

MEGAWIDE CONSTRUCTION CORPORATION

Company's Full Name

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

655-1111
Telephone Number

December 31
Fiscal Year Ending
(Month & Day)

SEC FORM 17 – Q
Form Type

June 30, 2014
Period Ended Date

—

(Secondary License Type and File Number)

cc: Philippine Stock Exchange

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, 2014**
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 of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	1,649,426,127

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 Stock**

12. Indicate by check mark whether the registrant:

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

Yes No

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

Yes No

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The interim Consolidated Financial Statements of Megawide Construction Corporation (“Megawide”) as of June 30, 2014 with comparative figures as of December 31, 2013 and June 30, 2013, Cash Flows and Schedule of Aging Accounts Receivable is incorporated by reference as Exhibit 1.

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

Review of results for the six (6) months ended June 30, 2014 as compared with results for the six (6) months ended June 30, 2013

Results of Operations

Revenues and Cost of Construction

Megawide recorded gross revenues of P5.05 billion as of the second quarter in 2014. There is an increase of 21% or P886 million compared to revenue booked in the same period in 2013 amounting to P4.17 billion. The increase is due to projects that started in 3rd and 4th quarter of 2013 and early 2014. These projects include Rockwell Business Center, Shangri-la Salcedo, BPO Araneta, and Grass 4 of SMDC.

Cost of construction is P4.17 billion and P3.42 billion in 2014 and 2013, respectively. There is an increase of 22% or P755 million. Increase is directly related to the increase in revenue.

Operating expenses increased by 21% or P33 million mainly due to increase in salaries and wages and software licenses. Head office has increased its manpower to provide better support the continuously growing operation of the Company. The Company also invested in upgrading its license on engineering software to better service the needs of the Company in designing construction plans.

Review of financial condition as of June 30, 2014 as compared with financial condition as of December 31, 2013

Financial Condition

Current assets decreased by 15% or P2.43 billion due to the following:

Cash and cash equivalents decreased by 77% or P1.75 billion due to investment made by the Company to its Joint Venture with GMR Infrastructure Limited. The Joint Venture Company is GMR-Megawide Cebu Airport Corporation (GMCAC). GMCAC will build new airport in Mactan Cebu and operate it for 25 years. Megawide owned 60% of GMCAC.

Financial assets at fair value through profit or loss decreased by 17% or P968 million. The Company terminated some its placements and invested the proceeds to GMCAC.

Trade and other receivables decreased by 12% or P476 million. The Company made a good effort to collect its receivables as of the end of second quarter. The Company has implemented measures to ensure that its receivables are being monitored and collected when due.

Construction materials increased by 22% or P74.00 million. The Company was able to book several projects in 2013 and 2014. With this, the Company has increased its purchases of construction materials for the new projects.

Cost in excess of billings increased by 30% or P678 billion is due to cost incurrence of all on-going projects and the major contributors of the increase are the projects that were just started like Grass Tower 4 of SMDC, BPO Araneta of Araneta Group, Shangrila Salcedo and Annapolis of Bayswater Realty.

Other current asset increased by 1% or P14 million due to downpayments to subcontractors of the Company.

Non-current assets increased by 68% or P3.22 billion due to the following:

Property and equipment increased by 3% or P150 million due to the additional equipment purchased by the Company to support its growing operation.

Investment in associate increased by P3 billion mainly due to the 60% investment of the Company to GMCAC.

Other non-current asset by 16% or P30 million due to deferred input vat on purchases of capital asset.

Current liabilities increased by 3% or P237 million due to the following:

Interest-bearing loans and borrowings-current increased by 51% or P1.24 billion. Additional short-term loans were availed to finance the operation and capital expenditures of the Company.

Trade and other payables increased by 12% or P239 million mainly due to increase in retention payable to subcontractors. Retention is 10% of progress billing and shall be released upon issuance of certificate of completion.

Advances from customers increased by 5% or P51 million due to downpayments received from new clients.

