

**CONSTRUCTION
INVESTMENT CORPORATION
3-2**

**SOCIALIST REPUBLIC OF VIETNAM
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Binh Duong, 20th April 2018

Number: 208/CTY-TGD

About the explanation for Quarter I/2018 total profit after tax decreases 20.7% over the same period last year

To:

- State Securities Commission;
- Ho Chi Minh City Stock Exchange.

Name of Company: Construction Investment Corporation 3-2

Stock Code: C32

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According to Circular 155/2016/TT-BTC dated 06/10/2016 of Ministry of Finance on giuding for information disclosure on security market.

According to Quarter I/2018 Financial Statement of Construction Investment Corporation 3-2.

Construction Investment Corporation 3-2 would like to explain about total profit after tax decreases 20,7% than the 2017 same period as follows:

❖ **Quarter I/2018 Profit after corporate income tax:12.320.058.688VND.**

❖ **Quarter I/2017 profit after corporate income tax:15.553.386.565VND.**

Reason:

Quarter I/2018 revenue rises 36,8% than the 2017 same period, accouting for 134,6 billion VND.However, revenue structure changes,Quarter I/2018 increases significantly in a range of field which has low ratio of gross profit: construction,business of building materials, manufacturing concrete components makeratio of gross profit increases incosistently.Compared to Quarter I/2017, price of materials such as: steels, sand, rock, fuels...considerably fluctuates which makes cost of goods sold rises more 4 billion VND.Depreciation increases from assets

investment also make cost of goods sold rises 2 billion VND. Furthermore, in Quarter I/2018, volume of a plenty of constructions is decreased in settlement which also makes gross profit drops significantly in the field of construction. By above influences, gross revenue from sales and services rendered only rise 6,5% than the same period, accounting for 26,4 billion VND.

Loans of the Company climb and they use capital to serve project investment. In Quarter I/2018, average principal balance of loans grow 100 billion VND and term deposits decline 26 billion VND than the same period last year, lead to interest rises and financial income drops 2,1 billion VND.

Selling expenses and General administrative expenses progress than the same period in 2018 plan of production and business. An upward tendency of revenue and enhancing selling activities also improve delivery cost to 2,1 billion than Quarter I/2017. General administrative expenses grow 1,3 billion VND because the Company sets up provision for bad debts and planned salary wage. Total above-mentioned influences make Quarter I/2018 profit after corporate income tax reduces 3,2 billion VND than the same period last year.

Above reasons have large influences on production and business results and make Quarter I/2018 profit in Financial Statement falls than the 2017 same period./.

Sincerely!

Recipients:

- As above;
- Archival records.

GENERAL DIRECTOR



Võ Văn Lĩnh