



Mr NGUYEN XUAN THUY
Deputy Chief Executive Officer

For nearly a half century, Baoviet Insurance is proud to be Vietnam's longest-established insurer and maintains the leading position in terms of market share, gross written premium and chartered capital.

Baoviet Insurance strives constantly to fulfill its role and responsibility of Vietnam's leading insurer in claim support and settlement as well as in corporate social responsibility with a view to ensure sustainable development and improve the community's welfare.

- The first non-life insurance company in Vietnam's insurance market
- No. 1 in market share and gross written premium
- The largest chartered capital in Vietnam's non-life insurance market.

Baoviet Insurance Corporation is a wholly-owned subsidiary of Baoviet Holdings. With 67 branches, more than 300 customer support offices and around 3,000 qualified employees across Vietnam; Baoviet Insurance has strong financial potential and management capability, diversified and preeminent products, effective risk management and claim settlement. Baoviet Insurance is confident about its ability to give professional advice and handle all insurance requests from both individual and corporate customers.

Baoviet Insurance's business goals are to improve the quality of customer service, develop individual insurance and corporate insurance products with advanced and varied features to meet the need of each customer. In recent years, Baoviet Insurance is one of the pioneers in delivering centralized business model, product diversification and distribution channels, enhancing risk management and building advanced information technology platform to achieve performance efficiency.

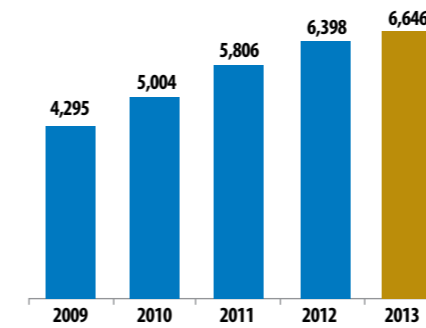
2013 Business performance

The non-life insurance industry grew by 7.46% in 2013, which was the lowest level in the last 10 years. This was resulted from the impact of the lower GDP growth, slow economic recovery, tight public investment, declined social investment, transportation industry difficulties, which led to reducing demand for insurance, high premium receivables, increasing insurance fraud.

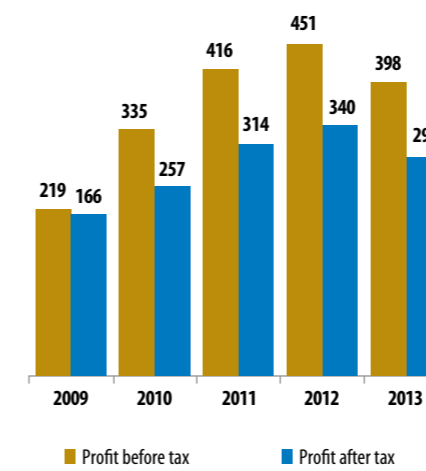
Year 2013 experienced a lot of adverse events causing heavy losses such as loss in dead shrimp, successive typhoons, fires in factories... which severely affected insurers' operations. Despite this, Baoviet Insurance still continued to be the market leader in the non-life insurance sector in terms of market share and gross written premium, achieved positive business performance and sustained growth in all business operations, including:

- Total revenue reached VND 6,646 billion, up 3.8% compared to 2012.
- Total insurance revenue was VND 6,241 billion, growing by 4.7% compared with 2012.
- Gross written premium achieved VND 5,673 billion, increasing by 5.4% compared to 2012.

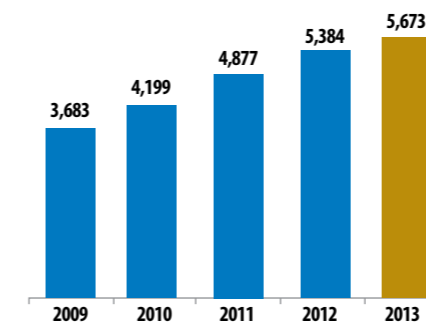
Total revenue
Unit: VND billion



Profit
Unit: VND billion



Gross written premium
Unit: VND billion



- Profit before tax was VND 398.4 billion, profit after tax was VND 297 billion.
- Solvency ratio as at 31/12/2013 reached 138.9%; ensuring financial capability and claim settlement obligation.
- Most of Baoviet Insurance's product lines achieved satisfactory growth rates, including:
 - Personal accident and healthcare insurance reached a growth of 8.4% and 43.6% respectively. Baoviet Insurance is now the market leader in terms of total revenue in the healthcare insurance. Currently, the customer care and claim settlement services for healthcare insurance have responded adequately to customers' queries on a 24/7 basis.
 - Agriculture insurance increased by 20%. The policies and adjusted terms reduced loss ratio significantly in this business line.
 - Automobile insurance grew by 7.2%. Despite the economy's adverse conditions, and reducing per capita income leading to less demand, this business line still increased stably and Baoviet Insurance was the number one insurer in terms of market share.

2013 Achievements

Maintained the leading position in market share and gross written premium in the non-life insurance market

In 2013, the non-life insurance market experienced a lot of depression: the lowest growth rate over the past many years, insolvency in small enterprises, unfair competition due to illegal premium reduction... In such a dull market, Baoviet Insurance still achieved steady growth and sustainable development in all business operations due to its

reputation, strong position and effective risk management. It remained to be the leader in terms of market share as well as gross written premium.

