



Power Generation Corporation 3

Separate Financial Statements for the
year ended 31 December 2015

**Power Generation Corporation 3
Corporate Information**

Establishment Decision No. 3025/QD-BCT 1 June 2012

The establishment decision was issued by the Ministry of Industry and Trade

Business Registration Certificate No. 350220839930 October 2013

The business registration certificate was issued by the Department of Planning and Investment of Ba Ria – Vung Tau province and registered for the second amendment dated 30 October 2013

Chairman Mr Nguyen Van Le

Board of Directors	Mr Dinh Quoc Lam	General Director
	Mr Truong Quoc Phuc	Deputy General Director
	Mr Phan Thanh Xuan	Deputy General Director
	Mr Le Van Danh	Deputy General Director
	Mr Cao Minh Trung	Deputy General Director
	Mr Nguyen Thanh Trung Duong	Deputy General Director

Registered Office Phu My 1 Industrial Park, Phu My Ward
Tan Thanh District, Ba Ria – Vung Tau Province
Vietnam

Auditor KPMG Limited
Vietnam

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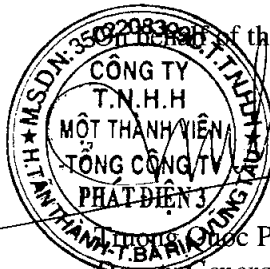
Power Generation Corporation 3 Statement of the Board of Directors

The Board of Directors of Power Generation Corporation 3 (“the Corporation”) presents this statement and the accompanying separate financial statements of the Corporation for the year ended 31 December 2015.

The Board of Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the separate financial statements set out on pages 6 to 49 give a true and fair view of the unconsolidated financial position of the Corporation as at 31 December 2015, and of the unconsolidated results of operations and the unconsolidated cash flows of the Corporation for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Corporation will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying separate financial statements for issue.



Chairman of the Board of Directors

Đức Phúc
Deputy General Director

Ba Ria – Vung Tau Province, 9 April 2016



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INDEPENDENT AUDITOR'S REPORT

To the Chairman and the Board of Directors Power Generation Corporation 3

We have audited the accompanying separate financial statements of Power Generation Corporation 3 (“the Corporation”), which comprise the separate balance sheet as at 31 December 2015, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Corporation’s Board of Directors on 9 April 2016, as set out on pages 6 to 49.

Management’s Responsibility

The Corporation’s Board of Directors is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation’s preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Corporation’s Board of Directors, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Power Generation Corporation 3 as at 31 December 2015 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

Emphasis of Matter

Without qualifying our opinion, we draw the attention to Note 4(a)(ii) to the separate financial statements, the Corporation adopted Circular No. 179/2012/TT-BTC issued by the Ministry of Finance on 24 October 2012 ("Circular 179") which regulated the revaluation and recognition of foreign exchange differences by enterprises. Circular 179 replaces Circular No. 201/2009/TT-BTC issued by the Ministry of Finance dated 15 October 2009 ("Circular 201"). Circular 179 stipulates the revaluation and recognition of foreign exchange differences arising from transactions in foreign currencies and balances of monetary items arising from 1 January 2012. Circular 179's guidance are essentially the same as the guidance related to foreign exchange differences of the Vietnamese Accounting Standards ("VAS 10") - "Effect of foreign exchange differences", except that the Corporation is allowed to continue to use Circular 201 for foreign exchange losses from revaluation of the closing balance at the end of the accounting period of long-term liabilities denominated in foreign currencies of previous years, before the effective date of Circular 179. This guidance of Circular 179 is different from VAS 10 and Circular No. 200/2014/TT-BTC of the Ministry of Finance dated 22 December 2014 as Vietnamese Accounting System for enterprises ("Circular 200"). The effect of the Corporation's application of Circular 179 to the separate financial statements for the year ended 31 December 2015 is disclosed in Note 4(a)(ii) to the separate financial statements.

We also draw the attention to Note 4(a)(ii) disclosing that exchange losses arising from revaluation of the closing balances of long-term liabilities denominated in foreign currencies as at 31 December 2015 was recognized in "Foreign exchange differences" in Equity rather than in financial expenses according to the Official Letter No. 3003/BTC/TCDN issued by Ministry of Finance dated 8 March 2016, which provides guidance on revaluation of monetary items denominated in foreign currencies for the year ended 2015 and the Official Letter No. 2239/VPCP-KTTH issued by the Government Office dated 4 April 2016 on the treatment of the exchange difference in 2015 by Vietnam Electricity. The guidance of these Official Letters are different from VAS 10 and Circular 200. The effect of the application of these Official Letters to the separate financial statements for the year ended 31 December 2015 are disclosed in Note 4(a)(ii) to the separate financial statements.



Other Matter

The separate financial statements of the Corporation for the year ended 31 December 2014 were audited by another firm of auditors whose report dated 6 April 2015 expressed an unqualified opinion on the those reports, with emphasis on Foreign exchange differences and stock dividends that the Corporation received in 2013 from Vinh Son - Song Hinh Hydropower Joint Stock Company, an associate.

We have audited to express an opinion on these separate financial statements, as set out on pages 6 to 49. The supplementary information on page 50 is not an integral part of the separate financial statements and is not within the scope of our audit; therefore, we do not express an opinion on this information.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 16-02-070



Nguyen Thanh Nghi
Practicing Auditor Registration
Certificate No. 0304-2013-007-1
Deputy General Director

Ho Chi Minh City, 9 April 2016

Nguyen Anh Tuan
Practicing Auditor Registration
Certificate No. 0436-2013-007-1

Power Generation Corporation 3
Separate balance sheet as at 31 December 2015

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2015 VND	1/1/2015 VND (reclassified)
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		11,801,725,886,253	9,238,613,211,291
Cash and cash equivalents	110	5	729,919,588,667	1,864,418,585,340
Cash	111		526,919,588,667	1,858,418,585,340
Cash equivalents	112		203,000,000,000	6,000,000,000
Short-term financial investments	120		230,000,000,000	430,000,000,000
Held-to-maturity investments	123	6(a)	230,000,000,000	430,000,000,000
Accounts receivable – short-term	130		8,470,350,142,225	4,944,831,562,590
Accounts receivable from customers	131	7	3,944,933,274,193	2,066,296,715,756
Prepayments to suppliers	132		204,142,885,854	2,776,575,624,810
Other receivables	136	8	4,321,273,982,178	101,959,222,024
Inventories	140	9	2,217,279,483,884	1,496,350,282,585
Inventories	141		2,219,485,968,930	1,504,037,639,503
Allowance for inventories	149		(2,206,485,046)	(7,687,356,918)
Other current assets	150		154,176,671,477	503,012,780,776
Short-term prepaid expenses	151		10,358,341,700	843,140,776
Deductible value added tax	152		85,550,771,327	502,122,174,451
Taxes and other receivables from State Treasury	153	14(b)	58,267,558,450	47,465,549

The accompanying notes are an integral part of these separate financial statements

Power Generation Corporation 3
Separate balance sheet as at 31 December 2015 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Mã số	Thuyết minh	31/12/2015 VND	1/1/2015 VND (reclassified)
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		70,484,476,537,629	71,657,353,804,642
Accounts receivable – long-term	210		12,000,000	12,000,000
Other long-term receivables	216		12,000,000	12,000,000
Fixed assets	220		66,219,241,053,470	13,203,289,798,774
Tangible fixed assets	221	10	66,149,504,189,725	13,140,792,922,317
Cost	222		104,261,861,333,547	47,051,076,326,242
Accumulated depreciation	223		(38,112,357,143,822)	(33,910,283,403,925)
Intangible fixed assets	227	11	69,736,863,745	62,496,876,457
Cost	228		79,216,773,058	70,086,738,689
Accumulated amortisation	229		(9,479,909,313)	(7,589,862,232)
Long-term work in progress	240		2,623,543,802,603	56,899,257,645,196
Construction in progress	242	12	2,623,543,802,603	56,899,257,645,196
Long-term financial investments	250	6(b)	1,616,348,286,477	1,501,311,982,438
Investments in subsidiaries	251		666,726,274,039	551,689,970,000
Investments in associates	252		791,558,350,850	791,558,350,850
Equity investments in other entities	253		158,063,661,588	158,063,661,588
Other long-term assets	260		25,331,395,079	53,482,378,234
Long-term prepaid expenses	261		24,503,215,079	53,482,378,234
Long-term tools, supplies and spare parts	263		828,180,000	-
TOTAL ASSETS (270 = 100 + 200)	270		82,286,202,423,882	80,895,967,015,933

