



IR Presentation

Quarter III - 2017

(Exchange rate: 22,470 VND/USD)

Table of contents

- 1. General information**
- 2. Investment highlights**
- 3. Performance**

1. General information

- ❖ **Important Milestones**
- ❖ **Corporate Vision & Strategic Objectives**
- ❖ **Organization Structure**
- ❖ **Awards**



Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) is a leading financial and banking group, plays a key role in Vietnamese financial-banking system.

- **1988** Established upon the separation from The State Bank of Vietnam (SBV).
- **2008** Went public through IPO and listed on Hochiminh Stock Exchange (HOSE) one year later
- **2009** Officially renamed into Vietnam Joint Stock Commercial Bank for Industry and Trade (or VietinBank in short)
- **2011** IFC officially became the foreign strategic shareholder of VietinBank with 10% stake ownership
- **2012** Became the first bank in Vietnam to successfully issue USD250mil international bond listed on Singapore Exchange (Redemption date: 17th May 2017)
Sold 19.73% stake to Bank of Tokyo-Mitsubishi UFJ (BTMU) as a second foreign strategic shareholder.

Corporate Vision & Strategic Objectives

Vision

Striving to become the leading financial group in Vietnam and high ranking bank in the international market

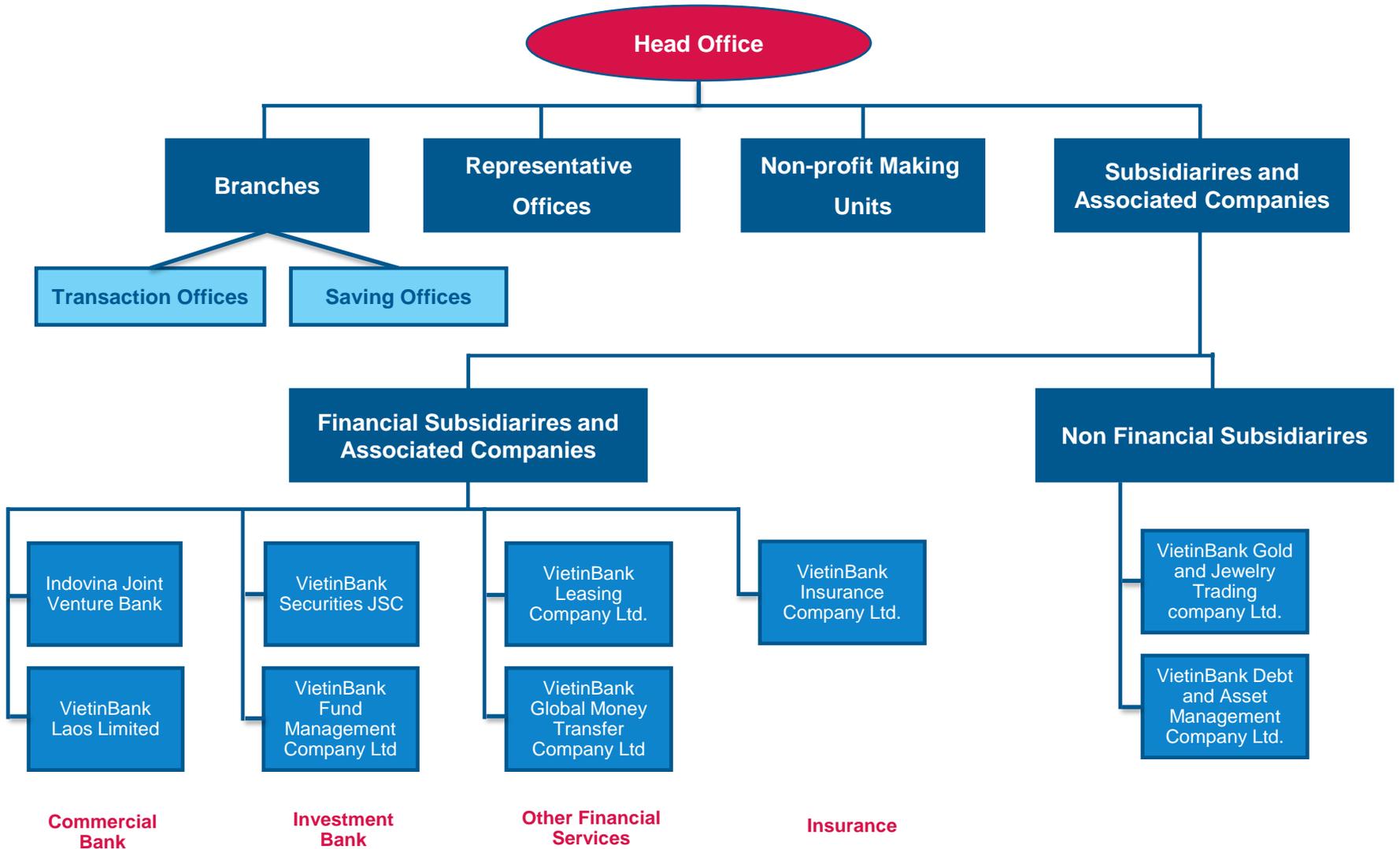
Motto

Growing prudentially, efficiently and sustainably

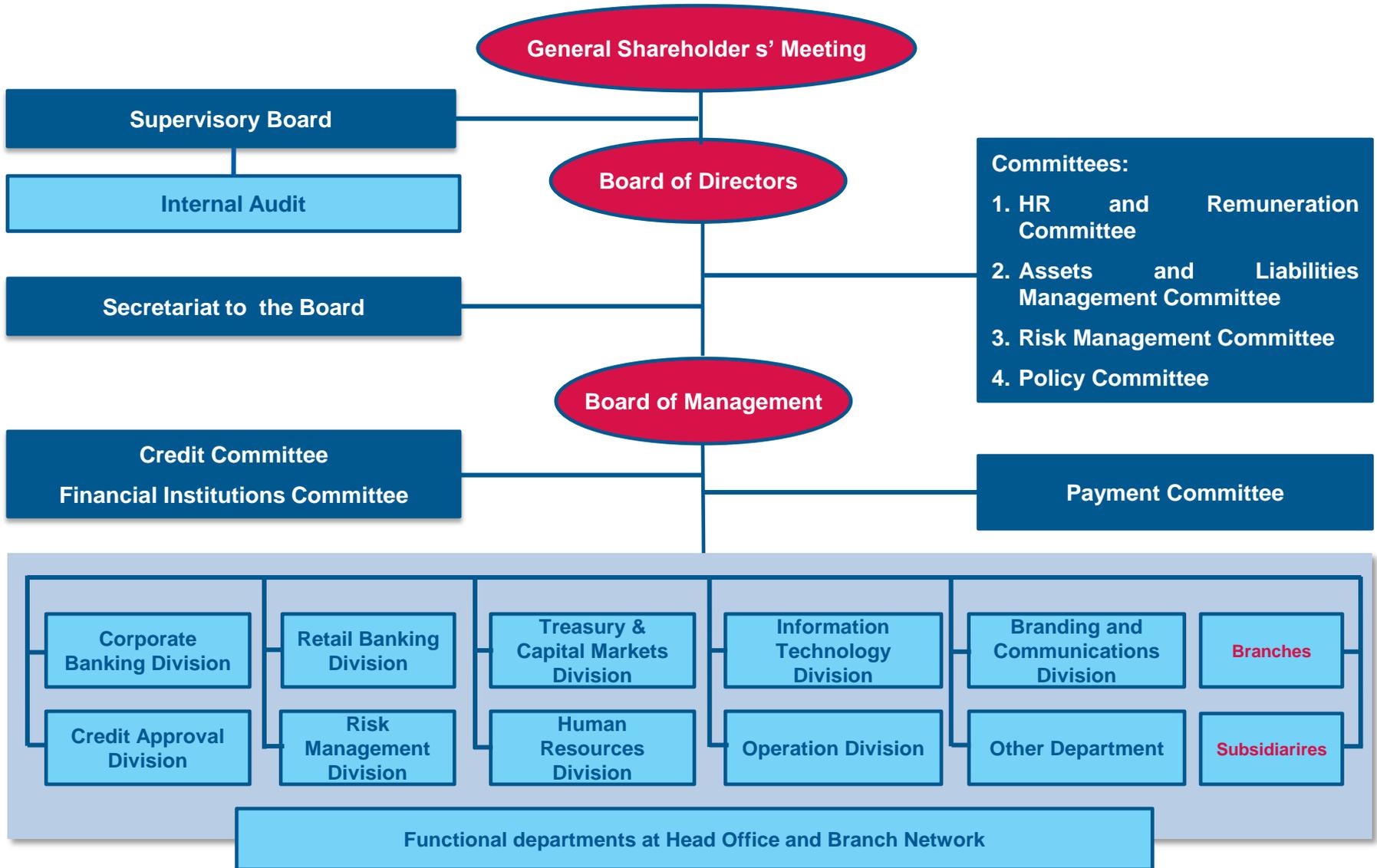
Strategic Objectives

- 1 Continue to complete the organizational structure vertically, increase business network
- 2 Improve service quality
- 3 Enhance risk management capabilities in line with international practice, apply Basel II standards
- 4 Strengthen corporate governance, efficient governance in accordance with international practice
- 5 Accelerate the modernization of the Bank's IT system
- 6 Create added value for stakeholders, employees and customers

Strong operational structure



Solid management structure and governance



Awards and accolades

