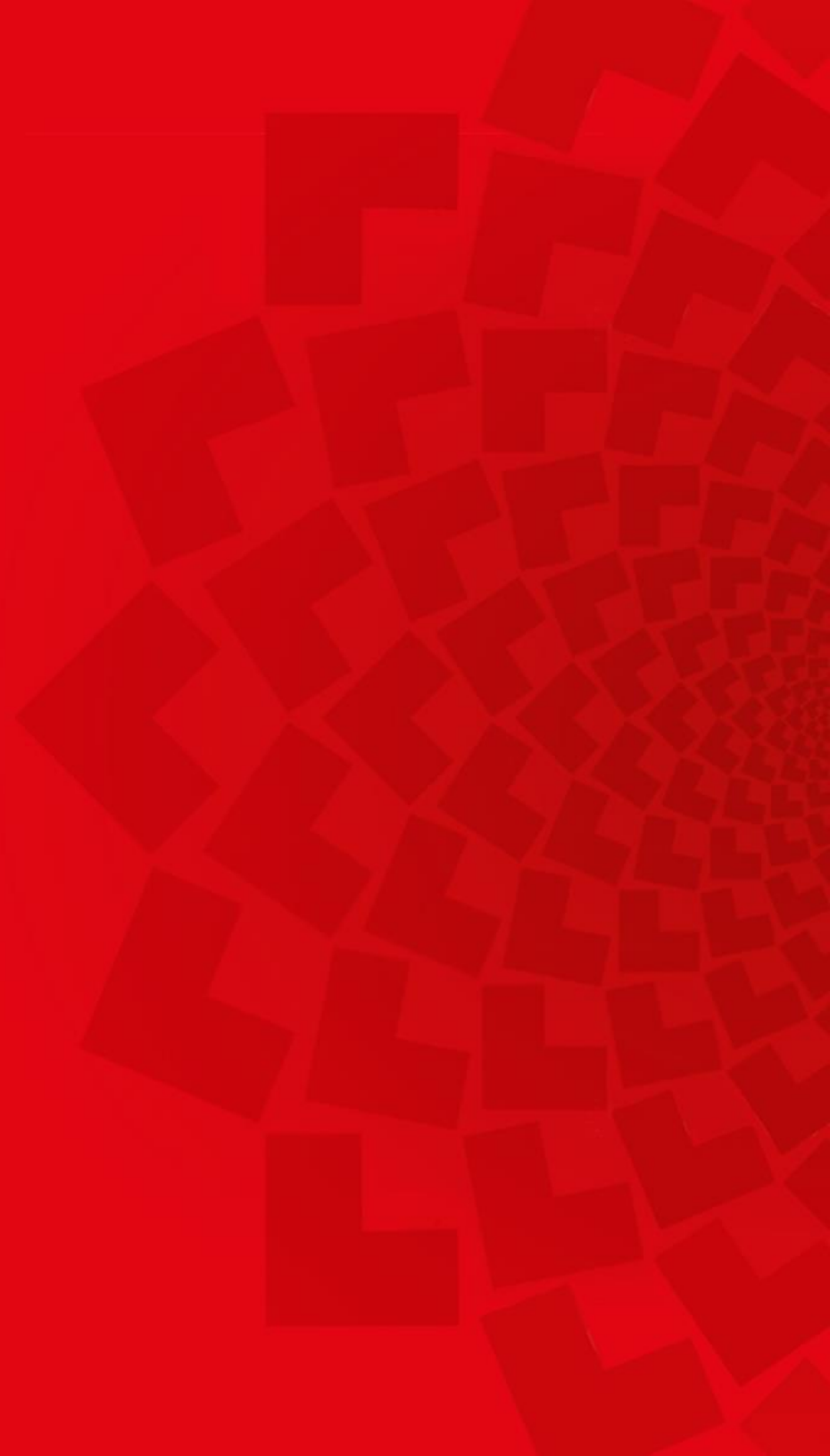




Overview of TCB

March 2018



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Section 1: Introduction

Objectives	Actions	Results
Sustainable Competitive Advantage	<ul style="list-style-type: none"> Focus on high quality customers to drive profitability while simultaneously reducing risk Implement inclusive, unique, customer-centric ecosystem approach targeting the entire value chain <ul style="list-style-type: none"> – Underpinning customer acquisition and retention through cross-selling and up-selling Create differentiated customer proposition allowing TCB to compete not on price but on quality of service 	<ul style="list-style-type: none"> Disproportionate market share in Affluent and Mass Affluent Highest return on average equity (“ROAE”) and return on average assets (“ROAA”) among joint-stock banks (“JSB”) and state-owned banks (“SOB”)s ⁽¹⁾⁽²⁾ Leading retail franchise in Vietnam <ul style="list-style-type: none"> – #1 VISA credit card franchise by transaction volume ⁽³⁾ – #1 market share in bancassurance ⁽⁴⁾ – Strong focus on primary mortgage lending
High Quality Income Stream	<ul style="list-style-type: none"> Strategic focus on fee income <ul style="list-style-type: none"> – Exclusive long-term life bancassurance partnership with Manulife – Drive card uptake and spend through effective campaigns and tailored offerings – Development of best-in-class transaction banking platform 	<ul style="list-style-type: none"> Highest non-interest income ratio and one of the highest net fee income (“NFI”) ratios among JSBs ⁽²⁾
Low Funding Costs	<ul style="list-style-type: none"> Grow CASA via enhanced customer experience through digital, transaction banking offering, and mass rural outreach 	<ul style="list-style-type: none"> One of the highest current and savings (“CASA”) ratio amongst JSBs ⁽²⁾
High Productivity and Efficiency	<ul style="list-style-type: none"> Enterprise-wide customer and employee centric business model Highly experienced management team with diverse international experience 	<ul style="list-style-type: none"> Highest total operating income (“TOI”) per employee among Vietnamese banks ⁽²⁾ Lowest cost-to-income ratio among Vietnamese banks ⁽²⁾
Robust Balance Sheet	<ul style="list-style-type: none"> Prudently managed balance sheet governed by an effective and disciplined risk management framework and practices Fully provisioned and written off all Vietnam Asset Management Company (“VAMC”) bonds Completed Phase I of Basel II implementation 	<ul style="list-style-type: none"> Highest credit ratings among JSBs ⁽⁵⁾ Superior asset quality: gross non-performing loan (“NPL”) ratio of 1.6% as of 31 December 2017 ⁽⁶⁾ Well-capitalized with a CAR of 12.7% as of 31 December 2017
“Future Proof” the Bank	<ul style="list-style-type: none"> Strong focus on digital as key enabler for delivery of industry-leading services to customers Over US\$300MM planned technology investment 	<ul style="list-style-type: none"> Strong growth in e-banking usage: 105% and 130% CAGR in e-banking transaction volume and transaction value, respectively, from 2015 to 2017

Notes

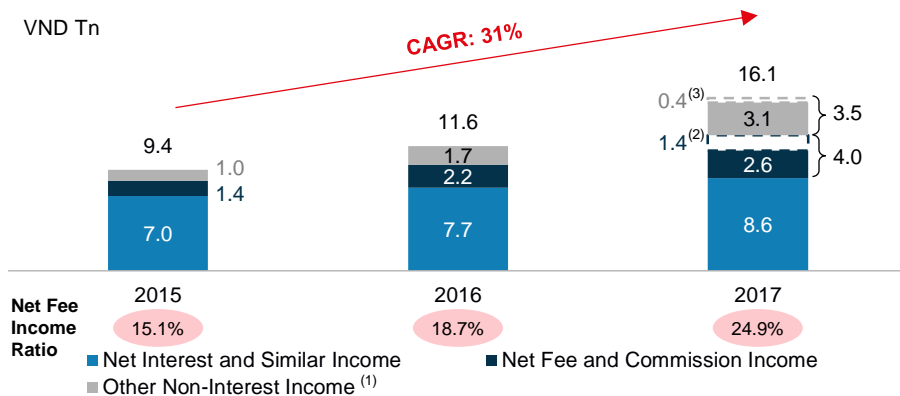
1. JSB defined as a joint stock commercial bank that is not state-owned; includes ACB, EIB, HDB, MBB, SHB, STB, VIB, and VPB. For VPB, core business only (i.e. excludes FE Credit). SOBs include BID, CTG, and VCB
 2. Benchmarking as of latest available LTM VAS financials (except TOI per employee as of FY2016); Source: Industry Consultant Report

3. Period from October 2016 to September 2017. Source: Industry Consultant Report
 4. Period between January and June 2017. Source: Industry Consultant Report
 5. Credit rating as of 13 February 2018
 6. NPL ratio is calculated as total NPLs divided by gross loans to customers

Sustainable, Profitable Growth Through Successful Execution of Strategy

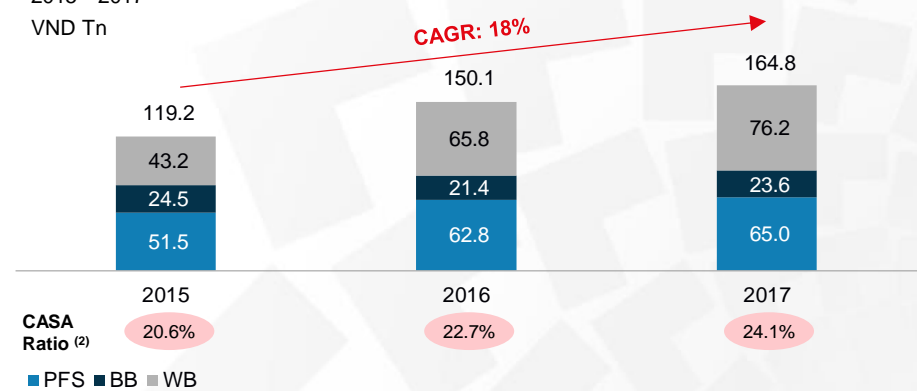
TOI

2015 - 2017
VND Tn



Gross Loans to Customers

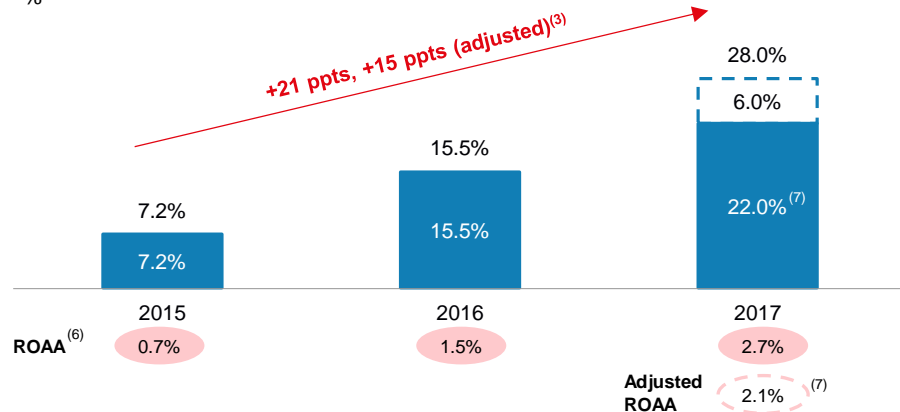
2015 - 2017
VND Tn



Source TCB

ROAE (5)

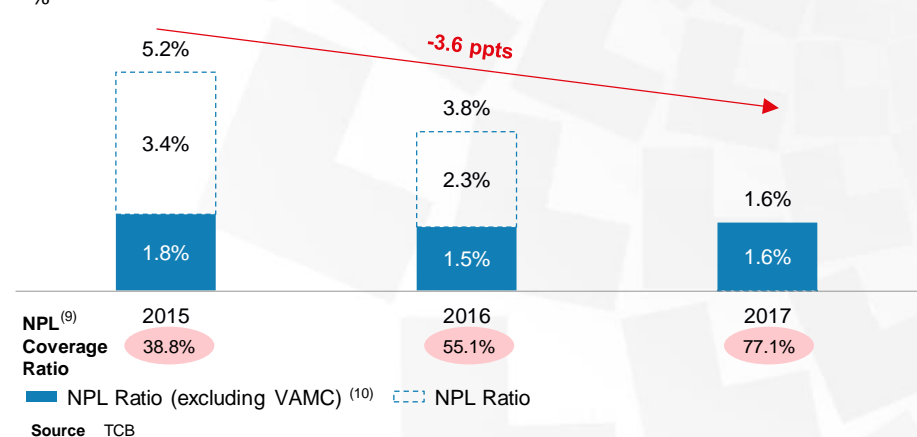
2015 - 2017
%



Source TCB

NPL Ratio (8)

