

IR Presentation

1Q2020

(Exchange rate: 23,235 VND/USD)

Table of contents

- 1. Overview of macro-economics, banking industry**
- 2. About VietinBank**
- 3. Investment highlights**
- 4. Performance**
- 5. Business orientation in 2020**
- 6. Appendix**

1. Overview of macro-economics, banking industry

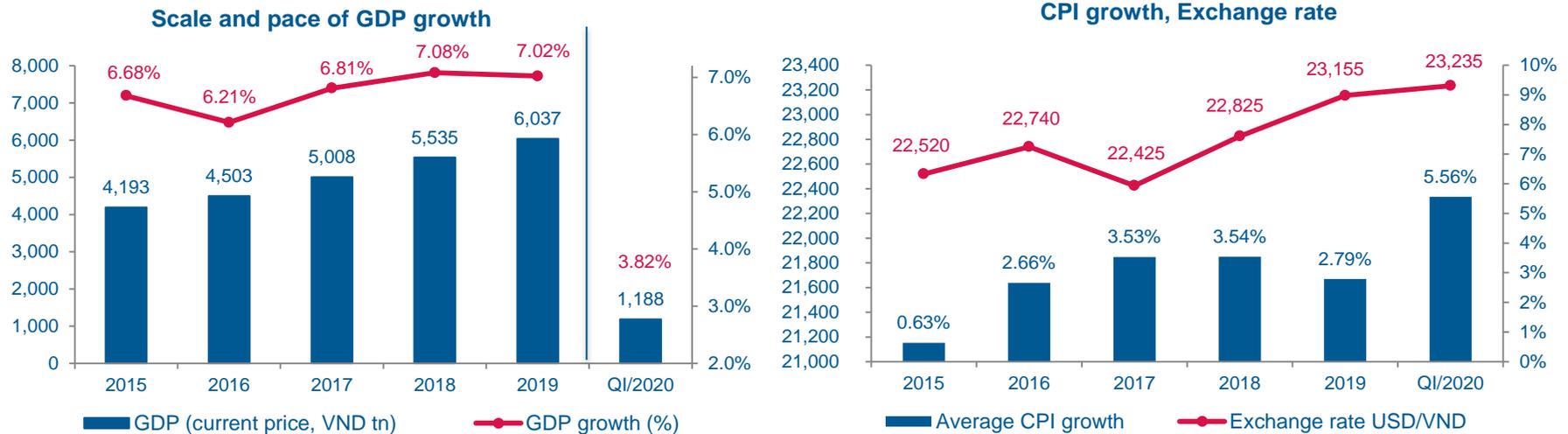
- ❖ **Macro-economics**

- ❖ **Banking industry**

1. Overview of macro-economics, banking industry

Macro-economics

Macroeconomic growth slowed down due to complicated situation of the Covid-19 pandemic, negatively affecting all aspects of socio-economic life.



Indicators	2015	2016	2017	2018	2019	1Q2020
GDP growth rate (%)	6.68%	6.21%	6.81%	7.08%	7.02%	3.82%
Average inflation rate (%)	2.05%	1.83%	1.41%	1.48%	2.01%	3.05%
Unemployment rate (%)	2.33%	2.30%	2.24%	2.00%	1.98%	2.02%
Export turnover (USD billion)	162.4	175.9	213.77	244.72	263.45	59.08
Export growth (%)	8.1%	8.6%	21.1%	13.8%	8.1%	0.5%
Import turnover (USD billion)	165.6	173.3	211.10	237.51	253.51	56.26
Import growth (%)	12.0%	4.6%	20.8%	11.5%	7.0%	-1.9%
Trade balance (USD billion)	-3.2	2.68	2.7	7.2	9.9	2.8
FDI newly-registered (USD billion)	15.58	15.2	21.3	17.98	16.7	5.5
FDI disbursement (USD billion)	14.5	15.8	17.5	19.1	20.4	3.9

Source: General Statistics Office of Vietnam (GSO)

1. Overview of macro-economics, banking industry

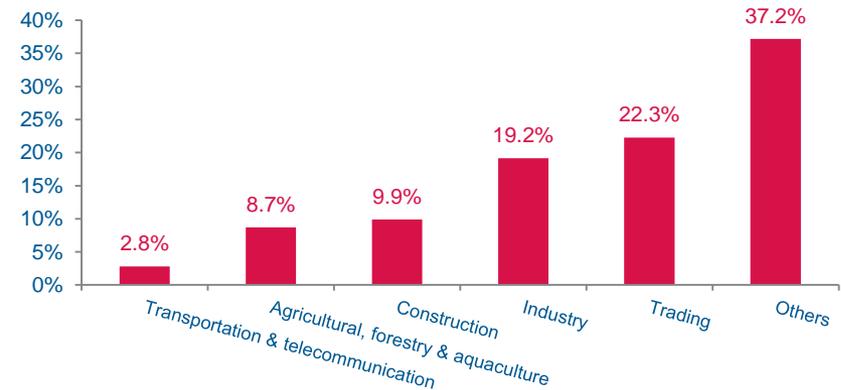
Banking industry

Banking industry's scale of deposits and lending in 1Q2020 remained low. Outstanding loans of businesses seriously affected by the pandemic shrank. NPL ratio increased significantly, provision for potential losses surged y-o-y.

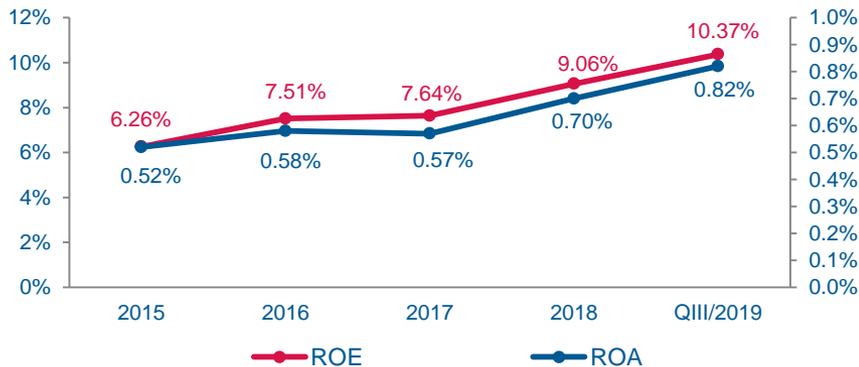
Growth of outstanding credit exposure and mobilized fund of the banking industry



Proportion of credit exposure to several sectors as at Feb, 2020

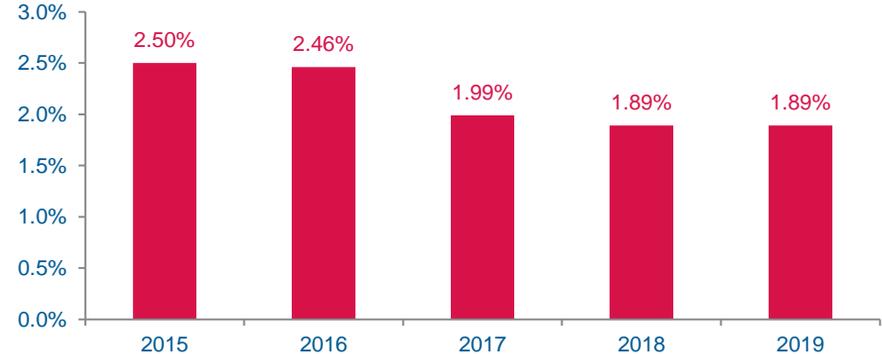


Profitability of the banking industry (*)



(*): Data for 2019 and 1Q2020 have not been updated by the SBV.

NPL ratio of the banking industry (**)



(**): Data for 1Q2020 has not been updated by the SBV..

