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 Avenue Corner Biliran Road, Cebu Business Park, Barangay Luz, Cebu City, Philippines 6000

(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	SEC FORM 17-Q	0 3	3 1
Month	Day	FORM TYPE	Month	Day
Fiscal Year				

N/A

Secondary license Type, If Applicable

C F D	
Dept. Requiring this Doc.	Amended Articles Number/Section

1,449	1,022,972,861	483,837
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

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, 2016**

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 Avenue Corner Biliran Road, Cebu Business Park, Barangay Luz, Cebu City, Philippines **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 4,700,998,126**

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, 2016.

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, 2016 compared with the interim period ended March 31, 2015. 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, 2016 versus YTD March 31, 2015

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 2016**	**YTD March 2015**	**YE 2015**
Equity in Net Earnings of Associates	297,493	239,171	
EBITDA	257,500	395,233[(a)]	
Cash Flow Generated / (Used)	53,833	1,338	
Net cash flows from operating activities	(156,008)	49,017[(b)]	
Net cash flows from investing activities	168,343	(41,706) [(c)]	
Net cash flows from (used in) financing activities	41,498	(5,973)	
Debt-to-Equity Ratio (x)	0.51	0.57	0.53
Current Ratio (x)	3.11	3.34	3.05

[(a)]Reported as Php 396.68 mn in last year's SEC 17Q. Other Income previously classified under Revenues was transferred to Other Income (Charges) grouping to be consistent with the 2015 audited consolidated financial statements.
[(b)]Reported as Php 48.59 mn in last year's SEC 17Q. Change is due to the reclassification of the increase in noncurrent assets that are not related to the Company's main revenue-generating activity from operating to investing activities. This is to be consistent with the 2015 audited consolidated financial statements.
[(c)]Reported as Php (41.28 mn) in last year's SEC 17Q because of the reclassification of the increase in non-current assets as noted above.

The Company's share in net earnings of associates as of end-March 2016 amounted to Php 297.5 mn, representing a 24% year-on-year (YoY) increase from Php 239.2, which arose from:

- Improved bottomline contribution (up 42% YoY) of the Company's distribution utility;
- Improved bottomline contribution (up 68% YoY) of a subsidiary due to higher energy sales resulting from its administration of 17MW of geothermal power;
- Improved income contribution (up 16% YoY) from an associate, which arose from its investee company's enhanced gross margin brought about by a 5% YoY rise in its volume sales coupled with lower cost of energy sold; and
- Recognition of the share in net earnings of a joint venture for the period in review. In the same period last year, there was no such recognition made in compliance with the International Accounting Standards (IAS) 28[1].

[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.

Below is a table showing the impact of IAS 28 to the Company's financial performance for the period in review.

Name of Company	YTD March 2016			YTD March 2015		
	Actual Share in Losses (Gains) (Php)	Recognized Share in Losses (Gains) (Php)	Unrecognized Share in Losses (Gains) due to IAS 28 (Php)	Actual Share in Losses (Gains) (Php)	Recognized Share in Losses (Gains) (Php)	Unrecognized Share in Losses (Gains) due to IAS 28 (Php)
NR	29.8	--	29.8[a]	101.5	--	101.5[b]
CIPC	2.7	2.7[c]	--	(1.8)	--	(1.8)[c]
AHPC	0.2	--	0.2[d]	0.7	--	0.7
Total	32.7	2.7	30.0	100.4	--	100.4

(a) Php 83.8 mn pertained to unrealized forex gains from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.
(b) Php 0.07 mn pertained to unrealized forex gains from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.
(c) CIPC was able to recover its previous period's unrecognized losses under the IAS 28 starting May 2015.
(d) AHPC sustained lower losses during the period in review vis-à-vis end-March 2015 with the resumption of the power plant operations in January 2016.

The decline in a subsidiary's topline performance, coupled with the increase in the Company's operating expenses, accounted for the 35% YoY decrease in the Company's EBITDA, from Php 395.2 mn to Php 257.5 mn.

The Company ended the quarter with a net increase in cash of Php 53.8 mn, which was brought about by the cash generated from investing and financing activities.

As of end-March 2016, the Debt-to-Equity ratio dropped to 0.51x vis-à-vis end-2015's 0.53x. This was on the back of a 1% decrease in liabilities and 2% expansion in total equity that resulted from the income generated by the Company during the quarter in review.

The expansion in the Company's current assets, coupled with the decrease in current liabilities, resulted to an improvement in the Company's current ratio to 3.11x as of end-March 2016 from 3.05x as of end-December 2015.

Material Changes in Line Items of Registrant's Income Statement
(YTD March 2016 vs. YTD March 2015)

As of end-March 2016, the Company's total revenues amounted to Php 663.6 mn, recording a 32% decline from Php 972.8[2] mn.

