



VIETINBANK

FINANCIAL REPORTING NEWS

1Q2021





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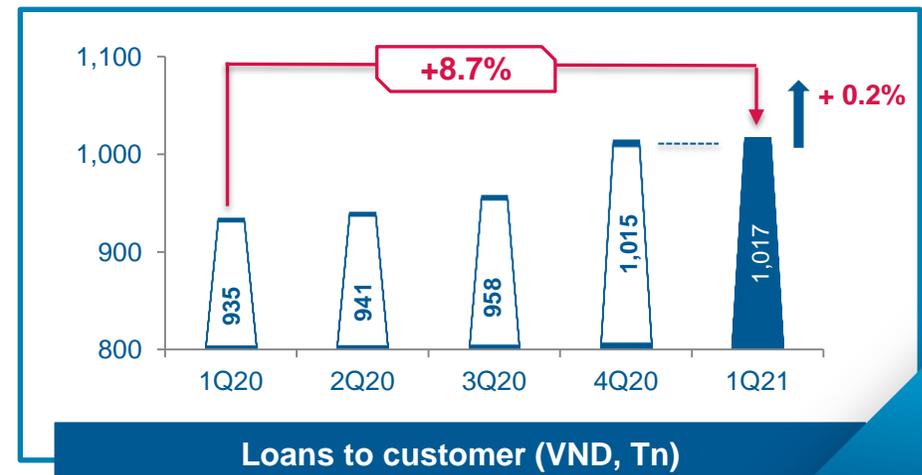
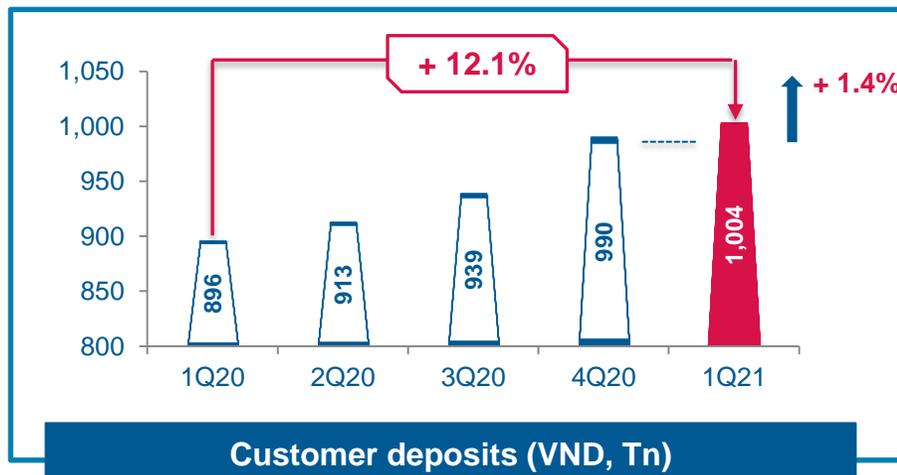
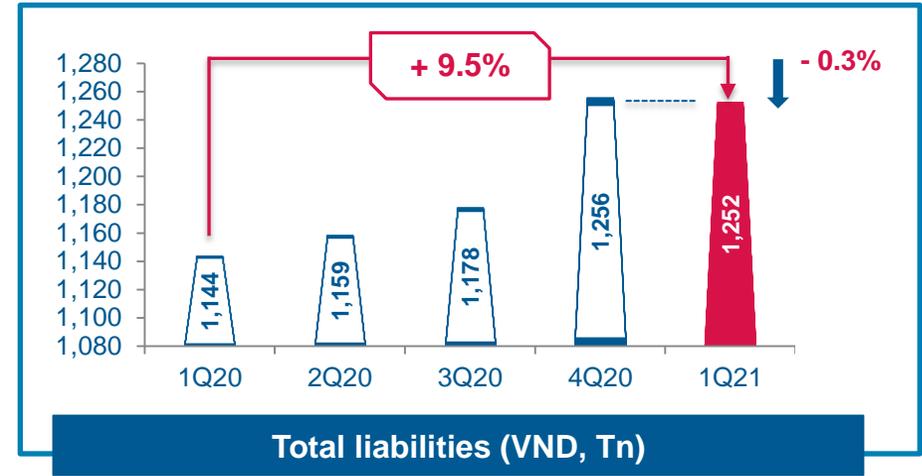
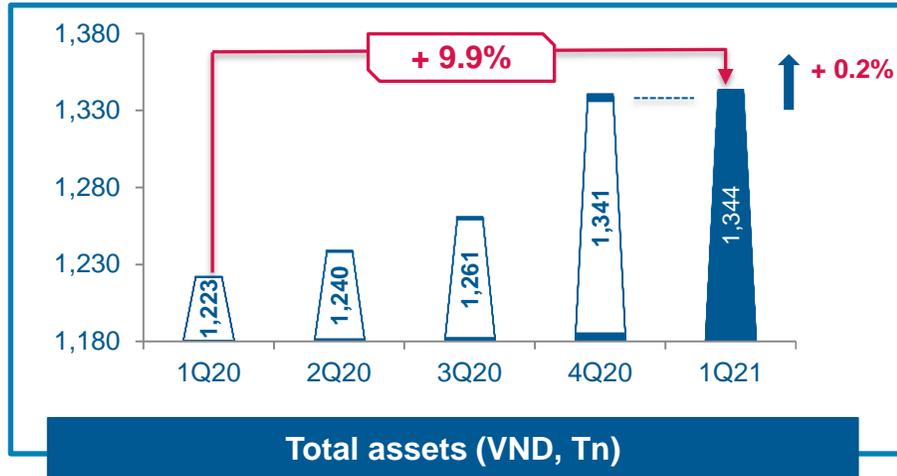
Debt quality continued to be well controlled



