MEGAWIDE CONSTRUCTION CORPORATION
Company's Full Name

2/F Spring Bldg.,
Arnaiz Ave. cor. P. Burgos St., Pasay City
Company's Address

655-1111

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 September 30, 2015

2. SEC Identification Number CS200411461

3. BIR Tax Identification No. 232-715-069-000

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

5. Province, Country or other jurisdiction of incorporation or organization Philippines

6. Industry Classification Code (SEC Use Only)

7. Address of Principal Office 2/F Spring Bldg. Arnaiz Ave. cor. P. Burgos St., Pasay City, Metro Manila

   Postal Code

8. Issuer's telephone number, Including area code (02) 655-1111

9. Former name, former address and fiscal year, if changed since last report Not Applicable

10. Securities registered pursuant to Section 8 and 12 of the SRC, or Section 4 and 8 of the RSA

Title of Each Class	Number of Shares Outstanding	Amount of Debt Outstanding (₱)
Common	2,399,420,199	0
Preferred	40,000,000	0

11. Are any or all these securities listed on a stock exchange?

    Yes > ¥ @ No > @

    If yes, state the name of such stock exchange and classes of securities listed therein:

    Philippine Stock Exchange Common and Preferred Stock

12. Indicate by check mark whether the registrant

power projects, these are the 60MW Solar in Toledo, Cebu, 25MW Solar in Silay and 18MW Solar in Bataan. Hence, total order books as of September 30, 2015 is at P30.97 billion.

Meanwhile, the airport operation revenues amounted to P1.10 billion due to increase in passenger traffic and non-aero related revenues. New airline and destination marketing initiatives were identified and rolled-out this year to add new routes and capacities for achieving higher traffic growth. Routes added in 2015 include direct domestic flights and direct international flights to Malaysia and Japan. In March next year, the first highly anticipated direct flight from Cebu to the United States will be launched by Philippine Airlines. New airline partners will also begin operations in 2016. The Company introduced

In April 2014, the Philippine Government through the Department of Transportation and Communications and MCIAA granted GMCAC the rights to expand, operate and maintain the Mactan-Cebu International Airport.

Increase is d

Bataan and Cebu. Billings over costs of these projects also contributed to the increase in this account.

Income tax payable increased by P22 million
This represents the income tax payable of GMCAC.

Other current liabilities increased by 50% or P31 million
Increase is due to increase in deferred output VAT of GMCAC. The deferred output VAT is based on revenue and will be due to government upon receipt of collection on trade receivables from customers.

Non-Current liabilities increased by 254% or P12.91 billion

Interest-bearing loans and borrowings - non-current increased by 253% or P12.71 million
On December 17, 2014, GMCAC entered into a P20 billion (which at GMCAC's option may be increased up to P23.3. billion) Omnibus Loan and Security Agreement with various banks. GMCAC availed a total of P13 billion in 2015. The proceeds of the loan was used to refinance the bridge facility of BDO which was used to partly finance the payment of the Project's Upfront Premium and to finance the capital expenditures and other costs in relation to the Project. Meanwhile, the Parent redeemed P22 million of its notes.

Retirement benefit obligation increased by 25% or P15 million
Increase is due to accrual of retirement obligation by the Parent Company.

Deferred tax liability increased by P135 million
Deferred tax liability pertains to deferred tax on the amortization of GMCAC's concession asset. For financial reporting purposes, the concession asset is amortized on a straight-line basis over the useful life of 25 years following the period covered by the Concession Agreement when the infrastructure is ready for use but for tax purposes, the concession asset is amortized based on its useful life. The difference between the tax depreciation and financial depreciation is recognized as deferred tax liability.

Other non-current liability increased by P51 million
This pertains to concessionaire's rental security deposits to GMCAC, which represents guarantee amounts deposited by concessionaires upon execution of their respective lease agreements entered into with GMCAC. These deposits shall be applied against whatever amounts may be necessary to cover unpaid bills with the remaining amount refundable to the concessionaires at the end of the lease term.

Equity increased by 7% or P1.08 billion
The increase in Retained earnings by P920 million is a function of P1.1 billion net income of (

For the period in review, the Company recorded consolidated revenues of P10.79 billion – the highest in the history of the Company. This is 43% or P3.25 billion higher compared to the same period in 2014. The bulk of the revenue was from its core business construction which reached P9.69 billi

Zen, Ihub 9 and 10 and FCC Cebu, Bhotel, Rockwell Business Tower and the low-cost housing of NHA wherein minimal revenues were recognized and similarly for new projects that just started because physical accomplishments is yet to be realized compared to cost accrued associated to mobilization and preliminary costs. These are projects like Southwoods Mall, Le Grand BPO Cluster Towers 1 & 2, One Town Square Place, 8990 Tondo & Edsa and Landers Warehouse.

Other current assets increased by 52% or P637 million
The increase is mainly due to restricted cash and cash equivalents set-up by GMCAC to fund its debt service reserve account and future major maintenance as required by its loan covenant with Omnibus Loan and Security Agreement with various banks. The debt service reserve account requires a fund equivalent to the next payment date's principal and interest value while any fund earmarked for the year's major maintenance cost and expenses are included in the fund.

