

**PETROVIETNAM POWER CORPORATION –
ONE MEMBER COMPANY LIMITED**

(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2016



TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
CONSOLIDATED BALANCE SHEET	5 - 6
CONSOLIDATED INCOME STATEMENT	7
CONSOLIDATED CASH FLOW STATEMENT	8 - 9
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	10 - 42



STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of PetroVietnam Power Corporation - One Member Company Limited (the "Corporation") presents this report together with the Corporation's consolidated financial statements for the year ended 31 December 2016.

THE BOARD OF MEMBERS AND BOARD OF EXECUTIVE OFFICERS

The members of the Board of Members and Board of Executive Officers of the Corporation who held office during the year and to the date of this report are as follows:

Board of Members

Mr. Ho Cong Ky	Chairman
Mr. Nguyen Xuan Hoa	Member
Mr. Nguyen Huu Quy	Member
Mr. Ha Duc Thu	Member
Mr. Vu Huy An	Member

Board of Executive Officers

Mr. Nguyen Xuan Hoa	Chief Executive Officer
Mr. Hoang Van Nghiep	Deputy CEO
Ms. Nguyen Thi Ngoc Bich	Deputy CEO
Mr. Pham Xuan Truong	Deputy CEO
Mr. Nguyen Duy Giang	Deputy CEO
Mr. Tran Duc Chinh	Deputy CEO (temporarily suspended on 14 October 2016)
Mr. Le Chung Dung	Deputy CEO (resigned on 20 December 2016)

BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY

The Board of Executive Officers of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2016, and its consolidated financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Executive Officers is required to:

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STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)

BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY (Continued)

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimise errors and frauds.

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Corporation and that the consolidated financial statements comply with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executive Officers confirms that the Corporation has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Executive Officers,



Nguyen Xuan Hoa
Chief Executive Officer

Hanoi, 27 March 2017

INDEPENDENT AUDITORS' REPORT

**To: The Board of Members and Board of Executive Officers of
PetroVietnam Power Corporation - One Member Company Limited**

We have audited the accompanying consolidated financial statements of PetroVietnam Power Corporation - One Member Company Limited (the "Corporation"), prepared on 27 March 2017 as set out from page 5 to page 42, which comprise the consolidated balance sheet as at 31 December 2016, and the consolidated statement of income and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Executive Officers' Responsibility for the Consolidated Financial Statements

The Board of Executive Officers is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Corporation's preparation and fair presentation of the consolidated 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 Board of Executive Officers, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matters

- As presented in Note 5 of the Notes to the consolidated financial statements, the Corporation has retrospectively adjusted certain comparative figures in the consolidated financial statements (the figures for the year ended 31 December 2015) as per the recommendations of the Inspectorate of the Ministry of Finance stated in the 2015 Minutes of Inspection dated 4 May 2016. Also, certain figures have been reclassified to enhance their comparability with current year's figures.
- As presented in Note 16 of the Notes to the consolidated financial statements, the Luang Prabang Hydropower Plant Project is currently suspended. The Corporation recognized costs incurred in connection with this project in the "Construction in Progress" item. Up to the date of these financial statements, under the Direction of Vietnam Oil and Gas Group, the Corporation has been working with the Laos Ministry of Energy and Mines to extend the 4th Memorandum of Understanding (MOU 4) for this project. No adjustment to the consolidated financial statements due to the effect of the above events was made.
- As presented in Note 11 and Note 18 of the Notes to the consolidated financial statements, as at 31 December 2016, the inventories and payables of the Corporation consist of approximately VND 2,481 billion (31 December 2015: approximately VND 2,487 billion) related to the value of imported materials and equipment and other expenses from contractors for the maintenance of Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 2 Combined Cycle Power Plant. The Corporation has determined that the inventories and payables mentioned above will be finalised and adjusted when the contracts between PetroVietnam Power Services Joint Stock Company (a subsidiary of the Corporation) and the suppliers expire.

Our opinion is not modified in respect of these matters.



Khúc Thị Lan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0036-2013-001-1

For and on behalf of
DELOITTE VIETNAM COMPANY LIMITED

27 March 2017
Hanoi, S.R. Vietnam

Vu Manh Hung
Auditor
Audit Practising Registration Certificate
No. 2737-2013-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2016

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance (Restated)
A. CURRENT ASSETS	100		18,518,713,647,948	16,016,174,669,904
I. Cash and cash equivalents	110	6	4,671,040,146,239	6,073,487,453,667
1. Cash	111		541,735,706,272	756,951,810,108
2. Cash equivalents	112		4,129,304,439,967	5,316,535,643,559
II. Short-term financial investments	120	7	60,000,000,000	150,000,000,000
1. Held-to-maturity investments	123		60,000,000,000	150,000,000,000
III. Short-term receivables	130		10,229,639,967,314	5,848,082,870,379
1. Short-term trade receivables	131	8	9,827,335,366,718	4,490,586,079,003
2. Short-term advances to suppliers	132		256,677,408,062	237,041,702,349
3. Other short-term receivables	136	9	323,650,068,753	1,227,457,986,565
4. Provision for short-term doubtful debts	137		(178,022,876,219)	(107,002,897,538)
IV. Inventories	140	11	3,346,817,542,441	3,700,532,202,750
1. Inventories	141		3,346,999,942,441	3,700,714,602,750
2. Provision for devaluation of inventories	149		(182,400,000)	(182,400,000)
V. Other short-term assets	150		211,215,991,954	244,072,143,108
1. Short-term prepayments	151	12	28,609,995,885	32,103,805,732
2. Value added tax deductibles	152		181,815,411,283	209,677,480,656
3. Taxes and other receivables from the State budget	153	19	790,584,786	2,290,856,720
B. NON-CURRENT ASSETS	200		51,213,504,946,893	55,266,674,960,368
I. Long-term receivables	210		203,888,018,197	369,687,660,694
1. Long-term trade receivables	211	8	164,486,554,947	328,973,109,894
2. Other long-term receivables	216	9	39,401,463,250	40,714,550,800
II. Fixed assets	220		48,068,428,997,494	51,114,738,664,225
1. Tangible fixed assets	221	13	48,000,462,179,962	51,054,424,393,290
- Cost	222		68,968,940,475,787	67,715,533,939,249
- Accumulated depreciation	223		(20,968,478,295,825)	(16,661,109,545,959)
2. Intangible assets	227	14	67,966,817,532	60,314,270,935
- Cost	228		91,910,428,421	79,024,154,221
- Accumulated amortisation	229		(23,943,610,889)	(18,709,883,286)
III. Investment property	230	15	271,642,329	4,213,884,979
- Cost	231		17,545,622,940	17,545,622,940
- Accumulated depreciation	232		(17,273,980,611)	(13,331,737,961)
IV. Long-term assets in progress	240		281,213,992,597	564,968,570,683
1. Construction in progress	242	16	281,213,992,597	564,968,570,683
V. Long-term financial investments	250		931,353,580,669	781,347,613,120
1. Investments in associates	252	7	323,492,307,538	277,819,332,220
2. Equity investments in other entities	253	7	642,558,497,117	538,392,449,826
3. Provision for impairment of long-term financial investments	254	7	(34,697,223,986)	(34,864,168,926)
VI. Other long-term assets	260		1,728,348,715,607	2,431,718,566,667
1. Long-term prepayments	261	12	803,913,742,365	1,871,035,793,043
2. Deferred tax assets	262		1,193,324,400	931,319,334
3. Long-term reserved spare parts	263	17	893,429,202,697	523,003,506,229
4. Goodwill	269		29,812,446,145	36,747,948,061
TOTAL ASSETS (270 = 100 + 200)	270		69,732,218,594,841	71,282,849,630,272

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2016

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance (Restated)
C. LIABILITIES	300		42,935,488,143,497	44,956,037,708,459
I. Current liabilities	310		18,077,617,682,718	17,042,552,603,230
1. Short-term trade payables	311	18	6,168,777,280,788	4,797,403,235,125
2. Short-term advances from customers	312		4,068,580,831	40,751,910,088
3. Taxes and amounts payable to the State budget	313	19	375,324,685,403	256,919,187,860
4. Payables to employees	314		209,038,436,953	192,047,375,622
5. Short-term accrued expenses	315	20	3,656,589,416,808	1,185,889,343,496
6. Short-term unearned revenue	318		-	105,750,000
7. Other current payables	319	21	714,113,751,669	3,837,308,800,361
8. Short-term loans and obligations under finance leases	320	22	5,887,779,171,010	6,651,110,904,429
9. Short-term provisions	321	24	913,550,960,707	-
10. Bonus and welfare funds	322		148,375,398,549	81,016,096,249
II. Long-term liabilities	330		24,857,870,460,779	27,913,485,105,229
1. Other long-term payables	337	21	718,331,540	7,325,954,836
2. Long-term loans and obligations under finance leases	338	23	24,668,851,031,427	27,073,620,139,574
3. Deferred tax liabilities	341		12,958,485,911	-
4. Long-term provisions	342	24	53,305,451,889	724,548,904,498
5. Scientific and technological development fund	343	25	122,037,160,012	107,990,106,321
D. EQUITY	400		26,796,730,451,344	26,326,811,921,813
I. Owner's equity	410	26	26,796,730,451,344	26,326,811,921,813
1. Owner's contributed capital	411		21,774,301,577,676	21,774,301,577,676
2. Share premium	412		(129,167,632)	(70,963,183)
3. Other owner's capital	414		227,887,397,807	162,145,257,628
4. Investment and development fund	418		1,037,875,562,343	344,814,017,189
5. Retained earnings	421		1,015,389,468,233	1,348,193,154,858
- Retained earnings accumulated to the prior year end	421a		853,135,442,162	713,746,044,718
- Retained earnings of the current year	421b		162,254,026,071	634,447,110,140
6. Non-controlling interests	429		2,741,405,612,917	2,697,428,877,645
TOTAL RESOURCES (440=300+400)	440		69,732,218,594,841	71,282,849,630,272