	<p>For the fourth consecutive year, VietinBank was honored to accept the National Brand Award. This prestigious award, initiated by the Prime Minister, was presented by National Trade Promotion Agency - Ministry of Industry and Trade, National Brand Council and Secretariat of National Brand Award.</p>		<p>VietinBank was the only local financial institution to be recognized in the world's Top 400 banking brands with brand value of US\$249 million and A+ brand rating by Brand Finance. VietinBank was also recognized in Brand Finance's 10 most valuable trademarks and the strongest growing trademark in Vietnam.</p>
	<p>VietinBank was named in Forbes Global 2000 for the fifth consecutive year.</p>		<p>VietinBank was honoured to be recognized in the list of 10 strongest trademarks in Vietnam for the 12th consecutive year.</p>
	<p>Our three innovative digital products including: VietinBank iPay Mobile App, VietinBank eFAST Mobile App and Early Warning System (EWS) for credit risks proudly received 2016 Khue Star Award for outstanding digital solutions.</p>		<p>VietinBank was exceptionally proud to accept five awards from JCB for Highest Payment Volume; Largest number of issued cards, Leading bank in new product development, Strategic Partner Bank and Highest Card Usage Volume.</p>
	<p>10 Best South East Asian Firms presented by the Vietnam - Laos - Cambodia Association for Economic Cooperation Development (VILACAED).</p>		<p>VietinBank was the only local company to receive the award of outstanding digital applications, presented by ASOCIO - the biggest and the most important annual IT event of Asia.</p>
	<p>This is the fourth time VietinBank was recognized as the active bank in social welfare by Ministry of Planning and Investment.</p>		<p>VietinBank was awarded with "For the Employees" Award as well as the Prime Minister's Certificate of Merit recognizing our support to employees.</p>

2. Investment Highlights

- ❖ **Chartered Capital, Total Equity and Total Asset**
- ❖ **Market Share**
- ❖ **Network**
- ❖ **Brand name & Client base**
- ❖ **Shareholder support**
- ❖ **Corporate governance and HR**
- ❖ **Performance results vs. other listed banks**

Investment Highlights

Top financial institution in Vietnam with dominant market share:

- Loans (12.43%)
- Mobilized fund (10.87%)
- Investment Banking (16.5%)
- Remittance (15%)
- International payment & Trade Finance (13.07%)
- Leading position in cards services (22%)