The accompanying notes are an integral part of these separate financial statements

Power Generation Corporation 3
Separate balance sheet as at 31 December 2015 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2015 VND	1/1/2015 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		74,859,402,699,080	71,087,023,898,840
Current liabilities	310		9,990,667,975,125	16,427,452,117,792
Accounts payable to suppliers	311	13	5,566,168,847,491	7,678,809,374,117
Advances from customers	312		-	228,979,723
Taxes and other payables to State Treasury	313	14(a)	117,374,144,750	171,251,752,692
Payables to employees	314		127,090,735,196	143,310,351,598
Accrued expenses	315		57,893,608,251	46,226,524,492
Unearned revenue	318		15,835,445,820	-
Other payables	319	15	689,251,880,779	1,019,998,204,369
Short-term borrowings	320	16(a)	3,291,345,014,166	7,284,253,550,749
Bonus and welfare funds	322		125,708,298,672	83,373,380,052
Long-term liabilities	330		64,868,734,723,955	54,659,571,781,048
Unearned revenue	336		424,430,009,826	3,912,458,454
Long-term borrowings	338	16(b)	64,444,304,714,129	54,655,659,322,594
EQUITY (400 = 410)	400		7,426,799,724,802	9,808,943,117,093
Owners' equity	410	17	7,426,799,724,802	9,808,943,117,093
Contributed capital	411	18	10,561,460,840,439	10,487,655,874,046
Other capital	414		1,566,487,558	-
Foreign exchange differences	417		(3,316,477,195,659)	(810,942,597,255)
Investment and development fund	418		65,664,222,531	18,940,437,443
Retained profits	421		-	2,695,975,257
- Retained profits brought forward	421a		-	624,542,340
- Retained profit for the current year	421b		-	2,071,432,917
Capital expenditure fund	422		114,585,369,933	110,593,427,602
TOTAL RESOURCES (440 = 300 + 400)	440		82,286,202,423,882	80,895,967,015,933

9 April 2016

Prepared by:



Vu Phuong Thao
Preparer



Nguyen Thi Thanh Huong
Chief Accountant



Trương Quốc Phúc
Deputy General Director

The accompanying notes are an integral part of these separate financial statements

Power Generation Corporation 3**Separate statement of cash flows for the year ended 31 December 2015****(Indirect method)****Form B 03 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code Note	2015 VND	2014 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	01	104,767,855,790	230,301,792,215
Adjustments for			
Depreciation and amortisation	02	4,225,805,876,869	3,237,926,026,231
Allowances and provisions	03	(5,480,871,872)	595,911,555
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	401,565,731,075	38,528,152,971
Profits from investing activities	05	(230,914,725,845)	(80,338,073,770)
Interest expense	06	1,709,696,234,008	1,146,659,420,142
Operating profit before changes in working capital	08	6,205,440,100,025	4,973,673,229,344
Change in receivables	09	(6,158,398,276,012)	(3,959,432,031,869)
Change in inventories	10	(716,276,509,427)	(207,848,680,850)
Change in payables and other liabilities	11	1,865,948,136,720	10,951,415,774,168
Change in prepaid expenses	12	19,463,962,231	(59,241,269,314)
		1,216,177,413,537	11,698,567,021,479
Interest paid	14	(1,577,512,751,061)	(1,800,449,939,831)
Income tax paid	15	(79,564,639,589)	(71,321,357,474)
Other payments for operating activities	17	(28,017,569,249)	(45,907,235,116)
Net cash flows from operating activities	20	(468,917,546,362)	9,780,888,489,058
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(4,115,143,825,197)	(28,067,598,627,273)
Proceeds from disposals of fixed assets	22	1,272,092,678	133,746,427
Payments for investment in term deposits	23	-	(50,000,000,000)
Proceeds from investment in term deposits	24	200,000,000,000	70,000,000,000
Receipts of interests and dividends	27	302,548,562,797	133,936,074,236
Transfer entities to Vietnam Electricity (net cash)		(169,114,006)	-
Net cash flows from investing activities	30	(3,611,492,283,728)	(27,913,528,806,610)

The accompanying notes are an integral part of these separate financial statements

Power Generation Corporation 3
Separate statement of cash flows for the year ended 31 December 2015
(Indirect method - continued)

Form B 03 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code Note	2015 VND	2014 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	16,072,972,468,931	21,249,992,224,140
Payments to settle loan principals	34	(13,127,061,635,514)	(3,341,205,759,004)
Net cash flows from financing activities	40	2,945,910,833,417	17,908,786,465,136
Net cash flows during the year (50 = 20 + 30 + 40)	50	(1,134,498,996,673)	(223,853,852,416)
Cash and cash equivalents at the beginning of the year	60	1,864,418,585,340	2,088,263,240,763
Effect of exchange rate fluctuations on cash and cash equivalents	61	-	9,196,993
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70 5	729,919,588,667	1,864,418,585,340

9 April 2016

Prepared by:



Vu Phuong Thao
Preparer



Nguyen Thi Thanh-Huong
Chief Accountant



Phuong Quoc Phuc
Deputy General Director

The accompanying notes are an integral part of these separate financial statements

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2015

Form B 09 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

These notes form an integral part of and should be read in conjunction with the accompanying separate financial statements.

1. Reporting entity

(a) Ownership structure

Power Generation Corporation 3 (“the Corporation”) was incorporated under Decision No. 3025/QĐ-BCT dated 1 June 2012 issued by the Ministry of Industry and Trade, operated in form of Corporation – Subsidiary owned by Vietnam Electricity (“EVN”), on the basis of re-organizing Phu My Thermal Power One Member Limited Company, certain power generation companies, certain power project management units (“PMU”) and receipt of the representative right for the government’s ownership in some power generation companies owned by Vietnam Electricity.

The Corporation operates under Business Registration Certificate No. 3502208399 dated 26 November 2012 issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province.

(b) Principal activities

The principal activities of the Corporation are to produce and trade electricity; provide operation and maintenance management, overhaul, renovation, upgrading electrical equipment, electrical constructions; in addition, the Corporation also operates in science, technology, research and development, training to serve its principal activities.

(c) Normal operating cycle

The normal operating cycle of the Corporation is generally within 12 months.

(d) Corporation structure

The organisational structure of the Corporation includes:

- Dependent power generation companies: Buon Kuop Hydropower Company, Vinh Tan Thermal Power Company, Mong Duong Thermal Power Company;
- Power project management units: Project Management Unit of Thermal Power 1, Project Management Unit of Vinh Tan Thermal Power; Project Management Unit of Thai Binh Thermal Power;
- Phu My Thermal Power Plant;
- The Corporation’s office.

As at 31 December 2015, the Corporation had 3 subsidiaries and 3 associates (1/1/2015: 2 subsidiaries and 3 associates) listed in Note 6(b).

As at 31 December 2015, the Corporation had 1,922 employees (1/1/2015: 1,711 employees).

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

Form B 09 – DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

2. Basis of preparation

(a) Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The Corporation prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the Corporation's consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Corporation is from 1 January to 31 December.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

3. Adoption of new guidance on accounting system for enterprises

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces previous guidance on Vietnamese Accounting System for enterprises under Decision No. 15/2006/QD-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009. Circular 200 is effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

The Corporation has adopted the applicable requirements of Circular 200 effective from 1 January 2015 on a prospective basis. The significant changes to the Corporation's accounting policies and the effects on the separate financial statements, if any, are disclosed in Note 4(a).

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

Form B 09 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

4. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Corporation in the preparation of these separate financial statements.

(a) Foreign currency

(i) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates. The actual rates of exchange applied to account for foreign currency transaction are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Corporation and the bank.
- Exchange rate applied to recognise trade and other payables is the foreign currency selling rate at the transaction date quoted by the bank through which the Company intends to make payment for the liability.
- For asset acquisitions or expenses that are settled with immediate payment, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Company makes payment.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at actual rates of exchange ruling at the balance sheet date. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at reporting date are determined as follows:

- For monetary assets (cash and receivables): the foreign currency buying rate at the reporting date quoted by the commercial bank where the Corporation most frequently conducts transactions. Cash at banks and bank deposits are retranslated using the foreign currency buying rate of the bank where the Company deposits the money or maintains those bank accounts.
- For monetary liabilities (payables and borrowings): the foreign currency selling rate at reporting date quoted by the commercial bank where the Corporation most frequently conducts transactions.