Affirmed the market leader in the individual insurance market; maintaining the leading position in the key areas

Baoviet Insurance continued to affirm its leading position in terms of market share and revenue in the individual insurance market, including healthcare, personal accident insurance and automobile insurance. Baoviet Insurance's branches, located in the key economic areas such as Hanoi, Ho Chi Minh City, Hai Phong, Da Nang, Binh Duong... continued to maintain their leading positions, pioneering in business management and customer care.

Took the lead in chartered capital scale in Vietnam's non-life insurance market

On 27 March 2013, Baoviet Insurance raised its chartered capital to VND 2,000 billion. Being the leading non-life insurance corporation with regard to chartered capital scale, Baoviet Insurance has strong financial potential and governance capability, gradually approaches standards and regulations on capital capacity in the regional area.

Improved the quality of customer services; performing well the insurer's roles and responsibilities, ensuring full right for customers

In 2013, Baoviet Insurance continued to emphasize on improving the quality of pre- and post-sales services. After more than two years in operation, its Call Center has received a lot of positive feedback from customers with very high satisfaction rate.

138.9%

Solvency ratio at 31/12/2013

5.4%

Growth in total written premium revenue 2013

7,038

VND billion

2014 total revenue

423

VND billion

2014 profit before tax

Launched the package “comprehensive family insurance” - Protecting three generations in a family and their assets in one insurance policy

This is the first insurance package designed with advanced features, preferential fees and rights. This is a breakthrough in product development and sales channel, which indicates Baoviet Insurance's commitment to always bring the best services and added values to customers.

Accelerated the implementation of centralized business model based on advanced information technology platform

Being one of the first non-life insurers applying centralized business model based on information technology platform, Baoviet Insurance has obtained certain achievements in all performance aspects including risk management, investment efficiency, resource management, product management and insurance policy management.

2014 OUTLOOK

For celebrating the 50th anniversary of establishment (15 January 2015), Baoviet Insurance strives to achieve sustainable growth, maintain the No. 1 position regarding market share in the non-life insurance and in the insurance business lines for individuals and households, as follows:

- Total revenue will reach VND 7,038 billion; an increase of 5.9% compared to 2013.
- Total insurance revenue is expected to be 6,676 billion, growing by 7% compared with 2013.
- Gross written premium is expected to earn VND 6,130 billion, up 8.1% compared to 2013.

- Profit before tax is expected to be VND 423 billion, profit after tax is expected to reach VND 330 billion; increasing by 6.2% and 11.1% respectively.

Baoviet Insurance will focus on key targets in order to implement 2014 business plan:

Maintaining the leading position in the non-life insurance market

In 2014, Baoviet Insurance still aims to remain the No. 1 market share position in the non-life insurance, and be the leading provider of individual and corporate products.

Continuing to accelerate centralized business model based on information technology platform

In 2014, Baoviet Insurance will further accelerate the business model transformation and software application in order to enhance the centralized, customer-centered operation model as well as performance efficiency.

Improving and standardizing the quality of customer service

The establishment of Call Center has accelerated the progress of query handling, claim request and settlement. In 2014, Baoviet Insurance will focus on improving the quality of customer service from pre-sales to post-sales.

Strengthening risk management

Currently, Baoviet Insurance has applied the world's most advanced risk management model in controlling business risks and issuing policies to reduce the loss ratio and insurance fraud. In addition, the management of investment risk, operational risk and information risk will be further emphasized.

BALANCE SHEET AS AT 31 DECEMBER 2013

Unit: VND billion

| Items | 31 December 2013 | 31 December 2012 |
|---|------------------|------------------|
| CURRENT ASSETS | 2,805 | 3,606 |
| Cash | 127 | 493 |
| Short-term investments | 807 | 1,007 |
| Account receivables | 1,821 | 2,052 |
| Inventories | 14 | 13 |
| Other short-term assets | 36 | 41 |
| NON-CURRENT ASSETS | 4,029 | 3,202 |
| Fixed assets | 770 | 763 |
| Long-term investments | 3,184 | 2,359 |
| Other long-term assets | 75 | 80 |
| TOTAL ASSETS | 6,834 | 6,808 |
| LIABILITIES | 4,756 | 4,889 |
| Short-term liabilities | 1,275 | 1,164 |
| Long-term liabilities | 1 | 1 |
| Reserves | 3,480 | 3,724 |
| OWNER'S EQUITY | 2,078 | 1,919 |
| Contributed capital from holding company | 2,000 | 1,800 |
| Statutory reserves | 78 | 63 |
| Undistributed post-tax earnings | - | 56 |
| TOTAL LIABILITIES AND OWNER'S EQUITY | 6,834 | 6,808 |

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

Unit: VND billion

| Items | 2013 | 2012 |
|--|----------------|----------------|
| Total revenue | 6,646 | 6,398 |
| Income from insurance operating activities | 6,241 | 5,958 |
| Income from financial activities | 400 | 434 |
| Other incomes | 5 | 6 |
| Reinsurance premium and revenue deductions | (1,595) | (1,707) |
| Net revenue | 5,051 | 4,691 |
| Total expense | (4,651) | (4,239) |
| Insurance operating expense | (3,192) | (2,833) |
| Financial expense | (66) | (95) |
| Administrative expense | (1,390) | (1,309) |
| Other expense | (3) | (2) |
| Profit before tax | 398 | 451 |
| Corporate income tax | (101) | (111) |
| Profit after tax | 297 | 340 |