COVER SHEET

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S.E.C. Registration Number

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P.S.E. Control Number

VIVANT CORPORATION

(Company's Full Name)

Unit 907-908 Ayala Life FGU
Center, Cebu Business Park,
Cebu City

(Business Address: No. Street City/Town Province)

Atty. Jess Anthony Garcia and Atty. Joan Baron	(032) 232-0283, 234-2256 and 234-2285
Contact Persons	Telephone Number of the Contact Person

1 2	3 1	AMENDED SEC FORM 17-A	0 6	0 2
Month	Day	FORM TYPE	Month	Day
Fiscal Year				

Secondary license Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SEC Cebu Extension Office
JUL 12 2013
By:
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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

1. Business Development

Vivant Corporation (Vivant or the Company) is a publicly listed holding company that, through its subsidiaries and affiliates, has interests in various companies engaged in the electric power generation (renewable and non-renewable energy), electric power distribution, and retail electricity supply business. The Garcia-Escaño family of Cebu (the Family) collectively owns approximately 76% of the outstanding capital stock of Vivant as of March 31, 2013.

Vivant's origins can be traced back to the rich and humble beginnings of Viuda y Hijos de F. Escaño Incorporada, the enterprise that Don Fernando Escaño founded in 1879, which came to be known as Hijos de F. Escaño Inc. (HDFE). The entry into the power industry dates back to the early 1900s when the Family diversified its business interests (mainly shipping and trade) to include electricity power distribution when it took over the operations of the Visayas Electric Company (VECO). VECO was the power distribution utility serving the electricity requirements of the City of Cebu and its surrounding municipalities.

The Second World War caused significant damage in the facilities of VECO. It was during the close of the war in 1945 that initiatives of VECO, alongside with the US Army, allowed the resumption of its operations to its pre-war levels. Staff levels were beefed up, while investments in new machineries and equipment poured in. Currently, VECO stands as the second largest privately owned electric power distribution utility in the Philippines in terms of annual gigawatt-hour (GWh) sales. As of end-2012, Vivant has an effective equity interest of approximately 35% in VECO (accounting for both direct and indirect shareholdings).

In 2003, the Family acquired 99% of Philstar.com, a company listed in the Philippine Stock Exchange (PSE). Subsequently, the Family's holdings in HDFE and VECO were infused to this company. Philstar.com was afterward renamed Vivant Corporation.

Starting in 2007, Vivant, through its subsidiaries and affiliates, started its foray into the power generation business via equity investments in the following generation companies:

- Cebu Private Power Corporation, owner and operator of a 70 megawatts (MW) diesel-fired power plant located in the island of Cebu;
- Delta P, Inc., owner and operator of a 16 MW diesel-fired power plant in Palawan; and
- Cebu Energy Development Corporation, a project company that owns and operates a 246 MW coal-fired power plant in Toledo City, Cebu.

The Company likewise participated in the government's privatization efforts conducted by the Power Sector Assets and Liabilities Management (PSALM):

- Acquisition of the 0.8 MW Amlan hydroelectric power plant in Negros island in 2009
- Appointment as the Independent Power Producer (IPP) Administrator of the 70 MW Bakun hydroelectric power plant in Alilem, Ilocos Sur in 2009

In 2010, Vivant, through one of its subsidiaries, entered into an agreement with the Provincial Government of La Union (PGLU) for the management and operation of the 225 MW Bauang diesel-fired power plant.

Neither Vivant nor any of its subsidiaries and associates has ever been the subject of any bankruptcy, receivership or similar proceedings.

2. Business of Issuer

Through its equity interests in its subsidiaries and associates, Vivant is in the business of electric power generation, electric power distribution and retail electricity supply in the Philippines, particularly in the islands of Luzon and Visayas (Please see Exhibit "A" for Vivant's Corporate Structure).

(i) Principal Products

POWER GENERATION

As of end-2012, all of Vivant's interests in the electric power generation business are lodged with Vivant Energy Corporation (VEC), a wholly-owned subsidiary. To date, the Company has built up a portfolio comprised of both renewable and non-renewable power generation plants with total attributable capacity of 225 MW. As of December 31, 2012, approximately 63% of Vivant's operating income from business segments was accounted for by its power generation business.

The table below summarizes the operating results of the generation companies as of December 31, 2012.

Generation Companies	Energy Sold[1] (in GWh)			Revenue[1] (in P million)		
	2010	2011	2012	2010	2011	2012
CPPC	246.4	109.8	174.9	2,043.0	1,551.3	2,099.5
Delta P	58.8	59.5	64.5	607.4	730.7	812.4
CEDC[2]	--	1,329.8	1,492.3	--	7,646.4	8,719.0
AHPC[3]	1.6	1.5	--	5.0	6.4	--
NR	275.9	250.9	39.4	1,456.5	998.1	198.8
1590 EC	55.6	72.4	142.2	835.4	1,298.5	2,638.6

Notes:
1. Figures are at 100%
2. Commercial operations of CEDC commenced in 2011
3. AHPC ceased operations in 2012 after plant facilities were damaged by Typhoon Sendong in December 2011.

Cebu Private Power Corporation (CPPC)

Incorporated on July 13, 1994, CPPC owns and operates one of the largest diesel power plants in the island of Cebu – the 10 Caterpillar-Mak-powered 70MW Bunker C-fired power plant situated on a 1.8 hectare in the old VECO compound at Bgy. Ermita, Cebu City.

Commissioned in 1998, the CPPC plant was constructed pursuant to a build-operate-transfer (BOT) contract to supply 62 MW of power to VECO. The CPPC plant will revert to VECO on November 13, 2013.

On April 20, 2007, Vivant acquired from East Asia Utilities Corporation 40% of the outstanding common shares of CPPC. The remaining 60% of the outstanding common shares was acquired by Aboitiz Power Corporation (AP). VEC and AP executed a shareholders' agreement that governs their relationship with regard to CPPC.

In December 2010, CPPC started selling its excess capacity to the Wholesale Electricity Spot Market (WESM).

Delta P, Inc. (DPI)

Established in 1997, DPI is the largest independent power producer in Palawan operating a 16-MW bunker-fired power plant with four (4) units of 4-MW generator sets. In March 2007, Gigawatt Power Inc. (GPI) acquired the 100% interest of Wärtsilä Technology Oy Ab in DPI. In June 2007, GPI divested and sold a 20% equity stake in DPI to Vivant. Through wholly-owned subsidiary VEC, Vivant's equity stake increased to 35% in October 2007 through an additional share acquisition from GPI.

The power plant facility of DPI is located on a 25,981 sq.m. parcel of land leased from the City Government of Puerto Princesa at Kilometer 13, North National Highway, Barangay Santa Lourdes, Puerto Princesa, Palawan. Commercial operations started in May 1997 by virtue of a Lease Agreement with the National Power Corporation (NPC), which was scheduled to expire in April 2009. The power generated by the plant served the electricity requirements of the Palawan Electric Cooperative (PALECO).

On February 6, 2009, DPI and PALECO signed a Power Supply Agreement (PSA) for DPI to directly supply PALECO'S power requirements for the next 10 years. DPI and PALECO filed a joint petition with the Energy Regulatory Commission (ERC) for the approval of the PSA, which the latter granted on November 9, 2009.

DPI currently supplies approximately 35% of the energy requirements of PALECO.

Abovant Holdings, Inc. (Abovant) and Cebu Energy Development Corporation (CEDC)

Abovant was established in 2007 as a joint venture between Vivant and AP. The company's main purpose was to invest in a new power plant to be built in Barangay Daanlungsod, Toledo City, Cebu. Abovant is 40% owned by Vivant (currently through wholly-owned Vivant Integrated Generation Corporation) and 60% owned by AP (currently through 100%-owned Therma Power, Inc.).

Abovant and Global Formosa Holdings, Inc. (Global Formosa), a joint venture between Global Business Power Corporation of the Metrobank Group and Formosa Heavy Industries, Inc., formed CEDC in December 2008 to build, own and operate a $450 million (mn) 3 x 82-MW coal-fired power plant located in Toledo, Cebu utilizing the latest Circulating Fluidized Bed (CFB) technology. Commercial operations commenced in 2011. With Abovant's 44% stake in CEDC (Global Formosa owns the remaining 56%), Vivant's effective interest in CEDC is at 17.6%.

In October 2009, CEDC signed an Energy Power Purchase Agreement (EPPA) with VECO for the supply of 105 MW of electricity for 25 years. The application for approval was filed with the ERC in the same year and was approved in February 2010. To date, CEDC has signed other EPPAs with electric cooperatives and distribution utilities in Cebu. The company's EPPAs will provide contracted minimum energy offtake with fuel cost as a pass through.

Amlan Hydro Power Inc. (AHPI)

AHPI (formerly Amlan Hydro Power Corporation) is the owner and operator of a 0.8 MW run-of-river hydroelectric power plant in Amlan in the Province of Negros Oriental, approximately 35 kilometers north of the provincial capital, Dumaguete City. Commissioned in 1962, it was the first power plant to be constructed in the Province of Negros Oriental. An agreement with PSALM was entered into for the purchase of the power plant in 2009. Total purchase price amounted to US$ 230,000.

In 2010, AHPI entered into a bilateral contract with Green Core Geothermal, Inc. (Green Core) that involves the purchase of Green Core of all the net energy output generated by the plant. The bilateral contract is scheduled to expire in December 2015.

