



Power Generation Corporation 3

Separate Financial Statements for the year ended
31 December 2016

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, 3502208399 30 October 2013
3502208399 27 February 2017

The business registration certificate was issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province and the third amendment was on 27 February 2017.

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

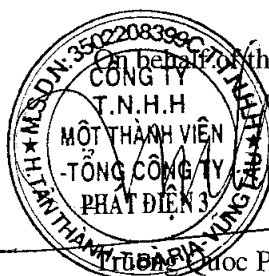
Power Generation Corporation 3 Statement of the Board of Directors

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 2016.

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) separate financial statements set out on pages 6 to 50 give a true and fair view of the unconsolidated financial position of the Corporation as at 31 December 2016, 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

Trần Quốc Phục
Deputy General Director

Ba Ria – Vung Tau Province, 15 March 2017; except for Note 31 and figures presented in Note 31 dated 31 March 2017.



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

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 2016, 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 15 March 2017, as set out on pages 6 to 50.

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 2016, 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 3(a)(ii) and 3(a)(iii) to the separate financial statements which referred to the Corporation's treatment of foreign exchange differences incurred in the period of construction of power projects within the National Electricity Development Plan approved by the Prime Minister in the Decree No. 82/2014/ND-CP of the Government dated 25 August 2014 ("Decree 82") and foreign exchange differences from revaluation of monetary items denominated in foreign currencies in accordance with the guidance of Official Letter No. 1113/BTC-TCDN of the Ministry of Finance dated 23 January 2017 on the treatment of foreign exchange differences from revaluation of monetary items denominated in foreign currencies in 2016 of Vietnam Electricity ("Official Letter 1113"), approved by the Prime Minister under Official Letter No. 122/TB-VPCP of the Government Office dated 6 March 2017 ("Official Letter 122"). Under the guidance of Decree 82, foreign exchange differences incurred in the period of construction are recorded in the "Foreign exchange differences" in "Equity" and will be amortised to the statement of income for the period not exceeding 5 years from the date the project starts its commercial operation. Under the guidance of Official Letter 1113 and Official Letter 122, foreign exchange losses due to revaluation of the closing balances of long-term liabilities denominated in foreign currencies as at 31 December 2016 are recorded in the "Foreign exchange differences" in "Equity", rather than in "Financial expenses", and will be allocated to expenses in 2016 at an amount that is at least equal to the exchange rate differences of liabilities due in 2017 so as to ensure that business result is not negative, the remaining differences will be monitored and allocated within 5 years. The Guidance of these official letters are different from Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises of the Ministry of Finance dated 22 December 2014. The impact of applying this accounting policy to the separate financial statements for the year ended 31 December 2016 was described in Note 3(a)(ii) and 3(a)(iii) to the separate financial statements.
- Note 31 to the separate financial statements which referred to the fact that on 15 March 2017 the Corporation's Board of Directors authorized the separate financial statements for the year ended 31 December 2016 for issue. We audited the separate financial statements and issued our audit report on 15 March 2017. After the issuance of the separate financial statement dated 15 March 2017, Vietnam Electricity ("EVN") requested the Corporation to adjust total salary cost in accordance with salary pool subsequently approved by EVN. The Corporation adjusted the separate financial statements for the year ended 31 December 2016 as required by EVN and reissued the separate financial statements attached to this report. Except for the audit procedures on the adjustments presented in Note 31, as at 31 March 2017, we did not perform any other audit procedures since the date of preparation of the previous audit report, which is 15 March 2017.



Other Matter

We conducted our audit in order to express an opinion on the separate financial statements as set out on pages 6 to 50. Additional information on page 51 is not an integral part of the separate financial statements and not within the scope of the audit of the separate financial statements, therefore, we do not express our opinion on this information.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Report No.: 16-02-070/2016



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

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

Ho Chi Minh City, 15 March 2017; except for Note 31 and figures presented in Note 31 dated 31 March 2017.

Power Generation Corporation 3
Separate balance sheet as at 31 December 2016

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

	Code	Note	31/12/2016 VND	1/1/2016 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		16,983,010,678,031	11,801,725,886,253
Cash and cash equivalents	110	4	1,657,505,332,849	729,919,588,667
Cash	111		1,254,505,332,849	526,919,588,667
Cash equivalents	112		403,000,000,000	203,000,000,000
Short-term financial investments	120		430,000,000,000	230,000,000,000
Held-to-maturity investments	123	5(a)	430,000,000,000	230,000,000,000
Accounts receivable – short-term	130		11,998,438,018,433	8,470,350,142,225
Accounts receivable from customers	131	6	6,752,389,060,778	3,944,933,274,193
Prepayments to suppliers	132		300,979,314,297	204,142,885,854
Other receivables	136	7	4,945,069,643,358	4,321,273,982,178
Inventories	140	8	2,737,429,717,484	2,217,279,483,884
Inventories	141		2,737,609,129,256	2,219,485,968,930
Allowance for inventories	149		(179,411,772)	(2,206,485,046)
Other current assets	150		159,637,609,265	154,176,671,477
Short-term prepaid expenses	151		8,179,926,933	10,358,341,700
Deductible value added tax	152		28,865,970,543	85,550,771,327
Taxes and other receivables from State Treasury	153	13(b)	122,591,711,789	58,267,558,450

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

Power Generation Corporation 3
Separate balance sheet as at 31 December 2016 (continued)

