



IR Presentation

1H2018

(Exchange rate: 22,650 VND/USD)

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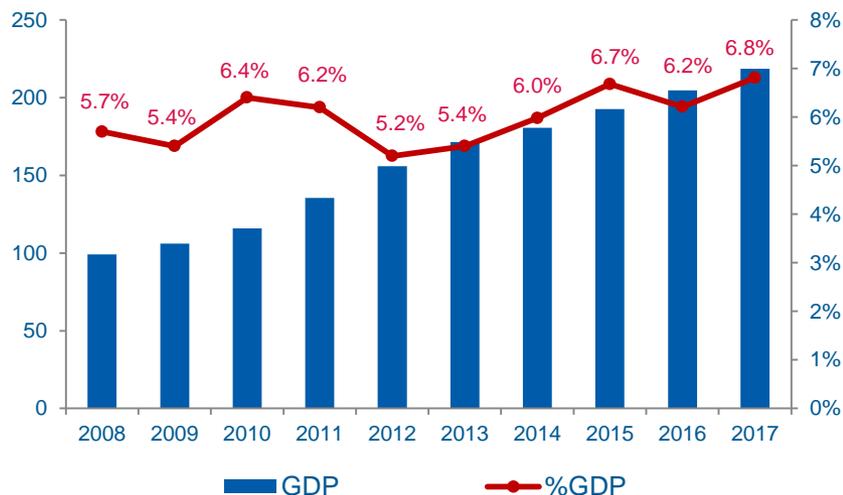
1. Macroeconomic & Banking sector overview

- ❖ GDP
- ❖ CPI
- ❖ PMI
- ❖ Export & Import
- ❖ FDI
- ❖ Banking sector

GDP growth rate in 1H2018 is the highest yoy since 2011

- ❖ GDP growth in 2017 was 6.81%, in which 1Q2017 increased 5.15%, 2Q2017 increased 6.28%, 3Q2017 increased 7.46%, 4Q2017 increased 7.65% - higher than targeted GDP of 6.7% and highest among 2011-2016, confirming the timeliness and effectiveness of solutions implemented by the Government as well as drastic direction & efforts for implementation at all levels.
- ❖ GDP growth in 1H2018 is expected to achieve 7.08% yoy (1Q2018 growth was 7.45%; 2Q2018 growth is 6.79%), the highest yoy since 2011.
- ❖ According to Government's Resolution No.01/ND-CP dated 01/01/2018 on major tasks and solutions to implement the socio-economic development plan and State budget estimate in 2018, the Government planned to achieve GDP growth of 6.7% in 2018.

Vietnam GDP growth 2008-2017 (billion USD)



Vietnam GDP growth 2015-2018 (q-o-q)



1H2018's CPI slightly increased compared to 2017

CPI in June 2018 increased 0.61% over the previous month; the highest CPI in June in the past 7 years. CPI in June 2018 increased 2.22% compared with December 2017 and increased 4.67% over the same period last year.

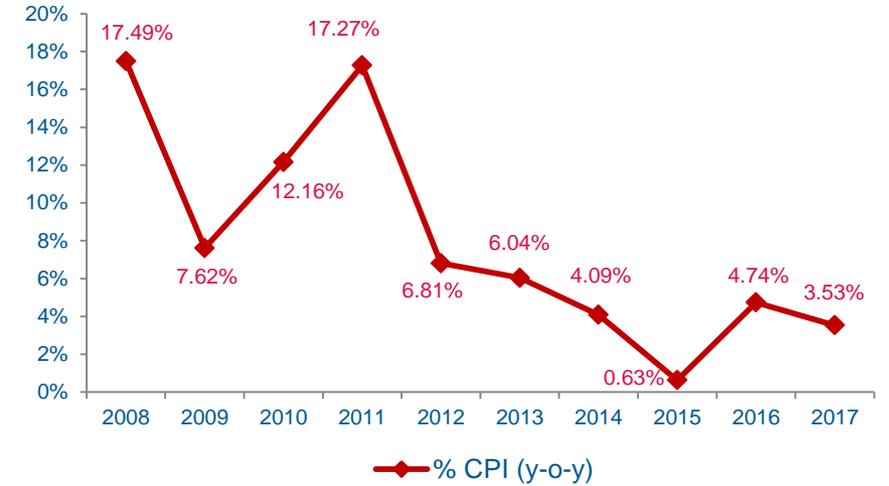
Average CPI for 1H2018 rose by 3.29% over the same period last year. Core inflation in June 2018 increased 0.1% over the previous month and increased 1.37% over the same period last year. The average inflation in 1H2018 rose by 1.35% over the same period last year.



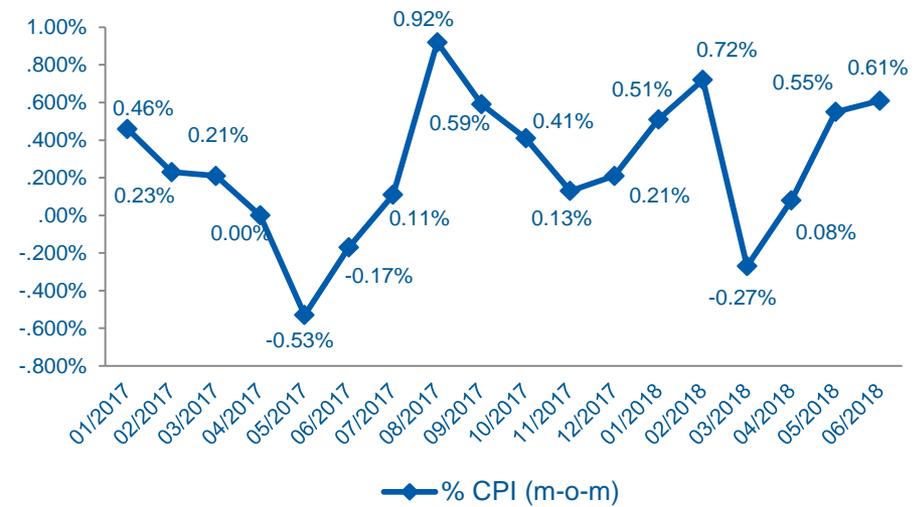
Impact factors:

- Increase in medical service charges;
- Implementation of roadmap to increase tuition fees;
- Increase in fuel price on world market;
- Increase in food price
- Increase in regional minimum wage;
- Active implementation of measures to stabilize market prices during Tet holiday;
- SBV maintains monetary policy, macro stability and controls inflation.

CPI growth 2008 - 2017

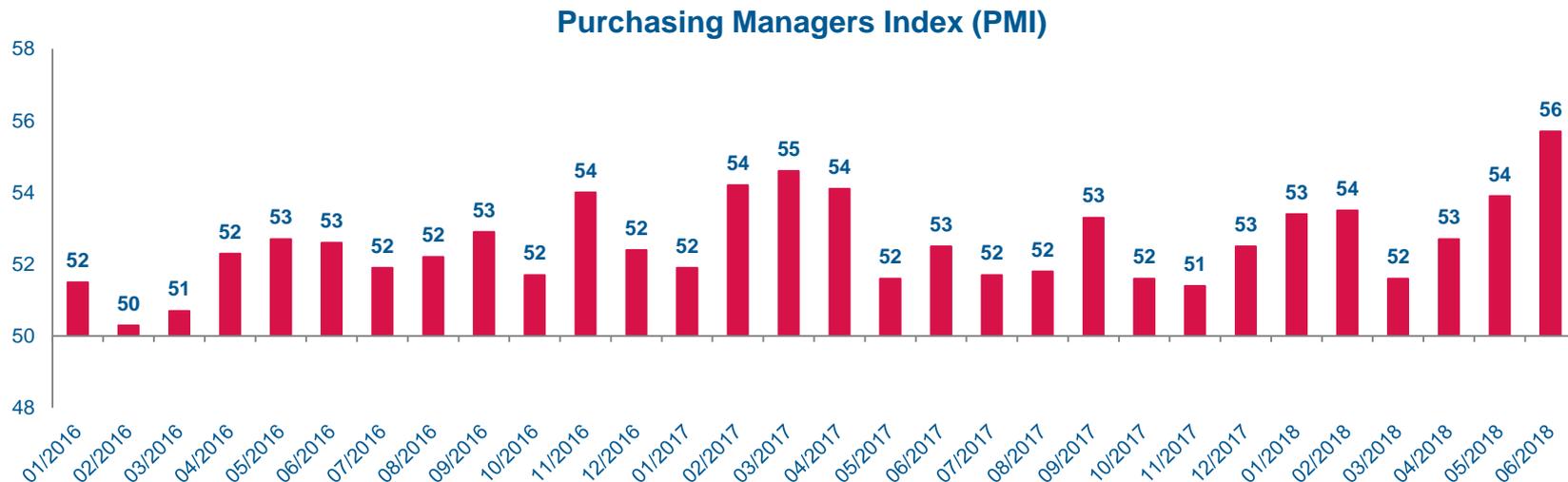


CPI growth 2017-2018 (m-o-m)