At present, Vivant has a beneficial ownership of 28.5% in AHPI, through its 60%-owned VICS-Amlan Holdings Corporation that has a 47.5% equity stake in AHPI.

Vivant-Sta. Clara Northern Renewables Generation Corporation (NR)

In 2009, NR (formerly Amlan Power Holdings Corporation) submitted the highest offer in the competitive bid conducted by PSALM for the appointment of the IPP Administrator of the contracted capacities of the 70-MW Bakun hydroelectric power plant located in Alilem, Ilocos Sur and the 30-MW Benguet hydroelectric power plants located in Benguet, Cordillera Administrative Region. The offer by NR resulted in a bid price of US$145 mn, as calculated in accordance with the PSALM's bid rules.

Under the IPP Administration Contract, NR will pay a series of monthly payments to PSALM for over a period of 16 years to January 2026 in consideration for the right to trade/market the electricity generated by the plants, either through the WESM or bilateral contracts. After the expiry of said contract, the power stations will be transferred to the company, subject to its acceptance. PSALM exercised the right to divide and segregate the contracted capacities of Bakun and Benguet in the latter part of 2010.

By virtue of the segregation done by PSALM, NR assumed the responsibility of selling only the Bakun plant's contracted capacity. The Bakun plant is located within the 13,213 hectare watershed area of the Bakun river in Ilocos Sur province in Northern Luzon, which taps the flow of the Bakun river to provide the plant with its generating power. The plant was constructed under the government's BOT scheme and is currently owned and being operated by Luzon Hydro Corporation (LHC).

VEC owns 46% of NR through its wholly-owned subsidiary, VICS-Bakun Holdings Corporation.

1590 Energy Corporation (1590 EC)

In March 2010, a Memorandum of Agreement (MOA) was entered into between the PGLU, VEC and GPI wherein the parties agreed to enter into a Sale and Purchase Agreement (SPA) giving VEC and GPI exclusive right to purchase the Bauang diesel-fired power plant (Bauang plant) owned by the PGLU until July 25, 2010.

On July 22, 2010, the MOA was amended granting VEC and GPI the right to an interim management and operation of the Bauang diesel-fired power plant and an extension of the SPA for six months or until January 26, 2011. Hence, VEC and GPI incorporated 1590 EC in July 2010 to undertake all the rights, interests and obligations under the Interim Agreement. On September 10, 2010, VEC and GPI with the conformity of PGLU transferred all their rights, interests and obligations under the Interim Agreement to 1590 EC.

In December 2010, 1590 EC formally signified its intent to purchase the diesel power plant, thus, a Contract to Sell (CTS) was executed between 1590 EC and the PGLU, the closing of which was subject to certain conditions.

In May 2012, a Mutual Rescission Agreement (MRA) was entered into by 1590 EC and the PGLU, thus terminating the CTS. Simultaneously, a MOA was executed by both parties giving 1590 EC the right to preserve, maintain and operate, including the right to use and sell the power generated by the Bauang plant. This MOA is scheduled to expire in June 2013. As of end-March 2013, 1590 EC and the PGLU entered into an agreement to extend the lease agreement for another two years, starting June 2013.

VEC has a 52.7% equity stake in 1590 EC.

Vivant Malogo Hydropower, Inc. (VMHI)

VMHI was incorporated in June 2012 as the project company to implement a greenfield power plant project, which will involve the construction and operation of a series of run-of-river hydropower facility in Barangay Kapitan Ramon in Silay City, which is located in the northwestern section of the Negros island. VMHI will implement the project in phases, where Phase 1 will involve the construction and operation of a 6 MW power plant facility along the Malogo river. The company is in the process of obtaining necessary permits and contract approvals. Once done, construction will commence and is estimated to be completed after 22 months.

VEC has a 75% equity stake in VMHI as of end-2012.

Calamian Islands Power Corporation (CIPC)

CIPC was established in October 2010 as the project company to undertake the construction and operation of an 8 MW bunker- and 750 kW diesel-fired power plants in the municipalities of Coron and Busuanga, respectively. In August 2011, CIPC entered into a 15-year Power Sale Agreement with Busuanga Island Electric Cooperative covering the total capacity of the project. CIPC, after obtaining all necessary permits and licenses, targets to break ground within second quarter of 2013. Commercial operation is targeted to commence by first quarter of 2014.

VEC has an equity stake of 50% in CIPC.

Future Projects

The Company continuously looks for opportunities in the power generation business, whether it be via greenfield, brownfield or acquisition. The Company conducts an extensive evaluation process before any proposed project is undertaken. Several factors are assessed and considered, which include but not limited to, the project's land use requirements, access to the grid, fuel supply availability and arrangements, permits and licenses, competitiveness of the plant and presence of potential offtakers.

Notwithstanding the review and evaluation process undertaken, the Company cannot give the assurance that a project, if implemented, will be successful. There is no assurance that the Company will eventually develop a particular project in the manner planned or at or below the cost estimated by the Company.

Electric Power Distribution

In addition to investments in the power generation sector, the Company has investments, both direct and indirect, in VECO, the second largest privately owned distribution utility in the Philippines in terms of customers and annual GWh sales. As of end-2012, Vivant has a beneficial ownership in VECO of roughly 35%.

Visayan Electric Company (VECO)

VECO, through its predecessor, has been in the distribution business since the early 1900s. It is an electric distribution utility engaged in the conveyance, distribution and sale of electric power pursuant to its legislative franchise, Republic Act No. 9339, and serves the electrical needs of four cities (Cebu, Mandaue, Talisay and Naga), and four municipalities (Consolacion, Liloan, Minglanilla, and San Fernando), all located in the Province of Cebu. Its franchise was granted by the Congress of the Philippines and is due to expire in 2030. VECO's service coverage is about 672 square kilometers serving over 340,000 customers with a peak demand of 433 MW and electricity sales of more than 2.3 GWh in 2012.

The table below summarizes the key operating statistics of VECO for 2012 and the past two years.

	Electricity Sold (MWh)	Peak Demand (MW)	# of Customers
2010	1,994,237	378	316,845
2011	2,120,454	407	327,587
2012	2,300,959	433	341,611

VECO is among the distribution utilities included in the third group (Group C) of private utilities to shift to Performance Based Regulation (PBR). The ERC issued its final determination on VECO's application for approval of its annual revenue requirements and performance incentive scheme under the PBR for the regulatory period July 1, 2010 to June 30, 2014.

VECO is on its third regulatory year of its annual revenue requirement under the PBR for the regulatory period 2011 to 2014.

Retail Electricity Supply Business

One of the objectives of the EPIRA law is to ensure the competitive supply of electricity at the retail level. With the implementation of the Open Access and Retail Competition (Open Access), large-scale customers will be allowed to source electricity from Retail Electricity Suppliers (RES) licensed by the ERC.

Vivant has prepared its organization for the Open Access with the establishment of two RES companies.

Prism Energy, Inc. (Prism Energy)

Prism Energy was incorporated in March 2009, as a joint venture between Vivant (40%) and AP (60%). The company obtained its RES license in May 2012.

Corenergy, Inc. (Corenergy)

Corenergy is a wholly-owned subsidiary of Vivant that is currently applying for its own RES license.

(ii) Sales

The table below sets forth comparative figures for revenue, profitability and assets.

(in P mn)	2010	2011	2012
Gross Income	1,497.2	2,117.2	3,803.2
Operating Income	577.1	917.2	1,610.4
Total Assets	8,152.3	8,425.2	7,114.5

The operations of Vivant, its subsidiaries and associates are based only in the Philippines.

Revenue contribution by business grouping is as follows:

	2010		2011		2012	
	P mn	%-tot	P mn	%-tot	P mn	%-tot
Power Generation	1,204.7	80	1,731.7	82	3,318.1	87
Power Distribution	267.6	18	359.5	17	430.5	11
Others	24.9	2	26.0	1	54.6	1
Elimination	--	--	--	--	--	--
Total	1,497.2	100	2,117.2	100	3,803.2	100

(iii) Distribution Methods of Products and Services

The generation companies sell their electricity either through the spot market or through bilateral power supply agreements with private distribution utilities and cooperatives.

Most of the generation companies have transmission service agreements with the National Grid Corporation of the Philippines (NGCP) for the transmission of electricity to the designated delivery points of their customers. Some have built their own transmission lines to directly connect to their customers.

The distribution company has an exclusive distribution franchise in the area where it operates. The utility has its own distribution network consisting of an extensive network of predominantly overhead lines and substations. An agreement with NGCP was likewise entered into to facilitate the use of NGCP's transmission facilities to receive power from its IPPs, NPC and/or PSALM for distribution to its respective customers.

(iv) New Products and Services

Neither Vivant, nor its subsidiaries and associates, have any publicly-announced new product or service to date, apart from the ongoing Greenfield and/or rehabilitation projects being undertaken.

(v) Competition

Generation Business

Vivant, through the facilities of its power generation subsidiaries and associates located in Luzon and Visayas, faces competition from other power generation plants that supply electricity to the Luzon and Visayas Grids. Given the privatization of NPC-owned power generation facilities, the Company has to contend with local and multinational IPPs for signing power supply agreements and offering power supply through the WESM.

Competition in the development of new power generation facilities and the acquisition of existing power plants could also be expected. Given the robust performance of the industry in the last couple of years, coupled with the strong showing of the Philippine economy, many investors have been attracted to participate and explore opportunities in the development of electric power generation projects, both in the renewable and non-renewable energy spectrum.