1. Sale of power, which comprise the bulk of revenues at Php 327.1 mn (or 49% of total), declined by 53% YoY. The lower average selling price and volume of energy sold led to the reduced topline performance of a subsidiary. This was partly mitigated by the improved performance of another subsidiary given its higher energy sales resulting from its administration of 17MW of geothermal power.

[2] Reported as Php 974.3 mn in the SEC 17 1Q 2015 report. Change is due to the reclassification of other income from "Revenues" to "Other income (charges)" grouping to be consistent with the 2015 audited consolidated financial statements.

2. The Company's share in net earnings of associates as of end-March 2016 amounted to Php 297.5 mn, representing a 24% YoY increase from Php 239.2 which arose from:

    - Improved bottomline contribution (up 42% YoY) of the Company's distribution utility;
    - Improved bottomline contribution (up 68% YoY) of a subsidiary due to higher energy sales resulting from its administration of 17MW of geothermal power;
    - Improved income contribution (up 16% YoY) from an associate, which arose from its investee company's enhanced gross margin brought about by a 5% YoY rise in its volume sales coupled with lower cost of energy sold; and
    - Recognition of the share in net earnings of a joint venture for the period in review. In the same period last year, there was no such recognition made in compliance with the IAS 28.

    Below is a table showing the impact of IAS 28 to the Company's financial performance for the period in review.

Name of Company	YTD March 2016			YTD March 2015		
	Actual Share in Losses (Gains) (Php)	Recognized Share in Losses (Gains) (Php)	Unrecognized Share in Losses (Gains) due to IAS 28 (Php)	Actual Share in Losses (Gains) (Php)	Recognized Share in Losses (Gains) (Php)	Unrecognized Share in Losses (Gains) due to IAS 28 (Php)
NR	29.8	--	29.8[(a)]	101.5	--	101.5[(b)]
CIPC	2.7	2.7[(c)]	--	(1.8)	--	(1.8)[(c)]
AHPC	0.2	--	0.2[(d)]	0.7	--	0.7
Total	32.7	2.7	30.0	100.4	--	100.4

(a) Php 83.8 mn pertained to unrealized forex gains from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.
(b) Php 0.07 mn pertained to unrealized forex gains from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.
(c) CIPC was able to recover its previous period's unrecognized losses under the IAS 28 starting May 2015.
(d) AHPC sustained lower losses during the period in review vis-à-vis end-March 2015 with the resumption of the power plant operations on January 2016.

Total generation cost and operating expenses for the first quarter of 2016 contracted by 26% YoY, from Php 583.8 mn to Php 432.7 mn. Said movement can be accounted for by the following:

1. Generation cost during the quarter went down by 31% YoY to Php 362.0 mn, which was mainly due to the substantial decrease in a subsidiary's net generated power and lower fuel prices. This was partly offset by the increase in the generation cost of another subsidiary brought about by the higher energy sales resulting from its administration of 17 MW of geothermal power.

2. Management fees were down by 50% YoY to Php 2.4 mn from Php 4.7 mn. Negotiations by a subsidiary for its 2016 management contract were still underway during the period in review.

3. Salaries and employee benefits rose by 31% YoY to Php 27.6 mn from Php 21.1[3] mn on account of additional manpower and an upward adjustment in salaries and benefits.

4. Professional fees were lower by 15% YoY, from Php 10.1 mn to Php 8.5 mn. There were consultancy services on systems development and improvement in 2015, which were not incurred during the period in review.

5. Travel expenses grew by 94% YoY to Php 3.8 mn from Php 2.0[4] mn because of the increased frequency of trips related to business development, plant inspections, meetings with partners and government agencies, and trainings.

6. Depreciation and amortization was at Php 5.1 mn for the quarter in review, an increase of 24% from last year's Php 4.1[5] mn. This was a factor of the acquisition of additional depreciable assets, mostly relating to the purchase of technical equipment, machineries, and office furniture and fixtures.

7. Rent and association dues surged by 69% YoY to Php 1.6 mn from approximately Php 1.0 mn. This was mainly a result of the operating leases entered into for additional office spaces.

8. Taxes and licenses significantly rose by 81% YoY to Php 12.1 mn from Php 6.7 mn. This was brought about by the higher business taxes paid by a subsidiary involving its administration of 17 MW of geothermal power plant.

9. Communication and utilities increased by 26% YoY to Php 1.3 mn from Php 1.0 mn due to the increase in the Company's manpower headcount. Additional office spaces were a factor in the rise of power and water charges incurred during the period in review.

10. Contracted services posted a 136% YoY rise to Php 0.9 mn given the hiring of additional personnel.

11. Representation dipped by 82% YoY to Php 0.3 mn from Php 1.7 mn. This variance is attributed to sponsorships made by the Company and higher representation expense incurred by the Company and a subsidiary involving business partners and other stakeholders during the period ending March 2015.

