

Code	EIB
Company name	Vietnam Export Import Commercial Joint Stock Bank
Date	07/31/2019
Subject	Explanation for the Quarter 2/2019 financial statements

Content:

Vietnam Export Import Commercial Joint Stock Bank has explained the financial statements in Quarter 2/2019 as follows:

1. For the separate financial statements of the Bank:
 - Profit after tax in Quarter 2/2019 decreased by 34,051 million dong (-12.6%) compared to the same period of 2018 because of the following reasons:
 - In Quarter 2/2019, the Bank reversed the provision for credit risks worth 36,353 million dong because the doubtful debt balance decreased 341,501 million dong (-15.41%) compared to the same period of last year, and the Bank recovered some doubtful debts.
 - However, the operating expense rose compared to the same period of last year, of which the provision for other risks of 26,551 million dong. Besides, the total average number of employees increased by 132 persons (+2.2%), leading the expenses for employees higher than in the same period of 2018.
 - Profit after tax in the first six months of 2019 was 511,803 million dong. Of which:
 - The income from the main business activities of Eximbank was more than in the same period of last year.

Unit: million dong

Item	06 months of 2019	06 months of 2018	Difference amount	Difference ratio
Net interest income	1,646,138	1,497,658	148,480	9.91
Net fee and commission income	153,644	152,672	972	0.6

Net gain/loss from investment securities	66,246	(17,695)	83,941	
Net other income	88,957	71,522	17,435	24.38

- Net interest income in the first six months of 2019 increased by 9.91% compared to the same period of last year because Net interest margin (NIM) improved over the same period.
 - Income from capital contributions and equity investments in the first six months of 2019 was down because in Quarter 1/2018 Eximbank sold securities to invest in a credit institution, raising the income from capital contributions and equity investments. If the effect of this income was excepted, the Bank's profit before tax in the first six months of 2019 would grow 64% compared to the same period of last year.
2. For the consolidated financial statements of the Bank:
- Profit after tax in Quarter 2/2019 decreased by 51,977 million dongs (-17.8%) compared to the same period of 2018 because of similar causes as above.
 - The incomes from the main consolidated business activities of the Bank and subsidiaries in the first six months of 2019 grew than in the same period of last year.