Source: The State Bank of Vietnam (SBV)

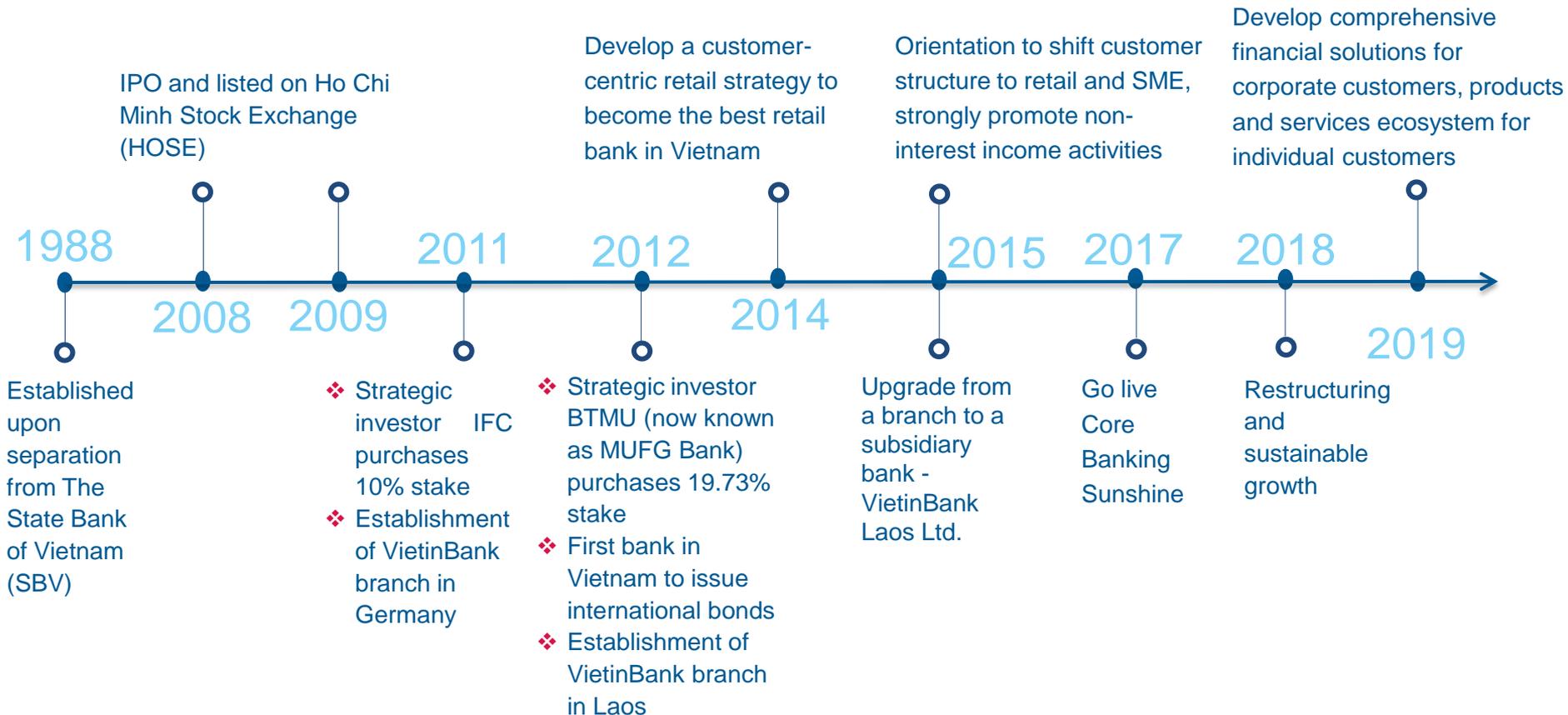
2. About VietinBank

- ❖ **Important historical milestones**
- ❖ **Mission, vision, core values**
- ❖ **Awards and accolades**
- ❖ **Organizational structure**

2. About VietinBank

Important historical milestones

Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) is a leading financial and banking institution in Vietnam, providing modern financial and banking products and services with full utilities and meeting international standards.



2. About VietinBank

Mission, vision, core values



Mission

To be the No.1 bank in Vietnam banking system, providing modern financial and banking products and services with full utilities and meeting international standards.



Vision

To become a leading bank in Vietnam and a regional player, being modern and multi-functional that conforms to international standards.



Core Values

- ❖ Customers Orientation;
- ❖ Perfection-oriented;
- ❖ Dynamism, Innovation, Professionalism, Modernity;
- ❖ Honesty, Integrity, Transparency, Occupational ethics;
- ❖ Respect;
- ❖ Brand Protection and Development;
- ❖ Sustainable development and social responsibility.

2. About VietinBank

Awards and accolades



TOP 300 MOST VALUABLE BANK BRANDS WORLDWIDE

In 2020, according to Brand Finance's announcement, VietinBank ranked 277th and twice in a row to be the only Vietnamese bank to win the Top 300 Most Valuable Banking Brands in the world.



TOP 2000 LARGEST ENTERPRISES WORLDWIDE

For the 8th consecutive year, VietinBank has been listed on Forbes Global 2000 (Top 2000 largest enterprises worldwide) compiled by Forbes. Forbes also recognized VietinBank's revenue of USD 3.7 billion and total assets of USD 50.2 billion.



VIETNAM VALUE BRAND

VietinBank's services were recognized as National Brand for the 5th consecutive year. This prestigious award, initiated by the Prime Minister, was organized by National Brand Council, Secretariat of National Brand Award and National Trade Promotion Agency-Ministry of Industry & Trade.



VIETNAM'S EXCELLENT BRANDS

For the 15th consecutive year, VietinBank had been awarded the Vietnam Excellent Brand. The program aimed to recognize, support and encourage businesses with excellent achievements in production and business activities, high growth rates and having many contributions to the country.



TOP 50 VIETNAM THE BEST

According to the announcement of Vietnam Assessment Report Joint Stock Company (Vietnam Report) and VietnamNet Newspaper, VietinBank continued to be in the VNR500 Ranking - Top 500 Vietnam Big Enterprises. At the same time, VietinBank is also in the Top 50 Vietnam The Best. VietinBank also entered the Top 10 largest public companies in Vietnam according to Forbes Vietnam.

2. About VietinBank Organizational structure

Organizational structure towards the preminent and modern models in the world.

The organizational structure ensures an appropriate and transparent supervision at different levels

GENERAL SHAREHOLDERS' MEETING

BOARD OF DIRECTORS

SUPERVISORY BOARD

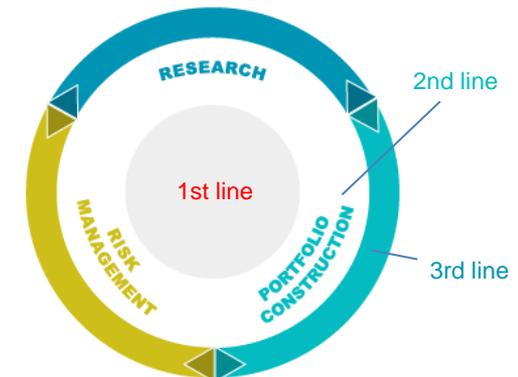
BoDs' Committees

Internal Audit

BOARD OF MANAGEMENT

BoMs' Councils

Building a solid internal control system with 3 independent lines of defense as regulated in the Circular 13/2018/TT-NHNN on internal control system of commercial banks



Establishing the model of divisions and customer center in key economic regions to specialize the governance, management, and to promote operation capability of each business line, aiming at better customer service



3. Investment highlights

- ❖ **Strong innovation, sustainable growth**
- ❖ **Extensive network, high credit rating**
- ❖ **Active support from major shareholders**
- ❖ **Advanced technology platform and solutions**
- ❖ **Diversified customer base**
- ❖ **Well-qualified human resources**

3. Investment highlights

Strong innovation, sustainable growth

Strongly innovating business growth model, changing business approach and improving financial management and debt quality have brought breakthrough results in business performance.

1 Innovation in business growth model

- ❖ From focusing on business scale to focusing on improving service quality and operational efficiency.
- ❖ Maintain a reasonable growth rate and prioritize the growth of retail and SME segments.

2 Change in business approach

- ❖ From providing a single product or service to developing and offering comprehensive financial and banking solutions to customer/group of customers, especially in line with link chain.

3 Effective cost management

- ❖ Financial management was improved, financial resources were allocated methodically and effectively.

