

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)

U n i t 9 0 7 - 9 0 8 , A y a l a L i f e - F G U C e
n t e r , M i n d a n a o A v e n u e C o r n e r B i
l i r a n R o a d , C e b u B u s i n e s s P a r k
B A r a n g a y L u z , C e b u C i t y , P h i l i p
p i n e s 6 0 0 0

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

Joan A. Giduquio-Baron

Contact Persons

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

Telephone Number of the Contact Person

1 2 3 1

Month Day
Fiscal Year

SEC FORM 17-Q

FORM TYPE

0 6 3 0

Month Day

N/A

Secondary license Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

1,427

Total No. of Stockholders

1,022,951,504

Domestic

505,194

Foreign

To be accomplished by SEC Personnel concerned

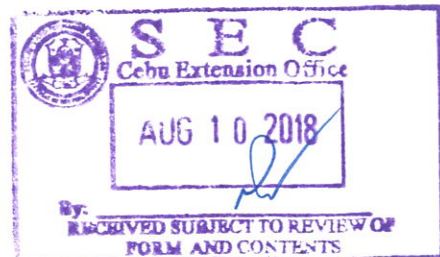
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SECURITIES AND EXCHANGE COMMISSION

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: **June 30, 2018**
- 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 4,851,812,344

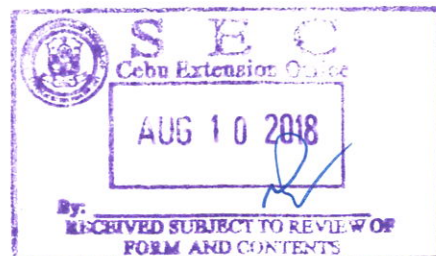
- 11. Are any or all of the securities listed on a Stock Exchange?

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 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 refer to attached financial statements and schedules.

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 June 30, 2018 compared with the interim period ended June 30, 2017. 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) June 30, 2018 versus YTD June 30, 2017

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

Key Performance Indicators <i>Amounts in Php '000, except for ratios</i>	YTD June 2018	YTD June 2017	YE 2017
Equity in Net Earnings of Associates and Joint Ventures	792,541	594,661	
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	611,890	868,111	
Cash Flow Generated / (Used)	(271,394)	(268,520)	
Net cash flows from (used in) operating activities	(355,479)	125,128	
Net cash flows from (used in) investing activities	104,928	57,595	
Net cash flows from (used in) financing activities	(20,843)	(451,243)	
Debt-to-Equity Ratio (x)	0.43	0.46	0.40
Current Ratio (x)	3.23	3.33	4.31

The Company's share in net earnings of associates and joint ventures as of end-June 2018 amounted to Php 792.5 mn, representing a 33% year-on-year (YoY) increase from Php 594.7 mn. This was a result of the following:

- 40%-owned Minergy Power Corporation (MPC) shored in fresh earnings contribution of Php 138.5 mn during the first half of 2018. The company's 3x55 MW coal-fired power plant in Misamis Oriental was completed in 2017 and commenced commercial operations in September 2017.
- 40%-owned Abovant Holdings, Inc. (AHI) saw an 18% YoY improvement in its income contribution during the period in review, from Php 147.9 mn to Php 175.1 mn. This was driven by the enhanced profitability of its associate, Cebu Energy Development Corporation (CEDC). CEDC's favorable earnings performance for the semester was mainly on account of a 14% YoY expansion in energy sales, lower financing and operating expenses and reduced maintenance costs.
- 50%-owned Calamian Island Power, Inc. (CIPC) posted a 46% YoY rise in income contribution, from Php 11.7 mn to Php 17.0 mn. This strong showing was mainly on the back of a 24% YoY expansion in energy sales volume for the first half of 2018.
- 50%-owned, Delta P, Inc. (DPI) recorded a 13% YoY increase in net generation during the semester in review, which resulted to a 21% YoY improvement in its bottomline contribution, from Php 28.9 mn to Php 35.0 mn. The company's new 30-MW oil-fired power generation facility started its commercial operations in May 2017.

- The Company's distribution utility, Visayan Electric Company (VECO), recorded a 4% YoY growth in income contribution, from Php 329.5 mn to Php 343.1 mn. This was mainly attributable to the robust electricity sales during the period, which posted a 10% YoY growth.

Below is a table showing the impact of International Accounting Standards (IAS) 28¹ to the Company's financial performance for the period in review.

