

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Quarter III/2015

I. General information

1. Structure of ownership: State Capital Investment Corporation – SCIC: 40.36%, Swiss Re Group: 25%, other shareholders: 34.64%

2. Operating industry: Insurance

3. Lines of business: Inward and outward reinsurance and financial investment.

4. Total number of subsidiaries: 01

Total number of consolidated subsidiaries: 01

+ Company name: VINARE Invest Joint Stock Company

+ Address: 6th Floor, VINARE building, 141 Le Duan - Hoan Kiem - Ha Noi.

+ Parent company's equity ownership: 63.88%

+ Voting rights of parent company: 63.88%

5. Joint venture is reflected in consolidated financial statements according to method of owner's equity

Samsung Vina Joint-Venture Insurance Company

+ Head office address: 9th Floor, Diamond Plaza, 34 Le Duan, District 1, Ho Chi Minh City

+ Equity ownership: 25%

+ Voting rights: 25%

II. Accounting period and accounting currency

1. Accounting period:

Parent company: Begins on 01 January 2015 and ends on 31 December 2015

Subsidiary: Begins on 01 January 2015 and ends on 31 December 2015

2. Accounting currency: Vietnam Dong

III. Accounting standards and system

1. Accounting system: Decision No 232/2012/TT-BTC dated 28th December 2012 of Ministry of Finance guided the accounting system applied for insurance enterprises. Decision No 200/2014/QĐ-BTC dated 22nd December 2014 of Ministry of Finance was on the issuance of enterprise accounting system.

2. Statement on compliance with accounting standards and accounting system:

The Board of Directors ensures that the company's Financial Statements comply with Vietnamese accounting standards and the Vietnamese accounting system applicable to insurance enterprises and other current accounting regulation in Vietnam.

3. Accounting form: Receipts recorded to books.

IV. Accounting policies

The Board of Directors ensures that the company's half-yearly financial statements and the latest yearly financial statements apply the same accounting policies.

Consolidated financial statements are prepared based on accounting policies applied uniformly for similar transactions and events in similar circumstances between parent company and subsidiary.

1. 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.

Conversion of other currencies to accounting currency: Corporation applies an exchange rate of USD/VND 21,000. On 24 October 2012 the Ministry of Finance issued Circular 179/2012/TT-BTC to replace Circular 201/2009/TT-BTC dated 15 October 2012 providing guidance on recognition, assessment and handling of foreign exchange difference with effect from 10 December 2012 and applicable for financial year 2012. Accordingly, recognition of foreign exchange difference is conducted in the following manner:

Transactions initially denominated in foreign currencies are translated into USD using the accounting exchange rate and later on translated using the actual exchange rate of Vietcombank on the payment date. The differences resulting from such translations are recorded in the income statement.

Payables and receivables relating to revenues and costs accounting for the quarter; sums, payables and receivables denominated in USD not relating to revenues and costs accounting at the end of the accounting period are translated using the buying rate of Vietcombank as at 30 September 2015 of USD/VND 22,450. Foreign currencies other than USD are translated into VND using the buying rate of Vietcombank as at 30/09/2015. The differences resulting from such translations are recorded in the income statement.

Exchange differences from revaluation of balances of monetary assets, liabilities, receivables denominated in foreign currencies that are not related to accounting for revenue and costs as at the balance sheet date are not used for dividend payment.

2. Fixed assets and depreciation

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:

	<u>Years</u>
Building, structures	25
Motor vehicles	6
Office equipment	4
Other fixed assets	4 – 5

Intangible fixed assets and depreciation

Intangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased intangible 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.

Intangible fixed asset of the Corporation is computer software, and is depreciated using the straight-line method over the estimated useful lives. Duration of depreciation is: 5 years.

3. Balance of cash and financial investment:

3.1 Cash and cash equivalents

	<u>9/30/2015</u>	<u>1/1/2015</u>
Cash on hand	2,651,242,259	2,343,232,568
Bank deposits	130,661,563,327	145,584,686,492
Cash equivalents	-	149,660,000,000
	<u>133,312,805,586</u>	<u>297,587,919,060</u>

3.2 Short-term financial investments

	<u>9/30/2015</u>	<u>1/1/2015</u>
	<u>VND</u>	<u>VND</u>
Bank deposits under one year	2,031,000,000,000	1,664,500,000,000
Short-term bonds	10,050,000,000	50,050,000,000
Stocks (short-term)	36,413,722,849	30,474,683,685
Provision for diminution in value of short-term investments	(6,714,174,417)	(2,928,748,359)
	<u>2,070,749,548,432</u>	<u>1,742,095,935,326</u>

3.3 Long-term financial investments

	<u>9/30/2015</u>	<u>1/1/2015</u>
	<u>VND</u>	<u>VND</u>
Investments in subsidiaries (a)	185,526,340,912	167,306,051,992
Other long-term investments	712,752,259,714	814,228,614,412
+ Equity investments (b)	472,000,270,000	472,000,270,000
+ Long-term bonds	140,000,000,000	90,000,000,000
+ Long-term deposits	-	168,000,000,000
+ Entrusted investment (c)	119,048,487,308	117,908,792,658
+ Other long-term investments (d)	13,679,539,396	13,679,539,396
+ Provision for diminution in value of long-term investments (e)	(31,976,036,990)	(47,359,987,642)
	898,278,600,626	981,534,666,404

(a) *Investment in joint venture*: is the equity investment in Samsung Vina Insurance Company (SVI) with the amount of VND125,000,000,000 as at 30th September 2015 representing a stake of 25% in the joint venture.

