISK MANAGEMENT FRAMEWORK

33.1 Governance framework

The primary objective of the Corporation's risk and financial management framework is to protect the Corporation's shareholders from events that hinder the sustainable achievement of financial performance objectives. The Board of Directors and Management recognise the importance of having efficient and effective risk management systems in place.

The Corporation has established a risk management function which agreed clear terms of reference from the Board of Directors. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the Board of Directors to the Board of Management and other senior management. A policy framework has been developed and implemented which sets out the risk profiles for the Corporation, risk management; control and business conduct standards for the Corporation's operations. Each policy has a member of the Board of Management charged with overseeing compliance with the policy throughout the Corporation.

33. RISK MANAGEMENT FRAMEWORK (continued)

33.2 Risk management objectives, policies and processes for management of insurance risk

The primary insurance activity carried out by the Corporation is the assumption of risk of loss from persons or organisations that are directly subject to the risk. Such risks may relate to property, liability, accident, health, financial or other perils that may arise from an insurable event. As such the Corporation is exposed to the uncertainty surrounding the timing and severity of claims under the contract. The Corporation also has exposure to market risk through its insurance and investment activities.

The Corporation manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or those exceed set limits, risk diversification, pricing guidelines, reinsurance and monitoring of emerging issues.

33.3 Capital management and regulatory framework

The primary capital management objective of the Corporation is to maintain a strong capital base to support the development of its business and to comply with regulatory capital requirements at all times. The Corporation recognises the impact on shareholders returns of the level of equity capital employed and seek to maintain a prudent balance.

Regulatory capital requirements arise from the operations of the Corporation require the Corporation to hold assets sufficient to cover liabilities and satisfy the solvency margin requirements in Vietnam. The solvency requirements that apply to the Corporation is those set out in Circular 125/2012/TT-BTC issued by the Ministry of Finance.

The tables below summarise the minimum regulatory solvency margin for the Corporation and the solvency capital held against each of them. Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the insurance subsidiaries are satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Corporation maintain appropriate solvency position to meet unforeseen liabilities arising from economic turmoil or natural disasters.

	Corporation Solvency Margin VND million	*Minimum Solvency Margin VND million*	*Solvency Margin Ratio*
31 December 2014	577,310	190,955	302%
31 December 2013	657,684	135,140	487%

The solvency ratio of the Corporation is calculated based on the relevant regulators promulgated by the Ministry of Finance in Vietnam, which is an indicator of the overall solvency position of the relevant insurance operations.

33. RISK MANAGEMENT FRAMEWORK (continued)

33.4 Underwriting strategy

The Corporation's underwriting strategy seeks the diversity for products, distribution channel and focus on the most profitable products to ensure a balanced mix of business portfolio and is based on a large portfolio of similar risks over a number of years and, as such, reduces the variability of the outcome.

33.5 Reinsurance strategy

The Corporation reinsures a portion of the insurance risks it underwrites in order to control its exposures to losses and protect its capital, through treaty and facultative reinsurance arrangements. These reinsurance agreements transfer part of the risk and limit the exposure from each insured. The amount of each risk retained depends on the Corporation's evaluation of the specific risk, subject in certain circumstances, to maximum limits based on characteristics of coverage. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the event the claim is paid. However, the Corporation remains liable to its policyholders with respect to ceded insurance if any reinsurer fails to meet the obligations it assumes.

Ceded reinsurance contains credit risk, and to minimise such risk, only those reinsurers whose credit rating either assessed by credit rating agencies or internally assessed by the Corporation are satisfied to have business with the Corporation.

34. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

The Corporation issues contracts that transfer insurance risk or financial risk or both. The following gives details of the Corporation's main products and the ways in which it manages the associated risks.

34.1 Insurance risk

Assumptions, changes in assumptions and sensitivity analysis

The process used to determine the assumptions is intended to result in estimates of the most likely outcome. The sources of data used as inputs for the assumptions are internal, based on detailed studies that are carried out regularly. The assumptions are checked to ensure that they are consistent with other observable information. There is more emphasis on current trends, and where there is insufficient historical information, prudent assumptions are used.