Investment in subsidiaries and associates increased by 31% or P240 million
The increase represents the Parent Company's equity participation in various joint venture entities set-up namely: MWM Terminals Incorporated (the SPV for Southwest Integrated Transport System project) amounting P43.7 million and Megawide-GISPL Constlw 3 0 Td (w 34(r)-2(id (

Mall and Office Towers, Proscenium, Le Grand BPO Clusters Tower 1 & 2, 8990 Tondo, Double Dragon and Landers Warehouse.

Billings in excess of costs on uncompleted contracts – net increased by 1,584% or P2.44 billion
Increase is essentially due to more revenues raised from on-going projects compared to actual cost accrued for the period such as Double Dragon - of DD

The increase in Retained earnings by P920 million is a function of P1.1 billion net income of the Group and P211 million dividends paid on preferred shareholders. Minority interest increased by P156 million due to the minority's share in net income of GMCAC.

There are no other material changes in Megawide's financial position by five percent (5%) or more and condition that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would impact or change reported financial information and condition of Megawide.

There are no known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing Megawide's liquidity in any material way. Megawide does not anticipate having any cash flow or liquidity problems. It is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

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

There are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonably expected to have a material impact on the continuing operations of Megawide.

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

Thereare no explanatory comments on the seasonality of interim operations. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements of the interim period.

There are no material amounts affecting assets, liabilities, equity, net income or cash flows that are unusual in nature. Neither are there changes in estimates of amounts reported in prior interim period of the current financial year.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The

Net cash used in financing activities	654	14,281

Indebtedness

As of September 30, 2015, Megawide has not been in default in paying interests and principal amortizations.

Megawide is not aware of any events that will trigger direct or contingent financial obligations that are material to it, including any default or acceleration of an obligation.

RISK MANAGEMENT OBJECTIVES AND POLICIES

Megawide is exposed to a variety of financial risks in relation to its financial instruments. Its risk management is coordinated with the Board of Directors and Risk Committee, and focuses on actively securing Megawide's short-to-medium term cash flows by minimizing the exposure to financial markets.

Cash and cash equivalents	P 6,056,988,928
Short-term investments	3,842,505,677
Trade and other receivables excluding advances to suppliers	5,764,476,882
Refundable security deposits	70,442,346
	P 15,734,413,833

(a) Cash and Cash Equivalents and Short-term Investment

The credit risk for cash and cash equivalents and short-term investments is considered negligible, since the counterparties are reputable banks with high quality external credit ratings and government bonds which are considered secured. About 7.66% of Megawide's contract receivables as of September 30, 2015 is due from SMDC. Megawide mitigates the concentration of its credit risk by regularly monitoring the age of its receivables from this customer and ensuring that collections are received within the agreed credit period.

(b) Trade and Other Receivables

Contract receivables are usually due within 30 to 60 days and do not bear any interest. Some of the unimpaired trade receivables are past due as at the end of the reporting period. No other financial assets are past due at the end of the reporting period. The trade receivables that are past due but not impaired are as follows:

Not more than 3 months	P 654,819,072
More than 3 months but not more than 4 months	121,488,208
More than 4 months but not more than one year	51,739,579
More than one year	17,061,933
	P 845,108,792

Megawide's management considers that the financial assets which are past due but not impaired for each reporting period are of good credit quality based on historical default rates. The balance of such receivables relates to reputable companies that have a good track record with Megawide.

(c) Refundable Security Deposit

Megawide is not exposed to any significant credit risk exposures to its lessors as lease agreements were executed with reputable entities. Megawide can negotiate, before the end of the lease term, to apply deposit to rentals due.

Liquidity Risk

Megawide manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for six-month and one-year periods are identified monthly.

Megawide maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in time deposits or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at September 30, 2015 Megawide's financial liabilities have contractual maturities which are presented below.

	Current	Non-current
Interest-bearing loans and borrowings	P 3,446,008,553	P 17,737,933,378
Trade and other payables	2,865,982,210	-
	P 6,311,990,763	P 17,737,933,378

Financial Instruments

Megawide categorized its financial instruments as financial asset and financial liabilities. Financial assets and financial liabilities are recognized when Megawide becomes a party to the contractual terms of the financial instrument.

9. Earnings per Share (Parent's Share in Net Income, net of dividends to Preferred Shares Holders/Average Outstanding Shares)
10. Return on Assets (Consolidated Net Income/Total Assets)
11. Return on equity (Parent's Share in Net Income, net of dividends to Preferred Shares Holders/Parent's Equity, net of Preferred Shares)
12. Net Profit Margin (Gross Profit/Total Sales)

PART II – OTHER INFORMATION

There are no any information not previously reported in a report on SEC Form 17-Q.

SIGNATURES

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

MEGAWIDE CONSTRUCTION CORPORATION

By:

MICHAEL C. COSIQUIEN **OLIVER Y. TAN**

Date: November 13, 2015 Date: November 13, 2015

	Notes	2015	2014	2015	2014
REVENUES					
Contract revenues		P 9,685,997,919	P 7,538,069,915	P 4,708,455,399	P 2,482,758,414
Airport operation revenues		1,102,979,989	-	379,445,421	-
	16	10,788,977,908	7,538,069,915	5,087,900,820	2,482,758,414
DIRECT COSTS					
Contract costs		8,008,293,688	6,228,257,923	3,863,065,324	2,055,391,865
Airport operation costs		245,172,251	-	119,751,187	-
	17	8,253,465,939	6,228,257,923	3,982,816,511	2,055,391,865
GROSS PROFIT		2,535,511,969	1,309,811,992	1,105,084,309	427,366,549
OTHER OPERATING EXPENSES	18	535,694,613	319,944,623	173,426,297	129,675,013
OPERATING PROFIT		1,999,817,356	989,867,369	931,658,012	297,691,536
OTHER INCOME (CHARGES)					
Finance costs		(403,253,795)	(298,880,269)	(140,157,198)	(120,143,039)
Finance income		88,321,564	60,657,169	33,205,010	15,443,775
Others - net		56,977,803	34,969,171	(40,561,209)	9,651,337
		(257,954,428)	(203,253,929)	(147,513,397)	(95,047,927)
PROFIT BEFORE TAX		1,741,862,928	786,613,440	784,144,615	202,643,609
TAX EXPENSE		454,644,931	30,985,282	287,020,431	3,071,576
NET PROFIT		1,287,217,997	755,628,158	497,124,184	199,572,033
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment		-	-	-	-
TOTAL COMPREHENSIVE INCOME		P 1,287,217,997	P 755,628,158	P 497,124,184	P 199,572,033
Net Profit Attributable To:					
Shareholders of the Parent Company		P 1,131,526,432	P 783,975,825	P 443,522,462	P 227,919,700
Non-controlling interests		155,691,565	(28,347,667)	53,601,722	(28,347,667)
		P 1,287,217,997	P 755,628,158	P 497,124,184	P 199,572,033
Earnings per Share					
Basic and Diluted		P 0.38			

	Notes	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalents	4	P 6,056,988,928	P 4,431,651,91
Short-term investments			
Trade and other receivables - net	5	5,764,476,882	4,736,100,28
Financial assets at fair value through profit or loss	6	3,842,505,677	3,655,792,39
Construction materials	7	381,940,268	322,460,80
Costs in excess of billings on uncompleted contracts - net	8	3,233,674,271	2,756,116,68
Other assets	10	1,863,565,607	1,226,584,48
Total Current Assets		21,143,151,633	17,128,706,55
NON-CURRENT ASSETS			
Investments in associates	9	1,023,668,128	783,771,88
Concession asset	11	15,441,552,398	15,070,281,29
Property and equipment - net		4,731,517,255	4,713,625,38
Deferred tax assets		81,062,640	11,208,70
Other assets	10	2,578,108,540	1,799,883,07
Total Non-current Assets		23,855,908,961	22,378,770,35
TOTAL ASSETS		P 44,999,060,594	P 39,507,476,90
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Interest-bearing loans and borrowings	13		

	Note	Capital Stock	Preferred Stock	Additional Paid-in Capital	Revaluation Reserves	Other Reserves	Retained Earnings	Total	Non-controlling Interests	Total
Balance at January 1, 2015		P 2,899,426,127	P 40,000,000	8,105,750,						

MEGAWIDE CONSTRUCTION CORPORATION and SUBSIDIARIES
AGING OF RECEIVABLES
AS OF SEPTEMBER 30, 2015

PROJECT	Total	Current	0-30 days	31-60 days	61-90 days	91-120 days	121-360 days	Over 360 days
CONSTRUCTION RECEIVABLES	3,328,781,528	2,499,990,582	501,234,113	121,741,463	15,525,650	121,488,208	51,739,579	17,061,933

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
NOTES TO INTERIM CONSOLIDATED FINANCIAL INFORMATION
SEPTEMBER 30, 2015 AND DECEMBER 31 AND

12 Subsidiaries and Associates

The Parent Company holds ownership interest in the following subsidiaries and associates (together with the Parent Company, collectively hereinafter referred to as the ´* U R X Sµ), which are all incorporated in the Philippines:

Subsidiaries:
- GMR Megawide Cebu Airport Corporation (GMCAC)
- Megawatt Clean Energy, Inc. (MCEI)
- Altria East Land, Inc. (Altria)

Associates:
- Megawide World Citi Consortium, Inc. (MWCCI)
- Citicore-Megawide Consortium, Inc. (CMCI)
- MWM Terminals Inc. (MWMTI)
- Megawide-GISPL Construction Joint Venture (MGCJV)

The Parent Company owns 60% ownership interest in GMCAC. GMCAC was incorporated in the Philippines and registered in the Philippine SEC on January 13, 2014. GMCAC· V S U L P D U \ purpose is to engage in the business of building, rehabilitating, renovating, constructing, developing, operating, and maintaining the Mactan Cebu International Airport (MCIA), including the commercial assets thereof and all allied businesses for the operation and maintenance of said airport facility. GMCAC has started commercial operations on November 1, 2014.

GMCAC was established for the purpose of implementing the provisions of the Concession Agreement that was signed on April 22, 2014 between the Parent Company and GMR Infrastructure Limited (GIL), and the Department of Transportation and Communications (DOTC) and Mactan-Cebu International Airport Authority (MCIAA) (collectively, the ´* U D Q W R U Vµ). GIL is an entity duly organized and registered in India. DOTC and MCIAA are the agencies of the Philippine Government vested with the power and authority to develop dependable and coordinated transportation systems and to principally undertake the economical, efficient, and effective control, management and supervision of the MCIA Project (the Project). * 0 & $ & · V U H J L V W H U H G D G G U H V V Z K L F K L V D O V R located at Mactan-Cebu International Airport Passenger Terminal Building, Airport Terminal, Lapu-Lapu City Cebu.

