

COVER SHEET

1 7 5 2 2 2

S.E.C. Registration Number

P.S.E. Control Number

V I V A N T C O R P O R A T I O N

(Company's Full Name)

S u i t e 9 0 7 - 9 0 8 A y a l a L i f e - F G U

C e n t e r , C e b u B u S i n e s s P a r k ,

C e b u C i t y

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

Joan A. Giduquio-Baron

(032) 232-0283, 234-2256 and 234-2285

Contact Persons Telephone Number of the Contact Person

1 2 3 1

Month Day Fiscal Year

SEC FORM 17-Q

0 6 3 0

FORM TYPE Month Day

Secondary license Type, if Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

LCU

File Number

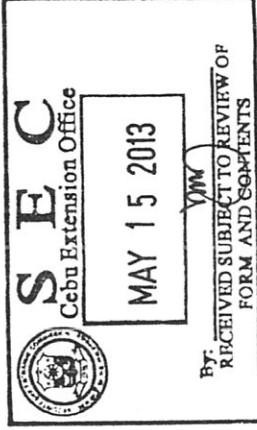
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*Advisory approved on Nov 15, 2012 at 2:54:12 PM by [Signature]*

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **March 31, 2012**
2. Commission identification number: **175222**
3. BIR Tax Identification No. **242-603-734-000**

**VIVANT COMPANY**

4. Exact name of issuer as specified in its charter

**Mandaluyong City**

5. Province, country or other jurisdiction of inCompany or organization

6. Industry Classification Code: [REDACTED] (SEC Use Only)

**Suite 907-908 Ayala Life-FGU Center, Mindanao Ave. corner Biliran Road,  
Cebu Business Park, Cebu City 6000**  
Postal Code

7. Address of issuer's principal office

**(032) 234-2256; (032) 234-2285**

8. Issuer's telephone number, including area code

**There has been no change in name, address and fiscal year since last report.**

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the SRC

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
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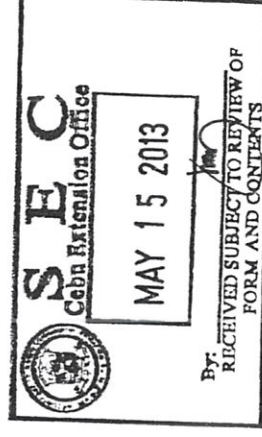
<b>Common Shares at P1.00 per share</b>	<b>1,023,456,698</b>
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11. Are any or all of the securities listed on a Stock Exchange?

Yes  No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

**Philippine Stock Exchange** Common Stock



12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Company Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes  No

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes  No

#### PART I--FINANCIAL INFORMATION

##### Item 1. Financial Statements.

Please see attached financial statements for the quarter ended March 31, 2013.

##### Item 2. Management's Discussion and Analysis of Consolidated Financial Condition and Results of Operations.

Management uses the following key performance indicators for Vivant Corporation (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.

###### (a) Equity Earnings

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 earnings for the 1<sup>st</sup> quarter of 2013 amounted to Php149.6 mn representing a 37.60% decrease from the equity gain in 1<sup>st</sup> quarter of 2012 which amounted to Php239.7 mn.

###### (b) EBITDA

Earnings before interest, taxes and depreciation (EBITDA) is calculated by taking operating income and adding back to it the 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 as of end of 1<sup>st</sup> quarter of 2013 amounted to Php162.5 mn representing a 57.62% decrease from the EBITDA as of end of 1<sup>st</sup> quarter of 2012 which amounted to Php383.4 mn.

###### (c) Debt-to-Equity Ratio

Debt-to-Equity ratio is computed by dividing total liabilities with total stockholders' equity. Debt-to-equity ratio as of the end of 1<sup>st</sup> quarter of 2013 is Php0.21:1.00 compared with debt-to-equity ratio for the same period last year which was Php0.84:1.00.



(d) 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 as of end of 1<sup>st</sup> quarter of 2013 is Php2.82:1.00 compared with current ratio for the same period last year which was Php0.55:1.00.

(e) Cash flow Generated

Cash flow generated indicates the ability of the Company to generate enough cash for operating, investing, and financing activities. Net cash inflow as of end of 1<sup>st</sup> quarter of 2013 amounted to Php334.6 mn compared with net cash outflow for the same period last year which amounted to Php120.1 mn or a 377% increase.

**Quarter ended March 31, 2013**

**Consolidated Financial Results of Operations**

Vivant Corporation ended the 1<sup>st</sup> quarter of 2013 with total revenues of Php400.2 mn compared with the total revenues in 1<sup>st</sup> quarter of 2012 in the amount of Php576.2 mn. Of the total revenues, Php209.8 mn came from energy fees, Php149.6 mn came from equity in net earnings of subsidiaries and associates, Php32.3 mn came from rendering of services, and Php8.5 mn came from interest and other income. The decrease in energy fees and equity in net earnings from associates is due to the combined decrease in the volume of energy generated and sold and the decrease in prices of WESM during the period.