The nature of the business makes it very difficult to predict with certainty the outcome of any particular claim and the ultimate cost. Each notified claim is assessed on a separate case by case basis with due regard to the circumstances, information available from loss adjusters and historical evidence of similar claims. Case estimates are reviewed and updated regularly when there is updated information. The provision is estimated based on information currently available.

The claim reserve is calculated based on method regulated in Circular No 125/2012/TT-BTC dated 30 July 2012 issued by the Ministry of Finance. Details of such reserving methodologies are as follows:

34. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

34.1 Insurance risk (continued)

Claim reserve includes the reserve for outstanding claims and for claims incurred but not reported.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year, accordance with the Circular No 125/2012/TT-BTC; and
- Reserve for incurred but not reported claims for which the insurer is liable (IBNR).

The Corporation is calculating the reserve for incurred but not reported claims based on the following formula:

$$\text{Reserve for payment of losses which have incurred but not yet reported for the current fiscal year} = \frac{\text{Total indemnity for claims incurred but not reported at the end of the last three years}}{\text{Total indemnity for losses arising in the last three years}} \times \text{Indemnity for losses arising in the current fiscal year} \times \frac{\text{Net operating revenue of current fiscal year}}{\text{Net operating revenue of the previous fiscal year}} \times \frac{\text{Average delay in making claims of current fiscal year}}{\text{Average delay in making claims of previous fiscal year}}$$

The Corporation issues general insurance contracts such as cargo, hull, aviation, engineering, fire, health and personal accident, general indemnity and automobile. Risks under general insurance contracts usually cover twelve month duration.

The Corporation is exposed to cumulative risks from the economic development across the country and flow of foreign investment in manufacturing and real estates, especially in the major economic hubs such as Ho Chi Minh City, Hanoi, Hai Phong, Da Nang and Dong Nai.

For general insurance contracts, most of significant risks arise from climate changes and natural disasters. Vietnam has suffered heavily from catastrophes such as tropical typhoon, river flood, flash flood, heavy rain and landslide. It is expected that tropical typhoon will affect Vietnam regularly with the high severity and insured losses. In view of the exposures, the general insurance has arranged the reinsurance protection for the fire, engineering, motor, marine hull & cargo, fishing vessels portfolios against the catastrophe events to minimize the risks.

For late notified claims that take more than a year to settle, there is also inflation risk. These risks do not vary significantly in relation to the location of the risk insured by the general insurance, type of risk insured and by industry.

34. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

34.1 Insurance risk (continued)

The Corporation has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g. typhoon and flood damages).

34.2 Financial risk

The Corporation's financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Corporation's operations. The Corporation has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Corporation does not hold or issue derivative financial instruments.

The Corporation is exposed to market risk, credit risk and liquidity risk.

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

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

34.2.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk.

The sensitivity analyses in the following sections relate to the position as at 31 December 2014 and 31 December 2013.

In calculating the sensitivity analyses, management assumed that the statement of the separate balance sheet relates to available-for-sale debt instrument; the sensitivity of the relevant separate income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2014 and 31 December 2013.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's exposure to market risk for changes in interest rate relates primarily to the Corporation's cash, short-term deposits and corporate bonds.

The Corporation manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favourable for its purposes within its risk management limits.

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

34. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

34.2 Financial risk (continued)

34.2.1 Market risk (continued)

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between VND and other currencies in which the Corporation conducts business may affect its financial condition and results of operations. The foreign current risk facing the Corporation mainly comes from movements in the USD/VND exchange rates. The Corporation seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position.

Major of the Corporation financial assets are denominated in VND which mitigates the foreign currency risk. With assets denominated in foreign currency, most of them are in USD.