4 Good asset quality management

- ❖ Forecasting and early identification of risk were strengthened.
- ❖ Good risk-weighted asset management.

5 Improvement of organizational structure

- ❖ Streamlining the organizational structure, increasing specialization and promoting effective coordination.
- ❖ Optimize the operation of network units.

3. Investment highlights

Extensive network, high credit rating

Head Office
in Ha Noi

02 Representative
Offices

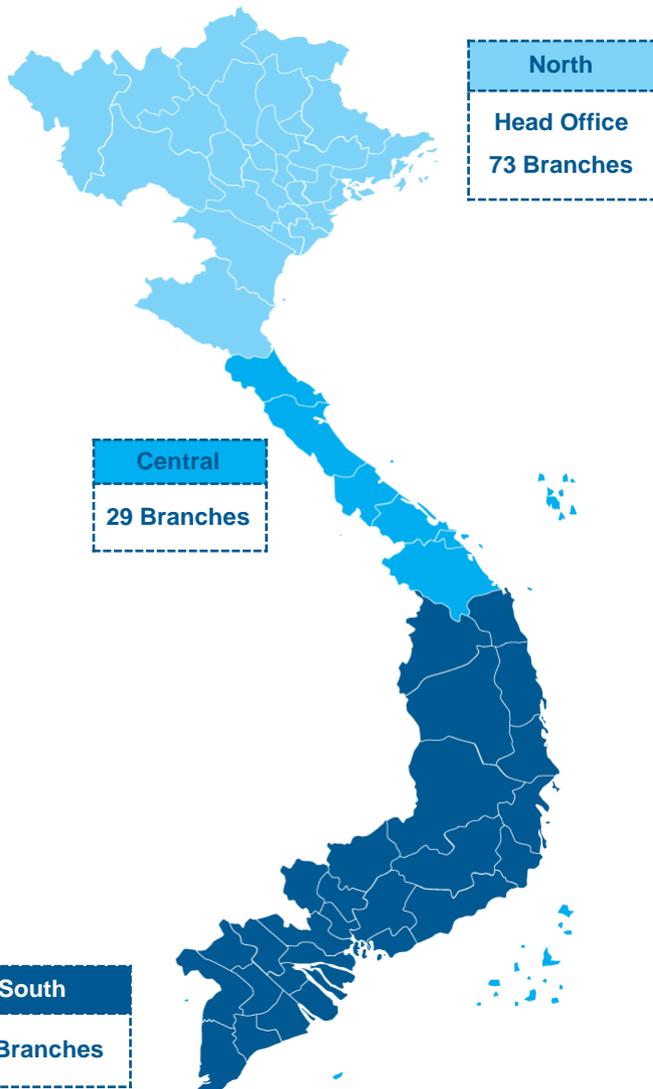
155 Branches

958 Transaction
Offices

01 Joint-venture
Company

07 Subsidiaries

09 Non-business
Units



Extensive Network

Domestic network:

- ❖ 01 Head Office in Hanoi
- ❖ 02 Representative offices in Da Nang and Ho Chi Minh City
- ❖ 01 Southern Customers Center
- ❖ 155 Local branches, 958 transaction offices in all cities and provinces
- ❖ 09 Non-business units
- ❖ 07 Subsidiaries (insurance, securities, financial leasing, fund management, assets management, gold and jewelry, global money transfer)
- ❖ 01 Joint-venture company (Indovina Bank)
- ❖ Over 2.000 ATMs and over 30,000 POS

Overseas network:

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

VietinBank has established a large correspondent banking network with more than 1,000 banks in 90 countries and territories all over the world.

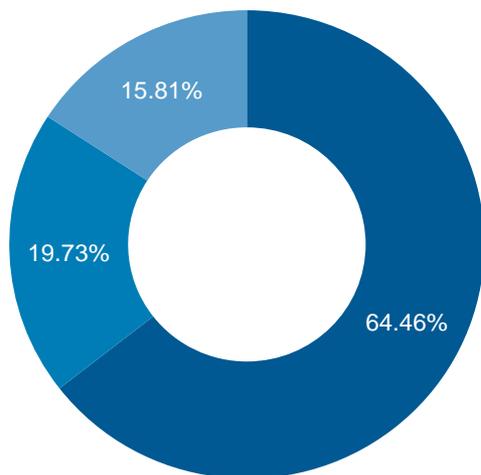
High credit rating

	Short-term	Long-term
FitchRatings	B	BB-
MOODY'S	-	Ba3

3. Investment highlights

Active support from major shareholders

Shareholder structure



■ State Bank of Vietnam

■ MUFG

■ Others

Major shareholders' supports

Major shareholders



State bank of Vietnam



Support

- ❖ Hold 64.46% stakes of VietinBank
- ❖ Most of Board members are appointed by the Government and the State Bank of Vietnam

- ❖ MUFG signed a technical support and collaboration agreement with VietinBank, collaboration and technical support in the following fields:
 - Retail banking and SME banking
 - Services for FDI enterprises
 - Investment Banking
 - Cash management and payment services
 - Risk management and BASEL II implementation
 - Information technology
 - HR development

3. Investment highlights

Business operated on advanced technology platform & solutions

Cutting-edge Core Banking and increasingly improved IT infrastructure facilitate improvement in productivity, efficiency and cost control.



Implementing comprehensive information security strategy, incorporating a variety of security methods.

Proactively keeping up with technology trends, cooperating with financial technology companies (Fintech) to offer a wide range of products and services to customers.



3. Investment highlights

Diversified customer base with a large number of customers

VietinBank enhanced the efficiency of large corporate customer segment including large enterprises, corporations and expanded the banking relationship with SMEs, FDIs and individual customers.



3. Investment highlights

Management team

High ranking managements with in-depth knowledge and experience in banking and finance sector.

BOARD OF DIRECTORS



Mr.
Le Duc Tho
Chairman



Mr.
Tran Minh Binh
Board Member



Mr.
Tran Van Tan
Board Member



Ms.
Tran Thu Huyen
Board Member



Mr.
Nguyen The Huan
Board Member



Ms.
Pham Thi Thanh Hoai
Board Member



Mr.
Hiroshi Yamaguchi
Board Member



Mr.
Hideaki Takase
Board Member

BOARD OF MANAGEMENT



Mr.
Tran Minh Binh
General Director



Ms.
Nguyen Hong Van
Deputy General
Director



Ms.
Le Nhu Hoa
Deputy General
Director



Mr.
Nguyen Hoang Dung
Deputy General
Director



Mr.
Nguyen Duc Thanh
Deputy General
Director



Mr.
Tran Cong Quynh Lan
Deputy General
Director



Mr.
Nguyen Dinh Vinh
Deputy General
Director



Mr.
Hiroshi Yamaguchi
Deputy General
Director



Mr.
Nguyen Hai Hung
Chief Accountant

SUPERVISORY BOARD



Ms.
Le Anh Ha
Chief Supervisor



Ms.
Nguyen Thi Anh Thu
Member



Mr.
Nguyen Manh Toan
Member

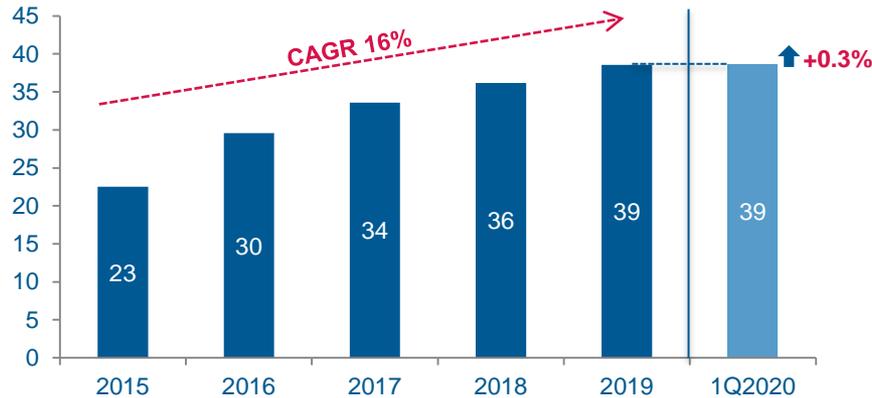
4. Performance

- ❖ **Customer deposits increased slightly, customer loans decreased due to the impact of Covid-19 pandemic**
- ❖ **Strengthened risk management, controlled asset quality**
- ❖ **Safe and diversified investment portfolio**
- ❖ **Profits decreased due to the impact of Covid-19**
- ❖ **Improved efficiency indicators**