Operating expenses for the 1<sup>st</sup> quarter of 2013 decreased by 9.29% from that of 1<sup>st</sup> quarter of 2012. For the 1<sup>st</sup> quarter of 2013, operating expenses amounted to Php257.8 mn compared with the operating expenses for the 1<sup>st</sup> quarter of 2012 which amounted to Php284.2 mn. There were however noted increases in total operating expenses principally coming from professional fees, management fees, salaries and employees benefits, taxes and licenses, depreciation and amortization, rent and association dues, representation, security and janitorial and other general and administrative expenses. On the other hand aside from the decrease in generation cost, there was also a decline in the cost of travel and communication and utilities.

Professional fees increased by 48.44% from Php6.4 mn at the end of 1<sup>st</sup> quarter of 2012 to Php9.5 mn in the 1<sup>st</sup> quarter of 2013 due to developmental fees paid for certain projects.. Management fees increased 100% to Php7.3 mn due to the reclassification of the account from Generation Cost to Operating Expenses during the year. In 2012, the reclassification was done only at year end. Salaries and employee benefits increased 87.07% from Php4.6 mn in the 1<sup>st</sup> quarter of 2012 to Php8.6 mn as of 1<sup>st</sup> quarter of 2013 because of additional manpower and the adjustment in salaries and benefits. The increase in taxes and licenses by 108.32% from Php8.3 mn as of end of 1<sup>st</sup> quarter 2012 to Php17.3 mn in the 1<sup>st</sup> quarter of 2013 was primarily due to the increase in business taxes and permits in a subsidiary. This was brought about by both an increase in revenue tax base as well as an increase in business permit fees. Depreciation and amortization increased by 108.73 % from Php1.2 mn in the 1<sup>st</sup> quarter of 2012 to Php2.6 mn in the 1<sup>st</sup> quarter of 2013 because of office space renovation and the acquisition of transportation and office equipment.

Rent and association dues increased by 125.43% from Php0.4 mn at the end of 1<sup>st</sup> quarter of 2012 to Php0. 9 mn in the 1<sup>st</sup> quarter of 2013 because of acquisition and rental of additional office space. The increase in representation expenses by 1005.54% to Php1.5 mn as of end of 1<sup>st</sup> quarter of

2013 from Php0.1 mn in the same quarter of 2012 was due to increased business activity, with various potential projects being evaluated. Security and janitorial expenses increased by 32% to Php0.06 mn in the 1<sup>st</sup> quarter of 2013 from Php0.04 mn in the same quarter of 2012. The increase was due to an increase in rate. Other general and administrative expenses increased by 702.31% from Php1.8 mn as of the end of 1<sup>st</sup> quarter of 2012 to Php14.8 mn as of the 1<sup>st</sup> quarter of 2013. The increase was due to non-recurring expenses related to government regulatory compliance and increased business activities during the period.

The above increases were however fully offset by the decreases in *generation cost, travel, and communication and utilities expenses*. Generation cost decreased by 25.41% from Php259.4 mn as of end of 1st quarter of 2012 to Php193.5 mn in 1<sup>st</sup> quarter of 2013. This movement was the result of the decrease in the volume of energy generated during the period. Travel fees decreased by 7.06% from Php1.2 mn as of end of 1<sup>st</sup> quarter 2012 to Php1.1 mn in 1<sup>st</sup> quarter 2013. The decrease was due to the full utilization of a videoconference facility that allowed a reduction in travel frequency. The decrease in communication and utilities expenses by 8.95% from Php0.6 mn as of end of 1<sup>st</sup> quarter 2012 to Php0.5 mn in 1<sup>st</sup> quarter of 2013 was due to timing difference.

#### **Changes in Registrant's Consolidated Resources, Liabilities and Shareholders' Equity**

The Company's total assets decreased 1.26% from Php7.1 mn as of beginning of the year to Php7.0 mn as of end of 1<sup>st</sup> quarter of 2013. This decrease was mainly due to the following:

1. Trade, advances, and other receivables decreased by 19.16% from Php620.6 mn at the beginning of the year to Php501.7 mn as of end of 1<sup>st</sup> quarter of 2013. The decrease was due to collection of accounts.
2. Inventories decreased by 2.57% from Php103.2 mn at the beginning of the year to Php100.5 mn as of the end of the 1<sup>st</sup> quarter of 2013. The decrease was due to usage.
3. Prepayments and other current assets decreased by 0.89% from Php453.5 mn at the beginning of the year to Php449.4 mn as of the 1<sup>st</sup> quarter of 2013. The decrease was primarily due to the application of input taxes against output VAT payables.
4. Investment in subsidiaries and associates decreased by 10.10% from Php3.7 mn at the beginning of the year to Php3.3 mn as of end of 1<sup>st</sup> quarter of 2013. The decrease was primarily due to cash dividends received.