12. Other general and administrative expenses posted a 14% YoY drop to Php 7.1 mn, which can be mainly attributed to the reduction in royalty fees of a subsidiary.

Vivant booked Php 40.8 mn in other charges as of end-March 2016, a 5% decrease from previous year's other charges of Php 42.8 mn. This was an outcome of the following account movements:

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[3] Reported as Php 20.8 mn in the SEC 17 1Q 2015 report because of the non-inclusion of employee training & development expenses, which was presented under Other Miscellaneous Expenses amounting to Php 0.3 mn. This change in the presentation was made to be consistent with the 2015 audited consolidated financial statements.

[4] Reported as Php 1.8 mn in the SEC 17 1Q 2015 report. Change is due to the reclassification of gasoline expenses from "Other Miscellaneous Expenses" to "Travel". This change in the presentation was made to be consistent with the 2015 audited consolidated financial statements.

[5] Reported as Php 6.0 mn in the SEC 17 1Q 2015 report. Change is due to the reclassification of a power plant depreciation expense to direct cost contrary to last year's presentation under general and administrative expenses. This change in the presentation was made to be consistent with the 2015 audited consolidated financial statements.

1. An unrealized foreign exchange gain of Php 0.5 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. This was against an unrealized foreign exchange gain of Php 1.6 mn recorded for the same period last year.

2. Other income of Php 2.3 mn earned as of end-March 2016 comprises rental income from the operating leases of the Company and a subsidiary, and billings for shared expenses by another subsidiary to a joint venture. Meanwhile, the Company booked Php 0.4 mn in other income in the same period last year. An uncollectible account from a joint venture was written off and partially offset the rental income for the same period last year.

The decline in the Company's and a subsidiary's taxable income resulted in a 92% YoY reduction in accrued consolidated tax expense, from Php 18.0 mn to Php 1.5 mn. This decrease was, however, moderated by the increase in the accrued tax expense of two subsidiaries that posted higher taxable income during the quarter in review.

Taking all of the above into account, the Company recorded a total net income for the period ending March 31, 2016 of Php 188.6 mn, registering a drop of 43% YoY. Meanwhile, net income attributable to parent amounted to Php 222.9 mn, down by 19% YoY. The profit decline is mainly due the drop in a subsidiary's topline performance, coupled by the increase in the Company's operating expenses.

Changes in Registrant's Consolidated Resources, Liabilities and Shareholders' Equity
(End-March 2016 vs. Year-end 2015)

The Company's consolidated total assets showed a marginal increase of 1%, from end-2015's level of Php 13.7 bn to Php 13.8 bn.

The following are the material movements in the assets of the Company as of end-March 2016.

1. Trade and other current receivables recorded a decrease of 26% to Php 254.4 mn as of March 31, 2016 largely due to the collection of dividends and trade receivables.

2. Advances to associates and stockholders dipped by 13% to Php 27.1 mn from Php 31.2 mn as of end-2015. The decline was brought about by the repayment of advances by a joint venture.

3. Inventories went down by 7% to Php 83.1 mn due to the use of plant parts and supplies for the maintenance work of a subsidiary's power plant.

4. Prepayments and other current assets grew by 11%, from Php 707.2 mn as of end-2015 to Php 786.7 mn as of end-March 2016. This was mainly due to the booking by the Company's subsidiary of higher advances to supplier during the quarter in review.

5. Other noncurrent assets was higher by 5% from Php 93.8 mn to Php 98.7 mn mainly due to advance payments made by the Company's subsidiary relating to its power generation plant project. This increase is mitigated by the amortization of software costs.

Total consolidated liabilities declined by 1% to Php 4.7 bn as of end-March 2016. The movement was brought about by the 5% decrease in trade and other payables arising from the payment of accrued expenses and tax remittances. The availment of a short term loan by a subsidiary, accrual of pension expense by the Company and accrual of income tax payable by three subsidiaries, however partially offset the decline in the Company's consolidated liabilities.

As a result of net income generated during the quarter in review, total stockholders' equity increased by 2%, from Php 8.9 bn as of year-end 2015 to Php 9.1 bn as of end-March 2016. Meanwhile, equity attributable to parent ended up higher by 3% at Php 8.7 bn as of the end of March 2016.

Material Changes in the Consolidated Liquidity and Cash Reserves of Registrant
(End-March 2016 vs. End-March 2015)

Cash and cash equivalents were lower by 15% YoY, from Php 4.9 bn as of end-March 2015 to Php 4.1 bn as of end-March 2016.

For the period ending March 31, 2016, the net cash used in the Company's operations amounted to Php 156.0 mn, recording a reversal from last year's net cash generation of Php 49.0 mn. The use of cash in operations, which was a result of increased trade and other receivables, the settlement of trade and other payables and the decline in the topline performance of a subsidiary, mainly brought down the net cash from operations for the quarter in review.