The table below indicates the effect of a reasonably possible movement of the foreign currency exchange rate against the VND, with all other variables held constant, on the separate income statement and statement of financial position of the Corporation:

Change in variance	*Impact on profit before tax VND*	*Impact on equity after tax VND*
31 December 2014		
+5%	537,822,026	419,501,181
-5%	(537,822,026)	(419,501,181)
31 December 2013		
+5%	(1,855,459,327)	(1,391,594,495)
-5%	1,855,459,327	1,391,594,495

Equity price risk

The Corporation's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Corporation manages equity price risk by placing a limit on equity investments and prediction analysis of market. The Corporation's Board of Management reviews and approves significant equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was VND 79,052,044,400 (31 December 2013: VND 58,481,618,000). A decrease of 10% on the stock market index could have an impact of approximately VND 4,651,619,240 (31 December 2013: decrease by VND 1,841,992,514 on the Corporation's profit before tax, depending on whether or not the decline is significant or prolonged. An increase of 10% in the value of the listed securities would increase Corporation's profit before tax by VND 1,943,916,601 (31 December 2013: increase by VND 227,686,884).

34. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

34.2 Financial risk (continued)

34.2.2 Credit risk

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

Trade receivables

The trade receivables, which subject to credit risk, include trade receivables from insurance and reinsurance activities, and other receivables amounts subject to credit risk. Customer credit risk is managed by the Corporation based on its established policy, procedures and control relating to customer credit risk management.

The most significant of reinsurance receivables are reinsurance recoveries. To mitigate the risk of the counterparties not paying the amount due, the Corporation has established certain business and financial guidelines for reinsurer approval, incorporating ratings by major agencies and considering currently available market information. The Corporation also periodically reviews the financial stability of reinsurers from public and other sources and the settlement trend of amounts due from reinsurers.

Bank deposits and other financial instruments

The Corporation's bank balances are mainly maintained with well-known banks in Vietnam. The Corporation evaluates the concentration of credit risk in respect to bank deposit at low level.

The Corporation's financial assets are neither past due nor impaired as they related to recognized and creditworthy counterparties except for the following receivables which are past due and impaired as at 31 December 2014.

Currency: VND million

	Past due but not impaired		*Past due and impaired*		*Provision for impairment*
	< 90 days	*91–180 days*	*181–360 days*	*> 360 days*	
As at 31 December 2014					
Receivables from direct insurance activities	21,234	4,599	6,465	13,557	13,696
Receivables from financial activities	-	-	-	3,000	3,000
Total	**21,234**	**4,599**	**6,465**	**16,557**	**16,696**
As at 31 December 2013					
Receivables from direct insurance activities	17,483	1,469	4,265	13,609	11,913
Receivables from financial activities	-	-	-	3,000	2,100
Total	**17,483**	**1,469**	**4,265**	**16,609**	**14,013**

Provisions for impairment of the receivables were made under the Circular 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009.

34 MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

34.2 Financial risk (continued)

34.2.3 Liquidity risk

The Corporation has to meet daily calls on its cash resources, notably from claims arising on its insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due at a reasonable cost. The Corporation manages this risk by monitoring and setting an appropriate level of operating funds to settle these liabilities.

Contractual maturity

The table below summarizes the maturity profile of the Corporation's financial liabilities based on contractual undiscounted payments as at the reporting date:

	On demand VND	*Less than 1 year VND*	*From 1 to 5 years VND*	*Total VND*
31 December 2014				
Financial liabilities				
Insurance payables	29,533,098,849	-	-	29,533,098,849
Reinsurance payables	-	241,750,931,025	-	241,750,931,025
Accrued expenses	-	14,304,710,299	-	14,304,710,299
Claim reserves	454,441,140,574	-	-	454,441,140,574
Other payables	125,262,826,336	-	-	125,262,826,336
	609,237,065,759	**256,055,641,324**	**-**	**865,292,707,083**

Contractual maturity

The table below summarizes the maturity profile of the Corporation's financial liabilities based on contractual undiscounted payments as at the reporting date:

	On demand VND	*Less than 1 year VND*	*From 1 to 5 years VND*	*Total VND*
31 December 2013				
Financial liabilities				
Insurance payables	26,617,155,129	-	-	26,617,155,129
Reinsurance payables	-	173,893,365,684	-	173,893,365,684
Accrued expenses	-	6,492,201,071	-	6,492,201,071
Claim reserves	315,922,310,556	-	-	315,922,310,556
Other payables	71,909,679,642	-	-	71,909,679,642
	414,449,145,327	**180,385,566,755**	**-**	**594,834,712,082**

35. SUPPLEMENT NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES PER CIRCULAR 210

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") with effectiveness from financial years beginning on or after 1 January 2011. Circular 210 provides the definitions of financial assets, financial liabilities and derivative financial instruments, equity instruments as well as presentation and disclosures of financial instruments.

