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)

Unit 907-908 Ayala Life-FGU

Center, Mindanao Ave., cor.

Biliran Road, Cebu City

(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

12	31	**SEC FORM 17-Q**	03	31
Month	Day	FORM TYPE	Month	Day
Fiscal Year				

Secondary license Type, If Applicable

CFD

Dept. Requiring this Doc.

Amended Articles Number/Section

1,466

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

Remarks = Pls. Use black ink for scanning purposes

S E C
Cebu Extension Office
MAY 14 2015
By:
RECEIVED SUBJECT TO REVIEW OF FORM AND CONTENTS

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, 2015**

2. Commission identification number: **175222** 3. BIR Tax Identification No.: **242-603-734-000**

Vivant Corporation
4. Exact name of issuer as specified in its charter

Mandaluyong City
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

Unit 907-908 Ayala Life-FGU Center, Mindanao Ave.
corner Biliran Road,
Cebu Business Park, Cebu City **6000**
7. Address of issuer's principal office Postal Code

(032) 234-2256; (032) 234-2285
8. Issuer's telephone number, including area code

NA
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
Common Shares at Php 1.00 per share	**Php 1,023,456,698**
Amount of debt outstanding	**Php 4,734,313,037**

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x] 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 [x] No [ ]

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

Yes [x] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please see attached financial statements for the quarter ended March 31, 2015.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the Company's consolidated financial condition and results of operations for the interim period ended March 31, 2015 compared with the interim period ended March 31, 2014. This report should be read in conjunction with the consolidated financial statements and the notes thereto.

KEY PERFORMANCE INDICATORS

Management uses the following key performance indicators to evaluate the performance of the Company and its investee companies:

1. **Equity in Net Earnings (or Loss) of Associates.** Equity in net earnings (or loss) of associates is the Company's share in the income or loss of associates, or investee companies accounted for under the equity method. It indicates the profitability of the associates and measures their contribution to the profitability of the parent.

2. **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).** 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. It also provides a good measure of the Company's ability to generate cash from operations to cover financial charges and income taxes.

3. **Cash Flow Generated.** Cash flow generated indicates the ability of the Company to generate enough cash for operating, investing and financing activities.

4. **Debt-to-Equity Ratio (DER).** DER gives an indication of the Company's leverage position and is computed by dividing total liabilities with total stockholders' equity.

5. **Current Ratio.** Current ratio is computed by dividing current assets by 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.

Year-to-Date (YTD) March 31, 2015 versus YTD March 31, 2014

The table below shows the comparative figures of the key performance indicators for the period in review.

Key Performance Indicators *Amounts in Php '000, except for ratios*	**YTD March 2015**	**YTD March 2014**	**YE 2014**
Equity in Net Earnings of Associates	239,171	221,849	
EBITDA	396,680	334,544*	
Cash Flow Generated / (Used)	1,338	2,638,790	
Net cash flows from operating activities	48,591	(62,265)	
Net cash flows from investing activities	(41,280)	(292,338)	
Net cash flows from (used in) financing activities	(5,973)	2,993,394	
Debt-to-Equity Ratio (x)	0.57	0.61	0.56
Current Ratio (x)	3.34	5.59	3.80

**Reported as Php 333.6 mn in last year's SEC 17Q*

The Company's share in net earnings of associates for the period ended-March 2015 rose to Php 239.2 million (mn) from Php 221.8 mn representing an 8% year-on-year (YoY) increase. The growth was mainly due to the enhanced bottomline performance of an associate arising mostly from an 8% YoY expansion in volume of electricity sold. In compliance with the International Accounting Standards (IAS) 28[1], the Company did not book its share in the net losses of two associates and a joint venture during the quarter in review, which amounted to Php 100.4 mn. In the same period last year, Php 105.5 mn was the Company's share in net losses of an associate that was not recognized due to IAS 28.

The enhanced topline performance of the Company's subsidiaries coupled with the higher recorded share in equity earnings from its associates, led to a 19% YoY increase in EBITDA for the period in review, from Php 334.5 mn to Php 396.7 mn.

The Company ended the quarter with a net cash generation of Php 1.3 mn, which was mainly brought about by the positive cash generated by operations.

Vis-à-vis year-end 2014, the Debt-to-Equity ratio slightly rose to 0.57x as of end-March 2015. There was an increase in liabilities materially attributed to trade and other current payables but the impact of which was tempered by the increase in equity resulting from the Company's income generated during the quarter in review.