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

	Code	Note	31/12/2016 VND	1/1/2016 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		66,413,575,386,955	70,484,476,537,629
Accounts receivable – long-term	210		22,000,000	12,000,000
Loans receivable – long-term	216		22,000,000	12,000,000
Fixed assets	220		61,383,534,084,708	66,219,241,053,470
Tangible fixed assets	221	9	61,316,072,058,860	66,149,504,189,725
<i>Cost</i>	222		105,250,374,941,214	104,261,861,333,547
<i>Accumulated depreciation</i>	223		(43,934,302,882,354)	(38,112,357,143,822)
Intangible fixed assets	227	10	67,462,025,848	69,736,863,745
<i>Cost</i>	228		79,376,773,058	79,216,773,058
<i>Accumulated amortisation</i>	229		(11,914,747,210)	(9,479,909,313)
Long-term work in progress	240		3,395,464,934,822	2,623,543,802,603
Construction in progress	242	11	3,395,464,934,822	2,623,543,802,603
Long-term financial investments	250	5(b)	1,620,122,136,831	1,616,348,286,477
Investments in subsidiaries	251		670,500,124,393	666,726,274,039
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		14,432,230,594	25,331,395,079
Long-term prepaid expenses	261		13,604,050,594	24,503,215,079
Long-term tools, supplies and spare parts	263		828,180,000	828,180,000
TOTAL ASSETS (270 = 100 + 200)	270		83,396,586,064,986	82,286,202,423,882

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 2016****(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	2016 VND	2015 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		149,130,241,082	104,767,855,790
Adjustments for				
Depreciation and amortisation	02		5,824,583,061,579	4,225,805,876,869
Allowances and provisions	03		(2,027,073,274)	(5,480,871,872)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		652,702,433,911	401,565,731,075
Profits from investing activities	05		(231,371,824,058)	(230,914,725,845)
Interest expenses	06		2,513,380,880,767	1,709,696,234,008
Operating profit before changes in working capital	08		8,906,397,720,007	6,205,440,100,025
Change in receivables	09		(3,513,292,503,109)	(6,158,398,276,012)
Change in inventories	10		(518,123,160,326)	(716,276,509,427)
Change in payables	11		1,256,167,273,222	1,865,948,136,720
Change in prepaid expenses	12		13,077,579,252	19,463,962,231
			6,144,226,909,046	1,216,177,413,537
Interest paid	14		(2,258,472,430,602)	(1,577,512,751,061)
Income tax paid	15		(1,313,883,532)	(79,564,639,589)
Other payments for operating activities	17		(25,517,143,676)	(28,017,569,249)
Net cash flows from operating activities	20		3,858,923,451,236	(468,917,546,362)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(2,978,326,658,470)	(4,115,143,825,197)
Proceeds from disposals of fixed assets	22		231,546,000	1,272,092,678
Payments for investments in term deposits	23		(200,000,000,000)	-
Collections on investments in term deposits	24		-	200,000,000,000
Receipts of interest and dividends	27		208,695,552,404	302,548,562,797
Transfer entities to and receive entities from Vietnam Electricity (net cash)			-	(169,114,006)
Net cash flows from investing activities	30		(2,969,399,560,066)	(3,611,492,283,728)

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 2016
(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	2016 VND	2015 VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		2,954,838,875,511	16,072,972,468,931
Payments to settle loan principals	34		(2,916,791,829,681)	(13,127,061,635,514)
Net cash flows from financing activities	40		38,047,045,830	2,945,910,833,417
Net cash flows during the year (50 = 20 + 30 + 40)	50		927,570,937,000	(1,134,498,996,673)
Cash and cash equivalents at the beginning of the year	60		729,919,588,667	1,864,418,585,340
Effect of exchange rate fluctuations on cash and cash equivalents	61		14,807,182	-
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	4	1,657,505,332,849	729,919,588,667

15 March 2017; except for Note 31 and figures presented in Note 31 dated 31 March 2017.

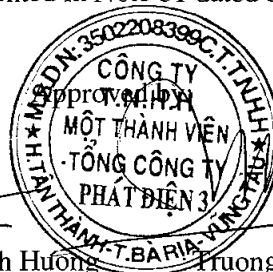
Prepared by:



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 2016

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 organizational structure of the Corporation includes:

- Dependent power generation companies: Buon Kuop Hydropower Company, Vinh Tan Thermal Power Company, Mong Duong Thermal Power Company, Phu My 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;
- EVNGENCO3 Power Service Company;
- The Corporation’s office.

As at 31 December 2016, the Corporation had 3 subsidiaries and 3 associates (1/1/2016: 3 subsidiaries and 3 associates) are listed in Note 5(b).

As at 31 December 2016, the Corporation had 2,306 employees (1/1/2016: 1,922 employees).

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Notes to the separate financial statements for the year ended 31 December 2016

(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 currency

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

3. 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 rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Corporation most frequently conducts transactions.

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Notes to the separate financial statements for the year ended 31 December 2016

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

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. 3643/EVN-TCKT dated 31 August 2016 of Vietnam Electricity on guiding the preparation of financial statements in 2016 (“Official Letter 3643”).

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

(ii) *Foreign exchange differences incurred during the period of capital construction of power projects included in the National Electricity Development Plan*

Under the guidance of Decree No. 82/2014/ND-CP of the Government dated 25 August 2014 (“Decree 82”), for power projects within the National Electricity Development Plan approved by the Prime Minister, foreign exchange differences incurred in the period of construction are recorded in the “Foreign exchange differences” in “Equity” and will be amortised to the statement of income for the period not exceeding 5 years from the date the project starts its commercial operation. The guidance of Decree 82 is different from the guidance of Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises of the Ministry of Finance dated 22 December 2014 (“Circular 200”) which requires the exchange differences to be recognised in the statement of income in the period which they are incurred.

If the Corporation recognised foreign exchange differences incurred during the period of construction consistently with Circular 200 over the years, the Corporation’s financial expenses and profit before tax for the year ended 31 December 2016 would decrease and increase by the same amount of VND1,508,828,910,951 (for the year ended 31 December 2015: increase and decrease by the same amount of VND1,937,606,705,808), foreign exchange losses in the “Foreign exchange differences” in “Equity” and “Retained profits” in the separate balance sheet as at 31 December 2016 would decrease by the same amount of VND1,508,828,910,951 (1/1/2016: VND1,937,606,705,808).