Net cash generated from investing activities as of end-March 2016 amounted to Php 168.3 mn, vis-a-vis last year's utilization of Php 41.7 mn. Dividends and interest received more than offset the Company's additional investments made during the quarter in review. Also, the purchase of additional depreciable assets was lower than in the same period last year.

For the period in review, the Company raised cash of Php 41.5 mn from financing activities, which stemmed from the availment of a short term loan by a subsidiary, additional investments from the non-controlling stockholder of a subsidiary and another subsidiary's collection from a joint venture of the latter's short-term advances. This was a reversal from last year where cash used in financing activities amounted to Php 6.0 mn.

Financial Ratios

As of end-March 2016, the Debt-to-Equity ratio dropped to 0.51x vis-à-vis end-2015's 0.53x. This was on the back of a 1% decrease in liabilities and 2% expansion in total equity that resulted from the income generated by the Company during the quarter in review.

The expansion in the Company's current assets, coupled with the decrease in current liabilities, resulted to an improvement in the Company's current ratio to 3.11x as of end-March 2016 from 3.05x as of end-December 2015.

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 (VEC).

  - 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 in the process of finalizing the detailed engineering plans of the facility. Once done, construction will commence and is estimated to be completed after 22 to 24 months. As of end-March 2016, VEC holds an equity stake of 67% in VMHI.

  - Minergy Power Corporation (MPC), formerly known as Minergy Coal Corporation, 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 MPC.

  - 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 connected to the grid 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%). As of end March 2016, the Company has an effective ownership of 20%.

  - Delta P, Inc. (DPI) was declared as the winning proponent and awardee of the fifteen (15)-year Power Supply Agreement for a 26.65 MW Gross Dependable Capacity by the Palawan Electric

Cooperative in December 2015. This entails the construction of a 30-MW bunker-fired power plant, which will be located within the current facilities of the company. The EPC contract was signed in January 2016. Target completion is in December 2016. This project will be funded via a combination of debt (75%) and equity/internal generated funds (25%). As of end March 2016, VEC has a 50% equity stake in DPI.

- 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 12, 2016

VIVANT CORPORATION AND SUBSIDIARIES

Unaudited Consolidated Financial Statements
As of March 31, 2016 (with Comparative Audited Consolidated Figures as of December 31, 2015) and for the Three Months Ended March 31, 2015

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF MARCH 31, 2016
(With Comparative Figures as of December 31, 2015)
(Amounts in Philippine Pesos)

	Notes	**March 31, 2016**	December 31, 2015
ASSETS			
Current Assets			
Cash and cash equivalents	1	**₱4,121,612,485**	₱4,068,285,801
Trade and other receivables	2	**254,392,560**	342,691,120
Advances to associates and stockholders	2	**27,134,598**	31,167,018
Inventories		**83,051,632**	89,095,939
Prepayments and other current assets	3	**786,719,569**	707,243,179
Total Current Assets		**5,272,910,844**	5,238,483,057
Noncurrent Assets			
Investments in subsidiaries and associates	6	**7,041,832,272**	6,913,791,619
Property, plant and equipment	5	**899,108,646**	916,497,160
Investment properties	4	**514,801,557**	514,801,557
Other noncurrent assets	7	**98,680,837**	93,781,925
Deferred income tax assets - net		**12,581,733**	12,581,733
Total Noncurrent Assets		**8,567,005,045**	8,451,453,994
TOTAL ASSETS		**₱13,839,915,889**	₱13,689,937,051

LIABILITIES AND EQUITY

Current Liabilities

Short-term note payable	**₱ 88,000,000**	₱33,000,000
Trade and other current payables	**1,467,565,877**	1,546,394,312
Advances from related parties	**110,468,541**	110,212,802
Notes payable – current portion	**25,989,025**	25,989,025
Income tax payable	**1,529,696**	154,009
Total Current Liabilities	**1,693,553,139**	1,715,750,148
Noncurrent Liabilities		
Notes payable - net of current portion	**2,891,584,679**	2,921,584,679
Pension liability	**16,093,300**	14,770,643
Deferred tax liabilities	**99,767,008**	99,767,008
Total Noncurrent Liabilities	**3,007,444,987**	3,036,122,330
Total Liabilities	**4,700,998,126**	4,751,872,478

Equity Attributable to Shareholders of the Parent			
Capital stock	8	**1,023,456,698**	1,023,456,698
Additional paid-in capital		**8,339,452**	8,339,452
Other components of equity:			
Revaluation reserve		**1,234,371,697**	1,234,371,697
Remeasurement loss on employee benefits		**(55,547,607)**	(55,547,607)
Unrealized valuation gain on AFS		**191,083**	191,083
Retained earnings:			
Appropriated for business expansion		**2,493,584,261**	2,493,584,261
Unappropriated		**3,948,994,651**	3,726,045,896
Equity Attributable to Shareholders of the Parent		**8,653,390,235**	8,430,441,480
Non-controlling Interest		**485,527,528**	507,623,093
Total Equity		**9,138,917,763**	8,938,064,573
TOTAL LIABILITIES AND EQUITY		**₱13,839,915,889**	₱13,689,937,051