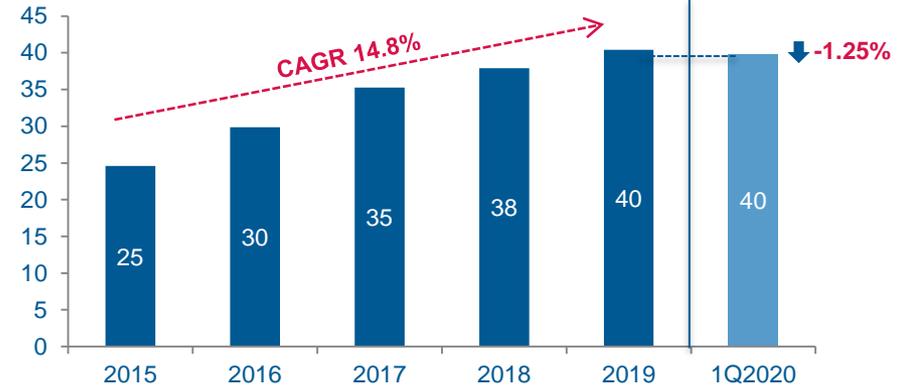
4. Performance

Customer deposits increased slightly while lending down due to Covid-19

Customer Deposits (USD, Bil)

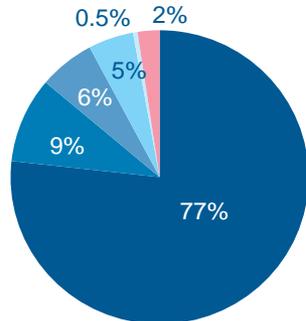


Total loans and advances to customers (USD, Bil)

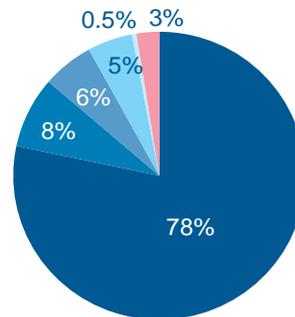


Mobilized fund structure

As at 31 Dec 2019: USD 50.24 bil



As at 31 Mar 2020: USD 49.23 bil



- Customer deposits
- Deposits & borrowings from other banks
- Borrowing from Govt. and SBV
- Value paper issued
- Sponsor capital, Entrusted Investment
- Other mobilized funds

Market share:

- ❖ Deposits from businesses and individuals (as at Feb 29th, 2020): 10.14%
- ❖ Outstanding loans (as at Mar 31st, 2020): 11.13%

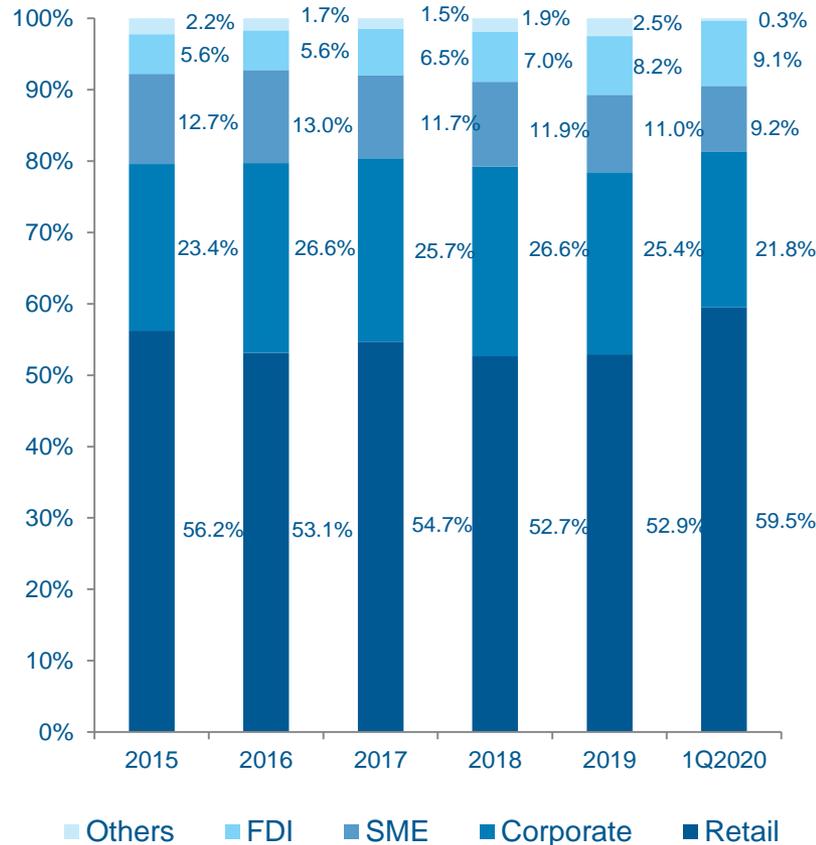
(Source: The State Bank of Vietnam, CIC)

4. Performance

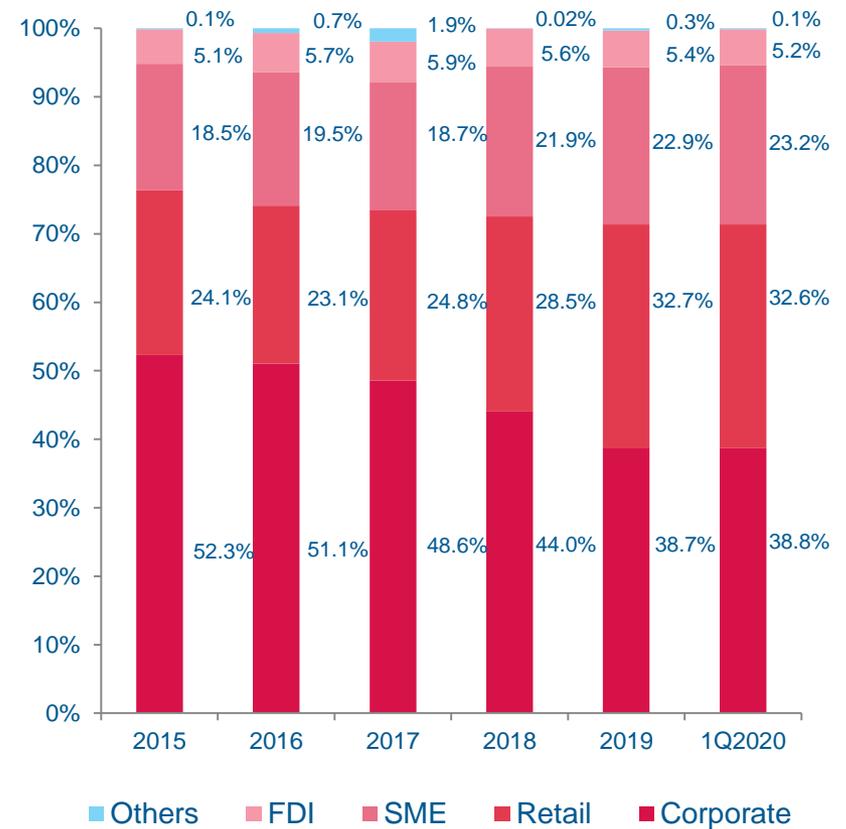
Promoting shift of credit structure

Credit structure marked a positive shift towards increasing the proportion of highly profitable segments such as retail and SMEs.