	<u>9/30/2015</u>	<u>31-12-2014</u> <u>(Restated)</u>
SVI's equity		
Charter capital	500,000,000,000	500,000,000,000
Funds	37,536,730,009	31,414,102,197
Retained earnings	204,568,633,640	137,810,105,771
Total	742,105,363,649	669,224,207,968
VINARE's ownership in joint venture (*)		
- Ratio of 50/50	0	3,414,062,137
- Ratio of 25/75	185,526,340,912	165,599,020,924
Total	185,526,340,912	169,013,083,061
(*) Representation of " VINARE's ownership in joint venture " as at 31/12/2014 based on Resolution No 002-2015/NQ-HDTV of Samsung Vina Insurance Company on distribution of accumulated retained earnings as at 31/12/2014.		

	<u>Ownership</u>	<u>9/30/2015</u>	<u>9/30/2015</u>	<u>12/31/2014</u>
(b) Equity investment		<u>Shares</u>	<u>VND</u>	<u>VND</u>
Petrolimex Joint Stock Insurance	8.76%	6,237,328	59,289,270,000	59,289,270,000
PTI Insurance Company	7.06%	3,556,224	38,416,000,000	38,416,000,000
Saigon - Halong Hotel	6.00%	600,000	6,000,000,000	6,000,000,000
Global Insurance Company	4.40%	1,760,000	17,600,000,000	17,600,000,000
Phu Hung Insurance Company	2.41%	800,000	8,000,000,000	8,000,000,000
Agriculture Bank Insurance Join	8.42%	3,200,000	32,000,000,000	32,000,000,000
Dai Nam Securities Joint Stock C	1.68%	269,500	2,695,000,000	2,695,000,000
Hung Vuong Insurance Compan	10.00%	3,000,000	30,000,000,000	30,000,000,000
Tien Phong Commercial Joint St	5.47%	30,000,000	278,000,000,000	278,000,000,000
			472,000,270,000	472,000,270,000

Additional information of bonus shares as at 30/09/2015 were as follows:

NO	Stock name	Stock code	Number of shares
1	Petrolimex Joint Stock Insurance Company	PGI	353,056
2	Post-Telecommunication Joint Stock Insurance Company	PTI	381,024
3	PetroVietnam General Services Joint Stock Corporation	PET	66,545
4	FPT Corporation	FPT	2,250
5	Military Bank	MBB	3,369
6	Tien Phong Commercial Joint Stock Bank		2,542,857
7	BIDV Insurance Corporation	BIC	12,905

c) Entrusted investment: are funds entrusted to Vietcombank Fund Management Company, Bao Viet Fund Management Company and MB Fund Management Joint Stock Company.

d) Other long-term investments: are the investments to buy fund certificate from Baoviet Equity Dynamic Open Ended Fund and from welfare funds of the parent company with the amount of VND5,821,206,063 and other investments of subsidiary company: VND7,858,333,333.

e) Provision for diminution in value of long-term investments:

- Parent Company: is the provision for the impairment in equity investment in Tien Phong Bank, Phu Hung Insurance Company and Dai Nam Securities Company
- Vinare Invest: is the provision for the investment in Tien Phong Bank

4. Principles and methods of making technical reserves:

a. Technical 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, technical reserves of the Corporation in 2012 were made as follows:

- **Premium reserve:** This reserve is provided for at 25% of the premium retained for the quarter over all types of cargo insurance (by land, seaway, waterway, railway and airway) and at 50% for other types.

- **Claim reserve:**

- The Corporation applies a claim estimation method based on the nature of each case when claim reserve is insured for losses reported or claimed but remained unsettled at fiscal quarter-end.
- For losses that have incurred but have not been reported (IBNR), the Corporation applies 5% of the premium retained over all types of insurance.

- **Catastrophe reserve:** This reserve is made annually under statistical method (at a rate of 3% of retention rate of all transactions) until it reaches 100% of premium retained in the year.

Corporation is not allowed to compensate reserves for inward reinsurance activities and outward reinsurance activities. These reserves need to be presented separately on the balance sheet. Accordingly, unearned premium reserve and claim reserve for inward reinsurance, catastrophe reserve are presented as liabilities; unearned premium reserve and claim reserve for outward reinsurance are presented as reinsurance assets.