Largest scale in Charter Capital and Total Equity

Experienced management team and effective human resources

Solid infrastructure with modern technology system



Outstanding business performance in QIII/2017

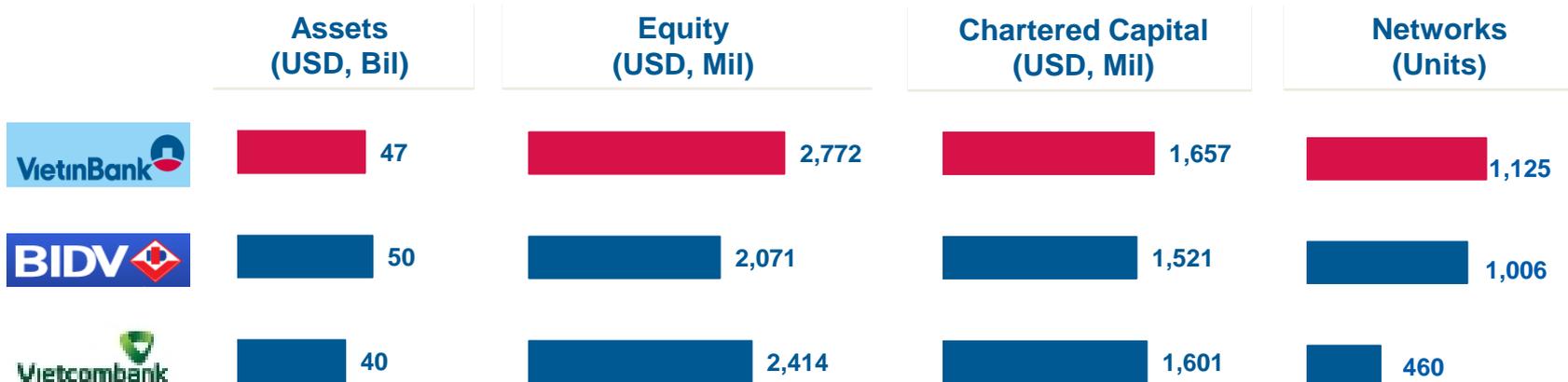
World-wide and Nation-wide network

A strong brand name with a diversified client base

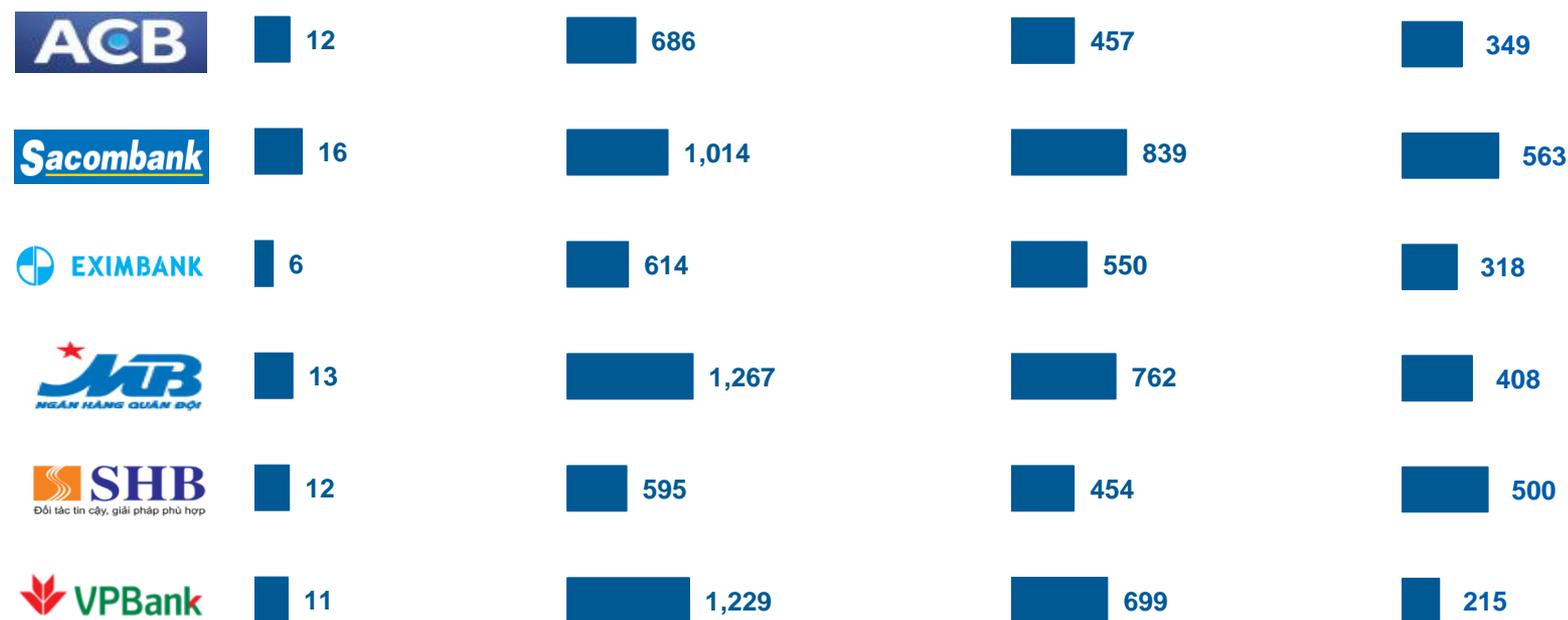
Major shareholders' supports (BTMU, IFC)