Due to Circular 210 only requires the presentation and disclosure of financial instruments, the definitions of financial assets, financial liabilities and other relevant definitions are applicable to prepare this note only. The assets, liabilities and equities of the Corporation still are recognized and accounting in accordance with the Vietnamese Accounting Standards and Vietnamese Accounting System applicable for insurance companies and comply with the relevant statutory requirements.

Financial assets

Financial assets within the scope of Circular 210 include cash and bank deposits, trade and other receivables, listed and unlisted financial instruments.

According to Circular 210, for the purpose of disclosure in the Separate Financial Statements, financial assets are classified as appropriate into one of the following categories:

- ***Financial asset recognized at fair value through profit or loss statements that satisfies either of the following conditions:***

  a) Financial asset that satisfies either of the following conditions:

     A financial asset will be classified as securities held for trading if:

     (i) It is purchased or created mainly for the purpose of resale/redemption in a short term;

     (ii) There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or

     (iii) It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).

  b) Upon initial recognition, the entity categorizes the financial asset as such reflected at fair value through Profit and loss statement.

- ***Held-to-maturity investments are non-derivative financial assets with fixed or identifiable payments and fixed maturity periods which an entity has the intent and ability to hold until the date of maturity, with the exceptions of:***

  a/ Financial assets that, upon initial recognition, were categorized as such recognized at fair value through profit or loss statements;

  b/ Financial assets already categorized as available for sale;

  c/ Financial assets that meet the definitions of loans and receivables.

35. SUPPLEMENT NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES PER CIRCULAR 210 (continued)

Financial assets (continued)

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

  a/ The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the entity categorized as such recognized at fair, value through profit or loss statements;

  b/ The amounts categorized by the entity as available for sale upon initial recognition; or,

  c/ The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available for sale.

- ***Available-for-sale assets are non-derivative financial assets determined as available for sale or not classified as:***

  a/ Loans and receivables;

  b/ Held-to-maturity investments;

  c/ Financial assets recognized at fair value through profit or loss statements.

Financial liabilities

Financial liabilities within the scope of Circular 210 include trade and other payables, loans and borrowings.

According to Circular 210, for the purpose of disclosure in the Separate Financial Statements, financial liabilities are classified as appropriate into one of the following categories:

- *Financial liability recognized at fair value through profit or loss statements that satisfies either of the following conditions:*

  a) Being classified as held for trading, a financial liability will be classified as securities held for trading if:

  (i) It is purchased or created mainly for the purpose of resale/redemption in a short term;

  (ii) There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or,

  (iii) It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).

  b) Upon initial recognition, the entity categorizes the financial liability as such reflected at fair value through Profit and loss statement

- *Financial liabilities measured at amortised cost,* include financial liabilities that were not categorized as financial liabilities at fair value through profit or loss statements.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount reported in the separate balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

35. SUPPLEMENT NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES PER CIRCULAR 210 (continued)

This table below presents carrying amount and fair value of the Corporation's assets at 31 December 2014:

