

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

<b>Operating Revenues</b>	
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
<b>Total Operating Revenue</b>	<u><b>249,055,050</b></u>
<b>Operating Expenses</b>	
Financing Cost	19,990,894
Credit Cost	19,830,000
Operating Cost	191,205,305
<b>Total Operating Expenses</b>	<u><b>231,026,198</b></u>
<b>Net Operating Income</b>	<u><b>18,028,851</b></u>
<b>Other Revenues</b>	
Gain on sale of acquired assets	3,670,842
Miscellaneous	4,938,180
Gain/ (Loss) on Foreign Exchange-Realized	4,133,313
<b>Total Other Revenues</b>	<u><b>12,742,334</b></u>
<b>Other Expenses</b>	
Acquired Asset Expense	303,369
Litigation Expense	250,366
Provision for Probable Losses - ROPA	310,972
<b>Total Other Expenses</b>	<u><b>864,708</b></u>
<b>NET OPERATING INCOME BEFORE EXTRA ORDINARY ITEMS</b>	<u><b>29,906,478</b></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>
<b>Subsidy from National Government</b>	
Pondo Sa Pagbabago at Pag-Asenso - P3	1,500,000,000
Total	<u>1,500,000,000</u>
<b>Expenses</b>	
MOOE - P3	48,671,422
Credit Cost	61,346,919
Total	<u>110,018,341</u>
<b>NET SUBSIDY</b>	<u><b>1,389,981,659</b></u>
<b>NET INCOME INCLUSIVE OF NET OF SUBSIDY</b>	<u><u><b>1,348,653,895</b></u></u>

Prepared by: *[Signature]*

Original signed  
**MARIDEL C. PELAYO**  
OIC, Manager-Accounting Dept.

Certified Correct:

Original signed  
**CORAZON A. DIMAYUGA**  
Head - Controllership Group

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

**ASSETS**

<b>Current Assets</b>	
Cash on Hand and in Banks	762,334,351
Cash in Bank HYSAs-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><b>5,639,162,181</b></u>
<b>Non-Current Assets</b>	
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><b>1,683,264,257</b></u>
<b>TOTAL ASSETS</b>	<u><u><b>7,322,426,438</b></u></u>

**LIABILITIES AND EQUITY**

<b>Current Liabilities</b>	
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><b>1,071,852,873</b></u>
<b>Non-Current Liabilities</b>	
Notes Payable	17,893,450
Long-Term Liabilities - ODA	769,789,355
Deferred Option Premium	264,896,185
	<u><b>1,052,578,991</b></u>
<b>Total Liabilities</b>	<u><u><b>2,124,431,864</b></u></u>
<b>Equity</b>	
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
<b>Total</b>	<u><u><b>5,197,994,574</b></u></u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u><b>7,322,426,438</b></u></u>

Prepared by: . . .

Original signed  
**MARDEL C. PELAYO**  
OIC, Manager-Accounting Dept.

Certified by:

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