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

The Corporation applies Official Letter No. 1113/BTC-TCDN of the Ministry of Finance dated 23 January 2017 on the treatment of foreign exchange differences from revaluation of monetary items denominated in foreign currencies of Vietnam Electricity (“Official Letter 1113”), approved by the Prime Minister under Official Letter No. 122/TB-VPCP of the Government dated 6 March 2017 (“Official Letter 122”) for foreign exchange differences from revaluation of monetary items denominated in foreign currencies. Under the guidance of Official Letter 1113 and Official Letter 122, foreign exchange losses due to revaluation of the closing balances of long-term liabilities denominated in foreign currencies as at 31 December 2016 are recorded in the “Foreign exchange differences” in “Equity”, rather than in “Financial expenses”, and will be allocated to expenses in 2016 at an amount that is at least equal to the exchange rate differences of liabilities due in 2017 so as to ensure that business result is not negative, the remaining differences will be monitored and allocated within 5 years.

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2016

(continued)

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

If the Corporation recognised foreign exchange differences consistently with Circular 200 over the years, the Corporation's financial expenses and profit before tax for the year ended 31 December 2016 would decrease and increase by the same amount of VND1,865,385,416,195 (for the year ended 31 December 2015: increase and decrease by the same amount of VND1,378,870,489,851), "Foreign exchange differences" in "Equity" and "Retained profits" in the separate balance sheet as at 31 December 2016 would decrease by the same amount of VND1,865,385,416,195 (1/1/2016: VND1,378,870,489,851).

(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.

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Notes to the separate financial statements for the year ended 31 December 2016

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

(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.

(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. 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.

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2016

(continued)

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

(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 – 40 year
▪ machinery and equipment	5 – 20 year
▪ motor vehicles	6 – 20 year
▪ office equipment	3 – 8 year
▪ others	5 – 10 year

(g) Intangible 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 purchase price and 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 is 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.

Power Generation Corporation 3

Notes to the separate financial statements for the year ended 31 December 2016

(continued)

Form B 09 – DN

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

(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.

(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. 91/2015/ND-CP dated 13 October 2015 issued by the Government on state capital investment in enterprises and capital management and use at enterprises.

(n) Taxation

Income tax on the 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.

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Notes to the separate financial statements for the year ended 31 December 2016

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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.

(o) Revenue and other income

(i) *Electricity sold*

Revenue from sales of electricity is recognised in the 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) *Service rendered*

Revenue from services rendered is recognised in the 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 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 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.

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Notes to the separate financial statements for the year ended 31 December 2016

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(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.

(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.

4. Cash and cash equivalents

	31/12/2016 VND	1/1/2016 VND
Cash on hand	1,866,449,409	932,367,577
Cash in banks	1,252,638,883,440	525,987,221,090
Cash equivalents	403,000,000,000	203,000,000,000
	<hr/>	<hr/>
	1,657,505,332,849	729,919,588,667

Cash equivalents represent one-month deposits at banks and other credit institutions earning interest at rate of 4.3%-4.8% per annum (2015: 4.6% per annum).

5. Investments

(a) Held-to-maturity investments

Held-to-maturity investments represented 6-month deposits at EVN Finance Joint Stock Company, a related party, earning interest at rate of 5.5%-5.7% per annum (2015: 5.1% per annum).

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Notes to the separate financial statements for the year ended 31 December 2016 (continued)

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		31/12/2016		1/1/2016			
	Address	% of equity owned	% of voting rights	Carrying amount VND	% of equity owned	% of voting rights	Carrying amount VND
(b) Equity investments							
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%	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%	54.76%	70,454,400,000
▪ Thu Duc Thermal Power Company Limited	Ho Chi Minh City	(iii) 100%	100%	118,810,154,393	100%	100%	115,036,304,039
				670,500,124,393			666,726,274,039
Investments in associates							
▪ Thac Ba Hydropower Joint Stock Company	Yen Bai Province	(iv) 30%	30%	190,500,000,000	30%	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%	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%	30%	84,000,000,000
				791,558,350,850			791,558,350,850
Investments in other entities							
▪ Petrovietnam Power Nhon Trach 2 Joint Stock Company	Dong Nai province	2.50%	-	64,000,000,000	2.50%	-	64,000,000,000
▪ GE – PMTP Power Service Limited	Ba Ria Vung Tau Province	15%	15%	74,463,661,588	15%	15%	74,463,661,588
▪ Viet – Lao Power JSC	Ha Noi City	0.6%	-	19,600,000,000	0.65%	-	19,600,000,000
				158,063,661,588			158,063,661,588

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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 of the Ministry of Industry and Business Registration Certificate No. 4903000451 dated 1 November 2007 issued 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 the equitisation of Ninh Binh Thermal Power Company in accordance with the 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 Company Limited is a state-owned enterprise established under the Prime Minister's Decision No. 240/2005/QD-TT dated 4 October 2005 on the transfer of Thu Duc Thermal Power Plant into a state electric one member limited liability company. The principal activities of Thu Duc Thermo Power One Member Limited Company are to produce and trade electricity.
- (iv) Thac Ba Hydropower JSC was established under Business Registration Certificate No. 1603000069 dated 31 March 2006 issued by the Department of Planning and Investment of Yen Bai Province. The principal activities of Thac Ba Hydropower JSC 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.

6. Accounts receivable from customers

	31/12/2016 VND	1/1/2016 VND
Related party		
Trading Electricity Company	6,735,599,186,936	3,940,318,721,658
Power Engineering Consulting Joint Stock Company 2	11,542,250,000	-
Third party		
Other customers	5,247,623,842	4,614,552,535
	<hr/>	<hr/>
	6,752,389,060,778	3,944,933,274,193

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Notes to the separate financial statements for the year ended 31 December 2016

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7. Other short-term receivables

	31/12/2016 VND	1/1/2016 VND
Vietnam Electricity (i)	4,381,623,005,587	4,223,779,810,981
Huynhai Vietnam Company Limited	401,479,171,901	-
Thermal Power Project Management Board 3	833,367,237	833,367,237
EVN Finance Joint Stock Company	4,191,666,667	5,302,777,777
Dividends receivable	19,050,000,000	-
Others	137,892,431,966	91,358,026,183
	<hr/>	
	4,945,069,643,358	4,321,273,982,178

- (i) This included VND3,890,576,415,008 million invested by the Corporation in Vinh Tan 4 Thermal Power Project. This project was transferred to Vietnam Electricity in 2015.

