Deloitte.

VIETNAM NATIONAL REINSURANCE
JOINT STOCK CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the 6-month period ended 30 June 2016

TABLE OF CONTENTS

STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Vietnam National Reinsurance Joint Stock Corporation (the "Corporation") presents this report together with the Corporation's interim consolidated financial statements for the 6-month period ended 30 June 2016.

THE BOARDS OF MANAGEMENT AND GENERAL DIRECTORS

The members of the Boards of Management and General Directors of the Corporation who held office during the period and to the date of this report are as follows:

Board of Management

Mr. Le Song Lai	Chairman
Mr. Phan Kim Bang	Vice Chairman
Mr. Martyn Parker	Vice Chairman
Mr. Pham Cong Tu	Member
Mr. Tran Vinh Duc	Member
Mr. Dao Nam Hai	Member
Mr. Pham Sy Danh	Member
Mr. Beat Schnegg	Member
Mr. Mai Xuan Dung	Member

Board of General Directors

Mr. Pham Cong Tu	General Director
Mr. Dang The Vinh	Deputy General Director
Mr. Mai Xuan Dung	Deputy General Director
Mr. Yves-Danil Conchand	Deputy General Director

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Corporation is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation and of its consolidated results and cash flows for the period in accordance with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting. In preparing these interim consolidated financial statements, the Board of General Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements;
- prepare the interim consolidated financial statements on the going-concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (Continued)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (Continued)

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Corporation and that the interim consolidated financial statements comply with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting. The Board of General Directors is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of General Directors confirms that the Corporation has complied with the above requirements in preparing these interim consolidated financial statements.

For and on behalf of the Board of General Directors,

G.P: 28 - C.T.C
TỔNG CÔNG TY CỔ PHẦN TÁI BẢO HIỂM QUỐC GIA VIỆT NAM
Q. HOÀN KIẾM - TP. HÀ NỘI

Pham Cong Tu
General Director

Hanoi, 10 August 2016

Deloitte.

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: **The shareholders**
The Boards of Management and General Directors
Vietnam National Reinsurance Joint Stock Corporation

We have reviewed the accompanying interim consolidated financial statements of Vietnam National Reinsurance Joint Stock Corporation (the "Corporation"), prepared on 10 August 2016 as set out from page 04 to page 42, which comprise the interim consolidated balance sheet as at 30 June 2016, the interim consolidated income statement and interim consolidated cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

The Board of General Directors' Responsibility for the Interim Consolidated Financial Statements

The Board of General Directors is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting and for such internal control as the Board of General Directors determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Corporation as at 30 June 2016, and of its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting.

CÔNG TY TRÁCH NHIỆM HỮU HẠN DELOITTE VIỆT NAM

Nguyen Tuan Anh
Audit Director
Audit Practising Registration Certificate
No. 1291-2013-001-1

For and on behalf of
DELOITTE VIETNAM COMPANY LIMITED

10 August 2016
Hanoi, S.R. Vietnam

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2016

FORM B 01a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

ASSETS	Codes	Notes	30/6/2016	31/12/2015
A. CURRENT ASSETS (100=110+120+130+140+150+190)	**100**		**5,221,551,097,046**	**5,278,551,452,636**
I. Cash and cash equivalents	**110**	**5**	**252,467,294,578**	**215,489,620,218**
1. Cash	111		252,467,294,578	200,489,620,218
2. Cash equivalents	112		-	15,000,000,000
II. Short-term financial investments	**120**	**6**	**1,988,326,185,250**	**1,974,741,015,580**
1. Trading securities	121		31,197,625,689	31,067,564,861
2. Provision for impairment of trading securities	122		(7,452,860,439)	(6,726,549,281)
3. Held-to-maturity investments	123		1,964,581,420,000	1,950,400,000,000
III. Short-term receivables	**130**		**937,478,723,538**	**988,251,433,312**
1. Short-term trade receivables	131	7	984,066,429,454	1,035,509,379,741
1.1. Receivables of insurance contracts	*131.1*		*795,777,617,961*	*702,403,057,743*
1.2. Other trade accounts receivable	*131.2*		*188,288,811,493*	*333,106,321,998*
2. Advances to suppliers	132		-	56,500,000
3. Other short-term receivables	136		453,582,317	338,755,051
4. Provision for short-term doubtful debts	137		(47,041,288,233)	(47,653,201,480)
IV. Inventories	**140**		**41,768,629**	**206,866,990**
1. Inventories	141		41,768,629	206,866,990
V. Other current assets	**150**		**170,534,340,347**	**159,203,478,279**
1. Short-term prepaid expenses	151	8	169,734,039,508	158,476,806,806
1.1. Unallocated commission expenses	*151.1*		*169,734,039,508*	*158,476,806,806*
2. Value added tax deductibles	152		800,300,839	726,671,473
VI. Reinsurance assets	**190**		**1,872,702,784,704**	**1,940,659,038,257**
1. Unearned premium reserve for outward reinsurance	191		528,181,190,591	490,575,015,171
2. Claim reserve for outward reinsurance	192		1,344,521,594,113	1,450,084,023,086

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2016

FORM B 01a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

ASSETS	Codes	Notes	30/6/2016	31/12/2015
B. NON-CURRENT ASSETS (200=210+220+230+240+250+260)	**200**		**1,241,329,535,744**	**1,186,755,428,812**
I. Long-term receivables	**210**		**22,000,000,000**	**22,000,000,000**
1. Other long-term receivables	216		22,000,000,000	22,000,000,000
1.1. Insurance deposit	*216.1*		*22,000,000,000*	*22,000,000,000*
II. Fixed assets	**220**		**20,630,107,579**	**25,264,330,092**
1. Tangible fixed assets	221	10	7,520,674,218	8,583,315,430
- Cost	*222*		*25,113,907,036*	*25,113,907,036*
- Accumulated depreciation	*223*		*(17,593,232,818)*	*(16,530,591,606)*
2. Intangible assets	227	11	13,109,433,361	16,681,014,662
- Cost	*228*		*32,434,195,934*	*32,434,195,934*
- Accumulated amortisation	*229*		*(19,324,762,573)*	*(15,753,181,272)*
III. Investment property	**230**	**12**	**13,109,206,578**	**13,817,812,339**
- Cost	231		34,055,061,893	34,055,061,893
- Accumulated depreciation	232		(20,945,855,315)	(20,237,249,554)
IV. Long-term assets in progress	**240**		**13,391,695,266**	**13,391,695,266**
1. Construction in progress	242		13,391,695,266	13,391,695,266
V. Long-term financial investments	**250**	**6**	**1,101,095,115,978**	**1,050,936,263,290**
1. Investments in associates	252		187,322,711,537	186,566,776,135
2. Equity investments in other entities	253		476,140,070,000	472,000,270,000
3. Provision for impairment of long-term financial investments	254		(6,687,379,013)	(17,236,940,220)
4. Held-to-maturity investments	255		444,319,713,454	409,606,157,375
VI. Other non-current assets	**260**		**71,103,410,343**	**61,345,327,825**
1. Long-term prepaid expenses	261	8	4,434,558,074	2,737,416,738
2. Deferred tax assets	262		413,646,058	211,038,209
3. Other long-term assets	268	9	66,255,206,211	58,396,872,878
TOTAL ASSETS (270=100+200)	**270**		**6,462,880,632,790**	**6,465,306,881,448**

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2016

FORM B 01a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

RESOURCES	Codes	Notes	30/6/2016	31/12/2015
A. LIABILITIES (300=310+330)	**300**		**3,833,268,800,801**	**3,812,072,305,307**
I. Current liabilities	**310**		**3,827,983,747,834**	**3,808,248,264,821**
1. Short-term trade payables	311	13	842,576,270,248	836,534,241,830
1.1 Payables of insurance contracts	*311.1*		*718,579,467,486*	*598,460,877,116*
1.2. Other trade accounts payable	*311.2*		*123,996,802,762*	*238,073,364,714*
2. Short-term advances from customers	312		777,430,789	1,562,551,137
3. Taxes and amounts payable to the State budget	313	14	13,326,130,704	7,883,683,343
4. Payables to employees	314		16,037,672,553	14,028,770,977
5. Other current payables	319	15	135,532,185,511	70,799,143,985
6. Unearned commission income	319.1	15	116,001,387,187	104,434,105,144
7. Bonus and welfare funds	322		12,474,833,792	13,921,185,579
8. Under-writing reserves	329	16	2,691,257,837,050	2,759,084,582,826
8.1. Unearned premium reserves for inward reinsurance	*329.1*		*797,818,028,376*	*750,087,992,887*
8.2. Claim reserves for inward reinsurance	*329.2*		*1,709,166,049,913*	*1,834,243,959,691*
8.3. Catastrophe reserve	*329.3*		*184,273,758,761*	*174,752,630,248*
II. Long-term liabilities	**330**		**5,285,052,967**	**3,824,040,486**
1. Other long-term payables	337	15	3,216,822,676	2,864,775,901
2. Long-term provisions	342		2,068,230,291	959,264,585
B. EQUITY (400=410)	**400**		**2,629,611,831,989**	**2,653,234,576,141**
I. Owners' equity	**410**		**2,629,611,831,989**	**2,653,234,576,141**
1. Owners' contributed capital	411	17	1,310,759,370,000	1,310,759,370,000
- Ordinary share carrying voting rights	*411a*		*1,310,759,370,000*	*1,310,759,370,000*
2. Share premium	412	17	566,368,537,309	566,368,537,309
3. Investment and development fund	418	17	194,077,312,408	191,870,712,711
4. Compulsory reserve fund	419	17	109,001,386,736	103,484,887,493
5. Retained earnings	421	17	419,354,845,588	450,515,403,971
- Retained earnings accumulated to the prior year end	*421a*		*262,665,386,192*	*294,219,533,934*
- Retain earnings of the current period	*421b*		*99,915,378,617*	*156,295,870,037*
6. Non-controlling interests	429		30,050,379,948	30,235,664,657
TOTAL RESOURCES (440=300+400)	**440**		**6,462,880,632,790**	**6,465,306,881,448**