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD JANUARY 1 TO MARCH 31, 2016
(With Comparative Figures for the same period in 2015)
(Amounts in Philippine Pesos)

	2016	2015
REVENUE		
Energy fees	**₱327,114,879**	₱695,038,035
Equity in net earnings of associates	**297,493,063**	239,171,217
Management fees	**27,477,055**	26,849,844
Interest income	**11,548,821**	11,780,564
	663,633,818	972,839,660
GENERATION COSTS	**362,017,767**	522,955,088
OPERATING EXPENSES		
Salaries and employees' benefits	**27,619,574**	21,085,984
Professional fees	**8,544,971**	10,104,416
Taxes and licenses	**12,063,741**	6,661,188
Depreciation and amortization	**5,069,932**	4,080,404
Management fees	**2,362,500**	4,717,500
Travel	**3,797,949**	1,953,692
Representation	**290,077**	1,653,874
Communication and utilities	**1,276,609**	1,010,640
Rent and association dues	**1,627,798**	963,784
Contracted services	**895,276**	379,582
Other general and administrative expenses	**7,102,400**	8,225,411
	70,650,827	60,836,475

	2016	2015
INCOME FROM OPERATIONS	**230,965,224**	389,048,096
OTHER INCOME (CHARGES)		
Finance costs	**(42,664,834)**	(41,647,372)
Foreign exchange gains (losses)	**(506,202)**	(1,556,913)
Others – net	**2,337,509**	367,423
	(40,833,527)	(42,836,862)
INCOME BEFORE INCOME TAX	**190,131,697**	346,211,234
TAX EXPENSE	**1,488,507**	17,978,094
NET INCOME	**188,643,190**	328,233,140
OTHER COMPREHENSIVE INCOME	**–**	–
TOTAL COMPREHENSIVE INCOME	**₱188,643,190**	₱328,233,140
NET INCOME ATTRIBUTABLE TO:		
Shareholders of the parent company	**₱ 222,948,755**	₱274,413,134
Non-controlling interests	**(34,305,565)**	53,820,006
	₱188,643,190	₱328,233,140
BASIC AND DILUTED EARNINGS PER SHARE	**₱0.218**	₱0.268

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED MARCH 31, 2016
(With Comparative Figures for the same period in 2015)
(Amounts in Philippine Pesos)

	2016	2015
REVENUE		
Energy fees	**₱327,114,879**	₱695,038,035
Equity in net earnings of associates	**297,493,063**	239,171,217
Management fees	**27,477,055**	26,849,844
Interest income	**11,548,821**	11,780,564
	663,633,818	972,839,660
GENERATION COSTS	**362,017,767**	522,955,088
OPERATING EXPENSES		
Salaries and employees' benefits	**27,619,574**	21,085,984
Professional fees	**8,544,971**	10,104,416
Taxes and licenses	**12,063,741**	6,661,188
Depreciation and amortization	**5,069,932**	4,080,404
Management fees	**2,362,500**	4,717,500
Travel	**3,797,949**	1,953,692
Representation	**290,077**	1,653,874
Communication and utilities	**1,276,609**	1,010,640
Rent and association dues	**1,627,798**	963,784
Contracted services	**895,276**	379,582
Other general and administrative expenses	**7,102,400**	8,225,411
	70,650,827	60,836,475

	2016	2015
INCOME FROM OPERATIONS	**230,965,224**	389,048,096
OTHER INCOME (CHARGES)		
Finance costs	**(42,664,834)**	(41,647,372)
Foreign exchange gains (losses)	**(506,202)**	(1,556,913)
Others – net	**2,337,509**	367,423
	(40,833,527)	(42,836,862)
INCOME BEFORE INCOME TAX	**190,131,697**	346,211,234
TAX EXPENSE (BENEFIT)	**1,488,507**	17,978,094
NET INCOME	**188,643,190**	328,233,140
OTHER COMPREHENSIVE INCOME	**–**	–
TOTAL COMPREHENSIVE INCOME	**₱188,643,190**	₱328,233,140
NET INCOME ATTRIBUTABLE TO:		
Shareholders of the parent company	**₱ 222,948,755**	₱274,413,134
Non-controlling interests	**(34,305,565)**	53,820,006
	₱188,643,190	₱328,233,140
BASIC AND DILUTED EARNINGS PER SHARE	**₱0.218**	₱0.268

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2016
(With Comparative Figures for the same period in 2015)
(Amounts in Philippine Pesos)