Billings in excess of costs on uncompleted contracts – net decreased by 55% or P1.26 billion. The decrease is due to several projects of SMDC that already at their tail end of construction such as Jazz Residences Phase 1 and Phase, MPlace Phase 1 and Phase 2, Blue Residences, Grass Tower 2 and Filinvest projects like Linear , Studio City and Studio Zen. Since these projects are on their way to completion stage, their billings also decreased.

Other current liabilities increased by 46% or P14 million due to reclassification of non-current portion of unearned income on sale and leaseback.

Non-current liabilities decreased by 1% or P36 million due to the following:

Retirement benefit obligation increase by 9% or P9.58 million due to accrual of retirement obligation.

Other non-current liability decreased by 100% or P25 million due to amortization and reclassification of non-current portion of unearned interest income on sale and leaseback to current. Other non-current liability was reclassified to current because this will mature in 2015.

Material Changes to Megawide's Income Statement for the Quarter Ended June 30, 2014 compared to the Income Statement for the Quarter Ended June 30, 2013 (increase/decrease of 5% or more)

Gross revenues increase by 21% or P886 million.

The increase is due to new projects of the Company that started in 3rd and 4th quarter of 2013 and early of 2014. These projects include Rockwell Business Center, Shangri-la Salcedo, BPO Araneta and Grass Tower 4 of SMDC.

Cost of construction increased by 22% or P755 million

The increase is directly related to the increased in construction revenue.

Operating increased by 21% or P33 million

Head office has increased its manpower to provide better support the continuously growing operation of the Company. The Company also invested in upgrading its license on engineering software to better service the needs of the Company in designing construction plans.

Other Income, net decreased by 163% or P281 million

Finance Income decreased by 85% or P264 million due to decrease in short-term placements of the Company. There was also a decline in value of Retail Treasury Bonds in the first quarter of 2014. The Company disposed all its RTB and invested the proceeds to time deposits and UITF.

Finances cost increased by 18% or P27 million due to increase in short-term loans and the interest expense on the corporate note of the Company

Other income, net increase by 65% or P10 million due to gain on disposal of assets.

Material Changes to Megawide's Balance Sheet as of June 30, 2014 compared to the Balance Statement as of December 31, 2013 (increase/decrease of 5% or more)

Cash and cash equivalents decreased by 77% or P1.75 billion due to investment made by the Company to its Joint Venture with GMR Infrastructure Limited. The Joint Venture Company is GMR-Megawide Cebu Airport Corporation (GMCAC). GMCAC will build new airport in Mactan Cebu and operate it for 25 years. Megawide owned 60% of GMCAC.

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Retained earnings increased by 20% or P556 million due to net income as of June 30, 2014.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following table sets forth information from Megawide's pro forma statements of cash flows for the periods indicated:

(Amounts in P millions)	For six (6) months ended June 30	
	2014 (unaudited)	2013 (unaudited)
Cash Flow		
Net cash provided by operating activities	(346)	359
Net cash used in investing activities	(2,440)	(5,785)
Net cash provided by financing activities	1,037	6,158

Indebtedness

As of June 30, 2014, 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 focuses on actively securing Megawide's short-to-medium term cash flows by minimizing the exposure to financial markets.

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

Market Risk

(a) Foreign Currency Risk

Megawide has no significant exposure to foreign currency risks as most transactions are denominated in Philippine peso, except for U.S. dollar and Euro denominated Cash in bank amounting to 6,923.10 USD and 21,199.90 EUR as of June 30, 2014.

(b) Interest Rate Risk

As at June 30, 2014, Megawide is exposed to changes in market rates through its short-term investments which are subject to 30 to 90 days repricing intervals. All other financial assets and liabilities have fixed rates.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to Megawide. Megawide is exposed to this risk for various financial instruments, such as the granting loans and receivables to customers and placing deposits with local banks and investment in bonds.

Megawide continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Its policy is to deal only with creditworthy counterparties.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets, as summarized below.