The accompanying notes are an integral part of these interim consolidated financial statements

OFF-BALANCE SHEET ITEMS

FORM B 01a-DNPNT
Issued under Circular No. 232/2012/TT-BTC
dated 28 December 2012 of the Ministry of Finance)

OFF-BALANCE SHEET ITEMS	Currency	30/6/2016	31/12/2015
1. Foreign currencies			
United States Dollar	USD	14,738,348.79	8,381,359.93
Australian Dollar	AUD	391.87	400.63
Japanese Yen	JPY	33,089.00	33,815.00
Singapore Dollar	SGD	489.25	500.29
Great Britain Pound	GBP	191.11	194.41
Euro	EUR	80,040.38	180,029.78

TỔNG CÔNG TY CỔ PHẦN TÁI BẢO HIỂM QUỐC GIA VIỆT NAM

Nguyen Thanh Cong	**Luu Thi Viet Hoa**	**Pham Cong Tu**
Preparer	**Chief Accountant**	**General Director**

Hanoi, 10 August 2016

INTERIM CONSOLIDATED INCOME STATEMENT

For the 6-month period ended 30 June 2016

PART I: GENERAL INTERIM CONSOLIDATED INCOME STATEMENT

FORM B 02a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

ITEMS	Codes	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
1. Net revenue from insurance activities	10	505,828,766,744	508,228,486,474
2. Financial income	12	87,622,284,727	96,862,241,595
3. Other income	13	7,331,316,778	6,644,250,079
4. Total expenses for insurance activities	20	431,903,579,746	476,402,964,216
5. Financial expenses	22	8,204,578,457	(9,882,768,483)
6. General and administration expenses	23	38,173,831,719	23,547,321,561
7. Other expenses	24	1,432,127,927	5,253,952,343
8. Net profit from associate	25	12,022,266,862	16,544,414,553
9. Total accounting profit before tax (50 = 10+12+13-20-22-23-24+25)	**50**	**133,090,517,262**	**132,957,923,064**
10. Current corporate income tax expense	51	22,392,489,553	22,854,867,456
11. Deferred corporate tax (income)/expense	52	(202,607,849)	15,338,237
12. Net profit after corporate income tax (60=50-51-52)	**60**	**110,900,635,558**	**110,087,717,371**

INTERIM CONSOLIDATED INCOME STATEMENT (Continued)

For the 6-month period ended 30 June 2016

PART II: INTERIM CONSOLIDATED INCOME STATEMENT BY ACTIVITY

FORM B 02a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

ITEMS	Codes	Notes	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
1. Insurance premium (01 = 01.2-01.3)	**01**	**18**	**839,133,443,191**	**789,650,860,155**
- Inward reinsurance premium	01.2		887,188,413,967	819,309,593,508
- Increase in unearned premium reserve for inward reinsurance	01.3		48,054,970,776	29,658,733,353
2. Outward reinsurance premium (02 = 02.1-02.2)	**02**	**19**	**536,728,531,759**	**491,202,745,759**
- Outward reinsurance premium	02.1		574,531,089,042	506,808,715,811
- Increase in unearned premium reserve for outward reinsurance	02.2		37,802,557,283	15,605,970,052
3. Net insurance premium (03 = 01-02)	**03**		**302,404,911,432**	**298,448,114,396**
4. Commission income from outward reinsurance and other income from insurance activities (04=04.1+04.2)	**04**		**203,423,855,312**	**209,780,372,078**
- Commission income from outward reinsurance	04.1		117,724,265,868	106,448,298,486
- Other income from insurance activities	04.2	20	85,699,589,444	103,332,073,592
5. Net revenue from insurance activities (10=03+04)	**10**		**505,828,766,744**	**508,228,486,474**
6. Claim settlement expenses (11=11.1)	**11**		**636,151,190,038**	**486,904,823,485**
- Total claim settlement expenses	11.1		636,151,190,038	486,904,823,485
7. Claim receipts from ceded policies	12		467,484,148,779	327,463,999,126
8. (Decrease)/increase in claim reserve for inward reinsurance	13		(125,045,416,249)	405,059,210,703
9. (Decrease)/increase in claim reserve for outward reinsurance	14		(105,542,790,786)	373,054,176,432
10. Total insurance claim settlement expenses (15=11-12+13-14)	**15**	**21**	**149,164,415,796**	**191,445,858,630**
11. Increase in catastrophe reserve	16		9,379,719,747	9,375,026,329
12. Other expenses for insurance activities (17=17.1+17.2)	**17**		**273,359,444,203**	**275,582,079,257**
- Insurance commission expenses	17.1		180,096,844,070	170,593,608,564
- Other expenses for insurance activities	17.2	22	93,262,600,133	104,988,470,693
13. Total expenses for insurance activities (18=15+16+17)	**18**		**431,903,579,746**	**476,402,964,216**
14. Gross profit from insurance activities (19=10-18)	**19**		**73,925,186,998**	**31,825,522,258**

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED INCOME STATEMENT (Continued)

For the 6-month period ended 30 June 2016

PART II: INTERIM CONSOLIDATED INCOME STATEMENT BY ACTIVITY (Continued)

FORM B 02a-DNPNT

(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)

Unit: VND

ITEMS	Codes	Notes	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
15. Financial income	23	23	87,622,284,727	96,862,241,595
16. Financial expenses	24	24	8,204,578,457	(9,882,768,483)
17. Gross profit from financial activities (25=23-24)	**25**		**79,417,706,270**	**106,745,010,078**
18. General and administration expenses	26	25	38,173,831,719	23,547,321,561
19. Net profit from operating activities (30=19+25-26)	**30**		**115,169,061,549**	**115,023,210,775**
20. Other income	31		7,331,316,778	6,644,250,079
21. Other expenses	32		1,432,127,927	5,253,952,343
22. Other profit (40=31-32)	**40**		**5,899,188,851**	**1,390,297,736**
23. Share of net profits of associate	40.1		12,022,266,862	16,544,414,553
24. Accounting profit before tax (50=30+40+40.1)	**50**		**133,090,517,262**	**132,957,923,064**
25. Current corporate income tax expense	51	29	22,392,489,553	22,854,867,456
26. Deferred corporate tax (income)/expense	52	29	(202,607,849)	15,338,237
27. Profit after corporate income tax (60=50-51-52)	**60**		**110,900,635,558**	**110,087,717,371**
Attributable to:				
Shareholders of the Corporation	61		111,085,920,267	110,423,333,899
Non-controlling interests	62		(185,284,709)	(335,616,528)
28. Basic earnings per share	**70**	**30**	**821**	**816**

TỔNG CÔNG TY CỔ PHẦN TÁI BẢO HIỂM QUỐC GIA VIỆT NAM

Nguyen Thanh Cong
Preparer

Luu Thi Viet Hoa
Chief Accountant

Pham Cong Tu
General Director

Hanoi, 10 August 2016

INTERIM CONSOLIDATED CASH FLOW STATEMENT

(Direct method)

For the 6-month period ended 30 June 2016

FORM B 03a-DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance)
Unit: VND

ITEMS	Codes	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
I. Cash flows from operating activities			
1. Receipts from inward and outward insurance activities	01	300,794,188,219	284,369,959,860
2. Payments for inward and outward insurance activities	02	(218,547,742,360)	(169,183,540,242)
3. Payments for employees	03	(17,850,803,489)	(20,248,426,904)
4. Payments for corporate income tax	05	(17,404,494,667)	(23,100,000,000)
5. Receipts from other activities	06	1,647,392,524	734,226,392
6. Payments for other activities	07	(15,030,356,710)	(16,353,457,444)
Net cash generated by operating activities	***20***	***33,608,183,517***	***56,218,761,662***
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	-	(173,624,000)
2. Cash outflow for lending, buying debt instruments of other entities	23	(939,480,970,000)	(1,121,257,219,835)
3. Cash received from lending, selling debt instrument of other entities	24	878,200,000,000	774,972,866,000
4. Investments in other entities	25	(4,139,800,000)	-
5. Interest earned, dividends and profits received	27	134,387,286,669	128,575,091,246
Net cash generated by investing activities	***30***	***68,966,516,669***	***(217,882,886,589)***
III. Cash flows from financing activities			
1. Dividends and profits paid	36	(64,749,256,025)	(31,080,000)
Net cash (used in) financing activities	***40***	***(64,749,256,025)***	***(31,080,000)***
Net (decrease)/increase in cash (50 = 20+30+40)	**50**	**37,825,444,161**	**(161,695,204,927)**
Cash and cash equivalents at the beginning of the period	**60**	**215,489,620,218**	**297,587,919,060**
Effect of changes in foreign exchange rates	61	(847,769,801)	(168,030,547)
Cash and cash equivalents at the end of the period (70 = 50+60+61)	**70**	**252,467,294,578**	**135,724,683,586**

TỔNG CÔNG TY CỔ PHẦN TÁI BẢO HIỂM QUỐC GIA VIỆT NAM

Nguyen Thanh Cong
Preparer

Luu Thi Viet Hoa
Chief Accountant

Pham Cong Tu
General Director

Hanoi, 10 August 2016

The accompanying notes are an integral part of these interim consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

Vietnam National Reinsurance Joint Stock Corporation (the "Corporation") was incorporated under Establishment and Operation License No. 28/GP/KDBH dated 15 November 2004 issued by the Ministry of Finance and Amended License No. 28/GPDC4/KDBH dated 12 August 2014.