PMI continued to rise in 2Q2018, significantly improved production

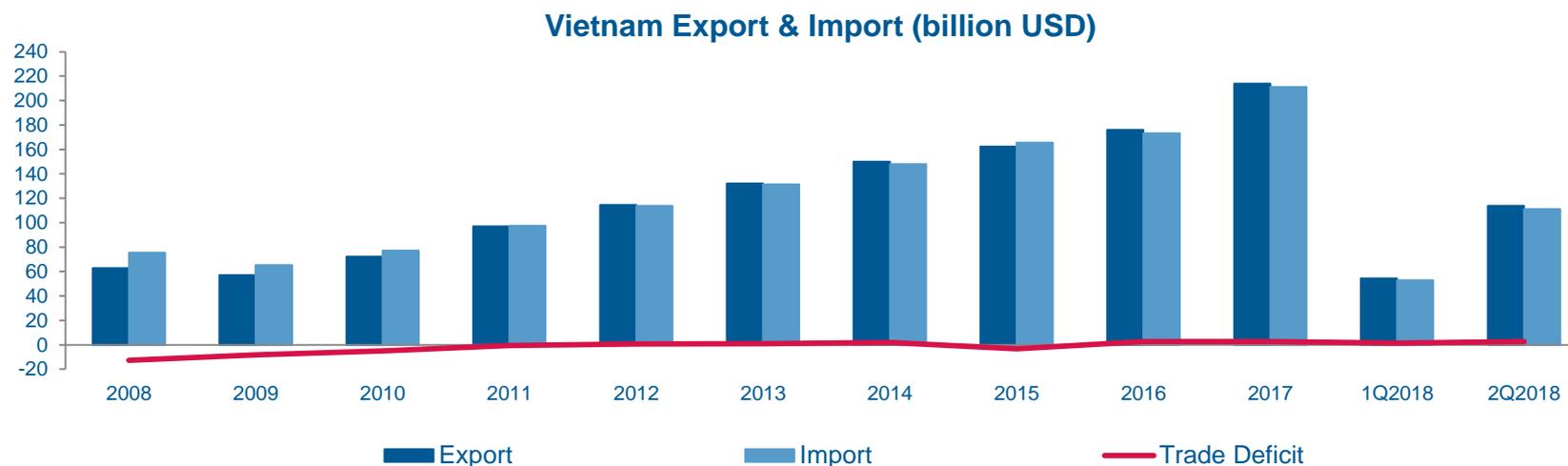
- ❖ The PMI in Vietnam's manufacturing sector has risen from 53.9 points in May to 55.7 points in June, suggesting that the health of the manufacturing sector has improved significantly. The improvement was just below the record level recorded in March 2011.
- ❖ The volume and number of new orders have increased faster as the needs of customers in general have improved. This has led to a record increase in sales and significant increase in purchases. Meanwhile, both input costs and output prices are up sharply. As a result, business conditions have improved over the past 31 months.



Import & Export

After 4 months of trade surplus, trade balance deficit returned in May and June 2018

- ❖ Export turnover: \$113.93 billion (up 16% yoy)
 - Domestic sector: \$33.07 billion (up 19.9%);
 - FDI: \$80.86 billion (up 14.5%).
- ❖ Import turnover: \$111.22 billion (up 10.0% yoy)
 - Domestic sector: \$46.01 billion (up 12.9%);
 - FDI: \$65.21 billion (up 8.1%).
- ❖ Balance of trade: Surplus \$2.71 billion.
 - Domestic sector: Deficit \$12.94 billion;
 - FDI: Surplus \$15.65 billion.



FDI tends to decrease in 1H2018

- ❖ As of 20/6/2018, FDI attracted 1,366 new licensed projects with registered capital of USD 11,799.8 million, up 15.5% in number of projects and down 0.3% in registered capital compared to same period in 2017.
- ❖ There are 507 projects licensed in the previous years registered to adjust capital investment with additional capital reached 4,434.2 million USD, down 13.8% over the same period in 2017. The total number of newly registered capital and capital increase in 1H2018 reached \$16,234 million, down 4.4% over the same period in 2017.
- ❖ There are 2,749 contributing capital times, buying shares of foreign investors with a total capital contribution of US\$ 4.1 billion, increased 82.4% over the same period last year.
- ❖ FDI realized in 1H2018 is estimated at US\$8.37 billion, up 8.4% over the same period in 2017.

FDI newly registered and disbursed (USD, bn)



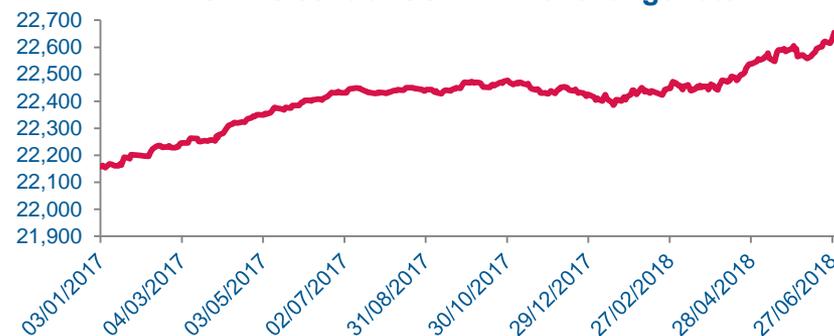
Stable foreign exchange market in 5M2018

- ❖ Exchange rate stabilized in the first 5 months of 2018 thanks to strong USD supply. However, turning June 2018, the exchange rate increased sharply because of the fall of USD supply, increase in USD value and rate, impact of the US-China trade war.
- ❖ As of 29/06/2018, the SBV's central rate was adjusted up by 225 points compared to the end of 2017, reaching 22,650 VND/USD.
- ❖ The State Bank has bought a large amount of foreign currency, thereby raising the foreign exchange reserves to over \$ 63 billion.

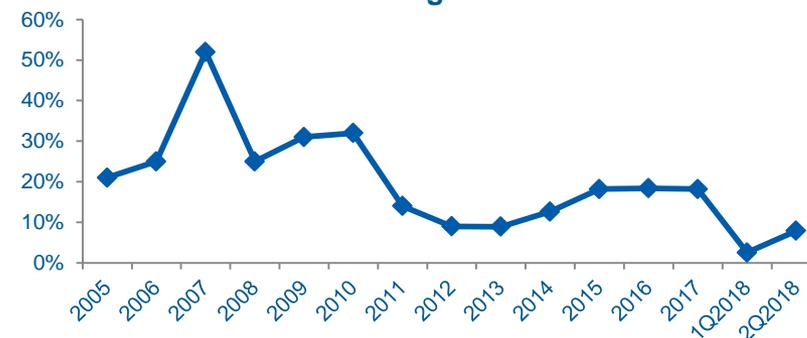
Liquidity

- ❖ Total means of payment increased by 7.96% from 2017 (as at 20 June 2018)
- ❖ Credit growth was 7.88% from 2017
- ❖ Capital mobilization of credit institutions increased 8% from 2017
- ❖ Slow disbursement of public investment led to surplus liquidity on interbank market.
- ❖ Liquidity continued to be stable, ready to meet the demand for credit for the economy and ensure a safe LDR.

SBV's central USD/VND exchange rate



Credit growth



Mobilization growth



2. General information

- ❖ **VietinBank Overview**
- ❖ **Corporate Structure**
- ❖ **Organizational Structure**