[1] *IAS 28 Losses in Excess of Investments.* If an investor's or joint venturer's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, the investor or joint venturer discontinues recognising its share of further losses. If the associate or joint venture subsequently reports profits, the investor or joint venturer resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The expansion in the Company's current liabilities, which was spurred by increases in trade payables and income tax payable, outpaced the increase in current assets. This resulted to the decline in the Company's current ratio to 3.34x as of end-March 2015 from 3.80x as of end-2014.

Material Changes in Line Items of Registrant's Income Statement
(YTD March 2015 vs. YTD March 2014)

As of end-March 2015, Vivant's total revenues accelerated to Php 974.3 mn from Php 593.7 mn, recording a 64% YoY increase. This significant increase is attributed to the following:

1. Energy fees earned by its subsidiaries accounted for the bulk at 71%, or Php 695.0 mn of total revenues. The increase in energy sold coming from its subsidiary's bilateral contracts and the administration by a subsidiary of 17 MW of geothermal power from the Unified Leyte Geothermal Power Plants mainly accounted for the enhanced performance.

2. The Company's equity share in net earnings of its associates brought in 25% of the revenues (or Php 239.2 mn) and registered an increase of 8% YoY. The growth was mainly due to the enhanced bottomline performance of an associate arising mostly from an 8% YoY expansion in volume of electricity sold. Meanwhile, the application of the IAS 28 resulted to the non-recognition of equity losses from two associates and a joint venture during the quarter in review, which amounted to Php 100.4 mn. In the same period last year, the Company had unrecognized share in losses from results of operations of an associate amounting to Php 105.5 mn. If the Company were allowed to book these, equity share in net earnings during the period in review would have registered a 19% YoY expansion, from Php 116.3 mn as of end-March 2014 to Php 138.8 mn.

3. Management fees rose by 9% YoY to Php 26.8 mn from Php 24.6 mn as a result of the escalation of monthly rates for management and service billings to subsidiaries and associates.

4. Interest income was up 75% YoY to Php 11.8 mn, which was a result of higher cash levels due to the Fixed Rate Corporate Notes (FRCN) issued in 2014 and the accrual of interest income in the current period. Interest income for the quarter end-March 2014 would have been Php 7.0 mn had interest income been accrued.

5. The other income account recorded a drop of 22% YoY to Php 1.4 mn due to reduced service billings to subsidiaries and associates.

Total operating expenses for the first quarter of 2015 grew by 122% YoY, from Php 262.5 mn to Php 583.8 mn. Said movement can be accounted for by the following:

1. Generation cost during the quarter went up by 152% YoY to Php 521.0 mn, which was mainly due to the substantial increase in a subsidiary's net generation and purchased power. The administration over 17 MW of geothermal power by a subsidiary also contributed to the increase in generation cost.

2. Management fees were up by 41% YoY to Php 4.7 mn from Php 3.3 mn due to the change in frequency for a subsidiary's payment of management fees, from annual to quarterly.

3. Salaries and employee benefits rose by 60% YoY to Php 20.8 mn from Php 13.0 mn on account of additional manpower and an upward adjustment in salaries and benefits. The increase was also due to the accrual of 13th month pay and other benefits in the current period. Salaries and employee benefits would have been Php 14.6 mn if accruals were made for the 13th month pay and other benefits in the same period last year.

4. Taxes and licenses dropped by 55% YoY to Php 6.7 mn from Php 14.8 mn. In the same period last year, the Company paid taxes relating to the FRCN issue, which amounted to Php 5.0 mn. Moreover, the lower business taxes of a subsidiary contributed to the account's decline during the period in review.

5. The absence of an FRCN-related one-off fee that was incurred in the same period last year resulted to a 6% YoY reduction in professional fees, from Php 10.8 mn to Php 10.1 mn. Cost items during the quarter in review include legal, financial and other advisory consultants in relation to the set-up of operational systems.

6. There was a 76% YoY increase in depreciation and amortization bringing it to Php 6.0 mn for the quarter in review. This was a factor of the acquisition of additional depreciable assets, mostly relating to the expansion of the Company's office space, increase in manpower headcount and the acquisition of vehicles.

7. Travel expenses grew by 15% YoY to Php 1.8 mn from Php 1.6 mn because of the increased frequency of trips related to business development, plant inspections and meetings with partners and government agencies.

8. Representation recorded a YoY growth of 2435% to Php 1.7 mn from Php 0.07 mn. This variance is attributed to increased representation costs of the Company and a subsidiary.