*** Underwriting reserve situation:**

- Situation of premium reserve, claim reserve for inward reinsurance

Criteria	Beginning of quarter	Increase	Decrease	End of quarter
Normal reinsurance activities	2,403,193,172,497	435,899,752,245	-	2,839,092,924,742
+ Inward unearned premium reserve	696,637,813,563	96,344,168,889		792,981,982,452
+ Inward claim reserve	1,559,082,730,624	324,308,829,123		1,883,391,559,747
+ Catastrophe reserve	147,472,628,310	15,246,754,233		162,719,382,543
Pilot Agriculture insurance activities	69,919,348,790	1,539,940,483	41,732,810,032	29,726,479,241
+ Inward unearned premium reserve	40,151,286,920		29,473,835,730	10,677,451,190
+ Inward claim reserve	23,307,892,916		12,258,974,302	11,048,918,614
+ Catastrophe reserve	6,460,168,954	1,539,940,483		8,000,109,437
TOTAL	2,473,112,521,287	437,439,692,728	41,732,810,032	2,868,819,403,983

- Situation of premium reserve, claim reserve for outward business

Criteria	Beginning of quarter	Increase	Decrease	End of quarter
Normal reinsurance activities	1,637,483,775,404	383,021,487,501	-	2,020,505,262,905
+ Retroceded premium reserve	463,960,919,034	60,320,842,663		524,281,761,697
+ Outward claim reserve	1,173,522,856,370	322,700,644,838		1,496,223,501,208
Pilot Agriculture insurance activities	58,334,257,433	-	38,677,485,350	19,656,772,083
+ Retroceded premium reserve	36,994,655,632		27,353,227,999	9,641,427,633
+ Outward claim reserve	21,339,601,801		11,324,257,351	10,015,344,450
TOTAL	1,695,818,032,837	383,021,487,501	38,677,485,350	2,040,162,034,988

Making underwriting reserve is in accordance with methods of making reserve registered and approved by the Ministry of Finance in official document no 5297/BTC-QLBH dated 19 April 2012. Following the Circular No 232/2012 regulating on accounting regime for insurance enterprises effective since 1 January 2014, the allocation of technical reserve is re-presented as follows:

- **Inward unearned premium reserve, retroceded premium reserve:** these reserves are provided for at 25% of cargo insurance and 50% for other lines of business.
- **Claim reserve:** re-presented according to Circular 232/2012 for inward and outward claims criteria based on the nature of each case.

b. Provision for diminution in value of securities investment:

According to Circular No 228/2009/TT-BTC of Ministry of Finance issued on 7 December 2009, Corporation is allowed to make provision for investments in freely traded securities with book value higher than market value at the end of accounting period.

c. Accounts receivable and provision for doubtful debts

For accounts receivable of each client, the provision is made according to regulations in Circular No 228/2009/TT-BTC dated 7th December 2009 of the Ministry of Finance as follows:

- No provision is made for accounts receivable (the balance after offsetting) overdue for less than 6 months;
- For accounts receivable (the balance after offsetting) over due from 06 to less than 12 months, the provision is made at the rate of 30%;
- For accounts receivable (the balance after offsetting) over due from 12 to less than 24 months, the provision is made at the rate of 50%;
- For accounts receivable (the balance after offsetting) over due from 24 to less than 36 months, the provision is made at the rate of 70%;

- For accounts receivable (the balance after offsetting) over due from 36 months, the provision is made at the rate of 100%.

d. Provision for severance allowance

This provision is made according to Resolution No 44/2003/ND-CP of Government issued on 9 May 2003 and internal regulations of Corporation.

5. Recognition of equity capital:

a. Parent company

Owners' equity: is the paid-up capital of the shareholders, which is monitored by each shareholder;

Share premium: the amount of money received from the share issuance in 2007 which is larger than the value of shares issued plus the costs of the issuance;

Retained profit: is the profit retained after allocating to various funds and dividend payment.

b. Subsidiary

Owners' equity: is the paid-up capital of shareholders. Charter capital as at 31/12/2014 of Vinare Invest was: VND93,919,000,000. The number of shares that shareholders have registered to purchase but have not implemented the capital contribution will be handled according to decisions of the BOM.

c. Joint-venture company

Owners' equity: is the paid-up capital of joint-venture parties. Charter capital as at 30 June 2014 of Samsung-Vina Insurance Company was VND500,000,000,000.

6. Revenue recognition:

Reinsurance inward revenue is recognised following the statement of accounts agreed by the Corporation and the re-insurers. Reinsurance outward revenue 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.

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.

7. Taxation:

Corporate income tax represents total of corporate income tax payable and deferred corporate income tax.

Corporate income tax payable is calculated based on taxable income during the year. Taxable income differs from net profit presented on the income statement since taxable income does not include profits that are not taxable and expenses excluded in calculation of taxable income.

Deferred corporate income tax is recorded for all temporary differences and deferred corporate income tax asset is only recorded when it is certain that there is sufficient profit for calculation of tax in the future to deduct the temporary differences.