Large scale

State-owned credit institutions

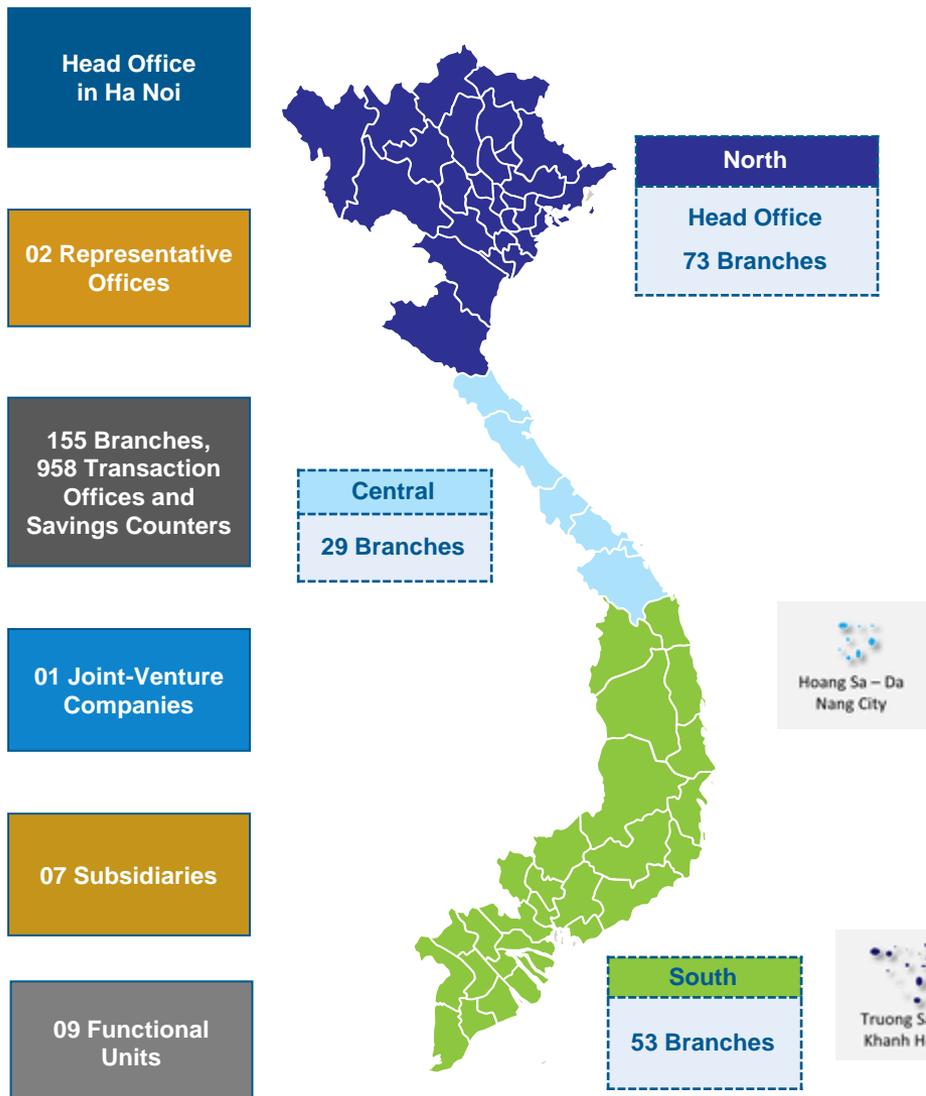


Joint-stock commercial banks



Note: Data as of 30/09/2017
Updated network data for VietinBank only

Network Overview



Presence across the nation:

- 01 Head Office in Hanoi
- 02 Representative offices in Da Nang and Ho Chi Minh City
- 155 Local branches, 958 transaction offices and savings offices in all cities and provinces
- 09 Functional units
- 07 Subsidiaries (insurance, securities, financial leasing, fund management, assets management, gold and jewelry, global money transfer)
- 01 Joint-venture companies (Indovina Bank)
- Nearly 2,000 ATMs

Foreign expansion:

- 01 Branch in Frankfurt, Germany
- 01 Branch in Berlin, Germany
- 01 Subsidiary in Laos (VietinBank Lao Ltd)
- 01 Representative office in Myanmar

VietinBank has established banking relationships with 1,000 banks in 90 countries and territories all over the world

Global Footprint Expansion Plan

Our current position

Head Office
in Ha Noi

155 Branches
958 Transaction Offices
& Savings Counters
02 oversea branches

03
Representative
Offices

01 Joint-Venture
Companies

08 Subsidiaries

09 Functional
Units

We are also proud of
having correspondences
with more than 1,000
banks in 90 countries

2017:

- Opened overseas branches:
 - ✓ Frankfurt: Sep 2011
 - ✓ Laos : Feb 2012
 - ✓ Berlin : May 2012
- Opened representative office in Myanmar: 2013
- Upgraded VietinBank Laos Branch into VietinBank Laos Ltd.,: Aug 2015
- Upgraded Champasak Transaction Office of VietinBank Laos into full branch: Sep 2016

- Opened Vientiane Transaction Office: April 2017
- VietinBank Laos will continue to open new branches in Savannakhet province and promote its network development in some key provinces of Laos such as Bolikhamxay, Luangphabang and Atapu

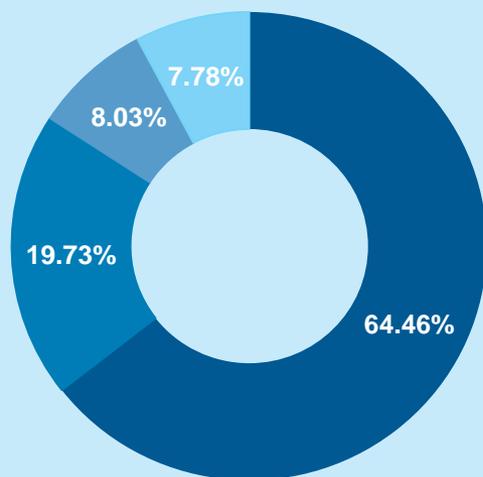
Reputable & Diversified Corporate Customer

VietinBank has fostered strong banking relationships with some of the most well-established corporates in Vietnam as well as SMEs, FDI & retail clients.



Structure of ownership

Major Shareholders' stakes



- State Bank of Vietnam
- BTMU
- IFC
- Others

Major shareholders' supports

Shareholder



Vietnamese Government



BTMU



IFC

Support

- Government owns 64.46% of VietinBank's Charter Capital. Government ownership ratio will not fall below 51% at any time.
- The majority of Board of Director's members are appointed by the Government.
- Technical Assistance & Business Collaboration Agreement with BTMU covers:
 - Risk management & Basel II Implementation
 - Information technology
 - Investment banking
 - Retail and SMEs banking
 - Cash collection and settlement service
- Cooperation Agreement with IFC covers:
 - Risk management
 - Banking services for SMEs
 - Energy Efficiency Project
 - Information technology

2017's business targets



Increase chartered capital to enhance financial strength (CAR>9%, ROE >10% and ROA> 0.8)



Growth:

- ❖ Assets: 14%
- ❖ Mobilized fund: 15%
- ❖ Credit: 16%



- ❖ Expand market share sustainably
- ❖ Expand distribution network both domestically and internationally



- ❖ Focus on Commercial Banking and Investment Banking pillars
- ❖ Improving the quality of growth, link growth with efficiency