	Carrying amount				*Fair value*
31 December 2014	*Cost* VND	*Accrued interest* VND	*Provision* VND	*Total* VND	VND
Financial assets					
Available for sale					
Listed shares	*67,187,909,716*		*(2,970,892,068)*	*64,217,017,648*	*79,052,044,400*
Unlisted shares	*81,528,143,000*		*(16,719,847,837)*	*64,808,295,163*	*64,808,295,162*
BIDV Metlife	*50,000,000,000*			*50,000,000,000*	*50,000,000,000*
Loan and receivables					
Bonds	*130,000,000,000*	*4,776,917,808*	*(3,000,000,000)*	*131,776,917,808*	*132,975,144,304*
Term deposits	*962,000,000,000*	*41,033,334,722*	-	*1,003,033,334,722*	*1,014,622,890,504*
Insurance receivables	*265,301,208,588*		*(16,758,882,301)*	*248,542,326,287*	*248,542,326,287*
Other receivables	*5,033,346,520*			*5,033,346,520*	*5,033,346,520*
Other short-term assets	*2,361,195,293*			*2,361,195,293*	*2,361,195,293*
Statutory deposit	*6,000,000,000*	*124,833,333*		*6,124,833,333*	*6,124,833,333*
Other long-term assets	*45,954,546*			*45,954,546*	*45,954,546*
Cash and cash equivalents	**145,220,016,867**	**368,720,831**		**145,588,737,698**	**145,594,310,225**
	1,714,677,774,530	**46,303,806,694**	**(39,449,622,206)**	**1,721,531,959,018**	**1,749,160,340,574**
Financial liabilities					
Trade payables	271,284,029,874	-	-	271,284,029,874	271,284,029,874
Accrued expenses	14,304,710,299	-	-	14,304,710,299	14,304,710,299
Other payables	14,328,495,744	-	-	14,328,495,744	14,328,495,744
	299,917,235,917	**-**	**-**	**299,917,235,917**	**299,917,235,917**

35. SUPPLEMENT NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES PER CIRCULAR 210 (continued)

This table below presents carrying amount and fair value of the Corporation's assets at 31 December 2013:

	Carrying amount				*Fair value*
31 December 2013	*Cost* VND	*Accrued interest* VND	*Provision* VND	*Total* VND	VND
Financial assets					
Available for sale					
Listed shares	*50,169,080,405*	-	*(627,797,905)*	*49,541,282,500*	*49,541,282,500*
Unlisted shares	*81,528,143,000*	-	*(17,445,004,056)*	*64,083,138,944*	*64,083,138,944*
Loan and receivables					
Bonds	*195,045,833,333*	*9,294,472,654*	*(2,100,000,000)*	*202,240,305,987*	*202,240,305,987*
Term deposits	*901,000,000,000*	*25,852,850,000*	-	*926,852,850,000*	*926,852,850,000*
Insurance receivables	*247,812,937,447*	-	*(11,913,071,770)*	*235,899,865,677*	*235,899,865,677*
Other receivables	*2,441,271,771*	-	-	*2,441,271,771*	*2,441,271,771*
Statutory deposit	*6,000,000,000*	*142,666,667*	-	*6,142,666,667*	*6,142,666,667*
Cash and cash equivalents	**22,422,009,742**	-	-	**22,422,009,742**	**22,422,009,742**
	1,506,419,275,698	**35,289,989,321**	**(32,085,873,731)**	**1,509,623,391,288**	**1,509,623,391,288**
Financial liabilities					
Trade payables	277,852,827,611	-	-	277,852,827,611	277,852,827,611
Accrued expenses	6,492,201,071	-	-	6,492,201,071	6,492,201,071
Other payables	71,909,679,642	-	-	71,909,679,642	71,909,679,642
	356,254,708,324	-	-	**356,254,708,324**	**356,254,708,324**

35. SUPPLEMENT NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES PER CIRCULAR 210 (continued)

(*) For these items, of which the active market information was not available to determine their fair value at the reporting date, their carrying amounts were used.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption are used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of listed shares is determined based on the price on stock markets (which are the average prices on Hanoi Stock Exchange and the closing prices on Ho Chi Minh City Stock Exchange) as at 31 December 2014.
- Fair value of unlisted shares which have been registered in the unlisted public companies market (UPCom) is the average price of the trading market as at 31 December 2014.
- Fair value of unlisted shares which have not been registered in the unlisted public companies market (UPCom) is the average of public price quotations of at least three (03) reputed and large security companies in the market.