Liabilities with Vietnam Electricity at the end of the annual accounting period are translated at the selling rate (by transfer) of Joint Stock Commercial Bank for Foreign Trade of Vietnam announced at the time of reporting under the guidance of Official Letter No. 1779/BTC-CDKT dated 1 February 2013 of the Ministry of Finance on the use of exchange rates to revalue monetary items denominated in foreign currencies at the end of the period (“Official Letter 1779”) and Official Letter No. 4962/EVN-TCKT dated 25 November 2015 of Vietnam Electricity on guiding the preparation of financial statements in 2015 (“Official Letter 4962”).

Except for the special accounting policies set out below, all foreign exchange differences are recorded in the separate statement of income.

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

Form B 09 – DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

(ii) Foreign exchange differences due to revaluation of the balances of monetary items denominated in foreign currencies

Prior to 1 January 2016, the Corporation adopted Circular No. 179/2012/TT-BTC issued by the Ministry of Finance on 24 October 2012 ("Circular 179") which regulated the revaluation and recognition of foreign exchange differences by enterprises. This Circular replaces Circular No. 201/2009/TT-BTC issued by the Ministry of Finance dated 15 October 2009 ("Circular 201"). Circular 179 stipulates the revaluation and recognition of foreign exchange differences arising from transactions in foreign currencies and balances of monetary items arising from 1 January 2012. Circular 179's guidance are essentially the same as the guidance related to foreign exchange differences of the Vietnam Accounting Standards ("VAS 10") - "Effect of foreign exchange differences", except that the Corporation is allowed to continue to use Circular 201 for foreign exchange losses from revaluation of the closing balance at the end of the accounting period of long-term liabilities denominated in foreign currencies of previous years, before the effective date of Circular 179. If the Corporation applied the VAS 10 for the recognition of foreign exchange differences, retained profits as at 1 January 2015 would be reduced by VND 810,942,597,255 and "foreign exchange differences" in equity as at 1 January 2015 would be reduced by VND810,942,597,255.

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC as the Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces the provisions of Accounting System for enterprises issued under Decision No. 15/2006/QĐ-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009 by the Ministry of Finance. Article 69 of Circular 200 specifies that all foreign exchange differences are immediately recorded in the financial income (if gain) or financial expenses (if loss) as incurred. Foreign exchange differences in the pre-operation period of 100% State-owned enterprises which implement key national projects or works attached to the mission of stabilizing the macro-economy, security, defense are accumulated and recorded in "Foreign exchange difference" and is gradually allocated to financial income or financial expenses when the enterprise starts commercial operation. However, foreign exchange differences due to revaluation the closing balance of long-term liabilities denominated in foreign currencies as at 31 December 2015 are recognized in the "Foreign exchange differences", rather than in financial expenses, according to the Official Letter 3003/BTC-TCDN dated 8 March 2016 by the Ministry of Finance on the treatment of foreign exchange differences from revaluation of monetary items in foreign currency at the end of 2015 ("Official Letter 3003") and Official Letter 2239/VPCP-KTTH of the Government Office dated 4 April 2016 on the treatment of foreign exchange differences in 2015 of the Vietnam Electricity ("Official Letter 2239"). If the Corporation recognised foreign exchange differences consistently with Circular 200, the Corporation's profit before tax for the year ended 31 December 2015 would decrease by VND2,505,534,598,404 and the unrealized foreign exchange losses recognized in "Foreign exchange differences" in equity as at 31 December 2015 would decrease by VND2,505,534,598,404.

The Corporation's Board of Directors decided to apply the guidance of Circular 179, Official Letter 3003 and Official Letter 2239 in recognition of foreign exchange differences and believed that such application together with disclosure of full information about the difference from application under guidance under VAS 10 and Circular 200 will provide sufficient information for users of the separate financial statements.

For units of power projects within the National Electricity Development Plan approved by the Prime Minister, foreign exchange differences in the construction period shall be accumulated and allocated to expenses or income for the period not exceeding 5 years from the date the project starts its commercial operation pursuant to Decree No. 82/2014/ND-CP dated 25 August 2014.

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

Form B 09 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Investments

(i) *Held-to-maturity investments*

Held-to-maturity investments are those that the Corporation's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank, bonds, redeemable preference shares which the issuers are required to repurchase at a certain date and loans receivable held to maturity. These investments are stated at costs less allowance for doubtful debts.

(ii) *Investments in subsidiaries and associates*

For the purpose of these separate financial statements, investments in subsidiaries and associates are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Corporation's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(iii) *Investments in equity instruments of other entities*

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investment are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Corporation's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(d) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Corporation applies the perpetual method of accounting for inventories.

(f) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. For property, plant and equipment formed through construction under contractual assignment or self-construction and manufacturing, cost is the finalisation price of construction works in accordance with the current Investment and Construction Management Regulation, other directly attributable costs and registration fee (if any). In case the construction has been completed and put into use but the finalisation is not approved, cost of items of property, plant and equipment is stated at estimated cost. The estimated cost is determined in the following methods: by investment cost if all construction costs are collected, by the approved budget or by value of the equivalent assets. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	10 – 30 years
▪ machinery and equipment	5 – 20 years
▪ motor vehicles	6 – 20 years
▪ office equipment	3 – 8 years
▪ other assets	5 – 10 years

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(g) Intangible fixed assets

(i) Land use rights

Land use rights comprise:

- those granted by the State for which land use payments are collected;
- those acquired in a legitimate transfer; and
- rights to use leased land obtained before the effective date of Land Law (2003) for which payments have been made in advance for more than 5 years and supported by land use right certificate issued by competent authority.

Land use rights with definite term are stated at cost less accumulated amortisation. The initial cost of land use rights comprises any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 50 years.

Land use rights with indefinite term are stated at cost and not amortised.

(ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 10 years.

(iii) Technology transfer rights

Technology transfer rights are stated at cost and amortised on a straight-line basis over 10 years.

(h) Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(i) Long-term prepaid expenses

Tools and instruments

Tools and instruments include assets held for use by the Corporation in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over 3 years.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(j) Trade and other payables

Trade and other payables are stated at their cost.

(k) Provisions

A provision is recognised if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(l) Contributed capital

Contributed capital is recognized on the contribution date at the actual amount contributed less any directly attributable transaction costs.

(m) Investment and development fund

The Corporation's investment and development fund is set up and used in accordance with Decree No. 82/2014/ND-CP ("Decree No. 82") dated 25 August 2014 issued by the Government on the financial management regulations of Vietnam Electricity.

(n) Taxation

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(o) Revenue and other income

(i) Electricity sold

Revenue from sales of electricity is recognised in the separate statement of income based on electricity output generated to the electricity grid and confirmed by customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(ii) Services rendered

Revenue from services rendered is recognised in the separate statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Rental income

Rental income from leased property is recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

(iv) Interest income

Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(v) Dividend income

Dividend income is recognized when the right to receive dividend is established. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(p) Operating lease payments

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense.

(q) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(r) Related parties

Parties are considered to be related to the Corporation if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Corporation and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

5. Cash and cash equivalents

	31/12/2015 VND	1/1/2015 VND
Cash on hand	932,367,577	823,664,349
Cash in banks	525,987,221,090	1,857,594,920,991
Cash equivalents	203,000,000,000	6,000,000,000
	<hr/>	<hr/>
	729,919,588,667	1,864,418,585,340

Cash equivalents represented term deposits with original term of 1 and 3 months at banks and other credit institutions, earned interest at rates of 4.6% per annum (2014: 5% per annum).

6. Investments

(a) Held-to-maturity investments

Held-to-maturity investments represented term deposits with original term of 6 months at EVN Finance Joint Stock Company, a related party, earned interest at rates of 5.1% per annum (1/1/2015: 5% per annum).