The number of employees as at 30 June 2016 was 100 (31 December 2015: 96).

Operating industry and principal activities

The operating industry and principal activities of the Corporation are to provide reinsurance services, to make financial investments and perform other activities permitted by law.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less.

The Corporation's structure

As at 30 June 2016, the Corporation has a subsidiary namely Vinare Investment Joint Stock Company with the Corporation proportions of ownership interest and voting power held of 63.9% and 60%, respectively.

As at 30 June 2016, the Corporation has an associate namely Samsung Vina Insurance Ltd with the Corporation's proportion of ownership interest and voting power held of 25% each.

Disclosure of information comparability in interim consolidated financial statements

The comparative figures of the interim consolidated balance sheet are the figures of the Corporation's audited financial statements for the year ended 31 December 2015. The comparative figures of the interim consolidated income statement and interim consolidated cash flow statement are the figures of the reviewed interim financial statements for the period from 01 January 2015 to 30 June 2015.

As disclosed in note 03, since 01 January 2016, the Corporation has applied Circular No. 53/2016/TT-BTC dated 21 March 2016 ("Circular 53") issued by the Ministry of Finance amending and supplementing certain articles of Circular 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises ("Circular 200"). Circular 53 is effective for the financial years beginning on or after 01 January 2016. However, there is no material effect on information comparability in the interim separate financial statements from the application of Circular 53.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying interim consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting.

The accompanying interim consolidated financial statements are not intended to present the consolidated financial position, consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting period

The Corporation's financial year begins on 01 January and ends on 31 December. The accompanying interim consolidated financial statements have been prepared for the 6-month period ended 30 June 2016.

3. ADOPTION OF NEW ACCOUNTING GUIDANCE

On 21 March 2016, the Ministry of Finance issued Circular No. 53/2016/TT-BTC ("Circular 53") amending and supplementing certain articles of Circular 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises. Circular 53 is effective for the financial years beginning on or after 01 January 2016. The Corporation has applied Circular 53 in the preparation and presentation of the Corporation's interim consolidated financial statements for the 6-month period ended 30 June 2016.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these interim consolidated financial statements, are as follows:

Estimates

The preparation of the interim consolidated financial statements in conformity with Vietnamese Accounting Standards, Vietnamese accounting regime applicable to insurance enterprises and legal regulations relating to interim financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of General Directors' best knowledge, actual results could differ from those estimates.

Basis of consolidation

The interim consolidated financial statements incorporate the financial statements of the Corporation and enterprise controlled by the Corporation (its subsidiary) prepared for the period ended 30 June 2016. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the interim consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Corporation. Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Investments in associate

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these interim financial statements using the equity method of accounting. Interests in associate are carried in the interim consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

Where a group entity transactions with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Financial instruments

Initial recognition

Financial assets

At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets.

Financial assets of the Corporation comprise cash, cash equivalents, short-term trade receivables, claim reserve for outward reinsurance and short-term and long-term financial investments.

Financial liabilities

At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of the financial liabilities.

Financial liabilities of the Corporation comprise short-term trade payables, other payables, claim reserve for inward reinsurance and long-term deposits received.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Receivables

Receivables represents the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Provision for doubtful debts is estimated as follows:

With regard to customers with total insurance-related receivables balance less than total insurance-related payables balance, no provision should be made. In the contrary case, the Corporation will offset the insurance-related payables balance with the insurance-related receivables balance based on the principle of offsetting the ones that have been overdue for the longest time to the shortest time. The outstanding balance by client after offset, according to Circular No. 228/2009/TT-BTC dated 07 December 2009, will be subject to provision for doubtful debts on the following basis:

- No provision is made for accounts receivable overdue for less than 06 months;
- For accounts receivable overdue from 06 to less than 12 months, the provision is made at the rate of 30%;
- For accounts receivable overdue from 12 to less than 24 months, the provision is made at the rate of 50%;
- For accounts receivable overdue from 24 to less than 36 months, the provision is made at the rate of 70%;
- For accounts receivable overdue for 36 months or more, the provision is made at the rate of 100%.

Swap contracts

Swap contracts are agreements to settle in cash at a future date based on determined foreign exchange rate. As at inception date of agreements, the Corporation pays an original amount denominated in foreign currency to counterparty and records this amount in account receivable. Concurrently, the Corporation records an amount denominated in VND from the counterparty in accounts payables. Gain/loss from swap contracts are recognized in the interim consolidated income statement over the terms of agreements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over the following estimated useful lives:

	For the 6-month period ended 30 June 2016 (Years)
Buildings, structures	25
Motor vehicles	6
Office equipment	4
Other fixed assets	4 - 5

Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation.

Intangible assets represent reinsurance software, which is amortized using the straight-line method over the estimated useful life of 5 years.

Financial investments

a. Trading securities

Trading securities are securities held by the Corporation for trading purposes. Trading securities are recognized from the date the Corporation obtains the ownership of those securities and initially measured at the fair value of payments made at the transaction date plus directly attributable transaction costs.

In the subsequent periods, investments in trading securities are measured at cost less provision for impairment of such investments.

Provision for impairment of investments in trading securities is made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 of the Ministry of Finance guiding the appropriation and use of provisions for devaluation of inventories, impairment losses of financial investments, bad debts and warranty for products, goods and construction works at enterprises.

b. Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent and ability to hold to maturity. Held-to-maturity investments include term deposits and other held-to-maturity investments.

Held-to-maturity investments are recognized on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognized in the interim consolidated income statement on an accrual basis. Pre-acquisition accrued interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

c. Equity investments in other entities

Equity investments in other entities represent the Corporation's equity investments in ordinary shares of the entities over which that the Corporation has no control, joint control or significant influence.

Equity investments in other entities are stated at cost less provision for impairment of the investments. Provision for impairment of the equity investments in other entities is made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 of the Ministry of Finance guiding the appropriation and use of provisions for devaluation of inventories, impairment losses of financial investments, bad debts and warranty for products, goods and construction works at enterprises, Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Corporation's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Investment properties

Investment properties, which are composed of office buildings held by the Corporation to earn rentals, are stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties are depreciated using the straight-line method over their estimated useful lives of 25 years.

Prepayments

Prepayments comprise costs of tools, and supplies issued for consumption, unallocated commission expenses and other expenses which are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayments, and are allocated to the interim consolidated income statement using the straight-line method for the period over which the expected future economic benefits flow to the Corporation.

Insurance deposits

The Corporation is obliged to pay a deposit equal to 2% of the legal capital, the deposit shall bear interest in accordance with the agreement reached with the bank to which it is paid and the Corporation may withdraw the whole amount of their deposit upon termination of its operation. The Corporation may only use its insurance deposit to meet undertakings to purchasers of insurance when its solvency is inadequate and upon written approval of the Ministry of Finance.

Revenue recognition

Inward reinsurance premium is recognised at the establishment of contractual agreement and following the statement of accounts agreed by the Corporation and the re-insurers. Outward reinsurance premium is recognised when the Corporation receives an acceptance statement of the re-insurer following the respective reinsurance notices issued by the Corporation. Such recognition is in conformity with regulations of financial regime applicable to insurance enterprises.

Commission income and other incomes from reinsurance activities are recorded on accrual basis. In the period, the entire outward reinsurance premium under outward reinsurance contracts signed in accordance with regulations of the applicable financial regime is presented in the item "Commission income from outward reinsurance".

At the period end, the Corporation should determine unearned commission income from outward reinsurance corresponding to outward reinsurance premium not yet recognized in this periods so as to allocate such commission income to the subsequent accounting periods under 25% rate method for cargo insurance and 50% rate method for other kinds of insurance.

Income from stock investments is recognised upon a notification of profit-sharing released by the investee.

Interest income from deposits, public bonds, bank debentures, Government bonds, and loans is recognised when incurred.

Income from office leasing is recognised when incurred.

Expenditures

Claim settlement expenses for direct insurance are recorded as incurred, when the Corporation accepts to settle the insured's claims following respective settlement notice.

Claim settlement expenses for inward reinsurance are recorded as incurred following the statement of accounts the reinsurers send to the Corporation and the claim is accepted by the Corporation. Claim receipts from ceded policies are recognized based on the receivable amount incurred corresponding with the claim settlement expenses recorded in the period and the ceded ratios.

Commission expenses for inward reinsurance are recognized corresponding to inward reinsurance premium incurred. In the period, the entire commission expenses for inward reinsurance under inward reinsurance contracts signed in accordance with regulations of the financial regime are presented in the "Commission expenses for inward reinsurance" items.

At the period end, the Corporation should determine commission expenses for inward reinsurance which have not been recognized as expenses for the period yet corresponding to unearned inward reinsurance premium so as to allocate such commission expenses to the subsequent accounting periods under 25% rate method for cargo insurance and 50% rate method for other kinds of insurance.