Total liabilities decreased by 13.14% from Php1.4 bn at the beginning of the year to Php1.2 bn as of end of 1<sup>st</sup> quarter of 2013. The decrease was due to payment of trade and other current payables.

These decreases were, however, partly offset by the increases in cash and cash equivalents, advances to associates and stockholders, property and equipment, investment property,, and advances from related parties.

Cash and cash equivalents increased by 18.59% to Php2.1 bn as of the end of 1<sup>st</sup> quarter of 2013 from Php1.8 bn at year ended 2012. The increase was due to cash dividends received from associates. The increase in advances to associates and stockholders by 222.20% to Php92.6 mn as of the end of 1<sup>st</sup> quarter of 2013 from Php28.7 mn at the beginning of the year was due to advances for new projects.



Property and equipment increased by 25.43% at the beginning of the year from Php42.4 mn to Php53.2 mn as of the end of 1<sup>st</sup> quarter 2013. The increase was due to acquisition of transportation and office equipment and office renovation. Investment property increased 0.16% from Php279.0 mn at the beginning of the year to Php279.5 mn at the end of the 1<sup>st</sup> quarter of 2013. The increase is due to repairs incurred that will extend the useful life of some of the properties.

Advances from related parties increased by 44.94% from Php197.5 mn at the beginning of the year to Php286.2 mn in the 1<sup>st</sup> quarter of 2013. The increase was due to advances related to the redemption of preferred shares in an associate.

Current ratio increased from Php2.24:Php1 at the beginning of the year to Php2.82:Php1 as of the end of 1<sup>st</sup> quarter of 2013. The increase comes from cash dividends received.

Debt-to-equity ratio decreased from Php0.24:1.00 at the beginning of the year to Php0.21:Php1.00 as of the end of 1<sup>st</sup> quarter of 2013.

Total stockholders' equity increased by 1.59% from Php5.7 bn at the beginning of the year to Php5.8 bn as of the end of the 1<sup>st</sup> quarter of 2013. The increase was due to current earnings.

#### **Material Changes in the Consolidated Liquidity and Cash Reserves of Registrant**

Net cash used by operations for the first three (3) months ended March 31, 2013 was Php159.2 mn which decreased from net cash provided of Php88.5 mn in the same period last year. The decrease was primarily due to payment of accounts and reduced earnings. Net cash flows provided from investing activities for the first three (3) months ended March 31, 2013 amounted to Php516.3 mn from net cash flow used of Php3.8 mn in the same period last year. The increase was due to dividends received. Net cash used by financing activities for the period ended March 31, 2013 decreased to Php22.4 mn from net cash flow used of Php204.8 mn in the same period last year. The increase was due to the absence of significant loan and long term debt payments done during the same period in 2012. As of March 31, 2013, net cash balance amounted to Php2.1 bn compared with the Php467.4 mn net cash balance at the end of the same period last year.

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**

There are no material commitments that may result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.

There are no known trends, demands, commitments, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.

There are no significant elements of income or loss that did not arise from the issuer's continuing operations.

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 material commitments for capital expenditures.

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

#### **Financial Instruments and Financial Risk Management**

The Company and its subsidiaries (the "Group") are exposed to a variety of financial risks which resulted from its operating and investing activities. The Group focuses on actively securing its short-to-medium term cash flows by minimizing the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below.

#### **Credit Risk**

Credit Risk represents the risk of loss the Group would incur if counterparties fail to perform their contractual obligations. The Group's credit risk arises principally from its receivables.

Generally, the maximum credit risk exposure of financial assets is their carrying amount as shown in the balance sheets. Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount. The Group's receivables are actively monitored to avoid significant concentrations of credit risk. Please refer to Note 2 of the Notes to the interim Financial Statements as March 31, 2013 for the aging analysis of the Group's receivables.

#### **Liquidity Risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group monitors and maintains a level of cash deemed adequate by management to finance its operations and mitigate the effects of fluctuations in cash flows. Additional short-term funding is obtained from related party advances and short-term loans when necessary.

#### **Foreign Currency Risk**

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the Philippine Peso (PHP), which is United States Dollar (USD).