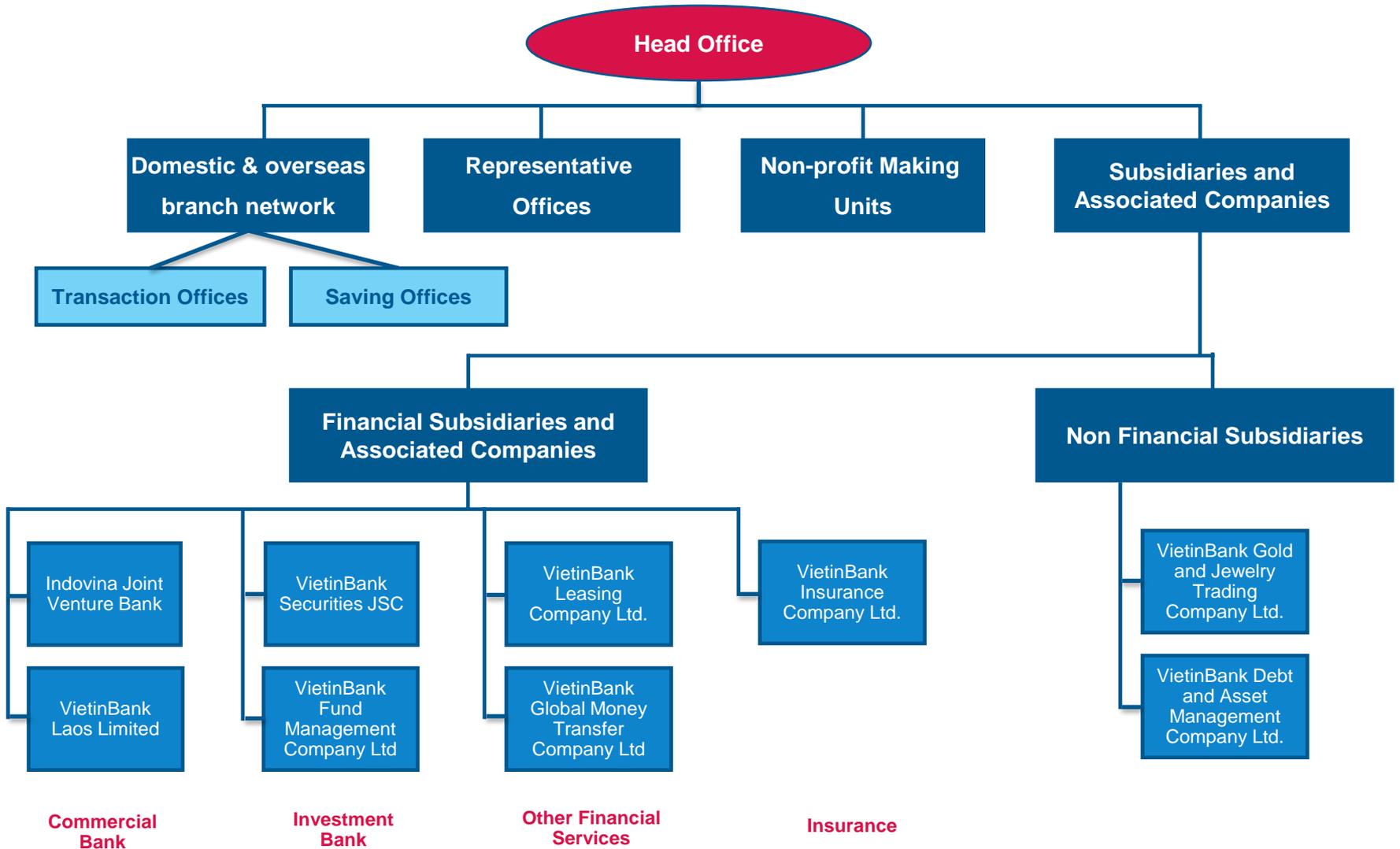
VietinBank Overview



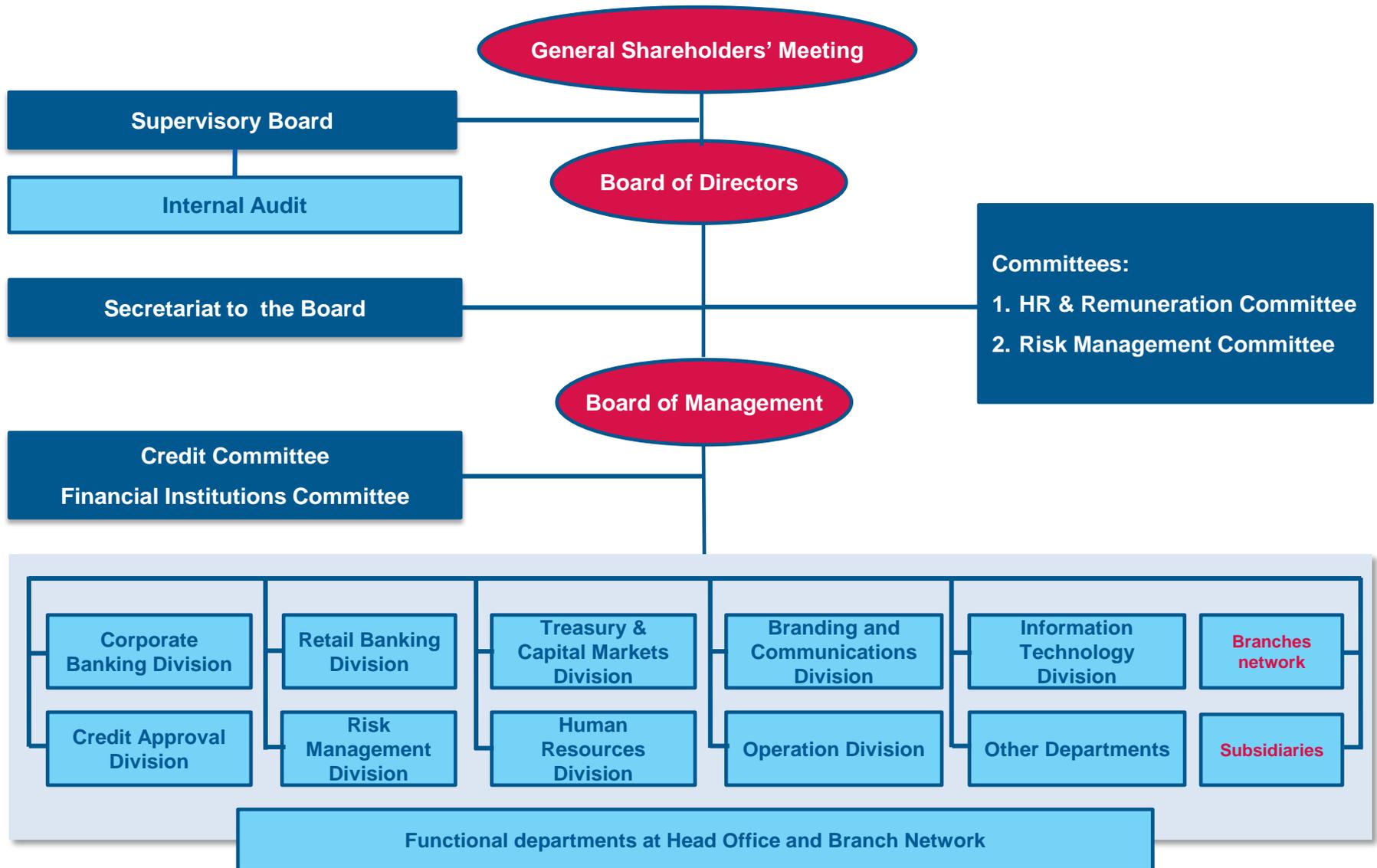
Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) is a leading financial and banking group, playing a key role in Vietnam's financial and banking system.

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ 1988 | <p>Established upon separation from The State Bank of Vietnam (SBV).</p> |
| <ul style="list-style-type: none"> ▪ 2008 | <p>Went public through IPO and listed on Hochiminh Stock Exchange (HOSE) one year later</p> |
| <ul style="list-style-type: none"> ▪ 2009 | <p>Officially renamed into Vietnam Joint Stock Commercial Bank for Industry and Trade (or VietinBank in short)</p> |
| <ul style="list-style-type: none"> ▪ 2011 | <p>IFC officially became foreign strategic shareholder of VietinBank with 10% stake ownership</p> |
| <ul style="list-style-type: none"> ▪ 2012 | <p>The Bank of Tokyo Mitsubishi UFJ (BTMU – now known as MUFG Bank) officially became the second foreign strategic shareholder of VietinBank, holding 19,73% equity share of VietinBank.</p> |
| <ul style="list-style-type: none"> ▪ 2017 | <p>Successfully implemented the Core Banking system. Awarded "The Best Core Banking Project" by The Asian Banker.</p> |

Strong operational structure



Solid management structure and governance



3. Investment Highlights

- ❖ **Market Share**
- ❖ **Chartered Capital, Total Equity and Total Asset**
- ❖ **Network**
- ❖ **Brand name & Client base**
- ❖ **Strong Shareholder Structure**
- ❖ **Corporate governance and HR**

