

Code	EIB
Company name	Vietnam Export Import Commercial Joint Stock Bank
Date	01/22/2020
Subject	Explanation for the Quarter 4/2019 financial statements

Content:

Vietnam Export Import Commercial Joint Stock Bank has explained the financial statements in Quarter 4/2019 as follows:

1. For the separate financial statements of the Bank:

1.1. Main items on the balance sheet:

- Total assets at the time of 12/31/2019 was 167,759,787 million dongs, increasing 14,229,558 million dongs (+9.27%) compared to 12/31/2018.
- Total customer deposit balance at the time of 12/31/2019 was 139,461,294 million dongs, increasing 20,034,778 million dongs (+16.78%) compared to 12/31/2018.
- Total outstanding loans at the time of 12/31/2019 was 113,254,792 million dongs, increasing 9,212,215 million dongs (+8.85%) compared to 12/31/2018.
- The non-performing loan ratio at the time of 12/31/2019 was 1.71%, down 0.14% compared to 12/31/2018.

1.2. Causes of profit change:

Profit after tax in Quarter 4/2019 was 18,345 million dongs, going up 241,337 million dongs against same period of last year. Of which:

- Net profit from services before the provision for credit risk in Quarter 4/2019 was 580,838 million dongs, up 503,454 million dongs (+651%) compared to the same period of last year.
- Net profit from foreign exchange trading increased by 12,328 million dongs (increasing by 10.26%) compared to the same period of last year.
- Net gain from investment securities went up 187.751 million dongs.
- Operating expense decreased 370,988 million dongs (-35.58%) because Eximbank made a provision of 390,375 million dongs.
- Provision for credit risk increased 189,118 million dongs (up 47.09%) against the same period of last year.

1.3. Profit after tax of the Bank in 2019 was 1,078,970 million dong, increasing 278,006 million dong (equivalent to +34.71%). Of which:

- Net profit from services increased 38,213 million dong (+11.38%) compared to 2018.
- Net profit from foreign exchange trading increased 95,468 million dong (+35.48%) compared to 2018.
- Gain/loss from investment securities decreased 167,330 million dong (-41.88%) compared to 2018.
- Provision for credit risk decreased 86,906 million dong compared to 2018.

2. For the consolidated financial statements of the Bank:

2.1. Main items on the balance sheet:

- Total assets at the time of 12/31/2019 was 167,538,318 million dong, increasing 14,886,255 million dong (+9.75%) compared to 12/31/2018.
- Total customer deposit balance at the time of 12/31/2019 was 139,278,464 million dong, increasing 20,584,595 million dong (+17.34%) compared to 12/31/2018.
- Total outstanding loans at the time of 12/31/2019 was 113,254,792 million dong, increasing 9,212,215 million dong (+8.85%) compared to 12/31/2018.
- The non-performing loan ratio at the time of 12/31/2019 was 1.71%, down 0.14% compared to 12/31/2018.

2.2. Causes of profit change:

Profit after tax in Quarter 4/2019 was (16,302) million dong, going up 230,392 million dong against same period of last year. Of which:

- Net operating profit before the provision for credit risk in Quarter 4/2019 was 583,000 million dong, up 490,754 million dong (+532%) compared to the same period of last year.

Unit: million dong

Item	Quarter 4/2019	Quarter 4/2018	Difference amount	Difference ratio
Net profit from services	134,370	34,387	39,983	42.36

Net profit from foreign exchange trading	132,498	120,170	12,328	10.26
Gain/loss from investment securities	102,158	(81,676)	183,834	
Operating expense	676,985	1,047,163	(370,178)	(35.35)
Provision for credit risk	590,707	401,589	189,118	47.09

2.3. Profit after tax of the Bank and subsidiaries in 2019 was 1,095,249 million dong.

Of which:

Unit: million dong

Item	2019	2018	Difference amount	Difference ratio (%)
Net interest income	3,220,366	3,206,895	13,471	0.42
Net profit from services	383,536	346,658	36,878	10.64
Net profit from foreign exchange trading	364,541	269,073	95,468	35.48
Net gain/loss from investment securities	233,718	403,382	(169,664)	(42.06)
Other net profit	284,128	225,570	58,558	25.96
Operating expense	2,700,748	2,900,904	(200,156)	(6.90)
Provision for credit risk	690,292	723,546	(33,254)	(4.60)

Profit before tax	1,095,249	827,128	268,121	32.42
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3. In Quarter 4/2019, Eximbank made a provision for VAMC bonds worth 652 billion dong as regulated in order to balance the debts sold to VAMC. Therefore, the profit after tax in Quarter 4/2019 changed from profit to loss compared to Quarter 3/2019.