8. Inventories

	31/12/2016		1/1/2016	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	102,911,681,740	-	121,911,375,456	-
Raw materials	2,600,815,445,625	(179,411,772)	2,069,853,946,005	(2,206,485,046)
Tools and supplies	20,309,143,957	-	11,904,430,327	-
Work in progress	13,572,857,934	-	15,816,217,142	-
	<hr/>			
	2,737,609,129,256	(179,411,772)	2,219,485,968,930	(2,206,485,046)

Movements in allowance for inventories during the year are as follows:

	2016 VND	2015 VND
Opening balance	2,206,485,046	7,687,356,918
Allowance reversed during the year	(2,027,073,274)	(5,480,871,872)
	<hr/>	
	179,411,772	2,206,485,046

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Notes to the separate financial statements for the year ended 31 December 2016 (continued)

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9. Tangible fixed assets

Cost	Buildings and structures and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Opening 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
Additions	2,081,868,678	14,169,873,793	11,795,351,317	20,213,780,995	138,958,000	48,399,832,783
Transfer from construction in progress (note 12)	881,282,868,880	13,078,869,009	43,419,306,288	2,592,526,613	-	940,373,570,790
Disposals	-	-	(202,485,150)	-	-	(202,485,150)
Decreases due to finalisation	-	(50,771,364)	-	(6,539,392)	-	(57,310,756)
Closing balance	18,718,332,121,085	79,761,424,095,852	6,687,079,866,586	77,257,876,816	6,280,980,875	105,250,374,941,214
Accumulated depreciation						
Opening 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
Charge for the year	691,896,212,248	4,771,265,254,364	347,235,438,925	11,135,980,527	615,337,618	5,822,148,223,682
Disposals	-	-	(202,485,150)	-	-	(202,485,150)
Closing balance	5,184,029,010,114	36,474,849,650,682	2,236,217,523,915	37,459,035,027	1,747,662,616	43,934,302,882,354
Net book value						
Opening 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
Closing balance	13,534,303,110,971	43,286,574,445,170	4,450,862,342,671	39,798,841,789	4,533,318,259	61,316,072,058,860

Included in tangible fixed assets were assets costing VND7,333,569,431,957 which were fully depreciated as of 31 December 2016 (1/1/2016: VND1,364,690,088,014) but which are still in active use.

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2016**

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	Land use rights VND	Software VND	Technology transfer rights VND	Total VND
Cost				
Opening balance	64,452,359,739	10,993,522,171	3,770,891,148	79,216,773,058
Additions	-	160,000,000	-	160,000,000
Closing balance	64,452,359,739	11,153,522,171	3,770,891,148	79,376,773,058
Accumulated amortisation				
Opening balance	5,123,162,145	1,264,039,483	3,092,707,685	9,479,909,313
Charge for the year	976,159,776	1,050,451,201	408,226,920	2,434,837,897
Closing balance	6,099,321,921	2,314,490,684	3,500,934,605	11,914,747,210
Net book value				
Opening balance	59,329,197,594	9,729,482,688	678,183,463	69,736,863,745
Closing balance	58,353,037,818	8,839,031,487	269,956,543	67,462,025,848

Included in intangible fixed assets as of 31 December 2016 were assets costing VND606,628,866 which were fully amortised but are still in active use (1/1/2016: VND606,628,866).

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2016****(continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***11. Construction in progress**

	2016 VND	2015 VND
Opening balance	2,623,543,802,603	56,899,257,645,196
Additions	1,672,139,729,849	3,746,593,132,039
Interest expenses capitalised	4,658,591,687	678,364,588,158
Transfer to tangible fixed assets (note 9)	(940,373,570,790)	(57,200,965,572,868)
Transfer to intangible fixed assets	-	(9,090,483,494)
Transfer to Vietnam Electricity	-	(1,120,338,504,035)
Other changes	35,496,381,473	(370,277,002,393)
Closing balance	3,395,464,934,822	2,623,543,802,603

Constructions in progress were as follows:

	31/12/2016 VND	1/1/2016 VND
Mong Duong Thermal Power Company	1,124,652,173,310	1,023,884,297,980
Vinh Tan 2 Thermal Power Company	1,367,507,249,414	925,047,930,443
Vinh Tan Power Center Infrastructure	494,162,589,458	412,469,077,282
Vinh Tan Coal Terminal	338,960,447,028	259,888,105,390
Other constructions	70,182,475,612	2,254,391,508
	3,395,464,934,822	2,623,543,802,603

Assets formed in the future from construction in progress are pledged with banks as security for loans (note 15(b)).

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2016**

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	31/12/2016	1/1/2016
	Cost	Cost
	VND	VND
Related party		
Vietnam Electricity	299,168,645	157,314,832,070
Other related parties	11,573,895,245	5,202,498,059
Third party		
South East Gas Transmission Company	2,488,734,916,271	1,639,257,139,726
Shanghai Electric Group Company	1,846,413,913,829	1,519,970,146,668
Vietnam National Coal and Mineral Industries Group	443,525,158,335	408,151,157,357
Hyundai Engineering & Construction Company	-	1,314,517,829,383
Other suppliers	722,997,773,415	521,755,244,228
	<hr/>	<hr/>
	5,513,544,825,740	5,566,168,847,491
	<hr/>	<hr/>
Amount within payment capacity	5,513,544,825,740	5,566,168,847,491

The balance of payables to suppliers as at 31 December 2016 and 1 January 2016 is not overdue.