Name of Company	YTD June 2018			YTD June 2017		
	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 ^(a)	407.5	--	407.5 ^(c)	236.7	--	236.7 ^(d)
AHPC ^(b)	--	--	--	0.1	--	0.1
Total	407.5	--	407.5	236.8	--	236.8

(a) Vivant Sta. Clara Northern Renewables Generation Corporation

(b) In December 31, 2017, the Company, through its subsidiary, Vivant Energy Corporation (VEC), divested its outstanding shares and subscription rights in AHPC and effectively transferred its ownership to ICS Renewables Holdings, Inc. (ICS) by year-end.

(c) Php294.4 mn pertained to unrealized forex loss from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.

(d) Php 63.1 mn pertained to unrealized forex loss from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.

EBITDA for the semester recorded a 30% YoY drop, from Php 868.1 mn to Php 611.9 mn. The Company ended the first semester with total revenues of Php 1.9 bn, which was lower by 16% YoY. Energy sales and management fees for the period in review were lower at 35% YoY and 32% YoY, respectively.

The Company ended the period with a net decrease in cash, before considering the effect of changes in the foreign exchange rates, of Php 271.4 mn, which was mainly brought about by the cash flow used in operating and financing activities. Meanwhile, investing activities posted a net cash inflow during the semester, on account of the dividends received from associates and joint ventures, which offset the investments made in 20%-owned Therma Visayas, Inc. (TVI) and 30%-owned Sabang Renewable Energy Corporation.

Debt-to-Equity ratio slightly rose to 0.43x as of end-June 2018 vis-à-vis end-December 2017. The movement is mainly attributable to the 9% increase in total consolidated liabilities of the Company, which was driven by the recorded 31% rise in consolidated trade and other payables. Included in the balance are the dividends payable of the Company (Php 285.7 mn) and a subsidiary (Php 126.8 mn), which are scheduled for payment in July 2018.

The Company's current ratio dropped to 3.23x as of end-June 2018 from year-end 2017 level of 4.31x. Current assets posted a 4% drop (mostly due to lower cash level and trade and other receivables), while current liabilities grew by 28% (as a result of increased trade and other payables).

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.

Material Changes in Line Items of Registrant's Income Statement
(YTD June 2018 vs. YTD June 2017)

As of end-June 2018, the Company's total revenues amounted to Php 1.9 bn, recording a 16% YoY decline from Php 2.3 bn.

1. Sale of power, which comprise the bulk of revenues at Php 1.0 bn (or 54% of total), was lower by 35% YoY. 55.2%-owned 1590 Energy Corporation (1590 EC) mainly accounted for the reduced topline performance as it recorded lower revenues due to a 49% YoY decline in energy sales during the semester in review. This was partially offset by the increased energy sales of wholly owned subsidiaries Vivant Energy Corporation (VEC), the administrator of 17 MW of geothermal power, and Corenergy, Inc. (Corenergy), a Retail Electricity Supplier that commenced commercial operations on December 26, 2017.
2. The Company's share in net earnings of associates and joint ventures as of end-June 2018 amounted to Php 792.5 mn, representing a 33% YoY increase from Php 594.7 mn. This was a result of the following:
 - 40%-owned Minergy Power Corporation (MPC) shored in fresh earnings contribution of Php 138.5 mn during the first half of 2018. The company's 3x55 MW coal-fired power plant in Misamis Oriental was completed in 2017 and commenced commercial operations in September 2017.
 - 40%-owned Abovant Holdings, Inc. (AHI) saw an 18% YoY improvement in its income contribution during the period in review, from Php 147.9 mn to Php 175.1 mn. This was driven by the enhanced profitability of its associate, Cebu Energy Development Corporation (CEDC). CEDC's favorable earnings performance for the semester was mainly on account of a 14% YoY expansion in energy sales, lower financing and operating expenses and reduced maintenance costs.
 - 50%-owned Calamian Island Power, Inc. (CIPC) posted a 46% YoY rise in income contribution, from Php 11.7 mn to Php 17.0 mn. This strong showing was mainly on the back of a 24% YoY expansion in energy sales volume for the first half of 2018.
 - 50%-owned, Delta P, Inc. (DPI) recorded a 13% YoY increase in net generation during the semester in review, which resulted to a 21% YoY improvement in its bottomline contribution, from Php 28.9 mn to Php 35.0 mn. The company's new 30-MW oil-fired power generation facility started its commercial operations in May 2017.
 - The Company's distribution utility, Visayan Electric Company (VECO), recorded a 4% YoY growth in income contribution, from Php 329.5 mn to Php 343.1 mn. This was mainly attributable to the robust electricity sales during the period, which posted a 10% YoY growth.