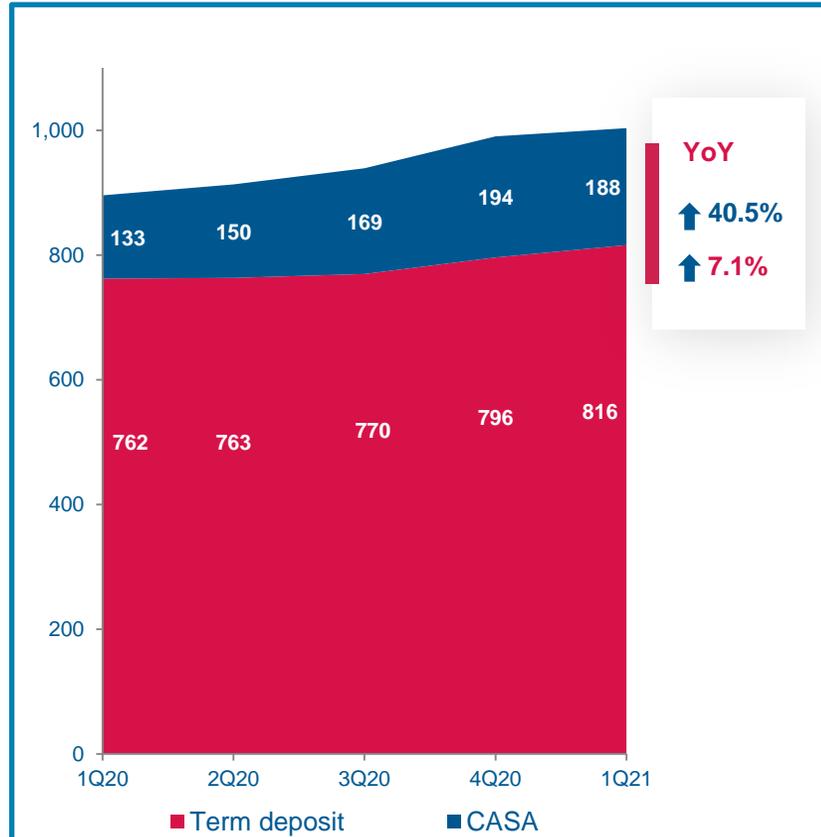
01. Stable growth of scale



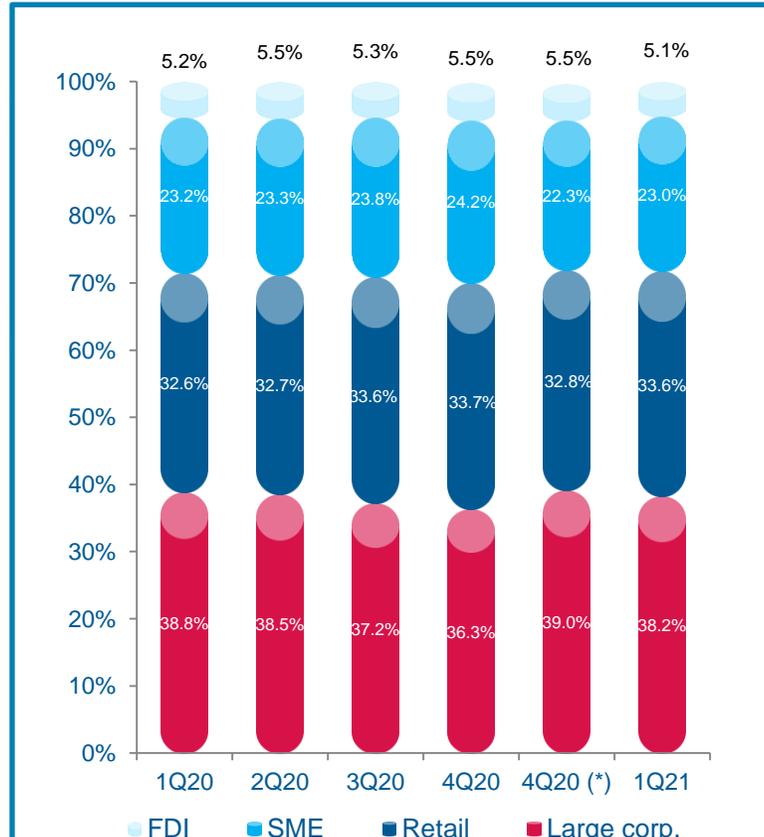
Scale indicators enjoyed stable growth. Capital mobilization was proactive, flexible, balanced with credit growth needs, optimizing business efficiency



01. Stable growth of scale



Customer deposit by tenor (VND, Tn)



Loan breakdown

- Continue to maintain high CASA capital funding by promoting the exploitation of foreign currencies from FDI segment, developing payment banking services, strongly deploying online platforms such as eFAST, iPay, eKYC ... to optimize cost of capital.
