

**VIETNAM JOINT STOCK COMMERCIAL
BANK FOR INDUSTRY AND TRADE**
**THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

108 Tran Hung Dao, Hoan Kiem, Hanoi Tel:
043.9427030; Fax: 043.9421032.

Hanoi, 14th April 2017

*Business Registration Certificate No. 0100111948 as
amended the 10th time on April 29, 2014*

PROPOSAL

REQUEST FOR APPROVAL OF THE 2016 AUDITED FINANCIAL REPORTS AND AUTHORIZING THE BOARD OF DIRECTORS TO SELECT AN INDEPENDENT AUDITOR TO AUDIT VIETINBANK'S FINANCIAL REPORTS IN 2018

Pursuant to the current regulations of the State and guidance documents of the relevant Ministries and Agencies in finance and accounting sector;

Pursuant to the Charter on Organization and Operation of Vietnam Joint Stock Commercial Bank for Industry and Trade;

Pursuant to the Resolution No. 15/NQ-DHDCD of the General Meeting of Shareholders dated 26 April 2016;

Pursuant to the report of the Supervisory Board of VietinBank on the results of evaluation of VietinBank's financial statements prepared in accordance with Vietnamese Accounting Standards and Accounting Regime applicable to Vietnamese credit institutions (VAS) as at 31st December 2016 and for the period from 1st January 2016 to 31st December 2016 of Vietnam Joint Stock Commercial Bank for Industry and Trade;

The Board of Directors of VietinBank respectfully submit to the Annual General Meeting of Shareholders as followed:

Together with the joint effort of the banking sector, VietinBank has managed to overcome difficulties, strictly followed the guidelines and policies of the Government and the State Bank of Vietnam, proactively supported the economy while running its business in a sustainable manner to meet, and even achieve better results against the targets set for 2016. Some of the financial indicators of the Bank in 2016 are as below:

In VND billion and %

No.	Indicator	Actual results in 2016	Actual results in 2015	% increase against 2015	2016 GMS targets	Actual results against 2016 GSM targets
1	Total assets	948,699	779,483	22%	889,550	107%
2	Mobilized funds	870,163	711,785	22%	811,445	107%

No.	Indicator	Actual results in 2016	Actual results in 2015	% increase against 2015	2016 GMS targets	Actual results against 2016 GSM targets
3	Credit exposure ¹	721,798	609,652	18%	707,461	102%
4	Profit before tax	8,569	7,345	17%	7,900	108%
5	Owners' equity	60,399	56,110	8%	64,455	94%
6	Non-performing loans/credit exposure	0.9%	0.7%		<3%	Accomplished

(Source: Audited consolidated financial statements of 2016)

The Board of Directors submits to the Annual General Meeting of Shareholders for:

- 1. Approval of the audited financial reports** prepared in accordance with Vietnamese Accounting Standards and Accounting Regime applicable to Vietnamese credit institutions as at 31st December 2016 and for the period from 1st January 2016 to 31st December 2016 of VietinBank.
- 2. Selection of an independent auditor to audit the Bank's financial reports for the year of 2018**

On 15th December 2011, the SBV issued Circular No. 39/2011/TT-NHNN taking effect from 1st January 2012. The article 6 in Chapter 2 thereof defines the time for selection of independent auditor which is: *prior to the end of each fiscal year. a credit institution or foreign bank's branch shall select an independent auditor in compliance with this circular to audit its financial statements and activities of its internal audit function for the next fiscal year.*

Accordingly, by the end of 2017, VietinBank will have to select an independent auditor to audit its financial statements and the activities of the internal control for the year of 2018. The Board of Directors, therefore, respectfully submit to the Annual General Meeting of Shareholders for consideration and approval of authorizing the Board of Directors to select an independent auditor to audit the financial statements of VietinBank and the activities of internal control system for the year of 2017 to ensure the Bank's compliance with provisions of Circular 39/2011/TT-NHNN and current laws.

Respectfully submit to the General Meeting of Shareholders for approval!

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN

Nguyen Van Thang

¹ Credit exposure is calculated in accordance with the guidance on credit exposure calculation to control credit growth of the SBV as per Document No. 10049/NHNN-CSTT. If credit exposure is calculated as per the normal way to submit to the GMS for approval, the actual result in 2016 is VND 812,829 billion, which is 101.8% of the GMS target (VND 798,492 billion).