9. Communication and utilities increased by 46% YoY to Php 1.0 mn from Php 0.7 mn due to the increase in the manpower headcount. Additional office spaces were a factor in the rise in power and water charges.

10. Security and janitorial expenses rose by 48% YoY to Php 0.4 mn given rate adjustments on agency fees and the hiring of additional personnel.

11. Other general and administrative expenses posted a 26% YoY rise to Php 8.6 mn due to the increase in royalty fees of a subsidiary and the Company's corporate communications expense.

Vivant's finance cost of Php 41.6 mn as at end-March 2015 is 4722% higher versus last year's Php 0.9 mn. The increase was due to the Php 3 billion (bn) FRCN issued in the first quarter of 2014, for which interest was paid and accrued during the quarter in review.

An unrealized foreign exchange loss of Php 1.6 mn was taken up during the quarter in review. This pertains to the restatement of the US Dollar and Euro cash balances of the Company and a subsidiary. For the same period last year, the Company booked an unrealized foreign exchange gain of Php 4.6 mn.

Other charges of Php 1.1 mn was incurred as of end-March 2015, as against other income of Php 0.1 mn booked during the same period last year. The Company wrote off an uncollectible account from an associate during the quarter in review.

The Company posted a tax expense of Php 18.0 mn as of end-March 2015, which was a result of an accrual made by a subsidiary. If accruals were also made in the same period last year, the Company would have recorded an income tax expense of Php 23.7 mn.

Taking all of the above into account, Vivant recorded a total net income for the period ending March 31, 2015 of Php 328.2 mn, recording a marginal reduction of 2% YoY. Meanwhile, net income attributable to parent amounted to Php 274.4 mn, slightly down by 2% YoY. The profit decline is mainly due to the non-accrual of some expenses amounting to Php 27.3 mn during the same period last year. If adjustments were made to reflect this amount, the Company's net income and net income attributable to parent for the quarter in review would have posted YoY increases of 7% and 4%, respectively.

Changes in Registrant's Consolidated Resources, Liabilities and Shareholders' Equity
(End-March 2015 vs. Year-end 2014)

The Company's total assets expanded by 5%, from end-2014's level of Php 12.5 bn to Php 13.1 bn.

The following are the material movements in the assets of the Company as of end-March 2015.

1. Trade and other current receivables recorded an increase of 181% to Php 389.2 mn as of March 31, 2015 largely due to the increase in energy sales of its subsidiaries.

2. Advances to associates and stockholders dipped by 32% to Php 27.7 mn as of end-March 2015 from Php 40.9 mn as of end-2014. The decline was brought about by the repayment of advances by an associate.

3. Prepayments and other current assets as of quarter-end were up by 20% at Php 513.8 mn, which was a result of a subsidiary's increase in advances to suppliers.

4. Property and equipment is up by 5% to Php 801.6 mn as of end-March 2015, which was mainly due to the purchase of power plant equipment by a subsidiary and the Company's purchase of service vehicles, office furniture and equipment, and the construction of a warehouse.

Total liabilities grew by 6% to Php 4.7 bn as of end-March 2015. The movement was brought about by the increase in accrued expenses for generation cost, fuel inventory, plant parts and equipment, legal fees, and accrued taxes for the first quarter of 2015.

As a result of net income generated during the quarter in review, total stockholders' equity increased by 4%, from approximately Php 8.0 bn as of year-end 2014 to Php 8.3 bn as of end-March 2015. Meanwhile, equity attributable to parent ended up higher by 4% at Php 7.9 bn as of the end of March 2015.

Material Changes in the Consolidated Liquidity and Cash Reserves of Registrant
(End-March 2015 vs. End-March 2014)

For the period ending March 31, 2015, the net cash generated by the Company's operations amounted to Php 48.6 mn, recording a reversal from last year's net cash utilized of Php 62.3 mn. The enhanced operating performance of the Company's subsidiaries mainly accounted for the movement.

Net cash used in investing activities as of end-March 2015 amounted to Php 41.3 mn, vis-a-vis last year's utilization of Php 292.3 mn. Lower investments made during the quarter in review, coupled with higher dividends received and interest income, accounted for the quarter's reduced usage.

For the period in review, the Company utilized cash of Php 6.0 mn for financing activities. This was a reversal from last year where cash generated from financing activities amounted to Php 3.0 bn that was a result of the FRCN issue.

As of March 31, 2015, cash and cash equivalents were reduced by 15%, from Php 5.7 bn as of end-March 2014 to Php 4.9 bn.