Calculation of tax duties of Corporation is based on current taxation regulations. However, these regulations change over period of time and the final calculation of corporate income tax depends on the test result of relevant tax authorities.

Other types of tax are subject to current taxation regulation in Vietnam.

V. Other information

1. Following Decision 315/QĐ-TTg dated 1st March 2011 of the Prime Minister on the implementation of pilot agriculture insurance in the period of 2011-2013 with the principle that the insurance enterprises and VINARE underwrite agriculture insurance not for profit, the Corporation started to deploy pilot agriculture insurance in Quarter 3 of 2012. Corporation's financial regime, accounting method for pilot agriculture insurance follow guidance from Circular No 121/2011/TT-BTC dated 17 August 2011 and Circular No 101/2012/TT-BTC dated 20 June 2012 of the Ministry of Finance.

As at 31/12/2014, accumulated (Loss) of Pilot agricultura insurance is (42,015,277,691) VND. Currently, Corporation is cooperating with relating parties to finalize accounting for the pilot period from 2011-2013.

2. In July 7th 2014, the Government issued Decree No 67/2014/ND-CP on some policies for aquaculture developments, in which there are regulations on insurance policy for offshore fishing boats. Together with local insurers, Corporation participated in this insurance scheme to support the market and implement the targets, policies of Government.

On August 20th 2014, the Ministry of Finance has issued Circular No 116/2014/TT-BTC guiding on some issues on finance for insurance enterprises implementing insurance according to regulations in the above mentioned Decree 67/2014/ND-CP (offshore fishing boat insurance). According to regulations in Circular 116/2014/TT-BTC, business results of offshore fishing boat insurance are accounted in the general business results of insurance enterprises. Enterprises are responsible for monitoring revenues, expenses, business results of this insurance product separately. In case at the end of the accounting period, there is any positive difference from business activities, insurance enterprises will put all of these differences to the catastrophe reserve fund.

3. As mentioned in the part "Recognition of equity capital": As at 31 December 2014, the paid-up capital was VND93,919,000,000. The number of shares that shareholders have registered to purchase but have not implemented the capital contribution will be handled according to decisions of the BOM. Interests of shareholders will be calculated based on the ratio of capital contribution as at 31 December 2014 (In which: Interest of parent company is 63.88%, interest of minority shareholders is: 36.12%).

3. Equity

	Operating capital	Share premium	Investment and development fund	Financial reserve fund	Compulsory reserve fund	Retained earnings	Total
As at 01/01/2014	1,008,276,580,000	768,023,850,642	30,042,903,393	150,476,757,713	75,107,258,481	399,204,939,342	2,431,132,289,571
Profit for the period						334,808,892,187	334,808,892,187
Profit distribution to funds			7,259,420,053	-	18,148,550,133	(34,207,836,407)	(8,799,866,221)
Dividends declared						(100,827,658,000)	(100,827,658,000)
Increase in Charter capital	302,482,790,000	(201,655,313,333)				(100,827,476,667)	-
Other increase/(decrease)						(9,024,452,090)	(9,024,452,090)
As at 01/01/2015	1,310,759,370,000	566,368,537,309	37,302,323,446	150,476,757,713	93,255,808,614	489,126,408,365	2,647,289,205,447
Profit for the period						194,590,847,482	194,590,847,482
Profit distribution to funds			3,475,947,243		8,689,868,107	(17,691,000,072)	(5,525,184,722)
Dividends declared(*)						(196,613,905,500)	(196,613,905,500)
Other increase/(decrease)(**)			150,476,757,713	(150,476,757,713)		1,707,031,069	1,707,031,069
As at 30/09/2015	1,310,759,370,000	566,368,537,309	191,255,028,402	-	101,945,676,721	471,119,381,344	2,641,447,993,776

(*) Dividend payment in 2014 (15%) according to Decision No 02/2015/QD-HDQT dated March 20th 2015 of the Board of Management of Corporation

(**) - Transfer balance of Financial reserve fund to Business development fund (eliminate the Financial reserve account) according to guidance in Circular No 200/2014/TT-BTC dated 22 December 2014 on guidance on accounting regime for enterprises of the Ministry of Finance.

- Adjust the accumulated profit as at 31/12/2014 distributed from joint venture company SVI according to 50/50 ratio, resolution No 002-2015/NQ-HDTV of Samsung Vina insurance company, the amount of VND1,707,031,069

4. Income and business results:

a/ Consolidated income statements (including pilot agricultura insurance)