The Group's exposure to foreign currency risk based on amounts is as follows:

	March 31, 2013
Loan Receivables	USD 0.00
Trade Receivables	USD 0.00
Cash	USD 56,273.00
Gross Exposure	USD 56,273.00

The average US Dollar-Philippine Peso exchange rate for the three (3) months ended March 31, 2013 was US\$1 = Php40.72.

The exchange rate applicable as of March 31, 2013 is US\$1=Php40.90.

#### Sensitivity Analysis

A 10% strengthening of the Philippine Peso against US Dollar as of March 31, 2013 would have increased equity and profit by Php230,157. A 10% weakening of the Philippine Peso against the US Dollar as of March 31, 2013 would have an equal but opposite effect, on the basis that all other variables remain constant.

The Group absorbs the risk and favorable and unfavorable exchange rate movement as they arise.

The Company neither issues nor invests in complex securities particularly on derivatives.

The Company does not have investments in foreign securities.

The carrying values of cash and cash equivalents, receivables, trade, and other payables approximate their fair values due to short-term maturity of these instruments.

The Company has minimal financial instruments in the form of available for sale shares of stock which are traded in the market. These financial instruments are however not traded actively.

#### PART II--OTHER INFORMATION

Other than what has been reported, no event has since occurred.



**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**VIVANT CORPORATION**

By:



**ARLO A. G. SARMIENTO**  
Chief Operating Officer/Principal Financial Officer



**MARIA VICTORIA SEMBRANO**  
Assistant Vice President - Finance and Administration  
May 15, 2013

**VIVANT CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

AS OF MARCH 31, 2013

(With Comparative Figures as of December 31, 2012)  
(Amounts in Philippine Pesos)

<b>A S S E T S</b>	Notes	MARCH 31, 2013	DEC 31, 2012 <sup>A</sup>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1	2,134,872,452	1,800,270,312
Trade and Other Current Receivables-net	2	501,693,292	620,611,831
Advances to Associates and Stockholders	2	92,644,671	28,753,622
Inventories	3	100,546,000	103,201,769
Prepayments and Other current assets		449,445,152	453,470,557
Total Current Assets		3,279,201,567	3,006,308,091
<b>NON-CURRENT ASSETS</b>			
Available-for-sale investments	4	8,853,202	8,853,202
Investments in subsidiaries and associates	7	3,321,979,613	3,695,364,085
Property and equipment - net	5	53,192,420	42,407,846
Investment property	6	279,461,238	279,006,857
Intangible Asset - net		951,746	951,746
Deferred Tax Assets		16,543,164	16,543,164
Goodwill		42,559,451	42,559,451
Other non-current assets - net	8	22,186,140	22,477,608
Total Non-current Assets		3,745,726,974	4,108,163,959
<b>TOTAL ASSETS</b>		<b>7,024,928,541</b>	<b>7,114,472,050</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Current Payables		414,247,757	683,513,227
Advances from Related Parties		286,188,076	197,458,244
Income Tax Payable		98,160,641	98,160,641
Current Portion of Notes Payable		365,000,000	365,000,000
Total Current Liabilities		1,163,596,474	1,344,132,112
<b>NON-CURRENT LIABILITY</b>			
Deferred Tax Liabilities		29,873,120	29,873,120
Total Non-Current Liabilities		29,873,120	29,873,120
Total Liabilities		1,193,469,594	1,374,005,232
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>			
Capital stock	9	1,023,456,698	1,023,456,698
Additional paid-in capital		8,339,452	8,339,452
Revaluation Reserve		442,354,677	454,642,913
Fair Value Reserve		191,083	191,083
Retained earnings (deficit)		3,488,340,603	3,352,794,527
Total Equity Attributable to Shareholders of the Parent		4,962,682,513	4,839,424,673
<b>NON-CONTROLLING INTEREST</b>			
		868,776,434	901,042,145
Total Equity		5,831,458,947	5,740,466,818
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>7,024,928,541</b>	<b>7,114,472,050</b>

See Notes to Consolidated Financial Statements

VIVANT CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD JANUARY 1 TO MARCH 31, 2013  
(With Comparative Figures for the same period in 2012)  
(Amounts in Philippine Pesos)