Other income and expenses relating to insurance activities

With respect to deposits arising from reinsurance contracts, other incomes from insurance activities are recognized when the Corporation receives the deposits and other expenses for insurance activities are recognized when the deposits are returned.

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Corporation for full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each year of service equals a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the financial statements at the end of each financial year. The increase or decrease in the accrued amount shall be recorded in the interim consolidated income statement.

Foreign currencies

- The Corporation applies an accounting exchange rate of 22,500 VND/USD in the period (for the 6-month period ended 30 June 2015: 21,500 VND/USD) to transactions arising in foreign currencies during the period. Such transactions are initially translated into VND using the accounting exchange rate and then using actual rate applicable on the payment date. Such exchange differences are recorded in the interim consolidated income statement.

- Liabilities and receivables relating to recognition of revenue and expenses from reinsurance for the period denominated in USD: At the balance sheet date, balances of receivables are translated using the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)'s buying exchange rate of 22,270 VND to USD (as at 31 December 2015: 22,450 VND/USD), balances of payables are translated using the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)'s selling exchange rate of 22,340 VND/USD (as at 31 December 2015: 22,540 VND/USD). Exchange differences are recorded in the interim consolidated income statement.

- Liabilities and receivables relating to recognition of revenue and expense from reinsurance for the period denominated in currencies other than USD at the balance sheet date are translated into USD at the accounting exchange rate as follow: At the balance sheet date, balances of receivables are translated using the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)'s buying exchange rate of 22,270 VND/USD (as at 31 December 2015: 22,450 VND/USD), balances of payables are translated using the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)'s selling exchange rate of 22,340 VND/USD (as at 31 December 2015: 22,540 VND/USD). Exchange differences are recorded in the interim consolidated financial statements.

- With regard to monetary assets, receivables and liabilities denominated in foreign currencies that are not related to recognition of revenue and expense for the period, the Corporation applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates" issued by the Ministry of Finance providing guidance on recognition, measurement and treatment of foreign exchanges differences in enterprises. Accordingly, transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim consolidated income statement. Unrealised exchange gains as at the balance sheet date are not treated as part of distributable profit to shareholders.

Payable provisions

Payable provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the Board of General Directors' best estimate of the expenditure required to settle the obligation at the interim consolidated balance sheet date.

Enterprise funds

The compulsory reserve fund is made up at the rate of 5% of the Corporation's profit after tax until it is equal to 10% of the Corporation's charter capital.

All profits are used to pay dividends to shareholders, allocate to compulsory reserve fund, investment and development fund and bonus and welfare funds. The allocation ratio shall be decided by the shareholders at the General Shareholder's meeting at the request of the Board of Management. However, according to the Corporation's Charter, the Board of Management may pay interim dividends if they are certain about the profit of the Corporation.

Under-writing reserves

On 19 April 2012, the Ministry of Finance issued Official Letter No. 5297/BTC-QLBH on the registration of the method to make reserves for insurance transactions of the Corporation since 2012. Accordingly, under-writing reserves of the Corporation in the period are made as follows:

Premium reserve: This reserve is provided for at 25% of the inward reinsurance premium and outward reinsurance premium for the period for all types of cargo insurance (by land, seaway, waterway, railway and airway) and at 50% of the inward reinsurance premium and outward reinsurance premium for other types.

Claim reserves:

- For losses that have been incurred and reported, the Corporation makes compensation reserves for inward reinsurance and outward reinsurance by the method of each case based on the level of responsibility to losses that have been incurred and reported.
- For claim reserve for inward reinsurance and outward reinsurance for losses that have been incurred but not yet reported (IBNR), the Corporation applies the rate of 5% of the inward reinsurance premium and outward reinsurance premium over all types of insurance.

Catastrophe reserve: This reserve is made annually under statistical method (at a rate of 3% of the retained premium rate of all transactions) until it reaches 100% of the premium retained in the period in accordance with Decree No. 46/2007/ND-CP dated 27 March 2007 issued by the Government.

On 28 September 2005, the Ministry of Finance issued Vietnamese Accounting Standard No. 19 ("VAS 19") "Insurance Contract" and Decision No. 100/2005/QD-BTC (effective from 2006) attached thereto. Accordingly, at the reporting date, insurance enterprises are not allowed to make reserves, including catastrophe reserve, for future claim compensation if claims are not incurred on the balance sheet date. Currently, under Decree No. 46/2007/ND-CP dated 27 March 2007 issued by the Government, insurance enterprises are required to provide for catastrophe reserve. Since the Ministry of Finance has not yet issued any circular guiding the implementation of the aforesaid accounting standard, the fact that the Corporation still made catastrophe reserve for the 6-month period ended 30 June 2016 should be more prudent than what is regulated in VAS 19.

Reserves for the Corporation's outward/inward reinsurance should be presented under separate items in the interim consolidated balance sheet. Accordingly, unearned premium reserve and claim reserve for inward reinsurance and catastrophe reserve are recognized as payables while unearned premium reserve for outward reinsurance and claim reserve for outward reinsurance are recognized as reinsurance assets.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

5. CASH AND CASH EQUIVALENTS

	30/6/2016	31/12/2015
	VND	VND
Cash on hand	3,024,925,819	2,201,818,272
Demand deposits	249,442,368,759	198,287,801,946
Cash equivalents	-	15,000,000,000
	252,467,294,578	**215,489,620,218**

6. FINANCIAL INVESTMENTS

	30/6/2016			31/12/2015		
	Historical cost	Fair value	Provision	Historical cost	Fair value	Provision
	VND	VND	VND	VND	VND	VND
a) Trading securities	**31,197,625,689**	**26,022,379,900**	**(7,452,860,439)**	**31,067,564,861**	**25,877,908,800**	**(6,726,549,281)**
- Total value of stocks	31,197,625,689	26,022,379,900	(7,452,860,439)	31,067,564,861	25,877,908,800	(6,726,549,281)
+ BIDV Insurance Corporation (BIC)	*1,458,310,200*	*3,407,016,000*	-	*1,458,310,200*	*2,626,241,500*	-
+ Military Commercial Joint Stock Bank (MBB)	*590,169,975*	*596,134,100*	-	*114,205*	*131,400*	-
+ Song Da 10 Joint Stock Company (SDT)	*10,004,752,882*	*6,264,040,800*	*(3,740,712,082)*	*10,004,752,882*	*7,115,440,000*	*(2,889,312,882)*
+ FPT Joint Stock Company (FPT)	*9,291,055,275*	*9,614,000,000*	-	*9,291,055,275*	*9,660,000,000*	-
+ Petrovietnam General Services Joint Stock Company (PET)	*7,435,328,889*	*5,548,205,000*	*(1,887,123,889)*	*7,435,328,889*	*5,676,240,500*	*(1,759,088,389)*
+ Others	*2,418,008,468*	*592,984,000*	*(1,825,024,468)*	*2,878,003,410*	*799,855,400*	*(2,078,148,010)*
b) Held-to-maturity investments	**2,408,901,133,454**		-	**2,360,006,157,375**		-
b1) Short-term	***1,964,581,420,000***		-	***1,950,400,000,000***		-
- Short-term deposits (i)	1,944,581,420,000		-	1,920,400,000,000		-
- Bonds (iii)	20,000,000,000		-	30,000,000,000		-
b2) Long-term	***444,319,713,454***		-	***409,606,157,375***		-
- Long-term deposit (ii)	122,000,000,000		-	68,000,000,000		-
- Bonds (iii)	170,000,000,000		-	180,000,000,000		-
- Entrustment investments (iv)	146,498,507,391		-	147,926,617,979		-
- Other long-term investments	5,821,206,063		-	13,679,539,396		-
c) Equity investments in other entities	**663,462,781,537**		**(6,687,379,013)**	**658,567,046,135**		**(17,236,940,220)**
- Investments in associate	187,322,711,537		-	186,566,776,135		-
- Investments in other entities (v)	476,140,070,000		(6,687,379,013)	472,000,270,000		(17,236,940,220)

(i) Short-term deposits represent term deposits at domestic commercial banks with terms of over 3 months to less than 12 months.

(ii) Long-term deposits represent term deposits at domestic commercial banks with terms of over 12 months.

(iii) Bonds include corporate bonds and Government bonds with maturities of less than 01 year and from 01 year to 06 years.

(iv) Entrustment investments represent investments under trust contracts signed with Vietcombank Fund Management, MB Capital Management JSC., and Bao Viet Fund Management Co., Ltd under which, the Corporation shall bear all risk related to the escrow account.