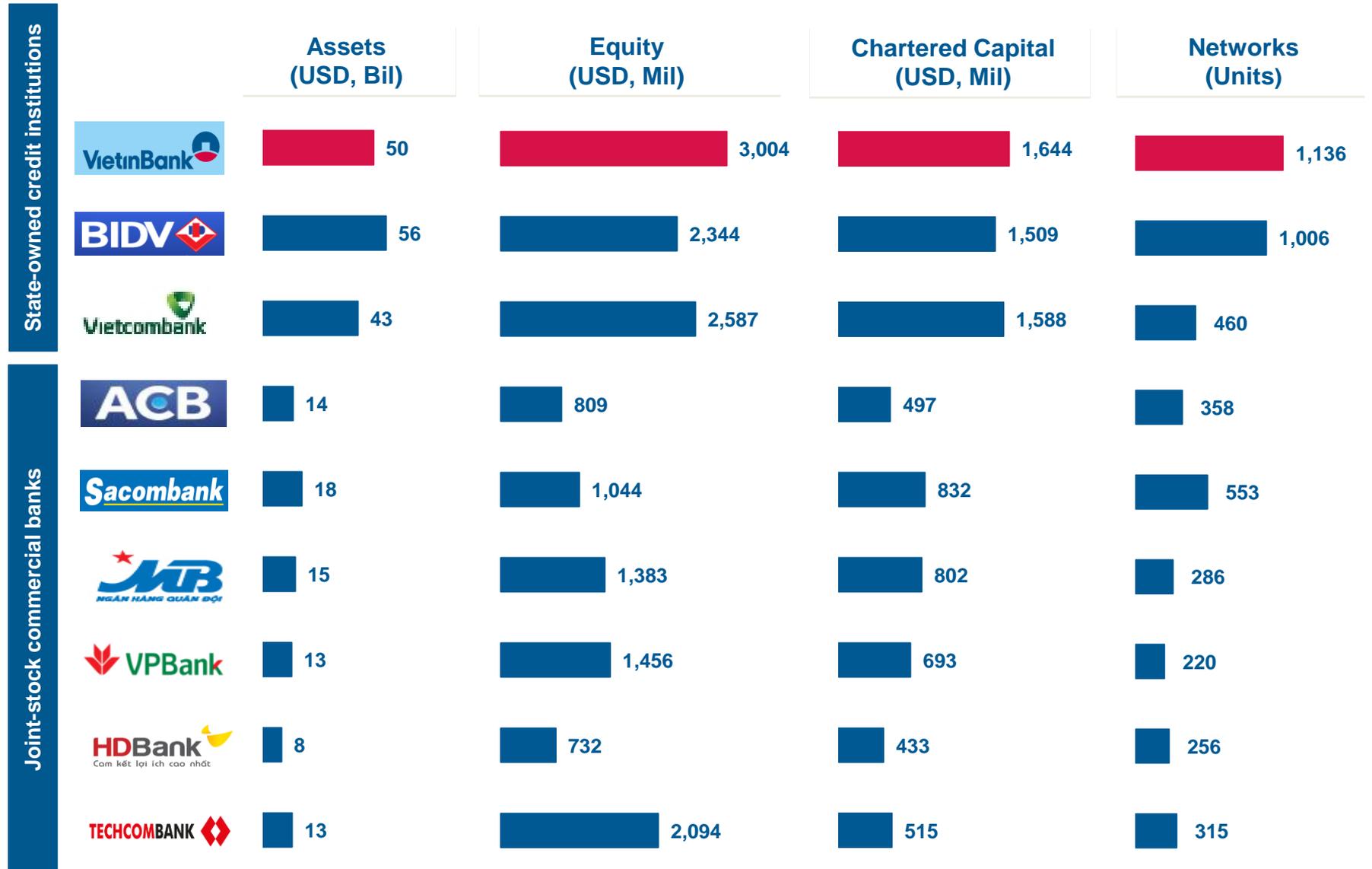
Investment Highlights

Top financial institution in Vietnam with dominant market share:

- Loans (12.39%)
- Mobilized fund (10.95%)
- Investment Banking (16.5%)
- Remittance (15%)
- International payment & Trade Finance (13.07%)
- Cards Payment Services (22%)

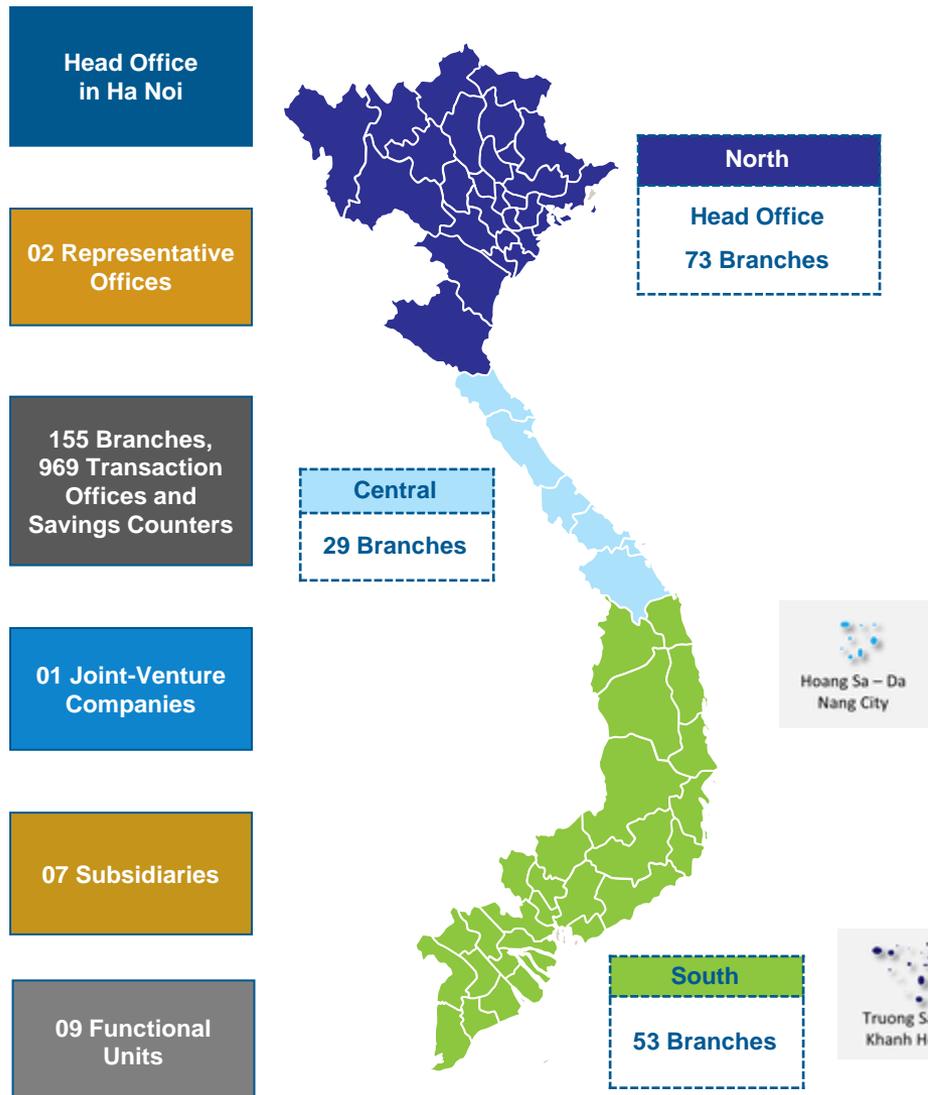


Large scale



Note: Data as of 30/6/2018

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, 969 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

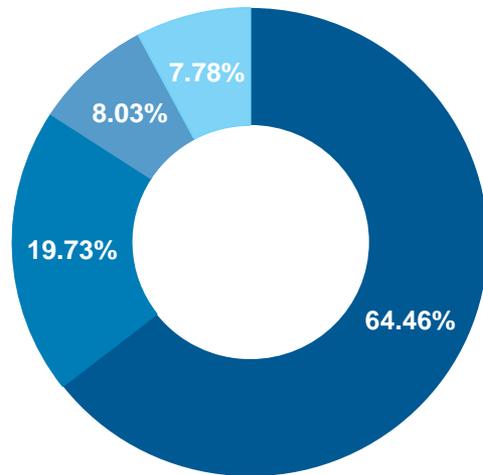
VietinBank has established a large correspondent banking network with 1,000 banks in 90 countries and territories all over the world.

Great and solid customer base

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



Major Shareholders' stakes



- State Bank of Vietnam
- MUFG
- IFC
- Others

Major shareholders' supports

Shareholder



Vietnamese Government



MUFG



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 MUFG 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

Management Team

BOARD OF DIRECTORS



**Mr. Cat
Quang Duong**
Board member in
charge of the BOD



Mr. Le Duc Tho
Board Member



**Ms. Tran
Thu Huyen**
Board Member



**Mr. Phung
Khac Ke**
Board Member



**Ms. Nguyen
Hong Van**
Board Member



**Mr. Hideaki
Takase**
Board Member



**Mr. Hiroshi
Yamaguchi**
Board Member

BOARD OF MANAGEMENT



Mr. Le Duc Tho
General Director



**Mr. Hiroshi
Yamaguchi**
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
Minh Binh**
Deputy General
Director



**Mr. Tran Cong
Quynh Lan**
Deputy General
Director



**Mr. Nguyen
Dinh Vinh**
Deputy General
Director



**Mr. Nguyen
Hai Hung**
Chief Accountant

BOARD OF SUPERVISOR



**Mr. Nguyen
The Huan**
Chief Supervisor



**Ms. Pham
Thi Thom**
Member



**Mr. Tran
Minh Duc**
Member



**Ms. Pham Thi
Hong Phuong**
Member

4. Corporate Strategy

- ❖ **Corporate Vision & Strategic Objectives**
- ❖ **2018's business targets**

Corporate Vision & Strategic Objectives

Vision

Become a leading financial group in Vietnam & regional; being modern, versatile, in accordance with international standards

