Tien Phong Bank (HSX: TPB)

A promising year ahead

- TPB's net profit reached 6,074VNDbn (+36.1% yoy) in 2024, fulfilling 104% guidance in FY24 and 103% vs. our forecast.
- We forecast that TPB's NPL ratio will reach 1.44% in 2025 (-7 bps yoy) thanks to a warming economy and a recovery in production and business activities.
- Reiterate to ADD with higher TP of 20,600VND/share

ADD

Target price	**20,600 VND**
Upside	*24%*

- Increase TP 5.1% vs. previous forecast
- Increase EPS FY25/26F 4.4%/4.8%

Strong NOII performance supports earnings growth in 4Q24

In 4Q24, total operating income (TOI) reached 5,121VNDbn (+15% yoy), of which net interest income (NII) decreased 12% yoy to a decrease of 40 bps yoy in NIM despite credit growth of 4.5% vs 3Q24. While NOII jumped 110.8% yoy in 4Q24 driven by gain from service activities (+697% yoy), a increase of 2,142% yoy from investment activities and +100% yoy from written-off bad debts. Provision expenses plunged 40% yoy in 4Q24 due to high base 4Q23. Thus, net profit in 4Q24 achieved 1,705VNDbn (+245.1% yoy). Overall, in 2024, net profit reached 6,074VNDbn (+36.1% yoy), fulfilling 104% guidance in FY24 and 103% vs. our forecast.

We expect NIM to expand 3 bps/10 bps yoy by 2025/26

In 2024, TPB's AY declined 5 bps qoq/201 bps vs. 2023 as TPB continues to lower lending rates to compete with other banks and support customers. As a result, NIM in 4Q24 decreased 41 bps qoq, reaching 3.19%. We forecast NIM to remain flat in 2025, reaching 3.54% (+3 bps yoy/lower 7 bps vs. previous forecast) in 2025 as TPB will maintain low lending rates to attract customers due to fierce interest rate competition between banks. However, boosting retail credit with higher yield will offset low interest rates in 2025.

Asset quality saw a remarkable improvement in 4Q24

As of end-4Q24, TPB's NPL ratio improved 80bps qoq and 53 bps yoy, reaching 1.52%. This figure is at its lowest since 1Q23 and below peer's average (1.91%). We expect asset quality to improve slightly in 2025 thanks to 1) a warming economy and a recovery in production and business activities; 2) the ratio of group 2 loans to total loans decreased for 6 consecutive quarters, (-26 bps qoq), supporting the reduction of pressure on increasing bad debt in 202. As a result, we forecast that TPB's NPL ratio will reach 1.44% in 2025 (-7 bps yoy).

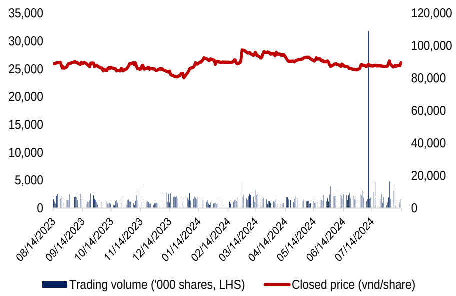
Reiterate to ADD with higher TP of 20,600VND/share

We reiterate to ADD and increase TPB's TP 5.1% vs. previous forecast on the mix of 1) we increase EPS 2025/26 by 4.4%/4.8% versus previous forecast and 2) we roll model to 2025F.The current price is 1.0x at FY25F BVPS, which is 30% below P/B 3-year average of 1.3x. We believe that TPB is still a reasonable choice with earnings growth momentum of over 20%/year in FY25-26F and asset quality at two-year low.

Financial indicator	31/12/2023	31/12/2024	31/12/2025	31/12/2026
Net interest income	12,428	12,906	14,975	17,083
Total operating income	16,237	16,237	18,038	20,648
Total provision charges	(3,946)	(3,946)	(4,159)	(4,584)
Net profit	4,463	6,073	7,293	8,810
Net Interest Margin (NIM)	3.93%	3.51%	3.54%	3.64%
Deposit growth	6.82%	16.59%	15.00%	18.00%
Customer loan growth	19.05%	20.20%	16.08%	16.72%
Net profit growth	-28.71%	36.07%	20.08%	20.80%
BVPS	12,393	14,231	16,956	20,291
P/B	1.31	1.14	0.96	0.80

Source: TPB, MBS Research

Information



Source: MBS Research

Market price (VND)	16,550
High 52w (VND)	17,900
Low 52w (VND)	13,460
Market cap (VNDbn)	43,724
P/E (TTM)	7.2
P/B	1.2
Dividend yield (%)	2.5
Foreign ownership (%)	23.52

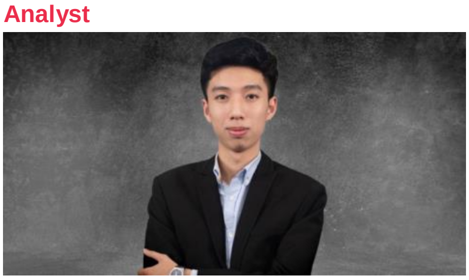
Source: https://s24.mbs.com.vn/

Ownership structure

FPT Corp	6.8%
DOJI Gold and Gemstone Group JSC	15.0%
SBI Ven Holding PTE. ltd	4.51%

Source: https://s24.mbs.com.vn/

Analyst



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Investment thesis & Valuation

Investment thesis

We like TPB for 1) its leading position in digitalisation banking which allow the bank to tap into young client and enhance the bank’s lending ability, 2) credit growth is expected to reach 16/17% yoy in FY25/26F, supporting for earnings growth 3) NIM will expands 3/10 bps yoy to 3.54/3.64% in FY25/26F, driven by a higher net interest rate spread due to the ability to pass on interest costs amid a strong recovery in retail demand and 4) boosting provisioning in 2023/24 creates room for accelerating profit growth in 2025.