Distribution Business

VECO has an exclusive franchise to distribute electricity in the area covered by its franchise.

Under Philippine law, the franchise of any distribution utility may be renewed by the Congress of the Philippines, provided that requirements relating to the rendering of public services are met. VECO intends to apply for the extension of its franchise upon its expiry. Competition or opposition from third parties may arise while application for the extension of its franchise is underway. However, under the Philippine law, a party wishing to secure a franchise to distribute electricity must first obtain from the ERC a Certificate of Public Convenience and Necessity and shall prove that such party has the technical and financial capability to operate a distribution franchise. Ultimately, it is the Philippine Congress that has absolute discretion in determining whether to issue new franchises or renew existing franchises.

(vi) Sources of Raw Materials and Supplies

Generation Business

The Company's hydroelectric power generation plants harness the kinetic energy from the flow of water on rivers to generate electricity. These hydroelectric companies possess water permits issued by the National Water Resources Board (NWRB), which allow them to utilize a certain volume of water from the applicable source of water flow to generate energy.

In the case of the fossil-fired power generation plants, fuel supply contracts with various suppliers have been entered into. Oil-fired plants have existing medium-term (2-3 years) contracts with local large oil companies. The coal plant sources its fuel requirements via a combination of long-term supply contracts with various suppliers and the spot market.

Distribution Business

VECO has bilateral agreements in place for the purchase of electricity.

- NPC for the monthly supply of 137,397 kW for the period up to December 25, 2012. Contract was extended up to June 25, 2013 for the monthly supply of 135,377 kW.
- CPPC for 61.72 MW of dispatchable capacity (with no minimum energy off-take requirement). This contract is scheduled to expire on November 13, 2013, as the BOT contract expires. VECO intends to seek authority from ERC to acquire shares in CPPC in lieu of a transfer of the plant.
- CEDC for the supply of 105 MW for 25 years (starting February 2011)
- Green Core for the supply of 60 MW at 100% load factor (5 year term starting December 26, 2010), an additional 15 MW at 100% load factor starting December 2011 and an additional 15 MW at 100% load factor starting January 2013

(vii) Major Customers

The bulk, or roughly 84% of the total electricity generated and sold by Vivant, through its subsidiaries and associates, are sold to either private distribution utilities or electric cooperatives covered by long term bilateral agreements. The balance is sold through the spot market.

Vivant's distribution business, on the other hand, has a wide and diverse customer base. The distribution utility's customers are categorized as follows:

- **Industrial customers**: consist of large-scale consumers of electricity within a franchise area, such as factories, plantations and shopping malls.

- **Residential customers**: consist of structures utilized for residential purposes

- **Commercial customers**: include service-oriented businesses, universities and hospitals

- **Other customers**: include streetlights

(viii) Transactions With and/or Dependence on Related Parties

Vivant provides human resources, internal audit, treasury and accounting services, among others, to its subsidiaries and associates. Such practice allows the efficient transfer of business and technical expertise, thus improving efficiencies and synergies. These transactions are governed by management consultancy contracts executed by Vivant and its subsidiaries and associates.

Vivant likewise assisted its subsidiaries and associates in:

- funding its working capital requirements by extending both non-interest and interest bearing cash advances

- obtaining standby letters of credit (SBLC) and is acting as surety for the benefit of certain subsidiaries and associates in connection with loans and credit accommodations

Commercial transactions between VECO and CPPC and VECO and CEDC relate to power supply agreements. Energy fees billed to VECO by CPPC and CEDC for 2012 amounted to P1.6 billion (bn) and P4.1 bn, respectively.

(ix) Government Approvals, Patents, Copyrights, Franchises

Generation Business

Under the EPIRA, the power generation business is not considered a public utility operation. However, there are standards, requirements and other terms and conditions set by the ERC that each existing and potential generation company should comply with. Once met, the ERC will issue a Certificate of Compliance (COC) that will allow the operation of the power generation facilities. A COC is valid for a period of five years from the date of issuance.

Hydroelectric power generation facilities, on the other hand, are required to obtain water permits from the National Water Regulatory Board. Said permit would indicate the approved water source and allowable volume of water that can be used by these facilities in generating power. The water permits do not have expiry dates and are usually not terminated as long as the holder of the permit is able to meet the terms indicated.

A generation company that operates a facility connected to the Grid must make sure that the technical design and operational criteria of the Philippine Grid Code and Philippine Distribution Code are met.

Power purchase agreements signed with both private distribution utilities and electric cooperatives are required to be evaluated and approved by the ERC.

Vivant and its subsidiaries and associates involved in the generation business have no pending applications for the registration of intellectual property rights for any trademark associated with its and its subsidiaries' and associates' corporate names and logos.

Distribution Business

Electricity distribution is a regulated public utility business under the EPIRA. It requires a franchise that can be granted only by the Congress of the Philippines. A Certificate of Public Convenience and Necessity from the ERC is also needed to operate a public utility.

VECO's franchise is set to expire in 2030.

Given that the cost of purchased power is allowed to be passed on to the end-users, all power purchase agreements signed with power generation companies are required to be evaluated and approved by the ERC.

VECO has no pending application for the registration of intellectual property rights for any trademark associated with its corporate name and logo.

(x) Effect of Existing or Probable Governmental Regulations

Given the changing landscape of the power industry brought about by the enactment of the EPIRA in 2001, the following have had, will have or may have considerable impact on Vivant's businesses:

Wholesale Electricity Spot Market (WESM)

The WESM is a spot market for the buying and selling of electricity. This was established to enable competition to influence the production and consumption of electricity. The mechanism in place allows market forces to determine prices.

The WESM provides another option for power generation companies that have no bilateral contracts on how to sell the energy generated by their power plants. Likewise, the WESM serves as a platform for distribution utilities, suppliers and wholesale consumers to purchase electricity even without a bilateral contract.

Open Access and Retail Competition (Open Access)

Under the EPIRA, a system of open access to transmission and distribution wires will be implemented once conditions for the commencement of such are met. These conditions are as follows:

- Establishment of WESM
- Approval of unbundled transmission and distribution wheeling charges
- Initial implementation of the cross subsidy removal scheme
- Privatization of at least 70% of the total capacity of generating assets owned by NPC in Luzon and Visayas
- Transfer of management and control of at least 70% of the total energy output of power plants under contract with NPC to the IPPAs

Implementation of the Open Access will allow end-users with an average monthly peak demand of one (1) MW for the twelve (12) months preceding to choose their own electricity suppliers.

The implementation of Open Access may result to various contracts entered into by distribution utilities being "stranded." Stranded contract costs refer to the difference between the contracted costs of electricity and the actual selling price of the contracted energy.

The Renewable Energy Act of 2008 (RE Act / RE Law)

The RE Act was signed into law in December 2008 and became effective in January 2009.

The RE Act was designed to promote and develop the use of renewable energy resources of the country to reduce the country's dependence on fossil fuels and overall cost of energy, and reduce harmful emissions to improve the environment.

The RE Act offers fiscal and non-fiscal incentives to RE developers, subject to a certification issued by the Department of Energy, in consultation with the Board of Investments. These incentives include:

- Income tax holiday for the first seven years of commercial operations
- Duty-free importation of RE machinery, equipment and materials effective within ten years upon issuance of certification, provided said machinery, equipment and materials are directly, exclusively and actually used in RE facilities
- Special realty tax rates on equipment and machinery not exceeding 1.5% of the net book value
- Net operating loss carry over (NOLCO)
- Corporate tax rate of 10% after the 7th year
- Accelerated depreciation
- Zero percent value-added tax on sale of fuel or power generated from emerging energy sources and purchases of local supply of goods, properties and services of RE facilities
- Cash incentives for RE developers for missionary electrification
- Tax exemption on carbon emission credits
- Tax credit on domestic capital requirement and services

All fiscal incentives apply to all RE capacities upon effectivity of the RE Law.

Electricity generated from emerging RE resources such as wind, solar, ocean, run-of-river hydropower and biomass are given priority dispatch.

The National Renewable Energy Board (NREB) has filed in the ERC the feed-in-tariff (FIT) for emerging RE resources, namely, wind, solar, ocean, run-of-river hydropower and biomass. The ERC-approved rates are as follows: (a) wind – P8.53/kWh, (b) solar – P9.68/kWh, (c) run-of-river hydropower – P5.90/kWh, (d) biomass – P6.63/kWh.

NREB is also in the process of preparing the Renewable Portfolio Standards, which shall provide electricity suppliers the implementing rules and guidelines on the portion of their electricity requirements to be sourced from eligible RE resources.

(xi) Estimate of Amount Spent for Research and Developmental Activities

Vivant has not allocated any specific amount of funds for research and developmental activities. Research and development activities are done on a per project basis and allocation of funds may vary depending on the nature of the project.

(xii) Costs and Effect of Compliance with Environmental Laws

Vivant's generation and distribution business units are subject to extensive and stringent safety, health and environmental laws and regulations. The Company's subsidiaries and associates have incurred, and expect to incur, operating costs to comply with these laws and regulations. Annual capital expenditures relating to the compliance with safety, health and environmental laws and regulations are expected to be made by Vivant's subsidiaries and associates.

(xiii) Employees

At the parent company level, Vivant has a total of 26 employees as of December 31, 2012, composed of executive, supervisory and rank-and-file staff. The table below provides a breakdown of the total employee headcount.

	Headcount
Executive	5
Supervisors	5
Rank & File	16
Total	**26**

The Company has no existing collective bargaining agreement with its employees.