	Notes	**2016**	1Q 2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**₱190,131,697**	₱346,211,234
Adjustments for:			
Equity in net earnings of associates		**(297,493,063)**	(239,171,217)
Finance costs		**42,664,834**	41,647,372
Interest income		**(11,548,821)**	(11,780,567)
Depreciation and amortization		**26,535,060**	6,184,964
Pension expense		**1,322,657**	–
Unrealized foreign exchange gains		**506,203**	1,556,913
Operating income before working capital changes		**(47,881,433)**	144,648,699
Decrease (increase) in:			
Trade and other current receivables	2	**86,911,529**	(250,716,928)
Inventories		**6,044,307**	1,377,842
Prepayments and other current assets	3	**(79,476,390)**	(84,251,366)
Increase (decrease) in Trade and other current payables		**(79,730,993)**	279,605,838
Cash generated from operations		**(114,132,980)**	90,664,085
Interest paid		**(41,762,276)**	(41,647,372)
Income tax paid		**(112,820)**	**–**
Net cash provided by (used in) operating activities		**(156,008,076)**	49,016,713

	Note		
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from associates		**329,452,410**	393,741,536
Interest received		**12,935,852**	11,780,564
Additions to property, plant and equipment	5	**(8,504,560)**	(46,801,793)
Decrease (increase) in:			
Intangible assets		**(112,124)**	–
Other noncurrent assets		**(5,428,774)**	(426,136)
(Increase) decrease in investments in associates	6	**(160,000,000)**	(400,000,000)
Net cash flows provided by (used in) investing activities		**168,342,804**	(41,705,829)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from fixed rate corporate notes		**55,000,000**	–
Payment of loans		**(30,000,000)**	(30,000,000)
Additional deposits for future stock subscriptions of non-controlling interest of a subsidiary		**12,210,000**	10,890,000
Advances from associates and stockholders		**4,288,159**	13,136,895
Net cash provided by (used in) financing activities		**41,498,159**	(5,973,105)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**53,832,887**	1,337,779
EFFECT OF EXCHANGE RATE CHANGES		**(506,203)**	**(1,556,913)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		**4,068,285,801**	4,859,530,626
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**₱4,121,612,485**	₱4,859,311,492

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2016
(With Comparative Figures for the same period in 2015)
(Amounts in Philippine Pesos)

	Notes	**2016**	2015
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT			
CAPITAL STOCK - ₱1 par value			
Authorized – 2,000,000,000 shares			
Issued and outstanding – 1,023,456,698 shares	8	**₱1,023,456,698**	₱1,023,456,698
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of period		**8,339,452**	8,339,452
Balance at end of interim period		**8,339,452**	8,339,452
REVALUATION RESERVE			
Balance at beginning of period		**1,234,371,697**	1,261,492,837
Depreciation on the revaluation increment of an associate		**–**	–
Balance at end of interim period		**1,234,371,697**	1,261,492,837
FAIR VALUE RESERVE			
Balance at beginning of period		**191,083**	254,554
Changes		**–**	–
Balance at end of interim period		**191,083**	254,554
REMEASUREMENT LOSS ON EMPLOYEE BENEFITS			
Balance at beginning of period		**(55,547,607)**	(69,240,190)
Balance at end of interim period		**(55,547,607)**	(69,240,190)

	Notes	**2016**	2015
RETAINED EARNINGS			
Balance at beginning of period		**6,219,630,157**	5,407,714,113
Dividends declared		**–**	–
Depreciation on the revaluation increment of an associate		**–**	–
Net income	9	**222,948,755**	274,413,134
Balance at end of interim period		**6,442,578,912**	5,682,127,247
		8,653,390,235	7,906,430,598
NON-CONTROLLING INTEREST			
Balance at beginning of period		**507,623,093**	358,610,361
Property dividend		**–**	–
Cash dividends		**–**	–
Additional investments		**12,210,000**	**–**
Minority income for the period		**(34,305,565)**	53,820,006
Balance at end of interim period		**485,527,528**	412,430,367
TOTAL EQUITY		**₱9,138,917,763**	₱8,318,860,965

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
March 31, 2016

1. Cash and Cash Equivalents

This account consists of:

	March 31, 2016	December 31, 2015
Cash on hand and in banks	₱76,508,481	₱301,636,865
Short-term investments	4,045,104,004	3,766,648,936
	₱4,121,612,485	**₱4,068,285,801**

2. Trade and other receivables, advances and other current receivables

This account consists of:

	March 31, 2016	December 31, 2015
Trade receivables	₱247,534,717	₱208,599,589
Accounts receivable	19,964,347	14,352,182
Advances to officers and employees	4,762,502	8,755,973
Accrued interest	2,841,618	4,228,650
Dividends receivable	-	132,572,000
Others	13,747,422	8,640,772
	288,850,606	377,149,166
Less allowance for impairment loss	34,458,046	34,458,046
	₱254,392,560	**₱342,691,120**