On September 4, 2014, the Company acquired 70% of the issued and outstanding capital stock of MCEI. MCEI was incorporated to engage in the development of clean or renewable energy sources for power generation, including the design, construction and installation, purchase, importation, commissioning, owning, management and operation of relevant machinery, facilities and infrastructure therefor, and the processing and commercialization of by-products in its operations. Its registered address, which is also its principal place of business, is located at 20 N. Domingo St. Brgy. Valencia, Quezon City.

The Group· V D F T X L V L W L R Q R I R Z Q H U V K L S L Q $ O W U L D L V D F F not constitute an acquisition of business.

The Group· V L Q Y H V W P H Q W V L Q CMCI, MWMTI and MGCJV

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these interim consolidated financial information are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Interim Consolidated Financial Information

(a) Statement of Compliance with Philippine Financial Reporting Standards

These interim consolidated financial information have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. They do not include all of the information and disclosures required in the annual audited consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended December 31, 2014. The preparation of interim consolidated financial information in accordance with Philippine Financial Reporting Standards (PFRS) requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. $OWKRXJK WKHVH HVWLPDWHV DUH EDVHG RQ current events and actions, actual results may ultimately differ from those estimates.

(b) Presentation of Interim Consolidated Financial Information

The interim consolidated financial information are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents all items of income and expense in a single statement of comprehensive income.

(c) Functional and Presentation Currency

These interim consolidated financial information are presented in Philippine pesos, the Group·V IXQFWLRQDO DQG SUHVHQWDWLRQ FXUUHQF\ except when otherwise indicated.

Items included in the financial information are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of New and Amended PFRS

(a) Effective in 2015 that are Relevant to the Group

In 2015, the Group adopted for the first time PAS 19 (Amendment), *Employee Benefits – Defined Benefit Plans – Employee Contributions* (effective from July 1, 2014). The amendment clarifies that if the amount of the contributions from employees or third parties is dependent on the number of years of service, an entity shall attribute the contributions to periods of service using the same attribution method H HLWKHU XVLQJ WKH contribution formula or on a straight-line basis) for the gross benefit.

(iv)

Annual Improvements to PFRS (2010-2012 Cycle)

(a) PAS 16 (Amendment), Property, Plant and Equipment, and PAS 38 (Amendment), Intangible Assets. The amendments clarify that when an item of property, plant and equipment, and intangible assets is revalued, the gross carrying amount is adjusted in a manner that is consistent with a revaluation of the carrying amount of the asset.

(b) PAS 24 (Amendment), Related Party Disclosures. The amendment clarifies that an entity providing key management services to a reporting entity is deemed to be a related party of the latter. It also clarifies that the information required to be disclosed in the financial statements are the amounts incurred by the reporting entity for key management personnel services that are provided by a separate management entity and not the amounts of compensation paid or payable by the management entity to its employees or directors.

(c) PFRS 3 (Amendment), Business Combinations, Accounting for Contingent Consideration in a Business Combination. This amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity in accordance with PAS 32. It also clarifies that all non-equity contingent consideration should be measured at fair value at the end of each reporting period, with changes in fair value recognized in profit or loss.

(d) PFRS 13 (Amendment), Fair Value Measurement. The amendment in the basis of conclusion of PFRS 13 clarifies that issuing PFRS 13 and amending certain provisions of PFRS 9 and PAS 39 related to discounting of financial instruments did not remove the ability to measure short-term receivables and payables with no stated interest rate on an undiscounted basis, when the effect of not discounting is immaterial.

Annual Improvement to PFRS (2011-2013 Cycle)

(a) PFRS 3 (Amendment), Business Combinations, Scope Exceptions for Joint Ventures. It clarifies that PFRS 3 does not apply to the accounting for the formation of any joint arrangement under PFRS 11, in the financial statements of the joint arrangement itself.

(b) PFRS 13 (Amendment), Fair Value Measurement. The amendment clarifies that the scope of the exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis (the portfolio exception) applies to all contracts within the scope of and accounted for in accordance with PAS 39 or PFRS 9, regardless of whether they meet the definition of financial assets or financial liabilities as defined in PAS 32.

Annual Improvements to PFRS (2012-2014 Cycle)

(a) PAS 19 (Amendment), Employee Benefits. The amendment clarifies that the currency and term of the high quality corporate bonds which were used to determine the discount rate for post-employment benefit obligations shall be made consistent with the currency and estimated term of the post-employment benefit obligations.

(b) PAS 34 (Amendment), Interim Financial Reporting – Disclosure of Information
´(OVHZKHUH LQ WKH LQWHULP ILQDQFLDO 5 The amendment clarifies the meaning of
GLVFORVXUH RI LQIRUPDWLRQ ´HOVHZKHUH LQ WKH LQWHULP ILQDQFLDO UHSRUWµ
the inclusion of a cross-reference from the interim financial statements to the location of this referenced information. The amendment also specifies that this information must be available to users of the interim financial statements on the same terms as the interim financial statements and at the same time, otherwise the interim financial statements will be incomplete.

(c) PFRS 7 (Amendment), Financial Instruments: Disclosures – Applicability of Amendments to PFRS 7 to Condensed Interim Financial Statements. This amendment clarifies that the additional disclosure required by the recent amendments to PFRS 7 related to offsetting financial assets and financial liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with PAS 34, Interim Financial Reporting, when its inclusion would be necessary in order to meet the general principles of PAS 34.