2015 - 2017
%



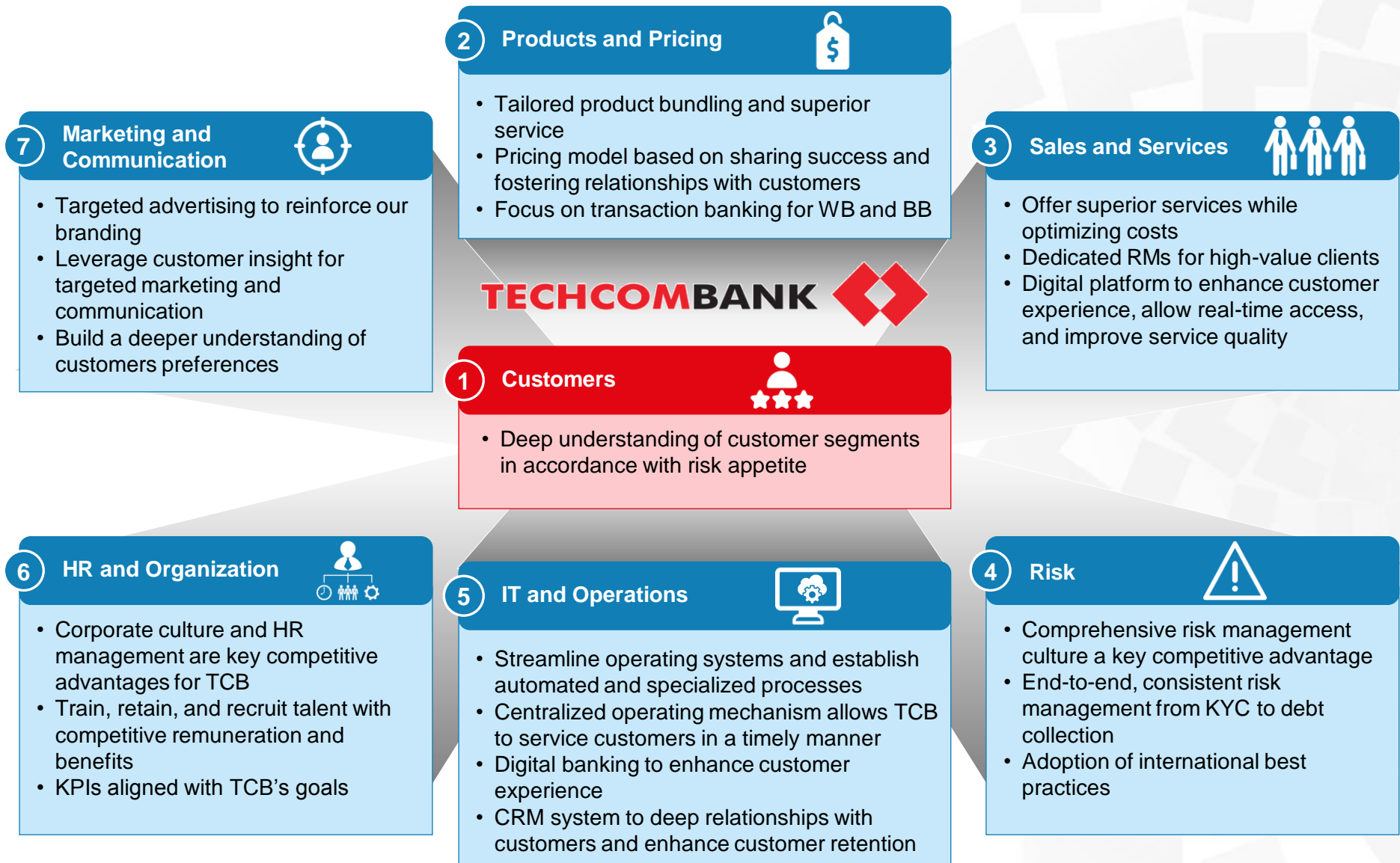
Source TCB

Notes

1. Other non-interest income is defined as the sum of net trading income and other operating income
2. One-off non-refundable agency support fee for bancassurance services (VND1,446Bn)
3. One-offs income from sale of stake in Vietnam Airlines (VND355Bn)
4. CASA ratio defined as current deposits from customers (including marginal deposits) divided by total deposits from customers
5. Return on average equity is defined as net profit for the year divided by average total shareholder equity of the last 2 years
6. Return on average assets is defined as net profit for the year divided by average total assets of the last 2 years
7. Excludes one-offs, i.e. non-refundable agency support fee for bancassurance services (VND1,446Bn) and income from sale of stake in Vietnam Airlines (VND355Bn); assume effective tax rate of 20%
8. NPL ratio is defined as non-performing loans divided by gross loans to customers
9. NPL coverage ratio is defined as allowance for impairment of loans divided by non-performing loans
10. As of 30 June 2017, all VAMC bonds have been fully provisioned and written off

TCB's Comprehensive Strategy To Be The #1 Bank In Vietnam

Phase 3

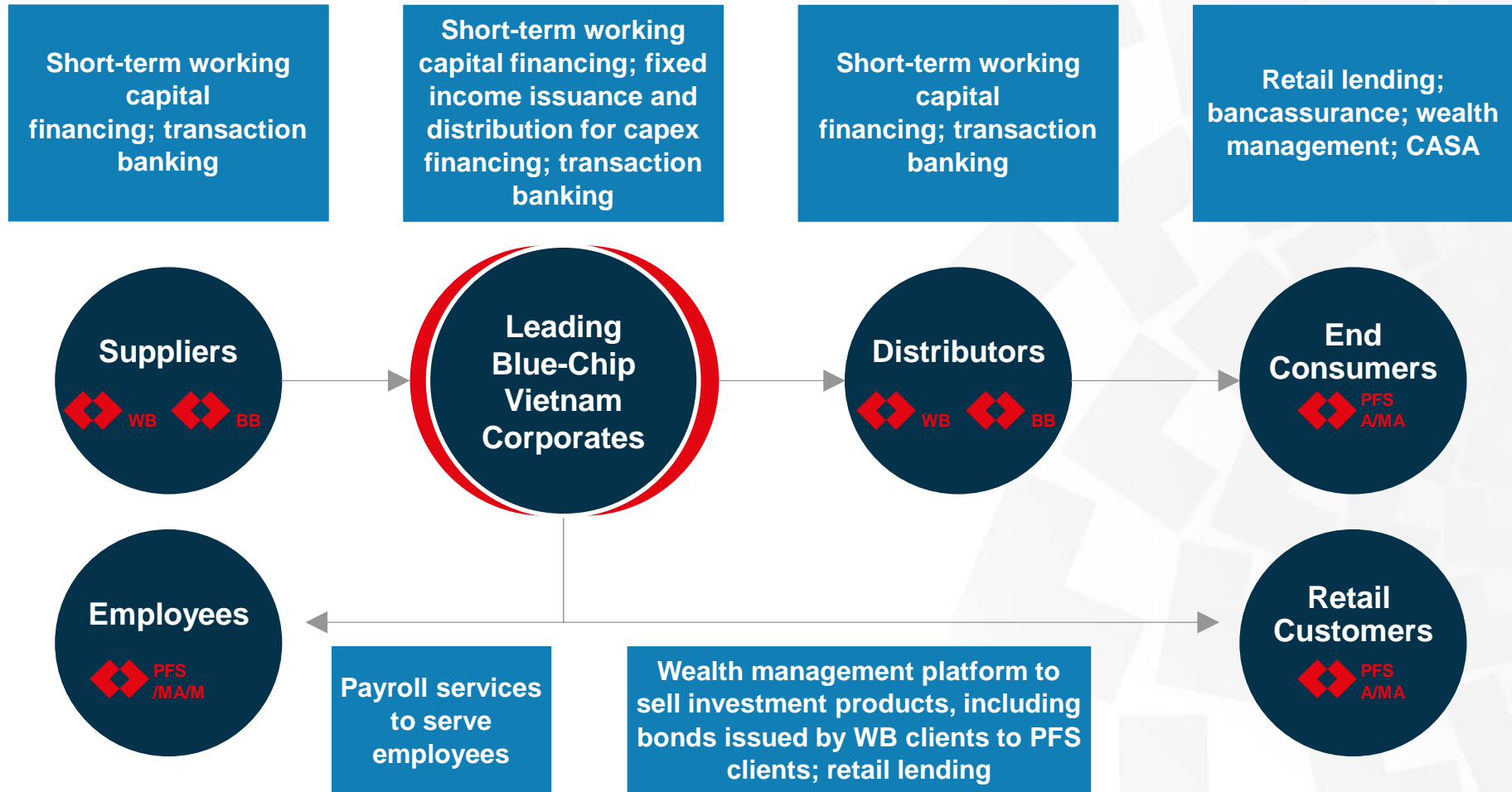




Section 2: Ecosystem Approach

Ecosystem Approach: TCB the One-Stop Solutions Provider for the Entire Value Chain

Opportunities to acquire all potential customers in the value chain
 Innovative solutions built on wide-ranging expertise to serve customer needs beyond just financial products and services



WB: Wholesale Banking (“WB”)⁽¹⁾
BB: Business Banking (“BB”)⁽¹⁾
PFS: Personal Financial Services (“PFS”)⁽¹⁾
A: Affluent **MA:** Mass Affluent **M:** Mass

Note

1. PFS: Personal Financial Services, TCB’s retail segment. WB: Wholesale Banking, TCB’s corporate segment. BB: Business Banking, TCB’s SME segment. PFS active customers are defined as customers (i) with time deposit balance or loans balance; (ii) have at least one card transaction in the last 3 months; or (iii) have at least one current account transaction last 3 months. BB active customers are defined as customers with TOI over VND1MM in the last three months. WB active customers are defined as customers with TOI over VND200MM in the last 12 months

Selecting the “Anchor Corporate”

- Dedicated client service team comprising members across divisions and functions to research and analyse all aspects of an industry, including value chain, verticals, operating model, pain points, etc. and develop industry expertise
- Focus sectors are selected based on certain criteria (e.g. high growth); first order of engagement involves existing blue-chip clients with which TCB has strong relationships and which have the same focus sub-segments as TCB
- Success with one WB client in a particular industry raises TCB’s profile and encourages other companies in that industry to reach out to TCB proactively to develop similar ecosystem partnerships
- Reverse enquiry: establish relationships with a corporate’s suppliers and distributors and use that to approach the corporate

Offering Unique Insights

- Leverage industry expertise and work closely with anchor corporates to build a deeper understanding of target customers segments, develop value proposition for the anchor corporate and the entire value chain, formulate an approach to address inefficiencies and pain points, and create greater value for clients by offering both financial products and non-financial solutions
 - E.g. real estate developers: assist on project planning and design by understanding needs and pain points of contractors and suppliers; analyze potential customers’ income level, ability to pay, and financing needs to help developer with pricing of apartments
 - Knowledge of potential customers’ preferred distribution network allows anchor corporates to refine marketing
- Help develop platforms through which WB clients can deliver their products and services to end-users, optimizing their operating costs
 - E.g. create platform for real estate developers to track apartments / housing units from construction to sale
- Help entire value chain develop and grow

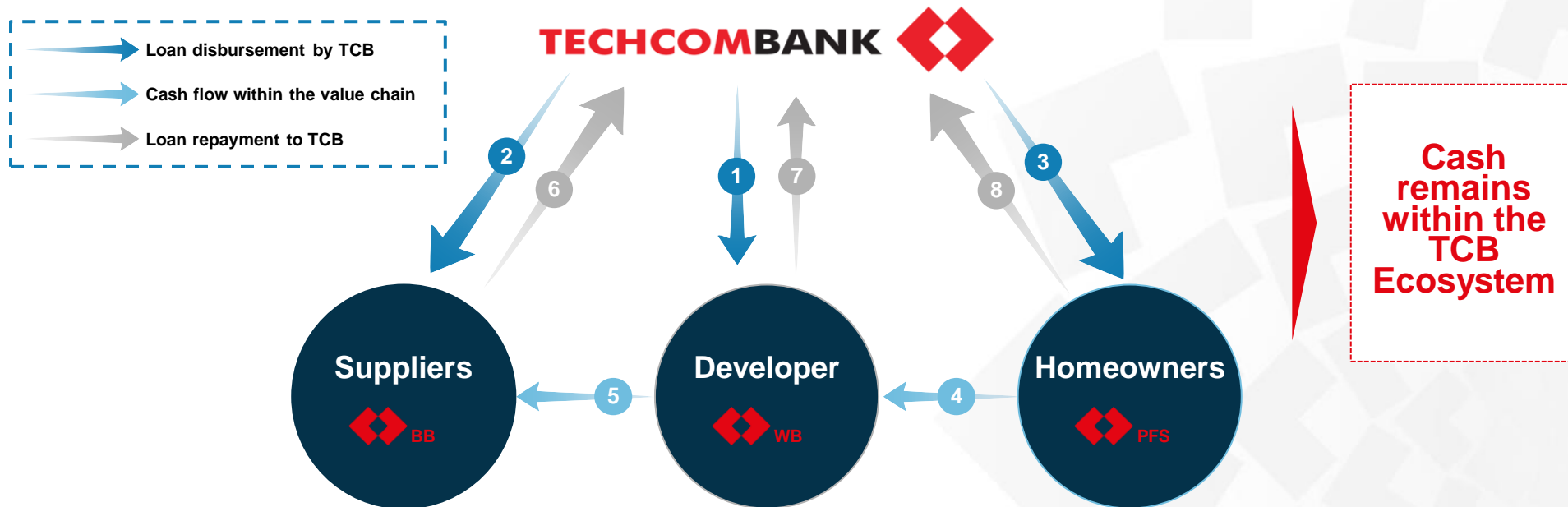
Acquiring Customers

- Develop the right “hook” products to acquire customers across the value chain; bundling of solutions with anchor corporates’ products
- End-to-end sales and marketing process (e.g. workshops inviting all value chain participants to discuss pain points and solutions)
- Comprehensive distribution channels depending on characteristics of each value chain creates flexibility and enhance sales coverage
- Well-trained sales staff across all segments, including specialized industry teams for BB and WB
- Superior customer experience (e.g. integrated sales and credit underwriting process; streamlined KYC)