Motto

Become a large-scale financial group with the best performance in Vietnamese banking system by 2020

Strategic Objectives

- 1 Sustainable growth
- 2 Transferring income structure
- 3 Develop payment banking operations
- 4 Improve financial capacity
- 5 Enhance full-time labor productivity and cost-effective management

2018's business targets



Enhance financial strength



Growth is associated with efficiency, stability and sustainability



Dramatic improvements in service quality



Promote services, products on payment banking and investment banking



Enhance full-time labor productivity and cost-effective management



Improve business performance and control risk

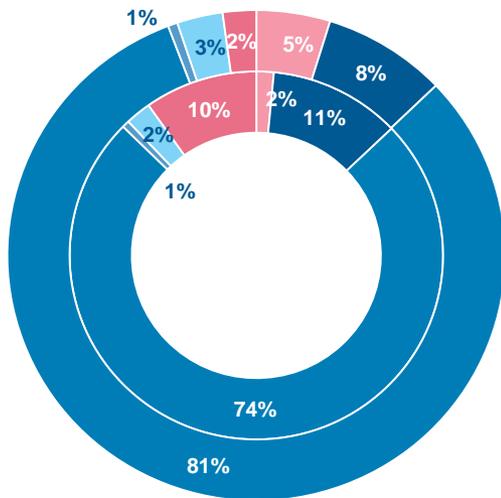
5. Performance

- ❖ **Stable deposits growth with high proportion from market 1**
- ❖ **High credit growth, controlled NPL ratio**
- ❖ **Safe & diversified securities portfolio**
- ❖ **Financial results**

Stable deposits growth

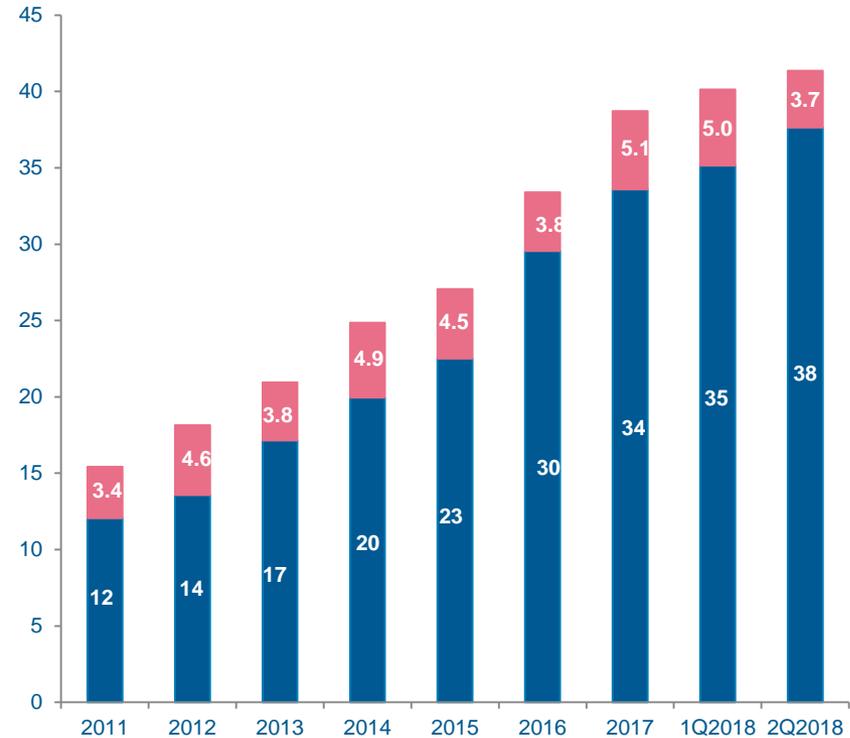
Mobilized Fund structure

Inner ring: As at 31 Dec 2017: USD 45.1 Bil
 Outer ring: As at 30 Jun 2018: USD 46.2 Bil



- Due to Gov and SBV
- Deposits & borrowing from other banks
- Customer Deposits
- Sponsor capital, Entrusted Investment
- Value paper issued
- Other mobilized funds

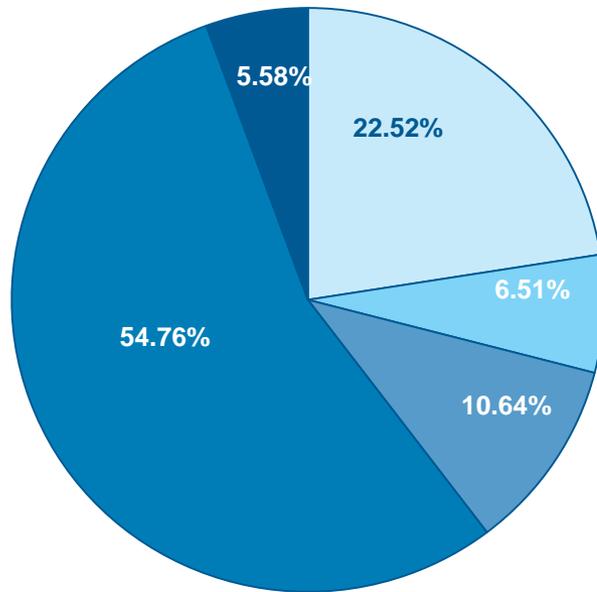
Deposits of customers & credit institutions (USD, Bil)



- Deposit & borrowing from other banks
- Customer Deposits

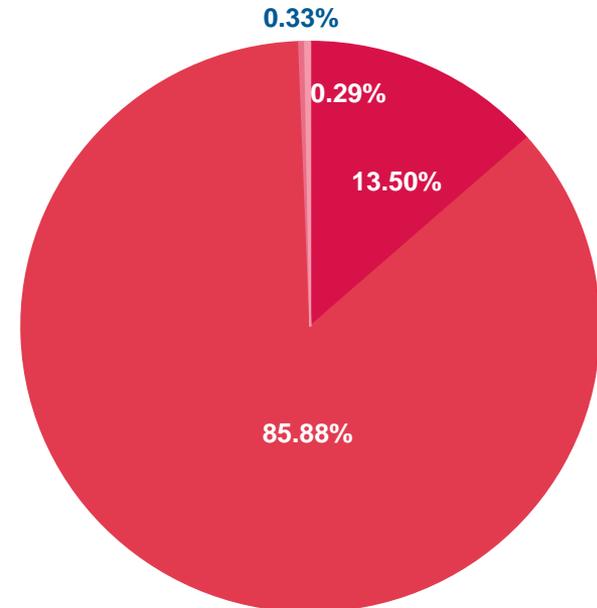
Customer Deposit

Customer Deposit Breakdown by Type of business (31/12/2017)



- SOEs (22.52%)
- FDI (6.51%)
- Other business entities (10.64%)
- Individuals (54.78%)
- Others (5.58%)

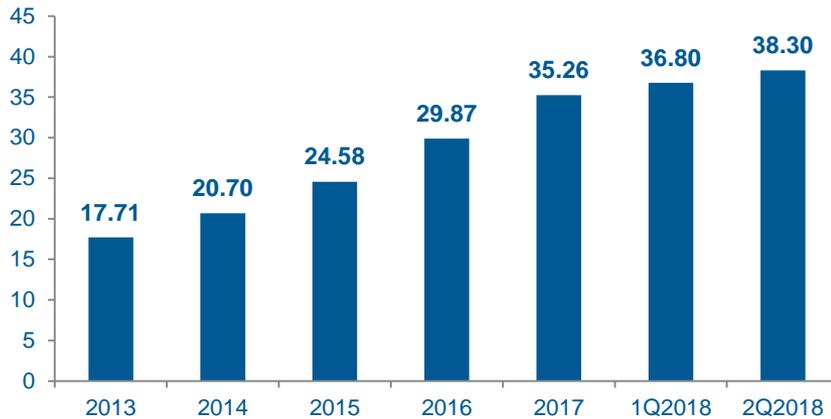
Customer Deposit Breakdown by Tenor (30/6/2018)



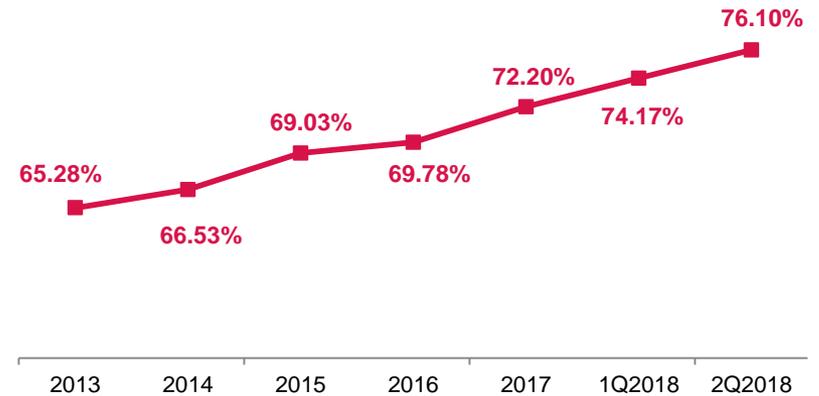
- Demand deposits (13.50%)
- Term deposits (85.88%)
- Deposits for specific purpose (0.33%)
- Margin deposit (0.29%)