(d) PFRS 7 (Amendment), Financial Instruments – Disclosures. The amendment provides additional guidance to help entities identify the circumstances under

3.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with specific segment and they include all tinopera assets used by a segment and consist principally of operating cash, receivables, inventories and property, plant and equipment, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their u or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, wages, taxes currently payable and accrued liabilities. Segment assets and liabilities do not include deferred taxes.

3.3 Analysis of Segment Information

Presented below are the relevant operating segment information about t4in47.31 Tm [(opera)-3(tin)11(g

3.4 Reconciliations

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information presented in its 2015 interim consolidated financial information.

Profit or loss		
Total segment operating profit	P	1,999,817,356
Finance costs	(	403,253,795)
Finance income		88,321,564
Others – net		24,637,627
Elimination of intercompany accounts		32,340,176
Profit before tax as reported in profit or loss	P	1,741,862,928
Assets		
Total segment assets	P	48,096,666,228
Deferred tax assets – net		81,062,640
Elimination of intercompany accounts	(	3,178,668,274)
Total assets as reported in the statement of financial position	P	44,999,060,594
Liabilities		
Total segment liabilities	P	28,551,510,037
Deferred tax liabilities		134,637,141
Elimination of intercompany accounts	(	173,006,677)
Total liabilities as reported in the statement of financial position	P	28,513,140,502

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows

	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
Cash on hand	P 900,733,329	P 9,378,228
Cash in banks		

banks

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account is composed of the following:

	September 30 2015	December 31, 2014

September 30,

10. OTHER ASSETS

This account is composed of the following

	Notes	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
Current:			
Advances to suppliers	10.1	P 848,966,944	P 509,117,737
Investment in trust fund	102	662,315,210	-
Input VAT	103	163,766,475	379,256,541
Prepaid insurance		75,566,638	43,756,993
Refundable security and bond deposits		70,442,346	64,909,193
Development costs		13,618,093	2,989,375
Prepaid taxes	10.4	12,631,696	209,424,625
Prepaid subscription		5,580,357	8,928,571
Prepaid rent		5,451,671	4,391,084
Miscellaneous		5,226,177	3,810,364
		1,863,565,607	1,226,584,483
Non-current:			
Deferred input VAT	103	1,722,473,986	1,709,146,968
Advances to suppliers	105	770,788,001	6,354,296
Deposits for condominium units	106	53,977,845	43,693,078
Computer software license	107	29,773,611	39,644,260
AFS financial assets	108	1,044,472	1,044,472
Miscellaneous		50,625	-
		2,578,108,540	1,799,883,074
		P 4,441,674,147	P 3,026,467,557

10.1 Advances to Suppliers

Advances to suppliers pertain to downpayments made by the Group to the suppliers based on a certain percentage of the contract price. The initial payment will eventually be recouped or deducted from the amount payable of the Group either in a pro-rated basis or in full once billed by the supplier.

10.2 Investment in trust fund

On November 28, 2014, the BOD authorized GMCAC to establish, maintain and operate trust and investment accounts with BDO Unibank, Inc. Trust and Investment Group (Security Trustee).The investment in trust fund constitutes (i) Revenue Accounts; (ii) Future Major Maintenance Fund Account; (iii) Debt Service Reserve Accounts; (iv) Debt Service Payment $FFRXQW DQG Y 'LVWULEXWLRQ $FFRXQWV´ FROOHFW $FFRXQWVµ DQG /RDQ 'LVEXUVHPHQW $FFRXQWV XQGHU Security Agreement (OLSA) to ensure the prompt payment of the required amortization, interest and principal of the long-term loan.

The OLSA provided that the Security Trusteenen-U776>7<00B5tm [( )] TJ ET 31 245.21 71.88 Tm

10.3 Input VAT/Deferred Input VAT

Input VAT under other current assets pertains to the payment of VAT on purchases of services and goods that is recoverable within 12 months. Deferred input VAT pertains to the unamortized input VAT on purchases of capital goods exceeding P1.0 million and premium. Deferred input VAT arising from purchase of capital goods exceeding P1.0 million is to be amortized and credited against output tax evenly over five years or the life of the asset, whichever is shorter.

10.4 Prepaid Taxes

Prepaid taxes pertain to the excess of quarterly income tax payments over the current tax due during the year and creditable withholding taxes.

10.5 Advances to supplier – non-current

10.8 AFS Financial Assets

$)6 ILQDQFLDO DVVHWV SHUWDLQ WR WKH *URXS¶V LQYH club shares purchased in 2014. Management assessed that the change in fair value of these investments is insignificant as of September 30, 2015.

11. CONCESSION ASSETS

Concession Agreement refers to the agreement entered into by the Parent Company and GIL with DOTC and MCIAA b

Concession assets include the P14,404.6 million upfront premium paid by the Group to the Philippine Government for the airport expansion project.

The Concession Agreement is for a period of 25 years commencing on O&M start date unless further extended pursuant to the Concession Agreement.