Below is a table showing the impact of IAS 28² to the Company's financial performance for the period in review.

Name of Company	YTD June 2018			YTD June 2017		
	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)
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AHPC ^(b)	--	--	--	0.1	--	0.1
Total	407.5	--	407.5	236.8	--	236.8

(a) Vivant Sta. Clara Northern Renewables Generation Corporation

(b) In December 31, 2017, the Company, through its subsidiary, Vivant Energy Corporation (VEC), divested its outstanding shares and subscription rights in AHPC and effectively transferred its ownership to ICS Renewables Holdings, Inc. (ICS) by year-end.

(c) Php294.4 mn pertained to unrealized forex loss from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.

(d) Php 63.1 mn pertained to unrealized forex loss from the dollar denominated portion of its liabilities arising from its administration contract with PSALM.

3. Management fees were lower by 32% YoY to Php 35.9 mn from Php 52.9 mn. The decline was mainly due to the timing of implementation for some of the management contracts and service level agreements. Another contributing factor to the drop is the execution of a one-time service level agreement with a joint venture in the same period last year.
4. Interest income from the Company's and its subsidiaries' short term money market placements grew by 44% YoY to Php 43.5 mn from Php 30.3 mn.

Total generation cost and operating expenses for the first semester of 2018 declined by 10% YoY, from Php 1.5 bn to Php 1.3 bn. Said movement can be accounted for by the following:

1. Generation costs went down by 14% YoY to Php 1.1 bn from Php 1.2 bn. This was due to the 49% YoY decline in 1590 EC's energy sales volume. Moreover, the subsidiary's depreciation expense was also reduced significantly as the life of depreciable assets was extended to match the new term of its power plant's lease contract.
2. Salaries and employee benefits rose by 9% YoY to Php 98.5 mn from Php 90.8 mn on account of additional manpower and an upward adjustment in salaries. Training costs were also higher during the semester in review.
3. Taxes and licenses significantly rose by 136% YoY to Php 36.6 mn from Php 15.5 mn due to the share issuances of two subsidiaries and higher local business taxes and real property taxes.
4. Professional fees were lower by 36% YoY, from Php 47.3 mn to Php 30.4 mn. In the same period last year, a technical consultancy engagement was entered into for a project development initiative. This was not renewed in the semester in review.

² 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.

5. Management fees was down by 13% YoY at Php 20.7 mn as a result of the drop in rate.
6. Travel expense was at Php 10.0 mn for the period in review, posting an increase of 9% from last year's Php 9.2 mn. The increased frequency of trips related to business development, plant inspections, site visits, meetings with partners and government agencies, and trainings accounted for the rise. The higher gasoline expense, as a result of increased headcount and oil price hike, also contributed to the cost expansion.
7. Outside services surged by 104% YoY to Php 5.8 mn from Php 2.9mn. The movement could be attributed to the receipt and booking of delayed prior year billings for (i) office manpower services and (ii) support services for the Company's accounting software. The increase in the license fees for the Company's accounting software also contributed to the increase in cost.
8. Rent and association dues grew by 16% YoY from Php 3.9 mn to Php 4.6 mn. The Company leased additional office spaces given the higher employee headcount. The escalation of the lease rates for the existing office spaces was also a factor of the increase.
9. Communication and utilities were higher by 10% YoY at Php 3.8 mn from Php 3.5 mn. The increase in the Company's manpower headcount and receipt and booking of delayed prior year billings during the period in review accounted for the hike in communication expenses. Additional office space and the escalation of rates were factors in the rise of power and water charges incurred as of end-June 2018.
10. Other operating expenses rose by 29% YoY from Php 33.6 mn to Php 43.3 mn. This resulted substantially from:
 - (i) higher donations made to Vivant Foundation, Inc. (VFI);
 - (ii) project bidding costs incurred by a subsidiary during the period;
 - (iii) higher cost of supplies, dues and subscriptions, insurance expense and repairs and maintenance.

Vivant booked Php 65.6 mn in other charges as of end-June 2018, recording a 14% drop from previous year's other charges of Php 76.2 mn. The following account for the movement:

1. An unrealized foreign exchange gain of Php 5.2 mn was taken up during the semester in review. This pertains to the restatement of the US Dollar and Euro cash balances of the Company and 1590 EC. This was against an unrealized foreign exchange loss of Php 0.02 mn recorded for the same period last year.
2. Other income of Php 14.0 mn was booked as of end-June 2018. This was a result of higher billings for hourly service fees to affiliates, reimbursement from an associate relating to bank charges, and a one-off collection from the National Grid Corporation of the Philippines (NGCP) for the power consumption of a transmission asset.