36. RESTATEMENT OF OPENING BALANCE

In 2014, due to requirements to present financial statements of general insurance companies in accordance with Circular 232/2012/TT-BTC issued by Ministry of Finance, the Corporation has made adjustments to restate some figures of opening balance. Details of adjustments were presented as follows:

Extracted from separate balance sheet

ASSETS	*Notes*	*31 December 2013 (previously stated)*	*Adjustments in accordance with Circular 232*	*31 December 2013 (restated)*
A. CURRENT ASSETS		**1,307,181,843,022**	**320,875,674,692**	**1,628,057,517,714**
I. Short-term receivables		***277,531,126,769***	***(81,856,725,184)***	***195,674,401,585***
1. Insurance receivables	[1]	247,812,937,447	(109,640,574,299)	138,172,363,148
2. Deductible VAT		4,514,418,386	(4,514,418,386)	-
3. Other receivables	[2]	37,216,835,375	32,298,267,501	69,515,102,876
II. Other short-term assets		***6,511,281,011***	***4,514,418,386***	***11,025,699,397***
1. Deductible VAT		-	4,514,418,386	4,514,418,386
2. Advances		5,449,144,121	(5,449,144,121)	-
3. Other short-term assets		515,010,000	5,449,144,121	5,964,154,121
III. Reinsurance assets		-	**398,217,981,490**	***398,217,981,490***
1. Reinsurance assets from unearned premium reserve	[3]	-	187,943,303,844	187,943,303,844
2. Reinsurance assets from claim reserve	[4]	-	210,274,677,646	210,274,677,646
B. NON CURRENT ASSETS		**267,802,065,694**	-	**267,802,065,694**
I. Long-term receivables		-	***6,000,000,000***	***6,000,000,000***
1. Statutory deposits		-	6,000,000,000	6,000,000,000
2. Long-term securities investments		150,145,833,333	(150,145,833,333)	-
3. Other long-term investments		76,090,000,000	150,145,833,333	226,235,833,333
II. Other long-term assets		**7,247,782,602**	**(6,000,000,000)**	**1,247,782,602**
1. Statutory deposits		6,000,000,000	(6,000,000,000)	-
TOTAL ASSETS		**1,574,983,908,716**	**320,875,674,692**	**1,895,859,583,408**

36. RESTATEMENT OF OPENING BALANCE (continued)

Extracted from separate balance sheet (continued)

RESOURCES	*Notes*	*31 December 2013 (previously stated)*	*Adjustments in accordance with Circular 232*	*31 December 2013 (restated)*
A. LIABILITIES		**797,036,220,021**	**320,875,674,692**	**1,117,911,894,713**
I. Current liabilities		***356,254,708,324***	***757,827,596,644***	***1,114,082,304,968***
1. Trade payables	[3]	269,808,825,754	(69,298,304,941)	200,510,520,813
2. Advance from customers		7,400,850,524	(3,661,589,745)	3,739,260,779
3. Other payables		10,495,303,352	(168,000,000)	10,327,303,352
4. Accrued payables		14,536,202,928	(8,044,001,857)	6,492,201,071
5. Technical reserves		-	838,999,493,187	838,999,493,187
5.1. Gross un-earned premium reserve		-	*456,786,545,766*	*456,786,545,766*
5.2. Gross claim reserve		-	*315,922,310,556*	*315,922,310,556*
5.3. Catastrophe reserve		-	*66,290,636,865*	*66,290,636,865*
II. Non-current liabilities			***3,829,589,745***	***3,829,589,745***
1. Other long-term liabilities		-	168,000,000	168,000,000
2. Unearned revenues		-	3,661,589,745	3,661,589,745
III. Reserves		***440,781,511,697***	***(440,781,511,697)***	-
1. Unearned premium reserve		268,843,241,922	(268,843,241,922)	-
2. Claim reserve		105,647,632,910	(105,647,632,910)	-
3. Catastrophe reserve		66,290,636,865	(66,290,636,865)	-
TOTAL LIABILITIES AND OWNERS' EQUITY		**1,574,983,908,716**	**320,875,674,692**	**1,895,859,583,408**

