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| <b>Code</b>         | <b>STB</b>   |
| <b>Company name</b> | Sai Gon Thuong Tin Commercial Joint Stock Bank                       |
| <b>Date</b>         | 07/23/2019   |
| <b>Subject</b>      | Explanation for the Quarter 2/2019 consolidated financial statements |

**Content:**

Sai Gon Thuong Tin Commercial Joint Stock Bank (Sacombank) has explained the consolidated financial statements in Quarter 2/2019:

The consolidated profit after tax in Quarter 2/2019 was 307.2 billion dongs, decreasing by 64.1 billion dongs (-17.3%) compared to Quarter 2/2018 due to the following reasons:

- a) Net profit increased by 240.9 billion dongs because:
  - Profit increased by 915.2 billion dongs
    - The lending balance increased by 32.656 billion dongs, so the gain from lending increased by 802 billion dongs;
    - The deposit at credit institutions increased by 10.116 billion dongs compared to the same period of last year, so the gain from deposit increased by 70.5 billion dongs;
    - The debt securities investment increased by 980 billion dongs compared to the same period of last year, so the gain from debt securities investment increased by 5.5 billion dongs;
    - Other gains increased by 37.2 billion dongs.
  - Expenses for deposit and borrowing increased by 674.3 billion dongs.
    - The clients' deposit increased by 32,999 billion dongs, so the expense for deposit increased by 661.6 billion dongs;
    - The borrowing decreased by 175 billion, so the expense for borrowing decreased by 1.9 billion dongs;
    - Other expenses increased by 14.6 billion dongs.
- b) Other income increased by 390.5 billion dongs. In particular, the income from services increased by 152.1 billion dongs; the income from securities trading decreased by 31.3 billion dongs; the income from other activities increased by 267.7 billion dongs; the

income from foreign exchange trading increased by 2.3 billion dong; the capital contribution decreased by 0.3 billion dong.

- c) Other expenses increased by 695.5 billion dong. Of which, the provision for credit increased by 182.9 billion dong; the operating expense increased by 541 billion dong; the corporate income tax decreased by 28.4 billion dong.

Therefore,  $(a) + (b) - (c) = -64.1$  billion dong.