(xiv) Major Risks Involved in the Business

Below is a brief discussion on the risks that Vivant, through its subsidiaries and associates, might encounter in the businesses in which it is involved. Certain risks, however, are inherent to the nature of the business that are beyond Vivant's or its subsidiary's or associate's control.

Competition Risk

The competition landscape in the power generation business has continually evolved since the government started its privatization efforts under the EPIRA law. Over 70% of NPC's generation assets and IPP contracts have been transferred to the private sector. The spot market in the Luzon and Visayas Grids are operational, with Mindanao to follow suit in the coming years. Investments in Greenfield and Brownfield projects are starting to pour in. Implementation of the Open Access is another stimulus for change on how the game is played in the power industry.

All these have or will have an impact on the availability of power (reliability of plants seen improving, new capacities and new suppliers coming in), which may ultimately influence pricing of electricity.

Implementation of Open Access could also result in stranded contracts for VECO. As of end-2012, this has not yet been addressed in any of the open discussions on the rules and implementation guidelines of Open Access.

Regulatory Risk

In answer to the growing challenges faced by the power industry, both the government regulatory bodies and the private sector have actively participated in the design and development of new regulations. As the industry continues to evolve, Vivant has established good working relations with the regulatory agencies. The Company actively participates in the formulation of new rules and policies covering the power industry. In anticipation of possible changes in the regulatory environment, the Company incorporates these in the formulation of its long-term strategy for its businesses.

Trading Risk

Spot market price of electricity is determined by several market forces, which are mostly beyond the control of the Company. Unforeseen plant outages, transmission constraints, and fuel cost increases are among the factors that affect the supply condition in the power industry. Weather conditions and economic activities influence the demand patterns in the electricity market. All these have caused and are expected to cause fluctuations in the spot market price of electricity. Vivant intends to mitigate this risk by maintaining a good balance of contracted and spot capacities for its generation portfolio.

Fuel Supply Risk

Vivant's fossil-fired generation plants have entered into fuel supply contracts to ensure supply. Pricing, however, is subject to market conditions affecting both demand and supply.

Delta P, CPPC and 1590 EC have entered into medium term (2-3 years) contracts with large oil companies in the Philippines. CEDC, in the meantime, has long-term contracts with various coal suppliers.

Delta P, CPPC, and CEDC have entered into bilateral contracts that employ a tariff formula allowing recovery of fuel cost. Meanwhile, 1590 EC has no bilateral contracts and is exposed to fuel price fluctuations. 1590 EC operates the Bauang plant mostly as a peaking facility that sells electricity to the spot market during the peak hours of the day when spot market prices are relatively high.

Financial Risk

In the course of normal operations, Vivant, together with its subsidiaries and associates, is exposed to financial risks, including, but not limited to, interest rates that may have an impact on outstanding liabilities, counterparty credit risk, valuation of securities and investments, trade and other receivables, liquidity risk in terms of cash management and foreign exchange risk that may have an impact on outstanding foreign currency denominated placements and liabilities.

Business Interruption Risk

Interruption of normal operations brought about by natural calamities, major equipment failures, plant accidents and terrorism are just a few of the serious risks faced by the Company, through its subsidiaries and associates.

For risks that can be mitigated by the Company, particularly those that are plant operations-related, Vivant, through its subsidiaries and associates, implements a regular preventive maintenance program in all of its facilities. The Company, in relation to its risk management process, has procured business interruption insurance to cover the potential loss in gross profits in the event of a major damage to any of the facilities and assets it owns or operates.

Project Risk

Vivant, through its subsidiaries and associates, has projects in the pipeline, involving Greenfield and Brownfield power plant development projects. Inherent to these projects are risks involving the completion of these projects according to specifications, budget and set timelines.

To ensure the successful implementation of these projects, Vivant, through its subsidiaries and associates, is partnering with well-known contractors and suppliers with good track record in the industry. Project monitoring activities are likewise employed to assure adherence to standards, budget and set timelines.

Item 2. Properties

Vivant's head office is located at the 9th Floor of Ayala Life-FGU Center, Cebu Business Park, Cebu City.

On a consolidated basis, the Company's 2012 total Property, Plant and Equipment were valued at P42.4 mn as compared to P2.6 bn for 2011. The breakdown is as follows:

Property, Plant and Equipment as of December 31, 2012 and 2011

	2012 (P mn)	**2011 (P mn)**
Condominium Units, Building, and Improvements	17.7	127.4
Plant Machineries & Equipment	0.0	2,409.0
Leasehold & Land Improvements	4.7	2.5
Other Furniture, Fixtures, & Equipment	5.1	4.8
Transportation Equipment	14.6	13.1
Tools & Other Assets	0.3	0.2
TOTAL	**42.4**	**2,557.0**

Item 3. Legal Proceedings

Neither the Company nor any of its subsidiaries and affiliates is involved in any material pending legal proceeding.

Item 4. Submission of Matters to A Vote of Security Holders

During the June 15, 2012 Annual Meeting of Stockholders, the following actions were taken:

(1) Approval and adoption of the minutes of the June 23, 2011 Annual Stockholders' Meeting;
(2) Delivery of the Annual Report of the Officers;
(3) Ratification of all acts and resolutions of the Board of Directors and Management in the ordinary course of business for the fiscal year 2011;
(4) Election of the following members of the Board of Directors for the year 2012 - 2013:

1. Dennis N. A. Garcia
2. Emil Andre M. Garcia
3. Elbert M. Zosa
4. Gil A. Garcia II
5. Charles Sylvestre A. Garcia
6. Ramontito E. Garcia
7. Efren P. Sarmiento
8. Jose Marko Anton G. Sarmiento
9. Antonio S. Abacan, Jr.
10. Amb. Raul Ch. Rabe (Independent Director)
11. Atty. Jesus B. Garcia, Jr. (Independent Director)

(5) Delegation of the authority to appoint the external auditor to the Board of Directors.

Other than the foregoing, no matter was submitted to a vote of security holders.

The results of the foregoing meeting were timely disclosed to the PSE and SEC in a SEC Form 17-C report.

PART II: OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

1. Market Information

The Company's common shares are listed and traded at the Philippine Stock Exchange. The high and low stock prices of Vivant's common shares for each quarter of 2011 and 2012 were as follows:

	2011		2012	
	High	Low	High	Low
First Quarter	4.70	4.70	14.52	2.65
Second Quarter	4.58	4.58	13.00	9.20
Third Quarter	5.50	5.50	10.60	7.50
Fourth Quarter	3.81	3.24	11.18	6.60

As of end-March 2013, Common shares outstanding were 1,023,456,698 shares. The closing price of Vivant's common shares as of same date is P9.00 per share.

2. Security Holders

As of December 31, 2012

As of December 31, 2012, Vivant has 1,501 stockholders of record, including PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Foreign). The top 20 shareholders with the number of shares respectively held and the percentage of total shares outstanding held by each are as follows:

	NAME	NO. OF SHARES	%
1	Mai-I Resources Corporation	464,831,568	45.42
2	JEG Development Corporation	311,524,642	30.44
3	Mirant Global Corporation	116,555,553	11.39
4	PCD Nominee Corporation (Filipino)	94,189,829	9.20
5	Popsivan Holdings Corporation	31,498,212	3.07
6	Arce, Aurelia C.	1,375,000	0.13
7	Arce, Zenaida D.	859,375	0.08
8	Arce, Eulalio C.	343,750	0.03
9	Arce, Erlinda D.	93,750	0.01
10	Vibal, Esther A.	79,250	0.01
11	Vibal, Esther &/Or Stella Lawson &/Or Aida Gutierrez	62,500	0.01
12	Cruz, Alfredo A.	34,062	0.00
13	Tio Ong, Alberto	31,250	0.00
14	Lavin, Marietta P.	27,750	0.00

15	EBC Securities Corporation	20,625	0.00
16	Consortium Industries, Inc.	20,500	0.00
17	Lopez, Rose Marie R.	19,687	0.00
18	Marino Olondriz Y Cia	16,000	0.00
19	Rivera, Rosario Paje	15,625	0.00
20	Sevilla, Rodulfo	15,625	0.00
	TOTAL NO. OF SHARES	**1,021,615,803**	

3. Dividends

The Company's By-laws allow dividends to be declared and paid out of unrestricted retained earnings, which may be payable in cash, property or stock to all stockholders on the basis of the outstanding stock held by the stockholder, as often and at such times as the Company's Board of Directors may determine and in accordance with the requirements of the Corporation Code and applicable laws.

The cash dividends declared by Vivant to its common shareholders from 2011 to 2012 are shown in the table below.

Year	Cash Dividend Per Share		Total Declared		Record Date
	Regular	Special	Regular	Special	
2012	P0.1416	P0.0489	P144.9 mn	P50.0 mn	July 4, 2012
2011	P0.1287	P0.0489	P131.8 mn	P50.0 mn	July 7, 2011

4. Recent Sales of Unregistered Securities

There was no recent sale of securities within the past three (3) years, which were not registered under the Securities Regulation Code.

Item 6: Management's Discussion and Analysis or Plan of Operation.

1. Plan of Operation

For the next twelve (12) months, the Company will continue to oversee its investments in the investee companies.

As a holding company, it shall satisfy its cash requirements through (1) dividends declared and paid by its investee companies and (2) management fees paid by investee companies with management contracts as compensation for ancillary services provided.