NO	Criteria	Quarter III/2015 (VND)	Quarter III/2014 (VND)
1	Premium from reinsurance inward	314,348,611,728	286,345,169,919
2	Income from real estate investments		
3	Net income from financial activities	68,333,891,160	47,043,942,660
4	Other incomes	3,408,651,740	4,163,035,760
5	Total incomes for insurance activities	266,795,211,689	251,283,812,278
6	Capital value of real estate investments		0
7	Expenses for financial activities	4,176,215,213	(9,507,492,972)
8	Administration expenses	24,163,837,302	11,023,913,805
9	Other expenses	1,650,400,176	1,586,783,961
10	Profit (Loss) from pilot agriculture insurance activities	0	1,947,284,082
11	Accounting profit before tax (11=1+2+3+4-5-6-7-8-9+10)	13,689,105,510	3,113,531,399
12	Corporate income tax payable	102,994,595,758	88,225,946,748
13	Deferred corporate income tax	18,360,261,510	19,347,401,789
14	Net profit after corporate income tax (15=11-12-13-14)	3,594,456	1,196,355
15	Lợi nhuận sau thuế TNDN(15=12-13-14)	84,630,739,792	68,877,348,604

b/ Consolidated income statements (excluding pilot agriculture insurance)

NO	Criteria	Quarter 3/2015 (VND)	Quarter 3/2014 (VND)
1	Income from reinsurance business	314,348,611,728	286,345,169,919
2	Income from real estate investments		
3	Net income from financial activities	68,333,891,160	47,043,942,660
4	Other incomes	3,408,651,740	4,163,035,760
5	Total expenses for insurance activities	266,795,211,689	251,283,812,278
6	Capital value of real estate investments		0
7	Expenses for financial activities	4,176,215,213	(9,507,492,972)
8	Administration expenses	24,163,837,302	11,023,913,805
9	Other expenses	1,650,400,176	1,586,783,961
10	Share of net profits of joint ventures	13,689,105,510	3,113,531,399
11	Accounting profit before tax (11=1+2+3+4-5-6-7-8-9+10)	102,994,595,758	86,278,662,666

c/ Results of pilot agriculture insurance

NO	Criteria	Quarter 3/2015 (VND)	Quarter 3/2014 (VND)
1	Income from pilot agriculture insurance	1,322,321,173	59,311,898,938
2	Deductions	782,865,211	42,500,357,673
3	Net income from pilot agriculture insurance activities (3=1-2)	539,455,962	16,811,541,265
4	Direct expenses for pilot agriculture insurance	494,790,753	13,244,819,489
5	Gross profit from pilot agriculture insurance (5= 3-4)	44,665,209	3,566,721,776
6	Administration expenses	44,665,209	1,619,437,694
7	Net profit from pilot agriculture insurance (7=5-6)*	0	1,947,284,082

(*) To handle according to guidance in Circular No 101/2012/TT-BTC dated June 20th 2012 of the Ministry of Finance.

5. Re-presentation of balances as at the beginning of period of some criteria in the Balance sheet as at 31 December 2014 according to guidance in circular 200/2014/TT-BTC dated 22nd December 2014 of the Ministry of Finance on accounting guidance for enterprises.

INCOME STATEMENT		From 01/01/2014 to 30/09/2014		
Criteria	Code	Before adjustment	Adjustment	After adjustment
1. Income for other activities	04.2	336,989,321,272	(97,392,469,230)	239,596,852,042
2. Expenses for other activities	17.2	335,353,566,258	(97,392,469,230)	237,961,097,028
3. Basic earnings per share	70	2,675	(678)	1,997
BALANCE SHEET		As at 31/12/2014		
Criteria	Code	Before adjustment	Adjustment	After adjustment
1. Cash and cash equivalents	110	904,587,919,060	(607,000,000,000)	297,587,919,060
- Cash equivalents	112	756,600,000,000	(607,000,000,000)	149,600,000,000
2. Short-term financial investments	120	1,138,024,683,685	(1,138,024,683,685)	-
- Investment in securities	121		30,474,683,685	30,474,683,685
- Investment hold until due date	123		1,714,550,000,000	1,714,550,000,000
3. Short-term receivables	130	1,025,961,430,829	409,756,017	1,026,371,186,846
- Other short-term receivables	136		409,756,017	409,756,017
4. Other short-term assets	150	145,820,613,032	(409,756,017)	145,410,857,015
- Other short-term assets		409,756,017	(409,756,017)	
5. Fixed assets	220	47,856,148,267	(13,323,363,983)	34,532,784,284
6. Long-term assets in progress	240	-	13,323,363,983	13,323,363,983
7. Long-term financial investments	250	981,534,666,404	-	981,534,666,404
- Other long-term investments		861,588,602,054	(861,588,602,054)	-
- Investments in other companies	253	-	472,000,270,000	472,000,270,000
- Investment hold until due date	255		389,588,332,054	389,588,332,054
8. Equity	410	2,647,289,205,447	31,746,995,860	2,679,036,201,307
- Investment and development funds	418	37,302,323,446	150,476,757,713	187,779,081,159
- Financial reserve fund		150,214,516,960	(150,214,516,960)	-
- Non-controlling shareholders' interests	429		31,746,995,860	31,746,995,860
9. Minority interests	429	31,746,995,860	(31,746,995,860)	-