Quach Thi Hong Lien
Preparer


Ha Thi Minh Nguyen
Chief Accountant


Nguyen Xuan Hoa
Chief Executive Officer

Hanoi, 27 March 2017

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

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2016

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year (Restated)
1. Gross revenue from goods sold and services rendered	01	28	28,211,770,378,167	23,231,210,240,523
2. Deductions	02		10,137,090	832,727,273
3. Net revenue from goods sold and services rendered (10=01-02)	10		28,211,760,241,077	23,230,377,513,250
4. Cost of goods sold and services rendered	11	29	24,429,210,375,371	18,002,213,519,478
5. Gross profit from goods sold and services rendered (20=10-11)	20		3,782,549,865,706	5,228,163,993,772
6. Financial income	21	31	458,804,447,515	522,636,344,213
7. Financial expenses	22	32	1,798,362,520,023	1,698,823,954,991
- In which: Interest expense	23		1,329,955,485,995	863,827,773,803
8. Share of net profit/(loss) from associates	24		14,601,157,653	(47,041,257,995)
9. Selling expenses	25	33	17,072,384,265	17,083,427,539
10. General and administration expenses	26	33	738,773,511,955	990,768,775,194
11. Operating profit (30=20+(21-22)+24-(25+26))	30		1,701,747,054,631	2,997,082,922,266
12. Other income	31	34	21,393,447,944	13,255,383,517
13. Other expenses	32	35	27,497,009,469	6,964,516,483
14. (Loss)/Profit from other activities (40=31-32)	40		(6,103,561,525)	6,290,867,034
15. Profit before tax (50=30+40)	45		1,695,643,493,106	3,003,373,789,300
16. Current corporate income tax expense	51	36	165,502,040,561	443,963,227,723
17. Deferred corporate tax expense/(income)	52		12,696,480,845	(931,319,334)
18. Net profit after corporate income tax (60=50-51-52)	60		1,517,444,971,700	2,560,341,880,911
18.1. Equity holders of the Holding Company	61	37	1,074,882,442,871	2,169,400,552,083
18.2. Non-controlling interests	62		442,562,528,829	390,941,328,828


Quach Thi Hong Lien
Preparer


Ha Thi Minh Nguyet
Chief Accountant


Nguyen Xuan Hoa
Chief Executive Officer

Hanoi, 27 March 2017

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

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2016

Unit: VND

ITEMS	Codes	Current year	Prior year (Restated)
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	1,695,643,493,106	3,003,373,789,300
2. Adjustments for:			
Depreciation and amortisation	02	4,316,469,869,631	2,825,084,251,478
Provisions	03	313,160,541,839	(116,134,176,067)
Unrealised foreign exchange loss	04	197,606,223,355	385,012,879,920
(Gain) from investing activities	05	(352,493,946,874)	(465,666,494,292)
Interest expense	06	1,329,955,485,995	863,827,773,803
Other adjustments	07	14,047,053,691	103,443,173,128
3. Operating profit before movements in working capital	08	7,514,388,720,743	6,598,941,197,270
(Increase)/Decrease in receivables	09	(4,184,629,291,954)	203,690,120,027
(Increase)/Decrease in inventories	10	(16,711,036,159)	124,318,612,123
Increase/(Decrease) in payables (not including accrued loan interest and corporate income tax payable)	11	527,893,767,664	(932,285,337,277)
Decrease in prepaid expenses	12	1,281,685,311,018	353,945,848,990
Interest paid	13	(1,135,190,648,223)	(866,316,894,957)
Corporate income tax paid	14	(241,516,253,470)	(415,588,211,079)
Other cash inflows	15	24,934,962,500	-
Other cash outflows	16	(21,183,728,950)	(24,223,141,981)
Net cash generated by operating activities	20	3,749,671,803,169	5,042,482,193,116
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(1,672,768,912,517)	(372,391,499,506)
2. Proceeds from sale, disposal of fixed assets	22	386,446,363	14,697,192,726
3. Cash outflow for lending, buying debt instruments of other entities	23	(80,000,000,000)	(250,000,000,000)
4. Cash recovered from lending and selling debt instruments of other entities	24	20,162,027,391	4,434,933,209,810
5. Cash recovered from investments in other entities	26	36,176,591,094	-
6. Interest income, dividends and profits received	27	320,375,094,686	577,331,587,938
Net cash generated by investing activities	30	(1,375,668,752,983)	4,404,570,490,968

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

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2016

Unit: VND

ITEMS	Codes	Current year	Prior year (Restated)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	3,510,572,881,334	1,004,520,975,579
2. Repayments of borrowings	34	(6,857,349,559,332)	(8,213,018,829,229)
3. Dividends and profits paid	37	(429,673,679,616)	(1,683,305,389,676)
Net cash (used in) financing activities	40	(3,776,450,357,614)	(8,891,803,243,326)
Net (decrease)/increase in cash (50=20+30+40)	50	(1,402,447,307,428)	555,249,440,758
Cash and cash equivalents at the beginning of the year	60	6,073,487,453,667	5,518,238,012,909
Cash and cash equivalents at the end of the year (70=50+60)	70	4,671,040,146,239	6,073,487,453,667

Quach Thi Hong Lien
Preparer

Ha Thi Minh Nguyet
Chief Accountant



Nguyen Xuan Hoa
Chief Executive Officer

Hanoi, 27 March 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Power Corporation - One Member Company Limited (the "Corporation") was incorporated as one-member limited company and wholly owned by Vietnam Oil and Gas Group, under Decision No. 1468/QĐ-DKVN dated 17 May 2007 issued by the Board of Executive Officers of Vietnam Oil and Gas Group and One-member Company Limited Business Registration Certificate No. 0102276173 dated 31 May 2007 issued by the Hanoi Authority for Planning and Investment and its 12th amendment dated 27 October 2016.

The owner (parent company) of the Corporation is Vietnam Oil and Gas Group ("the Group").

The total number of employees of the Corporation and its subsidiaries as at 31 December 2016 was 2,358 (31 December 2015: 2,289).

Operating industry and principal activities

Operating industry of the Corporation includes:

Generating and trading of electricity; Investment and new construction of independent power plant projects; Investment and development of electricity infrastructure, including investment and commercial operation of medium and low voltage electricity grids, provision of electricity for industrial and consumption purpose; Investment and provision of services in information technology; Research and technology application in investments and development of power projects such as wind, solar, nuclear energy; Import-export and trading of energy, fuel, equipment, materials, components, spare parts for power manufacturing and trading; Provision of technical and operational services, human resources training for operating and maintaining power plants for power generating and trading; Project management and consulting services for power plant projects; Investment, construction, expansion and development of electricity generation and trade; Provision of technical and commercial services in generating and trading of electricity; Construction and operation management of power plants; Provision of certified emission reductions (CERs) of power plants; Construction, development, management and implementation of CDM projects for clean electricity; Warehousing and storage of goods; Wholesale of all kinds of coal; Installation of electrical systems in buildings; Construction works in electricity sector; Procurement services of electrical systems in construction works; Import-export of commodities; Rental of vehicles, cranes, trailers; Sales of ashes and scrap.

As at 31 December 2016, the Corporation has certain power plants in commercial operation phases, including Ca Mau 1 Thermal Power Plant and Ca Mau 2 Thermal Power Plant in Ca Mau province; Nhon Trach 1 and Nhon Trach 2 Power Plants in Dong Nai province, Vung Ang 1 Thermal Power Plant in Ha Tinh province, Nam Cat Hydropower Plant in Bac Kan province, Hua Na Hydropower Plant in Nghe An province and Dakdrinh Hydropower Plant in Quang Ngai province.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less.

The operating characteristics of the Corporation during the financial year that affect the consolidated financial statements

According to Resolution No. 8642/NQ-DKVN dated 31 December 2016, the Group's Board of Members approved the Group to receive back the asset value of 500kV Vung Ang Electricity Center Distribution Yard following Resolution No. 753/NQ-DKVN dated 05 February 2016 of the Group to complete the transferring procedures for Vietnam Electricity Group in accordance with Notice No. 188/TB-VPCP dated 04 June 2015 by the Office of the Government. The delivery time is at 24h00 on 31 December 2016 and the value of transfer is VND 218,489,976,676.

The Corporation's structure

The dependent accounting entities of the Corporation are as follows:

- Branch of PetroVietnam Power Corporation - PetroVietnam Ca Mau Power Company;
- Branch of PetroVietnam Power Corporation - PetroVietnam Nhon Trach Power Company;
- Branch of PetroVietnam Power Corporation - PetroVietnam Ha Tinh Power Company;
- Branch of PetroVietnam Power Corporation - PetroVietnam Power Coal Import and Supply Company.

According to Decision No.74/QD-DLDK-HDTV dated 24 January 2017, the Board of Members of the Corporation decided to establish a branch of PetroVietnam Power Corporation - PVPower GBoard. PVPower GBoard's headquarter is located on the 14th floor, Petroleum Institute Tower, 167 Trung Kinh Street, Cau Giay District, Hanoi and is a dependent accounting entity with the main function of providing consultancy and management services for electricity projects.

Details of the Corporation's subsidiaries/associates as at 31 December 2016 are as follows:

Name	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
		%	%	
Subsidiaries				
Hua Na Hydropower JSC.	Nghe An	84.14	84.14	Power generation
PetroVietnam Power Nhon Trach 2 JSC.	Dong Nai	60.00	60.00	Power generation
Dakdrinh Hydropower JSC.	Quang Ngai	94.83	94.83	Power generation
PetroVietnam Machinery Technology JSC.	Hanoi	51.58	51.58	Trading
PetroVietnam Power Bac Kan JSC.	Bac Kan	95.54	95.54	Power generation
PetroVietnam Power Services JSC.	Hanoi	51.00	51.00	Services
Associates				
Nam Chien Hydropower JSC.	Son La	30.72	30.72	Electricity production
Song Hong Energy JSC.	Yen Bai	44.07	44.07	Electricity production
Song Vang Hydropower JSC.	Da Nang	31.91	31.91	Electricity production
PetroVietnam Northern Machinery - Equipment JSC.	Hanoi	34.58	34.58	Trading

Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the audited consolidated financial statements for the year ended 31 December 2015, which have been restated and reclassified as presented in Note 5.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Corporation's financial year begins on 01 January and ends on 31 December.