	Notes	2013	2012
<b>REVENUES</b>			
Energy Fees		209,788,000	302,354,515
Equity in net earnings of associates		149,607,004	239,765,146
Management Fees		32,260,350	28,174,408
Interest income		7,323,071	5,083,962
Other income		1,198,974	877,056
		<u>400,177,399</u>	<u>576,255,087</u>
		193,516,000	259,447,738
<b>GENERATION COSTS</b>			
<b>EXPENSES</b>			
Professional fees		9,527,288	6,418,178
Management Fees		7,297,169	-
Salaries and employees' benefits		8,627,189	4,611,670
Taxes and licenses		17,273,666	8,291,749
Travel		1,092,579	1,175,514
Depreciation and amortization		2,585,987	1,240,851
Rent and association dues		917,318	406,917
Communication and utilities		519,990	571,105
Representation		1,549,687	140,175
		59,400	45,000
Security and janitorial		14,813,846	1,846,398
Other general and administrative expenses		64,268,119	24,747,557
		<u>142,393,280</u>	<u>292,059,792</u>
<b>INCOME FROM OPERATIONS</b>		<u>3,618,402</u>	<u>43,061,564</u>
<b>OTHER INCOME (CHARGES)</b>			
Finance Cost		138,774,878	248,998,228
		<u>482,750</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>		<u>138,774,878</u>	<u>248,998,228</u>
<b>TAX EXPENSE (BENEFIT)</b>		<u>482,750</u>	<u>-</u>
		<u>138,292,128</u>	<u>248,998,228</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>138,292,128</u>	<u>248,998,228</u>
<b>NET INCOME ATTRIBUTABLE TO</b>			
Shareholders of the Parent Company		123,257,840	213,826,278
Non-Controlling Interest		15,034,288	35,171,950
		<u>138,292,128</u>	<u>248,998,228</u>
<b>BASIC AND DILUTED EARNINGS PER SHARE</b>		<u>0.120</u>	<u>0.209</u>

See Notes to Consolidated Financial Statements



VIVANT CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED MARCH 31, 2013  
(With Comparative Figures for the same period in 2012)  
(Amounts in Philippine Pesos)

	Notes	2013	2012
<b>REVENUES</b>			
Energy Fees		209,788,000	302,354,515
Equity in net earnings of associates		149,607,004	239,765,146
Management Fees		32,260,350	28,174,408
Interest income		7,323,071	5,083,962
Other income		1,198,974	877,056
		<u>400,177,399</u>	<u>576,255,087</u>
<b>GENERATION COST</b>			
		193,516,000	259,447,738
<b>EXPENSES</b>			
Professional fees		9,527,288	6,418,178
Management Fees		7,297,169	
Salaries and employees' benefits		8,627,189	4,611,670
Taxes and licenses		17,273,666	8,291,749
Travel		1,092,579	1,175,514
Depreciation and amortization		2,589,987	1,240,851
Rent and association dues		917,318	406,917
Communication and utilities		519,990	571,105
Representation		1,549,687	140,175
Security and janitorial		59,400	45,000
Other general and administrative expenses		14,813,846	1,846,398
		<u>64,268,119</u>	<u>24,747,557</u>
<b>INCOME FROM OPERATIONS</b>			
OTHER INCOME (CHARGES)		142,393,280	292,059,792
Finance Cost		3,618,402	43,061,564
<b>INCOME (LOSS) BEFORE INCOME TAX</b>			
TAX EXPENSE (BENEFIT)		138,774,878	248,998,228
		482,750	-
<b>TOTAL COMPREHENSIVE INCOME</b>			
		<u>138,292,128</u>	<u>248,998,228</u>
<b>NET INCOME ATTRIBUTABLE TO</b>			
Shareholders of the Parent Company		123,257,840	213,826,278
Non-Controlling Interest		15,034,288	35,171,950
		<u>138,292,128</u>	<u>248,998,228</u>
<b>BASIC AND DILUTED EARNINGS PER SHARE</b>			
		0.120	0.209

See Notes to Consolidated Financial Statements

VIVANT CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED MARCH 31, 2013  
(With Comparative Figures for the same period in 2012)  
(Amounts in Philippine Pesos)

	Notes	2013	2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income (loss) before income tax		138,774,878	248,998,228
Adjustments for:			
Finance Costs		3,618,402	43,061,564
Realized Forex Gain		(482,389)	-
Depreciation and Amortization		2,809,385	83,045,844
Interest income		(7,323,071)	(5,083,962)
Equity in net losses (earnings) of a subsidiary and an associate		(149,607,004)	(239,765,146)
Operating income (loss) before working capital changes		(12,209,799)	130,256,528
Decrease (increase) in:			
Trade and Other Current Receivables		118,918,539	100,652,543
Inventories		2,655,769	29,896,137
Prepayments and other Current Assets		4,025,405	36,001,868
Other Non-Current Assets		291,468	(2,277,496)
Increase (decrease) in trade and other current payables		(269,265,470)	(162,927,775)
Cash generated by operations		(155,584,088)	131,601,805
Interest paid		(3,618,402)	(43,061,564)
Net Cash provided by (used in) Operating Activities		(159,202,490)	88,540,241
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends from Associates		522,991,116	-
Interest received		7,323,071	5,083,962
Additions to property and equipment		(14,048,340)	(7,990,987)
Increase in Investment		-	(950,000)
Net Cash Provided (Used) in Investing Activities		516,265,847	(3,857,025)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Loans		-	80,000,000
Payment of Loans		-	(389,428,572)
Payment of Long-Term Debt		-	(147,659,009)
Cash dividends Paid		(47,300,000)	-
Advances from (to) Associate and stockholders		24,838,783	252,256,336
Net Cash From (Used in) Financing Activities		(22,461,217)	(204,831,245)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		334,602,140	(120,148,029)
<b>CASH AND CASH EQUIVALENTS</b>			
<b>AT BEGINNING OF THE PERIOD</b>		1,800,270,312	587,560,911
<b>CASH AND CASH EQUIVALENTS</b>			
<b>AT END OF THE PERIOD</b>		2,134,872,452	467,412,882