Cash and cash equivalents	P 525,920,800
Short-term investments	4,856,237,986
Trade and other receivables excluding advances to suppliers	3,620,041,324
Refundable security deposits	<u>59,116,758</u>
	<u>P 9,061,316,868</u>

(a) Cash and Cash Equivalent and Short-term Investments

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 12% of Megawide's contract receivables as of June 30, 2014 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 484,936,239
More than 3 months but not more than 5 months	192,539,108
More than 5 months	<u>38,123,257</u>
	<u>P 715,598,604</u>

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 June 30, 2014 Megawide’s financial liabilities have contractual maturities which are presented below.

	Current	Non-current
Interest-bearing loans and borrowings	P 3,669,211,001	P 5,011,527,099
Trade and other payables	<u>2,264,241,167</u>	<u>-</u>
	<u>P 5,933,452,168</u>	<u>P 5,011,527,099</u>

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.

Megawide’s financial assets include fair value through profit and loss (FVTPL) and loans and receivables. FVTPL includes short-term placements that are measured at fair value, and changes therein are recognized in profit or loss. Loans and receivables include Cash and Cash Equivalents, Short-Term Investments and Trade and Other Receivables (excluding Advances to suppliers) in the statement of financial position. Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment loss, if any. Impairment loss is provided when there is objective evidence that Megawide will not be able to collect all amounts due to it in accordance with the original

terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Financial liabilities, which include interest-bearing loans and borrowings, and trade and other payables [excluding output value-added tax (VAT) payable, unearned income and estimated liability on litigation claims] are measured at amortized cost using the effective interest rate method.

The fair value of Megawide's FVTPL are categorized as level 1 wherein quoted prices in active markets for identical assets was used as valuation basis. Megawide did not use significant judgment in classifying its FVTPL in the fair value hierarchy because of the availability of a market that quotes prices of identical asset.

Megawide considered the risk in the valuation of its financial assets by referring to quoted prices in an active markets for its FVTPL, regularly monitor the age of its receivables from its customers and ensuring that collections are received within the agreed credit period. Impairment loss is provided when there is objective evidence that Megawide will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Financial liabilities are recognized when Megawide becomes a party to the contractual terms of the instrument. All interest-related charges are recognized as an expense in profit or loss as part of Finance costs under the Other income (charges) account in the statement of comprehensive income.

Megawide's FVTPL is the only financial asset measured at fair value as of the end of the second quarter. Megawide sold its FVTPL in first quarter resulting to gain on sale of P14.64 million presented as other income in the statement of comprehensive income. As of the second quarter, Megawide opted not to revalue its RTB since it has no plan in selling its remaining FVTPL.

Megawide does not have investment in foreign securities.

Key Performance Indicators

Megawide's top key performance indicators (KPIs) are listed below:

LIQUIDITY RATIOS		
Key Indicators	June 30, 2014	December 31, 2013
Current ratio ¹	1.77	2.14
Book value per share ²	5.52	8.44
SOLVENCY RATIOS		
Key Indicators	June 30, 2014	December 31, 2013
Debt to equity ratio ³	.86	1.52
PROFITABILITY RATIOS		
Key Indicators	June 30, 2014	December 31, 2013
Earnings per Share ⁴	.34	1.13
Return on Assets ⁵	2.54%	8.32%

Return on Equity ⁶	6.11%	20.97
Net Profit Margin ⁷	11%	16%

Notes:

1. Current Ratio (Current Assets / Current Liabilities)
To test Megawide's ability to pay its short-term debts
2. Book Value per Share (Equity/Shares Outstanding)
Measures the amount of net assets available to stockholders of a given type of stock
3. Debt to Equity Ratio (Net Debt/Total Equity)
It indicates what proportion of equity and debt the company is using to finance its assets
4. Earnings per Share (Net Income/Average Outstanding Shares)
Reflects Megawide's earning capability
5. Return on Assets (Net Income/Total Assets)
Indicates whether assets are being used efficiently and effectively
6. Return on Equity (Net Income/Equity)
Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested
7. Net Profit Margin (Income after tax/Total Sales)
Measures the percentage of net income to sales

PART II – OTHER INFORMATION

There is no information not previously reported in a report on SEC Form 17-C.