Reiterate to ADD with higher TP of 20,600VND/share

We reiterate to ADD and increase TPB’s TP 5.1% vs. previous forecast on the mix of 1) we increase EPS 2025/26 by 4.4%/4.8% versus previous forecast and 2) we roll model to 2025F. The current price is 1.0x at FY25F BVPS, which is 30% below P/B 3-year average of 1.25x. We believe that TPB is still a reasonable choice with earnings growth momentum of over 20%/year in FY25-26F and asset quality at two-year low. With a valuation of VND20,600/share based on a combination of residual income and P/B methods, we reiterate to ADD on TPB.

- **Residual Income Method:** We also utilize the residual income method, as the majority of the bank's value depends on the book value at the time of valuation. Therefore, the bank's valuation will closely reflect the actual book value and be less volatile with changes in forecasting conditions.

- **P/B Valuation Method:** We apply TPB's 3-year average target P/B of 1.25x to its 2025 average book value.

Figure 1: Peers comparison

RI valuaiton	2025F	2026F	2027F	2028F	2029F	2030F
Risk free rate (5-year VGB yield)	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Equity risk premium	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Beta	13	13	13	13	13	13
Cost of equity	14.6%	14.6%	14.6%	14.6%	14.6%	14.6%
Long-term growth rate						3.0%
Opening shareholder's equity	37,596.41					
PV of RI (7 years)	2,610.04					
PV of Terminal Value	4,035.80					
Implied EV	44,242.25					
No.of o/s shares	2,20164					
Implied value per share	20,095					

Source: TPB, MBS Research

Figure 2: Blended target price

Blended target price	Price	Weight	Weight price (VND)
P/B (With BVPS 2025 and TPB's average 3y P/B is 1.25x)	21,195	50%	10,598
RI	20,095	50%	10,048
Target price			20,645
Target price (rounded)			**20,600**

Source: TPB, MBS Research

Figure 3: Peer comparison

Banks	Market cap	Market price	Recommend	P/E		P/B		Earnings growth		ROE		ROA	
	VNDbn	VNDbn		2024	2025F	2024	2025F	2024	2025F	2024	2025F	2024	2025F
ACB	115,240	25,800	Hold	6.9x	5.7x	1.4x	1.1x	4.9%	19.2%	21.5%	21.2%	2.2%	2.2%
BID	278,315	40,350	Hold	10.3x	9.1x	1.9x	1.6x	14.3%	13.8%	18.8%	18.6%	1.0%	0.9%
CTG	216,411	37,200	ADD	7.9x	6.0x	1.3x	1.1x	14.4%	26.2%	16.7%	18.2%	1.1%	1.2%
EIB	34,926	18,250	Hold	9.9x	7.9x	1.4x	1.2x	53.6%	25.1%	14.0%	13.3%	1.2%	1.3%
HDB	78,988	22,600	ADD	6.2x	4.7x	1.4x	1.1x	28.0%	29.7%	26.8%	27.3%	2.0%	2.2%
LPB	109,185	36,550	N/a	9.6x	8.7x	2.2x	1.8x	74.4%	10.0%	25.1%	25.3%	2.2%	2.0%
OCB	27,987	11,350	Hold	8.8x	7.0x	0.9x	0.8x	-17.9%	47.4%	10.5%	13.7%	1.3%	1.7%
STB	69,565	38,450	Hold	7.2x	6.7x	1.3x	1.1x	9.6%	11.4%	17.0%	16.1%	1.2%	1.2%
TCB	181,920	25,750	ADD	8.5x	6.4x	1.3x	1.0x	28.7%	28.7%	16.8%	18.4%	2.5%	2.7%
TPB	44,253	16,750	ADD	6.7x	5.6x	1.0x	0.9x	36.1%	20.1%	17.3%	17.2%	1.6%	1.6%
VCB	515,314	92,200	ADD	15.2x	13.8x	2.5x	2.1x	2.4%	10.6%	17.1%	16.1%	1.7%	1.7%
VIB	61,072	20,500	ADD	8.5x	6.6x	1.5x	1.2x	-16.9%	54.5%	17.9%	23.2%	1.6%	2.1%
VPB	149,554	18,850	ADD	9.5x	7.7x	1.1x	0.9x	80.4%	26.1%	11.1%	12.9%	1.8%	1.9%
Avg (excluding SOE banks)				8.2x	6.7x	1.3x	1.1x	19.2%	22.5%	17.8%	18.9%	1.8%	1.9%
Avg.				**8.9x**	**7.4x**	**1.5x**	**1.2x**	**14.7%**	**20.2%**	**17.7%**	**18.6%**	**1.6%**	**1.7%**

Source: TPB, MBS Research

Investment risk

(1) Consumer credit demand recovered more slowly than expected, and lending rates remaining low longer than projected.

(2) Provisioning costs are higher than projected due to an increase in bad debt or a longer-than-expected timeframe for resolving bad debts, owing to the liquidity of collateral assets.

(3) The bank may lower lending rates more than expected to support customers, negatively impacting the NIM.