Vivant, through its Business Development Group, is continuously on the lookout for opportunities in the power industry, particularly in the power generation business. The Company has several projects that are in various stages of development. The projects, should viability be proven, will be done via joint ventures, where funding will be sourced through project financing.

2. Management's Discussion and Analysis

Management uses the following key performance indicators for the Company and its investee companies: (a) equity earnings, (b) Earnings before Interest, taxes, Depreciation and Amortization (EBITDA), (c) debt-to-equity ratio, (d) current ratio, and (e) cash flow generated.

(i) Equity Earnings or (Loss)

Equity earnings or (loss) is the Company's share in the income or loss of subsidiaries accounted for under the equity method. It indicates the profitability of the subsidiaries and measures their contribution to the profitability of the parent. Equity in net earnings of associated companies increased 44% in 2012 from P 669.8 mn in 2011.

(ii) Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA is calculated by taking operating income and adding back to it interest, depreciation, and amortization expenses. Since EBITDA eliminates the effects of financing and accounting decisions, it can provide a relatively good comparison of the performance of the Company with other players in the industry. EBITDA increased by 39% to P1.7 bn in 2012 from P1.2 bn in 2011.

(iii) Debt-to-Equity Ratio

Debt-to-Equity ratio is computed by dividing total liabilities with total stockholders' equity. As of December 31, 2012, the Company is no longer bound by a loan covenant that requires that debt to equity ratio does not exceed P2:P1. Debt to Equity ratio decreased to P0.24:P1 in 2012 from P0.98:P1 in 2011.

(iv) Current Ratio

Current ratio is computed by dividing current assets with current liabilities. This indicates the liquidity of the Company in the short term and measures the peso amount of current asset available to cover a peso amount of current liability. Current Ratio increased to P2.24:P1 in 2012 from P0.59:P1 in 2011.

(v) Cash Flow Generated

Cash flow generated indicates the ability of the Company to generate enough cash for operating, investing, and financing activities. Net Cash Flow Generated increased to P1.2 bn from a Net Cash Used of P13.7 mn in 2011.

Consolidated Financial Statement for the Full Fiscal Year ended December 31, 2012

At the end of 2012 the Company had consolidated revenues of P3.8 bn compared to the consolidated revenue of P2.1 bn in 2011, representing an 80% increase. The increase was primarily due to a 103% increase in Energy Fees of a subsidiary brought about by a combined increase in sold capacity as well as an increase in prices by WESM. Equity in Net Earnings of Associates increased by 44% to P961.4 mn in 2012 from P669.8 mn in 2011, attributed to both an increase in power distribution and power generation earnings of associates. Management Fees increased 21% to P148.5 mn from P122.9 mn in 2011. The increase was the result of the upward adjustment in contract rates as stipulated in the contracts as well as newly negotiated rates. Interest income increased to P47.6 mn or by 185% in 2012 from P16.7 mn in 2011. The increase is attributed to an increase in free cash that allowed for higher earnings on short term placements and the interest income on payments on escrow for a subsidiary's power plant purchase that was rescinded during the year. Other income decreased to P7.0 mn in 2012 from P9.3 mn in 2011. The decrease was mainly due to extraordinary income that a subsidiary realized in 2011 that did not recur in 2012.

Consolidated operating expenses increased by 83% to P2.2 bn in 2012 from P1.2 bn in 2011. The increase was primarily due to an increase in Generation Costs by 75% to P1.8 bn in view of the increase in capacity sold.

Operating Expenses in 2012 had Taxes and Licenses decreasing by 15% to P23.0 mn from P26.9 mn in 2011. The decrease was brought about by the absence of Customs Duties paid by a subsidiary in 2011. Professional Fees increased 516% from P33.6 mn in 2011 to P207.2 mn in 2012. This significant increase was due to consultancy and advisory services incurred by a subsidiary during the rescission of the CTS and technical services incurred for the maintenance of power plant equipment. Management Fees increased by 29% to P37.6 mn in 2012 from P29.1 mn in 2011. This was due to a new management contract entered into by a subsidiary for the management of its power plant. Salaries and employee benefits increased to P35.5 mn in 2012 or by 98% compared to P17.9 mn in 2011. The increase is the combined effect of an increase in manpower to address the growing needs of operations and adjustments in salaries and benefits. Travel expenses increased by 29% to P10.5 mn in 2012 from P8.2 mn in 2011 due to more business activity and site visits for potential projects. Communication and utilities expense increased 22% to P2.9 mn in 2012 from P2.4 mn in 2011, due to the increase in manpower. Rent and association dues increased 80% to P4.0 mn in 2012 from P2.2 mn in 2011. In addition to the escalation in rent as provided in the lease contracts, the 2011 cost did not reflect the full annual impact of the new office space that year, whereas the 2012 cost now takes this up in full. Representation expenses decreased 17% to P1.4 mn from P1.7 mn. There were fewer occasions for representation in 2012. Security and janitorial expense decreased 73% to P0.2 mn in 2012 from P0.7 mn in 2011 due to the reclassification of a portion of the account to Generation Cost during the year. Other operating expenses decreased slightly by 2% to P12.4 mn in 2012 from P12.7 mn in 2011.

Finance cost decreased by 68% in 2012 to P61.1 mn from P189.8 mn in 2011. The decrease was due to the prepayment of Notes Payable and the derecognition of the Long Term Debt of a subsidiary after it entered into a Mutual Rescission Agreement (MRA) on the purchase of a power plant.

The combined effect of the above account movements increased total comprehensive net income from P793.0 mn in 2011 to P 2.0 bn in 2012 or 157%.

Changes in Registrant's Resources, Liabilities, and Shareholders' Equity

The Company's consolidated total assets decreased 16% to P7.1 bn in 2012 from P8.4 bn in 2011, primarily due to reduction in Property, Plant, and Equipment arising from the rescission of a subsidiary's CTS for the purchase of its power plant. Receivables increased by 52% to P620.6 mn in 2012 from P408.5 mn in 2011 largely due to increase in trade receivables from higher energy sales and the grant of one-year interest bearing cash advances by a subsidiary to its stockholders. Inventories decreased by 37% to P103.2 mn in 2012 from P163.1 mn in 2011. The decrease was due to the shift to a consignment arrangement with the fuel supplier thereby increasing efficiency in inventory management. Prepayments and other current assets increased by 79% to P453.5 mn in 2012 from P253.0 mn in 2011 due to advances made by a subsidiary to its supplier of power plant parts and supplies for use in the succeeding year. Investment in associates decreased 7% to P3.7 bn in 2012 from P3.9 bn in 2011 due to the declaration of cash and property dividends during the year. Investment properties had a negligible decrease in 2012 of less than 1% to P279.0 mn in 2012 from P279.3 mn in 2011 due to depreciation. Other non-current assets decreased by 55% to P22.5 mn in 2012 from P50.0 mn in 2011, due to the reclassification of project advances previously lodged in this account to the particular Advances to Related Parties account.

Cash and cash equivalents increased by 206% to P1.8 bn in 2012 from P587.6 mn in 2011 due to increase in revenues and the refund of payments related to the rescinded power plant purchase of a subsidiary. Advances to associates and stockholders decreased 70% to P28.7 mn in 2012 from P94.8 mn in 2011. The decrease was due to the settlement of advances by a subsidiary. Property and equipment decreased by 98% to P42.4 mn in 2012 from P2.5 bn in 2011 as a result of the MRA entered into by a subsidiary where the power plant, buildings, machineries, improvements, equipment and other facilities included were derecognized. Deferred tax assets had a slight decrease by less than 1% to P16.5 mn in 2012 from P16.6 mn in 2011.

Consolidated total liabilities decreased by 67% to P1.4 bn in 2012 from P4.2 bn in 2011 because of the prepayment of Notes Payable and de-recognition of the long term liability as a result of the MRA. In view of the Notes Payable prepayment, Current and non-current notes payable decreased 54% to P365.0 mn in 2012 from P796.3 mn in 2011. Long term debt on the other hand decreased a 100% in 2012 from P2.5 bn in 2011 as a result of the MRA.

Trade and other payables increased by 20% to P683.5 mn in 2012 from P569.2 mn in 2011 due to an outstanding payable for advisory and consultation fees related to the rescission. Advances from related parties decreased by 13% to P197.5 mn in 2012 from P225.8 mn in 2011 due to the payments made on some of the advances.

Stockholders' Equity increased by 35% to P5.7 bn from P4.2 bn in 2011 due to favorable results of operations and the extraordinary gain on the rescission of the CTS in a subsidiary.

Material Changes in Liquidity and Cash Reserves of Registrant

Cash generated from operating activities increased by 277% to net cash provided by operating activities of P1.0 bn in 2012 from P266.0 mn in 2011 due to higher revenues and the cash received from the contract rescission of P664.6 mn.

Net cash provided by investing activities increased by 137 % to P1.1 bn from P449.5 mn in 2011 due to a significant increase in cash dividends. Dividends received from associates of P894.8 mn in 2012 were 84% more than the P485.3 mn received in 2011.

Net cash used in financing activities increased by 18% to P862.5 mn from net cash used of P729.2 mn in 2011 due the increase in cash dividends and the settlement of loans. Cash dividends paid to shareholders increased by 13% to Ph311.0 mn in 2012 from P276.3 mn in 2011.

Cash inflows are expected to be sufficient for the Company's projected outflows in the foreseeable future, and its cash reserves are more than adequate for any given year's average cash requirements.