Advances to associate and stockholders	**₱27,134,597**	**₱31,167,018**

2.1 Aging of Trade receivables, advances and other current receivables

	March 31, 2016				December 31, 2015			
	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL
Trade receivables, advances and other current receivables	₱171,638,567	₱11,259,674	₱105,952,365	₱288,850,606	₱206,525,089	₱78,133,944	₱92,490,133	₱377,149,166
Less: Allowance for impairment loss			34,458,046	34,458,046			34,458,046	34,458,046
	₱171,638,567	**₱11,259,674**	**₱71,494,319**	**₱254,392,560**	**₱206,525,089**	**₱78,133,944**	**₱58,032,087**	**₱342,691,120**

3. Prepayments and other current assets

The composition of this account is shown below:

	March 31, 2016	December 31, 2015
Advances to suppliers and other parties	₱641,757,266	₱556,309,228
Creditable withholding taxes	38,950,334	72,525,345
Input tax	80,226,586	43,972,814
Prepaid insurance	11,470,924	19,759,835
Others	14,314,459	14,675,957
	₱786,719,569	**₱707,243,179**

4. Investment Properties

	March 31, 2016	December 31, 2015
Land		
Cost	₱3,473,986	₱3,473,986
Fair Value Adjustment	507,949,571	507,949,571
	511,423,557	511,423,557
Building		
Cost	₱-	₱-
Fair Value Adjustment	3,378,000	3,378,000
	3,378,000	3,378,000
Total Investment Properties	**₱514,801,557**	**₱514,801,557**

Some of the Company's properties were leased out to outside parties to earn rental income. Total rental income amounting to Php 0.2 mn and Php 0.2 mn as of end-March 2016 and end-March 2015, respectively, were recorded as part of "Other income" in the consolidated statements of comprehensive income.

In 2015, an appraisal was carried out on the Company's investment properties resulting to a fair value change amounting to Php 240.7 mn.

Real property taxes pertaining to the land amounting to Php 0.8 mn and Php 0.8 mn as of end-March 2016 and 2015, respectively, are included under "Taxes and licenses" account in the consolidated statements of comprehensive income.

The Company has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct, or develop investment properties.

5. Property and Equipment

Property and equipment consists of the following major classifications:

	Condominium Units, Building and Improvements	Plant Machineries and Equipment	Leasehold and Land Improvement	Office Furniture, Fixtures and Equipment	Transportation Equipment	Tools and Other Assets	Total
Cost							
Beg. Balance, Dec. 31, 2015	₽45,672,763	₽878,394,764	₽16,878,412	₽32,699,427	₽37,051,538	₽3,658,731	₽1,014,355,635
Additions	42,129	5,156,899	-	3,174,496	30,058	100,978	8,504,560
Retirement	-	-	-	(79,326)	-	-	(79,326)
End. Balance, Mar. 31, 2016	45,714,892	883,551,663	16,878,412	35,794,597	37,081,596	3,759,709	1,022,780,869
Less: Accumulated Depreciation							
Beg. Balance, Dec. 31, 2015	16,227,789	35,589,565	5,428,236	20,473,716	18,659,987	1,479,182	97,858,475
Depreciation	370,344	21,131,654	599,541	2,328,842	1,420,667	42,026	25,893,074
Retirement	-	-	-	(79,326)	-	-	(79,326)
End. Balance, Mar. 31, 2016	16,598,133	56,721,219	6,027,777	22,723,232	20,080,654	1,521,208	123,672,223
Carrying value, March 31, 2016	**₽29,116,759**	**₽826,830,444**	**P10,850,635**	**P13,071,365**	**P17,000,942**	**P2,238,501**	**P899,108,646**

6. Investment in and advances to associates and joint ventures:

The components of the carrying values of investments in associates and joint ventures are as follows:

	March 31, 2016	December 31, 2015
Investment in VECO:		
Acquisition Cost	₱840,333,111	₱840,333,111
Accumulated Equity Earnings-net	30,127,232	195,557,150
Revaluation Surplus	1,193,768,246	1,193,768,246
Carrying Value	2,064,228,589	2,229,658,507
Investment in Delta P:		
Acquisition Cost	230,117,231	150,117,231
Accumulated Equity Earnings-net	(8,740,084)	(14,051,909)
Revaluation Surplus	-	-
Carrying Value	221,377,147	136,065,322
Investment in CPPC:		
Acquisition Cost	305,119,049	305,119,049
Accumulated Equity Earnings-net	(227,294,721)	(262,573,945)
Revaluation Surplus	-	-
Carrying Value	77,824,328	42,545,104
Investment in ABOVANT:		
Acquisition Cost	976,784,699	976,784,699
Accumulated Equity Earnings-net	720,845,291	630,651,138
Revaluation Surplus	-	-
Carrying Value	1,697,629,990	1,607,435,837
Investment in VSNRGC:		
Acquisition Cost	311,040,001	311,040,001
Accumulated Equity Earnings-net	(311,040,001)	(311,040,001)
Revaluation Surplus	-	-
Carrying Value	-	-
Investment in AHPC:		
Acquisition Cost	11,500,000	11,500,000
Deposit for future stock subscription	2,968,700	2,968,700
Accumulated Equity Earnings-net	(11,500,000)	(11,500,000)
Revaluation Surplus	-	-
Carrying Value	2,968,700	2,968,700
Investment in PEI:		
Acquisition Cost	500,000	500,000
Accumulated Equity Earnings-net	16,956	16,956
Revaluation Surplus	-	-
Carrying Value	516,956	516,956
Investment in CIPC:		
Acquisition Cost	102,097,169	102,097,169
Accumulated Equity Earnings-net	3,912,681	1,227,312
Revaluation Surplus	-	-
Carrying Value	106,009,850	103,324,481
Investment in TVI:		
Acquisition Cost	231,496,655	231,496,655
Accumulated Equity Earnings-net	47,484,350	47,484,350
Revaluation Surplus	40,603,451	40,603,451
Carrying Value	319,584,456	319,584,456

