

SEC Number : 216

File Number : ___

MABUHAY VINYL CORPORATION

3rd Floor, Philamlife Salcedo Center, 126 L. P. Leviste St.
Salcedo Village, Makati City

817-8971 to 76
(Telephone Numbers)

816-4785 / 894-5325
(Fax Numbers)

01 July to 30 September
(Calendar Quarter Ending)

2007 Quarterly Report (SEC Form 17-Q)
(Form Type)

For The Quarter Ended September 30, 2007
(Period Ended Date)

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, 2007**
2. Commission Identification Number **216**
3. BIR Tax Identification Number **000-164-009-000 VAT**
4. Exact name of issuer as specified in its charter **MABUHAY VINYL CORPORATION**
5. Province or country of incorporation **Philippines**
6. Industry Classification Code (for SEC use only) _____
7. Address of issuer's principal office **3rd Floor, Philamlife Salcedo Center
126 L.P. Leviste St., Salcedo Village
Makati City**
8. Issuer's telephone Number **(632) 817-8971 to 76**
9. Former name, former address and former fiscal year **N/A**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class: *Number of Shares of Common Stock Outstanding
and Amount of Debt Outstanding:*

Common Shares **688,309,398 shares as of September 30, 2007**

11. Are any or all of the securities listed in the Philippine Stock Exchange?

Yes (/) No ()

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 17.1 thereunder or Section 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 ninety (90) days

Yes (/) No ()

PART I - FINANCIAL INFORMATION

ITEM I - FINANCIAL STATEMENTS

1. Balance Sheet

COMPARATIVE BALANCE SHEET (In P000)

As of September 30, 2007 and 2006

(Note: Dec. 31, 2006 and Dec. 31, 2005 are based on audited figures)

	CURRENT YEAR			PREVIOUS YEAR		
	Sep. 30, 2007	Dec. 31, 2006	Dif.	Sep. 30, 2006	Dec. 31, 2005	Dif.
Current Assets						
Cash	59,013	41,307	17,706	50,124	70,381	(20,257)
Money market securities	151,222	63,795	87,427	66,329	77,488	(11,159)
Accounts receivable - net	286,855	370,543	(83,688)	330,136	315,925	14,211
Receivable from a stockholder	27,402	28,211	(810)	37,615	39,415	(1,800)
Inventory - Finished goods	91,123	135,112	(43,989)	158,237	178,463	(20,226)
- Work in Process	7,456	5,079	2,377	4,860	5,791	(931)
- Raw Materials & Supplies	74,268	97,347	(23,079)	78,545	97,583	(19,038)
Other current assets	38,186	24,392	13,794	21,591	26,417	(4,826)
Total Current Assets	735,525	765,786	(30,261)	747,437	811,463	(64,026)
Noncurrent Assets						
Available for sale financial assets	6,804	6,804	0	6,345	6,345	0
Property, plant and equipment - net	439,552	449,083	(9,531)	467,551	519,427	(51,876)
Land at appraised value	150,861	150,861	0	150,861	150,861	0
Other non-current assets	2,934	2,851	83	2,851	4,092	(1,241)
Total Non-current Assets	600,152	609,599	(9,447)	627,608	680,725	(53,117)
TOTAL ASSETS	1,335,676	1,375,385	(39,709)	1,375,046	1,492,188	(117,142)

Balance Sheet (continued)

COMPARATIVE BALANCE SHEET (In P000)

As of September 30, 2007 and 2006

(Note: Dec. 31, 2006 and Dec. 31, 2005 are based on audited figures)

	CURRENT YEAR			PREVIOUS YEAR		
	Sep. 30, 2007	Dec. 31, 2006	Dif.	Sep. 30, 2006	Dec. 31, 2005	Dif.
Current Liabilities						
Notes & Trust receipts payable	28,000	84,554	(56,554)	94,500	164,904	(70,404)
Accounts payable and accrued exp.	71,021	63,080	7,941	55,521	80,521	(25,000)
Current portion of long-term debt	25,000	25,000	-	25,000	25,000	-
Total Current Liabilities	124,021	172,634	(48,613)	175,021	270,425	(95,404)
Noncurrent Liabilities						
Long-term loans	-	18,750	(18,750)	25,000	43,750	(18,750)
Deferred income tax liability	31,509	31,509	(0)	32,022	32,022	-
Customers deposit	18,706	18,032	674	17,212	16,760	452
Retirement benefits payable	813	2,709	(1,896)	-	-	-
Asset retirement obligation	609	609	0	542	542	-
Total Noncurrent Liabilities	51,637	71,609	(19,972)	74,776	93,074	(18,298)
Stockholders' Equity						
Common stock	688,309	788,367	(100,058)	788,367	788,367	-
Additional paid-in capital	176,594	169,775	6,819	169,775	169,775	-
Treasury stock	-	(93,238)	93,238	(83,800)	(83,800)	-
Appraisal Capital	96,148	96,148	0	96,148	96,148	-
Reserve for fluctuation in AFS-FA	597	597	(0)	-	-	-
Retained earnings	198,370	169,493	28,877	154,759	158,200	(3,441)
Total Stockholders' Equity	1,160,018	1,131,142	28,876	1,125,249	1,128,689	(3,441)
TOTAL LIABILITIES & S. EQUITY	1,335,676	1,375,385	(39,709)	1,375,046	1,492,188	(117,142)