Tien Phong Bank

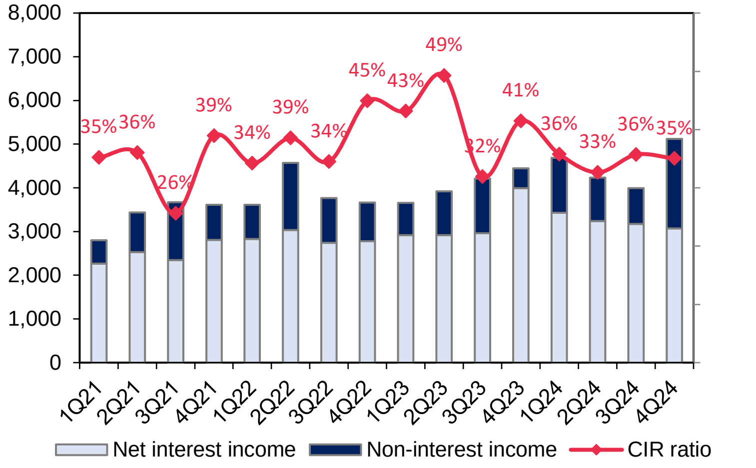
2024 Business Results: Strong NOII performance supports earnings growth in 4Q24

Figure 4: 4Q24 results comparison

	4Q24	4Q23	% yoy	2024	2023	% yoy	% MBS forecast	Comments
Net interest income	3,068	3,469	-12%	12,906	12,425	3.9%	98%	Interest income declined by 12% yoy in 4Q24 due to a decrease of 40 bps yoy in NIM
Non-interest income	2,053	974	110.8%	5,132	3,809	34.7%	112%	NOII jumped 34.7% yoy in 2024 driven by gain from service activities (+47% yoy), a increase of 27.9% yoy from investment activities and +100% yoy from written-off bad debts.
Operating income	5,121	4,443	15%	18,038	16,234	11.1%	102%	
Operating expense	1,794	1,843	-3%	6,699	6,279	6.7%	106%	
POPP	3,327	2,600	28%	11,759	9,535	23.3%	103%	
Provision expenses	1,191	1,970	-40%	4,159	3,946	5.4%	97%	Provision expenses plunged 40% yoy in 4Q24 due to high base 4Q23.
Profit before tax	2,136	630	239%	7,600	5,589	36.0%	106%	
Net profit	1,705	494	245.1%	6,074	4,463	36.1%	106%	
Credit growth (YTD)	20.2%	19.0%		20.2%	19.0%			Credit growth in 4Q24 reached 20.2% ytd compared to 16% ytd in 3Q24. In which, corporate lending surged 31.9% yoy, while retail lending increased 12.9% yoy.
Deposit growth (YTD)	16.6%	6.8%		16.6%	6.8%			
NIM	3.20%	3.60%		3.5%	3.9%			NIM edged down 40 bps in 4Q24 as 1) asset yield in 4Q24 decreased 201 bps yoy due to boost corporate lending and competitive lending rate and 2) COF declined 171 bps yoy due to low deposit rate environment.
CIR	35.0%	41.5%		34.8%	41.3%			CIR improved significantly in 2024, reaching 34.8% thanks to effective management of employee costs.
CASA	22.2%	22.7%		22.2%	22.7%			
NPL	1.52%	2.05%		1.5%	2.0%			NPL declined 80 qoq and 51 bps yoy. Group 2 ratio decreased for the sixth consecutive quarter to 1.77% while NPL formation ratio decreased to 31.7% in 4Q24.
LLR	81.3%	63.7%		81.3%	60.9%			LLR improved 1760 bps yoy thanks to promoting write-off bad debt.
ROAE	14.2%	19.8%		17.3%	13.7%			
ROAA	1.35%	1.82%		1.57%	1.30%			

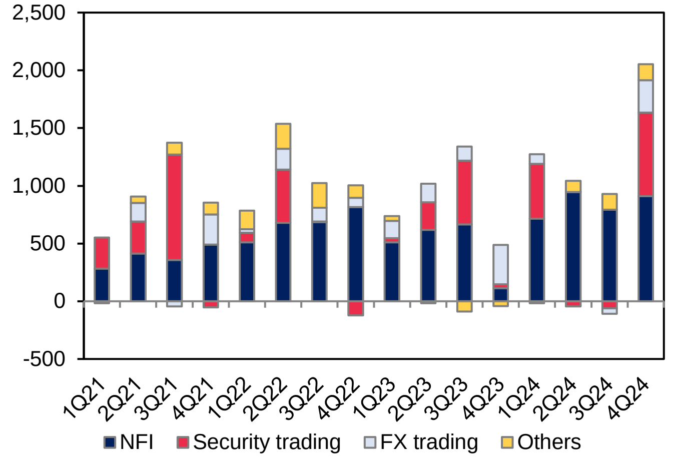
Source: TPB, MBS Research

Figure 5: CIR decrease slightly 646 bps yoy in 4Q24



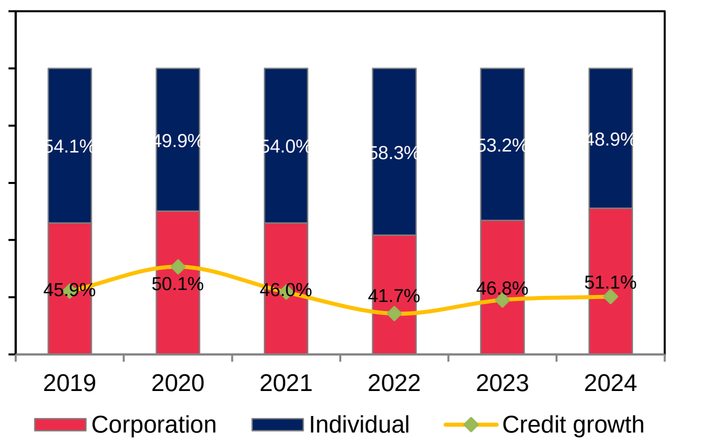
Source: TPB, MBS Research

Figure 6: NFI, net gain from investment activities both increased by times yoy in 4Q24



