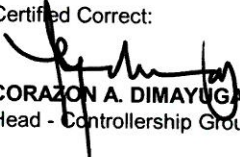


SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION
STATEMENT OF INCOME
For the Nine Month Period Ending September 30, 2019

Operating Revenues	
Lending Operations	
Wholesale - SME	7,406,484
Wholesale - MICRO	38,228,497
RETAIL	87,103,903
ERF (Enterprise Rehabilitation Financing)	12,922,999
P3 (Pondo sa Pagbabago at Pag-asenso)	52,111,719
Sub-Total	<u>197,773,603</u>
Guarantee Operations	840,348
Treasury Operations	28,727,306
Other Operating Income	21,713,793
Total Operating Revenue	<u>249,055,050</u>
Operating Expenses	
Financing Cost	19,990,894
Credit Cost	19,830,000
Operating Cost	191,205,305
Total Operating Expenses	<u>231,026,198</u>
Net Operating Income	<u>18,028,851</u>
Other Revenues	
Gain on sale of acquired assets	3,670,842
Miscellaneous	4,938,180
Gain/ (Loss) on Foreign Exchange-Realized	4,133,313
Total Other Revenues	<u>12,742,334</u>
Other Expenses	
Acquired Asset Expense	303,369
Litigation Expense	250,366
Provision for Probable Losses - ROPA	310,972
Total Other Expenses	<u>864,708</u>
NET OPERATING INCOME BEFORE EXTRA ORDINARY ITEMS	<u>29,906,478</u>
Add/(Deduct): Extra Ordinary Items	
Translation Adjustment - Net	37,628,587
Change in Derivative Valuation	(108,862,829)
	<u>(71,234,242)</u>
Net Income from Continuing Operation	<u>(41,327,764)</u>
Subsidy from National Government	
Pondo Sa Pagbabago at Pag-Asenso - P3	1,500,000,000
Total	<u>1,500,000,000</u>
Expenses	
MOOE - P3	48,671,422
Credit Cost	61,346,919
Total	<u>110,018,341</u>
NET SUBSIDY	<u>1,389,981,659</u>
NET INCOME INCLUSIVE OF NET OF SUBSIDY	<u><u>1,348,653,895</u></u>

Prepared by:

MARIDEL C. PELAYO
OIC, Manager-Accounting Dept.

Certified Correct:

CORAZON A. DIMAYUGA
Head - Controllorship Group

SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION
STATEMENT OF FINANCIAL POSITION
As at September 30, 2019

ASSETS

Current Assets	
Cash on Hand and in Banks	762,334,351
Cash in Bank HYSА-SDA	999,997,354
Investments in Gov't Sec	44,984,317
Interest Receivable on Investments	4,147,395
Loans Receivable	4,651,026,554
Allowance for Doubtful Accounts	(913,411,816)
Interest Receivable on Loans	15,668,625
Sale Contract Receivable	27,686,735
Other Current Assets / Receivables	46,728,667
	<u>5,639,162,181</u>
Non-Current Assets	
Accounts Receivable, Others	93,856,846
Property and Equipment, Net	69,746,839
Real and Other Properties or Acquired, Net	52,060,040
Investments in Gov't Sec	935,717,925
Equity Investment	54,645,120
Allowance for Doubtful Accounts	(4,225,120)
Other Assets	5,732,155
Deferred Tax Asset	132,466,559
Guarantee Paid Loans	79,628,119
Allowance for Doubtful Accounts	(77,113,656)
Derivative with Positive Fair Value	340,749,430
	<u>1,683,264,257</u>
TOTAL ASSETS	<u><u>7,322,426,438</u></u>

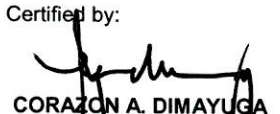
LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable and Accrued Expenses	692,700,704
Interest Payable	3,478,850
Deferred Tax Liability	45,940,193
Undistributed Collections	5,306,194
Notes Payable	190,816,239
Long-Term Liabilities-Current Portion - ODA	133,610,694
	<u>1,071,852,873</u>
Non-Current Liabilities	
Notes Payable	17,893,450
Long-Term Liabilities - ODA	769,789,355
Deferred Option Premium	264,896,185
	<u>1,052,578,991</u>
Total Liabilities	<u><u>2,124,431,864</u></u>
Equity	
Capital Stock	1,919,902,000
Paid in Capital in Excess of par Value	79,510,460
Retained Earnings	1,849,928,219
Add: Net Income from Continuing Operation	1,348,653,895
Total	<u><u>5,197,994,574</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>7,322,426,438</u></u>

Prepared by:


MARDEL C. PELAYO
 OIC, Manager-Accounting Dept.

Certified by:


CORAZON A. DIMAYUGA
 Head - Controllershіp Group