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (In P000)

FOR THE QUARTER ENDED SEPT. 30, 2007 AND 2006

(Note: Dec. 31, 2006 and Dec. 31, 2005 are based on audited figures)

	Capital Stock	Capital Paid In Excess Par	Stocks Held In Treasury	Revaluation Increment	Reserve AFS-FA	Retained Earnings	Total Stock. Equity
JAN. TO SEPT. 2007							
Balances, Dec. 31, 2006	788,367	169,775	(93,238)	96,148	597	169,493	1,131,142
Retirement of Treasury shares	-	-	-	-	-	49,526	-
Net Income, Jan. to Sept. 2007	-	-	-	-	-	(20,649)	49,526
Cash Dividend	-	-	-	-	-	(20,649)	(20,649)
Balances, Sept. 30, 2007	788,367	169,775	(93,238)	96,148	597	198,370	1,160,018

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (In P000)

(Continued . . .)

(Note: Dec. 31, 2006 and Dec. 31, 2005 are based on audited figures)

	Capital Stock	Capital Paid In Excess Par	Stocks Held In Treasury	Revaluation Increment	Reserve AFS-FA	Retained Earnings	Total Stock. Equity
JAN. TO SEPT. 2006							
Balances, Dec. 31, 2005	788,367	169,775	(83,800)	96,148	-	158,200	1,128,689
Retirement of treasury shares	-	-	-	-	-	-	-
Net Income, Jan. to Sept. 2006	-	-	-	-	-	31,424	31,424
Cash Dividend	-	-	-	-	-	(34,865)	(34,865)
Balances, Sept. 30, 2006	788,367	169,775	(83,800)	96,148	-	154,759	1,125,249

3. Profit and Loss Statement

COMPARATIVE PROFIT AND LOSS STATEMENT (In P000)

For The Quarter Ending September 30, 2007 and 2006

	3rd Quarter			YTD - Jan. To Sep.		
	2007	2006	Dif.	2007	2006	Dif.
NET SALES	341,151	331,663	9,488	1,005,338	995,061	10,277
Less: Cost Of Sales	245,178	253,563	8,385	733,765	760,321	26,556
GROSS PROFIT	95,973	78,100	17,873	271,573	234,740	36,832
Less: Administrative Exp.	12,730	13,125	395	38,469	38,377	(92)
Selling Exp.	1,956	1,916	(40)	5,203	5,448	245
Distribution Exp.	52,591	47,019	(5,572)	151,630	139,067	(12,563)
Total Operating Exp.	67,277	62,060	(5,217)	195,302	182,892	(12,410)
NET OPERATING INCOME	28,696	16,040	12,656	76,271	51,848	24,423
Add : Interest & Other Income	1,718	3,840	(2,122)	5,852	7,878	(2,026)
Less: Interest Expense	1,690	3,772	2,082	6,722	12,234	5,512
NET INCOME BEFORE TAX	28,724	16,108	12,615	75,401	47,492	27,909
Less: Provision For Income Tax	9,793	5,460	(4,333)	25,875	16,067	(9,808)
Income (Loss) From Continuing Oper.	18,931	10,648	8,283	49,526	31,425	18,101
RETAINED EARNINGS						
Beginning balance	179,439	144,111	35,328	169,493	158,200	11,293
Less: Cash Dividend	-	-	-	(20,649)	(34,866)	14,217
RETAINED EARNINGS - Ending	198,370	154,759	43,611	198,370	154,759	43,611

	3rd Quarter			YTD - Jan. To Sept.		
	2007	2006	Dif.	2007	2006	Dif.
a. Earnings per share						
(Net income(loss) / 688,309,398 outstanding shares)	0.0275		0.0122	0.0720		0.0269
(Net income(loss) / 697,309,398 outstanding shares)		0.0153			0.0451	
b. Dividends declared per share	-	-	-	0.03	0.05	-0.02

4. Statement of Cash Flows

MABUHAY VINYL CORPORATION
COMPARATIVE CASHFLOW STATEMENT (In P000)
As of September 30, 2007 and 2006