The 99% YoY decline in accrued consolidated tax expense, from Php 63.0 mn to Php 0.4 mn, was a result of the lower taxable income of 1590 EC.

Taking all of the above into account, the Company recorded a total net income of Php 516.1 mn for the period ending June 30, 2018, recording 22% YoY decline. Net income attributable to parent amounted to Php 559.0 mn, showing a marginal increase from last year's Php 558.3 mn.

Changes in Registrant's Consolidated Resources, Liabilities and Shareholders' Equity
(End-June 2018 vs. Year-end 2017)

The Company's total assets grew by 3%, from end-2017's level of Php 15.8 bn to Php 16.2 bn. The following are the material movements in the consolidated assets of the Company as of end-June 2018.

1. Cash and cash equivalents dipped by 6% to Php 4.4 bn as of end-June 2018. The decrease was materially due to equity investments in and advances made to associates and the principal amortization of the Company's 7-year Fixed Rate Corporate Note (FRCN).
2. Trade and other receivables dipped by 6% to Php 502.2 mn as of end-June 2018, which was largely due to the receipt of dividends declared in 2017 by MPC and DPI. Further reduction was due to the collection for management and service billings by the Company from its related parties and for trade receipts by 1590 EC from its customers.
3. Advances to associates and stockholders went up by 43% to Php 119.6 mn. This was due to the advances of Vivant Renewable Energy Corporation (VREC) to SREC and VIGC to Lunar Powercore, Inc. (LPCI). The latter was due to a reclassification of a cash infusion made in 2017.
4. Investments in and advances to associates and joint ventures rose by 9% to Php 9.1 bn. This movement is attributed to the investment in TVI and SREC. The dividends declared by VECO, Abovant and DPI offset the recorded equity share in net earnings from associates and joint ventures.
5. The 20% dip in other noncurrent assets to Php 26.6 mn was a result of an account reclassification for an investment in a subsidiary, ET Vivant Solar Corporation (ET Vivant), which as of end-2017 was lodged under this account pending the approval of its incorporation by the Securities and Exchange Commission (SEC).

Total consolidated liabilities were 9% higher at Php 4.9 bn as of end-June 2018 from end-2017's Php 4.5 bn.

1. Trade and other payables recorded a 31% growth. The increase was mainly driven by the dividends payable of the Company and a subsidiary, which are scheduled for payment in July 2018. Furthermore, 1590 EC's trade payables grew by 17% during the semester in review.
2. Advances from related parties posted a 7% increase, from Php 72.4 mn to Php 77.5 mn, as a result of project-related expenses incurred by a subsidiary.
3. Income tax payable recorded a negative balance as of end-semester due to a post-audit adjustment.
4. Pension liability was up was up by 12%, on account of the accrual of pension expense by the Company.

Total stockholders' equity as of end-semester amounted to Php 11.4 bn, recording a marginal increase from year-end 2017 level of Php 11.3 bn. The net income generated during the period in review was offset by the dividend declarations made by the Company and a subsidiary. Meanwhile, equity attributable to parent ended up higher by 2% at Php 10.9 bn as of end-June 2018.

Material Changes in the Consolidated Liquidity and Cash Reserves of Registrant
(End-June 2018 vs. End-June 2017)

Cash and cash equivalents were higher by 5% YoY, from Php 4.2 bn as of end-June 2017 to Php 4.4 bn as of end-June 2018.

For the period ending June 30, 2018, the net cash flows used for the Company's operations amounted to Php 355.5 mn, a reversal from last year's net cash generation of Php 125.1 mn. This was mainly a result of the payments made for interest and taxes during the period in review. The increase in trade and other receivables and prepayments also contributed to the use of cash.

Net cash generated from investing activities as of end-June 2018 amounted to Php 104.9 mn, vis-a-vis last year's cash generation of Php 57.6 mn. For the semester in review, the dividends received from three associates (VECO, AHI and MPC) and a joint venture (DPI) and the proceeds from the disposal of equipment by the Company more than offset the purchase of depreciable assets and the additional investments made into TVI and SREC. Also, interest income earned during the period contributed to the cash generation.