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(b) Equity investments in other entities

		31/12/2015		1/1/2015		
	Address	% of equity owned	% of voting rights	Carrying amount VND	% of voting rights	Carrying amount VND
Equity investments in subsidiaries						
▪ Ba Ria Thermal Power Joint Stock Company	Ba Ria Vung Tau Province	(i) 79.56%	79.56%	481,235,570,000	79.56%	481,235,570,000
▪ Ninh Binh Thermal Power Joint Stock Company	Ninh Binh Province	(ii) 54.76%	54.76%	70,454,400,000	54.76%	70,454,400,000
▪ Thu Duc Thermal Power One Member Limited Liability Company	Ho Chi Minh City	(iii) 100%	100%	115,036,304,039	-	-
				<u>666,726,274,039</u>		<u>551,689,970,000</u>
Equity investments in associates						
▪ Thac Ba Hydropower Joint Stock Company	Yen Bai Province	(iv) 30%	30%	190,500,000,000	30%	190,500,000,000
▪ Vinh Son - Song Chinh Hydropower Joint Stock Company	Binh Dinh Province	(v) 30.55%	30.55%	517,058,350,850	30.55%	517,058,350,850
▪ Se San 3A Power Investment and Development Joint Stock Company	Gia Lai Province	(vi) 30%	30%	84,000,000,000	30%	84,000,000,000
				<u>791,558,350,850</u>		<u>791,558,350,850</u>
Equity investments in other entities						
▪ Petro Vietnam Power Nhon Trach 2 Joint Stock Company	Dong Nai	2.50%	-	64,000,000,000	2.50%	64,000,000,000
▪ Alstom PMTP Power Service Limited Liability Company	Ba Ria Vung Tau Province	15%	15%	74,463,661,588	15%	74,463,661,588
▪ Viet - Lao Power Joint Stock Company	Ha Noi City	0.65%	-	19,600,000,000	0.65%	19,600,000,000
				<u>158,063,661,588</u>		<u>158,063,661,588</u>

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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- (i) Ba Ria Thermal Power Joint Stock Company was converted from a state-owned enterprise under Decision No. 2744/QD-BCN dated 26 August 2005 by the Ministry of Industry and Business Registration Certificate No. 4903000451 dated 1 November 2007 by the Department of Planning and Investment of Ba Ria – Vung Tau Province. The principal activities of Ba Ria Thermal Power Joint Stock Company are to produce and trade electricity.
- (ii) Ninh Binh Thermal Power Joint Stock Company was established on the basis of capitalization of Ninh Binh Thermal Power Company under Decision No. 3945/QD-BCN dated 29 December 2006 of the Ministry of Industry and Trade. The principal activities of Ninh Binh Thermal Power Joint Stock Company are to produce and trade electricity.
- (iii) Thu Duc Thermal Power One Member Limited Company is a state-owned enterprise established under Decision No. 240/2005/QD-TT dated 4 October 2005 by the Prime Minister regarding to converting Thu Duc Thermal Power Plant to the Thu Duc Thermal Power One-member Limited Company. The principal activities of Thu Duc Thermal Power One Member Limited Company are to produce and trade electricity.
- (iv) Thac Ba Hydropower Joint Stock Company was incorporated under Business Registration Certificate No.1603000069 issued by the Department of Planning and Investment of Yen Bai Province dated 31 March 2006. The principal activities of Thac Ba Hydropower Joint Stock Company are to produce and trade electricity.
- (v) Vinh Son – Song Hinh Hydropower JSC was converted from a state-owned enterprise – Vinh Son – Song Hinh Hydropower Plant, a dependent accounting unit of Vietnam Electricity. On 4 May 2005, the Plant was officially converted to Vinh Son – Song Hinh Hydropower JSC under Business Registration Certificate No. 3503000058 dated 4 May 2005 issued by the Department of Planning and Investment of Binh Dinh province. The principal activities of Vinh Son – Song Hinh Hydropower JSC are to produce and trade electricity.
- (vi) Se San 3A Power Investment and Development JSC officially went into operation on 1 November 2003 under Official Letter No. 1391/CP-CN dated 10 October 2003 of the Prime Minister. The principal activities of Se San 3A Power Investment and Development JSC are to construct civil works, invest and construct hydropower projects and industrial construction.

7. Accounts receivable from customers

	31/12/2015 VND	1/1/2015 VND
Related party		
Trading Electricity Company	3,940,318,721,658	2,061,882,204,632
Third party		
Other customers	4,614,552,535	4,414,511,124
	<hr/>	<hr/>
	3,944,933,274,193	2,066,296,715,756

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***8. Other receivables**

	31/12/2015 VND	1/1/2015 VND (reclassified)
Vietnam Electricity (i)	4,223,779,810,981	-
Thermal Power 3 Project	833,367,237	833,367,237
EVN Finance Joint Stock Company	5,302,777,777	3,707,500,000
Dividends	-	71,779,948,000
Others	91,358,026,183	25,638,406,787
	<hr/> 4,321,273,982,178	<hr/> 101,959,222,024 <hr/>

- (i) In this balance, there was VND3,890,576,415,008 which was invested in the Vinh Tan 4 Thermal Power Project by the Corporation. This project was transferred to Vietnam Electricity during the year. (Note 30).

9. Inventories

	31/12/2015		1/1/2015	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	121,911,375,456	-	-	-
Raw materials	2,069,853,946,005	(2,206,485,046)	1,344,864,295,674	(7,687,356,918)
Tools and supplies	11,904,430,327	-	4,339,305,230	-
Work in progress	15,816,217,142	-	154,834,038,599	-
	<hr/> 2,219,485,968,930	<hr/> (2,206,485,046)	<hr/> 1,504,037,639,503	<hr/> (7,687,356,918) <hr/>

Movements of allowance for inventories during the year were as follows:

	2015 VND	2014 VND
Opening balance	7,687,356,918	7,091,445,363
Additions during the year	-	595,911,555
Reversal	(5,480,871,872)	-
	<hr/> 2,206,485,046	<hr/> 7,687,356,918 <hr/>

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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10. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Other assets VND	Total VND
Cost						
Opening balance	7,848,534,289,511	35,658,884,320,453	3,491,237,735,764	47,706,546,339	4,713,434,175	47,051,076,326,242
Additions	2,856,580,336	11,510,426,714	9,294,988,635	5,357,901,355	1,467,048,700	30,486,945,740
Transfer from construction in progress (note 12)	11,110,409,009,049	43,248,262,587,895	2,840,646,286,146	1,647,689,778	-	57,200,965,572,868
Receipt from Vietnam Electricity	-	-	-	1,103,448,000	-	1,103,448,000
Transfer to Vietnam Electricity	(15,974,019,254)	(361,850,000)	(8,473,688,275)	(475,607,038)	(38,460,000)	(25,323,624,567)
Internal transfer	(13,673,320,283)	-	13,673,320,283	-	-	-
Reclassifications	(1,090,488,847,760)	816,055,726,491	289,226,853,467	(589,929,495)	-	14,203,802,703
Disposals	(3,862,656,000)	(125,087,139)	(1,200,000,000)	-	-	(5,187,743,139)
Decreases due to finalisation	(2,833,652,072)	-	(2,337,801,889)	(291,940,339)	-	(5,463,394,300)
Closing balance	17,834,967,383,527	79,734,226,124,414	6,632,067,694,131	54,458,108,600	6,142,022,875	104,261,861,333,547
Accumulated depreciation						
Opening balance	3,973,810,619,397	28,336,532,068,684	1,581,059,523,462	18,190,248,112	690,944,270	33,910,283,403,925
Charge for the year	536,708,449,371	3,366,432,304,287	311,503,595,726	8,794,861,985	476,618,419	4,223,915,829,788
Transfer to Vietnam Electricity	(5,406,022,025)	(360,285,014)	(5,554,307,154)	(417,611,438)	(35,237,691)	(11,773,463,322)
Reclassifications	(6,732,289,197)	1,074,089,974	5,610,703,043	47,496,180	-	-
Disposals	(3,037,009,818)	(93,781,613)	(1,097,143,048)	-	-	(4,227,934,479)
Decreases due to finalisation	(3,210,949,862)	-	(2,337,801,889)	(291,940,339)	-	(5,840,692,090)
Closing balance	4,492,132,797,866	31,703,584,396,318	1,889,184,570,140	26,323,054,500	1,132,324,998	38,112,357,143,822
Net book value						
Opening balance	3,874,723,670,114	7,322,352,251,769	1,910,178,212,302	29,516,298,227	4,022,489,905	13,140,792,922,317
Closing balance	13,342,834,585,661	48,030,641,728,096	4,742,883,123,991	28,135,054,100	5,009,697,877	66,149,504,189,725

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

Included in tangible fixed assets were assets costing VND1,364,690,088,014 which were fully depreciated as of 31 December 2015 (1/1/2015: VND262,604,661,974), but which are still in active use.