Increasing Cross-Selling and Encouraging Customer Stickiness

- Provide integrated solutions across the value chain to lock customers into the TCB network and capture transactions flows
- Transaction flow between anchor corporate and value chain (including transaction banking, cash management, and supply chain financing) conducted on TCB’s platform, increasing opportunities for customer acquisition and cross-selling
- Create shared platform from marketing to sales to operations to closely integrate TCB with value chain and optimize clients’ costs
- Connect various value chains to provide customers of one value chain access to the products and services of other value chains

Superior Economics Derived through the Ecosystem Approach – Using An Illustration From Real Estate

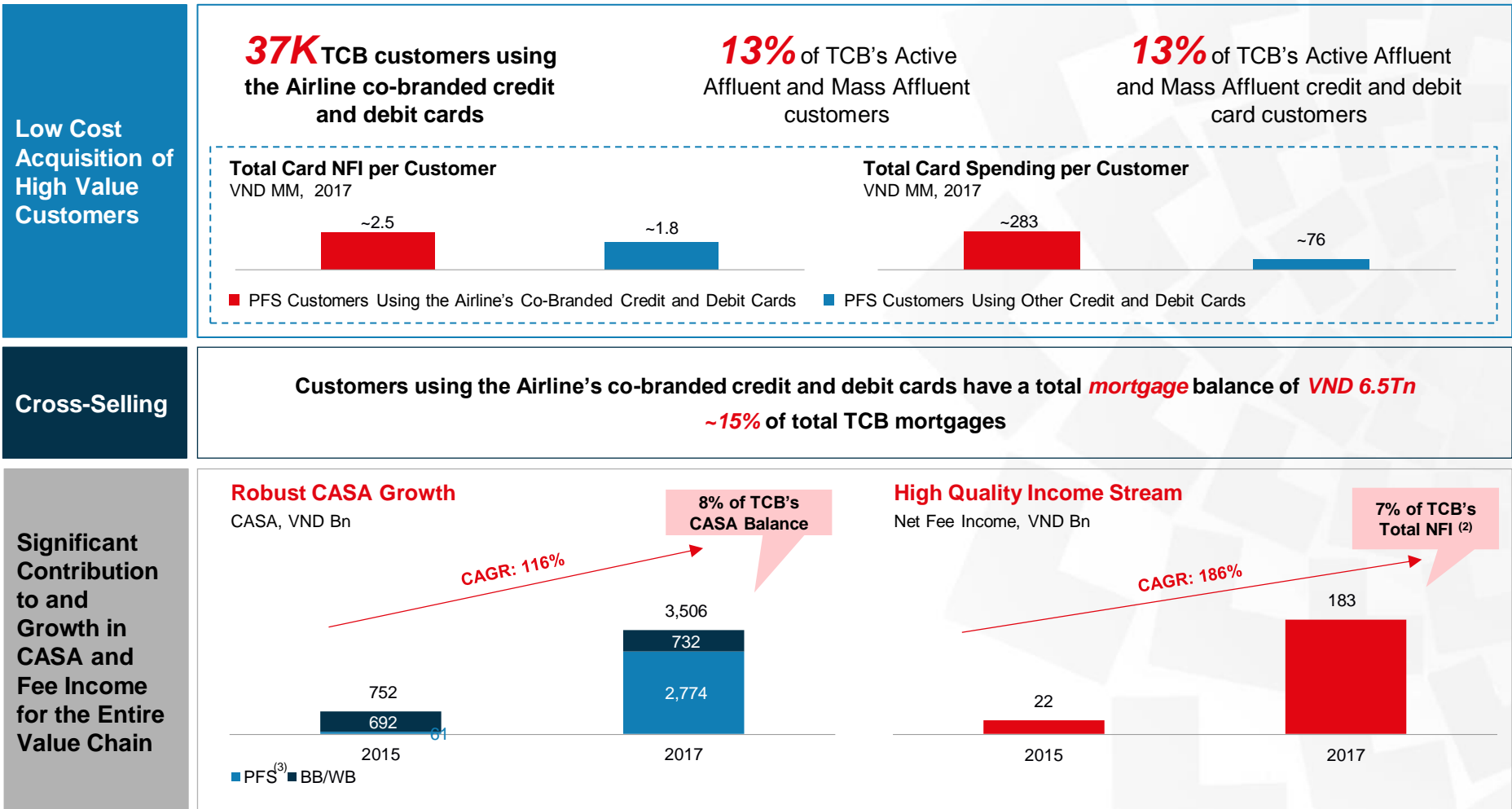


Illustrative Metrics	Illustration #1: PFS Focus				Illustration #2: WB Focus			
	Suppliers	Developer	Homeowners	Overall Value Chain	Suppliers	Developer	Homeowners	Overall Value Chain
Loan Amount	150	50	300	500	0	500	0	500
Risk-Weight	90%	200%	50%	77%	90%	200%	50%	200%
Risk-Weighted Assets ("RWAs") ⁽¹⁾	135	100	150	385	0	1,000	0	1,000
Net Interest Margin	3.5%	2.2%	2.0%	2.5%	3.5%	2.2%	2.0%	2.2%
Net Interest Income ⁽²⁾	5	1	6	12	0	11	0	11
Return on RWAs ⁽³⁾	3.9%	1.1%	4.0%	3.2%	N/A	1.1%	N/A	1.1%

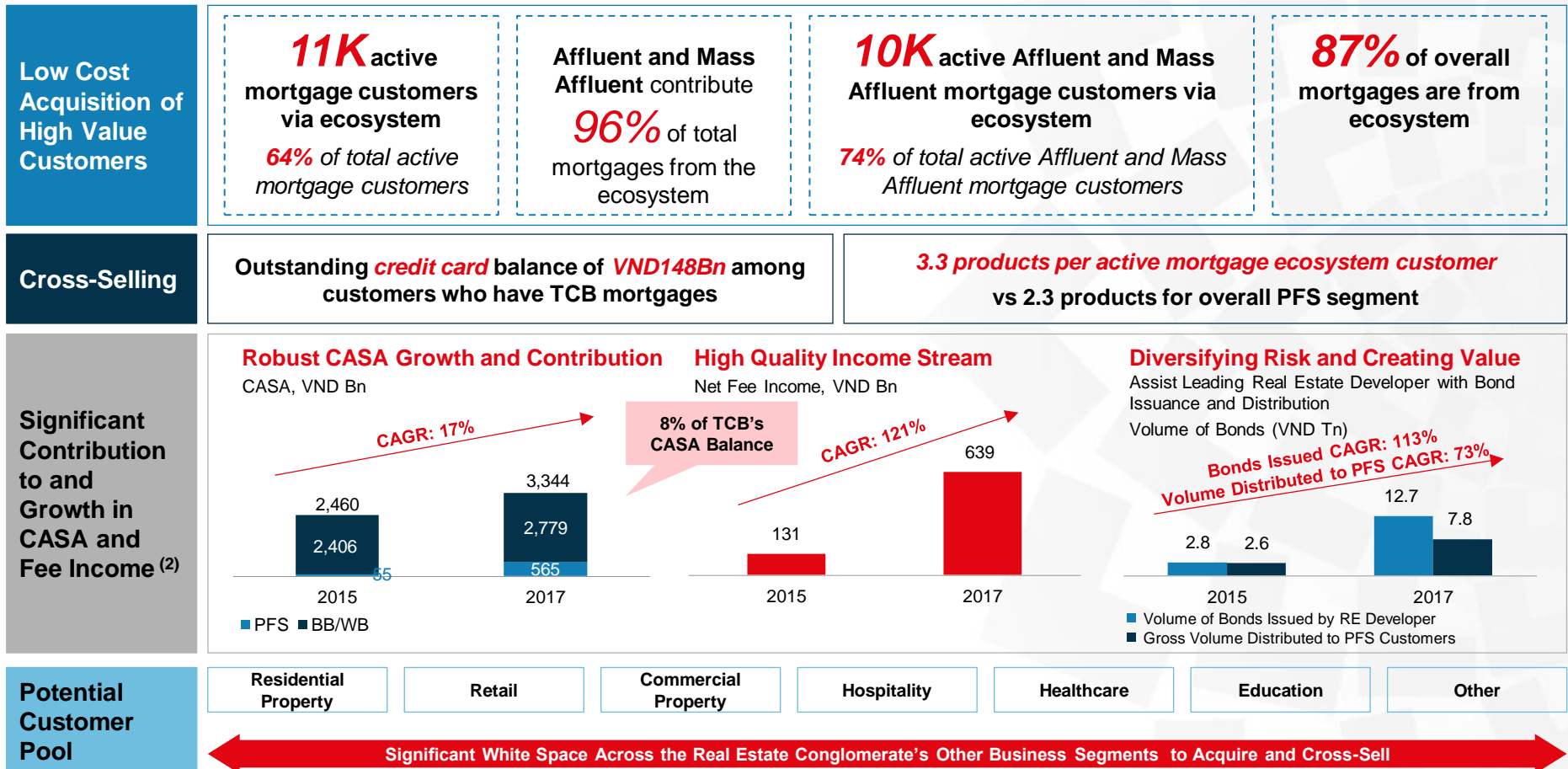
Notes

1. In this illustration, risk-weighted assets is calculated as loan amount multiplied by risk-weight
2. In this illustration, net interest income is calculated as loan amount multiplied by net interest margin
3. In this illustration, return on RWAs is calculated as net interest income divided by RWAs

Demonstrated Success of Ecosystem Strategy with Leading National Airline in Vietnam (1)



Demonstrated Success of Ecosystem Strategy with Leading Real Estate Developers in Vietnam (1)



Source TCB

Notes

1. As of 2017
2. Metrics refer to entire value chain for a leading real estate conglomerate in Vietnam

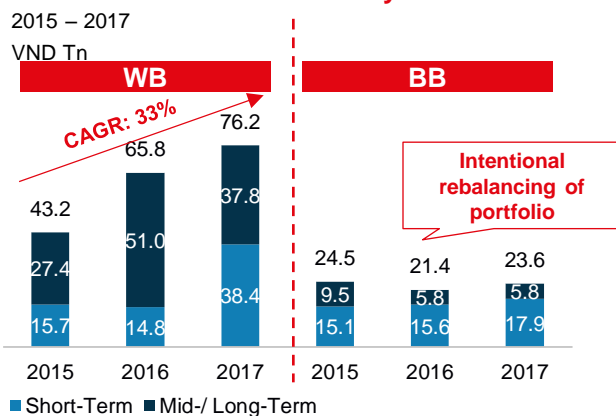


Section 3: Overview of Business Segments

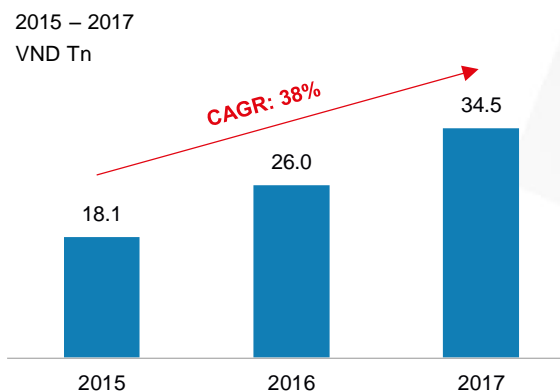
Tailored Approach for WB, Leading IB and Markets Franchise, and Transforming BB