High credit growth

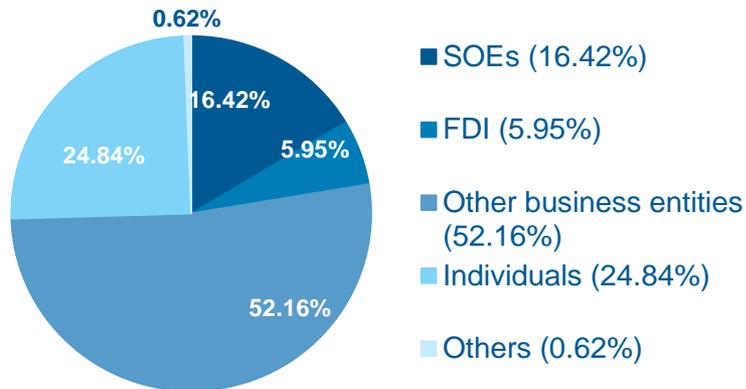
Total loans and advances to customer (USD, Bil)



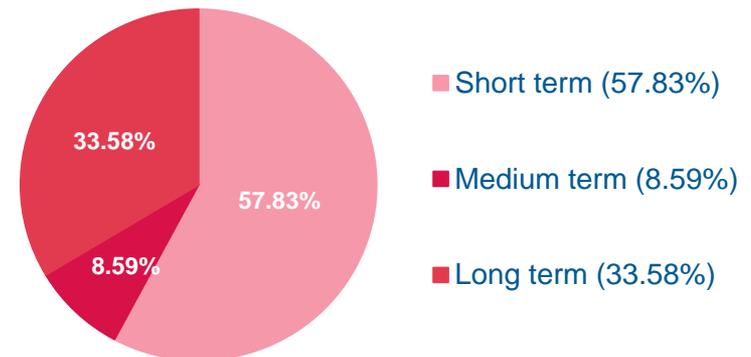
Loan to Total assets ratio (LAR)



Loan Breakdown by Type of business (31/12/2017)

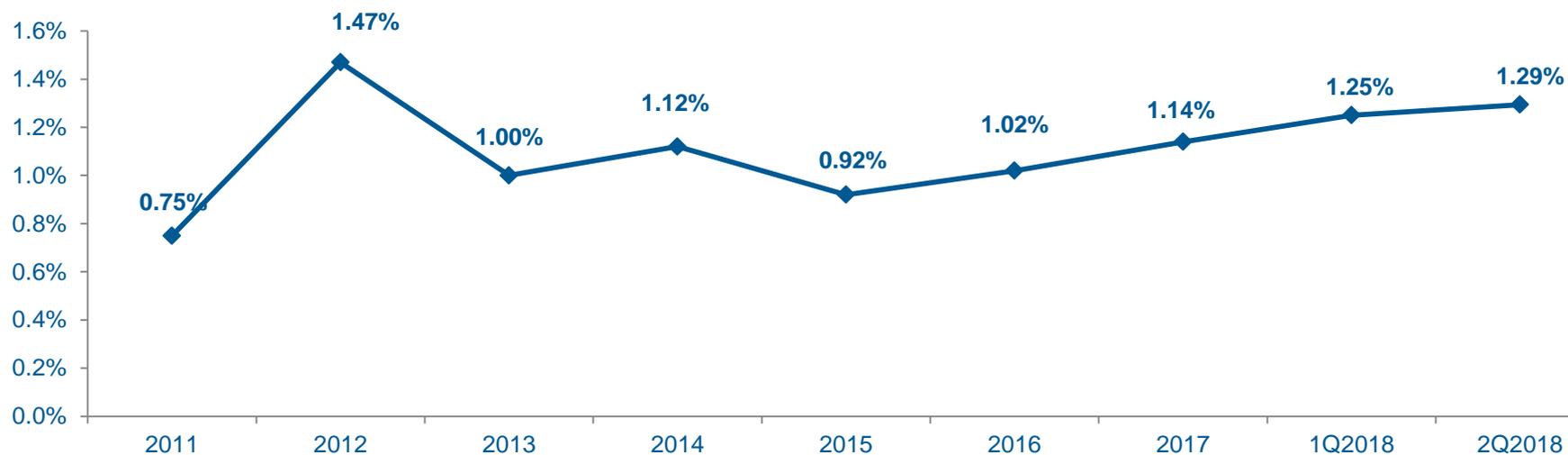


Loan Breakdown by Tenor (30/6/2018)



Controlled NPL ratio

Group	2Q2018		1Q2018		2017		2016		2015	
	Value (USD, Mil)	%								
Group 1 Current	37,638	98,26	36,173	98.31	34,699	98.41	29,319	98.14	24,209	98.48
Group 2 Special mention	169	0,44	165	0.45	161	0.46	251	0.84	147	0.60
NPLs	496	1,29	458	1.25	400	1.13	304	1.02	226	0.92
Total	38,303	100	36,796	100	35,259	100	29,874	100	24,581	100



Asset Quality Management

Robust Credit System

- VietinBank has a robust credit system, clearly defining relevant exposure limits and credit risk appetite.
- This credit system is widely communicated with decentralized authority and clear reporting channels.

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.

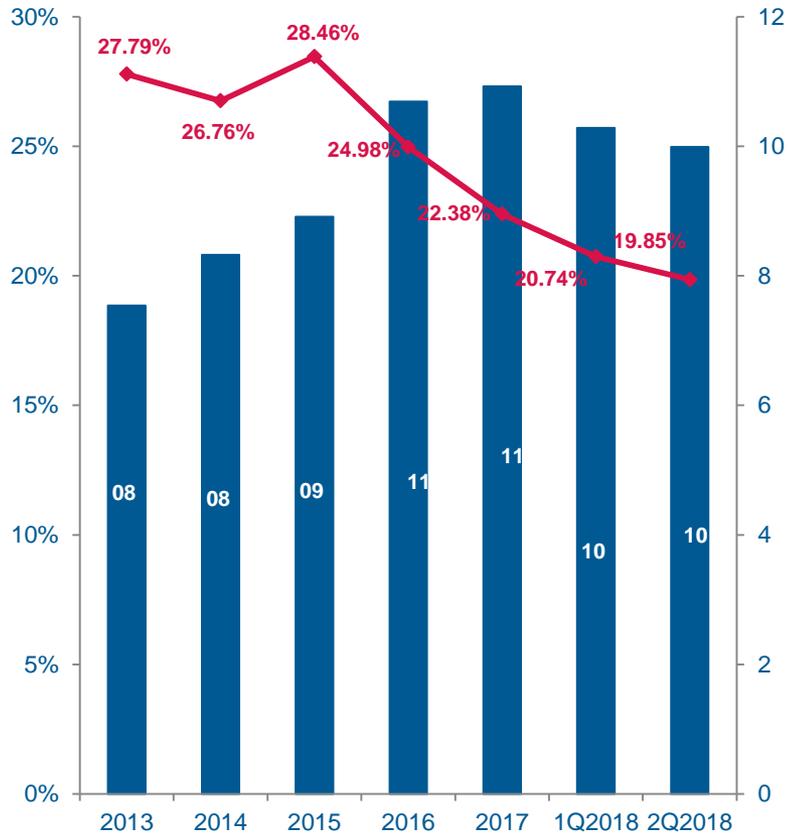
Strong Credit Risk Management System

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

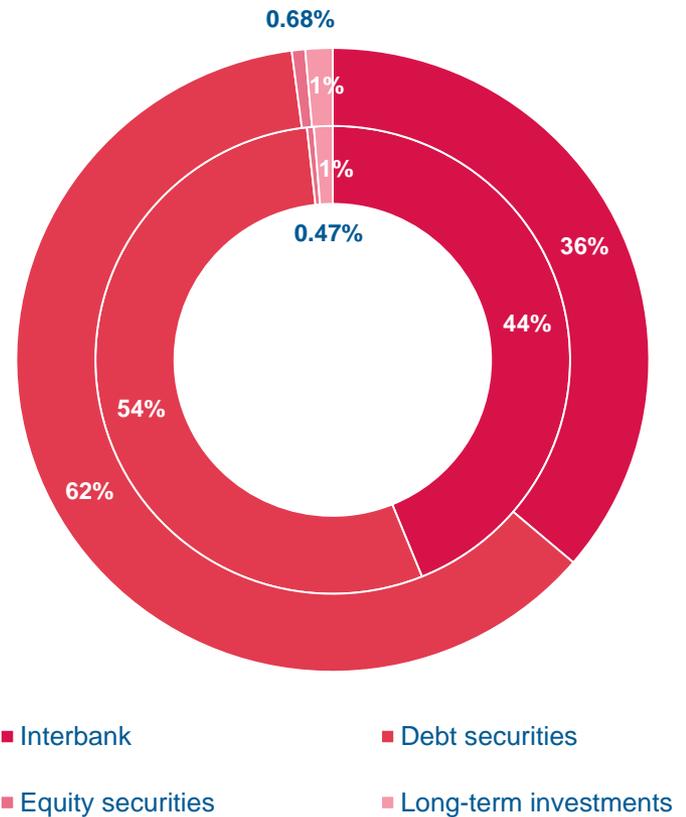
Safe & diversified securities portfolio

Investment portfolio (USD, Bil)