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13. Taxes and other payables to and receivables from State Treasury

(a) Taxes and other payables to State Treasury

	1/1/2016 VND	Incurred VND	Paid VND	Reclassification VND	31/12/2016 VND
Value added tax	80,239,611,753	938,141,262,646	(1,030,530,028,819)	64,331,712,884	52,182,558,464
Withholding tax	7,548,230,791	24,717,900,473	(29,187,802,428)	-	3,078,328,836
Import-export tax	-	63,178,075,452	(63,178,075,452)	-	-
Natural resource taxes	19,977,960,176	244,076,673,914	(230,790,025,686)	-	33,264,608,404
Corporate income tax	464,075,457	1,290,298,046	(1,313,883,532)	(7,608,545)	432,881,426
Personal income tax	2,307,926,573	16,677,937,579	(15,714,945,193)	-	3,270,918,959
Duty and fees - fees for forest environmental services	6,836,340,000	43,228,813,860	(28,046,888,960)	-	22,018,264,900
Land and housing taxes, land rental	-	10,784,220,723	(10,784,220,723)	-	-
Other taxes	-	12,742,024,582	(12,742,073,582)	49,000	-
	117,374,144,750	1,354,837,207,275	(1,422,287,944,375)	64,324,153,339	114,247,560,989

(b) Taxes and other receivables from State Treasury

	1/1/2016 VND	Incurred VND	Received VND	Reclassification VND	31/12/2016 VND
Value added tax	17,263,138,504	-	-	64,331,712,884	81,594,851,388
Corporate income tax	40,794,792,996	-	-	(7,608,545)	40,787,184,451
Land and housing taxes, land rental	209,626,950	-	-	-	209,626,950
Other taxes	-	-	-	49,000	49,000
	58,267,558,450	-	-	64,324,153,339	122,591,711,789

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2016**

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	31/12/2016 VND	1/1/2016 VND
Related parties		
Vietnam Electricity	621,272,298,291	498,148,789,015
Other related parties	27,000,000	19,443,867,919
Third parties		
Estimated value added tax	188,152,714,542	151,562,350,386
Professional fees	43,319,952,378	-
Other payables	43,229,279,817	20,096,873,459
	<hr/>	<hr/>
	896,001,245,028	689,251,880,779
	<hr/>	<hr/>

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

	1/1/2016 VND	Increase VND	Decrease VND	31/12/2016 VND
Current portion of long-term borrowings (note 15(b))	3,291,345,014,166	3,323,725,905,874	(3,326,270,026,716)	3,288,800,893,324
Amount within payment capacity	<hr/>			<hr/>
	3,291,345,014,166			3,288,800,893,324
	<hr/>			<hr/>

(b) Long-term borrowings

	31/12/2016 VND	1/1/2016 VND
Long-term borrowings	68,642,581,124,109	67,735,649,728,295
Repayable within twelve months	(3,288,800,893,324)	(3,291,345,014,166)
	<hr/>	<hr/>
Repayable after twelve months	65,353,780,230,785	64,444,304,714,129
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Terms and conditions of outstanding long-term borrowings were as follows:

		Year of Currency maturity	31/12/2016 VND	1/1/2016 VND
Loans from organisations				
<i>Mong Duong Thermal Power Project</i>				
Lien Viet Post Joint Stock Commercial Bank – Thang Long Branch	VND	2025	135,356,263,918	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	2,172,769,979,856	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	1,966,086,027,360	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	2,338,883,568,274
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2029	1,167,134,660,567	1,167,134,660,567
<i>Vinh Tan Coal Terminal Project</i>				
Vietnam Development Bank – Transaction Center I	VND	2024	553,230,020,144	553,230,020,144
<i>Buon Kuop Hydropower Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	165,000,000,000	185,000,000,000
Vietnam Electricity	VND	2018	178,000,000,000	178,000,000,000
Military Commercial Joint Stock Bank - Tran Duy Hung Branch	VND	2021	133,881,118,612	-
<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	165,000,000,000	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
<i>Vinh Tan Power Center Infrastructure Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi South West Branch	VND	2026	90,571,810,108	-

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	Year of Currency maturity	31/12/2016 VND	1/1/2016 VND
Loans from Vietnam Electricity			
<i>Mong Duong Thermal Power Project</i>			
Asian Development Bank	USD 2032	463,999,704,804	470,921,021,851
Asian Development Bank	USD 2034	19,035,820,381,561	17,231,947,165,625
Export-Import Bank of Korea	USD 2028	10,681,142,416,666	10,955,373,163,664
<i>Vinh Tan 2 Thermal Power Project</i>			
Export-Import Bank of China	USD 2026	6,254,621,639,385	6,186,010,169,010
Export-Import Bank of China	CNY 2026	1,911,218,327,802	2,026,195,834,393
Export-Import Bank of China	USD 2026	9,925,971,370,883	8,957,320,563,579
<i>Buon Kuop Hydropower Project</i>			
Japan Bank for International Cooperation	JPY 2026	103,400,575,863	108,894,686,576
Japan Bank for International Cooperation	JPY 2028	75,387,491,087	78,451,727,103
Credit Agricole Corporate and Investment Bank	USD 2016	-	112,562,875,656
Vietnam Bank for Agriculture and Rural Development	VND 2018	276,196,364,311	540,518,838,667
<i>Buon Tua Srah Hydropower Project</i>			
Export-Import Bank of China	USD 2020	144,038,310,850	178,072,813,166
Asia Commercial Joint Stock Bank	VND 2019	139,191,924,107	194,793,045,965
Asia Commercial Joint Stock Bank	VND 2017	39,132,649,648	117,397,948,942
Bonds	VND 2016	-	100,000,000,000
<i>Srepok 3 Hydropower Project</i>			
Credit Agricole Corporate and Investment Bank	USD 2020	306,127,643,119	378,461,884,374
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND 2019	553,422,601,761	774,791,627,761
<i>Phu My Thermal Power Project</i>			
Japan Bank for International Cooperation	JPY 2028	5,072,359,835,098	5,278,533,404,202
<i>Vinh Tan Power Center Coal Terminal Project</i>			
Export-Import Bank of China	USD 2026	582,145,826,724	575,759,847,932
Export-Import Bank of China	USD 2026	2,499,490,611,601	2,416,549,105,388
			68,642,581,124,109
			67,735,649,728,295

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Notes to the separate financial statements for the year ended 31 December 2016

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

Interest rate of borrowings dominated in USD is ranging from 1.65% to 5.15% (2015: from 0.45% to 6.9%).