WB	IB and Markets	BB
<ul style="list-style-type: none"> • 298 active WB customers • Trusted advisor to clients, helping them grow sustainably; TCB the “main bank” and one-stop solutions provider • Lend to high quality, profitable clients • Provide specialized financing options and advisory solutions in key industries • Shift towards shorter-term loans and fees and commissions • Redesign end-to-end processes to enhance customer experience 	<ul style="list-style-type: none"> • Focus on fixed income issuance, advisory, and distribution to help blue-chip clients obtain long-term funding • Differentiated wealth management products and online services • Largest fixed income open-ended fund, growing equities fund, full spectrum of risk management products in FX, fixed income, commodities • Leverage digital including one-stop shop platforms, robo-advisory services, digital sales tools, and analytics to enhance product and service offering 	<ul style="list-style-type: none"> • 16k+ active BB customers • Differentiated value proposition; TCB the “main bank” and one-stop shop for focus segments • Lend to high-quality clients and segments • Specialized RMs for key industries • Shift towards shorter-term financing • Continue to develop BB branch network to enhance sales and service model – 27% loan growth, 33% CASA growth, 44% NFI growth, and 17% TOI growth for the first 15 BBCs ⁽¹⁾ • Redesign end-to-end processes to enhance customer experience

Gross Loans to WB and BB by Tenure

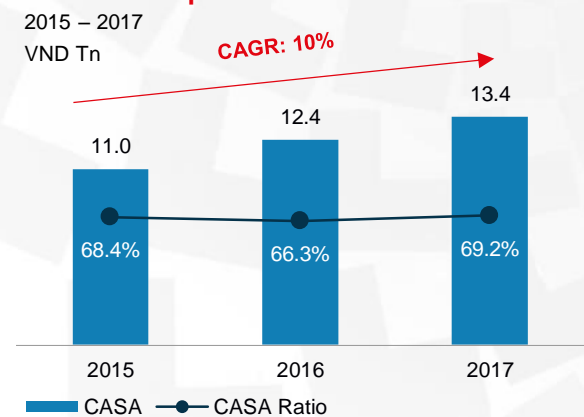


Volume of Bonds Issued



Source TCB

BB CASA Deposits and CASA Ratio

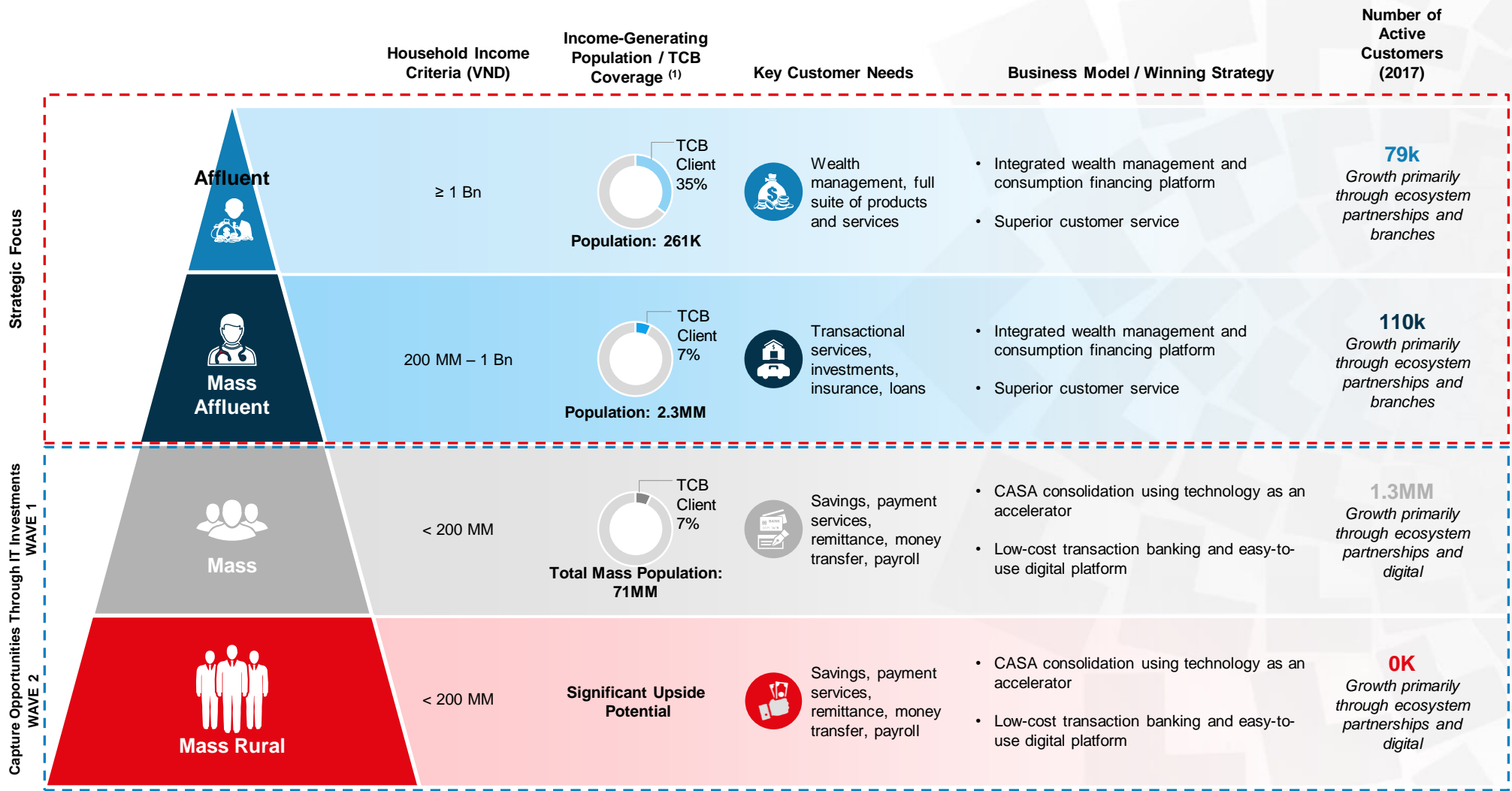


Source TCB

Notes

1. ⁽¹⁾ Growth rates for the 15 BBCs. Gross loans and CASA: balance as of 31 December 2017 compared to balance as of 31 August 2017. NFI and TOI: NFI/month or TOI/month for September to December 2017 compared to the same metrics for January to August 2017

Tailored Strategy to Cater to the Financial Needs of Customers Across All PFS Segments



Source TCB

Total: 1.5MM

Note

1. As of 31 December 2017. Client coverage is defined as total number of TCB customers (both active and inactive) divided by the total income-generating population (including unbanked) in each segment; Source: Industry Consultant Report







Strategic Emphasis on Affluent and Mass Affluent: High Propensity to Spend with Attractive Demographics



Mass ⁽¹⁾



Affluent and Mass Affluent ⁽¹⁾

Propensity to Spend <i>Share of PFS TOI⁽²⁾</i>	29%	71%	 Higher propensity to spend
Wealth <i>Share of PFS deposits⁽³⁾</i>	22%	78%	 Wealthier, higher ticket size
Customer Tenure <i>% of active customers who have been banking with TCB for more than 5 years</i>	22%	50%	 More loyal
Cross-Selling <i>% of active customers who hold at least 3 TCB products</i>	20%	57%	 Better candidates for cross-selling / bundling
Age <i>% of active customers between the ages of 29 and 55</i>	47%	73%	 Higher demand for financial products
Presence in Affluent Areas <i>% of active customers living in Hanoi or HCMC</i>	54%	77%	 More affluent and accessible

Source TCB

Notes

1. As of FY2017
2. PFS TOI by segment calculated based on IFRS financials
3. PFS deposits by segment calculated based on VAS financials

Leading Mortgage and Credit Card Franchises Aided by Successful Ecosystem Relationships

Mortgages

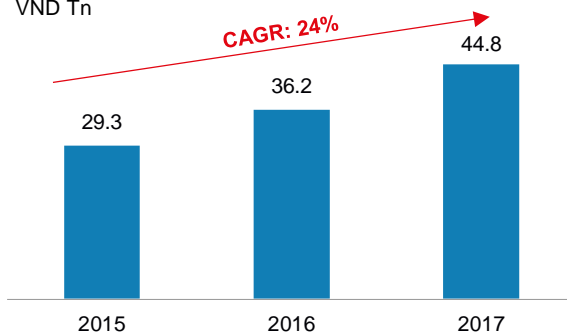
- Attractive primary market – significant growth potential and important source of quality customer acquisition
- Differentiated ecosystem partnerships with developers to acquire new, profitable Affluent and Mass Affluent customers, benefit from partners' ambitious business growth plans, and reduce costs and risks
 - Total disbursements of VND27.6Tn in 2017 from ecosystem partners
 - Targeting disbursements via the ecosystem of over VND35Tn in 2018
- Under-penetrated market provides ample headroom for growth
- Successful ecosystem partnerships leads to increased customer stickiness and cross-selling – customers in mortgage ecosystems have an average of 3.3 TCB products versus 2.3 for PFS overall
- Aim to enter the secondary mortgage market
- Updated credit model to further streamline customer approval process

Credit Cards

- Focus on Affluent and Mass Affluent – lower risk, higher propensity to spend
- Significant untapped opportunity given under-penetration
- Clear market leadership: #1 by VISA credit card transaction volume ⁽¹⁾ and awarded the most effective co-branded card by VISA in 2016
- Active and engaged card user base – 70% active ratio ⁽²⁾
- New customer acquisition through partnerships with key WB clients – #1 partnership with Leading National Airline in Vietnam
- Focus on increasing penetration and card spending rather than cards
- New products (e.g. MasterCard World Card)
- Updated credit model to further streamline customer approval process
- Card usage provides insightful data on customers' needs and can help lead to further cross-sell / up-sell opportunities

Gross Mortgage Loans to PFS Customers

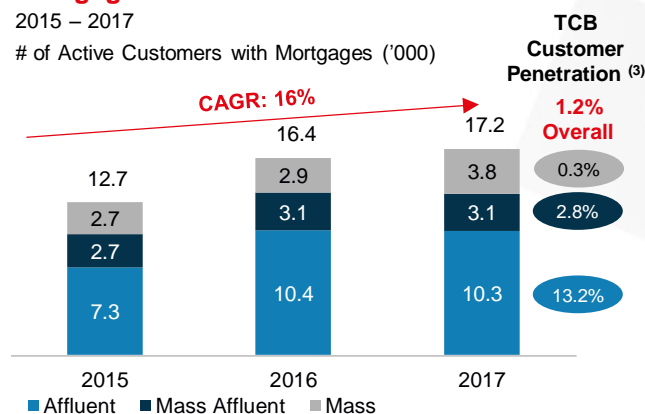
2015 – 2017
VND Tn



Source TCB

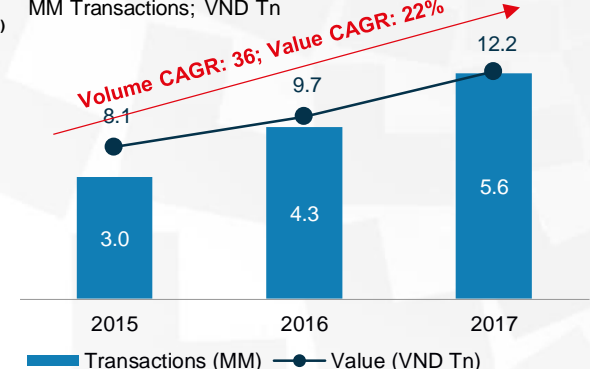
Mortgage Customers and Penetration ⁽³⁾

2015 – 2017
of Active Customers with Mortgages ('000)



Credit Card Transaction Volume and Value

2015 – 2017
MM Transactions; VND Tn



Source TCB

Notes

1. Between Oct 2016 and Sep 2017. Source: Industry Consultant Report
2. Credit card active ratio is defined as the number of active credit cards divided by the number of credit cards in circulation. A credit card is considered active if at least 1 transaction in the last 3 months was conducted on that card
3. Mortgage penetration is defined as the number of active customers holding mortgages divided by number of active customers in each segment