Material Events and Uncertainties

Vivant, through its subsidiaries and associates, have identified projects involving Greenfield power plant developments. Funding for these projects will be done through a combination of equity and debt, where debt will be at the project company level. As these projects are implemented, Vivant will fund its share of the equity through internally generated funds or possibly through additional capital, either through debt or equity issuance.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

Item 7. Financial Statements

The audited financial statements of the Company for the years ended December 31, 2012, December 31, 2011, and December 31, 2010 are attached hereto as Exhibits "B", "C" and "D", respectively.

Item 8. Information on Independent Accountant and other Related Matters

1. External Audit Fees and Services

(i) Audit and Audit-Related Fees

Following the Annual Stockholders Meeting last June 15, 2012 where the authority to confirm the external auditors was delegated to the Board of Directors, the Board of Directors confirmed the re-appointment of KPMG Manabat Sanagustin & Co. (KPMG) as its external auditor.

Total fees billed by KPMG for services normally provided in connection with statutory and regulatory filings or engagements amount to P450,000 in 2012 from P400,000 in 2011.

KPMG has not billed Vivant for any other assurance and related services reasonably related to the performance of the audit or review of Vivant's financial statements.

(ii) Tax Fees

KPMG has not billed Vivant in 2012 for professional fees for tax accounting, compliance, advice, planning and any other form of tax services.

KPMG has not rendered professional services to Vivant for tax accounting, compliance, advice, planning and other form of tax services for the fiscal year 2012.

(iii) All Other Fees

The external auditor has not billed the Company in 2012 for other fees.

(iv) Audit Fees Approval

The management and the Audit Committee evaluated and approved the audit fees.

2. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There was no event in the past year where Vivant and KPMG or the handling partner had any disagreement with regard to any matter relating to accounting principles or practices, financial disclosures or auditing scopes or procedures.

PART III: CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

1. Directors, Independent Directors and Executive Officers

The following are the directors who have held offices as such since their election last June 15, 2012:

1. Dennis N. A. Garcia
2. Emil Andre M. Garcia
3. Elbert M. Zosa
4. Gil A. Garcia, II
5. Charles Sylvestre A. Garcia
6. Ramontito E. Garcia
7. Efren P. Sarmiento
8. Jose Marko Anton G. Sarmiento
9. Antonio Abacan, Jr.
10. Amb. Raul Ch. Rabe (Independent Director)
11. Atty. Jesus B. Garcia, Jr. (Independent Director)

They shall serve as directors for a term of one (1) year and until their successors are duly elected and qualified.

After the election of the Board of Directors, the following persons were elected as officers:

Name	Position
Dennis N.A. Garcia	Chairman of the Board
Ramontito E. Garcia	President
Gil A. Garcia II	Treasurer
Arlo A.G. Sarmiento	EVP/Chief Operating Officer
Emil Andre M. Garcia	VP - Corporate Planning and Development
Maria Victoria E. Sembrano	AVP - Finance & Administration
Atty. Macario C. Padullo, Jr.	AVP - Corporate Management Systems
Juan Eugenio L. Roxas	AVP - External Affairs and Administration
Atty. Jess Anthony N. Garcia	Corporate Secretary & Chief Information Officer
Atty. Joan A. Giduquio-Baron	Assistant Corporate Secretary & Compliance Officer

The term of office of all officers shall be for one (1) year and until their successors are duly elected and qualified. The above officers of the Issuer shall serve only for the unexpired term of their predecessors and until their successors are duly elected/appointed.

(i) Information on Directors and Officers

Dennis N. A. Garcia, 63 years old, Filipino; Chairman and member of the Executive Committee of the Company since 2003; President and Co-Chairman - Executive Committee of VECO; Chairman – Vivant-Sta. Clara Northern Renewables Generation Corporation; Chairman and President - VICS-Amlan Holdings Corporation, VC Ventures Net, Inc., and Vivant Integrated Generation Corporation; Vice Chairman - Cebu Private Power Corporation; President - VEC and Hijos de F. Escaño, Inc.; Director - Abovant Holdings, Inc., MAI-I Resources Corporation, Delta P. Inc., 1590 Energy Corp., Director and Member of the Executive Committee - Cebu Energy Development Corporation; Chairman-Vivant-Malogo Hydropower Inc.; President, JEGVEG Realty, Inc.

Ramontito E. Garcia, 56 years old, Filipino; President of the Company since 2003; Director and Member of the Executive Committee of the Company since 2003; Chairman - VECO; Director-VECO since 2003, Vivant-Sta. Clara Northern Renewables Generation Corporation; Vice President - Cebu Private Power Corporation; Director - Delta P, Inc., 1590 Energy Corp., VICS-Amlan Holdings Corporation, Hijos de F. Escaño, Inc., Cebu Energy Development Corporation; CEO - JEG Development Corporation and VC Ventures Net, Inc.; President-Vivant-Malogo Hydropower Inc.;Vice President - JEGVEG Realty, Inc.

Gil A. Garcia II, 60 years old, Filipino; Director and Treasurer of the Company since 2004; Director-VECO since 2004; Treasurer-VECO and VC Ventures Net, Inc.; Director – VEC, Vivant Integrated Generation Corporation, and MAI-I Resources Corporation.

Elbert M. Zosa, 65 years old**,** Filipino; Director of the Company since 2003; Chairman of the Finance Committee of the Company; Executive Vice President - Rizal Commercial Banking Corporation; formerly Senior Vice President/Strategic Planning Head - Equitable PCI Bank; Managing Director (ex-officio) – PCI Capital Corporation; General Manager of the PCI Bank Foundation. He obtained his MBA from the Wharton School, University of Pennsylvania.

Charles Sylvestre A. Garcia, 52 years old, Filipino; Director of the Company and Member of Executive Committee since 2004; Director – VECO since 2007.

Efren P. Sarmiento, 61 years old**,** Filipino; Director of the Company and Member of the Executive Committee since 2003; Chairman - Detalia Aurora, Inc.; Director - Reunion Holdings, Inc.; past President, Mindanao Rattan Corporation; Past Director, Batolini S., Inc., Manila Machineries & Supply, Sarmiento Securities Corporation, Vitarich Corporation and Philippine Fried Chicken, Incorporated.

Emil Andre M. Garcia, 35 years old; Filipino; Director of the Company since 2009; VP for Corporate Planning and Development of the Company since January 2012; AVP for Corporate Planning and Development of the Company from February 2011 to December 2011; Director of VECO since 2010; Director-Vivant-Malogo Hydropower Inc.; Director of Calamian Islands Power Corporation; Secretary and Treasurer of Emag Resources and Development Corporation; President of Christ Company in 2009 to 2011.

Jose Marko G. Sarmiento, 35 years old, Filipino; Director and Member of the Executive Committee of the Company since 2008; Director and Chief Operating Officer - JEG Development Corporation since 2009; Director and Treasury Manager - JEG Development Corporation (2005 to 2009); Former Assistant Vice President of Detalia Aurora for Manufacturing.

Antonio S. Abacan, Jr., 70 years old, Filipino; Group Vice Chairman – Metrobank Group of Companies; Chairman of Advisory Board – Metropolitan Bank Trust Company; Chairman, Toyota Financial Services, (Phils.) Inc., Sumisho Motor Finance Corp.; Manila Medical Services, Inc.; Federal Homes, Inc., Baywatch Realty Corp., Circa 2000 Homes, Inc., Baywatch Project Management Corp., Manila GT Medical Center; President Metrobankers Foundation; Vice Chairman/Executive Director – Global Business Power Corp.; Director – Cebu Energy Development Corp. and Panay Energy Development Corp.; Adviser First Metro Investment Corp., Philippine AXA Life Insurance Corp., Toyota Manila Bay Corp., Toyota Cubao Inc.; Director/Corporate Secretary and Treasurer - LGU Guarantee Corp.; Director Taal Land Inc., Cebu Holdings Inc.; Trustee - Manila Tytana Colleges; Chairman of Banking Philippine Chamber of Commerce and Industry; Governor Makati Commercial Estate Corp.; President Philippine Drug Abuse Resistance Education.

Raul Ch. Rabe, 73 years old, Filipino; Independent Director of the Company since 2003; Chairman, ACK Freight Express, Inc. since 1999; Of Counsel of the Law Firm of Rodrigo, Berenguer & Guno (Makati City); Corporate Secretary - Manila Economic & Cultural Office (MECO) since 2001; Director - the Bank of Commerce, KGL-Negros Navigation, Pet Plans, Inc. (Makati City); Foreign Service Officer of the Department of Foreign Affairs (1968 to 1999); Third to Second Secretary in London (1972 to 1975); First Secretary in Bucharest (1975 to 1979); Chief Deputy of Protocol of the Department of Foreign Affairs (1979 to 1981); Minister Counselor in Jeddah (1981 to 1982); Minister and later Deputy Chief of Mission in Washington D.C., (1982 to 1984 and 1986 to 1989, respectively); Consul General in Honolulu (1984 to 1986); Assistant Secretary of the American Affairs (1989 to 1992); Ambassador to Seoul (1992 to 1993); Ambassador to Washington (1993 to 1999); Special Envoy of the President of the Philippines for the America and OIC Countries in 2001.