(v) Investments in other entities include any investments in other companies over which the Corporation does not have the right to control or significant influence. Details of share capital contributions are as follows:

	Proportion of ownership interest as at 30/6/2016	**30/6/2016**	**31/12/2015**
		VND	**VND**
Equity investments in:			
Petrolimex Joint Stock Insurance Company	8.76%	59,289,270,000	59,289,270,000
Post- Telecommunication Joint Stock Insurance Company	4.42%	38,416,000,000	38,416,000,000
Sai Gon - Ha Long Hotel	6.00%	10,139,800,000	6,000,000,000
Global Insurance Joint Stock Company	4.40%	17,600,000,000	17,600,000,000
Phu Hung Insurance Joint Stock Company	2.38%	8,000,000,000	8,000,000,000
Agriculture Bank Insurance Joint Stock Corporation	8.42%	32,000,000,000	32,000,000,000
Dai Nam Securities Joint Stock Company	1.68%	2,695,000,000	2,695,000,000
Hung Vuong Insurance Joint Stock Company	10.00%	30,000,000,000	30,000,000,000
Tien Phong Commercial Joint Stock Bank	5.47%	278,000,000,000	278,000,000,000
		476,140,070,000	**472,000,270,000**

At the date of these interim consolidated financial statements, the Corporation has assessed, and made provision for impairment of equity investments as at 30 June 2016 based on the investees' financial statements for the 6-month period ended 30 June 2016. For investees whose financial statements for the 6-month period ended 30 June 206 have not been available yet, the Corporation used the latest financial statements collected for assessment. Information on bonus shares received as at 30 June 2016 of these investees are as follows:

	Par value	**Number of shares**
Petrolimex Joint Stock Insurance Company	10,000	353,056
Tien Phong Commercial Joint Stock Bank	10,000	2,542,857
Post- Telecommunication Joint Stock Insurance Company	10,000	381,024
Joint Stock Commercial Bank for Foreign Trade of Vietnam	10,000	11,806
BIDV Insurance Corporation	10,000	12,905
Petrovietnam General Services Joint Stock Company	10,000	66,545
Sai Gon - Ha Long Hotel	10,000	96,000
FPT Joint Stock Company	10,000	32,250

Details of the associate of the Corporation as at 30 June 2016 are as follows:

Associate	Place of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Samsung Vina Insurance Co., Ltd.	Ho Chi Minh City	25%	25%	Non-life insurance

Summary of financial information about Samsung Vina Insurance Co., Ltd. is presented as follows:

	30/6/2016	31/12/2015
	VND	VND
Total assets	1,939,244,686,255	1,930,758,954,110
Total liabilities	1,189,953,840,109	1,184,491,849,571
Net assets	749,290,846,146	746,267,104,539
The Corporation's share of the associate's net assets	**187,322,711,537**	**186,566,776,135**

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Revenue	110,589,829,990	173,772,327,173
Net profit	48,089,067,449	66,177,658,212
The Corporation's share of the associate's net profit	**12,022,266,862**	**16,544,414,553**

- Summary of the performance of the associate in the period: the Corporation's associate has stable operation under registered operation sectors in the period ended 30 June 2016.

- The significant transactions between the Corporation and its associate in the period, are as follows:

  + The Corporation and Samsung Vina Insurance Co., Ltd. jointly enter into transactions of inward/outward reinsurance premium, inward/outward reinsurance commissions and outward/inward reinsurance claim.

The fair value of these investments is determined as follows:

- The fair value of trading securities actively traded on financial markets is determined according to the published rates at the reporting date.

- At the reporting date, fair value of other investments of which information for fair value determination is inadequate shall not be determined.

7. SHORT-TERM TRADE ACCOUNTS RECEIVABLES

	30/6/2016	31/12/2015
	VND	VND
Receivables from insurance contracts	795,777,617,961	702,403,057,743
- Receivables from inward reinsurance	*363,350,540,192*	*245,413,218,686*
- Receivables from outward reinsurance	*396,581,081,444*	*416,571,252,771*
- Other receivables from reinsurance activities	*35,845,996,325*	*40,418,586,286*
Other trade accounts receivable	188,288,811,493	333,106,321,998
- Accrued gains on investments and loans	*60,869,501,387*	*96,504,533,675*
- Other receivables related to swap contracts	*111,350,000,000*	*224,500,000,000*
- Other receivables	*16,069,310,106*	*12,101,788,323*
	984,066,429,454	**1,035,509,379,741**

8. PREPAID EXPENSES

	30/6/2016	31/12/2015
	VND	VND
a) Short-term	**169,734,039,508**	**158,476,806,806**
Unallocated commission expenses	169,734,039,508	158,476,806,806
- Opening balance	*158,476,806,806*	*144,750,901,483*
- Unallocated commission expenses incurred in the period/year	*191,354,076,772*	*346,672,421,949*
- Commission expenses allocated in the period/year	*180,096,844,070*	*332,946,516,626*
- Closing balance	*169,734,039,508*	*158,476,806,806*
b) Long-term	**4,434,558,074**	**2,737,416,738**
Golf card expenses	1,183,528,198	1,212,037,690
Other long-term prepaid expenses	3,251,029,876	1,525,379,048
	174,168,597,582	**161,214,223,544**

9. OTHER LONG-TERM ASSETS

	30/6/2016	31/12/2015
	VND	VND
Paragon Tower Project	20,620,952,000	20,620,952,000
Tincom Plaza (360 Giai Phong road) Project	45,634,254,211	37,775,920,878
	66,255,206,211	**58,396,872,878**

Other long-term assets represent long-term deposits for contracts on properties purchase. The Board of General Directors has evaluated and believed the projects are being implemented as scheduled and there is no significant decline in value of the deposits.

10. TANGIBLE FIXED ASSETS

	Buildings, structures	Motor vehicles	Office equipment	Other fixed assets	Total
COST	**VND**	**VND**	**VND**	**VND**	**VND**
As at 01/01/2016	15,170,997,037	2,980,277,071	6,677,092,474	285,540,454	25,113,907,036
Additions	-	-	-	-	-
As at 30/6/2016	**15,170,997,037**	**2,980,277,071**	**6,677,092,474**	**285,540,454**	**25,113,907,036**
ACCUMULATED DEPRECIATION					
As at 01/01/2016	9,249,077,463	2,482,874,509	4,548,458,555	250,181,079	16,530,591,606
Additions	303,688,183	102,910,875	647,555,904	8,486,250	1,062,641,212
As at 30/6/2016	**9,552,765,646**	**2,585,785,384**	**5,196,014,459**	**258,667,329**	**17,593,232,818**
NET BOOK VALUE					
As at 30/6/2016	**5,618,231,391**	**394,491,687**	**1,481,078,015**	**26,873,125**	**7,520,674,218**
As at 31/12/2015	**5,921,919,574**	**497,402,562**	**2,128,633,919**	**35,359,375**	**8,583,315,430**

As at 30 June 2016, the total cost of tangible fixed assets includes VND 3,087,526,830 (as at 31 December 2015: VND 3,087,526,830) of assets which have been fully depreciated but are still in use.

11. INTANGIBLE ASSETS

The balance of intangible assets as at 30 June 2016 mainly represents cost and accumulated amortisation of reinsurance software.

12. INVESTMENT PROPERTY

Items	31/12/2015	Increase	Decrease	30/6/2016
	VND	VND	VND	VND
Investment properties held for rentals				
Cost	**34,055,061,893**	-	-	**34,055,061,893**
- Building (i)	34,055,061,893	-	-	34,055,061,893
Accumulated depreciation	**20,237,249,554**	**708,605,761**	-	**20,945,855,315**
- Building (i)	20,237,249,554	708,605,761	-	20,945,855,315
Net book value	**13,817,812,339**	-	-	**13,109,206,578**
- Building	13,817,812,339	-	-	13,109,206,578

(i) Represent the cost and accumulated depreciation of the building at No. 141 Le Duan Street, corresponding to the lease area.

According to Vietnamese Accounting Standard No. 05 - *Investment Properties*, fair value of investment property as at 30 June 2016 is required to be disclosed. As assessed by the management, the value of the Corporation's investment property in accounting records has represented its fair value.

13. SHORT-TERM TRADE PAYABLES

	30/6/2016	31/12/2015
	VND	VND
Payables of insurance contracts	718,579,467,486	598,460,877,116
- Payables for inward reinsurance activities	*274,380,258,234*	*193,579,100,580*
- Payables for outward reinsurance activities	*424,817,744,981*	*365,873,692,786*
- Other payables for reinsurance activities	*19,381,464,271*	*39,008,083,750*
Other trade accounts payable	123,996,802,762	238,073,364,714
- Temporary Withholding Tax collection (2% of overseas reinsurance premium)	*9,145,044,049*	*10,159,550,306*
- Other payables related to swap contracts	*113,399,000,000*	*224,559,970,000*
- Other payables	*1,452,758,713*	*3,353,844,408*
	842,576,270,248	**836,534,241,830**

14. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	31/12/2015	Movement during the period		30/6/2016
		Payable	Paid	
	VND	VND	VND	VND
Value added tax on domestic sales	82,808,521	638,580,370	422,540,137	298,848,754
Corporate income tax	7,687,964,277	22,392,489,553	17,404,494,667	12,675,959,163
Personal income tax	20,879,655	5,261,272,406	4,993,993,959	288,158,102
Business license tax	-	4,000,000	4,000,000	-
Other taxes and charges payable	92,030,890	574,919,503	603,785,708	63,164,685
Total	**7,883,683,343**	**28,871,261,832**	**23,428,814,471**	**13,326,130,704**

15. OTHER PAYABLES

	30/6/2016	31/12/2015
	VND	VND
a) Short-term	**251,533,572,698**	**175,233,249,129**
Unearned commission income	116,001,387,187	104,434,105,144
- Opening balance	*104,434,105,144*	*97,838,561,942*
- Unearned commission income incurred in the period/year	*129,291,547,911*	*213,280,691,234*
- Commission income allocated in the period/year	*117,724,265,868*	*206,685,148,032*
- Closing balance	*116,001,387,187*	*104,434,105,144*
Other current payables	135,532,185,511	70,799,143,985
Dividends payable	*131,862,487,500*	*65,646,669,500*
Other payables	*3,669,698,011*	*5,152,474,485*
b) Long-term	**3,216,822,676**	**2,864,775,901**
Long-term deposits	3,216,822,676	2,864,775,901
	254,750,395,374	**178,098,025,030**