Significant Upside Potential from Bancassurance and Wealth Management

Bancassurance

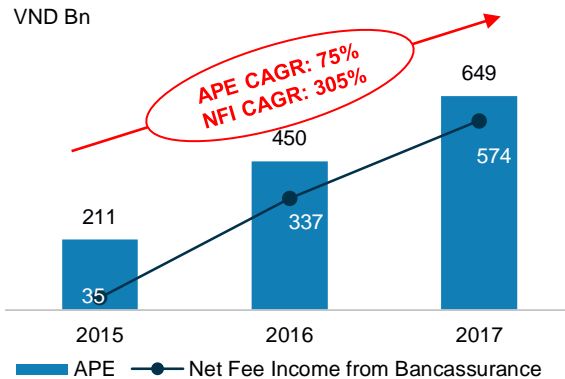
- Long-term exclusive partnership with Manulife, #3 player in Vietnam ⁽¹⁾
- Built up a leading market share (26% in bancassurance) ⁽²⁾ within a short period of time by leveraging exceptional distribution capabilities and loyal customer base, yet still significantly underpenetrated
- Focus on Affluent and Mass Affluent with greater ability and propensity to buy; growing customer base provides opportunities to cross-sell
- Needs-based selling across customer life cycle; riders to increase up-selling; shift towards higher-margin products
- Fast-growing yet significantly underpenetrated life insurance sector
- Enhance CRM, develop data analytics, and utilize propensity modelling to deepen customer understanding and enhance lead generation
- Further invest in digital platforms to enhance customer experience and increase customer stickiness, as well as increase sales force productivity

Wealth Management

- Tap the growing wealth of the middle class
- Focused on simple products (e.g. bonds, mutual funds, open-ended funds) with the aim to diversify into more sophisticated products
- Differentiated online platform and services to increase customer stickiness
 - E.g. mobile one-stop-shop portal integrated platform; TCWealth (first and only robo-advisor in Vietnam)
- Leading player in retail fixed income distribution
 - Over 13,000 participants, close to 39,000 transactions
 - VND19.7Tn iBonds sold
- Leading investment banking franchise provides a competitive advantage
- Product bundling to increase cross-sell / up-sell

APE ⁽³⁾ and NFI from Bancassurance

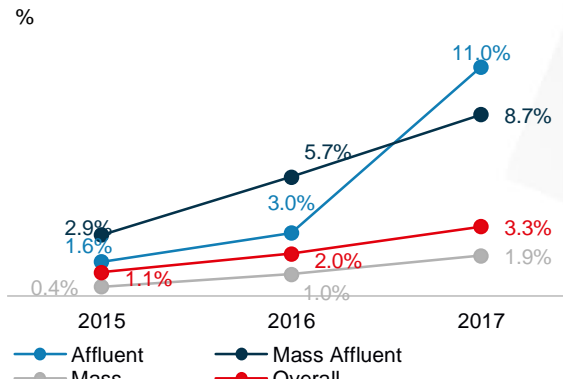
2015 – 2017
VND Bn



Source TCB

Bancassurance Penetration ⁽⁴⁾

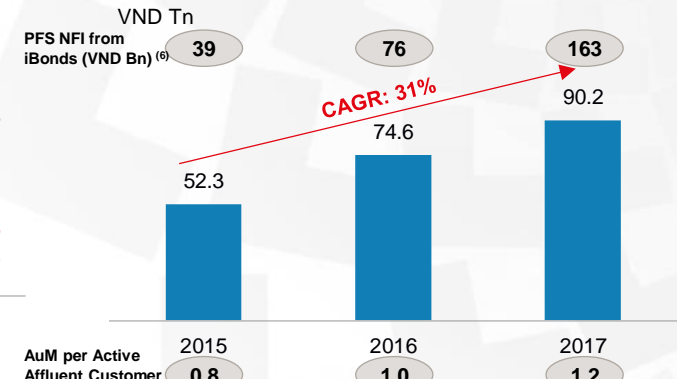
2015 – 2017
%



Source TCB

Assets under Management (“AuM”) ⁽⁵⁾

2015 – 2017
VND Tn



Source TCB

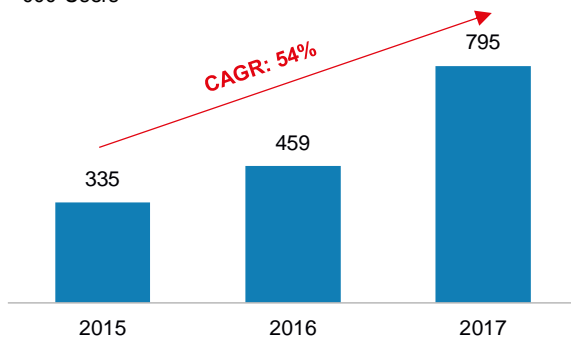
Notes

1. As of 2016. Source: Industry Consultant Report
2. In terms of total premium by credit institutions and branches of foreign banks. Period between January and June 2017. Source: Industry Consultant Report
3. Annualized Premium Equivalent
4. Bancassurance penetration is defined as the number of active bancassurance customers divided by number of active customers in each segment. Number of bancassurance customers for 2015 and 2016 are internal estimates based on persistency rate assumption of 82% and 83% for 2015 and 2016 respectively. Excludes walk-in new-to-bank bancassurance customers without a TCB customer ID
5. AuM refers to iBonds and deposits of TCB Affluent customers
6. PFS NFI from iBonds refers to the shared portion of fees of IB and Markets with PFS

Strong Focus on Digital as Key Enabler for Delivery of Industry-Leading Services to Customers

Unique Registered E-banking Customers⁽¹⁾

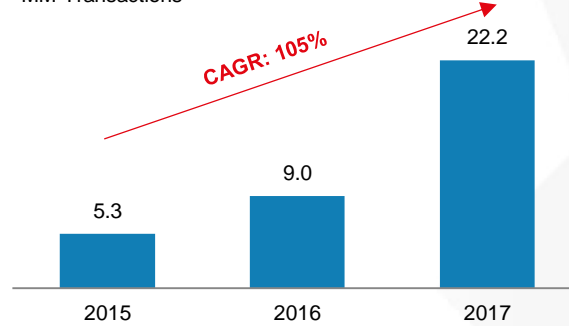
2015-2017
'000 Users



Source TCB

E-banking Transaction Volume⁽²⁾

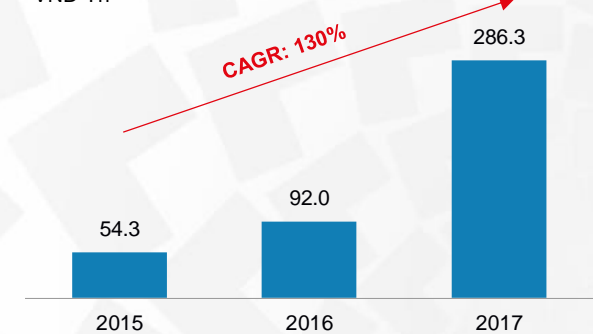
2015-2017
MM Transactions



Source TCB

E-banking Transaction Value⁽²⁾

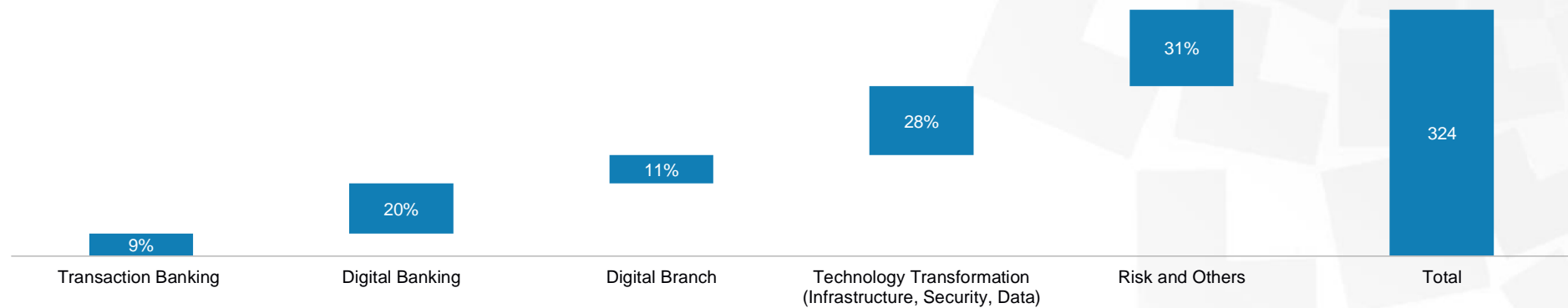
2015-2017
VND Tn



Source TCB

Significant Planned IT Investments of Close to US\$324MM To 2022

%



Source TCB

Notes

1. Customers with a F@st i-bank account or a F@st Mobile account, or both; overlap eliminated
2. E-banking transactions include transactions on F@st i-bank, F@st Mobile, and SMS banking (F@st Mobipay). Does not include online deposit transactions

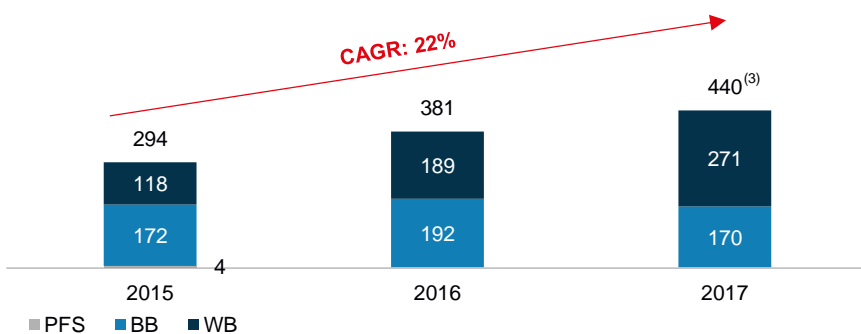
Enhanced Digital Platform Creates Further Opportunities for Growth in Transaction Banking

Transaction Banking

- Trusted advisor to clients; addressing all their transactions banking needs
- Industry vertical end-to-end solutions to enable ecosystem play
- Client experience and satisfaction: client journey and service model to deliver superior service
- Increase penetration of the Mass Urban segment by being the “low-cost” bank
- Focus on FX flows
- Favourable short-term deposit to mid-long term loans ratio
- Additional investments to further build out digital platform with unique features (e.g. cash flow management, analytics) and end-user capabilities
- Rollout of new Transaction Banking model focusing on advisory and client experience

NFI from Trade Services ⁽²⁾

2015 – 2017
VND Bn



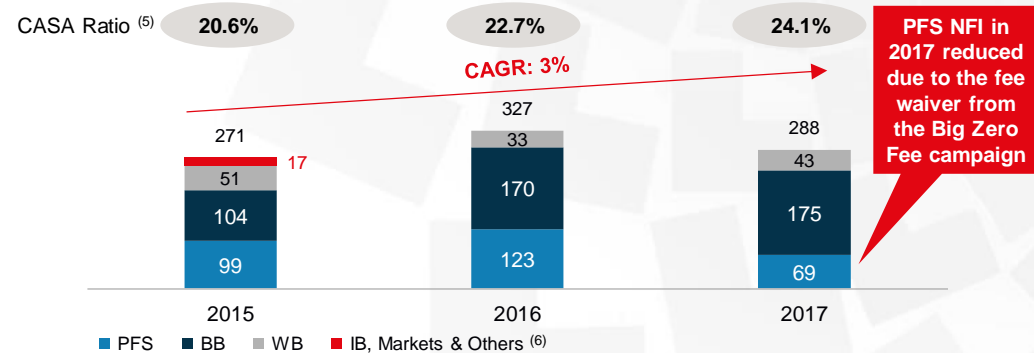
Source TCB

Notes

1. As of latest available LTM; Source: Industry Consultant Report
2. Trade services include Letter of Credit and Letter of Guarantee
3. Includes inter-segment elimination of VND85Bn, allocated equally to BB and WB
4. Cash management includes account servicing and remittance
5. CASA ratio defined as current deposits from customers (including marginal deposits) divided by total deposits from customers
6. Includes inter-segment elimination

NFI from Cash Management ⁽⁴⁾

2015 – 2017
VND Bn



Source TCB

Efficient and Tailored Distribution Model Increases Sales Force Productivity

	Channel Strength ⁽¹⁾	Targeted Customers	Strategic Priorities
Branch	315 Branches	New and existing	<ul style="list-style-type: none"> Transition from “one-size-fits-all” to “hub-and-spoke” in major cities Focus on providing both sales and more sophisticated services (move simple transactions to digital channels)
E-banking	Internet and Mobile Banking	New and existing customers in the age group of 18-45 Unbanked mass rural customers	<ul style="list-style-type: none"> Sell simple products; ambition to sell more products via lead generation and targeted marketing Large-scale acquisition of customers via virtual account opening and successful deposit mobilization and CASA consolidation Improve channel productivity and optimize salesforce
ATM	1,117 ATMs	All existing customers	<ul style="list-style-type: none"> Focus on fulfilling simple service and transaction requests Upgrading ATMs to encourage usage, thereby reducing the need for tellers (and freeing them up for sales) Piloting the use of ATMs for marketing and sales
Direct Sales	186 Direct Sales Staff	New and existing customers Dedicated teams for different segments	<ul style="list-style-type: none"> Key salesforce in key cities and provinces Mass direct sale team is part of the value proposition for Mass customers – will be reviewed along with the overall Mass strategy
Agents	2,472 Agencies ⁽²⁾	New and existing Mass customers	<ul style="list-style-type: none"> Support branches in customer acquisition in major cities and provinces
Telesales	59 Telesales Staff	New and existing Mass Affluent and Mass customers	<ul style="list-style-type: none"> Development into a key channel for up-selling and cross-selling leveraging internal customer data base
Call Center	67 Operators	All	<ul style="list-style-type: none"> Currently mainly service inquiries and claims With an improved CRM system, operators will also be able to recommend products