Jesus B. Garcia, Jr., 67 years old, Filipino; Independent Director of the Company since 2004; Chairman of the Audit Committee of the Company since 2004; Secretary - Department of Transportation and Communications of the Republic of the Philippines (1992–1996); Chairman - SunStar Publishing, Inc., Pan Arts Corporation, SunStar Management, Inc.; President, Jesever Realty Corporation, Madre Realty Corporation

Arlo A. G. Sarmiento, 37 years old, Filipino, Executive Vice President-Chief Operating Officer of the Company since 2003; Director and Chief Financial Officer - VEC; Director and Treasurer - Cebu Private Power Corporation; Director - Delta P, Inc., 1590 Energy Corp., VICS-Amlan Holdings Corp.; Director and Chief Operating Officer - Hijos de F. Escaño, Inc. and Vivant-Malogo Hydropower Inc.; President- Vivant-Sta. Clara Northern Renewables Generation Corporation; Chief Financial Officer – VC Ventures Net, Inc., Vivant Integrated Generation Corporation, and JEG Development Corporation.

Maria Victoria E. Sembrano, 51 years old, Filipino, Assistant Vice President for Finance and Administration of the Company since 2012; Corporate Services Director of the Marsman Drysdale Agribusiness Group prior to joining Vivant. Before Ms. Sembrano became Corporate Service Director, she held various positions in Finance, Logistics and

Administration in Marsman Drysdale Agribusiness Group since 1992. She is a Certified Public Accountant.

Atty. Macario C. Padullo, Jr., 35 years old, Filipino, Assistant Vice President for Corporate Management Systems of the Company since February 2011; Finance Manager from 2009 to 2011; Finance Officer from 2003 to 2009. He is a member of the Integrated Bar of the Philippines and the Philippine Institute of Certified Public Accountants.

Juan Eugenio L. Roxas, 42 years old, Filipino, AVP for External Affairs & Administration of Vivant since March 2011; Vice President – External Affairs for 1590 Energy Corporation; Vice President, Amlan Hydro Power Inc.; President, ICS Renewables Inc. His professional experience is characterized by a prolific background in public-private relations having served as consultant of various organizations including: Filinvest Land, Inc.; Committee on national Defense, Commission on Appointments; Association of Philippine Electric Cooperative (APEC) Party List. Mr. Roxas has functioned in several administrative positions in various organizations including: Philippine National Bank; San Carlos Sugar Milling and Refining Co, Inc.; FPJ for President Movement; Senatorial and Congressional Campaigns of Miguel L. Romero; and Deputy managing Director of Stratbase Inc.

Jess Anthony N. Garcia, 41 years old, Filipino, Corporate Secretary and Corporate Information Officer of the Company since 2003; Assistant Corporate Secretary - VECO; Corporate Secretary – VEC, Vivant-Sta. Clara Northern Renewables Generation Corporation, 1590 Energy Corp., Vivant-Malogo Hydropower Inc., Vivant Integrated Generation Corporation, and SunStar Publishing, Inc. He obtained his *Juris Doctor* degree from the Ateneo de Manila University School of Law; a member of the California Bar since 2002 and of the Philippine Bar since 1998; Managing Partner of J.P. Garcia and Associates.

Joan A. Giduquio-Baron, 42 years old, Filipino, Assistant Corporate Secretary and Compliance Officer of the Company since 2003; Assistant Corporate Secretary of VECO and Vivant Integrated Generation Corporation; Corporate Secretary of JEGVEG Realty, Inc., JEG Development Corporation. She obtained her *Juris Doctor* from the Ateneo de Manila University School of Law in 1996 and her Master in Management degree from the Asian Institute of Management (AIM) in 2001; a member of the Philippine Bar since 1997; Partner at J.P. Garcia and Associates; Director of the Alumni Association of the Asian Institute of Management (Cebu Chapter); Associate Attorney at Puno and Puno Law Offices from 1997 until 2001.

(ii) Nominees for Election as Members of the Board of Directors

The following served as members of the Board of Directors in 2012 and will continue to serve until the 2013 Regular Stockholders' Meeting during which their successors shall have been elected and qualified:

1. Dennis N. A. Garcia
2. Emil Andre M. Garcia
3. Gil A. Garcia II
4. Charles Sylvestre A. Garcia
5. Elbert M. Zosa
6. Ramontito E. Garcia
7. Efren P. Sarmiento
8. Jose Marko Anton G. Sarmiento

9. Antonio S. Abacan, Jr.
10. Amb. Raul Ch. Rabe (Independent Director)
11. Atty. Jesus B. Garcia, Jr. (Independent Director)

(iii) Procedure for Nomination

In accordance with the Manual on Corporate Governance, the Nomination Committee had pre-screened the list of candidates nominated to become a member of the Board of Directors in accordance with the procedures, qualifications, disqualifications and guidelines specified in the said Manual.

In consonance with SEC Memorandum Circular No. 16, Series of 2002, no nominations for independent director shall be accepted at the floor during the stockholders' meeting during which such nominee is to be elected. However, independent directors shall be elected in the stockholders' meeting during which other members of the Board are to be elected.

(iv) Term of Office of a Director

Pursuant to the Company By-laws, the directors are elected at each regular annual stockholders' meeting by stockholders entitled to vote. Each director holds office until the next annual election and until his successor is duly elected unless he resigns, dies or is removed prior to such election.

The eleven (11) directors, who should be stockholders of the Company, shall be elected annually by the stockholders during the annual stockholders' meeting, where at least a majority of the outstanding capital stock should be present in person or by proxy. The Directors shall serve for a term of one (1) year and until the election and qualification of their successors.

Any vacancy occurring in the Board of Directors may be filled by the remaining members of the Board, if they still constitute a quorum, by a majority vote; and the director so chosen shall serve for the unexpired term or until his successor is duly elected and qualified.

2. Significant Employees

The Company considers its entire work force as significant employees. Everyone is expected to work together as a team to achieve the Company's goals and objectives.

(i) Family Relationships

Messrs. Dennis N. A. Garcia, Charles Sylvestre A. Garcia and Gil A. Garcia, II are brothers, or relatives within the second civil degree by consanguinity.

Mr. Ramontito E. Garcia is a relative of the fourth civil degree by consanguinity (cousin) of Messrs. Dennis N. A. Garcia, Charles Sylvestre A. Garcia and Gil A. Garcia, II and a relative of the second civil degree by affinity (brother-in-law) of Mr. Efren P. Sarmiento.

Mr. Elbert M. Zosa is a brother-in-law of Messrs. Dennis N. A. Garcia, Charles Sylvestre A. Garcia and Gil A. Garcia, II - or a relative within the second civil degree by affinity.

Messrs. Arlo A. G. Sarmiento and Jose Marko Anton G. Sarmiento are sons of Mr. Efren Sarmiento, and relatives within the third civil degree by consanguinity (nephew) of Mr. Ramontito E. Garcia.

Mr. Emil Andre M. Garcia is the son of Dennis N. A. Garcia, and the nephew of Messrs. Charles Sylvestre A. Garcia and Gil A. Garcia (third civil degree by consanguinity).

(ii) Involvement in Certain Legal Proceedings

To the knowledge and/or information of Vivant, the above-named Directors and Executive Officers are not, or have not, during the last five (5) years, been involved in criminal, bankruptcy or insolvency investigations or proceedings. There is also no bankruptcy petition filed by or against any business of which they were general partners or executive officers at the time of the bankruptcy or within two years prior to that time.

To the knowledge and/or information of the Issuer, the said persons have not been convicted by final judgment or any offense punishable by the laws of the Republic of the Philippines or of the laws of any other nation/country, including being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities.

To the knowledge and/or information of the Company, the said persons have not been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

Vivant believes that in addition to the aforementioned officers, the entire workforce will contribute to its success.

Item 10. Executive Compensation

1. Compensation of top five (5) executive officers

Information as to the aggregate compensation paid and accrued during the last two calendar years to the Company's President and the four (4) most highly compensated executive officers and directors are as follows:

SUMMARY COMPENSATION TABLE

Annual Compensation

Name and Principal Position	Year	Salary	Bonus	Other Compensation
Top Five Highly Compensated Executives 1. Dennis N.A. Garcia – Chairman 2. Ramontito E. Garcia –				

President 3. Arlo A.G. Sarmiento – EVP/COO 4. Emil Andre M. Garcia – VP for Corporate Planning & Development 5. Juan Eugenio L. Roxas – AVP for External Affairs and Administration				
All above-named officers as a group	2012	P21.3 mn	P4.3 mn	
	2011	P15.8 mn**	P2.0 mn	
All other directors and officers as a group unnamed	2012	P 2.3 mn	P0.6 mn	P2.7 mn
	2011	P 1.5 mn	P0.4 mn	P2.3 mn

** P11.5 mn was reported under Professional Fees in the SEC 17-A report of 2012.

2. Compensation of Directors

Other than honoraria for meetings attended, there are no standard arrangements pursuant to which directors of the Issuer are compensated, or are to be compensated, directly or indirectly, for any services provided as a director, including any additional amounts payable for committee participation or special assignments for the last completed fiscal year and the ensuing year.

There are no arrangements, including consulting contracts, pursuant to which any director of the registrant was compensated, or is to be compensated, directly or indirectly, during the Company's last completed fiscal year, and the ensuing year, for any service provided as such director.

3. Employment Contracts and Termination of Employment and Change-in-Control Arrangements

Vivant has no existing compensation plan or arrangement with any of its executives in case of resignation or any other termination of employment or from a change in the management control of the Company.

4. Warrants and Options Outstanding: Repricing

There are no outstanding warrants or options held by the named executive officers, and all officers and directors as a group, as identified in Part III, Item 9. Moreover, at no time during the last completed fiscal year did the Company adjust or amend the exercise price of stock warrants or options previously awarded to the aforementioned officers and directors.