Details description of adjustments was as follows:

[1] Account receivables

	31 December 2013 (previously stated)	*Adjustments in accordance with Circular 232*	*31 December 2013 (restated)*
1.1. Insurance receivables			
Receivable from direct insurance activities	37,839,478,711	(26,802,910)	37,812,675,801
Receivable from inward reinsurance (*)	41,914,641,689	(9,217,097,994)	32,697,543,695
Receivable from outward reinsurance	131,012,947,275	(69,278,433,212)	61,734,514,063
Claim recoverable from co-insurers	-	4,609,397,090	4,609,397,090
Other receivables (Salvage and sub-rogation...)	-	1,318,232,499	1,318,232,499
Receivables from financial activities	32,289,989,321	(32,289,989,321)	-
1.2. Other trade receivables	**4,755,880,451**	**(4,755,880,451)**	-
Account receivables	**247,812,937,447**	**(109,640,574,299)**	**138,172,363,148**

36. RESTATEMENT OF OPENING BALANCE (continued)

Extracted from separate balance sheet (continued)

Details description of adjustments was as follows:

(*) Premium Receivable from inward reinsurance will be offset with commission payables from inward reinsurance as follows:

	31 December 2013
Premium receivables from inward reinsurance	41,914,641,689
Commission payables from inward reinsurance	(9,217,097,994)
Receivable from inward reinsurance activities	**32,697,543,695**

[2] Other receivables

	31 December 2013 (previously stated)	*Adjustments in accordance with Circular 232*	*31 December 2013 (restated)*
Other receivables	37,216,835,375	32,289,989,321	69,506,824,696

[3] Trade payables

	31 December 2013 (previously stated)	*Adjustments in accordance with Circular 232*	*31 December 2013 (restated)*
1.1. Insurance payables			
Reinsurance ceded payables	233,973,541,086	(60,080,175,402)	173,893,365,684
Payables to co-insurers	-	3,253,113,974	3,253,113,974
Claim payable	-	9,330,479,978	9,330,479,978
Commission payable	-	13,998,583,431	13,998,583,431
Other payables	3,254,428,673	(3,220,765,626)	33,663,047
Payables relating to writing of direct insurance	15,682,805,233	(15,682,805,233)	-
Reinsurance assumed payables	16,898,050,762	(16,898,050,762)	-
1.2. Other payables	**-**	**1,314,699**	**1,314,699**
Trade payables	**269,808,825,754**	**(69,298,304,941)**	**200,510,520,813**

[4] Technical reserves include 2 groups (i) Direct and reinsurance assumed premium reserve, and (ii) reinsurance assets from unearned premium reserve:

	31 December 2013 (previously stated)	*Adjustment in accordance with Circular 232*	*31 December 2013 (restated)*
Gross un-earned premium reserve	-	456,786,545,766	456,786,545,766
Reinsurance assets from unearned premium reserve	-	187,943,303,844	187,943,303,844
Unearned premium reserve	**268,843,241,922**	**(268,843,241,922)**	**-**
Gross claim reserve	-	315,922,310,556	315,922,310,556
Reinsurance assets from claim reserve	-	210,274,677,646	210,274,677,646
Claim reserve	**105,647,632,910**	**(105,647,632,910)**	**-**