Preparer

Chief Accountant

November 5th 2015
Chief Executive Officer

Nguyen Thanh Cong

Luu Thi Viet Hoa

Pham Cong Tu

BH - CONSOLIDATED BALANCE SHEET

As at 30/ 09/2015

Unit: Vietnamese dong

Items	Codes	Notes	As at 30/9/2015	As at 01/01/2015 (Restated)
ASSETS				
A- CURRENT ASSETS (100=110+120+130+140+150+190)	100		5,680,462,613,779	4,907,419,601,474
I. Cash and cash equivalents	110	IV.3.1	133,312,805,586	297,587,919,060
1. Cash on hand	111		133,312,805,586	147,927,919,060
2. Cash equivalents	112		-	149,660,000,000
II. Short-term financial investments	120	IV.3.2	2,070,749,548,432	1,742,095,935,326
1. Investment in Securities	121		36,463,722,849	30,474,683,685
2. Provisions for impairment of securities	122		(6,714,174,417)	(2,928,748,359)
3. Investments hold until due date	123		2,041,000,000,000	1,714,550,000,000
III. Short-term receivables	130		1,269,204,649,133	1,026,371,186,846
1. Trade accounts receivable	131		1,311,936,256,926	1,078,308,021,619
1.1. Receivables from insurance contracts	131.1		1,213,341,259,127	970,662,445,328
1.2. Other receivables	131.2		98,594,997,799	107,645,576,291
3. Other short-term receivables	136		360,898,361	409,756,017
4. Provision for doubtful debts	137		(43,092,506,154)	(52,346,590,790)
IV. Inventories	140		180,554,263	135,670,390
1. Inventories	141		180,554,263	135,670,390
V. Other short-term assets	150		166,853,021,377	145,410,857,015
1. Short-term advances	151		166,089,733,554	144,750,901,483
1.1. Deferred commission costs	151.1		166,063,420,827	144,750,901,483
2. VAT deductibles	152		763,287,823	659,955,532
VI. Reinsurance assets	190	IV.4	2,040,162,034,988	1,695,818,032,837
1. Retroceded premium reserve	191		533,923,189,330	500,955,574,666
2. Outward claim reserve	192		1,506,238,845,658	1,194,862,458,171
B. FIXED ASSETS (200=210+220+240+250+260)	200		1,036,035,627,622	1,127,090,437,485
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		27,635,034,785	34,532,784,284
1. Tangible fixed assets	221		9,168,229,472	10,701,654,498
- Cost	222		25,113,907,036	24,940,283,036
- Accumulated depreciation	223		(15,945,677,564)	(14,238,628,538)
3. Intangible fixed assets	227		18,466,805,313	23,831,129,786
- Cost	228		32,434,195,934	32,434,195,934
- Accumulated amortisation	229		(13,967,390,621)	(8,603,066,148)
III. Investment in real estates	230		14,172,115,220	15,235,023,861
- Cost	231		34,055,061,893	34,055,061,893
- Accumulated depreciation	232		(19,882,946,673)	(18,820,038,032)
IV. Long-term assets in progress	240		13,323,363,983	13,323,363,983
2. Construction in progress	242		13,323,363,983	13,323,363,983
IV. Long-term financial investments	250	IV.3.3	898,278,600,626	981,534,666,404
1. Investment in joint ventures	252		185,526,340,912	167,306,051,992
2. Other long-term investments	253		472,000,270,000	472,000,270,000
3. Provision for diminution in value of long-term financial investments	254		(31,976,036,990)	(47,359,987,642)
4. Investment hold until due date	255		272,728,026,704	389,588,332,054
V. Other long-term assets	260		60,626,513,008	60,464,598,953
1. Long-term prepayments	261		2,017,601,849	1,836,755,101
2. Deferred tax assets	262		212,038,281	230,970,974
4. Other long-term assets	268		58,396,872,878	58,396,872,878
TOTAL ASSETS (270=100+200)	270		6,716,498,241,401	6,034,510,038,959

