

Re: Explanation of difference in profit of 2017  
and 2016 of head office

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 statement of 2017 and 2016 of BVSC (integrated report) as below:

STT	Content	2016 (last period)	2017 (this period)	Difference (%) between 2017 and 2016
<b>1</b>	<b>Total Revenue &amp; other incomes</b>	<b>327,322,475,623</b>	<b>483,792,424,443</b>	<b>47.8</b>
1.1	Operating revenue	308,896,519,808	462,044,163,038	49.6
1.2	Financial Income	18,416,392,178	21,636,398,678	17.5.0
1.3	Other Income	9,563,637	111,862,727	1069.7
<b>2</b>	<b>Total Expenses</b>	<b>205,835,536,493</b>	<b>331,368,932,814</b>	<b>61.0</b>
2.1	Operating expenses	133,542,417,973	240,482,948,266	80.1
	<i>Incl: Provision for decline in financial assets</i>	(9,843,641,898)	6,041,989,254	
2.2	General&Administrative Exp	64,843,820,398	81,579,373,558	25.8
2.3	Financial expenses	6,679,525,777	8,410,677,693	25.9
2.4	Other expenses than Securities trading	769,772,345	895,933,297	16.4
<b>3</b>	<b>Profit before tax</b>	<b>121,486,939,130</b>	<b>152,423,491,629</b>	<b>25.5</b>
4	Corporate income tax	19,313,004,422	29,978,875,208	55.2
<b>5</b>	<b>Profit after tax</b>	<b>102,173,934,708</b>	<b>122,444,616,421</b>	<b>19.8</b>

In 2017, BVSC reported its profit after tax reached VND 122.4 billion, increasing by more than 20 billion dongs (equivalent to the rise of 19.8%) compared to the fiscal year 2016. It caused from the significant growth of operating revenue, 2017's number increased by 153 billion (~49.6% ) compared to last year.

Above statement is the main reason of the difference between business result of 2017 and 2016 of financial statement of BVSC.

**Chief Executive Officer**  
(signed and sealed)

**Nhu Dinh Hoa**