3. ADOPTION OF NEW ACCOUNTING GUIDANCE

On 21 March 2016, the Ministry of Finance issued Circular No. 53/2016/TT-BTC ("Circular 53") amending and supplementing certain articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises. Circular 53 is effective for the financial years beginning on or after 01 January 2016. The Board of Executive Officers has adopted Circular 53 in the preparation and presentation of the Corporation's consolidated financial statements for the year ended 31 December 2016.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of the consolidated financial statements in conformity with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires the Board of Executive Officers to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and enterprises controlled by the Corporation (its subsidiaries) up to 31 December each year. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Corporation.

All transactions and balances between the Corporation and its subsidiaries and among the subsidiaries are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit of 10 years.

Goodwill arising on the acquisition of associates and jointly controlled entities is included in the carrying amount of the associates and jointly controlled entities. Goodwill arising on the acquisition of subsidiaries is presented separately as an intangible asset in the consolidated balance sheet.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Gain from a bargain purchase

A gain from a bargain purchase represents the excess of the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition over the cost of acquisition. The gain from a bargain purchase is immediately recognised in the income statement at the acquisition date.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits held to maturity to earn periodic interest.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence. Equity investments in other entities are carried at cost less provision for impairment.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts. Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Current year
	Years
Buildings and structures	5 - 25
Machinery and equipment	5 - 14
Motor vehicles	5 - 10
Office equipment	3 - 7
Others	3 - 5

Tangible fixed assets are revalued in accordance with the State's decisions or when state-owned enterprises are equitised. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the consolidated income statement.

Intangible assets and amortisation

Intangible assets represent land use rights and computer software that are stated at cost less accumulated amortisation. Long-term land use rights are not amortised. Computer software is amortised using the straight-line method over the estimated useful lives of 3 years.

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Corporation to earn rentals, stated at cost less accumulated depreciation.

Investment properties are depreciated using the straight-line method over their estimated useful lives as below:

	Current year
	Years
Buildings and structures	4 - 25
Land use rights	4

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost and other directly attributable costs in accordance with the Corporation's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including prepaid insurance premium for foreign loans, operation and maintenance (O&M) costs and interest fee under power plant maintenance contracts, office rental, site clearance costs, other expenses for current assets in power plants and other prepaid expenses.

Insurance premium and O&M costs are allocated to the consolidated income statement using the straight-line method over loan term and O&M contract term respectively.

Prepaid office rental represents prepaid rental for the office at HH3 Song Da Tower with the term of 49 years from 21 June 2010. These prepayments are allocated to expenses over the prepayment duration.

Site clearance cost, cost of other current assets for power plants are allocated to expenses over the period of 3 years.

Other prepayments are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayments and are allocated to the consolidated income statement, using the straight-line method over the period of three years.

Accrued expenses

Accrued expenses include accrued interest expense and other accrued expenses not yet paid but estimated and recorded as expenses in the year.

Interest expense is recognized on the basis of the principal and interest rate.

Other accrued expenses are expenses incurred in the year, of which invoices have not yet been issued.

Payable provisions

Payable provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the Board of Executive Officers' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Payable provisions represent operation and maintenance expenses for Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 1 Combined Cycle Power Plant and Nhon Trach 2 Combined Cycle Power Plant, which are accrued based on the operating and maintenance contract (O&M contract) and the maintenance and repair plan for these power plants.

Scientific and technological development fund

Scientific and technological development fund is set aside to finance science and technology activities of the Corporation. The fund is appropriated at the rate ranging from 3% to 10% of taxable income before corporate income tax and is recognized in the income statement during the year.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Corporation has transferred to the buyer the significant risks and rewards of ownership of the goods;

- (b) the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Corporation; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Electricity revenue is recognised when the outcome of such transactions can be measured reliably and it is probable that the economic benefits associated with the transactions will flow to the Corporation. Revenue is recognised when the electricity volume connected to the national grid is confirmed in writing.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

For Nhon Trach 1 Thermal Power Plant, according to Investment Certificate No. 47121000093 dated 28 December 2007, the annual preferential corporate income tax rate applicable to Nhon Trach 1 Thermal Power Plant (PetroVietnam Nhon Trach Power One Member Limited Company) is 20% of profit earned for 10 years from commercial operation commencement and 22% for the subsequent years. Nhon Trach 1 Thermal Power Plant is exempted from corporate income tax for two years from the year having taxable profit and is entitled to a 50% reduction in corporate income tax payable for three subsequent years. Since 1 August 2008, PetroVietnam Nhon Trach Power One Member Limited Company has been merged into PetroVietnam Power Corporation - One Member Company Limited and operates as a dependent accounting entity. The year 2014 was the last year that the Corporation is entitled to 50% reduction in corporate income tax payable for Nhon Trach 1 Thermal Power Plant Project; consequently, for 2016, the Corporation did not apply tax incentive rate in calculation of corporate income tax payable of this project.

For the Ca Mau 1 Power Plant and Ca Mau 2 Power Plant project, according to Investment Certificate No. 61101000098 dated 31 March 2010 issued by the People's Committee of Ca Mau Province, the project is entitled to a corporate income tax exemption for 4 years and a 50% reduction in tax payable for the 7 years thereafter. The year 2016 is the fourth year the Corporation has adopted 50% corporate income tax reduction for the Ca Mau 1 Power Plant and Ca Mau 2 Power Plant Project.

For Nhon Trach 2 Thermal Power Plant, PetroVietnam Power Nhon Trach 2 Joint Stock Company (NT2 - the Corporation's subsidiary) is entitled to tax rate of 10% of the taxable profit from production and trading of electricity for 15 years from the first year having revenue; and current tax rate (2016: current tax rate of 20%) for the years thereafter. NT2 is entitled to corporate income tax exemption for 4 years from the year that the Corporation has taxable profit from production and trading of electricity and a 50% tax reduction for the 9 years thereafter. The year 2016 is the second year the Corporation has adopted 50% tax reduction for corporate income tax payable applicable to Nhon Trach 2 Thermal Power Plant.

Hua Na Hydropower Plant Project is a new investment project in Que Phong, Nghe An province, which is a location with extremely difficult economic-social conditions as per Decree No. 124/2008/ND-CP dated 11 December 2008 and Decree No. 218/2013/ND-CP dated 26 December 2013 of the Government. According to Law on corporate income tax No. 14/2008/QH12 dated 03 June 2008 of the National Assembly, which was amended and supplemented by laws amending and supplementing some articles of Law on corporate income tax No. 32/2013/QH13 dated 19 June 2013, Hua Na Hydropower Joint Stock Company (HHC - the Corporation's subsidiary) is entitled to 10% corporate income tax rate for the first 15 years of operation, to a tax exemption for 4 years, and a 50% tax reduction for 9 years thereafter. Tax reduction, exemption period is calculated on a continuous basis, starting from the first year that HHC incurs taxable profit from the project entitled to tax incentives.

For Dakdrinh Hydropower Plant Project, according to Investment Certificate No. 34121000029 dated 25 June 2008, Dakdrinh Hydropower Joint Stock Company (the Corporation's subsidiary) is entitled to tax incentives stipulated in Decree No. 24/2007/ND-CP dated 14 February 2007 of the Government detailing the implementation of the Law on enterprise income tax (which was replaced by Decree No.218/2013/ND-CP dated 26 December 2013).

Other subsidiaries of the Corporation are obligated to pay corporate income tax at the rate of 20%.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

5. RETROSPECTIVE ADJUSTMENTS TO THE ISSUED 2015 CONSOLIDATED FINANCIAL STATEMENTS

After issuance of the Corporation's 2015 consolidated financial statements signed on 31 March 2016, the Corporation received Inspection Minutes dated 04 May 2016 on its 2015 financial statements from the Ministry of Finance Inspectorate (the "MFI"). According to the recommendations of the MFI, the Corporation should review and make adjustments to some of its 2015 consolidated financial statements items based on the inspection results. The Board of Executive Officers therefore determined that the previously issued 2015 consolidated financial statements should be adjusted in accordance with the MFI's recommendations. Impacts of the retrospective adjustments are presented as follows:

CONSOLIDATED BALANCE SHEET

Items	Opening balance (Before adjustment)	Retrospective adjustment	Opening balance (After adjustment)
	VND	VND	VND
LIABILITIES			
1. Taxes and amounts payable to the State budget	243,442,618,779	13,476,569,081	256,919,187,860
2. Other current payables	4,121,791,573,932	(305,911,910,837)	3,815,879,663,095
3. Long-term provisions	766,636,934,278	(60,714,416,457)	705,922,517,821
4. Scientific and technological development fund	105,795,605,235	2,194,501,086	107,990,106,321
RESOURCES			
1. Retained earnings	997,237,897,731	350,955,257,127	1,348,193,154,858

CONSOLIDATED INCOME STATEMENT

Items	Prior year (Before adjustment)	Retrospective adjustment	Prior year (After adjustment)
	VND	VND	VND
1. Cost of sales	18,062,927,935,935	(60,714,416,457)	18,002,213,519,478
2. Financial expenses	2,828,040,681,438	(1,129,216,726,447)	1,698,823,954,991
3. General and administration expenses	988,574,274,108	2,194,501,086	990,768,775,194
4. Accounting profit before tax	1,815,637,147,482	1,187,736,641,818	3,003,373,789,300
5. Current corporate income tax expense	430,486,658,642	13,476,569,081	443,963,227,723
6. Net profit after corporate income tax	1,386,081,808,174	1,174,260,072,737	2,560,341,880,911
<i>Equity holders of the Holding Company</i>	<i>995,140,479,346</i>	<i>1,174,260,072,737</i>	<i>2,169,400,552,083</i>

CONSOLIDATED CASH FLOW STATEMENT

Items	Prior year (Before adjustment)	Retrospective adjustment	Prior year (After adjustment)
	VND	VND	VND
Profit before tax	1,815,637,147,482	1,187,736,641,818	3,003,373,789,300
Provisions	(55,419,759,610)	(60,714,416,457)	(116,134,176,067)
Foreign exchange loss arising from translating foreign currency items	1,514,229,606,367	(1,129,216,726,447)	385,012,879,920
Other adjustments	101,248,672,042	2,194,501,086	103,443,173,128

Additionally, PetroVietnam Power Nhon Trach 2 JSC and PetroVietnam Machinery Technology JSC (02 subsidiaries of the Corporation) have reclassified certain opening balances to enhance their comparability with closing balances. Details are as follows:

Items	Opening balance (After adjustment)	Reclassification	Opening balance (After adjustment and reclassification)
	VND	VND	VND
LIABILITIES			
1. Short-term accrued expenses	1,225,944,867,439	(40,055,523,943)	1,185,889,343,496
2. Other current payables	3,815,879,663,095	21,429,137,266	3,837,308,800,361
3. Long-term provisions	705,922,517,821	18,626,386,677	724,548,904,498

6. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	5,354,273,623	2,811,419,079
Bank demand deposits	536,381,432,649	754,140,391,029
Cash equivalents (i)	4,129,304,439,967	5,316,535,643,559
	4,671,040,146,239	6,073,487,453,667

(i) Cash equivalents represent deposits at banks with original terms of three months or less.