16. UNDER-WRITING RESERVES

	30/6/2016		
Claim reserve and Unearned premium reserve	**Inward reinsurance reserve**	**Outward reinsurance reserve**	**Net inward reinsurance reserve**
	VND	**VND**	**VND**
I. Normal activities			
1. Claim reserve	1,699,152,382,890	1,335,450,754,241	363,701,628,649
Reserve for losses incurred and reported	*1,654,792,962,190*	*1,306,724,199,788*	*348,068,762,402*
Reserve for losses incurred not yet reported	*44,359,420,700*	*28,726,554,453*	*15,632,866,247*
2. Unearned premium reserve	797,493,093,090	527,984,808,729	269,508,284,361
II. Pilot agricultural insurance activities			
1. Claim reserve	10,013,667,023	9,070,839,872	942,827,151
Reserve for losses incurred and reported	*9,981,173,494*	*9,051,201,685*	*929,971,809*
Reserve for losses incurred not yet reported	*32,493,529*	*19,638,187*	*12,855,342*
2. Unearned premium reserve	324,935,286	196,381,862	128,553,424
	2,506,984,078,289	**1,872,702,784,704**	**634,281,293,585**

In which:

	From 01/01/2016 to 30/6/2016		
Claim reserve	**Inward reinsurance claim reserve**	**Outward reinsurance claim reserve**	**Net inward reinsurance claim reserve**
	VND	**VND**	**VND**
I. Normal activities			
Opening balance	1,824,197,799,139	1,440,993,545,027	383,204,254,112
Increase in the period	(125,045,416,249)	(105,542,790,786)	(19,502,625,463)
II. Pilot agricultural insurance activities			
Opening balance	10,046,160,552	9,090,478,059	955,682,493
(Reversal) in the period	(32,493,529)	(19,638,187)	(12,855,342)
Closing balance	**1,709,166,049,913**	**1,344,521,594,113**	**364,644,455,800**

	From 01/01/2016 to 30/6/2016		
Unearned premium reserve	**Unearned inward reinsurance premium reserve**	**Unearned outward reinsurance premium reserve**	**Net unearned inward premium reinsurance reserve**
	VND	**VND**	**VND**
I. Normal activities			
Opening balance	749,438,122,314	490,182,251,446	259,255,870,868
Increase in the period	48,054,970,776	37,802,557,283	10,252,413,493
II. Pilot agricultural insurance activities			
Opening balance	649,870,573	392,763,725	257,106,848
(Reversal) in the period	(324,935,287)	(196,381,863)	(128,553,424)
Closing balance	**797,818,028,376**	**528,181,190,591**	**269,636,837,785**

Catastrophe reserve	**From 01/01/2016 to 30/6/2016**	**2015**
	VND	**VND**
I. Normal activities		
Opening balance	165,875,947,082	147,472,628,310
Increase in the period/year	9,379,719,747	18,403,318,772
II. Pilot agricultural insurance activities		
Opening balance	8,876,683,166	6,460,168,954
Increase in the period/year	141,408,766	2,416,514,212
Closing balance	**184,273,758,761**	**174,752,630,248**

17. OWNERS' EQUITY

	Owners' contributed capital	Share premium	Investment and development fund	Compulsory reserve fund	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
For the 6-month period ended 30 June 2015						
As at 01/01/2015	**1,310,759,370,000**	**566,368,537,309**	**187,779,081,159**	**93,255,808,614**	**489,126,408,365**	**2,647,289,205,447**
Profit for the period	-	-	-	-	110,423,333,899	110,423,333,899
Profit distribution to funds	-	-	2,137,718,272	5,344,295,681	(10,901,544,641)	(3,419,530,688)
Dividends declared	-	-	-	-	(196,613,905,500)	(196,613,905,500)
Other increase	-	-	-	-	1,707,031,069	1,707,031,069
As at 30/6/2015	**1,310,759,370,000**	**566,368,537,309**	**189,916,799,431**	**98,600,104,295**	**393,741,323,192**	**2,559,386,134,227**
For the 6-month period ended 30 June 2016						
As at 01/01/2016	1,310,759,370,000	566,368,537,309	191,870,712,711	103,484,887,493	450,515,403,971	2,622,998,911,484
Profit for the period	-	-	-	-	111,085,920,267	111,085,920,267
Profit distribution to funds (i)	-	-	2,206,599,697	5,516,499,243	(11,170,541,650)	(3,447,442,710)
Dividends declared (i)	-	-	-	-	(131,075,937,000)	(131,075,937,000)
As at 30/6/2016	**1,310,759,370,000**	**566,368,537,309**	**194,077,312,408**	**109,001,386,736**	**419,354,845,588**	**2,599,561,452,041**

(i) According to Resolution No. 09/2016/NQ-DHDCD dated 28 April 2016 by the Annual General Meeting of Shareholders of Vietnam National Reinsurance Joint Stock Corporation, the Board of Management declared the second dividend payment for 2015 to the shareholders at the rate of 10% from the retained earnings, which is equivalent to VND 131,075,937,000 and, simultaneously, made temporary distribution of VND 11,170,541,650 to the funds from the profit for the 6-month period ended 30 June 2016.

Owners' contributed capital

As at 30 June 2016, the total capital actually contributed by shareholders and share premium are as follows:

	Contributed capital as at			
	30/6/2016	Proportion	31/12/2015	Proportion
	VND		VND	
Owners' contributed capital	**1,310,759,370,000**	**100%**	**1,310,759,370,000**	**100%**
State Capital Investment Corporation	529,060,350,000	40.36%	529,060,350,000	40.36%
Swiss Re Group	327,689,890,000	25.00%	327,689,890,000	25.00%
Other shareholders	454,009,130,000	34.64%	454,009,130,000	34.64%
Share premium	**566,368,537,309**		**566,368,537,309**	
	1,877,127,907,309		**1,877,127,907,309**	

Shares

	30/6/2016	31/12/2015
Number of shares registered to issue	131,075,937	131,075,937
Number of outstanding shares in circulation	131,075,937	131,075,937
Common shares	*131,075,937*	*131,075,937*

A common share has par value of VND 10,000.

18. REINSURANCE PREMIUM

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Inward reinsurance premium	905,126,456,484	839,402,830,352
Energy insurance	*10,453,997,905*	*9,651,211,872*
Hull and P&I insurance	*143,986,176,987*	*119,077,005,516*
Cargo insurance	*83,725,184,422*	*125,730,810,426*
Engineering insurance	*151,534,222,751*	*145,424,003,344*
Fire and property insurance	*278,936,072,175*	*287,716,730,908*
Aviation insurance	*16,087,955,187*	*24,278,411,459*
Other insurance	*220,402,847,057*	*127,524,656,827*
Deductions in inward reinsurance premium	(17,938,042,517)	(20,093,236,844)
Increase in unearned premium reserve for inward reinsurance	48,054,970,776	29,658,733,353
	839,133,443,191	**789,650,860,155**

19. OUTWARD REINSURANCE PREMIUM

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Total outward reinsurance premium	578,710,756,043	515,001,245,434
Energy insurance	*7,184,759,606*	*7,228,340,071*
Hull and P&I insurance	*85,554,318,031*	*75,056,585,088*
Cargo insurance	*17,663,708,372*	*22,899,307,321*
Engineering insurance	*68,626,051,090*	*68,675,600,365*
Fire and property insurance	*203,706,368,730*	*223,998,722,765*
Aviation insurance	*15,443,995,738*	*23,589,334,499*
Other insurance	*180,531,554,476*	*93,553,355,325*
Deductions in outward reinsurance premium	(4,179,667,001)	(8,192,529,623)
Increase in unearned premium reserve for outward reinsurance	37,802,557,283	15,605,970,052
	536,728,531,759	**491,202,745,759**

20. OTHER INCOME FROM INSURANCE ACTIVITIES

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Other receipts from inward reinsurance activities	**38,292,328,741**	**50,797,823,764**
Claim reserve released	38,292,328,741	49,866,918,505
Other receipts	-	930,905,259
Other receipts from outward reinsurance activities	**47,407,260,703**	**52,534,249,828**
Claim reserved retained	42,481,363,022	49,869,621,634
Other receipts	4,925,897,681	2,664,628,194
	85,699,589,444	**103,332,073,592**

21. TOTAL INSURANCE CLAIM SETTLEMENT EXPENSES

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Claim settlement expenses	636,151,190,038	486,904,823,485
Energy insurance	*10,487,490,828*	*6,396,760,603*
Hull and P&I insurance	*76,329,498,102*	*92,493,834,535*
Cargo insurance	*67,671,093,907*	*57,172,267,822*
Engineering insurance	*133,131,364,421*	*99,058,592,562*
Fire and property insurance	*189,673,390,548*	*158,013,798,362*
Aviation insurance	*1,163,914,238*	*1,935,277,907*
Other insurance	*157,694,437,994*	*71,834,291,694*
Claim receipts from ceded policies	467,484,148,779	327,463,999,126
(Decrease)/increase in inward reinsurance claim reserve	(125,045,416,249)	405,059,210,703
(Decrease)/increase in outward reinsurance claim reserve	(105,542,790,786)	373,054,176,432
	149,164,415,796	**191,445,858,630**

