

To: - **The State Securities Commission**
 - **Ho Chi Minh Stock Exchange**
 - **Hanoi Stock Exchange**

Bao Viet Securities JSC. discloses the explanation in Consolidated Financial Statement.

According to Circular No.155/2015/TT-BTC dated 6 October 2015 about information disclosure on stock exchange market, if there was a difference more than ten percent (10%) between profits after tax (quarterly) compared to the same period last year, the listed entity must explain the unusual variation in this quarter financial statement.

BVSC give explanation about the difference of income statements of the fiscal year 2016 and 2015 as below:

No.	Content	2015 (last period)	2016 (this period)	Difference (%) between 2016 and 2015
1	Total Revenue & other incomes	287,614,819,547	294,165,235,266	2.3%
1.1	Operating revenue	273,389,519,608	275,739,279,451	0.9%
1.2	Financial Income	13,789,936,303	18,416,392,178	33.5%
1.3	Other Income	435,363,636	9,563,637	-97.8%
2	Total Expenses	167,290,195,528	174,859,029,076	4.5%
2.1	Operating expenses	101,398,577,549	102,565,91,556	1.2%
	<i>Incl: Provision for decline in financial assets</i>	(18,642,386,572)	(22,714,561,240)	
2.2	General&Administrative Exp	61,011,117,943	64,843,820,398	6.3%
2.3	Financial expenses	4,452,177,943	6,679,525,777	50.0%
2.4	Other expenses than Securities trading	428,322,069	769,772,345	79.7%
3	Profit before tax	120,324,624,019	119,306,206,190	-0.8%
4	Corporate income tax	4,219,443,989	17,591,785,884	316.9%
5	Profit after tax	116,105,180,030	101,714,420,306	-12.4%

In 2016, BVSC reported its profit after tax reached VND 101.7 billion, decreasing by 14.3 billion dongs (equivalent to 12.4%) compared to last year. The main cause of corporate income tax payable in 2016 was 17.5 billion, an increase of 13.4 billion dongs compared to the year of 2015. (In 2015, it was less due to the loss from previous years).

Above statement is the main reason of the difference between business result of 2016 and 2015 of consolidated financial statement of BVSC.

Spokesman

(signed and sealed)

Nhu Dinh Hoa
Chief Executive Officer