**L44: Explanation for the difference in the profit after tax**

On 16/04/2017, Lilama 45.4 Joint Stock Company explained the difference in the profit after tax as follows:

-Profit after income tax of 2015: 164.162.631 dong

-Profit after income tax of 2015: (26.370.726.918) dong

-Difference: (26.206.564.287) dong

**Reason:**

*1. Production and business situation in 2016:*

√ Turnover of some projects was not as expected.

√ Projects focused work of finishing and balancing, time-consuming work, low acceptance volume, high expenses incurred.

√ Some projects with long construction progress, slow acceptance (Thac Mo Hydroelectric Plant, Vinh Ha Hydroelectric Plant, Song Bung 2 Hydroelectric Plant ...)

*2. Transferring previous year's profit to losses of this year.*

√ Because the determination of unfinished work volume in the previous periods was not close to the actual time of each period, the result of business operation in the previous period was profitable. In this period, the final settlement of the completed work volume decreased comparing to the estimated because the investor re-assessed the price…, the progress of some works extended comparing to time agreed in the contract; high expenses of waiting.

√ The business result in this period was loss due to the transfer of unfinished cost of some works in the previous period (due to incorrect determination of end-of-period volumes), and the addition of some taxes in the previous period to the result of production and business of this period affected the business result of this period.

√ High costs led to business losses. Lilama 45.4 Joint Stock Company reports to the State Securities Commission of Viet Nam, Stock Exchange and its shareholders.