RESOURCES	Codes	Notes	As at 30/9/2015	As at 01/01/2015 (Restated)
A. LIABILITIES (300=310+330)	300		4,043,859,042,742	3,355,473,837,652
I. Current liabilities	310		4,040,030,456,474	3,352,128,401,641
1. Trade accounts payable	311		1,000,076,122,817	735,751,584,171
1.1. Payables to insurance contracts	311.1		997,643,910,914	723,221,578,477
1.2. Other trade accounts payable	311.2		2,432,211,903	12,530,005,694
2. Advances from customers	312		365,719,589	980,218,989
3. Taxes and amounts payable to the State budget	313		19,569,569,091	7,744,878,106
4. Payables to employees	314		16,545,343,303	14,593,455,287
5. Other current payables	319		10,002,940,061	9,389,622,657
Unearned commissions	319.1		111,472,453,332	97,838,561,942
6. Bonus and welfare funds	322		13,178,904,298	12,717,559,202
7. Underwriting reserves	329		2,868,819,403,983	2,473,112,521,287
7.1. Premium reserve	329.1		803,659,433,642	736,789,100,483
7.2. Claim reserve	329.2		1,894,440,478,361	1,582,390,623,540
7.3. Catastrophe reserve	329.3		170,719,491,980	153,932,797,264
II. Long-term liabilities	330		3,828,586,268	3,345,436,011
7. Other long-term liabilities	337		2,864,775,901	2,295,567,947
12. Provision for long-term liabilities	342		963,810,367	1,049,868,064
B.EQUITY (400=400)	400	V.4	2,672,639,198,659	2,679,036,201,307
Equity	410		2,672,639,198,659	2,679,036,201,307
1. Operating capital	411		1,310,759,370,000	1,310,759,370,000
2. Share premium	412		566,368,537,309	566,368,537,309
3. Investment and development funds	418		191,255,028,402	187,779,081,159
4. Compulsory reserve fund	419		101,945,676,721	93,255,808,614
5. Retained earnings	421		471,119,381,344	489,126,408,365
<i>- Retained earnings accumulated as at the end of previous period</i>	<i>421a</i>		<i>294,775,324,911</i>	<i>188,525,352,585</i>
<i>- Retained earnings of this period</i>	<i>421b</i>		<i>176,344,056,433</i>	<i>300,601,055,780</i>
6. Minority interests	429		31,191,204,883	31,746,995,860
TOTAL RESOURCES (440=300+400)	440		6,716,498,241,401	6,034,510,038,959

Note: Form B01- DNPNT was amended and supplemented in compliance with regulations in Circular 200/2014/TT-BTC dated 22 December 2014 of Ministry of Finance on guiding Corporate Accounting Scheme.

PREPARER

CHIEF ACCOUNTANT

Ha Noi, 5 November 2015

CHIEF EXECUTIVE OFFICER

Nguyen Thanh Cong

Luu Thi Viet Hoa

Pham Cong Tu

VIETNAM NATIONAL REINSURANCE CORPORATION

Address: 141 Le Duan, Hoan Kiem, Ha Noi

Tel: 0439422354 Fax: 0439422351

FINANCIAL STATEMENTS

Quarter 3/2015

BH - CONSOLIDATED INCOME STATEMENT

From 01/01/2015 to 30/09/2015

Unit: Vietnamese dong

ITEMS	Code s	Quarter 3		From 01/01/2015 to 30/09/2015	
		2015	2014	2015	2014 (Restated)
1. Premium revenue (01=01.1+01.2-01.3)	01	451,769,723,823	392,224,804,226	1,241,420,583,978	1,129,228,603,642
In which:					
- Gross written premium	01.2	518,455,159,359	408,014,876,277	1,337,764,752,867	1,175,422,746,977
- Increase (decrease) in inward unearned premium reserve	01.3	66,685,435,536	15,790,072,051	96,344,168,889	46,194,143,335
2. Retroceded premium (02=02.1-02.2)	02	281,334,425,731	228,554,099,313	772,537,171,490	713,144,620,619
In which:					
- Gross retroceded premium	02.1	326,049,298,342	226,867,605,880	832,858,014,153	738,188,052,622
- Increase (decrease) in retroceded premium reserve	02.2	44,714,872,611	(1,686,493,433)	60,320,842,663	25,043,432,003
3. Net premium income (03=01-02)	03	170,435,298,092	163,670,704,913	468,883,412,488	416,083,983,023
4. Commission and other income from reinsurance activities (04=04.1+04.2)	04	143,913,313,636	122,674,465,006	353,693,685,714	316,863,089,662
In which:					
- Commission from reinsurance outward	04.1	57,412,440,641	25,300,458,513	163,860,739,127	77,266,237,620
- Other receipts from insurance business	04.2	86,500,872,995	97,374,006,493	189,832,946,587	239,596,852,042
5. Net income from insurance business (10=03+04)	10	314,348,611,728	286,345,169,919	822,577,098,202	732,947,072,685
6. Payment for inward reinsurance claims (11=11.1-11.2)	11	381,327,855,186	205,451,507,084	868,232,678,671	867,737,766,873
In which:					
- Total claims paid	11.1	381,327,855,186	205,451,507,084	868,232,678,671	867,737,766,873
- Deductions	11.2	-	-	-	-
7. Recoverables from outward reinsurance	12	280,503,165,867	135,167,632,784	607,967,164,993	669,101,666,560
8. Increase (decrease) in inward claim reserve	13	(80,750,381,580)	378,678,732,540	324,308,829,123	333,590,750,483
9. Increase (decrease) in outward claim reserve	14	(50,353,531,594)	351,505,391,981	322,700,644,838	276,733,395,238
10. Total claims incurred (15=11-12+13-14)	15	70,427,839,333	97,457,214,859	261,873,697,963	255,493,455,558
11. Increase (decrease) in catastrophe reserve	16	5,772,175,833	5,434,418,111	15,147,202,162	13,117,040,830
12. Other expenses for insurance business (17=17.1+17.2)	17	190,595,196,523	148,392,179,308	466,177,275,780	372,378,187,126
In which:					
- Commission	17.1	93,485,667,236	49,718,478,411	264,079,275,800	134,417,090,098
- Other expenses for insurance business	17.2	97,109,529,287	98,673,700,897	202,097,999,980	237,961,097,028
13. Total costs for insurance business (18=15+16+17)	18	266,795,211,689	251,283,812,278	743,198,175,905	640,988,683,514
14. Gross profit from insurance business (19=10-18)	19	47,553,400,039	35,061,357,641	79,378,922,297	91,958,389,171
18. Revenue from financial activities	23	68,333,891,160	47,043,942,660	165,196,132,755	249,591,627,399