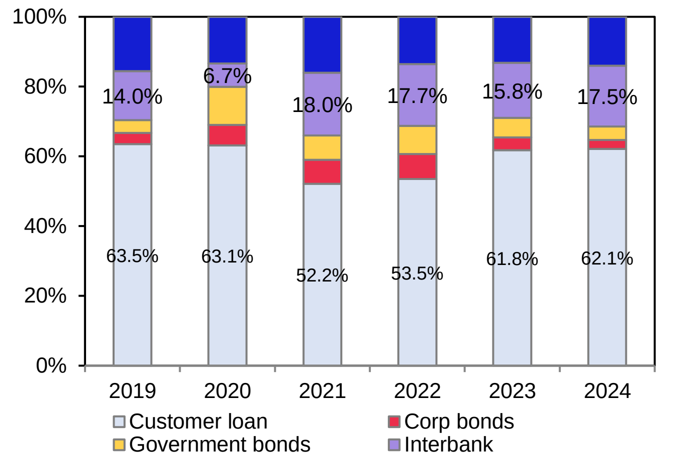
Source: TPB, MBS Research

Figure 7: TPB mainly promotes lending to businesses in 2024



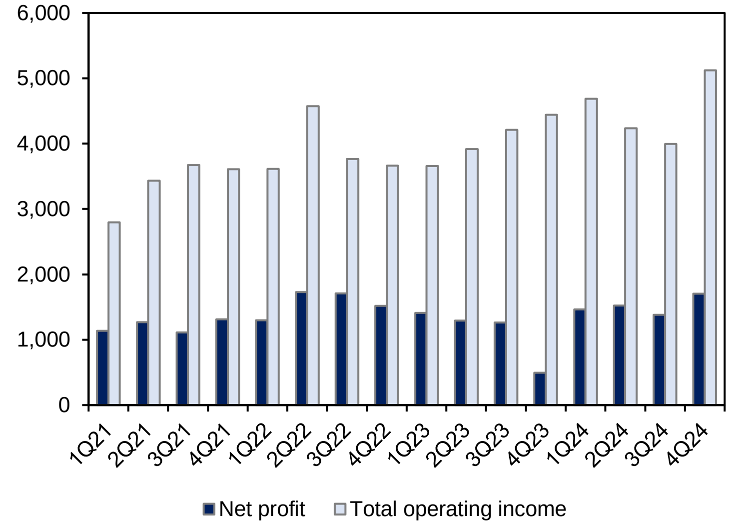
Source: TPB, MBS Research

Figure 8: Earning asset (IEA) mix: expanding bonds segments partly offsets contraction of interbank



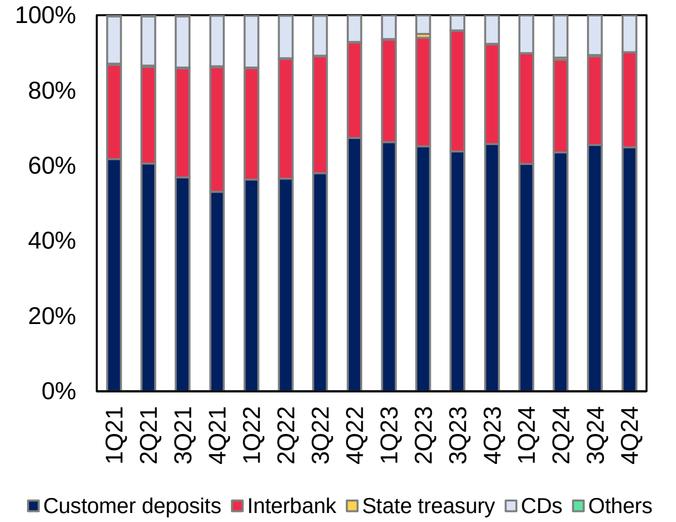
Source: TPB, MBS Research

Figure 9: TPB's net profit and total operting income quarterly



Source: TPB, MBS Research

Figure 10: TPB's mobilization (funding) mix



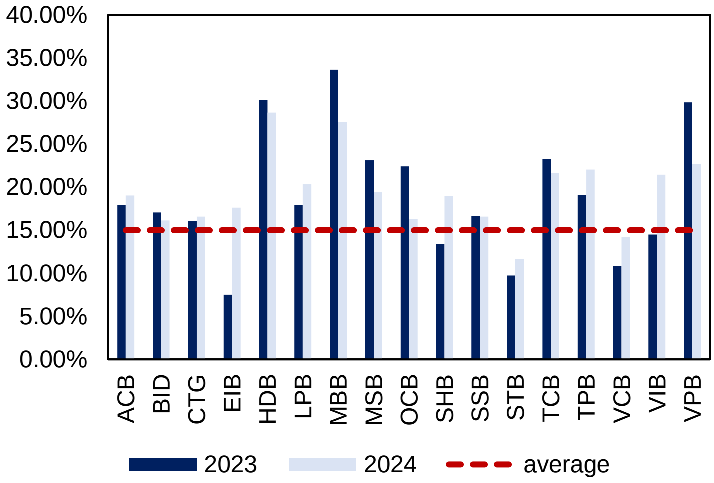
Source: TPB, MBS Research

FY2025-26F Outlook

We expect credit to grow 16%/17% in 2025 thanks to the rebound of real estate market and personal consumption