36. RESTATEMENT OF OPENING BALANCE (continued)

Extracted from separate income statement

ITEMS	*Notes*	*For the year ended 31 December 2013 (previously stated)*	*Adjustments in accordance with Circular 232*	*For the year ended 31 December 2013 (restated)*
Direct written premium (**)	[1]	792,263,387,574	(2,613,155,947)	789,650,231,627
Reinsurance premium assumed (**)		102,679,393,371	(436,131,841)	102,243,261,530
Increase in un-earned premium reserve (**)	[2]	-	(32,309,832,551)	(32,309,832,551)
Reinsurance premium ceded		**(333,958,823,366)**	**(17,425,404,188)**	**(351,384,227,554)**
Increase in ceded premium reserve (**)	[2]	-	2,431,112,298	2,431,112,298
Premium returns (*)	[1]	(2,623,404,761)	2,623,404,761	-
Increase in unearned premium reserve(*)	**[2]**	**(29,878,720,253)**	**29,878,720,253**	**-**
Other income from insurance activities	**[1]**	**34,069,658,259**	**425,883,027**	**34,495,541,286**
Claim expenses (**)		**(256,300,228,559)**	**(34,992,702,221)**	**(291,292,930,780)**
Claim expenses on reinsurance assumed (*)		**(34,992,702,221)**	**34,992,702,221**	**-**
Increase on claim reserve (*)	**[3]**	**(28,976,451,532)**	**28,976,451,532**	**-**
Increase in Direct and assumed claim reserve (**)	[3]	-	(77,376,126,560)	(77,376,126,560)
Increase in ceded claim reserve (**)	[3]	-	48,399,675,028	48,399,675,028
Other operating expenses		**(109,070,738,344)**	**(43,514,137,115)**	**(152,584,875,459)**
Expenses of reinsurance ceded (*)		(17,425,404,188)	17,425,404,188	-
Other underwriting expenses (**)	**[4]**	(91,645,334,156)	(60,939,541,303)	**(152,584,875,459)**
Total direct operating expenses (**)		**(422,762,835,242)**	**(43,514,137,115)**	**(466,276,972,358)**
General and administrative expenses (**)		**(234,106,098,436)**	**60,939,541,303**	**(173,166,557,133)**
Profit before corporate income tax (**)		**113,285,670,163**	**-**	**113,285,670,163**
Net profit for the year after corporate income tax (**)		**84,978,387,781**	**-**	**84,978,387,781**

(*) The figures which were presented in financial statements for the year ended 31 December 2013 and not presented in the financial statements for the year ended 31 December 2014 in accordance with Circular 232.

(**) The figures were restated in accordance with Circular 232.

36. RESTATEMENT OF OPENING BALANCE

The detailed explanation of comparative figures of opening balance presented in income statement was as follows:

[1] Insurance revenue according to Circular 232/2012/TT-BTC includes premium deduction/returns and reinsurance premium assumed

	VND
Direct written premium	**792,263,387,574**
Premium returns	(2,613,155,947)
Direct written premium (restated)	**789,650,231,627**
	VND
Reinsurance premiums assumed	**102,679,393,371**
Premium returns	(10,248,814)
Other income from insurance activities	(425,883,027)
Reinsurance premiums assumed (restated)	**102,243,261,530**

[2] Increase in unearned premium reserve was reclassified as follows:

	VND
Increase in un-earned premium reserve	(32,309,832,551)
Increase in ceded premium reserve	2,431,112,298
Increase in unearned premium reserve	**29,878,720,253**

[3] Increase in unearned claim reserve was reclassified as follows:

	VND
Increase in Direct and assumed claim reserve	(77,376,126,560)
Increase in ceded claim reserve	48,399,675,028
Increase on claim reserve	**28,976,451,532**

[4] Expense for sales staff and XOL reinsurance premium ceded will be reclassified into operating expenses

	VND
Other underwriting expenses	
Reclassified	
Other expenses from ceding activities	17,425,404,188
Expenses for sales staff	(60,939,541,303)
Other underwriting expenses (restated)	**(43,514,137,115)**

37. EVENTS AFTER THE SEPARATE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the balance date that has affected or may significantly affect the operations of the Corporation, the results of those operations or the state of affairs of the Corporation.

38. APPROVAL FOR ISSUANCE

The separate financial statements as at and for the year ended 31 December 2014 were authorised for issuance by General Director on 02 March 2015.

Mr. Nguyen Xuan Dong	Ms. Lai Ngan Giang	Mr. Tran Hoai An
Accountant	Director	General Director
Finance - Accounting Division	Finance - Accounting Division	

Hanoi, Vietnam

02 March 2015