11. Intangible fixed assets

	Land use rights VND	Software VND	Copyright of technology transfer VND	Total VND
Cost				
Opening balance	64,452,359,739	1,863,487,802	3,770,891,148	70,086,738,689
Additions	-	39,550,875	-	39,550,875
Transfer from construction in progress (note 12)	-	9,090,483,494	-	9,090,483,494
Closing balance	64,452,359,739	10,993,522,171	3,770,891,148	79,216,773,058
Accumulated amortization				
Opening balance	4,138,892,272	766,489,195	2,684,480,765	7,589,862,232
Charge for the year	984,269,873	497,550,288	408,226,920	1,890,047,081
Closing balance	5,123,162,145	1,264,039,483	3,092,707,685	9,479,909,313
Net book value				
Opening balance	60,313,467,467	1,096,998,607	1,086,410,383	62,496,876,457
Closing balance	59,329,197,594	9,729,482,688	678,183,463	69,736,863,745

Included in intangible fixed assets were assets costing VND606,628,866 which were fully amortised as of 31 December 2015 (1/1/2015: VND606,628,866), but which are still in use.

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***12. Construction in progress**

	2015 VND	2014 VND
Opening balance	56,899,257,645,196	41,101,445,817,217
Additions during the year due to new purchases	3,746,593,132,039	30,376,204,260,389
Interest expenses capitalised	678,364,588,158	2,004,203,192,817
Transfer to tangible fixed assets (note 10)	(57,200,965,572,868)	(2,435,242,799,974)
Transfer to intangible fixed assets (note 11)	(9,090,483,494)	-
Transfer to Vietnam Electricity	(1,120,338,504,035)	(13,767,322,259,129)
Other movements	(370,277,002,393)	(380,030,566,124)
	<hr/>	<hr/>
Closing balance	2,623,543,802,603	56,899,257,645,196
	<hr/>	<hr/>

Major constructions in progress were as follows:

	31/12/2015 VND	1/1/2015 VND
Mong Duong Thermal Power Plant	1,023,884,297,980	27,580,942,083,512
Vinh Tan 2 Thermal Power Plant	925,047,930,443	24,575,165,834,062
Vinh Tan Power Center	412,469,077,282	296,350,737,496
Vinh Tan Coal Terminal Project	259,888,105,390	3,660,614,342,492
Vinh Tan 4 Thermal Power Plant	-	781,915,719,273
Other constructions	2,254,391,508	4,268,928,361
	<hr/>	<hr/>
	2,623,543,802,603	56,899,257,645,196
	<hr/>	<hr/>

During the year, borrowing costs capitalised into construction in progress amounted to VND678,365 (2014: VND2,004,203).

Future assets forming from construction in progress are used to secure the loan (note 16(b)).

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC
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	31/12/2015	1/1/2015
	Cost	Cost
	VND	VND
Related parties		
Vietnam Electricity	157,314,832,070	953,294,760
Others	5,202,498,059	2,976,985,733
Third parties		
Petrovietnam Gas South East Transmission Company	1,639,257,139,726	2,293,143,509,537
Shanghai Electric Group Company	1,519,970,146,668	2,503,142,877,099
Hyundai Engineering & Construction Company	1,314,517,829,383	2,057,490,987,315
Others	929,906,401,585	821,101,719,673
	<hr/>	<hr/>
	5,566,168,847,491	7,678,809,374,117
	<hr/>	<hr/>
Amount within payment capacity	5,566,168,847,491	7,678,809,374,117
	<hr/>	<hr/>

The balance as at 31 December 2015 and 1 January 2015 are not overdue.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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14. Taxes payable to/receivable from State Treasury

(a) Taxes and other payables to State Treasury

	1/1/2015 VND	Incurred VND	Paid VND	Reclassification VND	31/12/2015 VND
Value added tax	103,506,022,649	865,118,915,887	(905,601,608,283)	17,216,281,500	80,239,611,753
Withholding tax	225,014,607	34,605,992,367	(27,282,776,183)	-	7,548,230,791
Import-export tax	-	14,120,238,545	(14,120,238,545)	-	-
Natural resource taxes	14,565,592,130	184,849,269,225	(179,436,901,179)	-	19,977,960,176
Corporate income tax	38,755,924,228	478,606,367	(79,564,639,589)	40,794,184,451	464,075,457
Personal income tax	2,469,221,638	12,637,605,934	(12,798,900,999)	-	2,307,926,573
Duty and fees - fees for forest environmental services	11,729,977,440	37,531,462,944	(42,425,100,384)	-	6,836,340,000
Land and housing taxes, land rental	-	6,145,581,939	(6,355,208,889)	209,626,950	-
Other taxes	-	12,027,000	(12,027,000)	-	-
	171,251,752,692	1,155,499,700,208	(1,267,597,401,051)	58,220,092,901	117,374,144,750

(b) Taxes and other receivables from State Treasury

	1/1/2015 VND	Incurred VND	Received VND	Reclassification VND	31/12/2015 VND
Value added tax	46,857,004	-	-	17,216,281,500	17,263,138,504
Corporate income tax	608,545	-	-	40,794,184,451	40,794,792,996
Land and housing taxes, land rental	-	-	-	209,626,950	209,626,950
	47,465,549	-	-	58,220,092,901	58,267,558,450

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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15. Other payables

	31/12/2015 VND	1/1/2015 VND
Related parties		
Vietnam Electricity	498,148,789,015	122,809,726,828
Others	19,443,867,919	10,582,688,799
Third parties		
Estimated value added tax	151,562,350,386	217,174,574,817
Srepok 3 Hydropower Joint Stock Company	-	613,267,623,287
Others	20,096,873,459	56,163,590,638
	689,251,880,779	1,019,998,204,369

16. Borrowings**(a) Short-term borrowings**

	1/1/2015 VND	Increase VND	Decrease VND	31/12/2015 VND
Short-term borrowings	400,000,000,000	-	(400,000,000,000)	-
Current portion of long-term borrowings (note 16(b))	6,884,253,550,749	3,291,345,014,166	(6,884,253,550,749)	3,291,345,014,166
	7,284,253,550,749	3,291,345,014,166	(7,284,253,550,749)	3,291,345,014,166
Amount within repayment capacity	7,284,253,550,749			3,291,345,014,166

(b) Long-term borrowings

	31/12/2015 VND	1/1/2015 VND
Long-term borrowings	67,735,649,728,295	61,539,912,873,343
Repayable within twelve months	(3,291,345,014,166)	(6,884,253,550,749)
Repayable after twelve months	64,444,304,714,129	54,655,659,322,594

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Terms and conditions of outstanding long-term borrowings were as follows:

	Currency	Year of maturity	31/12/2015 VND	1/1/2015 VND
Loans from organisations				
<i>Mong Duong Thermal Power Project</i>				
Lien Viet Post Joint Stock Commercial Bank – Thang Long Branch	VND	2025	143,294,202,256	-
Vietnam Electricity	VND	2018	599,000,000,000	599,000,000,000
<i>Vinh Tan 2 Thermal Power Project</i>				
Vietnam Development Bank – Transaction Center I	VND	2024	2,548,769,979,856	-
Vietnam Electricity	VND	2018	374,000,000,000	374,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2025	2,190,781,573,344	-
<i>Vinh Tan 4 Thermal Power Project</i>				
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	2029	2,338,883,568,274	2,134,864,479,902
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2029	1,167,134,660,567	891,221,087,771
<i>Vinh Tan Coal Terminal Project</i>				
Vietnam Development Bank – Transaction Center I	VND	2024	553,230,020,144	-
<i>Buon Kuop Hydropower Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	185,000,000,000	-
Vietnam Electricity	VND	2018	178,000,000,000	178,000,000,000
<i>Buon Tua Srah Hydropower Project</i>				
Vietnam Electricity	VND	2018	338,000,000,000	338,000,000,000
<i>Srepok 3 Hydropower Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	185,000,000,000	-
Vietnam Electricity	VND	2018	202,000,000,000	202,000,000,000
<i>Project of electrical resistance installation in Southern region to reduce short circuit</i>				
National Power Transmission Corporation	VND	2017	50,000,000,000	50,000,000,000