As at 31 December 2016, bank demand deposits of the Corporation and its subsidiaries included an amount of VND 30,329,516,797 (31 December 2015: VND 30,019,589,182) at Ocean Commercial One Member Limited Liability Bank which was suspended. The Board of Executive Officers assessed that this amount would be reactivated in the future when there are specific regulations of the State Bank of Vietnam.

7. FINANCIAL INVESTMENTS

a) Short-term financial investments

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
Held-to-maturity investments (i)	60,000,000,000	60,000,000,000	150,000,000,000	150,000,000,000
	60,000,000,000	60,000,000,000	150,000,000,000	150,000,000,000

(i) As at 31 December 2016, the balance of held-to-maturity investments represented 12-month-term bank deposits with interest rates ranging from 5.1% to 6.7% p.a.

b) Long-term financial investments

b1) Investments in associates

Investments in associates under the equity method are as follows:

	Closing balance	Opening balance
	VND	VND
Nam Chien Hydropower JSC	273,930,513,663	232,042,305,519
Song Hong Energy JSC	31,377,339,213	27,731,707,967
Song Vang Hydropower JSC	17,280,361,249	17,198,839,620
PetroVietnam Northern Machinery - Equipment JSC	904,093,413	846,479,114
	323,492,307,538	277,819,332,220

Details of adjustments to investments in associates under the equity method as at 31 December 2016 are as follows:

	Cost	Adjustment (decrease)	After adjustment
	VND	VND	VND
Nam Chien Hydropower JSC	302,295,301,000	(28,364,787,337)	273,930,513,663
Song Hong Energy JSC	32,887,500,000	(1,510,160,787)	31,377,339,213
Song Vang Hydropower JSC	57,128,233,926	(39,847,872,677)	17,280,361,249
PetroVietnam Northern Machinery - Equipment JSC	904,093,413	-	904,093,413
	393,215,128,339	(69,722,820,801)	323,492,307,538

b2) Investments in other entities

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Viet Lao Power JSC.	320,049,656,500	-	320,049,656,500	-
Investing in HH3 Nam An Khanh, Hoai Duc, Hanoi Project	81,741,478,800	-	-	-
FCC Vietnam Co., Ltd	49,495,000,000	-	16,800,000,000	-
North-West Electric Investment and Development JSC.	38,037,521,044	-	38,037,521,044	-
Motorcycles Auto Parts Showa Vietnam Co., Ltd	36,673,137,983	-	36,673,137,983	-
Song Tranh 3 Hydropower JSC.	29,341,800,000	212,470,868	29,341,800,000	212,470,868
EVN International JSC.	28,800,000,000	-	28,800,000,000	-
PetroVietnam Urban Development JSC.	18,202,000,000	18,202,000,000	18,202,000,000	18,185,958,469
Nippon Seiki Vietnam Co., Ltd	11,781,000,000	-	11,781,000,000	-
High Tech Concrete Investment JSC	11,140,000,000	11,140,000,000	11,140,000,000	11,140,000,000
Petroleum Information Technology Telecom and Automation JSC	5,040,000,000	-	5,040,000,000	163,047,979
Nhon Trach Shipyard JSC	3,621,000,000	565,814,588	3,621,000,000	585,753,079
PetroVietnam Electrical Construction JSC.	3,000,000,000	-	3,000,000,000	-
Nghe An Foods JSC	2,016,000,000	2,016,000,000	2,016,000,000	2,016,000,000
Son Tra Song Da Hydropower JSC.	1,228,800,000	1,228,800,000	1,228,800,000	1,228,800,000
PetroVietnam Mechanical and Electrical JSC.	1,000,000,000	101,553,932	1,000,000,000	101,553,933
Southern PetroVietnam Machinery Technology JSC.	841,102,790	680,584,598	841,102,790	680,584,598
Asia Pacific Energy JSC.	550,000,000	550,000,000	550,000,000	550,000,000
PetroVietnam Southern Building and Development JSC.	-	-	10,100,000,000	-
Business cooperation - Hanoi Supermarket Company	-	-	170,431,509	-
	642,558,497,117	34,697,223,986	538,392,449,826	34,864,168,926

Under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance, fair value of investments as at 31 December 2016 should be disclosed. However, the Corporation has not determined such fair value due to failure to obtain reliable information. The fair value of the investments as at 31 December 2016 therefore has not been presented in the notes to the consolidated financial statements.

8. TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
a) Short-term trade receivables		
Electric Power Trading Company	9,341,107,039,397	3,925,586,306,449
Other customers	437,416,730,445	387,575,075,405
Trade receivables from related parties		
PetroVietnam Ca Mau Fertilizer Company Limited	36,480,131,568	26,139,436,170
PetroVietnam Construction Joint Stock Corporation	8,067,090,760	8,067,090,760
PetroVietnam Low Pressure Gas Distribution Joint Stock Company	3,931,782,113	5,538,379,489
Structural Metals and Petroleum Equipment Assembly JSC	332,592,435	3,547,301,175
Vietnam Oil and Gas Group	-	134,132,489,555
	9,827,335,366,718	4,490,586,079,003
b) Long-term trade receivables		
Electric Power Trading Company (*)	164,486,554,947	328,973,109,894
	164,486,554,947	328,973,109,894

(*) Long-term trade receivables represent the amount of PetroVietnam Nhon Trach 2 Power Company (NT2 – a subsidiary of the Corporation) receivable from Electric Power Trading Company for additional electricity charges according to official quotation of Nhon Trach 2 Combined Cycle Power Plant for the period from 01 May 2012 to 31 December 2013, with collection period over 12 months.

9. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a) Short-term		
Vietnam Oil and Gas Group (i)	218,833,494,207	580,151,155,944
PetroVietnam Vung Ang - Quang Trach Power Project Management Unit (ii)	43,993,472,583	140,978,396,532
Lilama Corporation	11,354,469,601	-
Accrued interest on bank deposits	9,853,916,777	18,409,358,548
Value of Line 220kV handed over to Electricity Transmission 1 Company (iii)	2,929,046,206	364,087,026,232
Siemens Aktiengesellschaft (iv)	-	87,645,380,153
Others	36,685,669,379	36,186,669,156
	323,650,068,753	1,227,457,986,565
b) Long-term		
Site clearance and compensation	37,652,707,000	38,782,753,000
Long-term deposits	1,748,756,250	1,715,937,800
Others	-	215,860,000
	39,401,463,250	40,714,550,800

(i) As at 31 December 2016, the receivable balance from Vietnam Oil and Gas Group mainly represents the value of the 500kV distribution yard allocated to Vung Ang 1 Thermal Power Plant, which has been handed over to the Group pursuant to Resolution No. 8642/NQ-DLDK dated 31 December 2016 of Vietnam Oil and Gas Group on the acceptance of taking back the value of the 500kV distribution yard of Vung Ang Power Center which had been transferred to the Corporation under Resolution No. 753/NQ-DKVN dated 05 February 2016 (see Note 13).

(ii) Receivables from PetroVietnam Vung Ang - Quang Trach Power Project Management Unit represent operating expenses of Vung Ang 1 Production Preparation Unit, staff training cost for Vung Ang Thermal Power Plant.

(iii) According to the SAV's Audit Minutes dated 03 November 2015 regarding an audit of the item of 220KV line connected to the national power system of Hua Na Hydropower Project, the finalised cost of the 220KV line project is VND 364,087,026,232. Hua Na Hydropower Joint Stock Company (HHC - a subsidiary of the Corporation) agreed with Electricity Transmission 1 Company about the handover of such cost. According to Official Letter No. 2209 / BTC-CST dated 21 February 2017 of the Ministry of Finance on the policy of value added tax, natural resource tax and accounting when handing over the 200 kV line, the case in which HHC handed over the Hua Na - Thanh Hoa 200 kV transmission line to Power Transmission Company 1 is considered the transfer of projects which are not required to declare and pay value added tax.

(iv) Receivables from Siemens Aktiengesellschaft as at 31 December 2015 represented the corporate income tax amounts to be paid by PetroVietnam Power Services Joint Stock Company (PVPS - a subsidiary of the Corporation) on behalf of the foreign contractor Siemens Aktiengesellschaft for the period from May 2008 to December 2015. Such amounts consist of (1) a tax amount of VND 80,943,929,849 for the period from May 2008 to November 2014 (according to Decision No. 60944/KL-CT-KTT2 dated 24 September 2015 issued by the head of the Hanoi Tax Department) and (2) an estimated tax amount of VND 6,701,450,304 for the period from December 2014 to December 2015. In 2016, the receivables mentioned above were offset against Siemens liabilities.

10. BAD DEBTS

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Value of receivables and loans that are overdue or not overdue but unlikely recoverable				
Tan Hong Import & Export JSC (*)	96,856,865,496	67,799,805,847	96,856,865,496	96,856,865,496
Vina Megastar Group JSC (*)	33,627,654,160	-	33,627,654,160	33,627,654,160
Thanh Duc Limited Company (*)	21,344,119,114	-	21,494,119,114	-
D&T Import - Export Trading JSC (*)	16,985,149,669	-	16,985,149,669	-
IMICO PetroVietnam Construction JSC (*)	15,381,516,087	4,614,454,826	97,122,994,887	97,122,994,887
PetroVietnam Power Project Consulting JSC	11,161,659,616	918,398,666	10,243,260,950	-
Mien Trung Petroleum Construction JSC	7,045,317,471	-	7,045,317,471	-
Others	66,795,146,558	17,841,892,613	77,009,838,890	25,774,788,556
	269,197,428,171	91,174,551,952	360,385,200,637	253,382,303,099

The Corporation's Board of Executive Officers determines that recoverable amounts are equal to the cost of the receivables less the provision of these receivables.