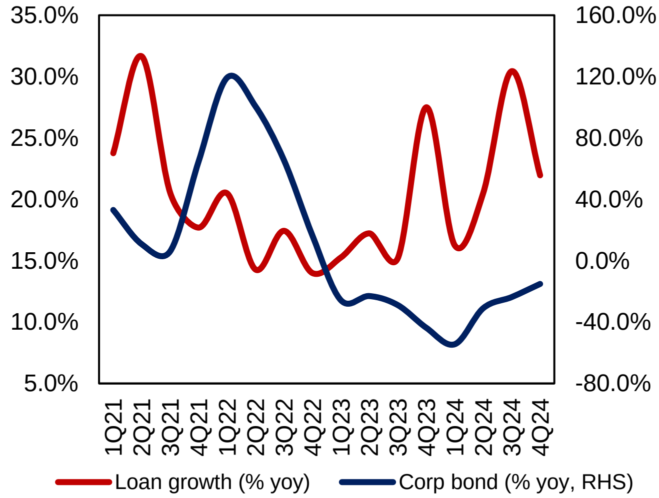
In 2024, TPB's credit growth reached 20.2% yoy (13.5% ytd in 3Q24). This figure out-performed average peers (15%) mainly driven by boosting corporate lending (+31.9% yoy). The positive signal come from car loan and real estate lending with growth rates of 114.2% yoy and 46.0% yoy, respectively. In addition, TPB narrowed its corporate bond portfolio in 2024, with the balance rising to VND10.35tn, up from VND12.2tn in 2023.

Figure 11: TPB's credit growth reached 20.2%, 15.8% higher than peers



Source: TPB, MBS Research

Figure 12: TPB's corporate bond balance decreased 15.1% yoy in 4Q24



Source: TPB, MBS Research

We expect credit growth in 2025 to be 16% yoy, thanks to

- TPB focuses on mass affluent customers, millennials, and business households with two key products: auto loan and home loan. We expect Vietnam's economy to recover in 2025 thanks to the rebound in manufacturing and trading activities, thanks to increased external and domestic demand. We expect the economic recovery to boost personal consumption, including auto purchases.

- We expect mortgage lending to rebound in 2025, driven by two key factors. First, the supply of apartments and landed property in Hanoi and HCMC is projected to rise compared to 2024. Specifically, new apartment and landed property supply in Hanoi is expected to increase by 1% and 78.2% YoY, respectively, while HCMC will see a 14.3% and 769.6% YoY increase, according to CBRE. This growth is primarily supported by the enforcement of three key real estate laws since August 2024 and ongoing infrastructure improvements. Second, the absorption rate is expected to remain high in 2025, as newly launched projects are developed by reputable real estate firms with clear legal status.

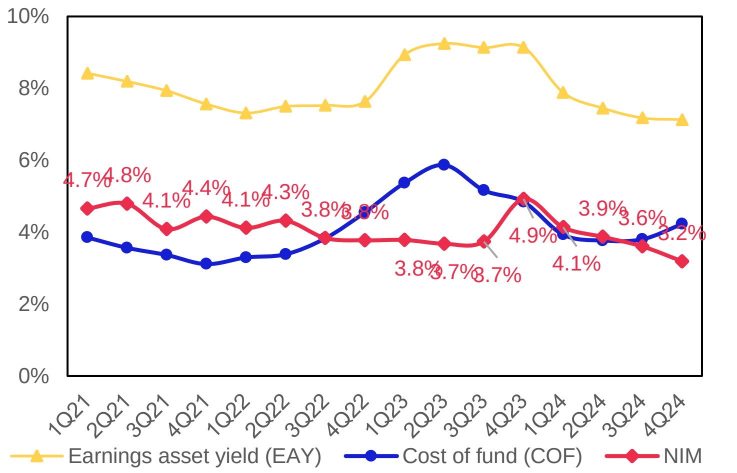
We forecast TPB credit growth to maintain 17% in 2026 while TPB will promote retail lending thanks to increased consumer demand and recovery in personal income.

We expect NIM to improve 3 bps/10 bps yoy 2025/26

In 2024, TPB's asset yield declined 5 bps qoq/201 bps vs. 2023 as TPB continues to lower lending rates to compete with other banks and support customers. While cost of fund stood at 4.23% in 4Q24 (-43 bps qoq) due to higher interest rate level of the previous period has been reflected. As a result, NIM in 4Q24 decreased 173 bps yoy/41 bps qoq, reaching 3.19%. We forecast NIM to remain flat in 2025, reaching 3.54% (+3 bps yoy/lower 7 bps vs. previous forecast) in 2025 as TPB will still maintain low lending rates to attract customers due to fierce interest rate competition between banks. However, boosting personal credit will offset low interest rates in 2025. In additionally, we think that COF will increase slightly in 2025 due to stretched liquidity caused by high pressure from surging exchange rates.

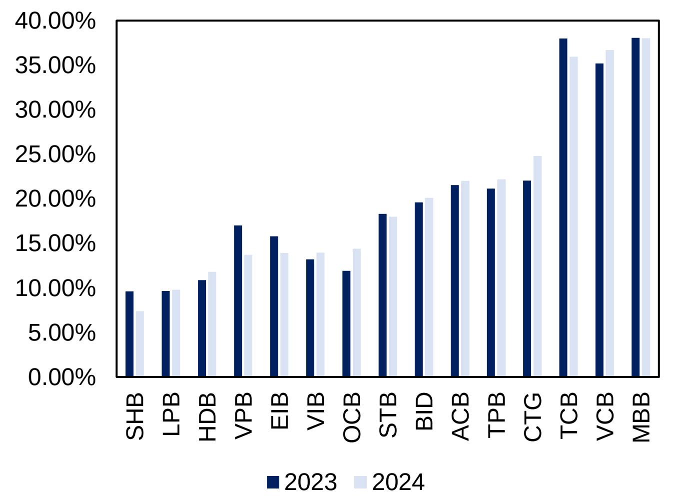
We forecast NIM to continue improve in FY26F, reaching 3.64% (+10 bps yoy) as AY will improves 42 bps yoy thanks to a higher interest rate base and increasing demand for retail lending, which offers higher lending yields.