Components of Investment portfolio



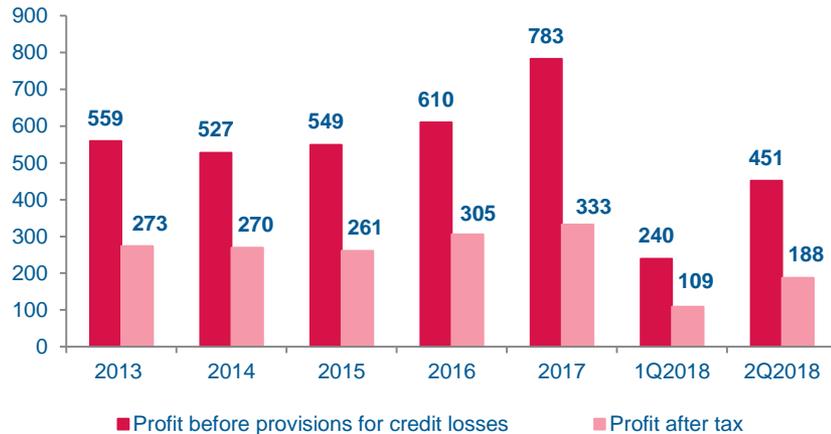
Inner ring: As at 31 Dec 2017
Outer ring: As at 30 Jun 2018



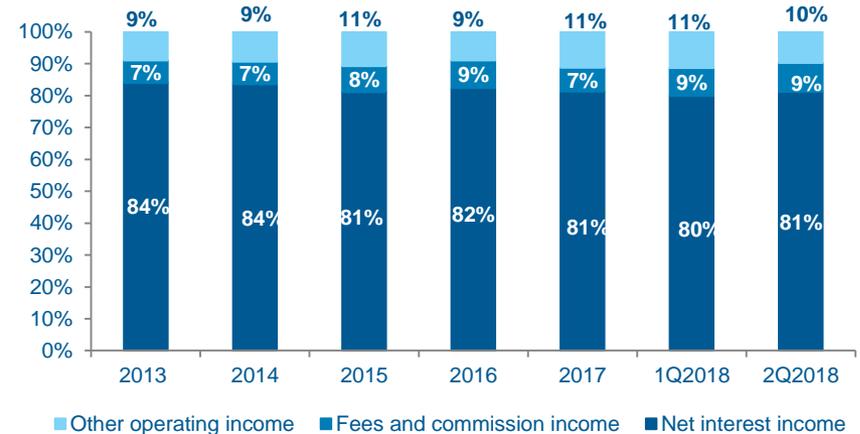
■ Total investment ◆ Investment to total asset ratio

Financial results

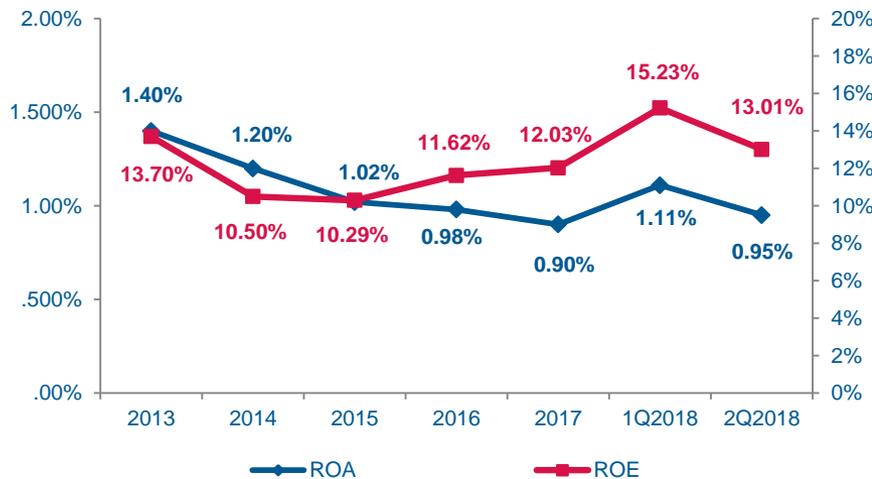
Financial results (USD, Mil)



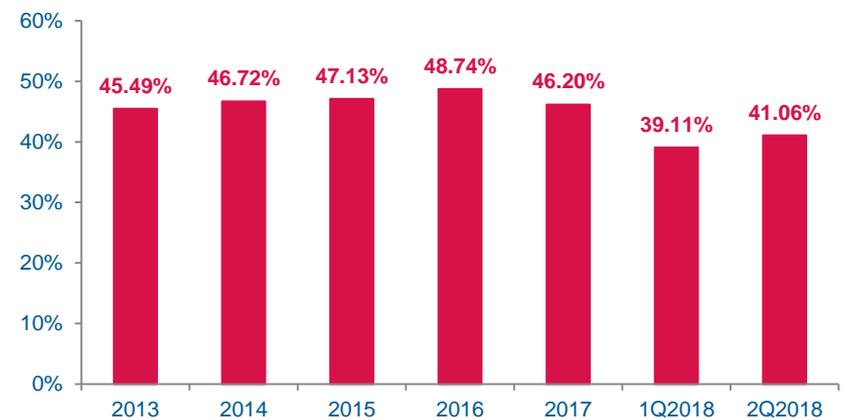
Operating Income Breakdown



Financial ratios



Cost to income ratio



6. Appendix

- ❖ **Awards and accolades**
- ❖ **Efficient subsidiaries**
- ❖ **CTG Stock Performance**
- ❖ **Historical Financials - Balance Sheet**
- ❖ **Historical Financials - Income Statement**
- ❖ **Investor Relations Website**

Awards and accolades

	<p>VietinBank is the only bank to achieve the National Quality Gold Award in the category for large-scale service enterprises. This is the prestigious national level prize awarded by the Prime Minister in order to honor outstanding enterprises for their contribution in improving the capacity of Vietnamese enterprises in the process of economic integration with regional and global economy.</p>		<p>The 6th time in the top 500 most valuable brand names in the world with a brand value of \$ 381 million (+51.3% from 2017), AA-brand strength; Ranked 310th (highest among Vietnamese banks); No 3rd in the Top Banks with upgraded ranking; No 24th in ASEAN banks's ranking.</p>
	<p>VietinBank was awarded the "Best Retail Bank in Vietnam in 2018" and "Vietnam's fastest growing SME bank in 2018" by Global Banking & Finance Review.</p>		<p>This is the 14th consecutive time that VietinBank was awarded Vietnam's strongest brand and also the 14th in a row to maintain the top position.</p>
	<p>For the 7th time in a row, VietinBank has been listed as Forbes Global 2000 (the top 2000 largest companies in the world) by the prestigious American magazine Forbes and is ranked No.1 bank in Vietnam.</p>		<p>VietinBank is named on the list of "Best 50 listing companies in Vietnam" in 2018 and Top 40 Most Valuable Trademark in Vietnam awarded by The Forbes Vietnam.</p>
	<p>VietinBank was voted by The Asian Banker and won 4 major awards: Best Data Analytics Project; Best Core Banking Project; SME Bank of the Year; Best trade finance bank in Vietnam</p>		<p>VietinBank continued to be in the Top 500 largest enterprises - VNR500. VietinBank is also ranked the highest bank in the Top 10 of the Top 500 Best Businesses of 2017; Top 10 prestigious listing companies in 2017.</p>
	<p>VietinBank is the only bank in Vietnam being awarded the "Cash Management Customer Satisfaction Award 2017" by Asiamoney Magazine.</p>		<p>VietinBank has been honored with the "Best Trade Finance Provider in Vietnam for 2018" and "The best foreign exchange service provider in the world" by Global Finance .</p>