(*) Represent some of the overdue debts of PetroVietnam Machinery Technology Joint Stock Company (PVMA - a subsidiary of the Corporation). PVMA has made provision for these overdue debts according to current regulations.

11. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials (i)	1,254,472,107,955	-	1,407,484,937,222	-
Tools and supplies	10,231,900,788	-	3,748,699,232	-
Work in progress (ii)	2,045,376,517,297	-	2,251,100,078,508	-
Merchandise	36,919,416,401	(182,400,000)	38,380,887,788	(182,400,000)
	3,346,999,942,441	(182,400,000)	3,700,714,602,750	(182,400,000)

(i) As at 31 December 2016, the cost of raw materials mainly represented the cost of provisional materials and equipment of PetroVietnam Power Services Joint Stock Company (PVPS – a subsidiary of the Corporation) which were imported for the purpose of maintenance and overhaul of gas turbines at Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 2 Combined Cycle Power Plant under long-term maintenance contracts with an amount of about VND 465 billion (as at 31 December 2015: VND 486 billion).

(ii) As at 31 December 2016, work in progress included costs of technical services incurred by PetroVietnam Power Services Joint Stock Company (PVPS - a subsidiary of the Corporation) related to acquisition of imported materials and equipment and other costs for the maintenance of Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 2 Combined Cycle Power Plant under a contract signed between PVPS and the contractor Siemens (Siemens Aktiengesellschaft and Siemen Vietnam Company Limited) with an amount of approximately VND 2,016 billion (31 December 2015: VND 2,001 billion).

For this inventory item, PVPS acted as an intermediary to record it as payable to contractors who rendered repair and maintenance services to power plants and to record the same amount as receivable from such power plants. The balances of inventories and the corresponding payables will be settled and adjusted when the contracts with suppliers expire.

12. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a) Short term		
Insurance for the operation of Nhon Trach 1&2 Power Plants	23,032,601,179	14,216,494,080
Insurance for the operation of Hua Na and Nam Cat Power Plants	3,856,581,982	-
Insurance for the operation of Ca Mau 1&2 Power Plants	-	14,082,652,680
Other prepayments	1,720,812,724	3,804,658,972
	28,609,995,885	32,103,805,732
b) Long term		
Credit loan insurance premiums (i)	284,363,481,902	380,148,837,329
Mobilisation fee, variable and fixed cost of equipment maintenance contract (ii)	208,742,615,755	242,481,734,966
Operations and maintenance expenses (iii)	171,252,705,036	223,945,845,068
Office rental	37,285,966,291	40,563,390,825
Goodwill	28,576,408,849	28,582,230,577
Life insurance premium	13,841,666,667	-
Land rental	11,287,270,625	12,300,420,500
Deferred repair expenses for Nhon Trach 2 Power Plant	10,951,128,462	41,860,145,380
Site clearance and resettlement cost for Dakdrinh Hydropower Plant Project	-	883,772,150,614
Others	37,612,498,778	17,381,037,784
	803,913,742,365	1,871,035,793,043

(i) Credit loan insurance premiums: under export credit loan contracts signed between PetroVietnam Power Nhon Trach 2 Joint Stock Company (NT2 - a subsidiary of the Corporation) and bank creditors in which Citibank acts as an agent, loan insurance premiums were issued by HERMES and NEXI to the creditors for the whole loan term of 2.5 years for grace period and 9.5 years of repayment period. The premiums are allocated on a straight-line basis corresponding to the loan terms with regard to long-term loans.

(ii) Mobilisation fees, variable costs and fixed costs of equipment maintenance contracts: according to long-term equipment maintenance contract between NT2 and the contractors for the maintenance of major machinery and equipment for Nhon Trach 2 Combined Cycle Power Plant for a term of 11.7 years or 200,000 EOH. Mobilisation fee, fixed costs and variable costs are paid before Nhon Trach 2 Combined Cycle Power Plant starts its commercial operation and are recognised in the consolidated income statement of the year according to the number of EOH actually incurred.

(iii) As at 31 December 2016, operation and maintenance expenses represent the mobilisation fee paid to foreign contractors and the remaining value of the contract on "Minor repairs of 2008" amounting to VND 154,468,189,566 and VND 16,784,515,470 respectively, which are unallocated to operation and maintenance expenses related to O&M contract for Ca Mau 1 Power Plant and Ca Mau 2 Power Plant. The mobilisation fee and the remaining value of the contract on "Minor repairs of 2008" are allocated to expenses based on the contract value, corresponding to 100,000 EOH.

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	41,388,954,716,875	25,960,631,358,745	272,120,414,213	93,735,819,416	91,630,000	67,715,533,939,249
New purchases	2,259,838,428	16,134,946,757	30,313,695,909	15,746,613,649	-	64,455,094,743
Transfer from construction in progress	1,461,741,003,463	(59,476,925,178)	5,022,792,908	1,034,241,000	-	1,408,321,112,193
Handed over to the Group (*)	-	(218,489,976,676)	-	-	-	(218,489,976,676)
Reclassification	(25,082,086,286,845)	22,959,796,805,032	-	(1,323,194,000)	2,123,612,675,813	-
Disposals	-	(257,845,800)	(621,847,922)	-	-	(879,693,722)
Closing balance	17,770,869,271,921	48,658,338,362,880	306,835,055,108	109,193,480,065	2,123,704,305,813	68,968,940,475,787
ACCUMULATED DEPRECIATION						
Opening balance	2,164,677,825,691	14,248,945,441,518	178,439,234,299	68,955,414,451	91,630,000	16,661,109,545,959
Charge for the year	760,121,653,789	3,421,363,190,455	26,796,756,451	10,346,745,485	88,665,553,198	4,307,293,899,378
Reclassification	(577,272,780)	52,869,820	577,272,780	(52,869,820)	-	-
Disposals	-	(13,132,344)	(621,847,922)	-	-	(634,980,266)
Other increases	-	682,993,474	-	26,837,280	-	709,830,754
Closing balance	2,924,222,206,700	17,671,031,362,923	205,191,415,608	79,276,127,396	88,757,183,198	20,968,478,295,825
NET BOOK VALUE						
Opening balance	39,224,276,891,184	11,711,685,917,227	93,681,179,914	24,780,404,965	-	51,054,424,393,290
Closing balance	14,846,647,065,221	30,987,306,999,957	101,643,639,500	29,917,352,669	2,034,947,122,615	48,000,462,179,962

(*) According to Resolution No. 8642/NQ-DLDK dated 31 December 2016 of Vietnam Oil and Gas Group ("Resolution 8642") on the acceptance of taking back the value of 500kV Distribution Yard of Vung Ang Power Center which had been transferred to the Corporation under Resolution No. 753/NQ-DKVN dated 05 February 2016 ("Resolution 753"). The time of transfer was at 24:00 on 31 December 2016 and the value of transferred assets was VND 218,489,976,676 (equal to the value of asset which had been handed over under Resolution 753).

The cost of the Corporation's tangible fixed assets as at 31 December 2016 includes VND 100,578,196,978 (31 December 2015: VND 76,753,328,742) of the assets which have been fully depreciated but are still in use.

The Corporation has pledged all the assets formed from the projects for constructions of Hua Na Hydropower Plant and Bac Kan Hydropower Plant to secure banking facilities.

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
Opening balance	42,368,849,139	36,655,305,082	79,024,154,221
New purchases	10,626,274,200	494,000,000	11,120,274,200
Transfer from construction in progress	-	1,766,000,000	1,766,000,000
Closing balance	52,995,123,339	38,915,305,082	91,910,428,421
ACCUMULATED AMORTISATION			
Opening balance	-	18,709,883,286	18,709,883,286
Charge for the year	-	5,233,727,603	5,233,727,603
Closing balance	-	23,943,610,889	23,943,610,889
NET BOOK VALUE			
Opening balance	42,368,849,139	17,945,421,796	60,314,270,935
Closing balance	52,995,123,339	14,971,694,193	67,966,817,532

The cost of the Corporation's intangible assets as at 31 December 2016 includes VND 9,380,864,586 (31 December 2015: VND 1,238,922,350) of the assets which have been fully amortised but are still in use.

15. INCREASES, DECREASES IN INVESTMENT PROPERTY

	Land use rights VND	Buildings and structures VND	Total VND
COST			
Opening balance	7,779,542,940	9,766,080,000	17,545,622,940
Closing balance	7,779,542,940	9,766,080,000	17,545,622,940
ACCUMULATED DEPRECIATION			
Opening balance	5,834,657,198	7,497,080,763	13,331,737,961
Charge for the year	1,944,885,742	1,997,356,908	3,942,242,650
Closing balance	7,779,542,940	9,494,437,671	17,273,980,611
NET BOOK VALUE			
Opening balance	1,944,885,742	2,268,999,237	4,213,884,979
Closing balance	-	271,642,329	271,642,329

16. CONSTRUCTION IN PROGRESS

	Current year VND	Prior year VND
Opening balance	564,968,570,683	313,720,797,754
Increase in the year	1,135,973,706,480	374,856,783,256
Transfer to tangible fixed assets	(1,408,321,112,193)	(122,984,053,827)
Transfer to intangible assets	(1,766,000,000)	(624,956,500)
Charge to expenses	(9,641,172,373)	-
Closing balance	281,213,992,597	564,968,570,683

Details of construction in progress as at 31 December 2016 are as follows:

	Closing balance	Opening balance
	VND	VND
Luang Prabang Hydropower Project (i)	129,647,670,047	128,975,526,822
Hua Na Hydropower Plant	99,756,752,741	318,432,817,904
Commune 2 Project	25,609,491,717	25,609,491,717
Public Service House Improvement Project	16,205,884,103	-
Nhon Trach 1 Thermal Power Plant project	-	78,159,556,657
Hoa Thang district Wind Power Plant	-	5,338,923,964
Others	9,994,193,989	8,452,253,619
	281,213,992,597	564,968,570,683

(i) Luang Prabang Hydropower Plant Project was under construction phase and is currently suspended.