Interest rate of borrowings dominated in VND is ranging from 8.8% to 9.8% (2015: from 6.7% to 10.5%).

Interest rate of borrowings dominated in JPY is ranging from 1.15% to 2.75% (2015: from 1.66% to 2.5%).

Interest rate of borrowings dominated in CNY is 3.6% (2015: 3.2%).

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Notes to the separate financial statements for the year ended 31 December 2016 (continued)

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16. 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 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
Additions 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)
Exchange differences during the year	-	-	(2,480,352,971,176)	-	-	-	(2,480,352,971,176)
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 1 January 2016	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
Increase/decrease in capital during the year	483,854,286	-	-	3,773,850,354	-	(483,854,286)	3,773,850,354
Exchange differences during the year	-	-	(57,737,131,487)	-	-	-	(57,737,131,487)
Profit for the year	-	-	-	-	147,839,943,036	-	147,839,943,036
Appropriation to investment and development fund	-	-	-	44,351,982,911	(44,351,982,911)	-	-
Appropriation to bonus and welfare funds	-	-	-	-	(103,487,960,125)	-	(103,487,960,125)
Balance at 31 December 2016	10,561,944,694,725	1,566,487,558	(3,374,214,327,146)	113,790,055,796	-	114,101,515,647	7,417,188,426,580

(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.

(*) Restated (Note 31).

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Notes to the separate financial statements for the year ended 31 December 2016

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17. Contributed capital

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

Movements in contributed capital during the year were as follows:

	2016	2015
	VND	VND
Balance at beginning of the year	10,561,460,840,439	10,487,655,874,046
Addition of capital during the year	483,854,286	1,271,458,000
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)
Reclassification	-	1,705,055,583
	<hr/>	<hr/>
Balance at end of the year	10,561,944,694,725	10,561,460,840,439

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

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18. Foreign exchange differences

	1/1/2016 VND	Incurred VND	Movements during 2016 Allocated to expenses VND (*)	Transfers to EVN VND	31/12/2016 VND (*)
Foreign exchange differences incurred in the period of capital construction (i)	1,937,606,705,808	(11,568,054,212)	(417,209,740,645)	-	1,508,828,910,951
Foreign exchange differences due to revaluation of long-term payables balance in foreign currencies (ii)	1,378,870,489,851	717,119,574,920	(230,604,648,576)	-	1,865,385,416,195
	3,316,477,195,659	705,551,520,708	(647,814,389,221)	-	3,374,214,327,146
	1/1/2015 VND	Incurred VND	Movements during 2015 Allocated to expenses VND	Transfers to EVN VND	31/12/2015 VND
Foreign exchange differences incurred in the period of capital construction (i)	810,942,597,255	1,268,002,727,601	(166,458,145,276)	25,119,526,228	1,937,606,705,808
Foreign exchange differences due to revaluation of long-term payables balance in foreign currencies (ii)	-	1,607,839,066,980	(228,968,577,129)	-	1,378,870,489,851
	810,942,597,255	2,875,841,794,581	(395,426,722,405)	25,119,526,228	3,316,477,195,659

(i) Foreign exchange differences incurred in the period of construction of power projects included in the National Electricity Development Plan (note 3(b)(ii)).

(ii) Foreign exchange differences due to revaluation long-term payables balance in foreign currencies (note 3(b)(iii)).

(*) Restated (Note 31).

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19. Profit distribution

Under the provisions of Article 31 Decree No. 91/2015/ND-CP dated 13 October 2015 of the Government, the remaining profits after appropriation to funds will be remitted to the State Budget.

20. Off balance sheet items

(a) Lease

At the reporting dates, the future minimum lease payments under operating leases were:

	31/12/2016 VND	1/1/2016 VND
Within one year	5,998,153,974	5,965,683,038
Within two to five years	23,992,615,895	23,862,732,152
More than five years	182,973,143,828	205,405,497,779
	<hr/>	<hr/>
	212,963,913,697	235,233,912,969

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

	31/12/2016		1/1/2016	
	Original currency	VND equivalent	Original currency	VND equivalent
United States Dollars	61,707.00	1,401,238,094	38,292.90	859,689,573

(c) Investment commitments

As at 31 December 2016, in accordance with the approved construction plan, the Corporation will invest VND3,716,126 million to build power plants and other works (1/1/2016: VND3,908,945 million).

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	2016 VND	2015 VND
Sales of electricity	33,289,515,394,142	25,446,319,495,781
Sales of other services	152,757,927,982	50,547,703,696
	<hr/>	
	33,442,273,322,124	25,496,867,199,477
	<hr/>	

22. Cost of sales

	2016 VND	2015 VND
Cost of electricity - restated (Note 31)	30,027,259,860,773	23,223,673,229,859
Cost of other services	103,744,955,332	29,426,350,354
	<hr/>	
	30,131,004,816,105	23,253,099,580,213
	<hr/>	

23. Financial income

	2016 VND	2015 VND
Interest income from deposits	32,593,133,058	25,676,317,797
Dividends and shared profits	198,547,145,000	205,092,297,000
Foreign exchange gains due to payments	23,879,446,493	3,852,191,628
	<hr/>	
	255,019,724,551	234,620,806,425
	<hr/>	

24. Financial expenses

	2016 VND	2015 VND
Interest expense	2,513,380,880,767	1,709,696,234,008
Foreign exchange losses due to payments	42,820,593,709	72,214,534,826
Foreign exchange losses due to revaluation – restated (Note 31)	652,702,433,911	401,565,731,075
	<hr/>	
	3,208,903,908,387	2,183,476,499,909
	<hr/>	

Power Generation Corporation 3**Notes to the separate financial statements for the year ended 31 December 2016**

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	2016 VND	2015 VND
Labour costs and staff costs - restated (Note 31)	142,255,435,683	97,376,369,064
Outside services	49,459,118,683	13,994,335,099
Other expenses	105,518,671,162	60,328,454,732
	<hr/>	<hr/>
	297,233,225,528	171,699,158,895