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	Currency	Year of maturity	31/12/2015 VND	1/1/2015 VND
Loans from Vietnam Electricity				
<i>Mong Duong Thermal Power Project</i>				
Asian Development Bank	USD	2032	470,921,021,851	457,042,891,878
Asian Development Bank	USD	2034	17,231,947,165,625	16,183,665,844,538
Export-Import Bank of Korea	USD	2028	10,955,373,163,664	7,664,165,713,170
Bonds	VND	2015	-	150,000,000,000
<i>Vinh Tan 2 Thermal Power Project</i>				
Export-Import Bank of China	USD	2026	6,186,010,169,010	5,867,652,946,470
Export-Import Bank of China	CNY	2026	2,026,195,834,393	2,046,269,653,180
Export-Import Bank of China	USD	2026	8,957,320,563,579	7,068,466,839,401
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2015	-	2,199,629,474,880
Vietnam Development Bank	VND	2015	-	2,698,714,818,041
Bonds	VND	2015	-	31,941,066,865
<i>Buon Kuop Hydropower Project</i>				
Japan Bank for International Cooperation	JPY	2026	108,894,686,576	111,231,238,167
Japan Bank for International Cooperation	JPY	2028	78,451,727,103	79,333,713,873
Credit Agricole Corporate and Investment Bank	USD	2016	112,562,875,656	213,539,865,264
Vietnam Bank for Agriculture and Rural Development	VND	2018	540,518,838,667	804,841,313,023
Bonds	VND	2015	-	100,000,000,000
<i>Buon Tua Srah Hydropower Project</i>				
Export-Import Bank of China	USD	2020	178,072,813,166	202,690,155,167
Asia Commercial Joint Stock Bank	VND	2019	194,793,045,965	250,394,167,823
Asia Commercial Joint Stock Bank	VND	2017	117,397,948,942	195,663,248,236
Bonds	VND	2016	100,000,000,000	290,000,000,000
<i>Srepok 3 Hydropower Project</i>				
Credit Agricole Corporate and Investment Bank	USD	2020	378,461,884,374	430,781,637,334
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2019	774,791,627,761	996,160,653,761
Bonds	VND	2015	-	25,000,000,000
<i>Phu My Thermal Power Project</i>				
Japan Bank for International Cooperation	JPY	2028	5,278,533,404,202	5,337,876,864,952
Joint Stock Commercial Bank for Foreign Trade of Vietnam	USD	2015	-	184,968,819,854
World Bank	USD	2015	-	67,567,221,483
Bonds	VND	2015	-	1,124,524,127

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	Currency	Year of maturity	31/12/2015 VND	1/1/2015 VND
<i>Vinh Tan Power Center Coal Terminal Project</i>				
Export-Import Bank of China	USD	2026	575,759,847,932	546,128,906,335
Export-Import Bank of China	USD	2026	2,416,549,105,388	1,983,870,344,450
Vietnam Development Bank	VND	2015	-	553,230,020,144
Bonds	VND	2015	-	745,597,036
<i>Vinh Tan Power Center Infrastructure Project</i>				
Bonds	VND	2015	-	30,129,766,218
			<hr/>	<hr/>
			67,735,649,728,295	61,539,912,873,343
			<hr/>	<hr/>

All assets formed from the above projects are used to secure the corresponding borrowings.

Interest rate of borrowings dominated in USD is ranging from 0.45% to 6.9% per annum.

Interest rate of borrowings dominated in VND is ranging from 6.7% đến 10.5% per annum.

Interest rate of borrowings dominated in JPY is ranging from 1.66% đến 2.5% per annum.

Interest rate of borrowings dominated in CNY is 3.2% per annum.

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17. Changes in owners' equity

	Contributed capital VND	Other capital VND	Foreign exchange differences VND	Investment and development fund VND	Retained profits VND	Capital expenditure fund VND	Total VND
Balance at 1 January 2014	12,400,642,458,755	-	(514,824,732,641)	68,097,021,981	4,993,560,386	204,576,931,617	12,163,485,240,098
Addition of capital during the year	721,596,120	-	-	(40,968,620)	-	-	680,627,500
Take-over to Vietnam Electricity	(1,913,708,180,829)	-	9,328,629,723	-	(4,542,544,190)	(200,201,000,000)	(2,109,123,095,296)
Foreign exchange differences during construction in progress	-	-	(305,446,494,337)	-	-	-	(305,446,494,337)
Net profit for the year	-	-	-	-	191,305,112,737	-	191,305,112,737
Reclassification	-	-	-	(106,217,495,985)	-	106,217,495,985	-
Appropriation to equity funds	-	-	-	56,770,103,946	(118,781,687,446)	-	(62,011,583,500)
Profit transferred to Vietnam Electricity	-	-	-	-	(70,451,992,374)	-	(70,451,992,374)
Other adjustments	-	-	-	331,776,121	173,526,144	-	505,302,265
Balance at 1 January 2015	10,487,655,874,046	-	(810,942,597,255)	18,940,437,443	2,695,975,257	110,593,427,602	9,808,943,117,093
Take-over of Thu Duc Thermal Power One-member Limited Company from Power Generation Corporation 2 (i)	96,728,456,859	1,566,487,558	-	16,178,490,841	-	1,705,055,583	116,178,490,841
Addition of capital during the year	1,271,458,000	-	-	-	-	-	1,271,458,000
Transfer to Vietnam Electricity	(25,900,004,049)	-	(25,181,627,228)	-	-	-	(51,081,631,277)
Reclassification	1,705,055,583	-	-	(1,142,186,802)	-	2,286,886,748	2,849,755,529
Profit transferred to Vietnam Electricity	-	-	-	-	(2,659,523,292)	-	(2,659,523,292)
Foreign exchange differences	-	-	(2,480,352,971,176)	-	-	-	(2,480,352,971,176)
Net profit for the year	-	-	-	-	104,289,249,423	-	104,289,249,423
Appropriation to investment and development fund	-	-	-	31,687,481,049	(31,687,481,049)	-	-
Appropriation to bonus and welfare funds	-	-	-	-	(71,792,954,348)	-	(71,792,954,348)
Other adjustments	-	-	-	-	(845,265,991)	-	(845,265,991)
Balance at 31 December 2015	10,561,460,840,439	1,566,487,558	(3,316,477,195,659)	65,664,222,531	-	114,585,369,933	7,426,799,724,802

(i) The Corporation took over Thu Duc Thermal Power One-member Limited Company as a subsidiary from Power Generation Corporation 2 in accordance with Decision No. 223/QĐ-EVN of Vietnam Electricity.

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18. Contributed capital

The Corporation's authorised legal capital has been fully contributed by Vietnam Electricity.

Movements in contributed legal capital during the year were as follows:

	2015 VND	2014 VND
Balance at beginning of the year	10,487,655,874,046	12,400,642,458,755
Addition of capital during the year	1,271,458,000	721,596,120
Take-over of Thu Duc Thermal Power One-member Limited Company from Power Generation Corporation 2	96,728,456,859	-
Transfer to Vietnam Electricity	(25,900,004,049)	(1,913,708,180,829)
Reclassification	1,705,055,583	-
	<hr/>	<hr/>
Balance at end of the year	10,561,460,840,439	10,487,655,874,046

The immediate and ultimate parent company, Vietnam Electricity, is incorporated in Vietnam.

19. Profit distribution

Under the provisions of Article 29 Decree No. 82/2014/ND-CP of the Government, the remaining profits after appropriation to funds will be remitted to Business Support and Development Fund or State Budget. In 2015, the Corporation transferred the remaining profit in 2014 to Vietnam Electricity in accordance with Official Letter No. 4716/EVN-TCKT dated 10 November 2015 through the financial statement in 2014 amounting to VND2,660 million (2014: the profit transferred to Vietnam Electricity was VND70,452 million).

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***20. Off balance sheet items****(a) Lease**

As at 31 December 2015, the future minimum lease payments under operating leases were:

	31/12/2015	1/1/2015
	VND	VND
Within one year	5,965,683,038	5,965,683,038
Within two to five years	23,862,732,152	23,862,732,152
More than five years	205,405,497,779	211,371,180,817
	<hr/>	<hr/>
	235,233,912,969	241,199,596,007
	<hr/>	<hr/>

Operating lease commitments represented land rental at Phu My Town, Tan Thanh District, Ba Ria – Vung Tau Province, Vietnam for 38 years from 26 November 2012 and 3 parcels of land at Vinh Tan Commune, Tuy Phong District, Binh Thuan Province, Vietnam for 70 years from 28 November 2013.