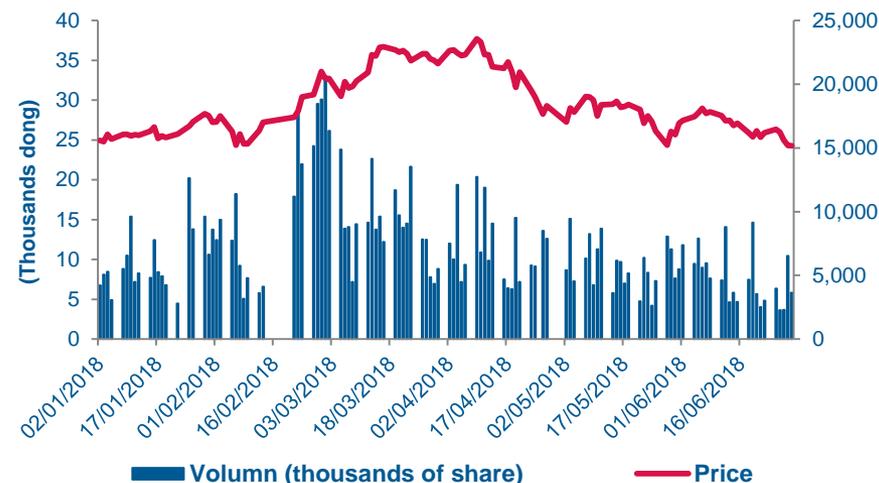
Efficient subsidiaries

Subsidiaries		Chartered Capital as at 30/6/2018 (USD, Mil)	Percentage of contribution (%)	Profit before tax as at 30/6/2018 (USD, Mil)
VietinBank Lao Limited	 VietinBank	50	100%	3.23
VietinBank Leasing Company Ltd	 VietinBank LEASING	44.15	100%	2.93
VietinBank Fund Management Company Ltd	 VietinBank CAPITAL	41.94	100%	3.57
VietinBank Securities Joint Stock Company	 VietinBank SECURITIES	43.11	75.61%	3.30
VietinBank Insurance Joint Stock Company	 VietinBank INSURANCE	22.08	97.83%	2.29
VietinBank Gold and Jewelry Trading Company Ltd	 VietinBank GOLD & JEWELLERY	13.25	100%	0.16
VietinBank Debt Management and Asset Exploitation Company Ltd	 VietinBank AMC	5.30	100%	0.26
Global Money Transfer Company Ltd	 VietinBank MONEY TRANSFER	2.21	100%	1.26

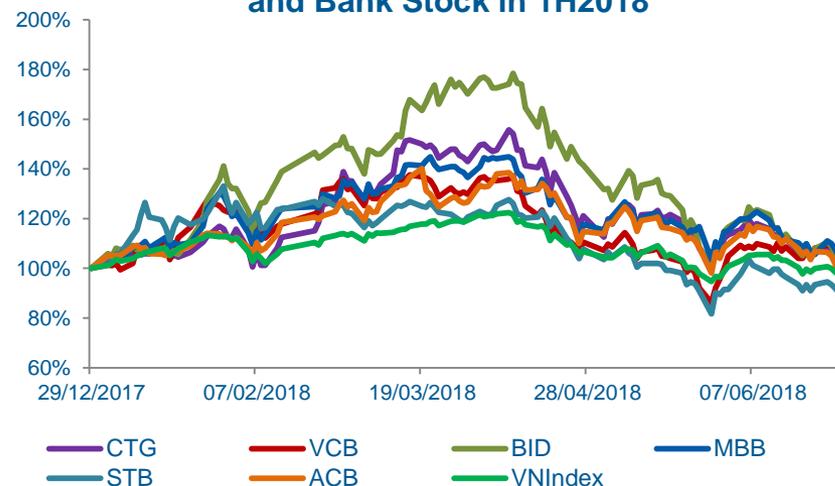
CTG Stock Performance 1H2018

	Value
Closing price of 1 st trading session of 2018 (02 nd Jan 2018)	24,950 VND/share
Closing price of last trading session of 1H2018 (29 th Jun 2018)	24,250 VND/share
Price fluctuations in 1H2018	24,250 – 37,700 VND/share
Volume	1,447,473,391 share
Trading value	26,107 billion VND
Trading volume of foreign investors	Net selling 3,130 share
Foreign owned	30%
EPS	2,276 VND/share
P/E (29 th Jun 2018)	10.66x
BVPS	18,274 VND/share
P/B (29 th Jun 2018)	1.33x

CTG Stock Performance in 1H2018



Growth of VN-Index and Bank Stock in 1H2018



Historical Financials - Balance Sheet

Unit: USD Million	2014	2015	2016	2017	1Q2018	2Q2018
Cash, gold and gemstones	218	233	234	267	288	357
Balances with the State Bank of Vietnam ("SBV")	465	543	609	926	631	193
Placements with and loans to other credit institutions	3,551	3,016	4,263	4,794	4,651	3,623
Trading securities	172	153	86	157	193	137
Derivative financial instruments and other financial assets	0	0	31	24	29	0
Loans to customers	20,704	24,581	29,874	35,259	36,796	38,303
Provision for credit losses of loans to customers	(206)	(208)	(311)	(370)	(447)	(551)
Investment securities	4,396	5,483	6,057	5,725	5,275	6,071
Long-term investments	178	178	145	139	143	139
Fixed assets	419	396	479	510	501	495
Other assets	1,227	1,234	1,340	1,401	1,548	1,567
Total assets	31,123	35,609	42,807	48,830	49,608	50,335
Borrowings from the Government and the SBV	223	604	217	678	1,250	2,215
Deposits and borrowings from other credit institutions	4,884	4,530	3,843	5,157	4,986	3,717
Deposits from customers	19,965	22,520	29,562	33,551	35,144	37,636
Derivative financial instruments and other financial liabilities	20	5	0	0	0	4
Financing funds, entrusted funds, and exposed funds	1,507	2,478	274	287	289	289
Valuable papers issued	249	953	1,076	1,003	1,002	1,374
Other liabilities	1,674	1,955	5,114	5,314	3,989	2,095
Total liabilities	28,522	33,046	40,086	45,991	46,661	47,331
Capital	2,175	2,111	2,085	2,061	2,058	2,040
<i>In which: Chartered capital</i>	1,753	1,701	1,680	1,660	1,658	1,644
Reserves	205	241	287	333	333	331
Foreign exchange differences	16	20	22	25	25	29
Undistributed profit	195	180	315	409	409	590
Total owners' equity	2,601	2,563	2,722	2,840	2,840	3,004
Non-controlling Interests	11	11	12	13	13	14
Total liabilities and owners' equity	31,123	35,609	42,807	48,830	49,608	50,335
Exchange rates	21,246	21,890	22,159	22,425	22,458	22,650

Historical Financials - Income Statement

Unit: USD Million	2014	2015	2016	2017	6T2018	6T2017
Interest and similar income	1,947	1,940	2,387	2,911	1,595	1,407
Interest and similar expenses	(1,106)	(1,080)	(1,380)	(1,704)	(957)	(806)
Net interest and similar income	841	861	1,007	1,207	638	601
Fees and commission income	100	121	150	192	118	83
Fees and commission expenses	(44)	(54)	(74)	(109)	(65)	(43)
Net gain/(loss) from fees and commission income	55	67	77	83	53	41
Net gain/(loss) from trading of foreign currencies	18	1	31	32	16	16
Net gain/(loss) from securities held for trading	9	6	8	16	9	8
Net gain from investment securities	(7)	2	2	(6)	6	2
Net gain/(loss) from other activities	66	101	59	89	35	35
Income from investments in other entities	8	2	7	33	9	25
Income from non-interest	149	178	183	247	128	127
Total income	990	1,039	1,190	1,455	765	728
Operating expenses	(461)	(490)	(580)	(672)	(314)	(298)
Net profit before provision for credit losses	528	549	610	783	451	431
Provision expense for credit losses	(185)	(214)	(228)	(372)	(219)	(216)
Profit before tax	344	336	382	411	232	215
Corporate income tax expense	(74)	(74)	(76)	(78)	(45)	(40)
Profit after tax	270	261	305	333	188	175
Non-controlling Interests	(1)	(1)	(1)	(1)	(1)	(1)
Owners's net profit	269	260	304	331	187	174
Exchange rates	21,246	21,890	22,159	22,425	22,650	22,431

Investor Relations Website

<http://investor.vietinbank.vn>



The screenshot displays the VietinBank Investor Relations website. At the top, there is a navigation bar with links for HOME, PRODUCTS AND SERVICES, INVESTOR RELATIONS, BUSINESS CONNECTION, ABOUT US, and CONTACT. The main content area features a large banner with the text "Investors & VietinBank" and a silhouette of business people. Below the banner are three circular icons representing Vision, Mission, and Core Values. The Vision icon states: "To become a modern and versatile financial and banking group, ranked in the Southeast Asia." The Mission icon states: "Be the leading financial group in Vietnam, providing financial and banking services that are modern, utilized and towards international standards." The Core Values icon states: "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 a sidebar with a menu titled "INVESTOR" containing links for 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 of the sidebar, there is a stock price widget for CTG showing a price of 20,800, an increase of +0.10 (0.48%), and a volume of 951,800 (-42.07%) as of 6/20/2017.

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Thank you!

Disclaimer :

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