Improve service quality to increase the portion of non-interest income



Focus on risk management: NPL ratio/total credit exposure <3%



Continues to consolidate organizational structure and operating model



Dividend: 5-7%

VietinBank vs. other banks - QIII/2017

Unit: USD Million	CTG	BIDV	VCB	ACB	STB	EIB	MBB	SHB	VPB	Average
Total Assets	47,276	50,107	39,986	12,028	16,177	6,157	12,993	11,762	11,297	23,087
Chartered capital	1,657	1,521	1,601	457	839	550	762	454	699	949
Balance sheet										
Placements with and loans to other banks	4,118	3,787	8,073	470	96	425	1,633	1,122	269	2,222
Loans and advances to customers	33,964	36,849	23,857	8,210	9,925	4,251	7,844	8,533	7,462	15,655
Trading and investment securities	6,365	6,924	5,913	2,463	3,316	861	2,378	972	2,552	3,527
<i>Trading securities</i>	401	510	372	26	3	0	31	22	133	166
<i>Investment securities</i>	5,964	6,414	5,541	2,437	3,313	861	2,346	949	2,420	3,361
Long-term investments	144	115	164	8	11	82	65	10	11	68
Other assets	1,392	959	569	347	1,838	175	619	833	730	829
Liabilities										
Deposits and borrowings from other banks	5,034	4,078	2,025	410	680	258	1,713	1,403	845	1,827
Customer deposits	32,267	36,630	30,619	10,415	13,910	5,042	9,416	8,597	5,686	16,954
Financing funds, entrusted funds	288	516	1	6	2	0	12	108	181	124
Other liabilities	4,733	1,136	1,216	219	307	105	395	202	488	978
Owner's equity and Funds	2,772	2,071	2,414	686	1,014	614	1,267	595	1,229	1,407
Income statement (accumulated)	0	0	0	0	0	0	0	0	0	0
Net interest and similar income	886	1,024	719	270	167	88	355	126	665	478
Net profit from services	57	95	87	38	58	10	46	46	46	54
Other income	122	117	167	47	24	15	45	10	71	69
Total income	1,065	1,237	973	355	249	114	446	181	782	600
Operating expenses	447	460	420	200	194	72	181	81	281	260
Provision for credit losses	297	529	201	66	10	22	86	41	250	167
Profit before tax	322	247	353	89	46	20	178	59	251	174
Profit after tax	261	192	284	68	34	17	142	48	200	138

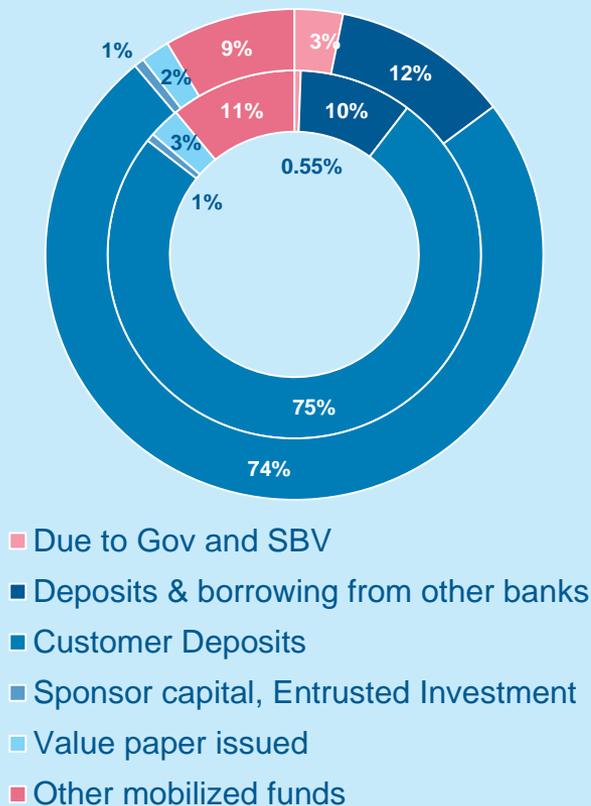
3. Performance

- ❖ **Stable deposits growth & high liquidity**
- ❖ **High credit growth, well controlled NPL ratio**
- ❖ **Safe & diversified securities portfolio**
- ❖ **Efficient financial results**
- ❖ **Efficient subsidiaries**
- ❖ **CTG Stock Performance**

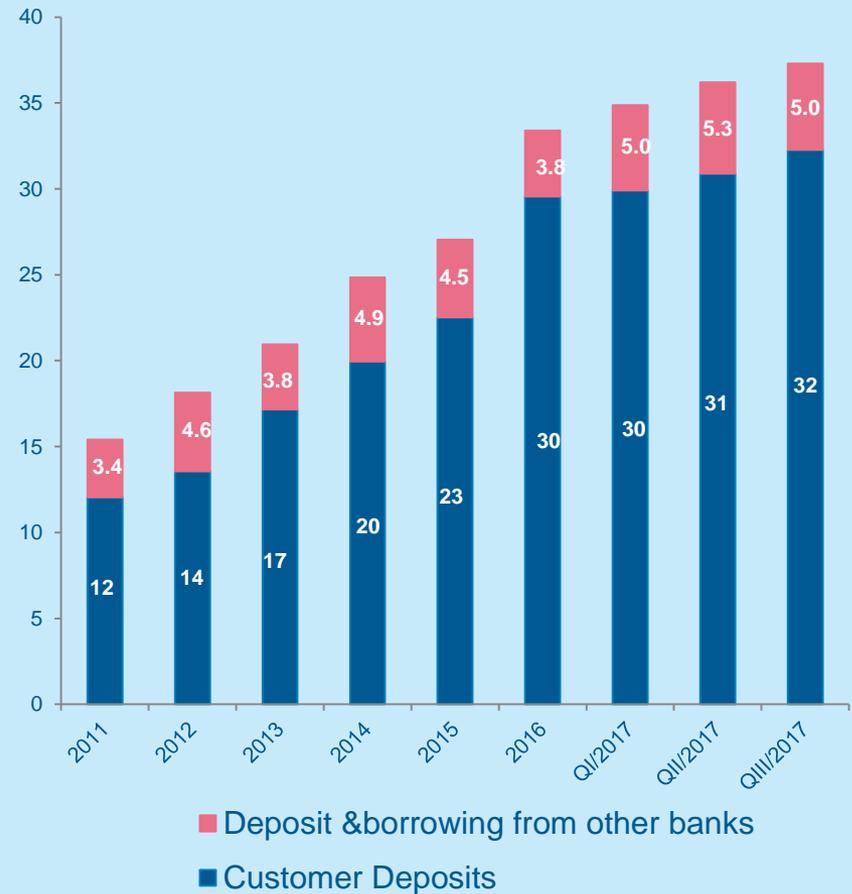
Stable deposits growth

Mobilized Fund structure (USD, Bil)

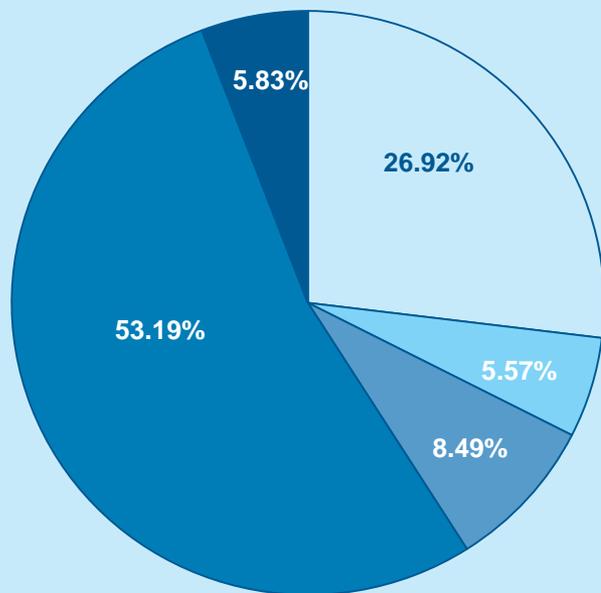
Inner ring: As at 31 Dec 2016: USD 39.3 Bil
 Outer ring: As at 30 Sep 2017: USD 43.5 Bil