Notes

1. As of 31 December 2017

2. Includes car dealers, real estate brokers (both individual and companies) and others who made customer referrals to TCB



Section 4: Risk Management

Resilience, Through-the-Cycle Experienced Credit Risk Management Enabling Superior Asset Quality

1

CREDIT CRISIS (2011-2012)

- 80% of our lending book was corporate borrowing
- Our business strategy was driven by the market demand and competition
- Net interest income contributed more than 80% of total operating income

2

RESTRUCTURING (2013– 2015)

- Establishment of Collection Committee, restructuring and centralizing Loan Workout function to focus on recovery
- Centralization and separation of credit underwriting and approval functions from business
- Consolidation of credit risk policies and standards
- Implementation of Loan Origination System for retail customers, Credit Rating Platform and Early Warning System for corporate borrowers

3

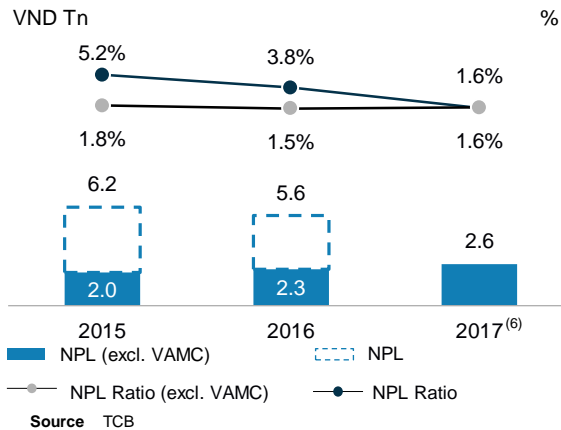
TRANSFORMATION (2016 – Present)

- “Customer-centricity” at the heart of everything we do. Our credit decision processes are standardized and specialized by customer segments; uniformed understanding of customers from Business Unit to Risk Management and Operations
- Forward looking risk management approach with Probability of Default, Loss Given Default, and Exposure at Default models and stress testing
- Loan to value ratios are determined by future values (replacement cost, residual values) of secured assets, not current market value
- Comprehensive solutions to only selective residential and multi-purpose real estate projects by developers with proven track records around central business district of main cities
- Phase 1 of Basel II implementation (Pillar 1 Standardized Approach) completed; currently working with the State Bank of Vietnam on Pillars 2 and 3, the Internal Ratings-Based Approach
- Approximately 90% of PFS loans outstanding are fully secured
- Strategy of exiting high-risk customer segments and high-risk products
- NPLs have been controlled under 2% with loan loss provision coverage of more than 70%
- VAMC bonds were fully provisioned and written off as of 30 June 2017

Superior Asset Quality Driven by Prudent Risk Management Policies

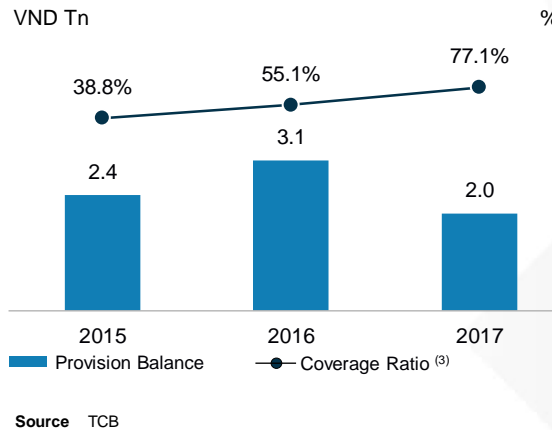
Total NPLs and NPL Ratio ⁽¹⁾

2015 – 2017



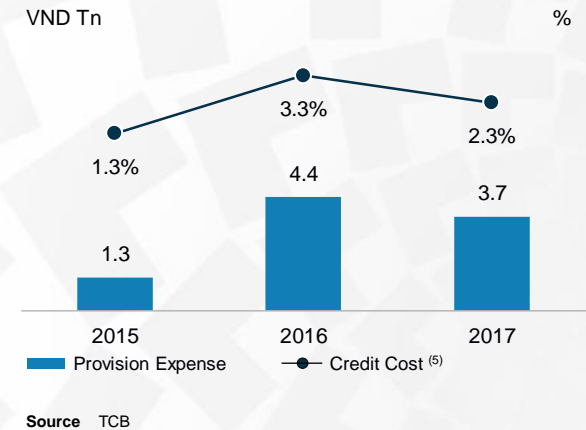
Provision Balance and Coverage Ratio ⁽²⁾

2015 – 2017



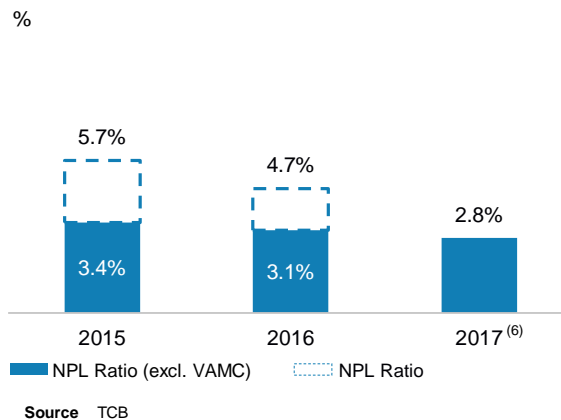
Provision Expense and Credit Cost ⁽⁴⁾

2015 – 2017



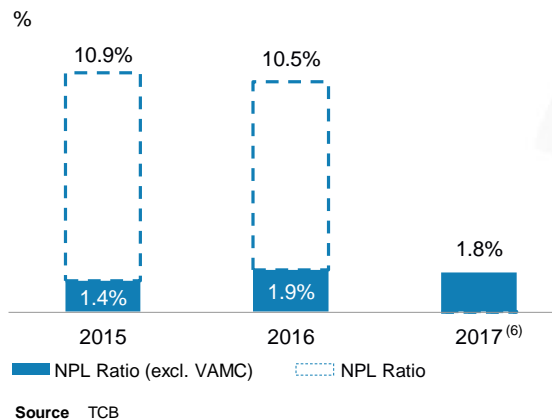
Gross NPL Ratio for PFS ⁽¹⁾

2015 – 2017



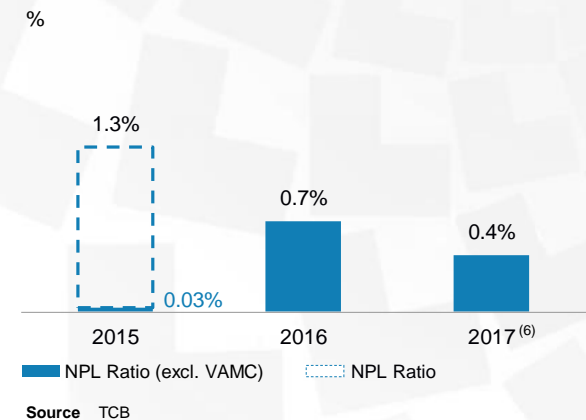
Gross NPL Ratio for BB ⁽¹⁾

2015 – 2017



Gross NPL Ratio for WB ⁽¹⁾

2015 – 2017



Notes

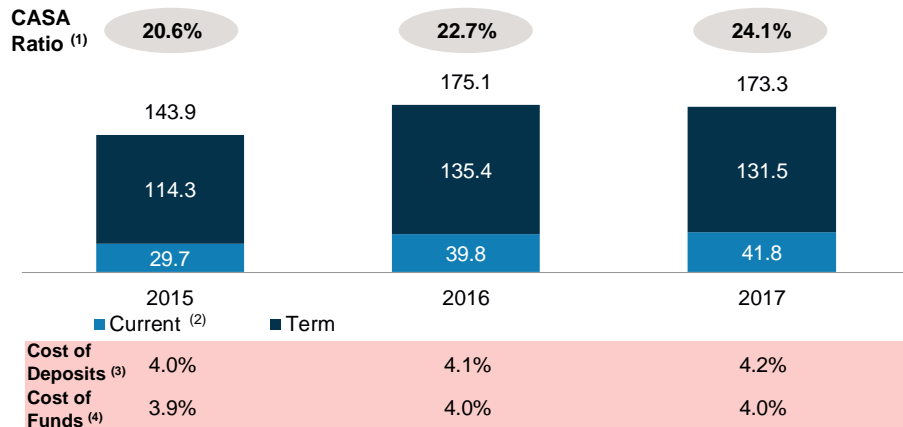
1. NPL ratio is calculated as total non-performing loans divided by gross loans to customers
2. Provision balance refers to allowance for impairment loss for loans and advances to customers
3. NPL coverage ratio is defined as allowance for impairment loss for loans and advances to customers divided by non-performing loans
4. Provision expense on loans refers to allowance for impairment loss for / (reversed from) loans and advances to customers
5. Credit cost on loans is defined as allowance for impairment loss for / (reversed from) loans and advances to customers, divided by average gross loans and advances to customers of the last 2 years
6. As of 30 June 2017, all VAMC bonds have been fully provisioned and written off

Sound Liquidity Position and Financial Profile Supports Core Operations and Future Growth

Increasing Shift Towards Lower-Cost CASA Deposits

Total Deposits

VND Tn

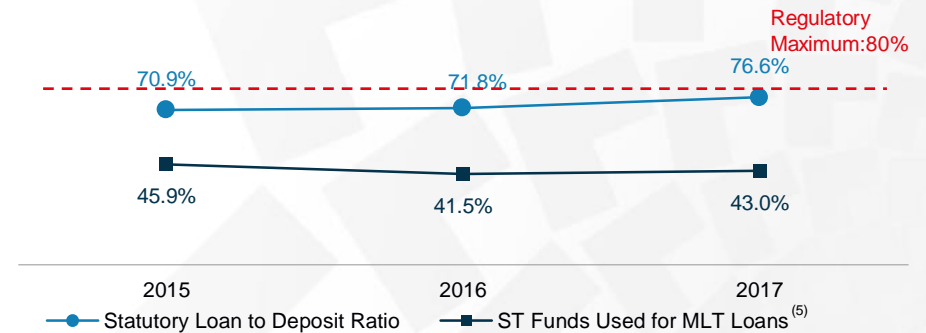


Source TCB

LDR Consistently Below Regulatory Levels

2015 – 2017

%

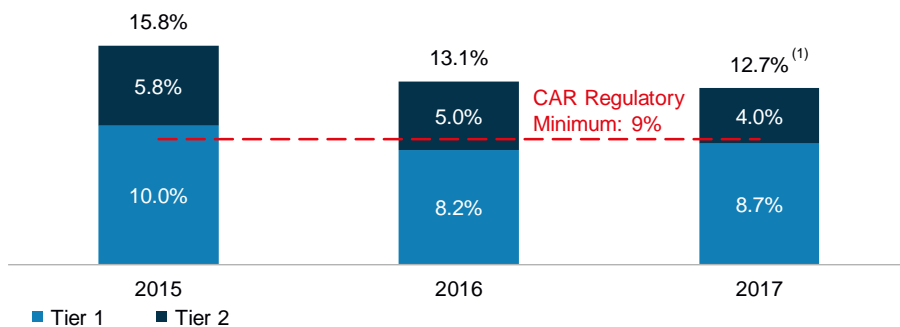


Source TCB

Well-Capitalized with CAR Substantially Above Regulatory Minimum

2015 – 2017

%

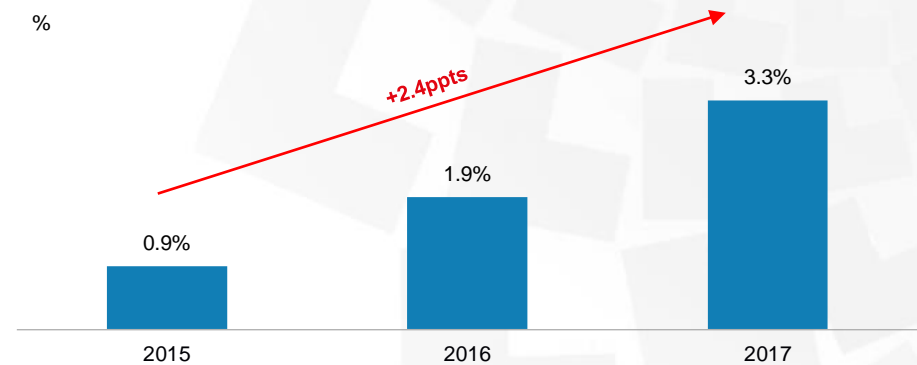


Source TCB

Return on Risk Weighted Assets ⁽²⁾

2015 – 2017

%



Source TCB

Notes

1. Pro-forma CAR of 14.5% including treasury shares
2. Return on risk-weighted assets defined as net profit for the year divided by average risk weighted assets of the last 2 years