(b) Foreign currencies

	31/12/2015		1/1/2015	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	38,292.90	859,689,573	37,141.86	793,119,818
		<hr/>		<hr/>

(c) Investment commitments

As at 31 December 2015, in accordance with the approved construction plan, the Corporation will invest VND8,186,719 million to build power plants and other works (as at 1/1/2015: VND18,737,025 million).

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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	2015 VND	2014 VND
Sales of electricity	25,446,319,495,781	23,537,082,155,509
Sales of other services	50,547,703,696	32,698,456,957
	<hr/>	<hr/>
	25,496,867,199,477	23,569,780,612,466

22. Cost of sales

	2015 VND	2014 VND
Cost of electricity	23,223,673,229,859	21,667,286,576,627
Cost of other services	29,426,350,354	28,855,130,805
	<hr/>	<hr/>
	23,253,099,580,213	21,696,141,707,432

23. Financial income

	2015 VND	2014 VND
Interest income from deposits	25,676,317,797	31,743,911,495
Dividends	205,092,297,000	57,357,162,275
Foreign exchange gains due to payments	3,852,191,628	14,505,348,757
Foreign exchange gains due to revaluation	-	744,183,358,615
	<hr/>	<hr/>
	234,620,806,425	847,789,781,142

24. Financial expenses

	2015 VND	2014 VND
Interest expense	1,709,696,234,008	1,146,659,420,142
Foreign exchange losses due to payments	72,214,534,826	27,165,910,107
Foreign exchange losses due to revaluation	401,565,731,075	1,182,711,511,586
	<hr/>	<hr/>
	2,183,476,499,909	2,356,536,841,835

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2015 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC
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	2015 VND	2014 VND
Labour costs and staff costs	97,376,369,064	99,088,266,012
Outside services	13,994,335,099	11,907,048,633
Other expenses	60,328,454,732	36,886,065,625
	<hr/>	<hr/>
	171,699,158,895	147,881,380,270

26. Production and business costs by element

	2015 VND	2014 VND
Raw material costs	17,382,737,850,257	16,477,645,999,494
Labour costs and staff costs	308,663,454,666	255,905,612,808
Depreciation and amortisation	4,190,834,616,605	3,216,975,948,603
Outside services	248,046,604,088	44,799,984,898
Overhaul expenses	967,281,217,289	1,422,200,210,031
Other expenses	327,234,996,203	426,495,331,868

27. Income tax**(a) Recognised in the statement of income**

	2015 VND	2014 VND
Current tax expense		
Current year	478,606,367	38,996,679,478

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(b) Reconciliation of effective tax rate

	2015 VND	2014 VND
Accounting profit before tax	104,767,855,790	230,301,792,215
Tax at the Corporation's tax rate	23,048,928,274	50,666,394,287
Non-deductible expenses	1,363,077,776	950,899,795
Non-taxable income	(45,120,305,340)	(12,620,614,604)
Deferred tax assets not recognised	19,260,823,324	-
Effect of change in tax rate	1,926,082,333	-
	478,606,367	38,996,679,478

(c) Applicable tax rates

Under the current Income Tax Law, the Corporation has an obligation to pay the government income tax at the rate of 22% of taxable profits in 2014 and 2015, and will reduce to 20% from 2016.

28. Financial instruments

(a) Financial risk management

(i) Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk.

The Corporation's Chairman oversees how management monitors compliance with the Corporation's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Corporation.

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(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Board is responsible for developing and monitoring the Corporation's risk management policies.

The Corporation's risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation's activities. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's cash in banks and cash equivalents, held-to-maturity investments, receivables from customers and other short-term receivables.

Exposure to credit risk

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2015 VND	1/1/2015 VND
Cash and cash equivalents	(i)	728,987,221,090	1,863,594,920,991
Held-to-maturity investments	(i)	230,000,000,000	430,000,000,000
Accounts receivable from customers and other receivables	(ii)	8,266,207,256,371	2,168,255,937,780
		<hr/>	<hr/>
		9,225,194,477,461	4,461,850,858,771

(i) Cash and cash equivalents and held-to-maturity investments

The cash and cash equivalents and held-to-maturity investments of the Corporation are mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Corporation.

(ii) Accounts receivable from customers and other receivables

Accounts receivable from customers and other receivables of the Corporation that are mainly receivables from customers, receivables from project investment for Vietnam Electricity and accrued interest on term deposits at banks.

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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Receivables from customers and receivables from project investment for Vietnam Electricity, are mainly related to receivables from related parties within Vietnam Electricity's Group. Historical recovery of receivables from these parties is within acceptable time frame. Due to these factors, the Board of Directors believes that the Corporation's exposure to credit risk related to receivables from customers is relatively small.

There were no impairments of receivables as at 31 December 2015 and 1 January 2015.

(c) Liquidity risks

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

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The financial liabilities with fixed or determinable payments have the following contractual maturities excluding the estimated interest payments:

31/12/2015	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	2 – 5 years VND	More than 5 years VND
Accounts payable to suppliers	5,566,168,847,491	5,566,168,847,491	5,566,168,847,491	-	-
Payables to employees	127,090,735,196	127,090,735,196	127,090,735,196	-	-
Short-term accrued expenses	57,893,608,251	57,893,608,251	57,893,608,251	-	-
Other payables	689,251,880,779	689,251,880,779	689,251,880,779	-	-
Short-term borrowings	3,291,345,014,166	3,291,345,014,166	3,291,345,014,166	-	-
Long-term borrowings	64,444,304,714,129	64,444,304,714,129	-	20,834,249,518,532	43,610,055,195,597
	74,176,054,800,012	74,176,054,800,012	9,731,750,085,883	20,834,249,518,532	43,610,055,195,597

1/1/2015	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	2 – 5 years VND	More than 5 years VND
Accounts payable to suppliers	7,678,809,374,117	7,678,809,374,117	7,678,809,374,117	-	-
Payables to employees	143,310,351,598	143,310,351,598	143,310,351,598	-	-
Short-term accrued expenses	46,226,524,492	46,226,524,492	46,226,524,492	-	-
Other payables	1,019,998,204,369	1,019,998,204,369	1,019,998,204,369	-	-
Short-term borrowings	7,284,253,550,749	7,284,253,550,749	7,284,253,550,749	-	-
Long-term borrowings	54,655,659,322,594	54,655,659,322,594	-	16,564,757,772,684	38,090,901,549,910
	70,828,257,327,919	70,828,257,327,919	16,172,598,005,325	16,564,757,772,684	38,090,901,549,910

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(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Corporation's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign exchange risk

The Corporation is exposed to currency risk on transactions that are denominated in a currency other than the respective accounting currency of the Corporation, Vietnam Dong ("VND"). The currencies in which these transactions primarily are denominated are United States Dollars ("USD"), Japanese Yen ("JPY"), Chinese Yuan ("CNY"), Korea Won ("KRW"), Euro ("EUR") and Swiss Franc ("CHF").

The Corporation's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

Exposure to currency risk

The Corporation had the following net monetary liability positions exposed to currency risk:

	31/12/2015				
	USD	JPY	CNY	EUR	CHF
Cash and cash equivalents	38,293	-	-	-	-
Accounts payable to suppliers and other payable:	(218,242,187)	(309,558,247)	(5,722,766)	(455,727)	(372,510)
Short-term and long-term borrowings	(2,105,722,210)	(29,095,495,677)	(599,934,811)	-	-
	(2,323,926,104)	(29,405,053,924)	(605,657,577)	(455,727)	(372,510)
	1/1/2015				
	USD	JPY	CNY	EUR	CHF
Cash and cash equivalents	37,142	-	-	-	-
Accounts payable to suppliers and other payable:	(240,100,451)	(197,937,987)	(5,722,766)	-	(20,782)
Short-term and long-term borrowings	(2,014,507,513)	(31,429,458,880)	(599,934,811)	-	-
	(2,254,570,822)	(31,627,396,867)	(605,657,577)	-	(20,782)

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The following significant exchange rates were applied during the year:

	Exchange rate as at	
	31/12/2015	1/1/2015
	VND	VND
1 USD	22,540.00	21,380.00
1 JPY	187.86	175.90
1 CNY	3,377.36	3,410.82
1 EUR	24,730.00	25,542.36
1 CHF	22,880.00	21,499.00

Below is an analysis of the possible impact on the net profit before tax of the Corporation, after taking into account the current level of exchange rates and the historical volatility as well as market expectations at the reporting date. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

	Effect to net profit before tax VND
31/12/2015	
USD (5% strengthening)	(2,619,064,890,997)
JPY (7% strengthening)	(386,682,118,900)
CNY (1% weakening)	20,455,236,096
EUR (3% weakening)	337,549,096
CHF (6% strengthening)	(510,224,244)
1/1/2015	
USD (1% strengthening)	(482,053,921,732)
JPY (1% strengthening)	(55,632,591,090)
CNY (1% strengthening)	(20,657,889,792)
CHF (1% strengthening)	(3,916,748)

The opposite movement of the currencies would have the equal but opposite effect to the net profit before tax of the Corporation.