Figure 13: TPB's NIM decreased 40 bps qoq in 4Q24



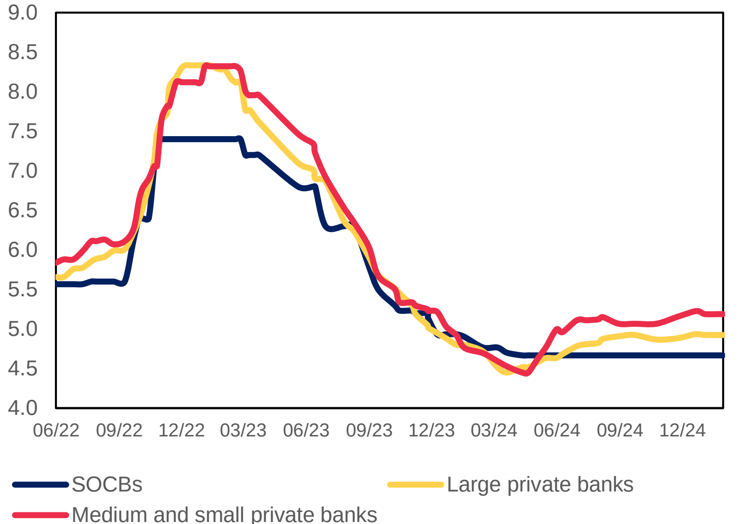
Source: TPB, MBS Research

Figure 14: TPB ranks fifth in the industry in CASA ratio



Source: TPB, MBS Research

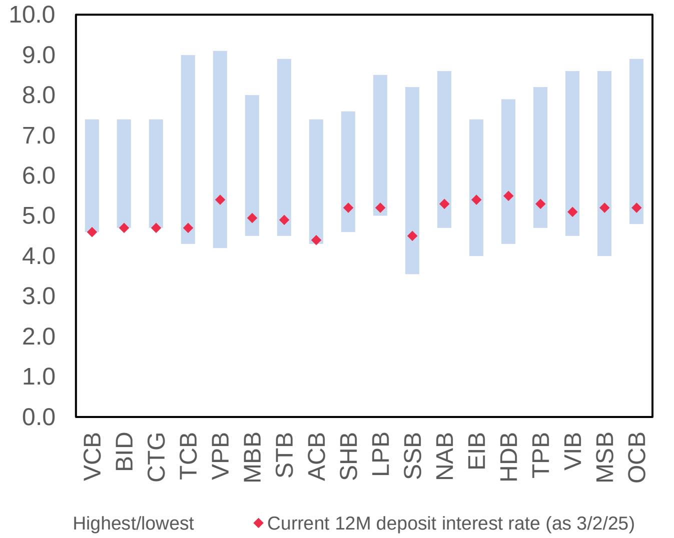
Figure 15: Some medium and small private banks have increased deposit interest rates since Jun-24



SOCBs: VCB, BID, CTG
Large private banks: TCB, VPB, MBB, STB, ACB, SHB
Medium and small private banks: LPB, SSB, NAB, EIB, HDB, TPB, VIB,

Source: TPB, MBS Research

Figure 16: Current deposit rates and the highest/lowest rates of banks since 2023



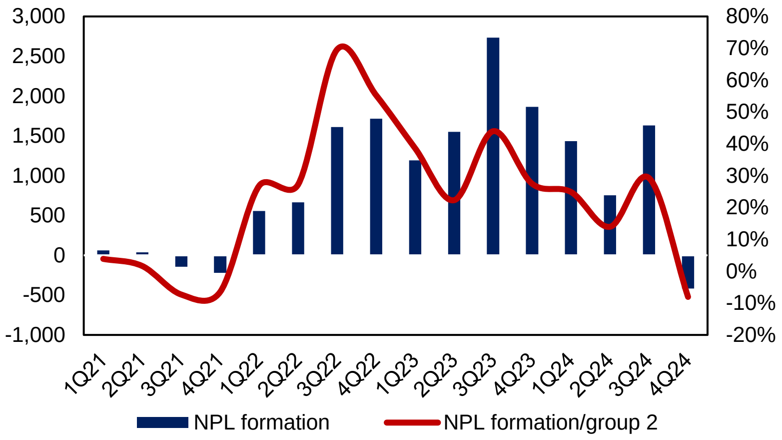
Source: Company reports, MBS Research

We expect asset quality to improve in 2025/26

As of end-4Q24, TPB's NPL ratio improved 80bps qoq and 53 bps yoy, reaching 1.52%. This figure is at its lowest since Q1/23 and below peer's average (1.91%). NPL ratio improved qoq in 4Q24 thanks to (1) TPB used VND1,228bn to write-off bad debt in 4Q24 and 2) credit increased sharply by 5.5% qoq (equivalent to VND13,822bn). NPL formation ratio and loan 2 ratios also declined significantly, to -8% and 1.77% in 4Q24. At end-4Q24, TPB's LLR improve 2,334 bps qoq to 81% thanks to increasing provision. However, this ratio still considerably lower LLR's industry (91%).

