

Company's Full Name

Company's Address

Telephone Number

**Fiscal Year Ending
(Month & Day)**

Form Type

Period Ended Date

(Secondary License Type and File Number)

(a)

	2017		2017		
REVENUES	P	4,106,977,247 585,913,475 <u>42,348,622</u>		P	8,296,198,878 1,155,655,778 <u>51,200,908</u>
		<u>4,735,239,344</u>	<u>4,159,785,845</u>		<u>9,503,055,564</u>
DIRECT COSTS		3,411,225,808			6,963,761,510

	UNAUDITED <u>June 30, 2017</u>	AUDITED <u>December 31, 2016</u>	Movement
<u>ASSETS</u>			
CURRENT ASSETS			
P	5,540,865,524		
	5,622,931,565		
	4,304,108,669		
	565,556,891		
	2,470,887,862		
	<u>1,640,515,435</u>	<u> </u>	<u> </u>

UNAUDITED
June 30, 2017

AUDITED
December 31, 2016

LIABILITIES AND EQUITY

CURRENT LIABILITIES

P 2,532,748,196
5,704,267,394
555,722,394

2,138,850,390
137,445,511

11,069,033,885

NON-CURRENT LIABILITIES

24,836,396,638

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

A RESULTS OF OPERATIONS

Revenues

The Group posted consolidated revenue of P95 billion, of which construction segment

Finance Cost

Finance cost increased by P108 million as a result of increase in interest expense due to loan availments of the airport segment based on its drawdown schedule and one time loss on sale of retail treasury bonds amounting to P78 million

Other Income

Other income of the Group increased by P16 million due to its ancillary revenues such as share in income from its associates and rental of equipment

Construction materials increased by 23% or P114 million

The increase is due to various purchases of construction materials as a result of the increase in projects' requirement for both current and new projects that were not yet delivered to construction sites

Costs in excess of billings on uncompleted contracts – net decreased by 18% or P544 million

The decrease is typically due to realization of catch up of billings versus actual cost incurred to date for projects nearing completion like BPO Aranta Phase 1, Dep Ed Phase 2, Shangri-la Maeic, The Rise, Philam Life, Arthland Substructure, Proscerium Substructure, The Five Tower 1, Landas Otis and Baintavakard Le Gard Towers ABC and DEF. In addition, these projects are already completed thus cost incurred for these projects are only related to purchasing and nagrad in amount

Other current assets increased by P3 million

The increase is mainly due to down payments made to suppliers and subcontractors to mobilize the ongoing and new projects and procure materials for installation in project sites. The down payments will be recouped upon delivery of materials or based on progress billings of the subcontractors

Non current assets increased by 1% or P336 billion

The following discussions provide detailed analysis of the increase in non current assets

Investments in associates and joint venture increased by 23% or P228 million

The Parent Company infused fresh cash in MWM Terminals Inc. (MWTI) amounting to P201 million. MWTI is the Consortium between Megawide and WWP Property Management who will engage in the business of constructing, operating and maintaining integrated transport system terminals, stations, hubs and all allied business in relation thereto including the construction, operations and maintenance of the commercial assets and establishments pursuant to the Concession Agreement that was signed on February 25, 2015 by MWTI and DOIC. The Group also recognized its share in net earnings on its investment in Citicore Megawide Consortium Inc. (CMI) amounting to P26 million. CMI is 10% owned by Megawide

Concession asset increased by 13% or P257 billion

Increase is due to capital investments of airport subsidiary GMCAC related to the construction of the new terminal 2 of Medan Cebu International Airport

Property, plant and equipment increased by 3% or P41 million

The Group procured new property and equipment amounting to P40 million as of the end of second quarter. Megawide procured new construction assets amounting to P32 million to support its ongoing and new projects while Megawide Land Inc. paid P50 million for a parcel of land that was purchased for development. The total depreciation of the Group amounted to P25 million as of end of June 30, 2017

Non Current liabilities increased by 8% or P181 billion

The following discussion provide a detailed analysis of the increase in non current liabilities

Interest bearing loans and borrowings- non current increased by 8% or P176 billion

D. 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	
	2017 (unaudited)	2016 (unaudited)
Net cash provided (used in) operating activities	13€	19€
Net cash provided (used in) investing activities	(32€)	3€
Net cash provided by financing activities	12€	3€

Indebtedness

As of June 30, 2017, 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

E. 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

's share of the cash flow. Megawide's short-term cash flow is (f

SOLVENCY RATIOS

Key Indicators

SIGNATURES

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

MEGAWIDE CONSTRUCTION CORPORATION

By:



MICHAEL C. COSIC

Principal Executive Officer

Date: August 10, 2017



Date: August 10, 2017

June 30,
2017

	June 30, 2017 (Unaudited)	
<u>LIABILITIES AND EQUITY</u>		
CURRENT LIABILITIES		
	P 2,532,748,196	
	5,704,267,394	
	555,722,394	
	2,138,850,390	
	<u>137,445,511</u>	
	<u>11,069,033,885</u>	
NON-CURRENT LIABILITIES		
	24,836,396,638	
	118,866,352	
	<u>300,475,071</u>	
	<u>25,255,738,061</u>	
	<u>36,324,771,946</u>	
EQUITY		
	2,399,426,127	
	40,000,000	
	(2,627,738,885)	
	8,776,358,765	
	3,839,121	

REVENUES

June 30
2017

P 8,296,198,878
1,155,655,778
51,200,908

9,503,055,564

DIRECT COSTS

6,253,761,710
206,451,569

Common

Preferred

Treasury

June 30
2017

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2017 AND DECEMBER 31 AND JUNE 30, 2016
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1

Unrealized Losses *Income Taxes | Recognition of Deferred Tax Assets for*

(b) *Effective Subsequent to 2017 but not Adopted Early*

3.3

3.4 Reconciliations

June 30,
2017
(Unaudited) _____

4. CASH AND CASH EQUIVALENTS

	June 30, 2017 (Unaudited)	_____
P	53,989,367	
	3,256,235,244	
	<u>2,230,640,913</u>	_____
	<u>P5,540,865,524</u>	=====

5. TRADE AND OTHER RECEIVABLES

	June 30, 2017 (Unaudited)	_____
P	196,188,815	
	<u>2,357,954,088</u>	_____
	<u>2,554,142,903</u>	_____
	713,211,567	
	<u>1,969,057,416</u>	_____
	<u>2,682,268,983</u>	=====
	20,435,742	
	<u>18,487,920</u>	_____
	<u>38,923,662</u>	=====
	<u>295,270,424</u>	_____
	<u>66,366,743</u>	_____

June 30,
2017
(Unaudited) _____

P 932,580,830

8.3 Interest in Joint Operation

June 30, 2017

Assets:

June 30, 2017

Revenues and Expenses:

_____	_____	_____
_____	_____	_____

9.1 *Advances to Contractors and Suppliers*

9.2 *Input VAT/Deferred Input VAT*

9.3 *Deposits for Condominium Units*

9.4 *Prepaid Taxes*

10. CONCESSION ASSETS

16CH@k1

11. TRADE AND OTHER PAYABLES

	June 30, 2017 (Unaudited)	
	P 3,531,075,360	
	1,227,043,203	
	543,240,077	
	134,196,158	
	109,764,376	
	60,099,484	
	52,898,143	
	35,035,651	
	<u>10,914,942</u>	
	<u><u>P 5,704,267,394</u></u>	

12. INTEREST-BEARING LOANS AND BORROWINGS

	June 30, 2017 (Unaudited)	_____
P 2,485,000,000		
	<u>47,748,196</u>	_____
	<u>2,532,748,196</u>	_____
	18,791,359,668	
	5,856,791,231	
	<u>188,245,739</u>	_____
	<u>24,836,396,638</u>	_____
P 27,369,144,834		=====

12.1 Notes Payable

13. ADVANCES FROM CUSTOMERS

15. REV

15.1 c

	June 30, 2017 (Unaudited)	_____
P	7,685,236,729	
	<u>610,962,149</u>	_____
P	<u>8,296,198,878</u>	=====

15.2

	June 30, 2017 (Unaudited)	_____
P	656,545,378	
	140,729,101	
	<u>358,381,299</u>	_____
P	1,155,655,778	

16. DIRECT COSTS

16.1 Contract Costs

	June 30, 2017 (Unaudited)	_____
P	3,183,833,746	
	2,691,672,914	
	500,586,141	
	336,139,450	
	<u>251,529,259</u>	_____
P	<u>6,963,761,510</u>	=====

16.2 Costs of Airport Operations

	June 30, 2017 (Unaudited)	_____
P	75,681,018	
	52,168,711	
	20,559,518	
	13,660,979	
	11,872,342	
	10,418,036	
	2,208,326	
	<u>19,882,639</u>	_____
P	<u>206,451,569</u>	=====

16.3 Costs of Trading Operations

	June 30, 2017 (Unaudited)
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17. EQUITY

17.1 Dividends

Record date

Payment date

17.2 Treasury shares

19. RELATED PARTY TRANSACTIONS

19.1 Rendering of Services

19.3 Advances to Officers and Employees

19.4 Advances to and from Related Parties

24.2 Credit Risk