12. TRADE AND OTHER PAYABLES

This account consists of the following:

	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
Trade payables	P 1,273,549,583	P 1,063,570,759
Retention payable	776,171,059	683,292,596

13. INTEREST-BEARING LOANS AND BORROWINGS

The details of short-term and long-term interest-bearing loans and borrowings are as follows:

	Notes	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
Current:			
Bank loans	13.2	P 3,410,749,295	P 14,798,713,094
Obligations under finance lease	13.3	35,259,258	91,351,491
		3,446,008,553	14,890,064,585
Non-current:			
Notes payable	13.1	17,617,175,746	4,967,267,545
Obligations under finance lease	13.3	120,757,632	57,634,981
		17,737,933,378	5,024,902,526
		P 21,183,941,931	P 19,914,967,111

The total unpaid interest from the interest-bearing loans and borrowings as of September 30, 2015 and December 31, 2014 amounted to P39.90 million and P343.8 million, respectively, and is presented as Interest payable under Trade and Other Payables account in the interim consolidated statements of financial position.

13.1 Notes Payable

Parent Company

On February 19, 2013, the Parent Company executed a notes facility agreement with a local bank. In this agreement, the Parent Company desired to offer and issue fixed-rate corporate notes in the aggregate principal amount of P4,000.0 million. The net proceeds of the notes after deducting direct issue costs, such as underwriting fees and commissions, documentary stamp tax and other expenses associated with the issuance, amounted to P3,957.3 million.

The notes constitute direct, unconditional, unsubordinated, general and unsecured obligation

Foreign currency loan LIBOR plus credit spread.

- Repayment: The principal amount shall be paid based on the principal repayment schedule as provided in the Schedule V of the Omnibus Agreement. Final repayment date is fifteen (15) years after the initial drawdown.

As security for timely payment of the loan and prompt observance of all provision of the Omnibus Agreement, the following are pledged as collateral on this loan:

- all monies deposited by the Company and from time to time standing in the Cash Flow Waterfall Accounts;
- the Project receivables;
- the proceeds of any asset and business insurance obtained by the Company, except for the proceeds of insurance policies arising from damage of any Project Assets;
- the Project Documents (Accession Agreement, Technical Service Agreement and Engineering and Procurement Contract); and
- the 100% of the total issued and outstanding capital stock of the Company.

The first drawdown for the onshore loan was made on May 5, 2015 amounting to P12,900 million while for the offshore loan was made on May 8, 2015 amounting to US$4.0 million. The amount of undrawn borrowing facilities that may be available in the future amounted to P7,100 million and US$71.0 million for onshore and offshore loan, respectively.

Repayments of the long-term debt follow:

2019	0.5%
2020	2.0%
2021	2.5%
2022	7.0%
2023	8.0%
2024	8.0%
2025	9.0%
2026	10.0%
2027	11.0%
2028	6.0%
2029	6.0%
2030	30.0%

The Omnibus and Security Loan Agreement provide certain restrictions and requirements with respect to, among others, maintain and preserve its corporate existence, comply with all of its material obligations under the project arrangements, maintain at each testing date a Debt-to-Equity ratio of 70:30, grant loans or make advances and disposal of major property. These restrictions and requirements were complied with by GMCAC as of September 30, 2015.

Provision in the loan indicates that the borrower shall pay to the lenders, a commitment fee

13.2 Bank Loans

On April 8, 2014, GMCAC entered into an Omnibus Loan and Security Agreement with a local bank for a loan facility amounting to P11.3 billion for the purpose of financing the seventy percent payment of upfront fees and its corresponding input VAT. The initial drawdown was made on April 14, 2014 amounting to P10,083.2 million and the second drawdown was made on May 20, 2014 amounting to P1,210.0 million. Both loans are due on April 21, 2015 with interest rate of 3.75% per annum. The direct issue costs, such as underwriting fees and commissions, documentary stamp tax and other expenses associated with the issuance, which amounted to P119.8 million, were deducted from the principal amount of the loan. Accordingly, the net proceeds of loans amounted to P11,173.4 million. The direct issue costs will be amortized over the term of the related loan using the effective interest method. As at December 31, 2014, the carrying amount of loans payable amounted to P11,256.4 million.

On April 21, 2015, GMCAC applied for an extension of the maturity date of the loans to May 5, 2015. GMCAC paid all interest already accrued thereon as of April 21, 2015 and an interest accruing thereafter on May 5, 2015.

On May 5, 2015, GMCAC paid all outstanding loans including the related interest from April 21, 2015 amounting to P17.1 million.

In addition, the Group also obtained various bank loans for working capital purposes with total outstanding balance of P3,410.7 million and P3,542.3 million as of September 30, 2015 and December 31, 2014, respectively, representing unsecured short-term loans from local banks. The loans bear fixed annual interest rates ranging from 2.50% to 2.63% in 2015 and 2.50% to 3.00% in 2014. Total interest on these bank loans amounted to P159.4 million and P172.6 million, respectively, and is presented as part of Interest expense from bank loans under Finance Costs account in the consolidated statements of comprehensive income. The unpaid portion of these interest amounted to P4.4 million and P2.4 million, respectively.

13.3 Finance Lease Obligations

The obligations under finance lease have an effective interest rate of 5%. Lease payments are made on a monthly basis. Total interest from these obligations is presented as part of Interest expense from finance lease under Finance Costs account in the statements of comprehensive income amounting to P5.1 million

14. ADVANCES FROM CUSTOMERS

Advances from customers relate to the following projects:

		September 30, 2015 (Unaudited)		December 31, 2014 (Audited)
Contracts in progress				
Third parties	P	73,859,978	P	842,166,515
Related parties		1,109,452,617		132,022,782
		1,183,312,595		974,189,297
Deposit received prior to commencement of a project				
Third parties		311,454,705		101,026,785

16. REVENUES

16.1 Contract Revenues

The details of this account for nine months ended September 30, 2015 and 2014 are composed of the revenues from

	September 30 2015	September 30 2014
	(Unaudited)	(

17. DIRECT COSTS

17.1 Contract Costs

18. OTHER OPERATING EXPENSES

The details of operating expenses by nature are shown below.

