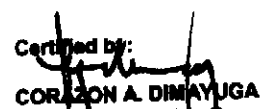


SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2018 and 2017
(In Philippine Peso)

	UNAUDITED	AUDITED
	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	786,969,104	1,008,833,048
Short-term held-to-maturity investments	210,880,223	755,290,566
Due from banks and other financing institutions - net, current portion	670,612,277	943,351,712
Loans and receivables - net, current portion*	712,412,388	913,693,704
Other assets	23,662,810	27,466,574
	2,404,536,801	3,648,635,604
Non-Current Assets		
Financial Assets at fair value through profit or loss	151,549,399	34,417,396
Long-term held-to-maturity investments	1,316,398,104	1,383,283,786
Due from banks and other financing institutions - net of current portion	1,947,405,452	635,608,481
Loans and receivables - net of current portion	616,954,851	552,024,381
Investment in equity instrument - net	35,445,000	14,472,500
Investment property - net	23,536,018	22,372,692
Non Current Assets Held for Sale - net	25,871,087	31,808,013
Property and equipment - net	71,686,770	71,241,514
Deferred Tax Asset	131,815,322	113,640,006
Other assets	19,944,248	19,764,889
	4,340,606,251	2,878,833,638
TOTAL ASSETS	6,745,143,052	6,527,269,242
LIABILITIES AND EQUITY		
Current Liabilities		
Notes payable - current portion	800,948,160	1,479,893,000
Long-term liabilities - current portion	134,946,847	127,238,960
Other current liabilities	901,415,447	883,403,092
	1,837,310,454	2,490,535,052
NON-CURRENT LIABILITIES		
Notes payable - net of current portion	67,893,450	90,357,199
Long-term liabilities - net of current portion	928,728,860	1,036,881,244
Deferred tax liabilities	55,790,039	10,325,219
Financial Liabilities at fair value through profit or loss	1,052,412,349	1,137,583,882
	2,889,722,803	3,628,098,714
TOTAL LIABILITIES	2,889,722,803	3,628,098,714
Equity		
Share Capital	1,919,902,000	1,919,902,000
Share Premium	79,510,460	79,510,460
Retained Earnings	1,856,007,789	899,758,068
	3,855,420,249	2,899,170,528
TOTAL EQUITY	3,855,420,249	2,899,170,528
TOTAL LIABILITIES AND EQUITY	6,745,143,052	6,527,269,242

Prepared by:

MARIBEL C. PELAYO
OIC, Manager, Acctg. Dept.

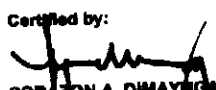
Certified by:

CORAZON A. DIMAYUGA
Head, Controllorship Group

SMALL BUSINESS GUARANTEE AND FINANCE CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2018 and 2017
(In Philippine Peso)

	UNAUDITED	AUDITED
Notes	2018	2017
INCOME		
Interest income from loans and receivables	223,479,108	223,787,445
Investment income	70,113,275	61,300,467
Guarantee fees	1,530,446	968,089
Other operating income	27,751,781	31,869,395
	322,874,610	317,903,376
FINANCE COST		
Interest expense on notes payable and other long-term borrowings	49,444,263	38,863,074
	49,444,263	38,863,074
INCOME BEFORE PROVISION FOR IMPAIRMENT OF LOANS		
	273,430,347	279,040,302
Provision for impairment of Loans and ROPA	10,126,282	43,892,997
	283,304,065	235,147,305
OTHER INCOME (LOSS)		
Other income	4,301,211	5,869,836
Realized foreign exchange gain (loss)	13,935,939	15,644,870
	18,237,150	21,514,706
EXPENSES		
Administrative expenses	249,177,220	220,316,129
Other expenses		
Litigation expenses	276,826	986,249
Acquired assets expenses	415,714	805,807
	249,869,760	222,107,985
INCOME BEFORE UNREALIZED GAINS (LOSSES)		
	31,671,455	34,554,026
UNREALIZED GAIN (LOSS)		
Unrealized gain (loss) on foreign exchange translation	(35,986,983)	(122,559,398)
Unrealized on (loss) on derivative valuation	84,086,475	(2,087,222)
	48,099,492	(124,646,620)
INCOME (LOSS) BEFORE INCOME TAX		
	79,770,947	(90,092,594)
INCOME TAX (EXPENSE) BENEFIT		
Current	(4,423,126)	(12,680,914)
Deferred	(27,289,503)	37,821,690
	(31,712,629)	25,140,776
NET INCOME (LOSS)		
	48,058,318	(64,931,818)
SUBSIDY FROM NATIONAL GOVERNMENT		
Enterprise Rehabilitation Financing (ERF)	-	3,774,432
Credit Risk Guarantee Fund	-	13,293,839
Pondo Sa Pagbabago at Pag-asenso (P3)	1,066,995,964	933,004,036
	1,066,995,964	950,072,307
EXPENSES		
ERF Expense	-	3,774,432
CRGF Expense	-	13,293,839
P3 Expense	46,005,303	10,000,000
	46,005,303	27,068,271
Provision for Impairment		
Pondo Sa Pagbabago at Pag-asenso (P3)	85,856,744	82,395,770
	85,856,744	82,395,770
NET SUBSIDY		
	933,133,917	840,608,266
NET INCOME INCLUSIVE OF SUBSIDY		
	981,192,235	775,676,448

Prepared by:

MARIEL C. PILAYO
OIC, Manager, Acctg. Dept.

Certified by:

CORAZON A. DIMAYUGA
Head, Controkership Group