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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>         | 08/16/2019                                                             |
| <b>Subject</b>      | Explanation for the semi-annual reviewed separate financial statements |

**Content:**

Sai Gon Thuong Tin Commercial Joint Stock Bank (Sacombank) has explained the consolidated financial statements in the first six months of 2019:

The consolidated profit after tax in the first six months of 2019 was 1,083.1 billion dongs, increasing by 351.1 billion dongs (+32.4%) compared to the first six months of 2018 thanks to the following reasons:

- a) Net profit increased by 997.4 billion dongs because:
  - Interest income increased by 2,179.6 billion dongs
    - The lending balance increased by 31,828 billion dongs, so the gain from lending increased by 2,046.7 billion dongs;
    - The deposit at credit institutions increased by 10.449 billion dongs compared to the same period of last year, so the gain from deposit increased by 109.5 billion dongs;
    - The debt securities investment was lower than in the same period of last year, so the gain from debt securities investment decreased by 16.9 billion dongs;
    - Other gains increased by 40.3 billion dongs.
  - Expenses for deposit and borrowing increased by 1,182.2 billion dongs.
    - The clients' deposit increased by 33,119 billion dongs, so the expense for deposit increased by 1,206.1 billion dongs;
    - The borrowing in the first six months of 2019 grew up, so the expense for borrowing increased by 9.8 billion dongs against the same period of last year.
    - Other expenses increased by 33.7 billion dongs.
- b) Other income increased by 893.5 billion dongs. In particular, the income from services increased by 254.9 billion dongs; the income from securities trading decreased by 26.4 billion dongs; the income from other activities increased by 481.1 billion dongs; the

income from foreign exchange trading increased by 55.4 billion dongs; the capital contribution for share acquisition increased by 128.5 billion dongs.

- c) Other expenses increased by 1,539.8 billion dongs. Of which, the provision for credit increased by 546.1 billion dongs; the operating expense increased by 919.7 billion dongs; the corporate income tax increased by 74 billion dongs.

Therefore,  $(a) + (b) - (c) = 351.1$  billion dongs.