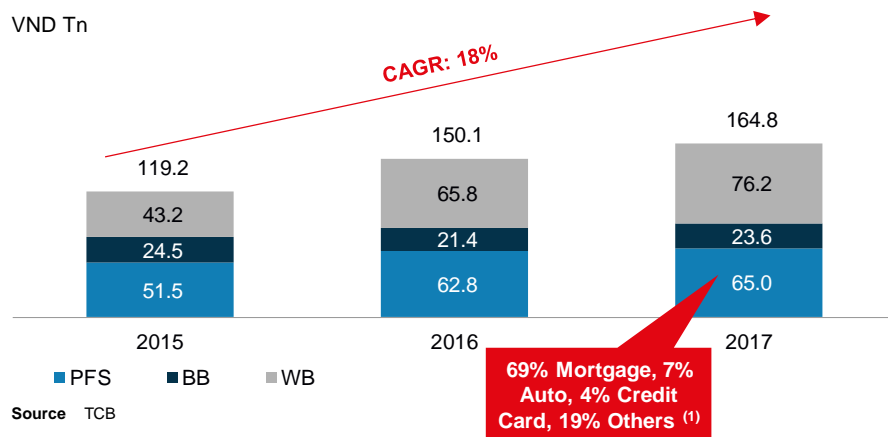
Section 5: Review of Financial Performance

Impressive Transformation and Strong Growth Across Loans and Deposits

Gross Loans to Customers by Segment

2015 – 2017

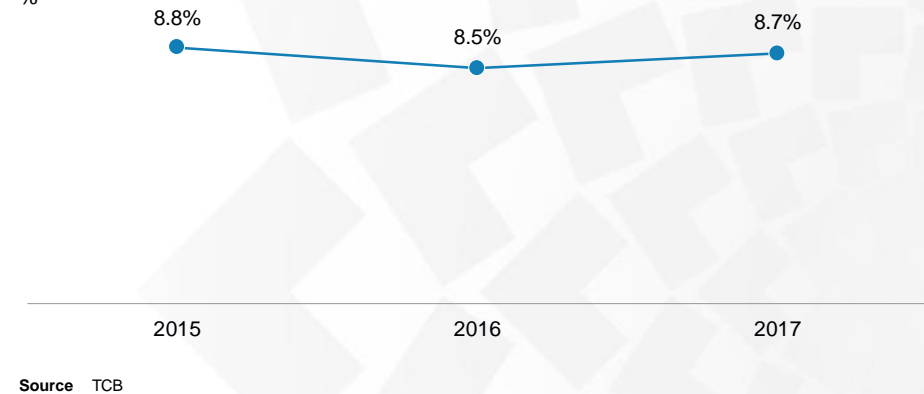
VND Tn



Loan Yields ⁽²⁾

2015 – 2017

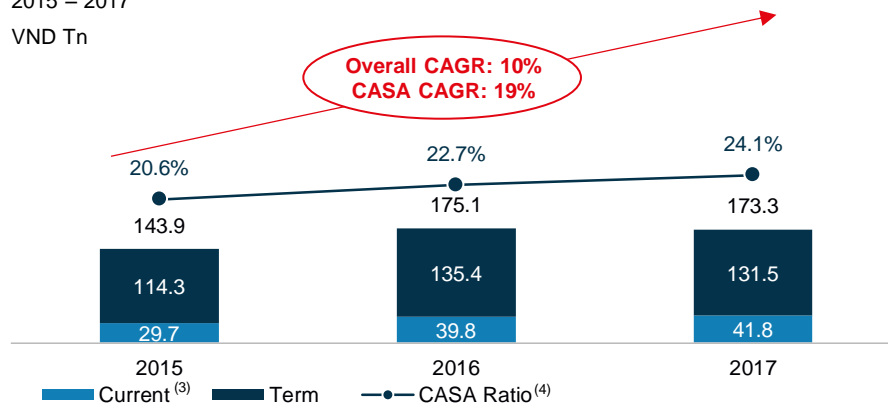
%



Deposits from Customers by Type

2015 – 2017

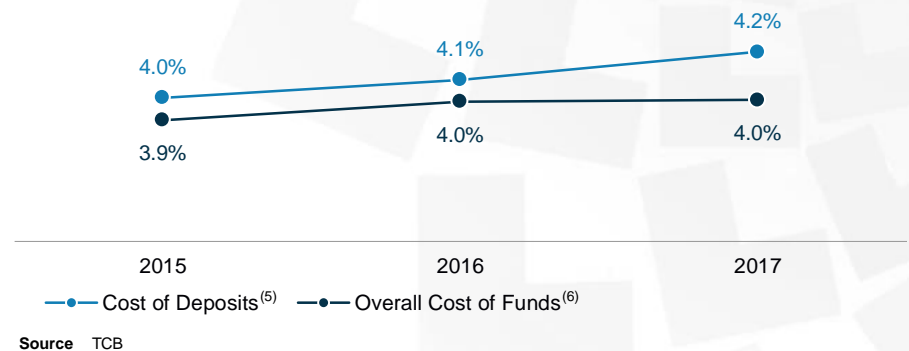
VND Tn



Cost of Funds

2015 – 2017

%



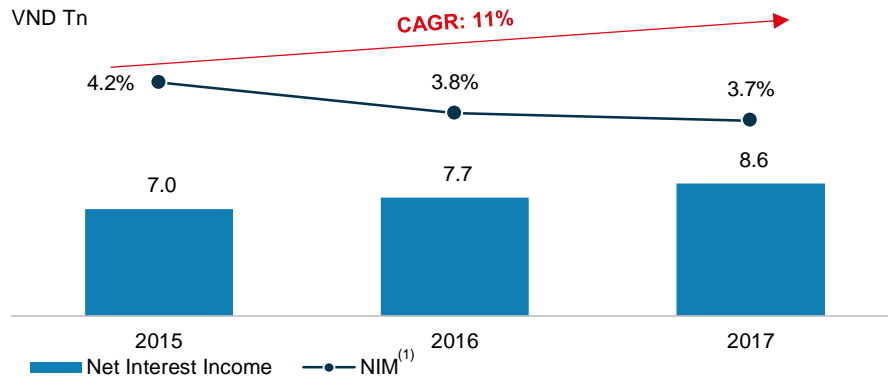
Source TCB
Notes

1. Includes home equity loans, household loans, personal installment loans, secured and unsecured overdraft, passbook loans, securities loans, study loans, etc.
2. Loan yield is calculated as interest income divided by average loans and advances to customers for the period on the basis of semi-annual closing balances throughout each relevant
3. Includes marginal deposits
4. CASA ratio defined as current deposits from customers (including marginal deposits) divided by total deposits from customers
5. Cost of deposits calculated as interest expense for deposits from customers divided by average deposits from customers on the basis of semi-annual closing balances throughout each relevant period
6. Cost of funds calculated as total interest expense divided by average total interest-bearing liabilities on the basis of semi-annual closing balances throughout each relevant period

Similarly Impressive Transformation and Growth in Profitability; High Quality Income Structure

Net Interest Income and Net Interest Margin ("NIM")

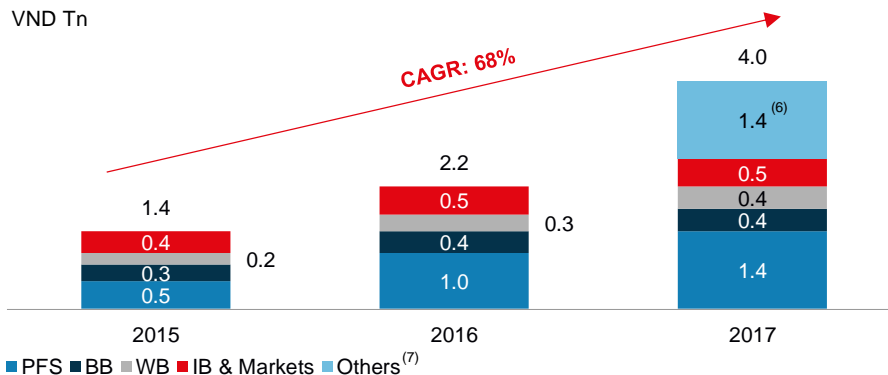
2015 – 2017



Source TCB

NFI Breakdown by Segment

2015 – 2017



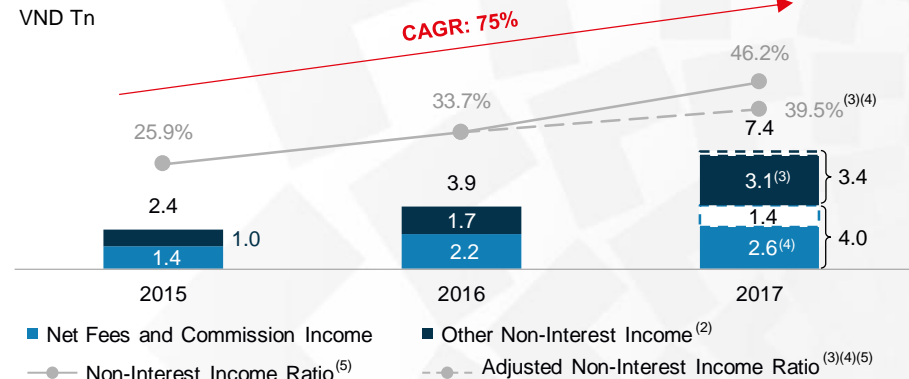
Source TCB

Notes

- NIM is defined as net interest income divided by average interest earning assets. Interest earning assets include balances with the State Bank of Vietnam, due from other banks, financial assets held-for-trading, gross loans and advances to customers, financial investments available-for-sale, and financial investments held-to-maturity
- Other non-interest income is defined as the sum of net trading income and other operating income
- Excludes one-off income from sale of stake in Vietnam Airlines (VND355Bn)
- Excludes one-off non-refundable agency support fee for bancassurance services (VND 1,446Bn)
- Non-interest income ratio is defined as non-interest income (i.e. the sum of net fee and commission income, net trading income, and other operating income) divided by total operating income
- Includes one-off non-refundable agency support fee for bancassurance services (VND 1,446Bn)
- Includes inter-segment elimination
- Net fee income ratio is defined as net fee and commissions income divided by total operating income

Non-Interest Income by Type

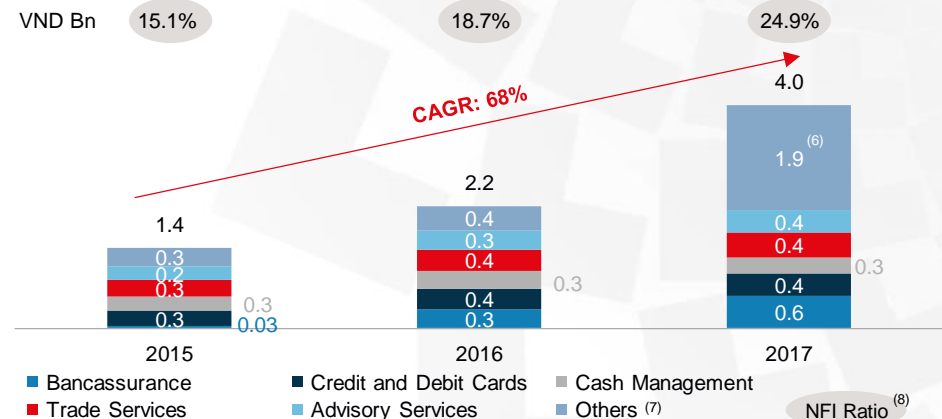
2015 – 2017



Source TCB

NFI Breakdown by Type

2015 – 2017

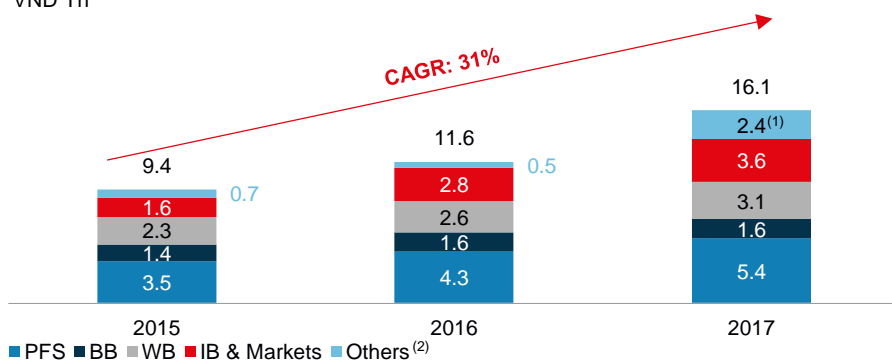


Source TCB

Strong Growth in Revenue, Coupled with Increased Cost Efficiency, Contributes to Leading Cost-to-Income Ratio