Financial Ratios

Vis-à-vis year-end 2014, the Debt-to-Equity ratio slightly rose to 0.57x as of end-March 2015. There was an increase in liabilities materially attributed to trade and other current payables but the impact of which was tempered by the increase in equity resulting from the Company's income generated during the quarter in review.

The expansion in the Company's current liabilities, which was spurred by increases in trade payables and income tax payable, outpaced the increase in current assets. This resulted to the decline in the Company's current ratio to 3.34x as of end-March 2015 from 3.80x as of end-2014.

Material Events and Uncertainties

- Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way. The following conditions shall be indicated: whether or not the registrant is having or anticipates having within the next twelve (12) months any cash flow or liquidity problems; whether or not the registrant is in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments; whether or not a significant amount of the registrant's trade payables have not been paid within the stated trade terms.

  The Company does not expect any liquidity problems and is not in default of any financial obligations.

- Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

  None.

- Any 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.

  None.

- Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

  The Company has projects in the pipeline, at varying degrees of development. These projects are being undertaken through wholly owned subsidiary, Vivant Energy Corporation.

  - Vivant Malogo Hydropower Inc. (VMHI) is a joint venture that will serve as the project proponent for the development and implementation of a Greenfield power plant. The project will involve the construction and operation of a series of run-of-river hydropower facilities that will be located in Barangay Kapitan Ramon in Silay City, Negros Occidental. The project will be designed to feed off the Malogo River and will consist of three (3) phases. The first phase of the project will have a total capacity of 6 MW. VMHI is currently in the process of obtaining the necessary permits and contract approvals. Once done, construction will commence and is estimated to be completed after 24 months. The project will be funded via a combination of debt (70%) and equity (30%). In July 2014, VEC's stake was reduced from 75% to 63%, which was in accordance with the mutual agreement of the shareholders.

  - Minergy Coal Corporation (MCC) is the project proponent for a new 3x55 MW coal-fired power generation plant in Balingasag, Misamis Oriental. Construction commenced in the first quarter of 2014. The power generation facility is expected to feed into the franchise area of Cagayan de Oro Electric Power and Light Corporation (CEPALCO), which covers the City of Cagayan de Oro and adjoining towns, by 2017. This project will be funded via a combination of debt (70%) and equity (30%). Through wholly-owned Vivant Integrated Generation Corporation (VIGC), the Company has an equity ownership of 40% in MCC.

  - Therma Visayas, Inc. (TVI) is the project proponent for the construction and operation of a 300-MW (net) coal-fired power generation facility on a site in Toledo City, Cebu. The project is intended to address the increasing power demand of the Visayas grid. The plant design includes provisions for the addition of a third generating unit. In March 2015, the notice to proceed for all EPC activities was issued. The first unit is expected to be turned over by end 2017, with the second unit following three months thereafter. This project will be funded via a combination of debt (75%) and equity (25%). An agreement between VIGC and Therma Power, Inc. was signed in August 2014, which will involve the investment by VIGC in TVI for a 20% equity stake.

  - The Company, through its Business Development Group, 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. The Company intends to bankroll these projects via a combination of equity (30%) and debt (70%), where debt will be booked at the project company.

- Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described.

  The overall economic performance of the Philippines is a key factor in the sale of electricity. Thus, the performance of the Company, including its subsidiaries and associates, is affected by the economic state of the country.

  Given the uncontracted portion of the Company's attributable generation capacity, any movement in the spot market price of electricity could have a significant impact on the Company's overall financial performance. Spot price of electricity is mostly determined by the supply and demand situation prevailing in the market.

- Any significant elements of income or loss that did not arise from the registrant's continuing operations

  None.

- Any material changes in estimates of amounts reported in prior interim period of the current financial year and interim period of the prior financial year, respectively.

  None.

- Any seasonal aspects that had a material effect on the financial condition or results of operations

  The Company currently has two run-of-river hydropower plant facilities in its power generation portfolio. In the absence of any storage capability, the plants' operations are dependent on water availability in the form of river water flow. These plants are at minimal operating levels during the dry months, or the first half, of the year. These are reversed in the second semester, or at the onset of the rainy season, which result to high generation capability given the increased river water flow.

- Any material events subsequent to the end of the interim period that have not been reflected in the financial statements of the interim period

  None.

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 COMPANY

By:

MINUEL CARMELA N. FRANCO
VP - Finance

MARIA VICTORIA E. SEMBRANO
AVP - Finance
May 13, 2015