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

Principal Executive Officer

Date: August 19, 2014



OLIVER Y. TAN

Principal Financial Officer

Date: August 19, 2014

MEGAWIDE CONSTRUCTION CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2014, 2013 AND 2012
(Amounts in Philippine Pesos)
(UNAUDITED)

	FOR SIX MONTHS		FOR THREE MONTHS	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
CONTRACT REVENUES	P 5,055,311,501	P 4,168,372,412	P 2,255,712,728	P 1,517,224,247
CONTRACT COSTS	<u>4,172,866,058</u>	<u>3,417,184,195</u>	<u>1,891,442,359</u>	<u>1,207,794,828</u>
GROSS PROFIT	882,445,443	751,188,217	364,270,368	309,429,418
OTHER OPERATING EXPENSES	<u>190,269,610</u>	<u>157,381,605</u>	<u>104,623,394</u>	<u>40,561,081</u>
OPERATING PROFIT	<u>692,175,833</u>	<u>593,806,612</u>	<u>259,646,974</u>	<u>268,868,337</u>
OTHER INCOME (CHARGES)				
Finance income	45,213,394	309,316,392	36,708,687	233,088,608
Finance costs	(178,737,230)	(151,767,478)	(84,618,436)	(102,872,837)
Others - net	<u>25,317,834</u>	<u>15,390,351</u>	<u>16,376,756</u>	<u>6,741,618</u>
	(108,206,002)	<u>172,939,265</u>	(31,532,993)	<u>136,957,389</u>
PROFIT BEFORE TAX	583,969,831	766,745,877	228,113,982	405,825,726
TAX EXPENSE	(27,913,706)	(18,788,751)	(826,133)	<u>19,441,919</u>
NET PROFIT	<u>P 556,056,125</u>	<u>P 747,957,126</u>	<u>P 227,287,849</u>	<u>P 425,267,645</u>

MEGAWIDE CONSTRUCTION CORPORATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND DECEMBER 31, 2013

	June 30, 2014	December 31, 2013
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	P 525,920,800	P 2,276,033,774
Short-term investment		-
Financial assets at FVTPL	4,856,237,986	5,824,274,558
Trade and other receivables - net	3,625,962,358	4,102,937,463
Construction materials	413,542,420	339,632,753
Costs in excess of billings on uncompleted contracts - net	2,922,883,586	2,244,616,767
Other current assets	1,968,908,453	1,954,824,815
Total Current Assets	<u>14,313,455,603</u>	<u>16,742,320,130</u>
NON-CURRENT ASSETS		
Investment in an associate	3,241,649,123	196,268,564
Property and equipment - net	4,480,983,840	4,330,697,120
Deferred tax assets	41,366,847	41,366,847
Other non-current assets	222,291,981	192,344,521
Total Non-current Assets	<u>7,986,291,791</u>	<u>4,760,677,052</u>
TOTAL ASSETS	<u>P 22,299,747,394</u>	<u>P 21,502,997,182</u>
<u>LIABILITIES AND EQUITY</u>		
CURRENT LIABILITIES		
Interest-bearing loans and borrowings	P 3,669,211,001	P 2,432,443,752
Trade and other payables	2,264,241,167	2,024,476,795
Advances from customers	1,039,065,455	987,842,320
Billings in excess of costs on uncompleted contracts - net	1,052,986,380	2,317,861,428
Other current liabilities	45,698,579	31,380,948
Total Current Liabilities	<u>8,071,202,582</u>	<u>7,794,005,243</u>
NON-CURRENT LIABILITIES		
Interest-bearing loans and borrowings	5,011,527,099	5,032,932,033
Retirement benefit obligation	119,951,352	110,366,827
Other non-current liability	-	24,682,843
Total Non-current Liabilities	<u>5,131,478,451</u>	<u>5,167,981,703</u>
Total Liabilities	<u>13,202,681,033</u>	<u>12,961,986,946</u>
EQUITY		
Capital stock	1,649,426,127	1,649,426,127
Additional paid-in capital	4,207,276,193	4,207,276,193
Revaluation reserves	(36,064,872)	(36,064,872)
Retained earnings	3,276,428,913	2,720,372,788
Total Equity	<u>9,097,066,361</u>	<u>8,541,010,236</u>
TOTAL LIABILITIES AND EQUITY	<u>P 22,299,747,394</u>	<u>P 21,502,997,182</u>