As of end-June 2018, the Company used cash of Php 20.8 mn for financing activities, recording a decrease from last year's Php 451.2 mn. Cash usage stemmed from the principal amortization of the Company's FRCN and the advances of VREC to SREC. This is offset by the receipt of additional investment from the minority shareholder of ET Vivant and advances from a related party for project-related expenses incurred by a subsidiary.

Financial Ratios

Debt-to-Equity ratio slightly rose to 0.43x as of end-June 2018 vis-à-vis end-December 2017. The movement is mainly attributable to the 9% increase in total consolidated liabilities of the Company, which was driven by the recorded 31% rise in consolidated trade and other payables. Included in the balance are the dividends payable of the Company (Php 285.7 mn) and a subsidiary (Php 126.8 mn), which are scheduled for payment in July 2018.

The Company's current ratio dropped to 3.23x as of end-June 2018 from year-end 2017 level of 4.31x. Current assets posted a 4% drop (mostly due to lower cash level and trade and other receivables), while current liabilities grew by 28% (as a result of increased trade and other payables).

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.

On May 26, 2017, a Stay Order was issued in favour of Vivant Sta Clara Northern Renewables Generation Corporation (NR) pursuant to a Petition for Corporate Rehabilitation. The Company does not consolidate NR given its effective ownership of 48%. There is no contingent obligation arising from the case.

Other than the matter disclosed above, no material off-balance sheet transactions, arrangements obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons entities or other persons were created during the period in review.

- 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 looking at a 22 to 24 months construction period. The company, however, has decided to put the project on hold given the prevailing transmission constraint in the Negros grid, which is expected to be resolved by 2020 upon the completion of the Cebu-Negros-Panay 230 kV backbone project of NGCP. VEC holds an equity stake of 67% in VMHI.
- Therma Visayas, Inc. (TVI) is the project proponent for the construction and operation of a 2x170 MW 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. Project completion is expected by 2018. This project is funded via a combination of debt (75%) and equity (25%). The Company has an effective ownership of 20%.
- Sabang Renewable Energy Corporation (SREC) is the project proponent for the construction and operation of a hybrid power generation facility in Bgy. Cabayugan, Puerto Princesa, which will be composed of a 1.4 MW solar power generation plant, 2.3 MWh storage facility and a 1.2 MW diesel-fired power generation unit. The project broke ground in May 2018 and is expected to be completed by January 2019. Funding will be via a combination of debt (75%) and equity (25%). The Company has an effective ownership of 30% in SREC.

- ET Vivant Solar Corporation (ET Vivant) is a company that was set up as a result of the joint venture with ET Energy Pilipinas Holding Corporation. ET Vivant will explore opportunities in the solar rooftop space. The Company will have an effective ownership of 60% in ET Vivant, through wholly owned subsidiaries VEC and Vivant Renewable Energy Corporation.
- Global Energy Development Corporation (GLEDC) is a special purpose vehicle that was set up to undertake the construction and operation of a 2x335 MW coal fired power plant in La Union. In December 2017, Vivant, through wholly owned subsidiary Vivant Integrated Generation Corporation (VIGC), and Global Business Power Corporation signed a Pre-Development Agreement to jointly participate in this project. Vivant has an effective ownership of 42.5% in GLEDC.
- 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 – Controllership

August 10, 2018

VIVANT CORPORATION AND SUBSIDIARIES

Unaudited Consolidated Financial Statements
As of June 30, 2018 (with Comparative Audited Consolidated Figures as of
December 31, 2017) and for the Six Months Ended June 30, 2017

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(With Comparative Figures as of December 31, 2017)

(Amounts in Philippine Pesos)

	Notes	June 30, 2018	December 31, 2017
ASSETS			
Current Assets			
Cash and cash equivalents	1	₱4,368,896,047	₱4,635,082,495
Trade and other receivables	2	502,202,921	532,943,339
Advances to associates and stockholders	2	119,552,092	83,736,329
Inventories		120,448,875	122,863,321
Prepayments and other current assets	3	929,577,737	913,386,427
Total Current Assets		6,040,677,672	6,288,011,911
Noncurrent Assets			
Investments in and advances to associates and joint ventures	4	9,138,125,829	8,385,408,898
Property, plant and equipment	5	522,039,936	528,096,174
Investment properties	6	502,711,090	502,711,090
Deferred income tax assets - net		15,974,331	15,974,331
Other noncurrent assets	7	26,553,002	33,335,299
Total Noncurrent Assets		10,205,404,188	9,465,525,792
TOTAL ASSETS		₱16,246,081,860	₱15,753,537,703