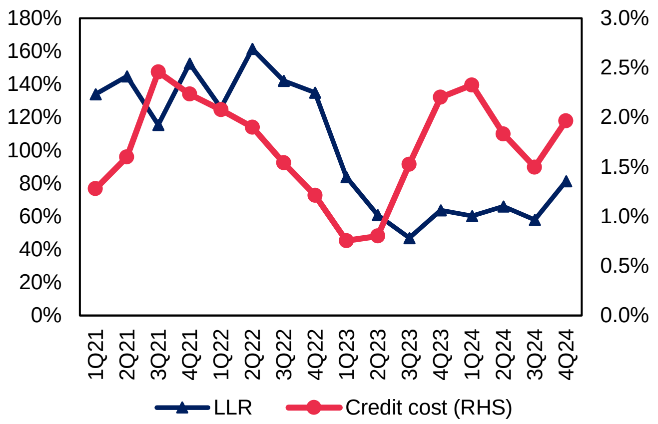
We expect asset quality to improve slightly in 2025 thanks to 1) a warming economy and a recovery in production and business activities; 2) the ratio of group 2 loans to total loans decreased for 6 consecutive quarters, (-26 bps qoq), supporting the reduction of pressure on increasing bad debt in 2025 and 3) TPB will try to strengthen its balance sheet through write-offs and provisioning in 2025. As a result, we forecast that TPB's NPL ratio will reach 1.44%/1.41% in 2025/26 (-7 bps/3 bps yoy).

Figure 17: NPL formation / loan group 2 in 4Q24 showed positive signal, achieving -8% (29.3% in 3Q24)



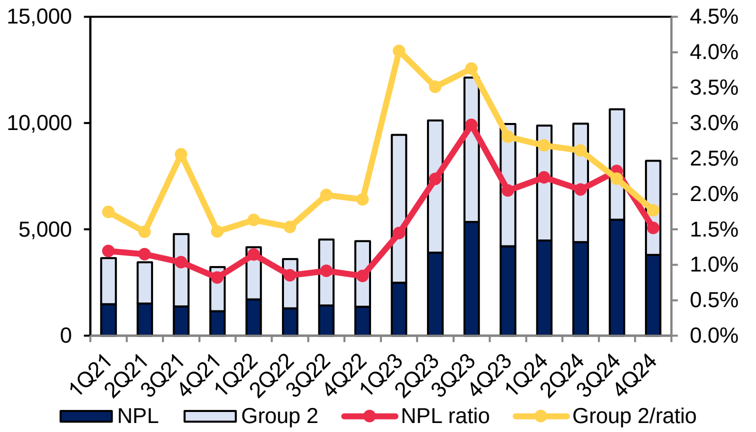
Source: TPB, MBS Research

Figure 18: Credit cost in 4Q24 increased 46 bps qoq thanks to increased provisioning



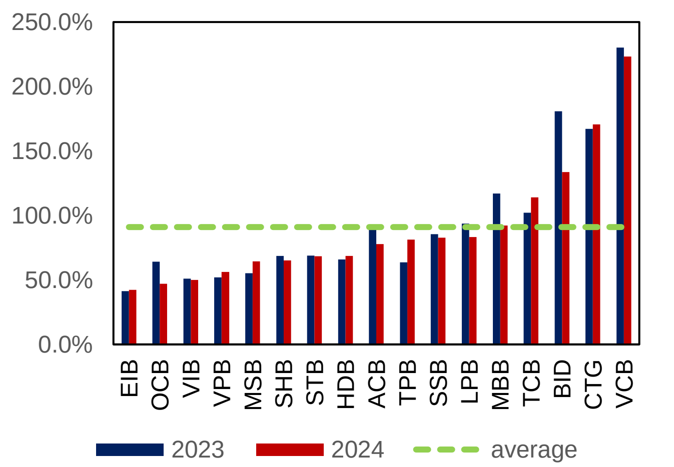
Source: TPB, MBS Research

Figure 19: the ratio of group 2 loans to total loans decreased for 6 consecutive quarters



Source: TPB, MBS Research

Figure 20: TPB's LLR ratio is still lower than its peers (81%)



Source: TPB, MBS Research

We forecast TPB's net profit to increase by 20.1%/20.8% yoy over FY25 – 26F

Figure 21: 2025-26 earnings forecast

	2024	2025				2026				
VNDbn		**Old**	**New**	**% yoy**	**% change**	**Old**	**New**	**% yoy**	**% change**	**Comments**
Net interest income	12,906	15,808	14,975	16.0%	-5.3%	18,179	17,083	14.1%	-6.0%	
Non-interest income	5,131	4,570	5,673	10.6%	24.1%	4,973	6,182	9.0%	24.3%	We increase our non-interest income by 24.1%/24.3% compared to previous forecast, driven by a high base in 2024 and sustained strong credit grow th of 16%/17% in 2025/26. This supports a +27/28% increase in fee income compared to prior forecasts.
Operating income	18,038	20,378	20,648	14.5%	1.3%	23,152	23,265	12.7%	0.5%	
Operating expense	6,279	7,010	6,948	10.7%	-0.9%	7,562	7,494	7.8%	-0.9%	
POPP	11,759	13,368	13,700	16.5%	2.5%	15,590	15,771	15.1%	1.2%	
Provision expenses	(4,159)	(4,639)	(4,584)	10.2%	-1.2%	(5,077)	(4,759)	3.8%	-6.3%	We decrease provision expenses by 1.2%/6.3% in FY25/26F vs. previous forecast due to the strong improvement in NPL in 4Q24, TPB w ill reduce provisions to boost profit grow th in 2025/26
Profit before tax	7,599	8,730	9,116	20.0%	4.4%	10,513	11,012	20.8%	4.8%	
Net profit	6,073	6,984	7,293	20.1%	4.4%	8,410	8,810	20.8%	4.8%	
Credit grow th (YTD)	20%	16%	16%			17.0%	17%			
Deposit grow th (YTD)	17%	15%	15%			15.0%	15%			
NIM	3.51%	3.8%	3.54%			3.9%	3.64%			We low er our NIM by 26bps/28bps compared to previous projections, primarily due to a 30bps/34bps decrease in AS, as interest rate competition is expected to intensify in 2025.
CIR	34.8%	42.3%	33.7%			32.6%	32.2%			
CASA	20.8%	21.2%	21.2%			20.7%	20.7%			
NPL	1.52%	1.80%	1.44%			1.7%	1.4%			We believe TPB's NPL w ill continue decline in 2025/26 thanks to (i) as the economy recovers, debt arising from CIC w ill decrease; (ii) the bank uses provisions to handle NPLs and (iii) the ratio of group 2 loans to total loans and NPL formation ratio decreased in 4Q24 supporting the reduction of pressure on increasing bad debt in 2025.
LLR	81.3%	87.0%	90.2%			85.5%	100.9%			
ROAE	16.2%	15.7%	16.3%			16.9%	16.3%			
ROAA	1.5%	1.5%	1.5%			1.7%	1.5%			