Deposits of customers & credit institutions (USD, Bil)

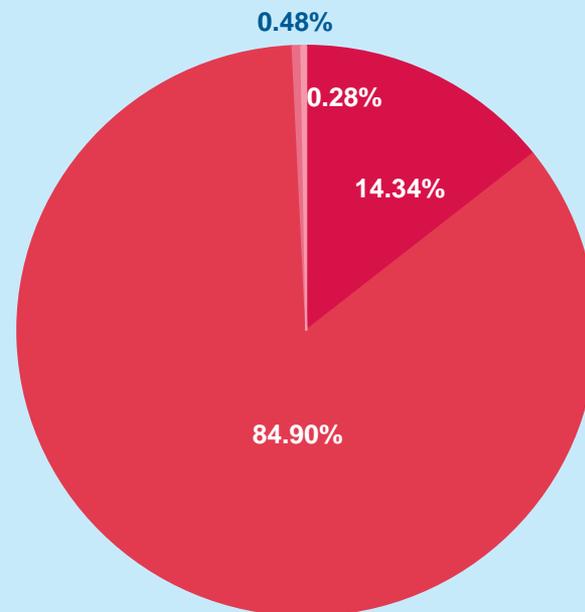


Customer Deposit Breakdown by Type of business (31/12/2016)



- SOEs (26.92%)
- FDI (5.57%)
- Other business entities (8,49%)
- Individuals (53.19%)
- Others (5.83%)

Customer Deposit Breakdown by Tenor (30/09/2017)



- Demand deposits (14.34%)
- Term deposits (84.90%)
- Deposits for specific purpose (0.48%)
- Margin deposit (0.28%)

High credit growth, sustainable LAR ratio

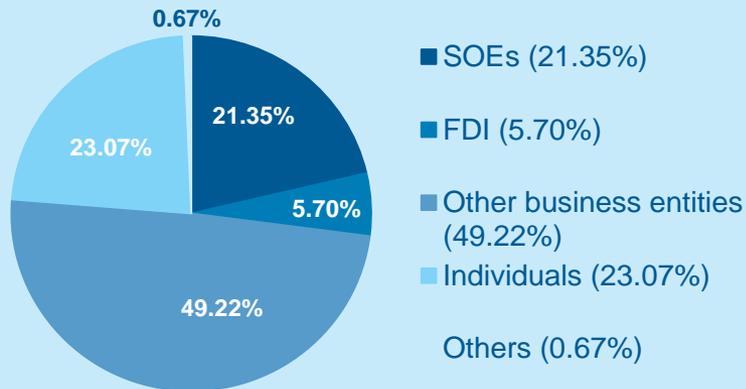
Total loans and advances to customer (USD, Bil)



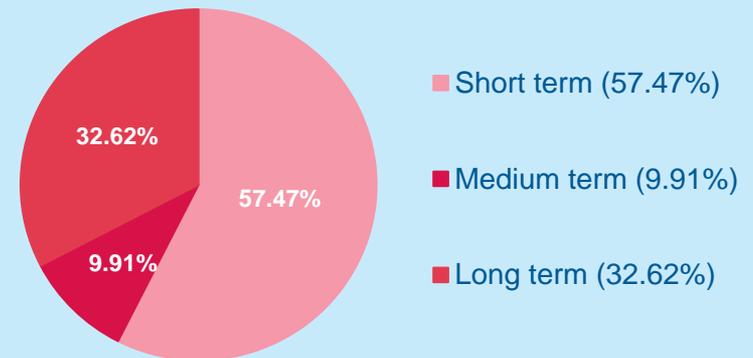
Loan to Total assets ratio (LAR)



Loan Breakdown by Type of business (31/12/2016)



Loan Breakdown by Tenor (30/09/2017)



NPL ratio is best controlled among banking system

Group	QIII/2017		QII/2017		QI/2017		2016		2015	
	Value (USD, Mil)	%								
Group 1 Current	33,345	98.18	32,008	98.34	30,556	97.55	29,319	98.14	24,209	98.48
Group 2 Special mention	208	0.61	159	0.49	411	1.31	251	0.84	147	0.60
NPLs	410	1.21	380	1.17	355	1.13	304	1.02	226	0.92
Total	33,964	100	32,546	100	31,323	100	29,874	100	24,581	100



(*): NPL ratio of banking industry by the end of July was 2.51% and by the end of August 2017 was 2.46%

Asset Quality Management

Robust Credit System

- VietinBank has a robust credit system, clearly defining relevant exposure limits and credit risk appetite.
- Such system is enhanced by a strong credit culture, benefiting from well-defined delegations of authority and reporting lines.

Well Defined Sectoral, Single Party and Group Exposure Credit Limits

- Loans and advances are relatively well allocated according to business entities & industry sectors, ensuring a high degree of portfolio diversification, minimizing concentration risk.
- The credit policy has put in place strict exposure credit limits.