According to Notice No. 6789/TB-DKVN dated 27 October 2016 on the conclusion of Deputy CEO of Vietnam Oil and Gas Group on the implementation of the work items in the Luang Prabang Hydropower Project in Laos, the Group assigned the Corporation to work with the Laos Ministry of Energy and Mines to complete the signing of the Memorandum of Understanding for the Luang Prabang Hydropower Project (MOU) replacing the 3rd MOU (expired on 26 December 2016), with a next extension until September 2019, as negotiated and agreed by the Ministry of Industry and Trade (Vietnam) and the Ministry of Energy and Mines (Laos).

According to Notice No. 379/TB-VPCP dated 23 November 2016 on the conclusion of Mr Trinh Dinh Dung - Vietnam Deputy Prime Minister at the deployment meeting of the Memorandum of Understanding between the Government of Vietnam and the Government of Laos on co-development of hydropower projects in Laos, electrical system and trading of electricity, Mr Trinh Dinh Dung - Deputy Prime Minister assigned the Vietnam Ministry of Industry and Trade to command the Vietnam Oil and Gas Group (PetroVietnam) to set up a joint stock company combining the Group, at least one capable and experienced Vietnamese company and PT Sole Company of Laos to implement the Luang Prabang hydropower project.

As of this reporting date, the Corporation is continuing to work with the Laos Ministry of Energy and Mines to extend the Memorandum of Understanding for the fourth time.

17. LONG-TERM RESERVED SPARE PARTS

As at 31 December 2016, the balance of long-term reserved spare parts represents the value of spare parts reserved for repair and maintenance according to the technical requirements in Nhon Trach 1 Combined Cycle Power Plant, Ca Mau 1 Power Plant, Ca Mau 2 Power Plant, Vung Ang 1 Thermal Power Plant and Hua Na Hydropower Plant.

18. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
a) Short-term trade payables				
Siemens Aktiengesellschaft (i)	2,485,012,443,931	2,485,012,443,931	2,921,069,814,193	2,921,069,814,193
Infrastructure Development and Construction Corporation	122,937,577,324	122,937,577,324	101,179,330,725	101,179,330,725
Song Da Corporation	79,717,032,931	79,717,032,931	223,046,315,754	223,046,315,754
Vietnam Lilama Corporation	38,131,385,328	38,131,385,328	127,216,596,958	127,216,596,958
Others	496,035,936,833	496,035,936,833	499,656,284,137	499,656,284,137
b) Trade payables to related parties (Presented in Note 38)	2,946,942,904,441	2,946,942,904,441	925,234,893,358	925,234,893,358
	6,168,777,280,788	6,168,777,280,788	4,797,403,235,125	4,797,403,235,125

(i) PetroVietnam Power Services Joint Stock Company (PVPS - a subsidiary of the Corporation) recognised trade payables to Siemens Aktiengesellschaft based on custom declarations for import of materials and equipment for maintenance and overhaul of Ca Mau 1 Power Plant, Ca Mau Power 2 Plant and Nhon Trach 2 Combined Cycle Power Plant.

Balances of respective trade payables and inventories will be finalised and adjusted when the contract between the Company and the supplier expires.

19. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

Items	Opening balance	Movement during the year		Closing balance
	(Restated)	Amount payable	Amount paid	
	VND	VND	VND	VND
a) Receivables				
Value added tax	1,468,057,576	124,667,409,135	123,199,351,559	-
Import duty	-	4,192,854,111	4,192,854,111	-
Corporate income tax	662,747,660	10,162,874	-	652,584,786
Personal income tax	21,051,484	21,051,484	-	-
Other taxes	139,000,000	1,000,000	-	138,000,000
	2,290,856,720	128,892,477,604	127,392,205,670	790,584,786
b) Payables				
Value added tax	133,887,086,298	920,516,117,298	728,620,318,914	325,782,884,682
Corporate income tax	99,892,242,127	165,502,040,561	241,516,253,470	23,878,029,218
Natural resources tax	9,651,305,295	150,087,090,509	144,187,471,978	15,550,923,826
Personal income tax	7,355,395,950	33,143,754,585	35,737,729,055	4,761,421,480
Fee for environmental protection	4,121,450,000	10,424,753,300	10,423,501,640	4,122,701,660
Other payables	2,011,708,190	25,315,198,491	26,098,182,144	1,228,724,537
	256,919,187,860	1,304,988,954,744	1,186,583,457,201	375,324,685,403

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	(Restated)
		VND
Accrued gas expenses (i)	3,130,897,479,317	942,074,047,245
Interest expenses (ii)	234,272,702,650	60,599,002,024
Expenses for Siemens (iii)	142,367,113,453	-
Operation and maintenance expenses (iv)	70,809,211,912	116,930,257,217
Taxes, fees for loans	17,200,024,636	-
Electricity, water for plant operation (v)	15,977,592,978	34,523,584,060
Other accrued expenses	45,065,291,862	31,762,452,950
	3,656,589,416,808	1,185,889,343,496

(i) Represent accrued gas expenses for gas purchased for Nhon Trach 1 Combined Cycle Power Plant and Nhon Trach 2 Combined Cycle Power Plant, of which invoices have not been issued yet.

(ii) Accrued interest expenses as at 31 December 2016 represent interest on credit contracts financing power plant projects of the Corporation.

(iii) The expense to be paid by the Siemens Aktiengesellschaft contractor for maintenance and repairs carried out in the fourth quarter of 2016 at the Corporation.

(iv) Operation and maintenance expenses were accrued in accordance with O&M contracts for Vung Ang 1 Thermal Power Plant and Nhon Trach 2 Combined Cycle Power Plant.

(v) Represent accrued expenses for electricity and water to operate Vung Ang Thermal Power plant, of which invoices have not yet been issued.

21. OTHER PAYABLES

	Closing balance	Opening balance
	VND	(Restated)
		VND
a) Short-term		
Payables to Vietnam Oil and Gas Group (i)	556,491,691,416	3,774,506,105,222
Dividends payable to shareholders	60,978,095,730	10,841,900,994
Payable on equitization	21,429,137,266	27,137,967,061
Natural resource tax, forest environment fee	11,260,213,707	-
Grants, support funds	-	1,013,424,355
Other payables	63,954,613,550	23,809,402,729
	714,113,751,669	3,837,308,800,361
b) Long-term		
Long-term deposits	18,500,000	479,720,300
Long-term business cooperation contract payables	699,831,540	6,846,234,536
	718,331,540	7,325,954,836

(i) As at 31 December 2016, other payable to the Vietnam Oil and Gas Group reflects the remaining profit after tax after appropriating funds in 2016, which was payable to the Vietnam Oil and Gas Group according to Resolution No. 15/NQ-DLDK-HDTV dated 8 February 2017 of the Board of Members of the Corporation approving the temporary distribution from 2016 profit of the parent company - Petrovietnam Power Corporation.

22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

Items	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Short-term loans	313,803,777,641	313,803,777,641	213,796,573,869	392,651,213,179	134,949,138,331	134,949,138,331
Current portion of long-term loans (Presented in Note 23)	6,337,307,126,788	6,337,307,126,788	5,787,306,093,668	6,371,783,187,777	5,752,830,032,679	5,752,830,032,679
Total	6,651,110,904,429	6,651,110,904,429	6,001,102,667,537	6,764,434,400,956	5,887,779,171,010	5,887,779,171,010

Details of short-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
a) Short-term loans		
Vietnam Public Joint Stock Commercial Bank	92,886,978,000	118,277,318,337
Vietnam International Commercial Joint Stock Bank	15,425,136,014	30,000,000,000
JSC Bank for Foreign Trade of Vietnam	12,990,530,000	43,120,701,500
Military Commercial Joint Stock Bank	11,096,494,317	12,013,494,318
Individuals	2,550,000,000	3,100,000,000
Vietnam Technological and Commercial Joint Stock Bank	-	60,886,450,912
Joint Stock Commercial Bank for Investment and Development of Vietnam	-	37,663,615,421
Saigon - Hanoi Commercial Joint Stock Bank	-	8,742,197,153
	134,949,138,331	313,803,777,641
b) Current portion of long-term loans	5,752,830,032,679	6,337,307,126,788
<i>(Presented in Note 23)</i>		
	5,887,779,171,010	6,651,110,904,429

23. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

Items	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Long-term loans	33,410,927,266,362	33,410,927,266,362	3,715,709,620,423	6,704,955,822,679	30,421,681,064,106	30,421,681,064,106
Total	33,410,927,266,362	33,410,927,266,362	3,715,709,620,423	6,704,955,822,679	30,421,681,064,106	30,421,681,064,106

Details of long-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
Loans for Vung Ang Thermal Power Plant which is transferred from Vietnam Oil and Gas Group (i)	14,411,475,537,982	17,163,397,138,609
Citibank	4,461,298,558,270	5,537,609,887,691
Credit Agricole Corporate and Investment Bank	3,370,133,333,258	3,774,094,444,420
Vietnam Public Joint Stock Commercial Bank	2,038,298,426,086	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam	1,859,282,752,702	2,455,541,908,564
Vietnam Development Bank - Nghe An branch	1,588,192,734,484	1,856,445,443,198
Saigon-Hanoi Commercial Joint Stock Bank	922,110,846,935	42,251,838,436
Calyon Bank	528,240,000,000	1,063,568,750,000
An Binh Commercial Joint Stock Bank	352,889,944,699	180,000,000,000
Military Commercial Joint Stock Bank	315,906,976,392	240,020,595,707
Vietnam Joint Stock Commercial Bank for Industry and Trade	269,655,118,976	305,607,118,976
Vietnam Prosperity Joint Stock Commercial Bank	194,046,933,097	200,526,931,298
Ho Chi Minh City Housing Development Joint Stock Commercial Bank	109,079,836,225	127,259,808,929
Individuals	1,070,065,000	4,546,475,000
ANZ Bank	-	432,964,284,464
Joint Stock Commercial Bank for Investment and Development of Vietnam	-	27,092,641,071
	30,421,681,064,106	33,410,927,266,362
Less: Amount due for settlement within 12 months (presented in the short-term loans and liabilities)	5,752,830,032,679	6,337,307,126,788
Amount due for settlement after 12 months	24,668,851,031,427	27,073,620,139,574

(i) According to Resolution No. 753/NQ-DKVN dated 05 February 2016 of the Board of Members of Vietnam Oil and Gas Group ("the Group"), the Group approved to transfer Vung Ang 1 Thermal Power Plant and Vung Ang Power Center 500kV Distribution Yard to the Corporation from 24:00 on 31 December 2015. Accordingly, the Group transferred loan contracts denominated in USD used to finance Vung Ang Thermal Power Plant with amount as at 31 December 2015 of USD 764,516,576.33 (equivalent to VND 16,034,180,412,163) to the Corporation. As at 31 December 2016, the balance of these loans is USD 634,307,902.19 (equivalent to VND 14,411,475,537,982, in which the Corporation has determined foreign exchange losses incurred at the end of the year due to the revaluation of loans denominated in foreign currency with the amount of VND 171,263,133,591 and recognized these losses in the income statement of the year 2016). At the date of these consolidated financial statements, the Group was processing procedures to authorize the Corporation to settle obligations in the aforementioned contracts.