Item 11. Security Ownership of Certain Beneficial Owners and Management

1. Security Ownership of Certain Record and Beneficial Owners (more than 5%)

As of December 31, 2012, the following are the persons known to the Company to be the direct or indirect record or beneficial owner of more than 5% of any class of the Issuer's voting securities:

Title of class	Name and address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent Held
Common	JEG Development Corporation Advent Business Center Lahug, Cebu City /Stockholder	JEG Development Corporation*	Filipino	311,524,642	30.44%
Common	MAI-I Resources Corporation 375-G Acacia St., Lahug, Cebu City /Stockholder	MAI-Resources Corporation**	Filipino	464,831,568	45.42%
Common	Mirant Global Corporation /Stockholder	Mirant Global Corporation***	Filipino	116,555,553	11.39%
Common	**All directors (as a group)**	**All directors**	**Filipinos**	**636**	**0.00%**

*Either Mr. Dennis N. A. Garcia or Mr. Gil A. Garcia, II or Mr. Charles Sylvestre A. Garcia, Directors of MAI-I Resources Corporation (MRC) will vote for the shares of MRC in Vivant in accordance with the directive of the MRC Board of Directors.

**Either Mr. Ramontito E. Garcia or Mr. Jose Marko G. Sarmiento, Chairman and Chief Operating Officer of JEG Development Corporation (JDC), respectively, will vote for the shares of JDC in Vivant in accordance with the directive of the JDC Board of Directors.

***Mr. Antonio S. Abacan, Jr. will vote for the shares of Mirant Global Corporation (MGC) in Vivant in accordance with the directive of the MGC Board of Directors.

2. Security Ownership of Management

The following are the amount and nature of ownership of each member of the Board of Directors as of December 31, 2013:

Title of class	Name of Beneficial Owner	Amount and nature of beneficial ownership	Citizenship	Percent of Class
Common	Dennis N.A. Garcia	1(Record)	Filipino	0.00%
Common	Ramontito E. Garcia	1(Record)	Filipino	0.00%
Common	Jose Marko Anton G. Sarmiento	1(Record)	Filipino	0.00%
Common	Gil A. Garcia II	1(Record)	Filipino	0.00%
Common	Efren P. Sarmiento	1(Record)	Filipino	0.00%
Common	Charles Sylvestre A. Garcia	1(Record)	Filipino	0.00%
Common	Elbert M. Zosa	626(Record)	Filipino	0.00%
Common	Emil Andre M. Garcia	1 (Record)	Filipino	0.00%
Common	Antonio S. Abacan, Jr.	1,562(Record)	Filipino	0.00%
Common	Raul Ch. Rabe	1(Record)	Filipino	0.00%

Common	Jesus B. Garcia, Jr.	1(Record)	Filipino	0.00%
Common	**All directors**	**636(Record)**	**Filipino**	**0.00%**

Item 12. Certain Relationships and Related Transactions

During the last two (2) years there was no transaction with or involving the Company or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

PART IV – CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Self-Rating Form of the Securities and Exchange Commission, the criteria and the rating system therein as a means of measurement or determination of the level of compliance of the Board of Directors and top-level management with its Manual of Corporate Governance. To ensure compliance with leading practices on good corporate governance, members of the board of directors and top-level management are encouraged to attend seminars on good corporate governance. The Company has substantially complied with the provisions of its Revised Manual on Corporate Governance, and the same has been disclosed to the Commission. It has plans to improve corporate governance by adopting good corporate practice recognized in more progressive corporations and incorporating the same in its Manual.

In compliance with the full disclosure rules on the Code of Corporate Governance, the Revised Manual on Corporate Governance (the "Manual"), and the reportorial requirement of the Commission on the extent of compliance by the company with its Manual, the undersigned hereby certifies that the company has substantially complied with the provisions thereof.

As of the date of this Report, there are no changes in the corporate governance structure and practice.

Compliance with The Minimum Public Ownership Requirement

The Company is compliant with the Rule on Minimum Public Ownership, as amended. Based on information that is publicly available to the Company and within the knowledge of its directors it has 12.7551% public float as of March 31, 2013.

PART V - EXHIBITS AND SCHEDULES

Item 13. Exhibits and Reports on SEC Form 17-C

1. Exhibits

Index of Exhibits

Exhibit	Description
A	Vivant's Corporate Structure
B	Audited Financial Statements as of December 31, 2012
C	Audited Financial Statements as of December 31, 2011
D	Audited Financial Statements as of December 31, 2010

2. Reports on SEC Form 17-C

During the past six (6) months, several reports to the Commission in SEC Form 17-C were filed in connection relative to the following matters:

(1) Disclosure on the Compliance with the Manual on Corporate Governance on January 4, 2013;
(2) Certification on the Attendance of the Board of Directors during the meetings of the Board for 2013 on January 3, 2013;
(3) Groundbreaking of the Calamian Island Power Corporation's Busuanga and Coron power stations on April 18, 2013; and
(4) Signing of a Contract to Purchase Generated Electricity between Vivant-Sta. Clara Northern Renewables Generation Corporation and Trans-Asia Oil and Energy Development Corporation on April 26, 2013.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Cebu on the 10th day of July 2013.

By:

for:

DENNIS N. A. GARCIA
Chairman

RAMONTITO E. GARCIA
President

for:

ARLO A. G. SARMIENTO
Principal Operating Officer

MARIA VICTORIA E. SEMBRANO
Principal Finance Officer

JESS ANTHONY N. GARCIA
Corporate Secretary

Republic of the Philippines)
City/Province of Cebu)S.S.

SUBSCRIBED AND SWORN to before me this JUL 11 2013 affiants exhibiting to me their Drivers' License or Passport details as follows:

Names	Driver's License/Passport No.	Date of Issue/ Expiry Date	Place of Issue
Ramontito E. Garcia	EB2133231	Expiry 3/21/2016	DFA-Cebu
Emil Andre M. Garcia	G01-96-206491	Expiry 11/30/2013	Cebu City
Maria Victoria E. Sembrano	G01-82-019604	Expiry9/9/2015	Cebu City
Jess Anthony N. Garcia	G01-00-273191	Issued 6/1/ 2012	Cebu City

Doc. No. 5 ;
Page No. 1 ;
Book No. H ;
Series of 2013.

ATTY. JOAN A. GIDUQUIO-BARON
NOTARIAL COMMISSION NO. 031-09
NOTARY PUBLIC
CEBU CITY
UNTIL DECEMBER 31, 2014
UNITS 1501-1502, AYALALIFE FGU CENTER
CEBU BUSINESS PARK, CEBU CITY
ROLL NO 41829
PTR NO. 137524 – CEBU CITY – 01/03-13
IBP NO. 912289 – CEBU CITY – 01/03-13

ANNEX A

VIVANT CORPORATION
Unit 907-908 Ayala Life FGU Center
Cebu Business Park, Cebu City

SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2012

Unappropriated Retained Earnings, *as adjusted to available for dividend distribution, beginning*		**P925,907,274**
Add: Net income actually earned/realized during the period		
Net income during the period closed to Retained Earnings	**P1,069,397,070**	
Less: Non-actual/unrealized income net of tax	-	
Equity in net income of associate/joint venture	-	
Unrealized foreign exchange gain - net(except those attributable to Cash and Cash Equivalent)	-	
Unrealized actuarial gain	-	
Fair value adjustments (M2M gains)	-	
Fair value adjustments to Investment Property resulting to gain	-	
Adjustment due to deviation from PFRS/GAAP - gain	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS:		
Unrealized gain on derivative	-	
Subtotal	-	
Add: Non-actual losses		
Deferred tax expense	-	
Depreciation on revaluation increment (after tax)	-	
Adjustment due to deviation from PFRS/GAAP - loss	-	
Loss on fair value adjustment on Investment Property (after tax)	-	
Subtotal	-	
Net income actually earned during the period		**1,069,397,070**
Add (Less):	-	
Dividend declarations during the period	**(194,968,499)**	
Appropriations of Retained Earnings during the period	-	
Reversal of appropriation	-	
Effects of prior period adjustments	-	
Treasury shares	-	
Subtotal	-	**(194,968,499)**
TOTAL RETAINED EARNINGS, END AVAILABLE FOR DIVIDEND DISTRIBUTION		**P1,800,335,845**

Figures based on functional currency audited financial statements

Note

The Company plans to declare cash dividends and to appropriate portion of the retained earnings for the Company's expansion projects in 2013. Details of the Company's plan will be discussed thoroughly in the BOD meeting to be held near the end of the 2nd quarter or beginning of the 3rd quarter.

VIVANT CORPORATION & SUBSIDIARIES
FINANCIAL SOUNDNESS INDICATORS

	2012	2011
Liquidity Ratio		
Current Ratio	2.24	0.59
Quick Ratio	1.82	0.43
Solvency and Debt to Equity Ratio		
Solvency Ratio	1.57	0.27
Debt to Equity Ratio	0.24	0.98
Asset to Equity Ratio		
Asset/Equity	1.24	1.98
Interest Rate Coverage Ratio		
Interest Cover	45.6 x	6.6 x
Debt Service Cover	1.9 x	1.1 x
Profitablility		
Operating Margin	42%	43%
Net Margin	54%	37%
Return on Assets	26%	10%
Return on Equity	35%	19%
Return on Equity, Net of Minority Interest	30%	18%
Earnings/(Loss) Per Share	1.432	0.641