Comprehensive Asset Classification and Provisioning Requirements

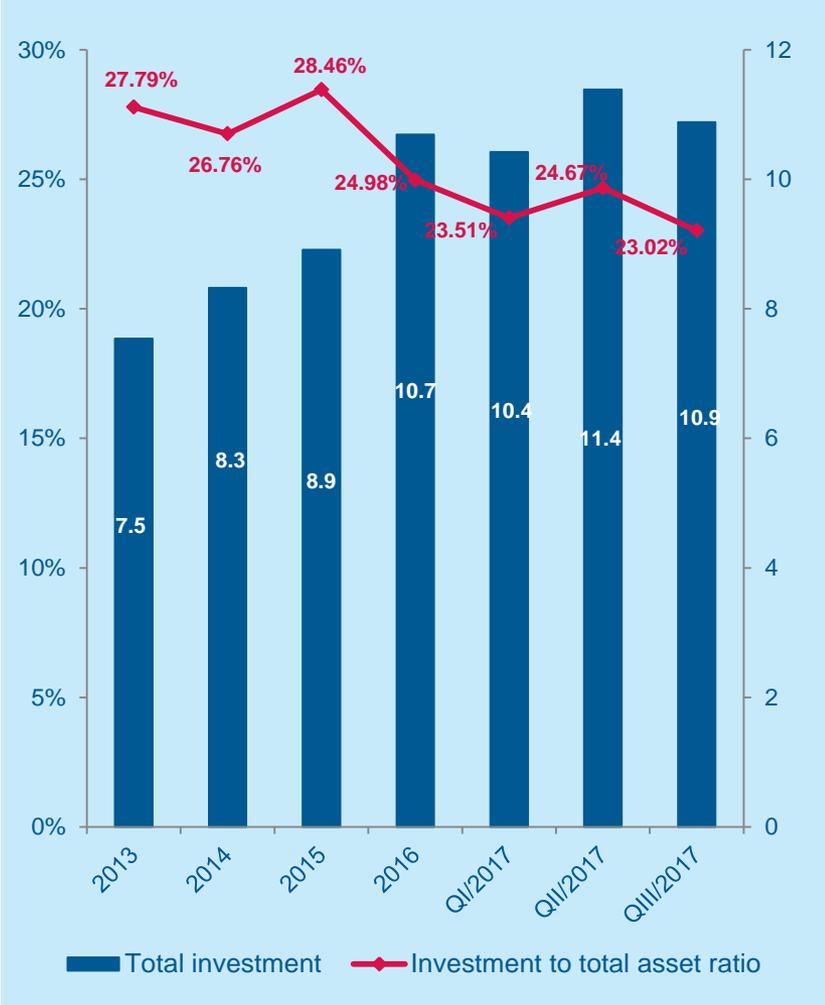
- Comprehensive and detailed asset classification and provisioning requirements and policies are in place, in consistent with regulatory norms and guidelines.
- Existence of robust procedures have resulted in positive developments in non-performing asset measures in recent times.

Strong Credit Risk Management System

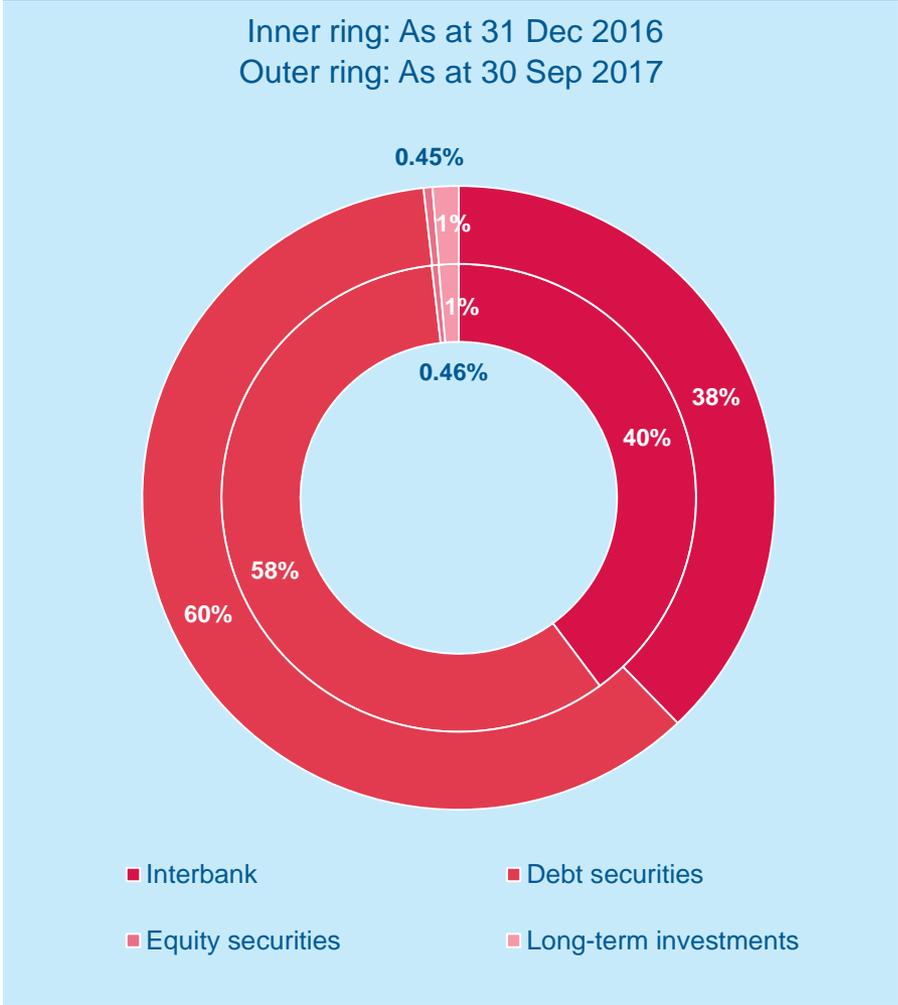
- Strong Credit risk management system is in place which has ensured improvement in the asset quality in this growing economic environment.

Safe & diversified securities portfolio

Investment portfolio (USD, Bil)



Components of Investment portfolio

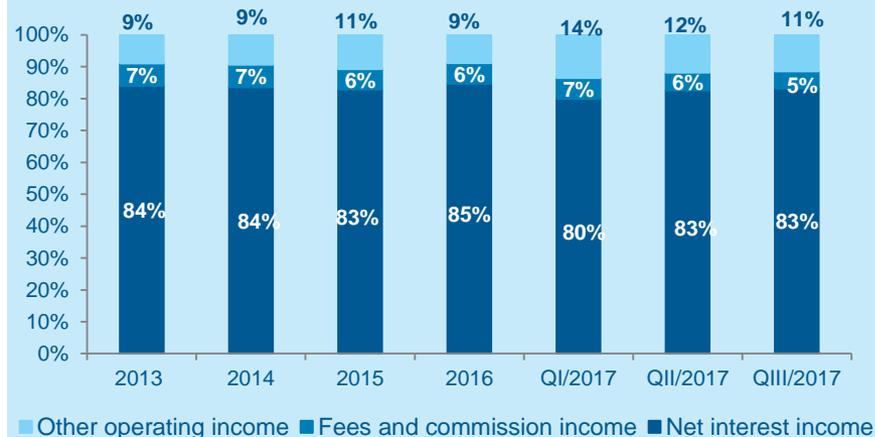


Efficient financial results

Profit before tax (USD, Mil)