- Credit continued to grow sustainably, boosted growth in highly productive segments such as retail and SMEs, prioritized credit for production and business, increased the proportion of high-yielding products with risks under limit, increased the proportion of outstanding loans in VND to maintain profitability of the portfolio.

(*): Proportion after converting customer segment when VietinBank conducted periodic assessment in early 2021

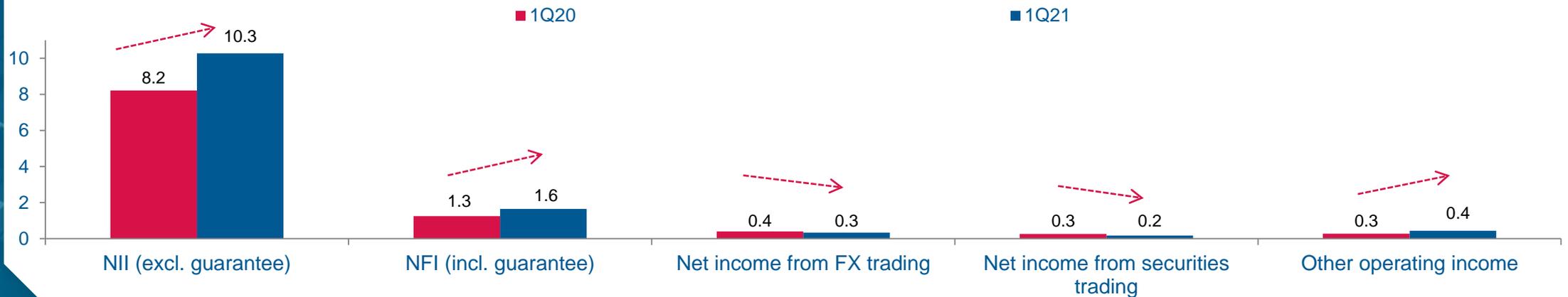


02. Promote non-interest income

TOI 1Q2021 reached 12,923 VND, Bn (+20.9% yoy) thanks to increase in: NII, NFI, income from investment in other entities and other operating income. In which:

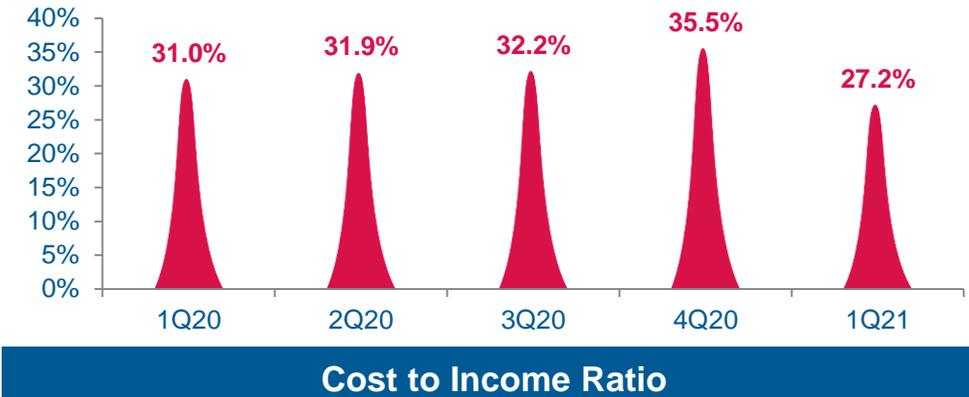
- **NII (excluding guarantee)** reach 10,280 VND, Bn (+25% yoy). Although interest income decreased by 2% because VietinBank cut interest rates and fees and waive interest to support businesses and people who were affected by COVID-19 pandemic, thanks to maximum reduction in cost of capital (-20% yoy) with the development of payment banking services; promotion campaigns on eFAST, eKYC; growth of demand deposits and diversification of domestic and foreign capital mobilization channels at reasonable costs, NII still increased.
- **NFI (including guarantee)** reached 1,645 VND, Bn (+31% yoy) thanks to growth rate of fee income (+15.5%) was significantly improved as compared to growth rate of fee expense (+8.5%). VietinBank promoted sale of advantageous products such as trade finance, money transfers, card services ... at the same time controlling fee expenses to optimize cost management efficiency.

Movements of income (VND, Tn)

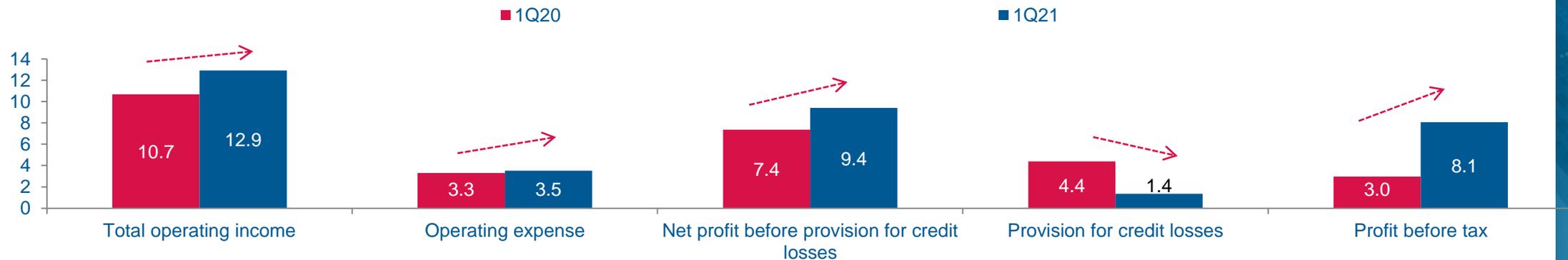


03. Effective cost management and control

- Continue to manage and control costs effectively;
- CIR 1Q2021 stayed at low level of 27.2%, down 3.8% yoy; Income - expense difference reached the biggest gap ever.
- Risk provision in 1Q2021 decreased due to the settlement of all VAMC bonds in 2020 and continuous good control of debt quality.



Movements of income and expenses (VND, Tn)



04. Positive growth of profit

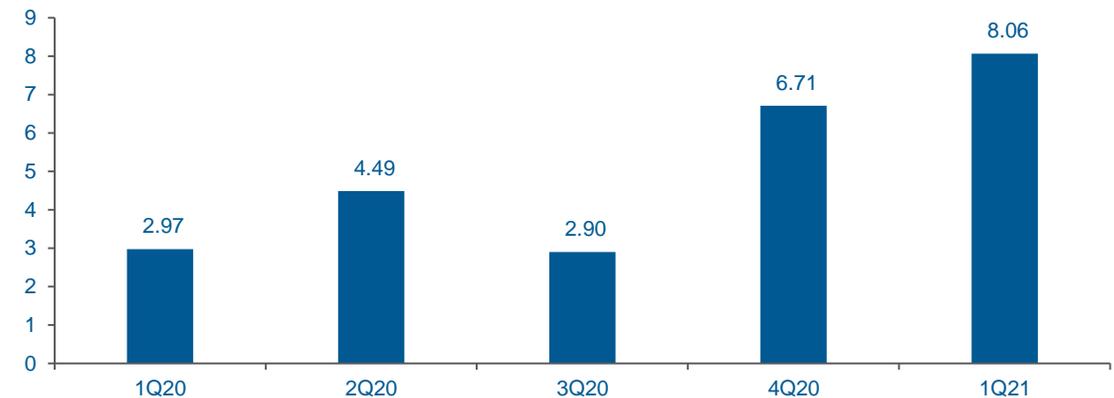
CONSOLIDATED PROFIT BEFORE TAX IN 1Q2021 REACHED **8,060** VND BILLION, THANKS TO:

- ☑ NII grew stably (26% yoy) thanks to good capital cost control; continue to support customers affected by COVID-19 pandemic, control capital costs through the development of settlement banks, promote eFAST, eKYC; diversify capital mobilization channels.
- ☑ NFI increased rapidly (21% yoy), growth rate of fee income was higher than that of fee expense; promote sale of advantageous products such as trade finance, money transfers, card services...
- ☑ Recovery of risk-settled bad debts continued to increase (24% yoy)
- ☑ Control costs effectively, further reduce CIR

Annual consolidated PBT (VND, Tn)

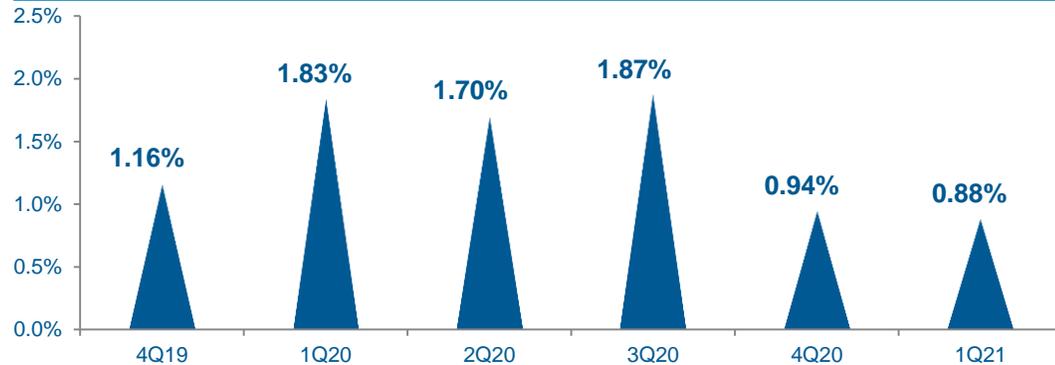


Quarterly consolidated PBT (VND, Tn)

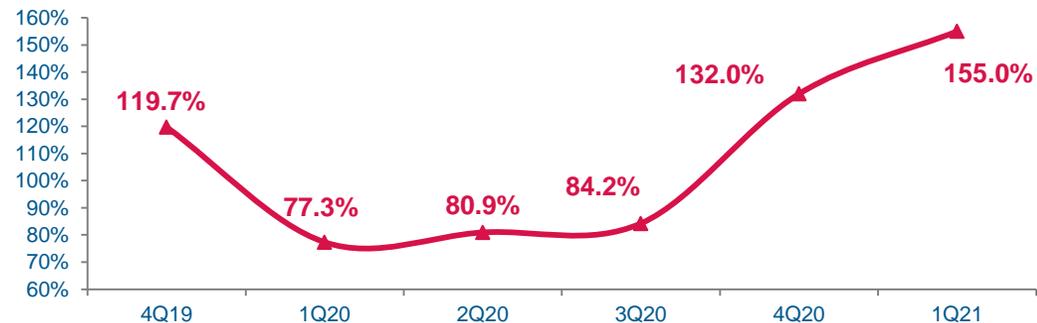


05. Debt quality continued to be well controlled

Non-performing loan ratio (NPL)



NPL coverage ratio



- Continue to synchronously implement solutions to enhance credit quality control, recover and handle bad debts.
- Regularly supervise credit portfolio to proactively identify risks early, implement timely response measures, and support customers to untie difficult knots, thereby contributing to good control of debt quality and impact of debt classification results on financial situation.
- Continue to be one of the banks with the best debt quality; NPLs ratio out of outstanding loans was at 0.88% (lower than 0.94% as at 31/12/2020).
- Conduct sufficient risk provision to be proactive in debt settlement plans. NPL coverage ratio as at 31/03/2021 was 155% (+23 point vs 132% as at 31/12/2020).

THANK YOU!

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