See Notes to Consolidated Financial Statements

VIVANT CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED MARCH 31, 2013  
(With Comparative Figures for the same period in 2012)  
(Amounts in Philippine Pesos)

	Notes	2013	2012
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>			
<b>CAPITAL STOCK - P1 par value</b>			
Authorized - 2,000,000,000 shares		1,023,456,698	1,023,456,698
Issued and outstanding - 1,023,456,698 shares			
<b>ADDITIONAL PAID-IN CAPITAL</b>			
Balance at beginning of period		8,339,452	8,339,452
Balance at end of interim period		8,339,452	8,339,452
<b>REVALUATION RESERVE</b>			
Balance at beginning of period		454,642,913	509,519,206
Depreciation on the revaluation increment of an associate		(12,288,236)	(10,784,250)
Balance at end of interim period		442,354,677	498,734,956
<b>FAIR VALUE RESERVE</b>			
Balance at beginning of period		191,083	191,083
Balance at end of interim period		191,083	191,083
<b>RETAINED EARNINGS (DEFICIT)</b>			
Balance at beginning of period		3,352,794,527	2,026,922,038
Depreciation on the revaluation increment of an associate		12,288,236	10,784,250
Net income (loss)		123,257,840	213,826,278
Balance at end of interim period		3,488,340,603	2,251,532,566
		4,962,682,513	3,782,254,755
<b>NON-CONTROLLING INTEREST</b>			
Balance at beginning of period		901,042,145	690,102,973
Cash Dividends		(47,300,000)	-
Minority income (loss) for the period		15,034,289	35,171,949
Balance at end of interim period		868,776,434	725,274,922
<b>TOTAL EQUITY</b>		<u>5,831,458,947</u>	<u>4,507,529,677</u>

See Notes to Consolidated Financial Statements.



VIVANT CORPORATION  
Notes to Consolidated Financial Statements  
March 31, 2013

1. Cash and Cash Equivalents

This account consists of:

	March 31 2013	December 31 2012
Cash on Hand and in Banks	473,513,151	484,836,823
Short Term Placements	1,661,359,301	1,315,433,489
	<u>2,134,872,452</u>	<u>1,800,270,312</u>

2. Trade receivables, advances, loan and other receivables

This account consists of:

	March 31 2013	December 31 2012
<b>Trade and Other Current Receivables</b>		
Trade and Other Current Receivables	351,923,000	488,703,955
Notes and interest bearing receivables	75,601,295	75,601,295
Accounts Receivable	64,583,268	54,161,927
Advances to Officers and Employees	12,224,510	1,897,262
Others	756,493	3,642,666
	<u>505,088,566</u>	<u>624,007,105</u>
Less allowance for impairment loss	(3,395,274)	(3,395,274)
Total	<u>501,693,292</u>	<u>620,611,831</u>

**Advances Loan & Other Receivables**

Advances to an associate & related party

Total

	92,644,671	28,753,622
Total	<u>92,644,671</u>	<u>28,753,622</u>

2.1 AGING OF TRADE, ADVANCES, LOAN & OTHER RECEIVABLE

Trade and Other Current Receivables	MARCH 31, 2013				DECEMBER 31, 2012			
	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL
Trade and other current Receivable	178,097,412	130,011,469	43,814,119	351,923,000	285,791,135	31,313,647	171,599,173	488,703,955
Accounts Receivable	18,166,964	6,456,002	39,960,302	64,583,268	11,824,292	27,025,267	15,312,368	54,161,927
Notes and interest bearing receivables			75,601,295	75,601,295			75,601,295	75,601,295
Advances to officers and employees		-	12,224,510	12,224,510			1,897,262	1,897,262
Others	-	-	756,493	756,493	-		3,642,666	3,642,666
Less: Allowance			(3,395,274)	(3,395,274)			(3,395,274)	(3,395,274)
<b>Total</b>	<b>196,264,376</b>	<b>136,467,471</b>	<b>168,961,445</b>	<b>501,693,292</b>	<b>297,615,427</b>	<b>58,338,914</b>	<b>264,657,490</b>	<b>620,611,831</b>