Operating Income Breakdown



Financial ratios



Cost to income ratio

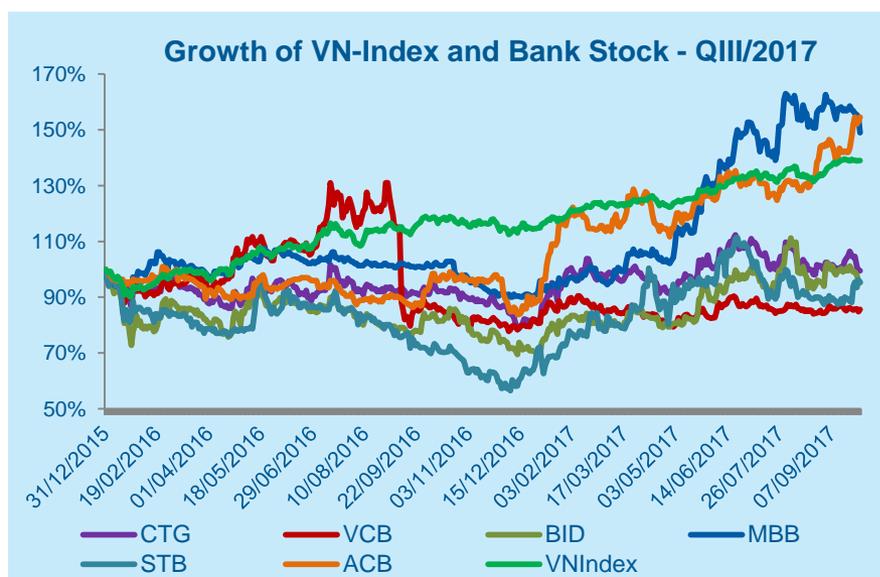
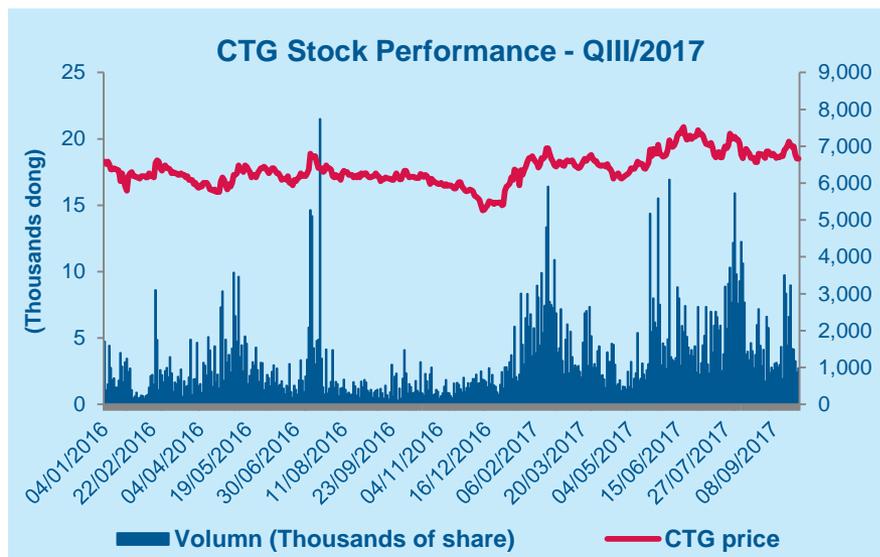


Efficient subsidiaries

Subsidiaries		Chartered Capital as at 30/09/2017 (USD, Mil)	Percentage of contribution (%)	Profit before tax as at 30/09/2017 (USD, Mil)
VietinBank Lao Limited		50	100%	3.80
VietinBank Leasing Company Ltd		44.58	100%	3.96
VietinBank Fund Management Company Ltd		42.35	100%	2.97
VietinBank Securities Joint Stock Company		40.31	75.61%	4.1
VietinBank Insurance Company Ltd		22.29	100%	2.47
VietinBank Gold and Jewelry Trading Company Ltd		13.37	100%	0.29
VietinBank Debt Management and Asset Exploitation Company Ltd		5.35	100%	0.25
Global Money Transfer Company Ltd		2.23	100%	0.84

CTG Stock Performance - QIII/2017

	Value
The closing price on 03 rd July 2017	20,650 VND/share
The closing price on 29 th September 2017	18,500 VND/share
The highest prices in QIII/2017	18,250 - 20,650 VND/share
Volume	128,079,790 share
Trading value	2,476 Billion VND
The trading volume of foreign investors	Net selling 72,250 share
Foreign owned	30%
EPS	2,097 VND/share
P/E (30 th June 2017)	8.28x
BVPS	16,727 VND/share
P/B (30 th June 2017)	1.11x



Website for investors

<http://investor.vietinbank.vn>



The screenshot shows the website investor.vietinbank.vn in a browser window. The page features a navigation menu with links for HOME, PRODUCTS AND SERVICES, INVESTOR RELATIONS, BUSINESS CONNECTION, ABOUT US, and CONTACT. The main content area is titled "Investors & VietinBank" and includes a introductory text: "Via this portal, we seek to provide you with multi-directional information and to establish a two-way communication channel between". Below this, three blue circles highlight the bank's Vision, Mission, and Core Values. The Vision states: "To become a modern and versatile financial and banking group, ranked in the Southeast Asia." The Mission states: "Be the leading financial group in Vietnam, providing financial and banking services that are modern, utilized and towards international standards." The Core Values state: "Focus on customers. Be Active, Creative, Professional, Devoted, Transparent and Modern. Create a work place where our employees can contribute the most to and receive the most from the Bank. Each individual is respected as much as any prominent employee and is treated fairly based on their performance." On the right side, there is an "INVESTOR" sidebar with a table of contents including Overview, Vision, Mission, Core Values, Message from the Chairman, Introduction about VietinBank, Credit Ratings, Awards, Investor News, Information for Shareholders, Stock Information, Financial Reporting, VietinBank's International Bond, Corporate Governance, and Investor Services. At the bottom right, a stock price widget shows CTG at 20,800 with a volume of 951,800 and a change of +0.10 (0.48%).

For further information, please contact:

**Board of Director Secretariats
VietinBank**

Address: 108 Tran Hung Dao street, Hanoi, Vietnam.

Email: investor@vietinbank.vn

Tel: 84-24-3 941 3622

Thank you!

Disclaimer :

This presentation is prepared by using financial reports and other reliable sources with the aims to provide information only. Readers should use this presentation as a reference source. The information might be updated from time to time and we have no responsibility to notify about that change.