22. OTHER EXPENSES FOR INSURANCE ACTIVITIES

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Other payments for inward reinsurance activities	**59,068,554,654**	**58,280,408,520**
Claim reserve retained	48,767,458,320	55,495,039,272
Other expenses	10,301,096,334	2,785,369,248
Other payments for outward reinsurance activities	**34,194,045,479**	**46,708,062,173**
Claim reserve released	34,194,045,479	45,947,214,068
Other expenses	-	760,848,105
	93,262,600,133	**104,988,470,693**

23. FINANCIAL INCOME

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Interest on time deposits	62,999,690,274	70,853,448,925
Dividends and profits received	15,241,665,600	13,166,778,200
Interest on bonds, commercial bills	8,452,424,658	5,987,979,453
Interest on exchange differences	-	5,983,228,515
Interest on securities trading	575,479,692	734,600,000
Interest on demand deposits	153,152,166	136,206,502
Other financial income	199,872,337	-
	87,622,284,727	**96,862,241,595**

24. FINANCIAL EXPENSES

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Loss on exchange differences	9,872,222,420	-
Loss on securities trading	45,055,501	-
(Reversal) of provision for impairment of investments	(9,679,234,958)	(13,408,490,751)
Others	7,966,535,494	3,525,722,268
	8,204,578,457	**(9,882,768,483)**

25. GENERAL AND ADMINISTRATION EXPENSES

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Administrative staff expenses	25,187,871,115	23,172,205,630
Office expenses	475,233,126	281,430,668
Depreciation and amortisation	4,634,222,513	4,693,716,282
Taxes, fees and charges	1,051,141,159	222,911,748
Provision expense/(reversal)	497,052,459	(10,483,050,587)
Out-sourced services	1,778,406,719	1,963,616,498
Expenses for business transactions, conferences, advertising	2,799,420,821	3,012,934,906
Other administration expenses	1,750,483,807	683,556,416
	38,173,831,719	**23,547,321,561**

26. PRODUCTION COST BY NATURE

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Cost of insurance activities	431,903,579,746	476,402,964,216
Labour	25,187,871,115	23,172,205,630
Depreciation and amortisation	4,634,222,513	4,693,716,282
Out-sourced services	1,778,406,719	1,963,616,498
Provision expense/(reversal)	497,052,459	(10,483,050,587)
Other monetary expenses	6,076,278,913	4,200,833,738
	470,077,411,465	**499,950,285,777**

27. PILOT AGRICULTURAL INSURANCE ACTIVITIES

On 01 March 2011, the Prime Minister issued Decision No. 315/QD-TTg on the pilot agricultural insurance during 2011 - 2013 with objectives to help agricultural producers take initiatives in remedying and recovering from financial losses caused by natural disasters or epidemics, contributing to social security welfare in rural areas and promoting agricultural production. According to the Decision, the Corporation has responsibilities to undertake agricultural inward reinsurance under the guidance of the Ministry of Finance.

On 17 August 2011, the Ministry of Finance issued Circular No. 121/2011/TT-BTC providing guidance on certain clauses of Decision No. 315/QD-TTg dated 01 March 2011 by the Prime Minister. Accordingly, insurance enterprises and the Corporation shall provide pilot agricultural insurance activities for non-profit purposes. Insurance enterprises have responsibilities to account for revenue and costs incurred from pilot agricultural insurance activities separately from other activities and any existing agricultural insurance activities. The retained insurance premium for the period, after deducting valid expenses, is supplemented to catastrophe reserve.

On 20 June 2012, the Ministry of Finance continued to issue Circular No. 101/2012/TT-BTC stipulating several financial issues for insurance enterprises and reinsurance enterprises who provide pilot agricultural insurance activities under Decision No. 315/QD-TTg dated 01 March 2011 by the Prime Minister. Accordingly, insurance enterprises and reinsurance enterprises have responsibilities to separately record the annual losses from their pilot agricultural insurance activities. Insurance enterprises and reinsurance enterprises shall account for losses from pilot agricultural insurance activities for the financial year in their income statements. In case of losses from pilot agricultural insurance activities, such losses will be carried forward to the following year as regulated by law.

From 2012, the Corporation started undertaking pilot agricultural insurance activities. Accumulated loss as at 31 December 2013 of the pilot agricultural insurance activities is VND 42,015,277,691. The retained insurance premium of the 6-month period ended 30 June 2016 of VND 141,408,766 after deducting valid expenses of the pilot agricultural insurance activities is transferred to catastrophe reserve. The Board of General Directors believes that such presentation and recognition is in line with the provisions of the above decisions and circulars.

According to Decision No. 315/QD-TTg, pilot agricultural insurance activities ended on 31 December 2013. The Corporation has been conducting procedures to finalize this activity with the Ministry of Finance. The final decision on the results of the Corporation's pilot agricultural insurance activities will be made by the Ministry of Finance.

28. OPERATIONS OF OFFSHORE FISHING VESSEL INSURANCE

On 07 July 2014, the Government issued Decree No. 67/2014/ND-CP on some fisheries development policies, including regulations on insurance policy for the offshore fishing fleet ("fishing vessel insurance"). The Corporation undertakes this type of insurance, along with the local insurance companies, for supporting market and performing the policies as per the Government's objectives.

On 20 August 2014, the Ministry of Finance issued Circular No. 116/2014/TT-BTC providing guidance on several financial issues to insurance activities as stipulated in Decree No. 67/2014/ND-CP on fisheries development policies. According to the provisions under Circular No. 116/2014/TT-BTC, the business results of fishing vessel insurance activities shall be included in the insurer's results. The insurance enterprise shall hold responsibility to separately monitor revenue, expenses and results of operations regarding this type of insurance. Profit from insurance activities (if any) shall be recorded to catastrophe reserves at the financial year end.

In the period, the total negative operating result from fishing vessel insurance activities of VND 614,415,270 is allocated to profit and loss during the period.

29. CORPORATE INCOME TAX EXPENSE

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Profit before tax	**133,090,517,262**	**132,957,923,064**
Adjustments for taxable income		
Less: Non-taxable income	(27,263,932,462)	(30,424,460,689)
Add: Non-deductible expenses	5,950,578,258	1,016,682,239
Add: Loss of subsidiary attributable to non-controlling interests	185,284,709	335,616,528
Assessable income	**111,962,447,767**	**103,885,761,162**
Normal tax rate	20%	22%
Current corporate income tax payable	**22,392,489,553**	**22,854,867,456**
Deferred corporate tax (income)/expense	**(202,607,849)**	**15,338,237**

30. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Corporation is based on the following data:

	Unit	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
Profit after corporate income tax	VND	110,900,635,558	110,087,717,371
Less: estimated amount accrued for bonus and welfare fund	VND	3,447,442,710	3,419,530,688
Less: (loss) after corporate income tax distributable to non-controlling interests	VND	(185,284,709)	(335,616,528)
Profit used to calculate basic earnings per share	**VND**	**107,638,477,557**	**107,003,803,211**
Average number of outstanding ordinary shares in circulation	Shares	131,075,937	131,075,937
Basic earnings per share	**VND**	**821**	**816**

31. FINANCIAL INSTRUMENTS

Capital risk management

The Corporation manages its capital to ensure that the Corporation will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Corporation only consists of equity attributable to shareholders (comprising capital, reserves and retained earnings).

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 4.

Categories of financial instruments

	Carrying amounts	
	30/6/2016	31/12/2015
	VND	VND
Financial assets		
Cash and cash equivalents	252,467,294,578	215,489,620,218
Trade receivables	937,025,141,221	987,856,178,261
Claim reserve for outward reinsurance	1,344,521,594,113	1,450,084,023,086
Short-term investments	1,988,326,185,250	1,974,741,015,580
Long-term investments	913,772,404,441	864,369,487,155
Total	**5,436,112,619,603**	**5,492,540,324,300**
Financial liabilities		
Trade and other payables	965,293,713,699	892,021,361,024
Claim reserve for inward reinsurance	1,709,166,049,913	1,834,243,959,691
Long-term deposits received	3,216,822,676	2,864,775,901
Total	**2,677,676,586,288**	**2,729,130,096,616**

The Corporation has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

The Corporation has set up risk management system to identify and assess the risks exposed by the Corporation and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Corporation's operations.

Financial risks include reinsurance risk, market risk (including foreign currency risk and price risk), credit risk and liquidity risk.

Reinsurance risk

Risk incurred under any reinsurance contract arises from the possibility of inaccurate valuation of risk level of the insured and the insurer shall be responsible for the loss incurred. The determination of reinsurance risk and loss which is under reinsurer's responsibility is limited by the quality, timeliness and adequacy of information reached by surveys and provided by customers, outward reinsurance partners and others in reinsurance business. The Corporation manages this risk exposure by providing reinsurance service strategy, assessing and managing risk setting up a reasonable retained fee for each reinsurance product, and optimizing its effectiveness, providing outward reinsurance services with effective and safe plan in accordance with legal regulations and settling claims in accordance with international reinsurance practices.

Market risk

The Corporation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and prices. In the period, the Corporation has entered into currencies swap transactions with banks to mitigate foreign exchange risk.