19. Expenses for financial activities	24	4,176,215,213	(9,507,492,972)	(5,706,553,270)	(12,925,406,994)
20. Gross profit from financial activities (25=23-24)	25	64,157,675,947	56,551,435,632	170,902,686,025	262,517,034,393
21. Management expenses	26	24,163,837,302	11,023,913,805	47,711,158,863	42,875,796,354
22. Net profit from insurance business (30=19+22+25-26)	30	87,547,238,684	80,588,879,468	202,570,449,459	311,599,627,210
23. Income from other activities	31	3,408,651,740	4,163,035,760	10,052,901,819	12,035,206,239
24. Expenses for other activities	32	1,650,400,176	1,586,783,961	6,904,352,519	5,797,646,345
25. Profit from other activities(40=31-32)	40	1,758,251,564	2,576,251,799	3,148,549,300	6,237,559,894
Share of net profits of associate	40.1	13,689,105,510	3,113,531,399	30,233,520,063	16,861,959,405
(Loss) from pilot agricultural insurance	40.2	-	1,947,284,082	-	2,379,249,804
26. Accounting profit (50=30+40+40.1)	50	102,994,595,758	88,225,946,748	235,952,518,822	337,078,396,313
27. Corporate income tax payable	51	18,360,261,510	19,347,401,789	41,215,128,966	67,748,482,201
28. Deferred corporate income tax	52	3,594,456	1,196,355	18,932,693	43,328,114
29. Profit after tax (60=50-51-52)	60	84,630,739,792	68,877,348,604	194,718,457,163	269,286,585,998
Minority interests	61	84,850,914,240	68,860,737,692	195,274,248,139	269,750,384,200
Equity holders of the Corporation	62	(220,174,448)	16,610,912	(555,790,976)	(463,798,202)
30. Basic earnings per share	70	632	500	1,448	1,997

Ha Noi, 05 November 2015

PREPARER

CHIEF ACCOUNTANT

CHIEF EXECUTIVE OFFICER

Nguyen Thanh Cong

Luu Thi Viet Hoa

Pham Cong Tu

VIETNAM NATIONAL REINSURANCE CORPORATION

Address: 141 Le Duan, Hoan Kiem, Ha Noi

Tel:0439422354 Fax: 0439422351

FINANCIAL STATEMENT

Quarter III/ 2015

CONSOLIDATED CASHFLOW STATEMENT

(Direct method)

From 01/01/2015 to 30/09/2015

Unit: VND

ITEMS	Code s	Notes		
			Quarter III/2015	Quarter III/2014 (Restated)
I. CASH FLOW FROM OPERATING ACTIVITIES				
1. Receipts from insurance premium and commission	01		410,446,799,797	507,128,466,549
2. Payments for commission and other liabilities of insurance activities	02		(280,900,199,595)	(511,998,007,030)
3. Payments for employees	03		(28,999,478,377)	(27,961,544,231)
4. Payments for taxes and payables to the State Budget	05		(30,100,000,000)	(52,329,778,335)
5. Receipts from other activities	06		6,403,433,799	12,580,276,451
6. Payments for other liabilities	07		(16,131,004,146)	(16,008,275,913)
Net cash (used in)/from operating activities	20		60,719,551,478	(88,588,862,509)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisitions of fixed assets & other long-term assets	21		(173,624,000)	(2,136,538,040)
5. Payments for investment in other entities	25		(1,366,136,492,860)	(2,272,297,451,280)
6. Receipts from investment in other entities	26		1,303,620,785,696	1,718,236,884,394
7. Receipts from investment interests	27		177,530,021,786	478,410,762,797
Net cash from/(used in) investing activities	30		114,840,690,622	(77,786,342,129)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
6. Dividends paid to investors	36		(194,164,204,500)	(201,278,408,800)
Net cash (used in) financing activities	40		(194,164,204,500)	(201,278,408,800)
Net increase/(decrease) in cash (50 = 20+30+40)	50		(18,603,962,400)	(367,653,613,438)
Cash and cash equivalents at the beginning of the quarter	60		147,927,919,060	491,456,856,679
Effect of changes in foreign exchange rates	61		3,988,848,926	(525,081,546)
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70		133,312,805,586	123,278,161,695

November 5th 2015

PREPARER

CHIEF ACCOUNTANT

CHIEF EXECUTIVE OFFICER

Nguyen Nang Khoan

Luu Thi Viet Hoa

Pham Cong Tu