MEGAWIDE CONSTRUCTION CORPORATION
STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2014 AND 2013
(Amounts in Philippine Pesos)
(UNAUDITED)

	<u>2014</u>	<u>2013</u>
CAPITAL STOCK		
Balance at beginning of year	P 1,649,426,127	P 1,114,100,003
Issuances during the year	-	154,689,323
Stock dividends distributed	-	-
	<u>1,649,426,127</u>	<u>1,268,789,326</u>
ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of year	4,207,276,193	1,961,729,696
Issuances during the year	-	2,478,754,219
	<u>4,207,276,193</u>	<u>4,440,483,915</u>
REVALUATION RESERVE		
Balance at beginning of year	(36,064,872)	-
As previously reported		
Effect of adoption of PAS 19 (Revised)		-
Remeasurement of post-employment defined benefit plan, net of tax	-	-
	<u>(36,064,872)</u>	<u>-</u>
Balance at end of year	(36,064,872)	-
RETAINED EARNINGS		
Balance at beginning of year	2,720,372,788	1,704,854,569
Effect of adoption of PAS 19 (Revised)	-	-
As Restated	2,720,372,788	1,704,854,569
Dividends	-	-
Net profit	556,056,125	747,957,126
	<u>3,276,428,913</u>	<u>2,452,811,695</u>
Balance at end of year	<u>3,276,428,913</u>	<u>2,452,811,695</u>
TOTAL EQUITY	P 9,097,066,361	P 8,162,084,936

MEGAWIDE CONSTRUCTION CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2014 AND 2013
(Amounts in Philippine Pesos)
(UNAUDITED)

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	P 583,336,392	P 747,957,125
Adjustments for:		
Depreciation	279,695,394	251,143,535
Interest income	(45,213,394)	(310,235,142)
Interest expense	178,737,230	112,714,938
Gain on disposals of property and equipment	(14,493,081)	-
Operating profit before working capital changes	982,062,541	801,580,456
Decrease (Increase) in trade and other receivables	476,975,105	345,836,331
Increase in construction materials	(73,909,667)	(495,435,210)
Increase in costs in excess of billings on uncompleted contracts	(678,266,819)	(186,443,596)
Decrease (Increase) in other current assets	(46,447,529)	8,893,105
Increase in other non-current assets	(29,947,460)	(24,501,839)
Increase (Decrease) in trade and other payables	227,599,160	(571,288,595)
Increase in advances from customers	51,223,135	444,557,605
Increase (Decrease) in billings in excess of costs on uncompleted contracts	(1,264,875,048)	40,271,812
Increase in retirement benefit obligation	9,584,525	-
Cash generated from (used in) operations	(346,002,057)	363,470,070
Cash paid for income taxes	-	(3,701,228)
Net Cash From (Used In) Operating Activities	(346,002,057)	359,768,842
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	(434,170,410)	(530,351,948)
Decrease (Increase) in short-term investments	968,036,572	(5,511,609,257)
Increase in investment in associate	(3,045,380,559)	(53,500,000)
Interest received	45,213,394	310,235,142
Proceeds from sale of property and equipment	25,565,000	-
Net Cash Used in Investing Activities	(2,440,736,004)	(5,785,226,063)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	3,708,174,853	2,781,807,892
Payment of loans	(2,492,812,537)	(2,911,031,913)
Proceeds on issuance of shares to stock	-	2,400,664,782
Proceeds on corporate notes	-	4,000,000,000
Interest paid	(178,737,230)	(112,714,938)
Net Cash From Financing Activities	1,036,625,086	6,158,725,822
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,750,112,974)	733,268,601
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,276,033,774	209,299,011
CASH AND CASH EQUIVALENTS AT END OF YEAR	P 525,920,800	P 942,567,612