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(ii) Interest rate risk

At the reporting date, the interest rate profile of the Corporation's interest bearing financial instruments was:

	Carrying amount	
	31/12/2015 VND	1/1/2015 VND
Fixed rate instruments		
▪ Cash equivalents	203,000,000,000	6,000,000,000
▪ Held-to-maturity investments	230,000,000,000	430,000,000,000
▪ Short-term and long-term borrowings	(14,531,918,482,382)	(14,972,660,473,727)
	<hr/>	<hr/>
	(14,098,918,482,382)	(14,536,660,473,727)
	<hr/>	<hr/>
Variable rate instruments		
▪ Cash in banks	525,987,221,090	1,857,594,920,991
▪ Short-term and long-term borrowings	(53,203,731,245,913)	(46,967,252,399,616)
	<hr/>	<hr/>
	(52,677,744,024,823)	(45,109,657,478,625)
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Sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would have increased or decreased the net profit before tax of the Corporation by VND368,704,413,520 (2014: VND79,430,859,048). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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(e) **Fair values**

(i) **Carrying amounts**

The carrying amounts of financial assets and liabilities shown in the separate balance sheet were as follows:

	Carrying amount	
	31/12/2015	1/1/2015
	VND	VND
Financial assets		
<i>Categorised as loans and receivables:</i>		
▪ Cash and cash equivalents	(*) 729,919,588,667	1,864,418,585,340
▪ Accounts receivable from customers and other receivables	(*) 8,266,219,256,371	2,168,267,937,780
<i>Categorised as held-to-maturity investments</i>		
▪ Held-to-maturity investments	(*) 230,000,000,000	430,000,000,000
	<hr/>	<hr/>
	9,226,138,845,038	4,462,686,523,120
	<hr/>	<hr/>
Financial liabilities		
<i>Categorised as financial liabilities at amortised cost:</i>		
▪ Accounts payable to suppliers	(*) (5,566,168,847,491)	(7,678,809,374,117)
▪ Payables to employees	(*) (127,090,735,196)	(143,310,351,598)
▪ Accrued expenses	(*) (57,893,608,251)	(46,226,524,492)
▪ Other payables	(*) (689,251,880,779)	(1,019,998,204,369)
▪ Short-term borrowings	(*) (3,291,345,014,166)	(7,284,253,550,749)
▪ Long-term borrowings	(*) (64,444,304,714,129)	(54,655,659,322,594)
	<hr/>	<hr/>
	(74,176,054,800,012)	(70,828,257,327,919)
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(ii) **Fair values**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction on the measurement date.

- (*) The Corporation has not determined fair values of these financial instruments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. Their fair values of these financial instruments may differ from their carrying amounts.

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29. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Corporation had the following significant transactions with related parties during the year:

	Transaction value	
	2015 VND	2014 VND
Vietnam Electricity		
Purchases of electricity	240,902,178,000	126,708,801,946
Borrowings during the year	4,388,588,567,669	22,867,232,159,952
Repayments of borrowings during the year	2,434,508,933,429	3,141,205,759,004
Interest on loans	1,433,446,646,315	3,078,850,612,102
Profits distribution	2,659,523,292	70,451,992,374
Trading Electricity Company		
Sales of electricity	25,446,319,495,781	23,537,082,155,509
Power Engineering Consulting Joint Stock Company 2		
Purchases of services	32,353,298,347	100,870,163,910
Power Engineering Consulting Joint Stock Company 3		
Purchases of services	547,735,561	9,794,839,671
Power Engineering Consulting Joint Stock Company 4		
Purchases of services	-	3,491,306,897
EVN Finance Joint Stock Company		
Interest income from deposits	21,306,722,222	25,338,888,889
National Power Transmission Corporation		
Interest on loans	3,235,090,556	3,701,423,055
Information Technology Center		
Purchases of services	741,144,820	2,030,929,461
Electrical Power Testing Center – Southern Power Corporation		
Purchases of services	958,444,796	1,608,067,591
Ba Ria Thermal Power Joint Stock Company		
Purchases of services	121,000,000	267,350,000
Dividend received	48,123,557,000	38,498,845,600
Ninh Binh Thermal Power Joint Stock Company		
Dividend received	12,681,792,000	9,159,072,000

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	Transaction value	
	2015 VND	2014 VND
Vinh Son - Song Hinh Hydropower Joint Stock Company		
Dividend received (*)	63,016,948,000	63,016,948,000
Thac Ba Hydropower Joint Stock Company		
Dividend received	57,150,000,000	35,433,000,000
Se San 3A Power Investment and Development Joint Stock Company		
Dividend received	12,600,000,000	24,360,000,000
Management Officer		
Salary and bonus	5,058,484,000	4,838,081,000

- (*) In 2014, according to the Official Letter No. 15716/BTC-TCDN dated 29 October 2014 guiding on monitoring and accounting of the divided shares of State-owned enterprises with 100% of charter capital, the Corporation reversed dividend income and reduced investment in Vinh Son - Song Hinh Hydropower JSC amounting to VND113,110,703,325. The dividend distributed in 2014 did not include this adjustment.

30. Non-cash investing and financing activities

As of 1 May 2015, the Corporation has transferred Vinh Tan 4 Thermoelectric Plant Project to Vietnam Electricity by reducing the construction in progress and prepayments to suppliers, and reducing capital contribution of Vietnam Electricity to the Corporation amounting to VND6,896,370,403 and by increasing in receivables from Vietnam Electricity amounting to VND3,890,576,415,008 (note 8).

As of 1 January 2015, the Corporation spun off assets and capital of Project Management Unit of Hydropower 5 in accordance with Official Letter No. 1483B/EVN-TCKT dated 20 April 2015 of Vietnam Electricity by reducing the cost and accumulated depreciation of fixed assets and reducing corresponding liabilities and capital.

As of 1 January 2015, the Corporation received Thu Duc Thermal Power One Member Limited Liability Company from Power Generation Corporation 2 in accordance with the decision of Vietnam Electricity by increasing its long-term financial investments and increasing capital.

Payments for purchases of fixed assets and construction in progress during the year did not include VND3,107,021,688,118 (2014: VND3,127,206,914,604) of fixed assets and construction in progress arising during the year and VND24,288,146,499 (2014: VND385,945,140,244) that were interest expenses capitalized into construction in progress and not yet paid.

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31. Corresponding figures

As described in Note 3, effective from 1 January 2015, the Corporation applied prospectively Circular 200 and Circular 202. As a result, the presentation of certain disclosure in the financial statements has been changed. In addition, certain corresponding figures as at 1 January 2015 and for the year ended 31 December 2014 have been reclassified to conform with the requirements of Circular 200 and Circular 202 related to the presentation of financial statements. A comparison of the amounts previously reported and reclassified was as follows:

Separate balance sheet

	1/1/2015 VND (reclassified)	1/1/2015 VND (as previously reported)
Held-to-maturity investments	430,000,000,000	-
Short-term investments	-	430,000,000,000
Other short-term receivables	101,959,222,024	101,111,625,188
Other current assets	-	847,596,836
Other long-term receivables	12,000,000	-
Other long-term assets	-	12,000,000

9 April 2016

Prepared by:

Vu Phuong Thao
Preparer

Nguyen Thi Thanh Huong
Chief Accountant



Trương Quốc Phúc
Deputy General Director