	March 31, 2016	December 31, 2015
Investment in MPC:		
Acquisition Cost	2,493,250,000	2,413,250,000
Accumulated Equity Earnings-net	58,442,256	58,442,256
Revaluation Surplus	-	-
Carrying Value	2,551,692,256	2,471,692,256
Total Carrying Value of Investments	**₱7,041,832,272**	**₱6,913,791,619**

The Group has unrecognized share in losses from results of operations of its investments in associates and joint ventures amounting to Php 30.0 mn and Php 100.4 mn as of March 31, 2016 and March 31, 2015, respectively. Total cumulative unrecognized losses amounted to Php 401.8 mn as of the quarter in review and Php 371.8 mn as of yearend-2015.

7. Other Non-Current Assets

The details of this account are shown below:

	March 31, 2016	December 31, 2015
Due from RFM Corporation	₱46,078,063	₱46,078,063
Goodwill	42,559,451	42,559,451
Advances to suppliers	41,803,545	36,412,810
Available-for-Sale (AFS) investments	3,750,631	3,750,631
Software cost	1,444,145	1,974,007
Others	9,123,065	9,085,026
	144,758,900	139,859,988
Less allowance for impairment loss	46,078,063	46,078,063
	₱98,680,837	**₱93,781,925**

8. Capital Stock

The details of the capital stock account are as follows:

	March 31, 2016	December 31, 2015
Authorized Capital Stock – P1.00 par value	₱2,000,000,000	₱2,000,000,000
Issued – 1,023,456,698 shares	1,023,456,698	1,023,456,698

9. Earnings Per Share

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

	March 31, 2016	March 31, 2015
Basic Earnings Per Share		
Net income (loss) attributable to Parent shareholders	222,948,755	274,413,134
Less: Preferred shares	-	-
Net income (loss) identified with Common stock	222,948,755	274,413,134
Actual number of shares Outstanding	1,023,456,698	1,023,456,698
	0.218	**0.268**

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.

Vivant Corporation issued 7-year fixed rate notes with a total principal amount of Php 3 bn. The issue was fully subscribed by a consortium of local banks composed of Metropolitan Bank and Trust Company, China Banking Corporation, Development Bank of the Philippines, Philippine Savings Bank, Rizal Commercial Banking Corporation and Robinsons Savings Bank.

The FRCN issue was done in two tranches. The first tranche of notes worth Php 1 bn were issued on February 3, 2014 at an interest rate of 5.7271% p.a. Meanwhile, the second tranche of notes worth Php 2 bn were issued on March 31, 2014 at an interest rate of 5.4450% p.a.

Vivant Corporation made a partial payment on the principal for Php 30 mn each in February 2016 and February 2015.

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.

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 the Note 2 of the Notes to the interim Financial Statements as of March 31, 2016 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 are United States Dollar (USD) and European Euro (€).

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

	March 31, 2016
Loan Receivables	USD –
Trade Receivables	USD –
Cash	USD 45,194
	Euro 519
Trade Payables	USD 2,302,290
	Euro 2,661
Gross Exposure	USD 2,257,096
	Euro 2,142

The average exchange rate for the quarter ended March 31, 2016 are as follows:

US Dollar-Philippine Peso	US$1 = Php47.09
Euro-Philippine Peso	Eu€1 = Php52.17

The exchange rate applicable as of March 31, 2016 are the following:

US Dollar-Philippine Peso	US$1 = Php46.07
Euro-Philippine Peso	Eu€1 = Php52.26

Sensitivity Analysis

A 10% strengthening of the Philippine Peso against US Dollar and European Euro as of March 31, 2016 would have increased equity and profit by Php 10.4 mn. A 10% weakening of the Philippine Peso against the US Dollar and European Euro as of March 31, 2016 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