Source: TPB, MBS Research

Financial statement

Income statement	31/12/23	31/12/24	31/12/25	31/12/2026
Interest income	28,562	25,949	30,190	35,998
Interest expense	(16,135)	(13,043)	(15,215)	(18,914)
Net interest income	**12,428**	**12,906**	**14,975**	**17,083**
Non interest income	**3,809**	**5,131**	**5,673**	**6,182**
Total operating income	**16,237**	**18,038**	**20,648**	**23,265**
Total operating costs	**6,702**	**6,279**	**6,948**	**7,494**
Pre-provision operating profit	**9,535**	**11,759**	**13,700**	**15,771**
Total provision charges	(3,946)	(4,159)	(4,584)	(4,759)
Post-provision operating profit	**5,589**	**7,599**	**9,116**	**11,012**
Profit after tax	4,463	6,073	7,293	8,810
Minority interest	-	-	-	-
Net profit	**4,463**	**6,073**	**7,293**	**8,810**

Balance sheet	31/12/23	31/12/24	31/12/25	31/12/2026
Total gross loans	**257,615**	**320,852**	**337,297**	**396,313**
Total securities items	74,742	83,069	106,322	101,534
Total reserve	(2,776)	(3,215)	(3,882)	(4,962)
Total net income earning assets	**329,581**	**400,707**	**439,737**	**492,885**
Total non-earning assets	27,053	17,322	39,870	46,743
Total assets	**356,634**	**418,028**	**479,607**	**539,627**
Customer deposits	232,447	279,677	314,995	371,628
Deposits from other credit institutions	**83,966**	**94,739**	**107,844**	**99,150**
Total liabilities	323,891	380,432	434,810	486,020
Charter capital	22,016	26,420	22,016	22,016
Retained earnings	7,674	7,455	17,914	25,218
Equity	**32,743**	**37,596**	**44,797**	**53,607**
Minority interests	-	0	0	0
Total liabilities and equity	**356,634**	**418,028**	**479,607**	**539,627**

Financials ratio	31/12/23	31/12/24	31/12/25	31/12/2026
Deposit growth	6.8%	16.6%	15.0%	18.0%
Credit growth	19.1%	20.2%	16.1%	16.7%
Total Asset Growth	8.5%	17.2%	14.7%	12.5%
Net interest income growth	9.1%	3.8%	16.0%	14.1%
Non-interest income growth	-10.0%	34.7%	10.6%	9.0%
Net profit growth	-28.7%	36.1%	20.1%	20.8%
Credit/funding	67.8%	69.7%	71.8%	75.2%
Net Interest Margin (NIM)	3.9%	3.5%	3.5%	3.6%
Cost of Operation/Income (CIR)	41.3%	34.8%	33.7%	32.2%
Provision/loan costs for customers	1.9%	1.7%	1.6%	1.4%
Non-performing loan ratio (NPL)	2.0%	1.5%	1.4%	1.4%
Loan Loss Reserve Ratio (LLR)	63.7%	81.3%	90.2%	100.9%
Capital Adequacy Ratio (CAR)	12.39%	9.44%	12.24%	13.01%
ROAA	1.25%	1.45%	1.52%	1.63%
ROAE	13.63%	16.15%	16.28%	16.43%
EPS	1,689	2,299	2,761	3,335
Book value/share	12,393	14,231	16,956	20,291
P/B	1.31	1.14	0.96	0.80

Source: TPB, MBS Reseach

DISCLAIMER

MBS RECOMMENDATION FRAMEWORK

Stock Ratings

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Add	The stock's total return is expected to reach 15% or higher over the next 12 months
Hold	The stock's total return is expected to be between negative 10% and positive 15% over the next 12 months.
Reduce	The stock's total return is expected to fall below negative 10% over the next 12 months.

Segment Ratings

Positive	Stocks in the segment have, on a market cap-weighted basis, a positive absolute recommendation
Neutral	Stocks in the segment have, on a market cap-weighted basis, a neutral absolute recommendation.
Negative	Stocks in the segment have, on a market cap-weighted basis, a negative absolute recommendation.

ABOUT MBS

Founded in May 2000 by the Military Commercial Joint Stock Bank (MB), MB Securities Joint Stock Company (MBS) is one of the first six securities companies in Vietnam. After years of development, MBS has grown into one of the premier brokerage houses in the country. In two consecutive years between 2009 and 2010, MBS leads the brokerage house in terms of market share on both Hanoi Stock Exchange (HNX) and HCMC Stock Exchange (HOSE) and continuously ranked among the Top 5 of market share at both stock exchanges.

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