Customer deposit breakdown



Loan breakdown

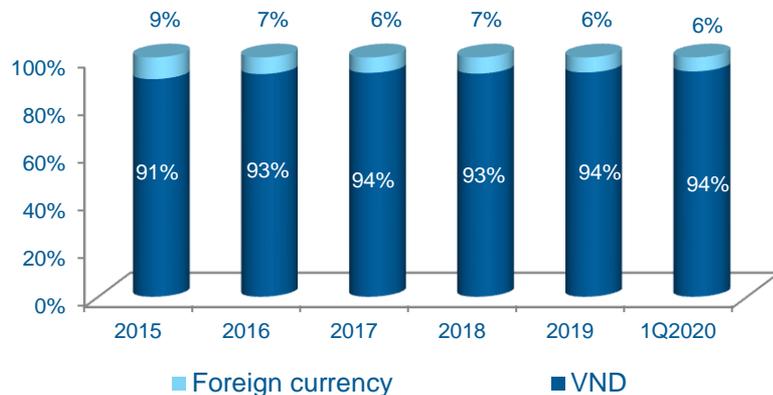


4. Performance

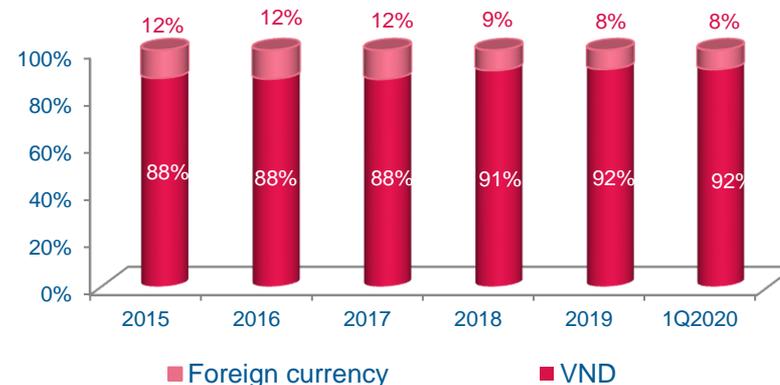
Stable capital structure

Focus on growing stable source of capital from primary market, ensuring efficiency and liquidity safety, timely providing capital and services to meet the needs of the economy.

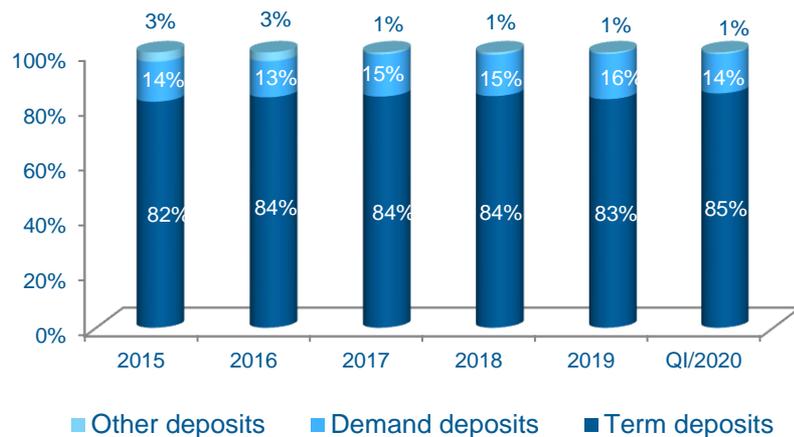
Customer deposit breakdown by currency



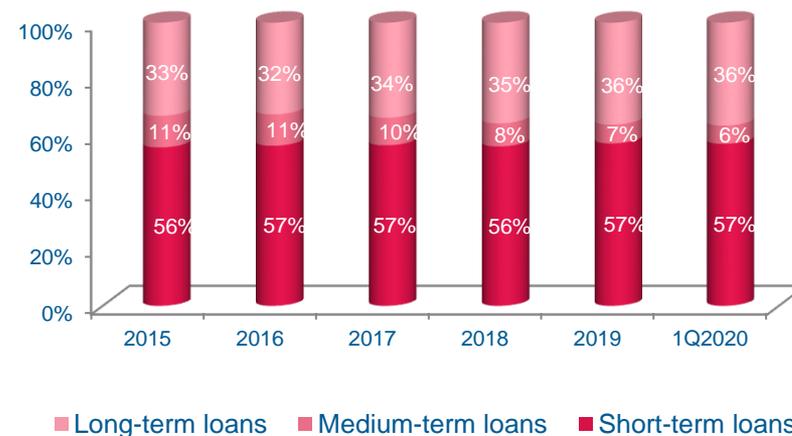
Loan breakdown by currency



Customer deposit breakdown by tenor



Loan breakdown by tenor



4. Performance

Strengthened risk management, controlled asset quality

Closely monitor customer portfolio, transparently control assets quality, buy-back part of debts sold to VAMC.

Group	2016		2017		2018 (restated)		2019		1Q2020	
	Value (USD, Mil)	%								
Group 1 Current	29,319	98.03	34,695	98.41	37,066	97.81	39,680	98.24	38,682	97.31
Group 2 Special mention	251	0.91	162	0.46	228	0.61	245	0.60	342	0.86
NPLs	304	1.06	402	1.14	600	1.58	467	1.16	728	1.83
Total	29,874	100	35,259	100	37,894	100	40,392	100	39,751	100

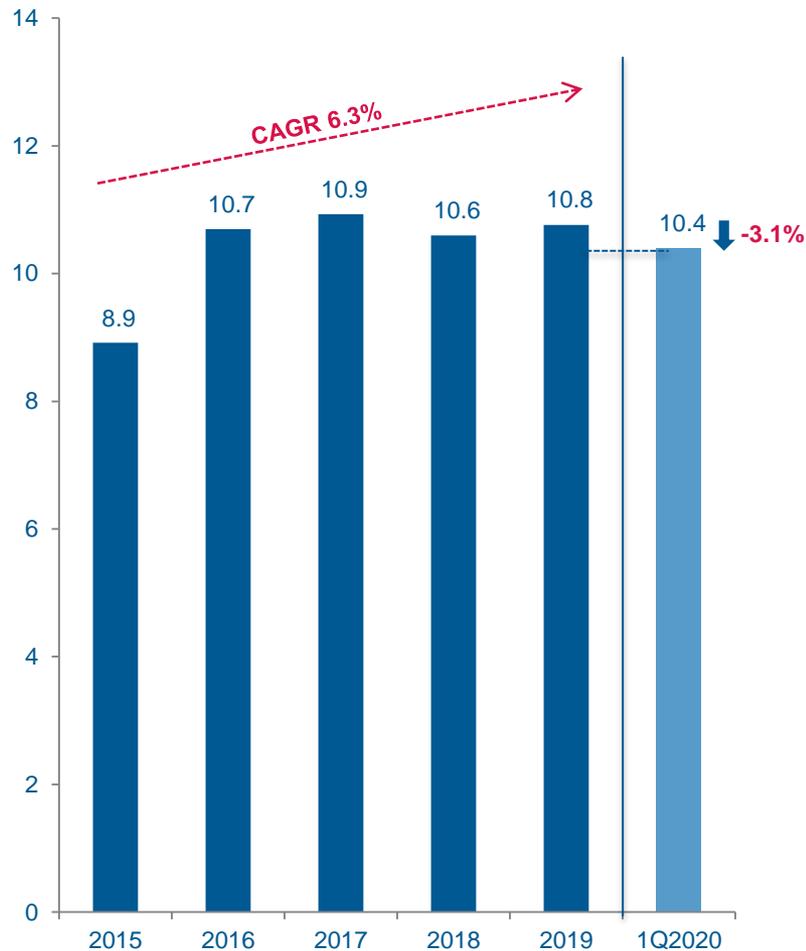
Non-performing loan ratio (NPL)