		September 30, 2015 (Unaudited)		September 30, 2014 (Unaudited)
Salaries and wages	P	239,621,439	P	104,671,980
Outside services		57,430,740		34,672,475
Professional fees		48,919,653		

19. TAXES

19.1 Registration with the BOI

On April the BOI approved the Parent Comp
new producer of modular housing components/system on a nonpioneer status. Under the terms of the registration, the applicable rights and privileges provided in the Omnibus Investment Code of 1987, the Parent Company is entitled to the following tax and nontax incentives, among others:

(a) Income Tax Holiday (ITH) for a period of four years from June 1, 2011;

(b) Importation of consigned equipment for a period of 10 years from June 1, 2011 subject to posting of re-export bond;

(c) Employment of foreign nationals which will hold supervisory, technical or advisory positions for five years from June 1, 2011; and,

(d) Exemption from warfage dues and any export tax, duty, impost and fee on exports of its registered export products for a period of 10 years from June 1, 2011.

19.1 Current and Deferred Taxes

The Parent Company is subject to the minimum corporate income tax (MCIT), which is computed at 2% of gross income as defined under the tax regulations, or RCIT, whichever is higher. Both GMCAC and MCEI will be subjected to MCIT in 2018.

Income taxes also include final tax paid at the rate of 20% and 7.5%, which represents the final withholding tax on gross interest income from cash in bank and short-term placements.

20. EQUITY

20.1 Capital Stock

Capital stock consists of:

	Shares			Amount		
	2015	2014	2013	2015	2014	2013
Common shares – P1 par value						
Authorized	4,930,000,000	4,930,000,000	2,000,000,000	P 4,930,000,000	P 4,930,000,000	P 2,000,000,000
Issued and outstanding:						
Balance at beginning of period	2,399,426,127	1,649,426,127	1,114,100,003	P 2,399,426,127		

In the meeting of the Parent Company-V %2' KHOG RQ 0D\ DQG RI W
held on June 30, 2014, the BOD and the stockholders approved the increase in the Parent
Company-V DXWKRUL]HG FDSLWDO VWRFN IURP 3 PLOO
shares to P5,000.0 million divided into 4,930.0 million common shares and 70.0 million
preferred shares, both with a par value of P1.0 each. Also, on the same respective dates, the
BOD and the stockholders approved the creation of preferred shares with the features, terms
and conditions subject to the approval by the SEC. The minimum subscription and paid-up
requirement of the increase shall be issued from the stock dividends to be declared upon
approval by the SEC of the

20.2 Retained Earnings

As of September 30, 2015 and 'HFHPEHU WKH 3DUHQW &RPSDQ\ exceeded its capital stock. Relative to this, on April 8, 2013, the BOD of the Parent Company approved the declaration of dividends and gave management the authority to decide the type (cash, stock or mixed) and amount of any dividends to be declared subsequently. Further, in WKH 3DUHQW &RPSDQ\·V %2' DQG VWRFNKROGHUV of stock dividends D relative to its application for increase in authorized capital stock, which was subsequently approved by the SEC on September 22, 2014.

20.3 Non-Controlling Interest

Upon incorporation, the Parent Company acquired 15.0 million shares of GMCAC. The purchase of the shares is part of the VKDUHKROGHUV execute, undertake, and DJUHHPHQW WR implement the Project in accordance with the concession agreement. The shares acquired represent 60% of the total issued and outstanding shares of GMCAC. The non-controlling interest representing 38.26% ownership of GMR Infrastructure (Singapore) Pte. Ltd. (GISPL) and 1.74% ownership of GIL in GMCAC is presented as part of Non-controlling Interest account in the consolidated statements of financial position.

On October 8, 2014, the SEC approved the increase in the authorized capital stock of GMCAC to P6,000.0 million divided into 6,000.0 million shares with par value of P1 per share. Out of the P5,975.0 million increase in authorized capital stock, the Parent Company subscribed to P136.5 million and P2,889.0 million on December 9 and 8, 2014, respectively. These additional subscriptions were fully paid by setting off of advances made by the Parent Company to GMCAC from its incorporation prior to the subscription. Moreover, on July 30, 2014 and December 18, 2014, the Parent Company also made a deposit amounting to P77.31 million and P77.25 million, respectively, for future stock subsc

2.1.3 Public-Private Partnership(PPP)

2Q $SULO WKH 3DUHQW &RPSDQ\ HQWHUHG LQWR
forth the terms and conditions governing their participation in the share capital of GMCAC, their rights and obligations as shareholders in relation to GMCAC. Under the VDLG 6KDUHKRO
Agreement, the parties defined the business of GMCAC, the required manpower support from each shareholder, the composition of the board, formation of committees and the management team for the orderly management of the Project, conduct of board and shareholder meetings as well as restrictions on the transfer rights of the stockholders and issuance of additional shares.

GMCAC is a pioneer in the privately operated airport space in the Philippines in its take over the Mactan Cebu International Airport on the scheduled take over date of November 1, 2014.