Details of loans by disbursed currency are as follows:

	Closing balance	Opening balance
	VND	VND
Loans disbursed in United States Dollar	22,461,256,175,696	27,658,928,446,959
Loans disbursed in Euro	2,169,174,006,516	2,989,709,557,059
Loans disbursed in Vietnam Dong	5,791,250,881,894	2,762,289,262,344
	30,421,681,064,106	33,410,927,266,362

The long-term loans of the Corporation classified by type of guarantee are as follows:

	Closing balance	Opening balance
	VND	VND
Unsecured	3,242,439,401,072	374,585,053,663
Guarantee from the third party	24,630,430,182,212	30,421,217,710,201
Secured by assets	2,548,811,480,822	2,615,124,502,498
	30,421,681,064,106	33,410,927,266,362

The Corporation's loans were contracted with floating interest rates and fixed rates. These loans are classified by interest rate as follows:

	Closing balance	Opening balance
	VND	VND
Loans with fixed interest rate	528,240,000,000	2,920,014,193,198
Loans with floating interest rate	29,893,441,064,106	30,490,913,073,164
	30,421,681,064,106	33,410,927,266,362

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
Within one year	5,752,830,032,679	6,337,307,126,788
In the second year	5,945,191,833,608	5,620,302,607,388
In the third to fifth year inclusive	14,243,668,217,520	15,162,746,902,578
After five years	4,479,990,980,299	6,290,570,629,608
	30,421,681,064,106	33,410,927,266,362
Less: amount due for settlement within 12 months (presented under short-term loans and liabilities)	5,752,830,032,679	6,337,307,126,788
Amount due for settlement after 12 months	24,668,851,031,427	27,073,620,139,574

24. PROVISIONS

	Current year	Prior year (Restated)
	VND	VND
Opening balance	724,548,904,498	846,394,333,530
Additional provision during the year	887,493,116,906	899,966,696,546
Reversal of provision	-	(270,872,861,526)
Provisions used	(645,185,608,808)	(750,939,264,052)
Closing balance	966,856,412,596	724,548,904,498
	Closing balance	Opening balance (Restated)
	VND	VND
Details are as follows:		
Short-term provisions	913,550,960,707	-
Long-term provisions	53,305,451,889	724,548,904,498
	966,856,412,596	724,548,904,498

Provisions represent operation and maintenance expenses accrued for Ca Mau 1 Power Plant, Ca Mau 2 Power Plant, Nhon Trach 1 Thermal Power Plant and Nhon Trach 2 Thermal Power Plant. Details are as follows:

- Operation and maintenance expenses of Ca Mau 1 Power Plant are determined in accordance with Decision No.815/QĐ-DLĐK-HĐTV dated 18 August 2016 approving the estimated repair expenses of Ca Mau Power Plant at 75,000 EOH in 2017. The total repair estimate of the Ca Mau 1 Power Plant at 75,000 EOH in 2017 is VND 252,188,939,311 and the used capital is the production and business capital of the Corporation.

- Operation and maintenance expenses of Ca Mau 2 Power Plant are determined according to the contract on "Maintenance and repair of Ca Mau 1 Power Plant and Ca Mau 2 Power Plant for the first 100,000 equivalent operating hours (EOH)" between Petro Vietnam Power Corporation and PetroVietnam Power Services Joint Stock Company. The operation and maintenance fee stipulated in Amendment No.1 to the contract is the sum of EUR 319,985,061.19 and VND 623,696,667,758 (value added tax exclusive) and is allocated over 100,000 EOH.

- Operation and maintenance expenses of Nhon Trach 1 Thermal Power Plant are determined in accordance with Decision No. 1493/QĐ-DLĐK-HĐTV dated 30 December 2016 approving the adjustment of plan, scope of work and total estimated overhaul cost (second time) for Nhon Trach 1 Power Plant in 2017. The total estimated overhaul cost (second time) of Nhon Trach 1 Power Plant in 2017 is VND 1,025,169,193,431 and the used capital is the production and business capital of the Corporation.

- Operation and maintenance expenses of Nhon Trach 2 Combined Cycle Power Plant are determined in accordance with Long-term Equipment Maintenance Contract No.68/2011/PVPower NT2-PVPS between PetroVietnam Power Nhon Trach 2 Joint Stock Company (subsidiary) and PetroVietnam Power Services Joint Stock Company for maintenance of main machinery and equipment of Nhon Trach 2 Combined Cycle Gas Turbine Power Plant over a period of 11.7 years or 200,000 EOH.

25. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

As at 31 December 2016, the balance of Scientific and Technological Development Fund of the Corporation was as follows:

	Closing balance	Opening balance
	VND	(Restated)
		VND
Holding Company - PetroVietnam Power Corporation	78,823,220,293	64,093,173,128
PetroVietnam Power Nhon Trach 2 JSC	40,713,939,719	41,396,933,193
PetroVietnam Power Services JSC	2,500,000,000	2,500,000,000
	122,037,160,012	107,990,106,321

26. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital VND	Share premium VND	Other owner's capital VND	Investment and development fund VND	Retained earnings VND	Non-controlling interests VND	Total VND
Prior year's opening balance	13,107,329,620,410	-	160,440,485,780	290,840,812,894	1,618,533,844,182	2,377,007,412,941	17,554,152,176,207
Profit for the year	-	-	-	-	2,560,341,880,911	-	2,560,341,880,911
Capital increase due to asset transfer	8,666,971,957,266	-	-	-	-	-	8,666,971,957,266
Attributable to non-controlling interests	-	-	-	-	(390,941,328,828)	390,941,328,828	-
Profit appropriation	-	-	-	285,514,487,668	(389,625,352,787)	41,296,201,700	(62,814,663,419)
2014 profit transferred and 2015 temporarily transferred to the Group	-	-	-	-	(1,213,585,702,965)	-	(1,213,585,702,965)
2015 profit transferred to the Group in accordance with MOF Inspectorate's recommendations	-	-	-	-	(823,304,815,610)	-	(823,304,815,610)
Investment and development fund used to repay loans on behalf of PVPower RE	-	-	-	(232,630,856,886)	-	-	(232,630,856,886)
Dividends declared	-	-	-	-	-	(252,574,309,278)	(252,574,309,278)
Increase/(decrease) due to consolidation	-	-	-	1,946,192,036	(10,417,455,155)	140,758,243,454	132,286,980,335
Other increases/(decreases)	-	(70,963,183)	1,704,771,848	(856,618,523)	(2,807,914,890)	-	(2,030,724,748)
Current year's opening balance (Restated)	21,774,301,577,676	(70,963,183)	162,145,257,628	344,814,017,189	1,348,193,154,858	2,697,428,877,645	26,326,811,921,813
Profit for the year	-	-	-	-	1,517,444,971,700	-	1,517,444,971,700
Attributable to non-controlling interests	-	-	-	-	(442,562,528,829)	442,562,528,829	-
Adjust profit distribution in 2015 as approved by the Group	-	-	-	13,037,786,248	(10,363,536,248)	-	2,674,250,000
2015 profit additionally transferred to the Group	-	-	-	-	(33,095,751,244)	-	(33,095,751,244)
2016 profit temporarily transferred to the Group	-	-	-	-	(556,491,691,416)	-	(556,491,691,416)
Profit appropriation	-	-	-	679,773,640,961	(776,318,187,930)	(10,110,395,177)	(106,654,942,146)
Share dividends from subsidiaries	-	-	65,742,140,179	-	(65,742,140,179)	-	-
Dividends declared	-	-	-	-	-	(389,303,339,930)	(389,303,339,930)
Increase/(decrease) due to consolidation	-	-	-	-	34,325,177,521	827,941,550	35,153,119,071
Other increases/(decreases)	-	(58,204,449)	-	250,117,945	-	-	191,913,496
Current year's closing balance	21,774,301,577,676	(129,167,632)	227,887,397,807	1,037,875,562,343	1,015,389,468,233	2,741,405,612,917	26,796,730,451,344

27. OFF-BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
US Dollar (USD)	10,511	795.572
Euro (EUR)	1,964	5.644

28. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Electricity sales (*)	27,209,024,575,478	21,824,558,167,184
Sales of services	155,394,557,567	607,752,553,570
Revenue from goods sold	666,301,266,433	768,847,138,139
Revenue from construction contracts	181,049,978,689	16,186,381,630
Revenue from real estate sold	-	13,866,000,000
	28,211,770,378,167	23,231,210,240,523

In which:

Revenue with related parties

(Presented in Note 38)

180,075,098,917 733,185,253,186

(*) Electricity sales in 2016 include VND 1,940,771,260,958 which is the temporary revenue calculated from the difference between the temporary charge fee and the actual transportation cost of the Phu My-Ho Chi Minh gas pipeline for the period from 01 January 2012 to 31 December 2015. This additional sales amount was recorded on the peer-to-peer basis for gas and did not affect the 2016 consolidated profit of the Corporation.

Electricity sales in 2015 include VND 1,044,781,499,355 which was the difference between electricity charges according the new quotation and the amount Vietnam Electricity Group paid to the Corporation for the period from 30 June 2008 to 31 December 2013.

29. COST OF SALES

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>(Restated)</u>
	<u>VND</u>	<u>VND</u>
Cost of electricity sold (*)	23,571,378,600,820	16,762,455,643,372
Cost of services rendered	46,000,339,180	450,929,002,409
Cost of goods sold	653,935,246,188	760,330,310,384
Cost of construction contracts	157,896,189,183	15,180,557,945
Cost of real estate sold	-	13,318,005,368
	24,429,210,375,371	18,002,213,519,478

(*) Cost of electricity sold in 2016 includes an amount of VND 1,940,771,260,958, which is the temporary cost of electricity sold corresponding to electricity sales calculated from the difference between the temporary charge fee and the actual transportation cost of the Phu My-Ho Chi Minh gas pipeline for the period from 01 January 2012 to 31 December 2015 as presented in Note 28.

30. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	(Restated)
		VND
Raw materials and consumables	17,170,908,549,516	11,731,598,879,647
Labour	683,137,362,445	693,975,005,025
Depreciation and amortisation	4,316,469,869,631	2,825,084,251,478
Out-sourced services	1,712,248,025,676	2,046,189,255,115
Other monetary expenses	278,993,527,312	583,863,177,301
	24,161,757,334,580	17,880,710,568,566

31. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank interest	248,949,124,896	259,968,428,500
Dividends and profits received	100,113,086,172	64,698,734,948
Unrealised foreign exchange gain	72,072,212,265	590,878,144
Realised foreign exchange gain	37,670,024,182	28,513,855,362
Loan interest	-	168,802,083,332
Other financial income	-	62,363,927
	458,804,447,515	522,636,344,213

32. FINANCIAL EXPENSES

	Current year	Prior year
	VND	(Restated)
		VND
Interest expenses	1,329,955,485,995	863,827,773,803
Unrealised foreign exchange loss	269,678,435,620	386,194,636,208
Loan insurance premium	138,680,973,110	61,399,837,792
Realised foreign exchange loss	26,017,624,700	88,762,376,964
Loan guarantee fee	15,350,535,199	19,933,970,550
Foreign exchange loss arising in the construction period	-	238,978,725,494
Loss on disposal of investments	-	22,574,064,846
Provision for impairment of long-term financial investments	(166,944,940)	(210,160,272)
Other financial expenses	18,846,410,339	17,362,729,606
	1,798,362,520,023	1,698,823,954,991

33. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year (Restated) VND
Selling expenses in the year		
Labour cost	7,308,307,215	4,787,698,632
Depreciation and amortisation	237,279,731	176,862,616
Cost of selling materials	103,180,200	34,686,781
Out-sourced services	5,855,595,250	4,421,889,645
Other selling expenses	3,568,021,869	7,662,289,865
	17,072,384,265	17,083,427,539
General and administration expenses		
Labour cost	291,213,519,946	307,684,489,931
Depreciation and amortisation	30,585,746,983	24,778,059,635
Cost of management materials	23,513,981,548	25,168,313,379
Out-sourced services	123,279,844,756	270,429,962,449
Other administration expenses	270,180,418,722	362,707,949,800
	738,773,511,955	990,768,775,194

34. OTHER INCOME

	Current year VND	Prior year VND
Proceeds from fixed assets disposed	1,917,061,818	831,192,726
Breach of contract penalties	944,365,639	674,780,884
Others	18,532,020,487	11,749,409,907
	21,393,447,944	13,255,383,517

35. OTHER EXPENSES

	Current year VND	Prior year VND
Expense on fixed assets disposed	735,702,505	-
Taxes, penalties payable to the State budget	6,791,219,741	-
Expenses for solving problems	13,762,558,067	-
Others	6,207,529,156	6,964,516,483
	27,497,009,469	6,964,516,483

36. CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year (Restated) VND
Corporate income tax on electricity sales	158,990,259,951	436,761,533,627
Corporate income tax on other activities	6,511,780,610	7,201,694,096
	165,502,040,561	443,963,227,723

37. PROFIT AFTER TAX OF THE PARENT COMPANY - THE CORPORATION

Profit after tax of the parent company - the Corporation in 2015 includes profit after tax from the difference between the electricity charges based on new price units and electricity charges paid by Vietnam Electricity during the period from 30 June 2008 to 31 December 2013, i.e. pre-tax profit was VND 1,044,781,499,355 (from sales as described in Note 28) and corporate income tax was VND 208,956,299,781.

38. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

Related parties	Relationship
Vietnam Oil and Gas Group	Parent Company
Entities in Vietnam Oil and Gas Group	Same owner

During the year, the Corporation entered into the following significant transactions with its related parties:

	Current year	Prior year
	VND	VND
Sales of goods and services	180,075,098,917	733,185,253,186
PetroVietnam Ca Mau Fertilizer Company Limited	157,172,670,834	177,151,488,382
Vietnam Oil and Gas Group	15,773,109,632	454,928,758,914
PetroVietnam Vung Ang - Quang Trach Power Project Management Unit	7,129,318,451	8,680,386,452
PetroVietnam Gas Joint Stock Corporation	-	69,980,818,219
PetroVietnam Construction Joint Stock Corporation	-	22,443,801,219
Purchases of goods and services	14,974,073,577,438	12,652,940,214,800
PetroVietnam Gas Joint Stock Corporation	8,405,818,813,888	6,564,115,350,308
Vietnam Oil and Gas Group	6,016,832,596,459	5,469,133,816,433
PetroVietnam Oil Corporation	170,898,037,929	-
PVI Holdings	133,209,062,477	425,423,991,061
PV Oil Saigon Joint Stock Company	131,164,324,127	140,904,665,214
PV Oil Vung Tau Joint Stock Company	43,251,495,849	-
Vietnam Petroleum Institute	13,370,775,011	5,407,512,220
PetroVietnam Maintenance and Repair Corporation	11,973,667,019	-
PetroVietnam Drilling Mud Corporation	11,922,068,347	10,597,248,332
PetroVietnam Ca Mau Fertilizer Company Limited	11,179,291,655	6,591,233,368
PetroVietnam Security Service Corporation	9,899,047,786	11,125,745,671
PV Oil Lube Joint Stock Company	9,657,676,658	-
Petrosetco Assets Management Joint Stock Company	4,896,720,233	4,389,385,413
Petrovietnam Southern Building and Development Joint Stock Company	-	15,251,266,780
Interest expenses		
Vietnam Public Joint Stock Commercial Bank	32,518,689,356	186,699,618,216
Interest on deposits		
Vietnam Public Joint Stock Commercial Bank	14,153,320,151	36,510,637,914
Profits and dividends received		
PetroVietnam Southern Building and Development JSC.	-	660,000,000
Capital contributed		
Vietnam Oil and Gas Group	-	8,666,971,957,266
Transfer profit to		
Vietnam Oil and Gas Group	429,673,679,616	1,683,305,389,676

Significant related party balances of the Corporation as at 31 December 2016 were as follows:

	Closing balance VND	Opening balance VND
Cash and cash equivalents		
Vietnam Public Joint Stock Commercial Bank	1,131,078,198,874	359,554,307,695
Short-term financial investments		
Vietnam Public Joint Stock Commercial Bank	-	100,000,000,000
Receivables		
PetroVietnam Ca Mau Fertilizer Company Limited	36,480,131,568	26,139,436,170
PetroVietnam Construction Joint Stock Corporation	8,067,090,760	8,067,090,760
PetroVietnam Gas Joint Stock Corporation	3,931,782,113	5,538,379,489
Petroleum Equipment Assembly and Metal Structure Joint Stock Company	332,592,435	3,547,301,175
Vietnam Oil and Gas Group	-	134,132,489,555
Advances to suppliers		
PetroVietnam Construction Joint Stock Corporation	7,045,317,471	7,045,317,471
PetroVietnam Maintenance and Repair Corporation	640,360,000	-
PetroVietnam Securities Incorporated	241,120,000	-
Other receivables		
Vietnam Oil and Gas Group	218,833,494,207	580,151,155,944
PetroVietnam Vung Ang - Quang Trach Power Project Management Unit	43,993,472,583	140,978,396,532
Vietnam Public Joint Stock Commercial Bank	2,478,888,889	5,120,194,443
PetroVietnam Ca Mau Fertilizer Company Limited	-	1,842,565,000
Trade payables	2,946,942,904,441	925,234,893,358
PetroVietnam Gas Joint Stock Corporation	1,793,797,384,201	-
Vietnam Oil and Gas Group	1,038,110,318,129	839,446,443,842
PVI Holdings	44,854,533,292	28,899,195,167
PV Oil Vung Ang Joint Stock Company	34,014,804,665	-
PetroVietnam Maintenance and Repair Corporation	9,577,240,607	-
PetroVietnam Drilling Mud Corporation	9,382,412,825	3,306,847,136
Petechim JSC.	7,089,585,096	-
PV Oil Lube Joint Stock Company	4,494,730,130	46,534,700,943
Vietnam Petroleum Institute	1,675,096,537	4,335,330,862
PetroVietnam Technical Safety Registration Company Ltd.,	1,378,891,500	-
PVPower Land JSC.	1,140,250,000	-
Petrosetco Assets Management Joint Stock Company	634,792,503	1,839,595,910
PetroVietnam Construction Joint Stock Corporation	454,403,426	454,403,426
PetroVietnam Security Service Corporation	338,461,530	418,376,072
Advances from customers		
PetroVietnam Manpower Training College	2,161,915,000	-
Vietnam Oil and Gas Group	-	6,016,151,306
Accrued expense		
PetroVietnam Gas Joint Stock Corporation	3,130,897,479,317	942,074,047,245
Other payables		
Vietnam Oil and Gas Group	556,491,691,416	3,774,506,105,222
PVI Holdings	4,561,000,000	7,747,500,000
PV Oil Lube Joint Stock Company	822,265,080	-
PetroVietnam Drilling Mud Corporation	509,402,600	-
PetroVietnam Gas Joint Stock Corporation	-	39,278,284,374
Loans		
Vietnam Public Joint Stock Commercial Bank	2,131,185,404,086	118,277,318,337

39. SUBSEQUENT EVENTS

According to Notice No. 214/TB-DKVN dated 02 February 2017 on "Conclusion of the Head of the Steering Committee for Equitization of PetroVietnam Power Corporation at the 8th session of equitization implementation". The Equitization Steering Committee agreed not to adjust the book value based on the enterprise evaluation. By the date of these financial statements, the Corporation has been reporting to the Board of Members of Vietnam Oil and Gas Group for requesting for the approval of competent authorities for such plan, and also performing equitization procedures under the plan approved by the Group.



Quach Thi Hong Lien
Preparer



Ha Thi Minh Nguyet
Chief Accountant



Nguyen Xuan Hoa
Chief Executive Officer

27 March 2017