4. Performance

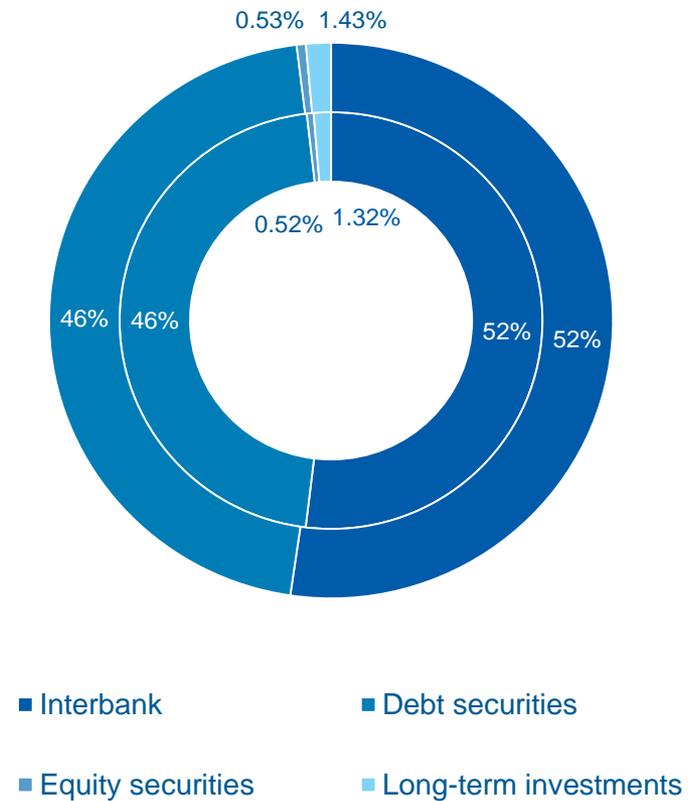
Safe and diversified investment portfolio

Investment portfolio
(USD, Bil)



Breakdown of investment portfolio

Inner ring: As at 31 Dec 2019
Outer ring: As at 31 Mar 2020

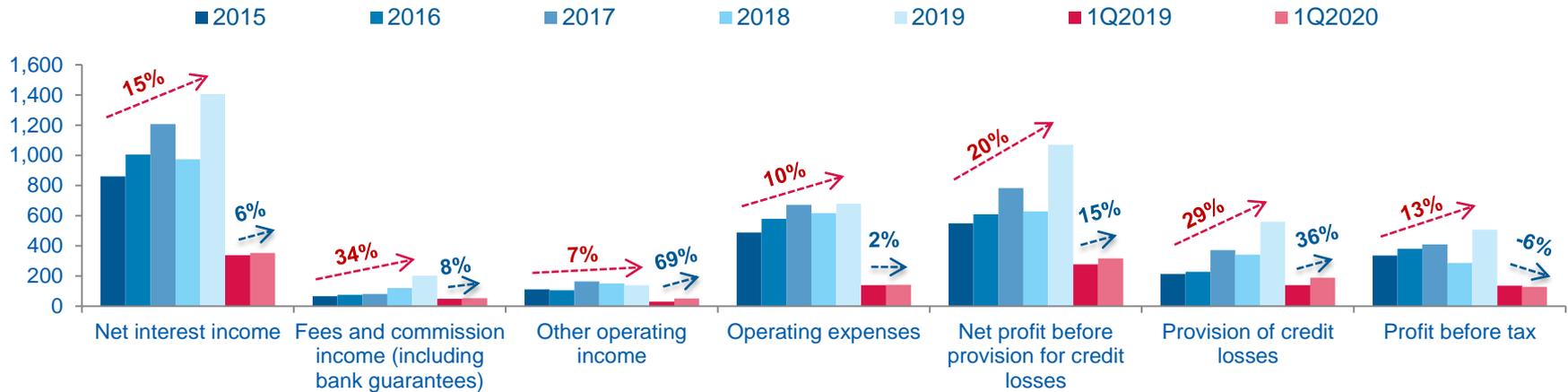


4. Performance

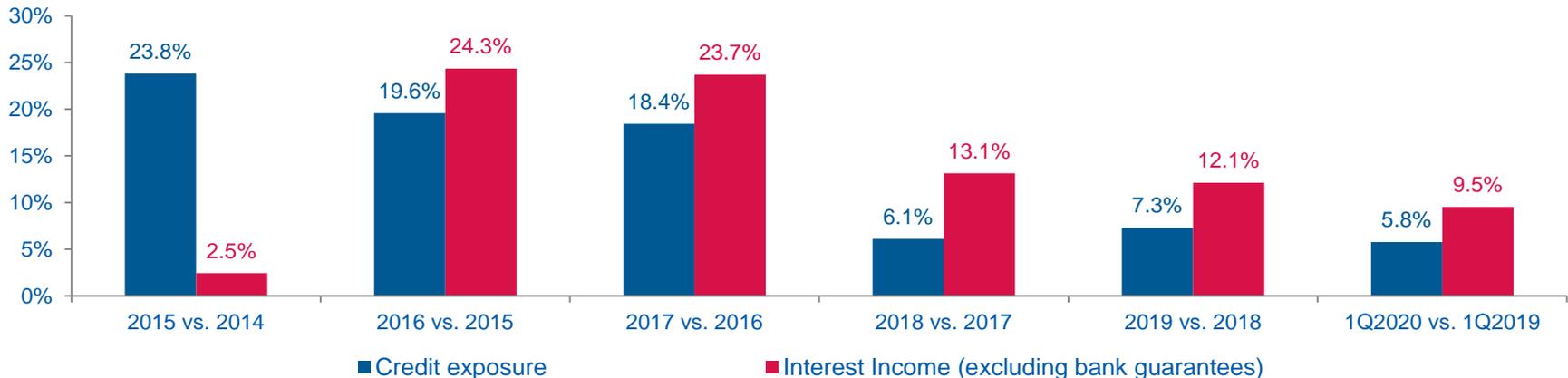
Profit decreased due to the impact of Covid-19

Profit decreased slightly due to the implementation of supporting policies, accompanying customers affected by Covid-19 pandemic.

Movements of income and expenses (USD, Mil)



Correlation of interest income and credit exposure

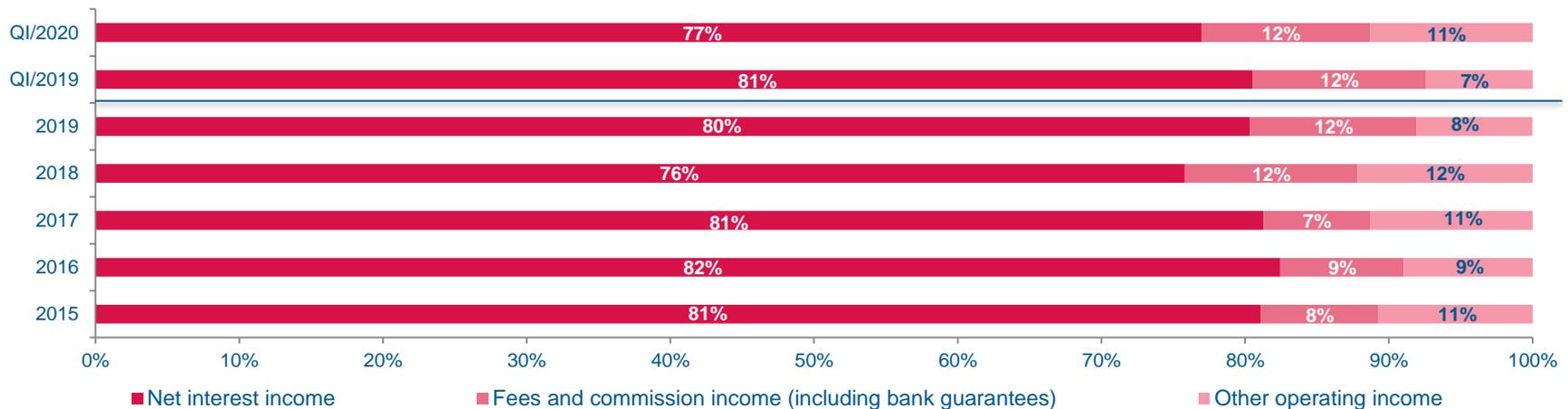


4. Performance

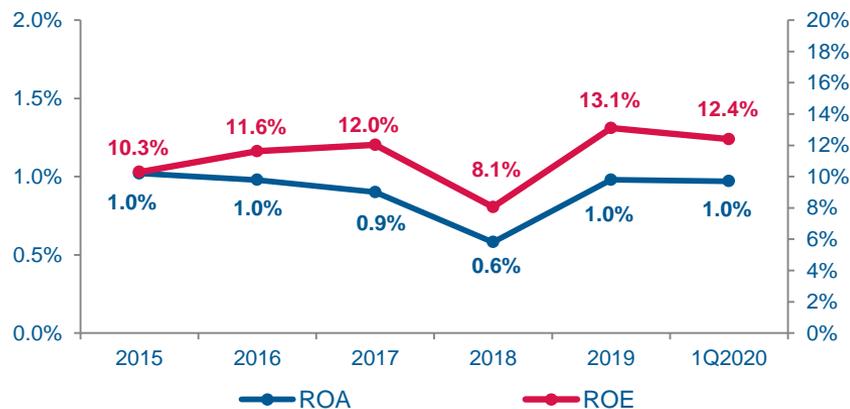
Improved efficiency indicators

Income structure gradually improved, non-interest income proportion increased. Cost management efficiency was enhanced with 1Q2020 CIR down to the lowest level ever. VietinBank was also one of the banks with low CIR in the banking system.