Advances, Loan & Other Receivables	MARCH 31, 2013				DECEMBER 31, 2012			
	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL
Advances to an Associate	25,000,000	50,000,000	17,644,671	92,644,671	1,180,992	642,603	26,930,027	28,753,622
Other Receivable	-	-	-	-	-	-	-	-
<b>Total</b>	<b>25,000,000</b>	<b>50,000,000</b>	<b>17,644,671</b>	<b>92,644,671</b>	<b>1,180,992</b>	<b>642,603</b>	<b>26,930,027</b>	<b>28,753,622</b>

3. Prepayments and other current assets

The composition of this account is shown below:

	March 31 2013	December 31 2012
Advances to Suppliers	392,813,000	395,822,967
Deferred Input Vat	15,810,000	22,186,356
Prepaid Taxes	15,228,627	15,885,238
Input Tax	10,965,947	12,323,259
Prepaid Expenses	4,968,482	5,416,998
Creditable Withholding Taxes	4,473,690	1,453,422
Others	5,185,406	382,317
	<u>449,445,152</u>	<u>453,470,557</u>

4. Available-for-sale investments

This account is composed of investments in shares of stock of the following entities:

	March 31 2013	December 31 2012
At fair Value:		
Aboitiz Equity Ventures	395,500	395,500
PLDT	600	600
Paper Industries of the Phils.	31	31
San Miguel Corp.	0	0
	<u>396,131</u>	<u>396,131</u>
Add(Less): Fair Value Adjustment	0	0
	<u>396,131</u>	<u>396,131</u>
At Cost		
VC Exchange Inc.	8,345,118	8,345,118
Cebu Country Club, Inc.	3,400,000	3,400,000
INCA Plastics Phils., Inc.	2,000,000	2,000,000
	<u>13,745,118</u>	<u>13,745,118</u>
Less: Impairment Loss on Inv.	(4,688,047)	(4,688,047)
Charged to advances from VEI	(600,000)	(600,000)
	<u>8,457,071</u>	<u>8,457,071</u>
	<u>8,853,202</u>	<u>8,853,202</u>



## 5. Property and Equipment

Property and equipment consists of the following major classifications:

	Leasehold & Improvements	Office Furniture and Equipment	Fixtures and Equipment	Transportation Equipment	Condominium Unit	Plant Machineries Equipment	Tools and Other Assets	Total
Cost:								
Beg. Bal. Dec. 31, 2012	6,454,757	11,022,840	20,029,454	25,146,101	-	381,501	-	63,034,653
Additions	4,986,344	4,893,271	3,632,872	81,473	-	-	-	13,593,959
Total	11,441,101	15,916,111	23,662,326	25,227,574	-	381,501	-	76,628,612
Less: Accumulated Depreciation								
Beg. Bal. Dec. 31, 2012	1,755,364	5,926,840	5,393,915	7,462,203	-	88,485	-	20,626,807
Depreciation and Amortization	413,672	1,137,890	978,645	222,806	-	56,371	-	2,809,385
Carrying Value Mar. 31, 2013	9,272,065	8,851,381	17,289,765	17,542,565	-	236,645	-	53,192,420

## 6. Investment Property

Investment property consists of parcels of land held by Hijos for capital appreciation, rather than for administrative purposes or sale in the ordinary course of business.

Investment property is valued at fair value based on the valuation carried out by independent appraisers as at February 2012.

7. Investment in subsidiaries and associates:

The components of the carrying values of investment in an associate are as follows:

	March 31 2013	December 31 2012
<b>Investment in VECO:</b>		
Acquisition Cost	840,133,112	840,133,112
Accumulated Equity in Net Earnings (Net Loss):	179,501,865	498,931,881
Revaluation Surplus	525,045,049	525,045,409
Carrying Value	1,544,680,026	1,864,110,402
<b>Investment in Delta P:</b>		
Acquisition Cost	24,611,653	24,611,653
Accumulated Equity Earnings	22,175,204	19,833,204
Share in Net Assets in Excess of Cost	77,505,578	77,505,578
Carrying Value	124,292,435	121,950,435
<b>Investment in CPPC:</b>		
Acquisition Cost	49,071,769	49,071,769
Accumulated Equity Earnings	(201,835,572)	(166,645,812)
share in Net Assets in Excess of Cost	292,891,286	292,891,286
Carrying Value	140,127,483	175,317,243
<b>Investment in ABOVANT:</b>		
Acquisition Cost	1,127,984,699	1,127,984,699
Accumulated Equity Earnings	294,999,716	210,606,910
Carrying Value	1,422,984,415	1,338,591,609
<b>Investment in VSNRGC</b>		
Acquisition Cost	46,000,000	46,000,000
Accumulated Equity Earnings	34,753,911	140,253,053
Carrying Value	80,753,911	186,253,053
<b>Investment in AHPC</b>		
Acquisition Cost	3,856,100	3,856,100
Deposits for future subscription	7,643,900	7,643,900
Accumulated Equity Earnings	(4,618,338)	(4,618,338)
Carrying Value	6,881,662	6,881,662
<b>Investment in PEI</b>		
Acquisition Cost	500,000	500,000
Carrying Value	500,000	500,000
<b>Investment in CIPC</b>		
Acquisition Cost	3,125,000	3,125,000
Accumulated Equity Earnings	(1,365,319)	(1,365,319)
Carrying Value	1,759,681	1,759,681
Total Carrying Value of Investment in Subs and As	3,321,979,613	3,695,364,085

8. Other Non-Current Assets

The details of this account are shown below:

	March 31 2013	December 31 2012
Due from RFM Corporation Advances for Various Projects Others	46,078,063 21,454,228 731,912	46,078,063 21,745,696 731,912
Allowance for impairment	68,264,203 (46,078,063)	68,555,671 (46,078,063)
	<u>22,186,140</u>	<u>22,477,608</u>

9. Capital Stock

The details of the capital stock account are as follows:

	March 31 2013	December 31 2012
Common Stock - P1.00 par value Authorized Issued	2,000,000,000 1,023,456,698	2,000,000,000 1,023,456,698

10. Earnings Per Share

The financial information pertinent to the derivation of earnings per share follows:

	March 31 2013	March 31 2012
Basic earnings per share	123,257,840	213,826,278
Net income (loss) attributable to Parent shareholders	0	0
Less: Preferred shares	123,257,840	213,826,278
Net Income (loss) identified with Common stock	<u>1,023,456,698</u>	<u>1,023,456,698</u>
Actual number of Common shares outstanding	<u>0.120</u>	<u>0.209</u>

## 11. OTHER DISCLOSURES

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

The principal accounting policies and methods of computation used in the annual financial statements were also followed in the preparation of the interim financial statements.

There are no significant changes in estimates in amounts reported in prior financial years that have a material effect in the current interim period.

There are no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

There are no material contingencies, events or transactions that are material to an understanding of the current interim period.

There are no issuances, repurchases, and repayments of debt and equity securities.

There are no dividends paid (aggregate or per share) separately for ordinary shares and other shares.

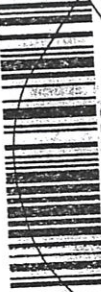
The Company is not required to disclose segment information in its annual financial statements.

There have been no changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

There are no contingent liabilities or contingent assets since the last annual balance sheet date.



VINCENT 117-Q



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LBC EXPRESS, 5th Flr, 4th Level, Ayala Center Cebu Cebu Business Park Cebu City  
Service Hub SAd : 832, 2665842, VAT Reg. TIN #000-782-1401-988  
Tel. No. (C) : 832, 2665842

CONSIGNEE:  
**CALLANGAN, ATTY. JUSTINA**  
And or/ Care Of :  
DIRECTOR, CORPORATION FINANCE DEPT.  
SECURITIES AND EXCHANGE COMMISSION  
6TH FLR, SEC BLDG EDSA  
MANDALUYONG CITY  
METRO MANILA

**JP GARCIA AND ASSOCIATES, . . .**  
U 1501-1502 AYALA LIFE FGU CENTER  
MINDANAO AVE  
CEBU CITY  
CEBU  
NIPPS:  
Card Number:

**TDC AVS**

Origin : VSC-ACE04-METRO AYALA  
Tran. Date : 5/15/2013 3:16:11 PM  
Delivery Date : 5/16/2013  
Area Dest : METRO MANILA  
Tran. Type : DELIVERY  
Cut-Off : 11:59:00 PM

VATable(Freight) : 151.79  
VAT-Exempt : 0.00  
VAT Zero-Rated : 0.00  
Discount : 0.00  
Total Sales : 151.79  
12% VAT : 18.21  
Amount Due : 170.00  
Mode : CASH

Contents: DOCUMENTS  
SHIPPER WARRANTS THAT THE SHIPMENT HAS NO CASH or CHECK INSIDE

Customer Care: 8585-999

CATH CLAVEL  
Signature of Associate

Signature of Shipper