

“In 1Q2019, FPT’s revenue and profit before tax (PBT) increased by 19.3% and 23.0% year on year (YoY), respectively, thanks to the impressive growth of technology sector.”



Consolidated revenue and PBT reached VND 5,666 billion and VND 960 billion, equal to 100% and 110% of the year to date (YTD) target. PBT margin was **16.9%**, increased by 0.5% compared to 16.4% in 1Q2018.

Summary of YTD consolidated financial performance

Unit: VND in billions

Items	3M2018	3M2019	YoY change	vs. YTD guidance
Net revenue	4,751	5,666	19.3%	100%
Profit before tax (PBT)	781	960	23.0%	110%
Profit after tax (PAT)	653	794	21.6%	109%
PAT attributed to parent company’s shareholders	509	626	23.0%	109%
Basic EPS (VND)	833	1,021	22.5%	109%

Table 1 - Summary of financial performance in 3M2019

In the first quarter of 2019, overseas markets brought FPT with revenue of VND 2,459 billion, up 34.6% YoY and 362 billion, up 35.6% YoY. The overseas revenue and PBT contributed 38% and 43% to the Corporation's performance (In 1Q2018, the proportions were 34% and 38%), respectively.

PBT of business segments well exceeded the YTD target except for online advertising



Technology sector: PBT achieved VND 361 billion, up 44.4% YoY, driven by the core pillar - Software Outsourcing.

- ❖ **Software Outsourcing:** The segment recorded revenue of VND 2,303 billion, up 37.5% and PBT of VND 329 billion, up 39.6% YoY. PBT margin was 14.3%, slightly increase in comparison with 1Q2018 (14.1%).

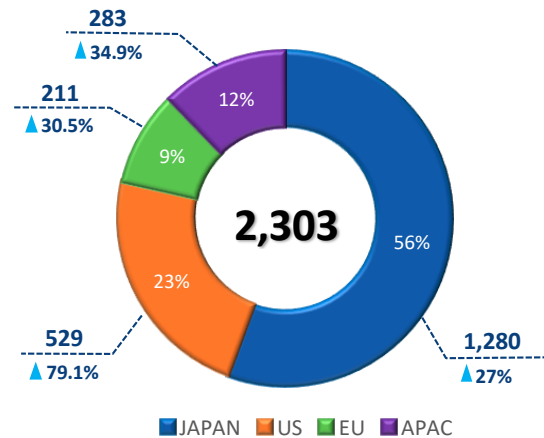
All market achieved strong revenue growth of over 27.0% YoY. Japan continued to be FPT's most important market with revenue of VND 1,280 billion, up 27.0% YoY (1Q2018: 21.3%), accounting for 56% of software outsourcing revenue.

US - the second largest market - reached revenue of VND 529 billion, soared by 79.1% YoY. The market still had a good growth of 39.4% without consolidating the financial performance of Intellinet in 1Q2019.

In order to approach and seek opportunities to cooperate with giant clients, in 1Q2019, FPT opened more 02 offices in Detroit city – 6th one in the US and Toulouse city – 2nd one in France.

- ❖ **System integration, software solution, and IT services:** The segment's revenue was VND 681 billion, down 12.5% YoY, in line with the direction of concentration on software and IT services. PBT was VND 32 billion, up 124.1% YoY. Total contract value signed was VND 885 billion, up 49.4% YoY, thanks to delayed contracts in 2018 was signed in 1Q2019.

Revenue by market





Telecom sector: Revenue was VND 2,377 billion, up 18.3% YoY, thanks to telecom services.

❖ **Telecom services:** Revenue was VND 2,263 billion, up 19.0% YoY. Broadband services revenue recorded a growth of 16.2% YoY and reached VND 1,449 billion underpinned by acquiring more internet subscribers. PBT was VND 315 billion, up 9.7% YoY.



On March 22nd, 2019, surpassing two big competitors - VNPT and Viettel, FPT Telecom was honored as “Fixed Broadband Services Provider gained the highest customer satisfaction of internet service and customer care quality.” The event was organized by International Data Group Vietnam (IDG) and the Vietnam Digital Communications Association (VDCA).

❖ **Online advertising:** Facing many challenges due to a highly competitive market, revenue and PBT missed the YTD target. The former was VND 115 billion, up 6.6% YoY and the latter was VND 52 billion, slightly decreased by 0.7% YoY.



Education sector: Ending 1Q2019, revenue and PBT recorded the impressive growth and well exceeded the YTD target.

On March 11th, 2019, FPT held the topping out ceremony of Beta building - a part of the education campus in Danang City. The building and essential facilities are expected to operate before August 2019 to serve enrollment in the Central region.



Financial performance by sector

Unit: VND in billions

SEGMENTS	REVENUE				PROFIT BEFORE TAX			
	3M2018	3M2019	YoY change	% YTD guidance	3M2018	3M2019	YoY change	% YTD guidance
Software outsourcing	1,675	2,303	37.5%	106%	235	329	39.6%	105%
System integration, software solutions and IT services	778	681	-12.5%	75%	14	32	124.1%	164%
Subtotal Technology	2,453	2,984	21.7%	97%	250	361	44.4%	109%
Telecom services	1,902	2,263	19.0%	101%	288	315	9.7%	108%
Online advertising	108	115	6.6%	97%	52	52	0.7%	89%
Subtotal Telecom	2,009	2,377	18.3%	101%	339	368	8.4%	105%
Education, investments & Other	289	305	5.7%	N/A	108	148	36.9%	N/A
Distribution and Retail associates	-	-	N/A	N/A	84	85	0.7%	N/A
Total	4,751	5,666	19.3%	100%	781	960	23.0%	110%

Table 2 - Financial performance by segments in 3M2019

Note: Subtotals may not add up due to rounding

Disclaimer

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