TOI by Segment

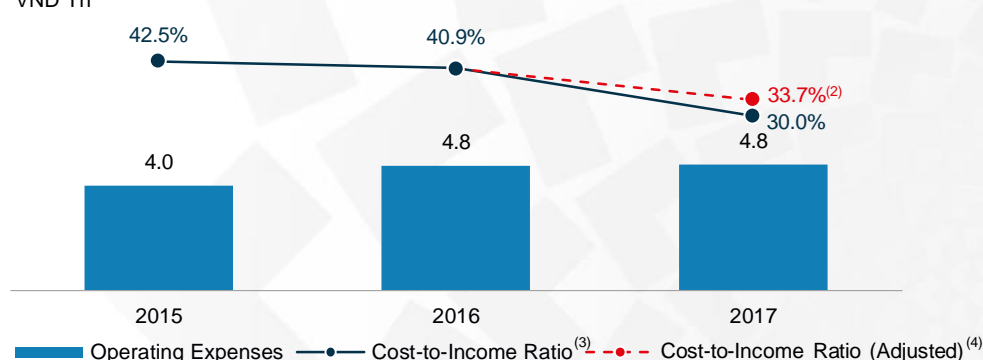
2015 – 2017
VND Tn



Source TCB

Operating Expenses

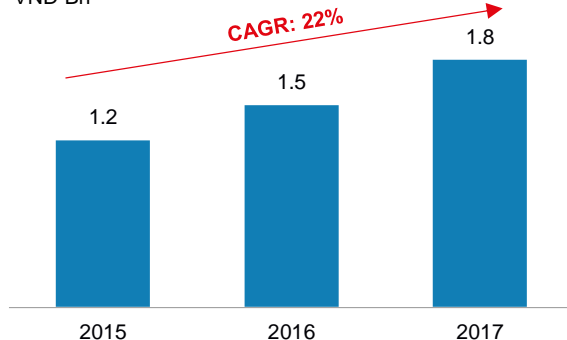
2015 – 2017
VND Tn



Source TCB

TOI per Employee

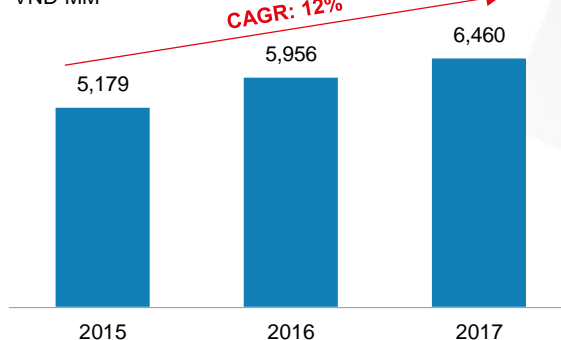
2015 – 2017
VND Bn



Source TCB

TOI per Sales Staff⁽⁵⁾

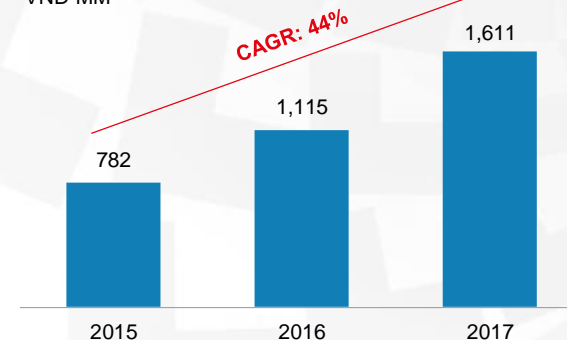
2015 – 2017
VND MM



Source TCB

NFI per Sales Staff⁽⁵⁾

2015 – 2017
VND MM



Source TCB

Notes

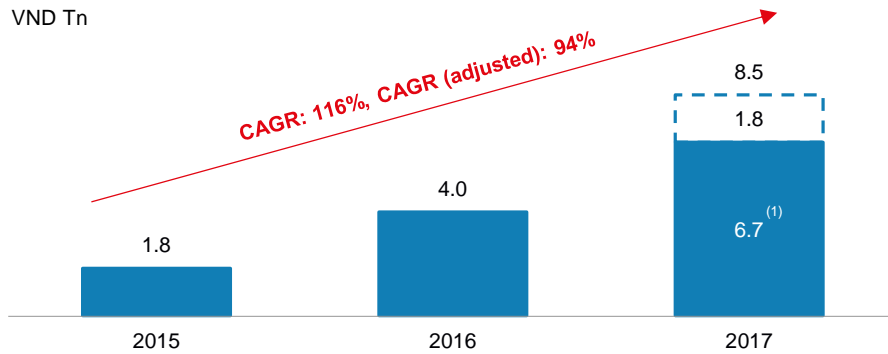
- Includes one-off non-refundable agency support fee for bancassurance services (VND 1,446Bn) and income from sale of stake in Vietnam Airlines (VND355Bn)
- Includes inter-segment elimination
- Cost-to-income ratio is defined as total operating expenses divided by total operating income
- Adjusted TOI for 2017 excludes one-off non-refundable agency support fee for bancassurance services (VND 1,446Bn) and income from sale of stake in Vietnam Airlines (VND 355Bn)
- Sales staff include direct sales, telemarketers, PFS Priority Relationship Managers ("RMs"), PFS Relationship Banking Officers ("RBOs"), PFS Customer Service Officers ("CSOs"), BB Managers, BB RMs, BB Customer Service Managers ("CSMs"), and WB RMs; excludes Tellers

Robust Growth in Profitability Translates Into Attractive and Growing Returns

Profit Before Tax

2015 – 2017

VND Tn

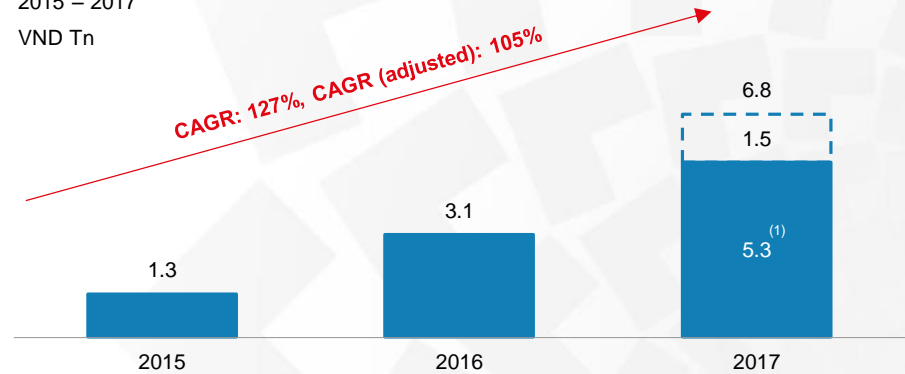


Source TCB

Net Income

2015 – 2017

VND Tn

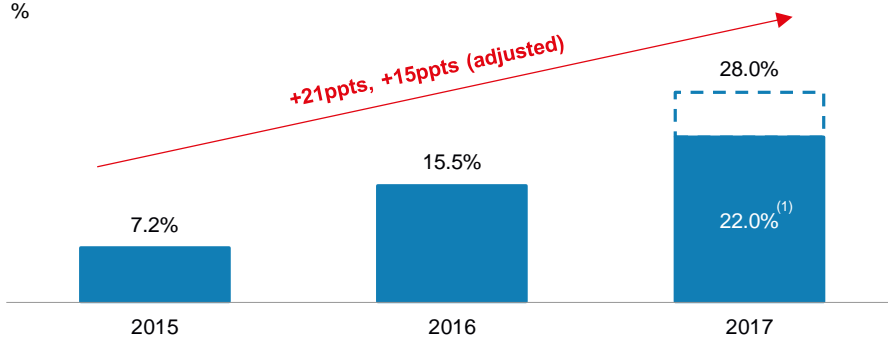


Source TCB

ROAE ⁽²⁾

2015 – 2017

%

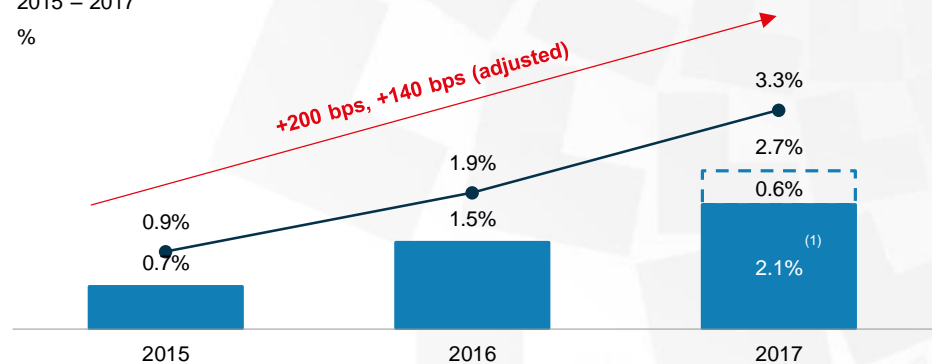


Source TCB

ROAA ⁽³⁾

2015 – 2017

%



Source TCB

Notes

1. Excludes one-off non-refundable agency support fee for bancassurance services (VND 1,446Bn) and income from sale of stake in Vietnam Airlines (VND 355Bn); assumes effective tax rate of 20%
2. ROAE is calculated as net profit for the period as a percentage of average total shareholders' equity of the 2 years
3. ROAA is calculated as net profit for the period as a percentage of average total assets of the last 2 years
4. Return on risk-weighted assets defined as net profit for the year divided by average risk weighted assets of the last 2 years

Robust Growth in Profitability Translates Into Attractive and Growing Returns

	Earnings Performance			Efficiency	Asset Quality	Leverage	ROAE ⁽⁶⁾	ROAA ⁽⁷⁾
	Net Interest Margin ⁽¹⁾	Net Fee Income Ratio ⁽²⁾	Other Non Interest Income Ratio ⁽³⁾	Cost to Income Ratio ⁽⁴⁾	Credit Cost ⁽⁵⁾	Average Assets / Average Equity		
2017	3.5%	24.9%	21.3%	30.0%	2.3%	10.5x	28.0%	2.7%
		<i>17.9%</i>	<i>21.5%</i>	<i>33.7%</i>			22.0%	2.1%

Number in Italics Excludes One-Offs ⁽⁸⁾

- NIM to be supported by increasing emphasis on PFS and an increasing CASA ratio
- Unique ecosystem model to aid low cost customer acquisition, retention and risk management
- Fee income a strategic priority, targeting to double fee income ratio with focus on bancassurance, cards, transaction banking, and advisory services
- Effective cost management, investments in digital, and high sales force productivity to help maintain industry-leading cost-to-income ratio
- Superior asset quality driven by prudent risk management policies; credit cost to normalize now that VAMC bonds are fully provisioned and written off and legacy NPLs cleaned up

Sustainable >20% ROAE

Notes

1. Net interest margin is calculated as net interest income divided by average interest earning assets. Interest earning assets include balances with the State Bank of Vietnam, due from other banks, financial assets held-for-trading, gross loans and advances to customers, financial investments available-for-sale, and financial investments held-to-maturity
2. Net fee income ratio is defined as net fee and commissions income divided by total operating income
3. Other non-interest income ratio is defined as the sum of net trading income and other operating income, divided by total operating income
4. Cost-to-income ratio is defined as total operating expenses divided by total operating income
5. Credit cost fro loans is defined as allowances for impairment loss made for / (reversed from) loans and advances to customers, divided by average gross loans and advances to customers of the last 2 years
6. ROAE is calculated as net profit for the period as a percentage of average total shareholders' equity of the last 2 years
7. ROAA is calculated as net profit for the period as a percentage of average total assets of the last 2 years
8. One-offs include non-refundable agency support fee for bancassurance services (VND1,446Bn) and income from sale of stake in Vietnam Airlines (VND355Bn)