26. Production and business costs by element

	2016 VND	2015 VND
Raw material costs	21,642,419,824,669	17,382,737,850,257
Labour costs and staff costs - restated (Note 31)	461,926,108,788	308,663,454,666
Depreciation and amortisation	5,792,554,660,210	4,190,834,616,605
Outside services	343,894,993,804	248,046,604,088
Overhaul expenses	1,672,041,349,109	967,281,217,289
Other expenses	515,401,105,053	327,234,996,203
	<hr/>	<hr/>

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

	2016 VND	2015 VND
Current tax expense		
Current year	746,659,130	478,606,367
Previous year	543,638,916	-
	<hr/>	<hr/>
	1,290,298,046	478,606,367

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Notes to the separate financial statements for the year ended 31 December 2016

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(b) Reconciliation of effective tax rate

	2016	2015
	VND	VND
Accounting profit before tax - restated (Note 31)	149,130,241,082	104,767,855,790
Tax at the Corporation's tax rate - restated (Note 31)	29,826,048,216	23,048,928,274
Non-deductible expenses	1,148,110,633	1,363,077,776
Non-taxable income	(39,709,429,000)	(45,120,305,340)
Deferred tax assets not recognised - restated (Note 31)	9,481,929,281	19,260,823,324
Effect of different tax rates	-	1,926,082,333
Income tax expense in previous year	543,638,916	-
	<u>1,290,298,046</u>	<u>478,606,367</u>

(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 20% of taxable profits (2015: 22%).

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, held-to-maturity investments, receivables from customers and other short-term receivable.

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	31/12/2016 VND	1/1/2016 VND
Cash and cash equivalents	(i)	1,655,638,883,440	728,987,221,090
Held-to-maturity investments	(i)	430,000,000,000	230,000,000,000
Accounts receivable from customers and other receivables	(ii)	11,697,458,704,136	8,266,207,256,371
		<u>13,783,097,587,576</u>	<u>9,225,194,477,461</u>

(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 are mainly receivables from customers, receivables from project investment for Vietnam Electricity and accrued interest on term deposits at banks.

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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.

The Corporation's exposure to credit risk is related to accrued interest on term deposits at banks is considered relatively small because term deposits at banks of the Corporation are mainly held with well-known banks and financial institutions. The Corporation does not foresee any loss incurred from these banks and financial institutions failing to meet their contractual obligations.

There were no impairments of receivables as at 31 December 2016 and 1 January 2016.

(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:

31/12/2016

	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	2 – 5 years VND	More than 5 years VND
Accounts payable to suppliers	5,513,544,825,740	5,513,544,825,740	5,513,544,825,740	-	-
Payables to employees - restated (Note 31)	137,278,643,326	137,278,643,326	137,278,643,326	-	-
Accrued expenses	47,635,114,267	47,635,114,267	47,635,114,267	-	-
Other payables	896,001,245,028	896,001,245,028	896,001,245,028	-	-
Short-term borrowings	3,288,800,893,324	3,288,800,893,324	3,288,800,893,324	-	-
Long-term borrowings	65,353,780,230,785	65,353,780,230,785	-	18,271,383,894,841	47,082,396,335,944
	75,237,040,952,470	75,237,040,952,470	9,883,260,721,685	18,271,383,894,841	47,082,396,335,944

1/1/2016

	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	-	-
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

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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"), 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:

	31/12/2016				
	USD	JPY	CNY	EUR	CHF
Cash and cash equivalents	61,707	-	-	-	-
Accounts payable to suppliers and other payables	(162,851,978)	(91,938,704)	-	(19,048,004)	(2,365,509)
Short-term and long-term borrowings	(2,189,265,375)	(26,761,532,474)	(599,934,811)	-	-
	(2,352,055,646)	(26,853,471,178)	(599,934,811)	(19,048,004)	(2,365,509)

	1/1/2016				
	USD	JPY	CNY	EUR	CHF
Cash and cash equivalents	38,293	-	-	-	-
Accounts payable to suppliers and other payables	(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)

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The following significant exchange rates were applied during the year:

	Exchange rate as at	
	31/12/2016	1/1/2016
	VND	VND
USD1	22,790.00	22,540.00
JPY1	196.22	187.86
CNY1	3,185.71	3,377.36
EUR1	24,107.74	24,730.00
CHF1	22,641.00	22,880.00

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
31/12/2016	
USD (1% strengthening)	(536,033,481,723)
JPY (4% strengthening)	(210,767,524,582)
CNY (6% weakening)	114,673,099,605
EUR (3% weakening)	13,776,129,839
CHF (1% weakening)	535,574,893
1/1/2016	
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)

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	
	31/12/2016 VND	1/1/2016 VND
Fixed rate instruments		
▪ Cash equivalents	403,000,000,000	203,000,000,000
▪ Held-to-maturity investments	430,000,000,000	230,000,000,000
▪ Short-term and long-term borrowings	(16,725,133,695,959)	(14,531,918,482,382)
	<hr/>	<hr/>
	(15,892,133,695,959)	(14,098,918,482,382)
	<hr/>	<hr/>
Variable rate instruments		
▪ Cash in banks	1,252,638,883,440	525,987,221,090
▪ Short-term and long-term borrowings	(51,917,447,428,150)	(53,203,731,245,913)
	<hr/>	<hr/>
	(50,664,808,544,710)	(52,677,744,024,823)
	<hr/>	<hr/>