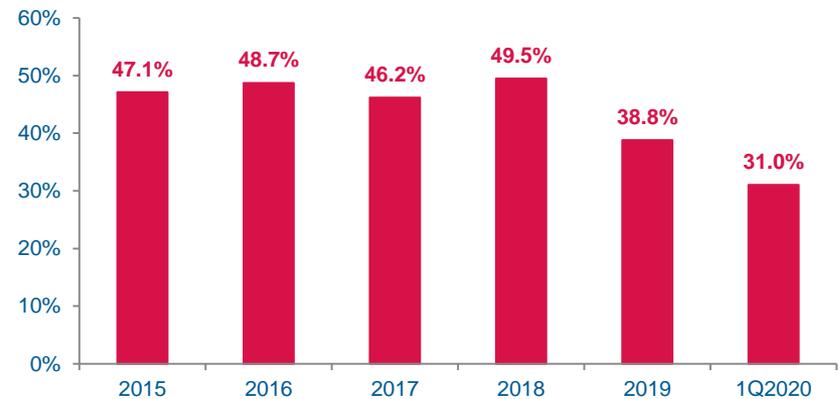
Operating income breakdown



Profitability ratios



Cost to income ratio (CIR)



Targets

2020: Improve business efficiency

STRONG TRANSFORMATION IN BUSINESS GROWTH MODEL

(1) Sustainable growth in business scale

(2) Customer structure shifted to retail and SME segments

(3) Shift in income structure, increase in fee income

(4) Effectively explore industries and sectors according to economic region development strategy

(5) Effective financial management and improvement of asset quality

(6) Actively implement measures to improve financial capacity

CUSTOMER-ORIENTATION, CUSTOMER EXPERIENCE IMPROVEMENT

(1) Develop supply chains, provide comprehensive solution of financial and banking services to customers

(2) Develop modern products and services based on advanced technology, especially in payment solution

(3) Improve service quality

DEVELOPMENT OF SOLID PLATFORM

(1) Facilitate strong digitalization in banking services, develop database, apply technology to business development, business governance and management, enhance security

(2) Improve the quality of human resources, improve sales skills and customer care

(3) Improve labor productivity and operational efficiency. Improve automation factors (straight-through-processing) in operation. Improve and streamline procedures and policies. Minimize operating time, shorten transaction processing time

(4) Improve the efficiency of network allocation

(5) Improve the quality of growth, risk management and internal controller

(6) Develop strong brands and enhance marketing of products and services

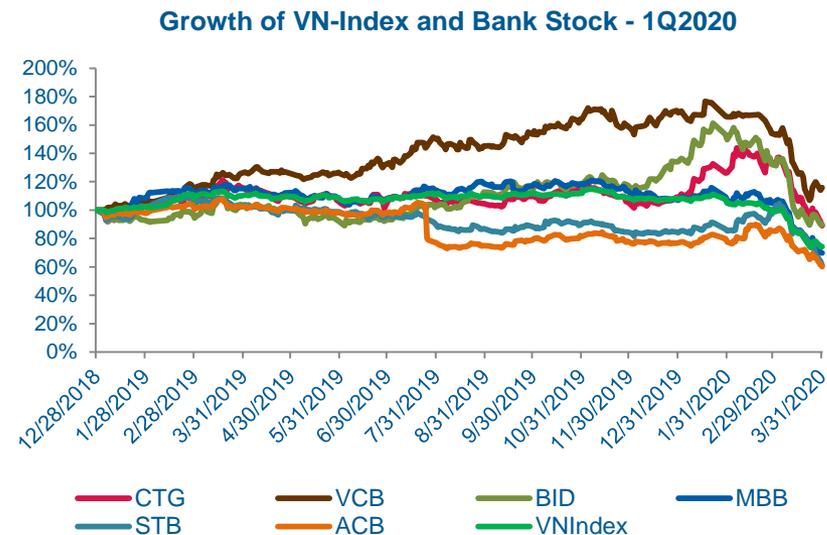
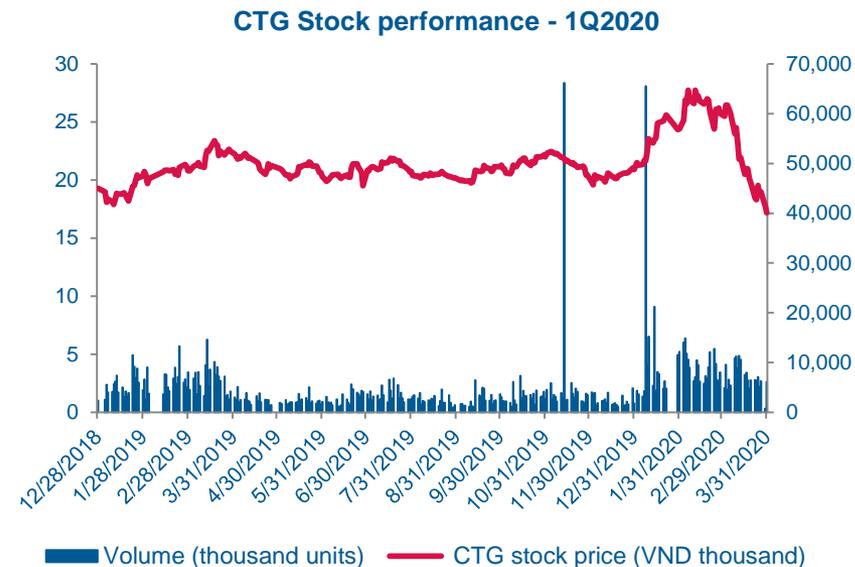
6. Appendix

- ❖ **CTG stock performance**
- ❖ **Historical financials - Balance sheet**
- ❖ **Historical financials - Income statement**
- ❖ **Investor relations website**

6. Appendix

CTG stock performance - 1Q2020

Indicators	Value
Closing price of 1 st trading session of 1Q2020 (Jan 02 nd , 2020)	21,500 VND/share
Closing price of last trading session of 1Q2020 (Mar 31 st , 2020)	17,200 VND/share
Price fluctuations in 1Q2020	27,750 - 17,200 VND/share
Trading volume	530,635,154 shares
Trading value	12,711 VND bil
Trading volume of foreign investors	Net buying 7,356,503 shares
Foreign ownership	29.68%
EPS	2,594 VND/share
P/E (Mar 31 st , 2020)	6.63x
BVPS	21,166 VND/share
P/B (Mar 31 st , 2020)	0.81x