(b) Technical Service Agreement

On August 19, 2014, GMCAC entered into a Technical Services Agreement (the Agreement) with GIL to provide for the following services in compliance with the Concession Agreement:

i. The preparation of policies and procedures such as O&M Manual and the updating of such every January 30th of each calendar year, Fire Safety Manual, and any other additional systems, documentation and manuals to meet the Performance Standards under the Concession Agreement;
ii. Provide training or technical services to key personnel of GMCAC so that GMCAC may undertake the O&M of the facilities;
iii. Provide qualified experts, on a permanent or long-term basis; and
iv. Provide other staff on non-permanent basis either based on *,/·V ORFDWLRQ RU VH GMCAC.

The service fee shall be 1.25% of the actual audited gross revenue. The Agreement is effective up to the expiry of the Concession Period unless terminated earlier upon mutual consent of the parties.

(c) Omnibus Loan and Security Agreement

On December 17, 2014, the Group entered into a P20,000.0 million (which at the Group·V option may be increased up to P23,000.0 million) Omnibus Loan and Security Agreement (the Omnibus Agreement) with various local universal banks, as lenders. The proceeds of the loan will be used to refinance the bridge facility amounting to P11,293.2 million which was used to SDUWO\ ILQDQFH WKH SD\PHQW RI WKH 3URMHFW·V 8SIU expenditures and other costs in relation to the Project.

The initial draw down from this omnibus loan is set in April 2015.

21.4.2 Modernization of the Philippine Orthopedic Center

On March 6, 2014, MWC

23. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks in relation to financial instruments. The main types of risk are market risk, credit risk and liquidity risk.

7KH *URXS·V risk management is coordinated with the *URXS·V 3DUHQW &RPSDQ\ in cooperation with the BOD, and focuses on actively securing the Group·V 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 relevant financial risks to which the Group is exposed to are described in the succeeding paragraphs.

23.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

(a) Foreign Currency Risk

Most of the *URXS·V transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from intercompany advances to and from foreign related parties, which are denominated in US dollars. The Group also holds US dollar-denominated cash.

Exposures to foreign exchange rates vary during the period depending on the volume of foreign currency transactions.

(b) Interest Rate Risk

The Group·V SROLF\ LV WR PLQLPL]H LQWHUHVW UDWH FD long-term financing. Longer-term borrowings are therefore usually made at fixed rates.

The Group is exposed to changes in market rates through its cash in banks and short term placements which are subject to monthly repricing intervals. All other financial assets and liabilities have fixed rates.

(c) Other Price Risk Sensitivity

The Group·V PDUNHW SULFH ULVN DULVHV IURP LWV financial assets carried at fair value. It manages its risk arising from changes in market price by monitoring the changes in the market price of the investment and at some extent, diversifying the investment portfolio in accordance with the limit set by the management.

23.2 Credit Risk

Credit risk is the risk that counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, such as the granting of loans and receivables to customers and related parties and placing deposits with local banks and investment in bonds.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group· V SROLF\ LV WR GHDO RQO\ ZLWK FUHGLWZRUWK\

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position or in the detailed analysis provided in the notes to the consolidated interim financial information, as summarized below.

	September 30, 2015 (Unaudited)	December 31, 2014 (Audited)
Cash and cash equivalents	P 6,056,988,928	P 4,431,651,910
Trade and other receivables – net	5,764,476,882	4,736,100,287
Financial assets at FVTPL	3,842,505,677	3,655,792,391
Refundable security and bond deposits	70,442,346	64,909,193
	P 15,734,413,833	P 12,888,453,781

Some of the unimpaired trade receivables are past due as at the end of the reporting period. No other financial assets are past due at the end of the reporting period. The contract receivables that are past due but not impaired are as follows:

September

24. CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amounts and fair values of the categories of assets and liabilities presented in the statements of financial position are shown below.

	Notes	September 30, 2015 (Unaudited) Carrying Values	September 30, 2015 (Unaudited) Fair Values	December 31, 2014 (Audited) Carrying Values	December 31, 2014 (Audited) Fair Values
Financial Assets					
Loans and receivables:					
Cash and cash equivalents	4	P 6,056,988,928	P 6,056,988,928	P 4,431,651,910	P 4,431,651,910
Trade and other receivables – net	5	5,764,476,882	5,764,476,882	4,765,705,511	4,765,705,511
Refundable security and bond deposits	10	70,442,346	70,442,346	64,909,193	64,909,193
		11,891,908,156	11,891,908,156	9,262,266,614	9,262,266,614
Financial assets at FVTPL	6				
Short-term commercial papers		3,193,694,619	3,193,694,619	2,469,021,162	848,429,676
UITF		648,811,058	648,811,058	1,186,771,229	3,989,886,123
		3,842,505,677	3,842,505,677	3,655,792,391	3,655,792,391
AFS financial assets – club shares	10	1,044,472	1,044,472	1,044,472	1,044,472
		P 15,735,458,305	P 15,735,458,305	P 12,919,103,477	P 12,919,103,477
Financial Liabilities					
Financial liabilities at amortized cost:					
Interest-bearing loans and borrowings	13	P 21,183,941,931	P 21,183,941,931	P 19,914,967,111	P 19,914,967,111
Trade and other payables	12	2,865,982,210	2,865,982,210	2,808,372,648	2,808,372,648
		P 24,049,924,141	P 24,049,924,141	P 22,723,339,759	P 22,723,339,759

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 23