Foreign currency risk management

To manage foreign currencies for reinsurance settlement, the Corporation undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the end of the period are as follows:

	Assets		**Liabilities**	
	30/6/2016	**31/12/2015**	**30/6/2016**	**31/12/2015**
	VND	**VND**	**VND**	**VND**
United States Dollar (USD)	875,574,256,582	816,113,763,292	427,524,581,807	434,852,975,951
Euro (EUR)	2,010,967,698	4,647,250,416	834,889,774	937,341,728
Great Britain Pound (GBP)	5,723,127	6,450,673	12,871,028	14,279,909
Singapore Dollar (SGD)	39,762,493	42,367,262	20,560,368	24,978,749
Australian Dollar (AUD)	6,479,355	6,548,874	-	2,329,852
Japanese Yen (JPY)	320,794,912	579,946,344	108,604,717	95,909,458

Foreign currency sensitivity analysis

The Corporation is mainly exposed to United States Dollar and Euro.

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represent management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period-end for a 5% change in foreign currency rates. For a 5% increase/decrease in the following foreign currencies against Vietnam Dong, the profit before tax in the period would increase/decrease by the respective amounts as follows:

	From 01/01/2016 to 30/6/2016	**From 01/01/2015 to 30/6/2015**
	VND	**VND**
United States Dollar (USD)	22,402,483,739	13,356,736,562
Euro (EUR)	58,803,896	486,305,732

Share price risk management

Shares held by the Corporation are affected by market risks arising from the uncertainty about future prices of such shares. The Corporation manages this risk exposure by setting up investment limits. The Corporation's Board of Management also assesses and approves decisions on share investments such as operating industry, investees, etc. The Corporation assesses the share price risk to be immaterial.

The Corporation is also exposed to equity price risks arising from investments in subsidiary and associate. The Corporation's Board of Management assesses and approves decisions on investments in subsidiary and associate such as operating industry, investees, etc. Investments in subsidiary and associate is held for long-term strategic investments rather than trading purposes. The Corporation does not have intention to trade these investments in the foreseeable future.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Corporation's business operation is reinsurance, accordingly, the Corporation's credit risk mainly focuses on clients operating in direct insurance. As at the interim balance sheet date, there is credit risk arising on the amounts due from customer receivables. The Corporation has made sufficient provision for such receivables.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Corporation believes can generate within that period. The Corporation's policy is to regularly monitor current and expected liquidity requirements to ensure that the Corporation maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Corporation's remaining contractual maturity for its non-derivative financial liabilities and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and financial liabilities based on the earliest date on which the Corporation can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Corporation's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year	From 1 - 5 years	Over 5 years	Total
	VND	VND	VND	VND
30/6/2016				
Cash and cash equivalents	252,467,294,578	-	-	252,467,294,578
Trade receivables	937,025,141,221	-	-	937,025,141,221
Claim reserve for outward reinsurance	1,344,521,594,113	-	-	1,344,521,594,113
Short-term investments	1,988,326,185,250	-	-	1,988,326,185,250
Long-term investments	-	434,319,713,454	479,452,690,987	913,772,404,441
Total	**4,522,340,215,162**	**434,319,713,454**	**479,452,690,987**	**5,436,112,619,603**
30/6/2016				
Trade and other payables	965,293,713,699	-	-	965,293,713,699
Claim reserve for inward reinsurance	1,709,166,049,913	-	-	1,709,166,049,913
Long-term deposits received	-	3,216,822,676	-	3,216,822,676
Total	**2,674,459,763,612**	**3,216,822,676**	**-**	**2,677,676,586,288**
Net liquidity gap	**1,847,880,451,550**	**431,102,890,778**	**479,452,690,987**	**2,758,436,033,315**

	Less than 1 year	From 1 - 5 years	Over 5 years	Total
	VND	VND	VND	VND
31/12/2015				
Cash and cash equivalents	215,489,620,218	-	-	215,489,620,218
Trade receivables	987,856,178,261	-	-	987,856,178,261
Claim reserve for outward reinsurance	1,450,084,023,086	-	-	1,450,084,023,086
Short-term investments	1,974,741,015,580	-	-	1,974,741,015,580
Long-term investments	-	395,051,872,870	469,317,614,285	864,369,487,155
Total	**4,628,170,837,145**	**395,051,872,870**	**469,317,614,285**	**5,492,540,324,300**
31/12/2015				
Trade and other payables	892,021,361,024	-	-	892,021,361,024
Claim reserve for inward reinsurance	1,834,243,959,691	-	-	1,834,243,959,691
Long-term deposits received	-	2,864,775,901	-	2,864,775,901
Total	**2,726,265,320,715**	**2,864,775,901**	**-**	**2,729,130,096,616**
Net liquidity gap	**1,901,905,516,430**	**392,187,096,969**	**469,317,614,285**	**2,763,410,227,684**

The Board of General Directors assessed the liquidity risk at low level. The Board of General Directors believes that the Corporation will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

32. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

Related parties	Relationship
State Capital Investment Corporation	Major shareholder
Swiss Re Group	Major shareholder
Bao Minh Insurance Joint Stock Corporation	Same owner
Samsung Vina Insurance Co., Ltd.	Associate

During the period, the Corporation entered into the following significant transactions with its related parties:

	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
	VND	VND
Swiss Re Group		
Outward reinsurance premium	103,191,731,149	100,328,830,556
Outward reinsurance commission	31,712,403,847	30,358,427,793
Receipt from outward reinsurance claim	77,151,500,481	63,242,006,199
Dividends paid	16,384,494,500	-
Bao Minh Insurance Joint Stock Corporation		
Outward reinsurance premium	45,406,007,515	45,537,380,001
Outward reinsurance commission	10,711,986,862	11,155,715,777
Receipt from outward reinsurance claim	45,540,832,119	28,865,714,612
Inward reinsurance premium	24,696,157,472	63,720,103,484
Inward reinsurance commission	4,005,718,048	(15,094,208,048)
Claim settlements of inward reinsurance	58,762,331,719	(54,805,027,527)
Samsung Vina Insurance Co., Ltd.		
Outward reinsurance premium	329,194,757	198,002,898
Outward reinsurance commission	88,379,115	52,819,874
Receipt from outward reinsurance claim	503,532,392	2,059,208,756
Inward reinsurance premium	69,067,273,949	118,558,907,263
Inward reinsurance commission	14,530,472,510	26,493,042,369
Claim settlements of inward reinsurance	177,157,977,068	95,240,856,423
State Capital Investment Corporation		
Dividends paid	26,453,017,500	-
The Board of General Directors		
Remuneration for the period	3,061,164,312	2,281,289,125

Related party balances as at the balance sheet date were as follows:

	30/6/2016 VND	31/12/2015 VND
Swiss Re Group		
Receivables from outward reinsurance activities	28,010,436,503	30,572,635,960
Payables for outward reinsurance activities	37,206,956,557	28,433,346,197
Dividends payable	32,768,989,000	16,384,494,500
Bao Minh Insurance Joint Stock Corporation		
Receivables from inward reinsurance activities	41,354,788,838	32,018,153,005
Receivables from outward reinsurance activities	40,271,049,986	48,876,894,169
Payables for inward reinsurance activities	28,682,378,375	16,963,039,529
Payables for outward reinsurance activities	22,075,511,016	27,500,472,045
Samsung Vina Insurance Co., Ltd.		
Receivables from inward reinsurance activities	3,696,485,595	6,260,987,951
Receivables from outward reinsurance activities	247,229,565	1,513,383,080
Payables for inward reinsurance activities	16,239,251,239	55,704,609,915
Payables for outward reinsurance activities	43,746,235	33,717,332
State Capital Investment Corporation		
Dividends payable	52,906,035,000	26,453,017,500

33. FINANCIAL RATIOS

Items	Unit	30/6/2016	31/12/2015
1. Assets and resources structure arrangement			
1.1. Assets structure arrangement			
- Non-current assets/Total assets	%	19.21	18.36
- Current assets/Total assets	%	80.79	81.64
1.2. Capital structure arrangement			
- Liabilities/Total resources	%	59.31	58.96
- Owners' equity/Total resources	%	40.69	41.04
2. Liquidity			
2.1. Short-term liability liquidity	times	1.36	1.39
2.2. Quick liquidity	times	0.59	0.58

Items	Unit	From 01/01/2016 to 30/6/2016	From 01/01/2015 to 30/6/2015
3. Profit ratio			
3.1. Profit/Revenue ratio			
- Profit before tax/Revenue ratio	%	22.15	21.73
- Profit after tax/Revenue ratio	%	18.46	18.00
3.2. Profit/Total assets ratio			
- Profit before tax/Total assets ratio	%	2.06	2.00
- Profit after tax/Total assets ratio	%	1.72	1.65
3.3. Profit after tax/Owners' equity ratio	%	4.27	4.30

34. BUSINESS SEGMENT REPORT

The Corporation's principal activities are reinsurance business and investments funded from idle capital resources, which is a part of reinsurance business cycle. Investments in other business activities are insignificant. Therefore, the Board of General Directors made an assessment and believes that the fact that no report on segment information is made is in line with the Corporation's current business operation.

35. COMPARATIVE FIGURES

The comparative figures of the interim consolidated balance sheet are the figures of the Corporation's audited financial statements for the year ended 31 December 2015. The comparative figures of the interim consolidated income statement and interim consolidated cash flow statement are the figures of the reviewed interim financial statements for the 6-month period ended 30 June 2015.

TỔNG CÔNG TY CỔ PHẦN TÁI BẢO HIỂM QUỐC GIA VIỆT NAM

Nguyen Thanh Cong	Luu Thi Viet Hoa	Pham Cong Tu
Preparer	Chief Accountant	General Director

Hanoi, 10 August 2016