6. Appendix

Historical financials - Balance sheet

Unit: USD Million	2016	2017	2018	2019	1Q2020
Cash, gold and gemstones	234	267	308	358	317
Balances with the State Bank of Vietnam ("SBV")	609	926	1,016	1,074	1,083
Placements with and loans to other credit institutions	4,263	4,794	5,718	5,588	5,438
Trading securities	86	157	137	165	46
Derivative financial instruments and other financial assets	31	24	12	20	0
Loans to customers	29,874	35,259	37,894	40,392	39,751
Provision for credit losses of loans to customers	(311)	(370)	(570)	(559)	(563)
Investment securities	6,057	5,725	4,473	4,518	4,517
Long-term investments	145	139	145	142	148
Fixed assets	479	510	487	475	474
Other assets	1,340	1,401	1,395	1,410	1,410
Total assets	42,807	48,832	51,016	53,583	52,621
Borrowings from the Government and the SBV	217	678	2,743	3,049	2,797
Deposits and borrowings from other credit institutions	3,843	5,135	4,881	4,728	3,941
Deposits from customers	29,562	33,576	36,180	38,557	38,552
Derivative financial instruments and other financial liabilities	0	0	0	0	6
Financing funds, entrusted funds, and exposed funds	274	284	260	249	250
Valuable papers issued	1,076	1,003	2,025	2,465	2,456
Other liabilities	5,114	5,312	1,972	1,194	1,227
Total liabilities	40,086	45,989	48,060	50,242	49,229
Capital	2,085	2,061	2,034	2,018	2,011
<i>In which: Chartered capital</i>	<i>1,680</i>	<i>1,660</i>	<i>1,631</i>	<i>1,608</i>	<i>1,602</i>
Reserves	287	333	358	415	413
Foreign exchange differences	22	25	26	27	28
Undistributed profit	315	412	525	857	916
Total owners' equity	2,722	2,843	2,955	3,341	3,392
Non-controlling Interests	12	13	13	24	24
Total liabilities and owners' equity	42,807	48,832	51,016	53,583	52,621
Exchange rates	22,159	22,425	22,825	23,155	23,235

6. Appendix

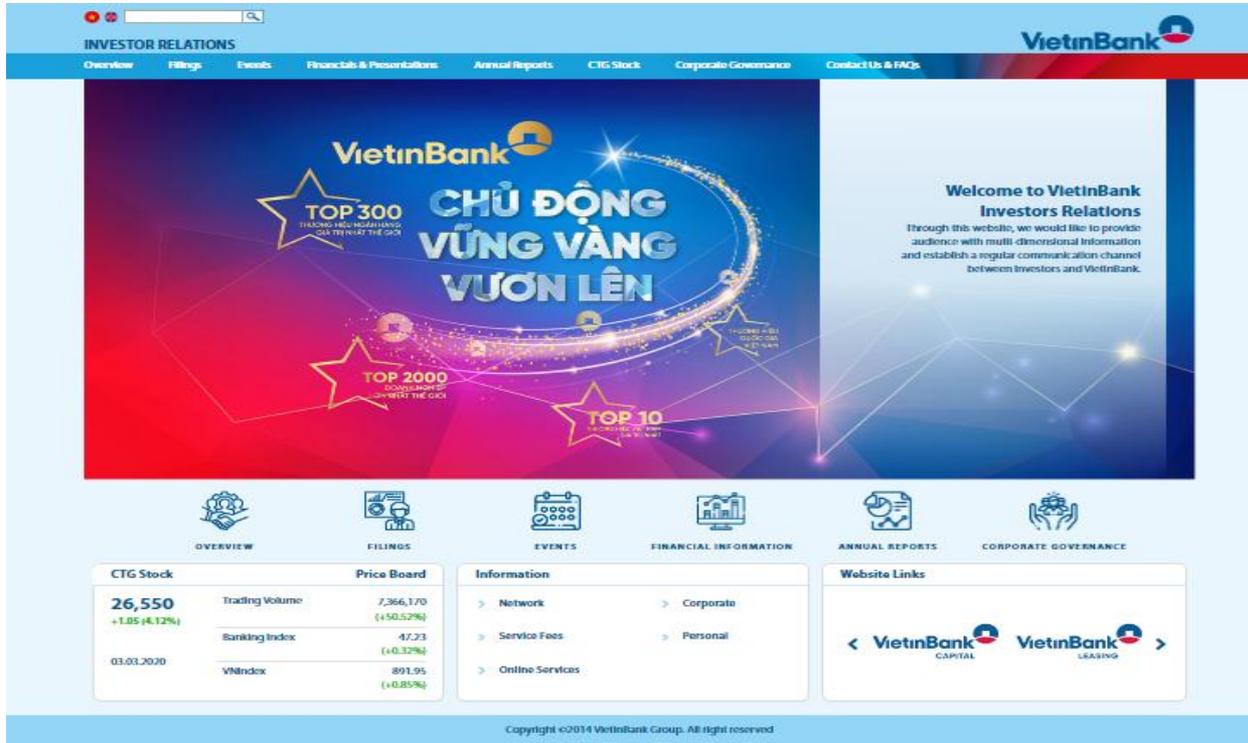
Historical financials - Income statement

Unit: USD Million	2016	2017	2018	2019	1Q2020	1Q2019
Interest and similar income	2,387	2,911	3,236	3,573	926	855
Interest and similar expenses	(1,380)	(1,704)	(2,263)	(2,140)	(564)	(510)
Net interest and similar income	1,007	1,207	973	1,434	362	346
Fees and commission income	150	192	261	341	83	74
Fees and commission expenses	(74)	(109)	(140)	(166)	(37)	(32)
Net gain/(loss) from fees and commission income	77	83	121	175	46	42
Net gain/(loss) from trading of foreign currencies	31	32	31	68	17	18
Net gain/(loss) from securities held for trading	8	14	12	16	11	6
Net gain from investment securities	2	(4)	10	(34)	7	(4)
Net gain/(loss) from other activities	59	89	83	65	12	7
Income from investments in other entities	7	33	16	27	5	4
Income from non-interest	183	247	273	316	98	73
Total income	1,190	1,455	1,246	1,750	460	419
Operating expenses	(580)	(672)	(617)	(680)	(143)	(141)
Net profit before provision for credit losses	610	783	629	1,070	317	278
Provision expense for credit losses	(228)	(372)	(342)	(562)	(189)	(141)
Profit before tax	382	411	287	509	128	137
Corporate income tax expense	(76)	(78)	(56)	(100)	(25)	(27)
Profit after tax	305	333	231	409	103	110
Non-controlling Interests	(1)	(1)	(0.1)	(0.7)	0.4	(0.5)
Owners's net profit	304	331	231	409	104	110
Exchange rates	22,159	22,425	22,825	23,155	23,235	22,980

6. Appendix

Investor relations website

<http://investor.vietinbank.vn>



The screenshot shows the VietinBank Investor Relations website. The header includes the VietinBank logo and navigation links: Overview, Filings, Events, Financials & Presentations, Annual Reports, CTG Stock, Corporate Governance, and Contact Us & FAQs. The main banner features the VietinBank logo and the text "CHỦ ĐỘNG VỮNG VÀNG VƯỢT LÊN" (Proactive, Steady, and Overcoming). It also highlights three awards: "TOP 300" (TRADING VOLUME LEADER OF QUARTER AT THE CSE), "TOP 2000" (LEADER OF QUARTER AT THE CSE), and "TOP 10" (LEADER OF QUARTER AT THE CSE). A welcome message states: "Welcome to VietinBank Investors Relations. Through this website, we would like to provide audience with multi-dimensional information and establish a regular communication channel between investors and VietinBank." Below the banner are icons for Overview, Filings, Events, Financial Information, Annual Reports, and Corporate Governance. The main content area is divided into four sections: CTG Stock, Price Board, Information, and Website Links. The CTG Stock section shows a trading volume of 26,550 (+1.85% (+4.12%)). The Price Board section shows Trading Volume (7,366,170 (+50.529%)), Banking Index (47.23 (+0.329%)), and VNIndex (891.95 (+0.859%)). The Information section includes links for Network, Service Fees, Online Services, Corporate, and Personal. The Website Links section features VietinBank CAPITAL and VietinBank LEASING logos.

CTG Stock	Price Board
26,550 +1.85 (+4.12%)	Trading Volume 7,366,170 (+50.529%)
	Banking Index 47.23 (+0.329%)
03.01.2020	VNIndex 891.95 (+0.859%)

Information

- Network
- Service Fees
- Online Services
- Corporate
- Personal

Website Links

< VietinBank CAPITAL VietinBank LEASING >

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For further information, please contact:

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Thank you!

Disclaimer:

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