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 VND506,648,085,447 (2015: VND368,704,413,520). 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	
	31/12/2016	1/1/2016
	VND	VND
Financial assets		
<i>Categorised as loans and receivables:</i>		
▪ Cash and cash equivalents	(*) 1,655,638,883,440	728,987,221,090
▪ Accounts receivable from customers and other receivables	(*) 11,697,480,704,136	8,266,219,256,371
<i>Categorised as held-to-maturity investments</i>		
▪ Held-to-maturity investments	(*) 430,000,000,000	230,000,000,000
	<hr/>	<hr/>
	13,783,119,587,576	9,225,206,477,461
	<hr/>	<hr/>
Financial liabilities		
<i>Categorised as financial liabilities at amortised cost:</i>		
▪ Accounts payable to suppliers	(*) (5,513,544,825,740)	(5,566,168,847,491)
▪ Payables to employees - restated (Note 31)	(*) (137,278,643,326)	(127,090,735,196)
▪ Accrued expenses	(*) (47,635,114,267)	(57,893,608,251)
▪ Other payables	(*) (896,001,245,028)	(689,251,880,779)
▪ Short-term borrowings	(*) (3,288,800,893,324)	(3,291,345,014,166)
▪ Long-term borrowings	(*) (65,353,780,230,785)	(64,444,304,714,129)
	<hr/>	<hr/>
	(75,237,040,952,470)	(74,176,054,800,012)
	<hr/>	<hr/>

(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 separate 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 separate financial statements, the Corporation had the following significant transactions with related parties during the year:

	Transaction value	
	2016 VND	2015 VND
Vietnam Electricity		
Purchases of electricity	118,893,447,816	240,902,178,000
Borrowings during the year	2,861,111,745,005	4,388,588,567,669
Repayments of borrowings during the year	2,197,119,368,507	2,434,508,933,429
Interest on loans	2,285,279,972,349	1,433,446,646,315
Profit distribution	-	2,659,523,292
Electricity Power Trading Company		
Sales of electricity	33,289,515,394,142	25,446,319,495,781
Duyen Hai Thermal Power Company		
Sales of services	1,102,697,640	-
Northern Power Corporation (Quang Ninh Power Company)		
Purchases of electricity	5,711,774,770	-
Power Engineering Consulting Joint Stock Company 1		
Purchases of services	5,374,769,868	-
Power Engineering Consulting Joint Stock Company 2		
Purchases of services	5,567,887,306	32,353,298,347
Sales of services	14,322,500,000	-
Power Engineering Consulting Joint Stock Company 3		
Purchases of services	2,907,172,899	547,735,561
Power Engineering Consulting Joint Stock Company 4		
Purchases of services	9,724,635,250	-
EVN Finance Joint Stock Company		
Interest on deposits	23,002,944,447	21,306,722,222
National Power Transmission Corporation		
Interest on loans	1,475,000,000	3,235,090,556
Telecommunication and Information Technology Center		
Purchases of services	1,279,349,459	741,144,820

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	Transaction value	
	2016 VND	2015 VND
Electrical Power Testing Center – Southern Power Corporation		
Purchases of services	2,103,227,235	958,444,796
Ba Ria Thermal Power JSC		
Purchases of services	-	121,000,000
Dividend received	48,123,557,000	48,123,557,000
Ninh Binh Thermal Power JSC		
Dividend received	10,568,160,000	12,681,792,000
Thu Duc Thermal Power One Member Limited Liability Company		
Purchases of services	7,803,418,524	-
Vinh Son – Song Hinh Hydropower JSC		
Dividend received	63,016,948,000	63,016,948,000
Thac Ba Hydropower JSC		
Dividend received	34,290,000,000	57,150,000,000
Se San 3A Power Investment & Development JSC		
Dividend received	16,800,000,000	12,600,000,000
Petro Vietnam Power Nhon Trach 2 JSC		
Dividend received	25,748,480,000	11,520,000,000
Management Officer		
Salary and bonus - restated (Note 31)	5,179,737,000	5,058,484,000

30. Non-cash investing and financing activities

	2016 VND	2015 VND
Fixed assets and construction in progress not yet paid	1,878,341,330,466	3,107,021,688,118
Interest expense not yet paid	-	24,288,146,499
Interest capitalised in loan principal	151,764,775,065	-
Increase of investments in subsidiary by development and investment fund	3,773,850,354	-

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31. Adjustments and reissuance of the separate financial statements for the year ended 31 December 2016

On 15 March 2017 the Corporation's Board of Directors authorized the separate financial statements for the year ended 31 December 2016 for issue. After the issuance of the separate financial statement, Vietnam Electricity ("EVN") requested the Corporation to adjust total salary cost in accordance with salary pool subsequently approved by EVN. The Corporation adjusted the separate financial statements for the year ended 31 December 2016 as required by EVN and reissued the separate financial statements after adjustments on 31 March 2017. A comparison of the amounts issued on 15 March 2017 and as restated was as follows:

(i) Separate balance sheet

	31/12/2016 (as previously reported) VND	Adjustments VND	31/12/2016 (Restated) VND
Payables to employees	182,079,802,326	(44,801,159,000)	137,278,643,326
Bonus and welfare funds	214,714,214,121	(11,035,099,000)	203,679,115,121
Foreign exchange differences	(3,434,779,913,289)	60,565,586,143	(3,374,214,327,146)
Investment and development fund	118,519,383,939	(4,729,328,143)	113,790,055,796

(ii) Separate statement of income

	2016 (as previously reported) VND	Adjustments VND	2016 (Restated) VND
Cost of sales	30,161,577,054,598	(30,572,238,493)	30,131,004,816,105
Financial expenses	3,148,338,322,244	60,565,586,143	3,208,903,908,387
General and administration expenses	311,462,146,035	(14,228,920,507)	297,233,225,528
Net profit after tax	163,604,370,179	(15,764,427,143)	147,839,943,036

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(iii) Separate statement of cash flows


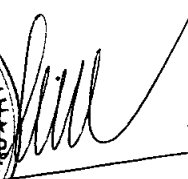

	2016 (as previously reported) VND	Adjustments VND	2016 (Restated) VND
Profit before tax	164,894,668,225	(15,764,427,143)	149,130,241,082
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	592,136,847,768	60,565,586,143	652,702,433,911
Change in payables	1,300,968,432,222	(44,801,159,000)	1,256,167,273,222

15 March 2017; except for Note 31 and figures presented in Note 31 dated 31 March 2017.

Prepared by:



Vu Phuong Thao
Preparer



Nguyen Thi Thanh Huong
Chief Accountant

Hong Quoc Phuc
Deputy General Director