	Jan-Sep 2007	Jan-Sep 2006	DIF.
Cash Flows From Operating Activities:			
Net Income - from continuing operations	49,526	31,425	18,101
Adjustments for: Depreciation & amortization	55,503	66,001	(10,498)
	-	-	-
(Increase) Decrease In:			
Accounts receivable	83,688	(14,211)	97,899
Finished goods	43,989	20,226	23,763
Work in process	(2,377)	931	(3,308)
Raw materials & supplies	23,079	19,038	4,041
Other current assets	(13,794)	4,826	(18,620)
	-	-	-
Increase (Decrease) In:			
Accounts payable & accrued expenses	7,941	(25,000)	32,941
Notes & trust receipts payable	(56,554)	(70,404)	13,850
Current portion of long term debt	-	-	-
Customers' deposit payable	674	452	222
Retirement benefits payable	(1,896)	-	(1,896)
Net Cash Provided By/(Used In) Operations	189,778	33,284	156,494
	-	-	-
Cash Flows From Investing Activities:			
Receivable from an affiliated company	810	1,800	(990)
Acquisition of property, plant & equipment	(45,973)	(14,126)	(31,847)
Decrease (Increase) in other assets	(83)	1,242	(1,325)
Net Cash Used In Investing Activities	(45,246)	(11,084)	(34,162)
	-	-	-

Statement of Cash Flows (continued)

	Jan-Sep 2007	Jan-Sep 2006	DIF.
Cash Flows From Financing Activities:	-	-	-
Payment of long-term debt	(18,750)	(18,750)	-
Payment of cash dividend	(20,649)	(34,866)	14,217
Acquisition of Treasury Shares	-	-	-
Deferred income tax liability	-	-	-
Net Cash Provided By/(Used In) Financing Activities	(39,399)	(53,616)	14,217
	-	-	-
	-	-	-
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENT	105,133	(31,416)	136,549
	-	-	-
ADD: CASH & CASH EQUIVALENT - Dec. 31, 2006 & 2005	105,102	147,869	(42,767)
	-	-	-
CASH & CASH EQUIVALENT - ENDING	210,235	116,453	93,782

5. Disclosure Of Events Subsequent To Fiscal Year December 31, 2006

A. On January 24, 2007, the Board approved the following:

- a. Continuous implementation of the Pay-For-Performance Plan for 2007 for Non-CBA employees subject to 60-40% weight distribution for individual performance and departmental performance.
- b. Set the Annual Stockholders' Meeting on April 26, and March 26, 2007 as record date for stockholders entitled to notice of and to vote in said meeting.
- c. Grant of authority to the Audit Committee and/or Executive Committee to approve the release/issuance of the Corporation's Audited Financial Statements as of December 31, 2006.
- d. To secure forward cover contract/s with Mizuho Corporate Bank, Bank of Tokyo-UFJ or any other banks to cover the Peso cost of Yen-denominated equipments to be purchased from Chlorine Engineers Corp.
- e. To secure from Bank of Tokyo Mitsubishi-UFJ, Mizuho Corporate Bank, and/or any other banks such appropriate credit and market risk facilities for the Corporation's capital equipment and trade transaction requirements.
- f. To secure the following insurance coverages for the ensuing year:
 1. Hull insurance
 2. Industrial all risks for building, land improvement, machinery & equipment and inventories
 3. Comprehensive motor vehicle
 4. Comprehensive general liability
- g. Renewal of Omnibus Credit Line with Banco de Oro Universal Bank.
- h. Opening of a P400 million new term loan facility with Banco de Oro and payable in 84 months.

B. On March 21, 2007, the Board:

- a. Ratified the Executive Committee's approval on the release/issuance of the Corporation's Audited Financial Statements as of December 31, 2006.
- b. Resolved the re-appointment of SGV & Co. as external auditor of the Corporation for the year 2007 and that the same be submitted to the stockholders for approval during the stockholders' meeting.

- c. Resolved that the Corporation execute amendments to the Mortgage Trust Indenture (MTI) dated August 24, 1976 between, inter alia, the Corporation, Equitable PCI Bank as Trustee, and the holders named therein. It will be submitted to the stockholders for approval during the stockholders' meeting.
- d. Resolved that the Corporation open an interest earning Checking Account with Robinsons Savings Bank.
- e. Resolved that Atty. Eloy E. Bello IV and/or Atty. Rosario T.R. Ganitano and/or any of the lawyers of the Jimenez Gonzales Liwanag Bello Valdez Caluya & Fernandez (JGLaw) Law Office (counsel) is authorized to attend the pre-trial conferences as well as any and all court proceedings to be conducted in connection with the case entitled "Mabuhay Vinyl Corporation vs. Sunta Rubberized Industrial Corporation".
- f. Resolved the declaration of P0.03 cash dividend per share to stockholders of record as of 10 April 2007 with payment date not later than 07 May 2007.
- g. Resolved that the present authorized capital stock of Mabuhay Vinyl Corporation of P1,200,000,000.00, at P1.00 par value, be reduced to P1,099,942,532.00 by retiring its 100,057,468 treasury shares subject to stockholders' approval during the stockholders' meeting.

C. On April 26, 2007, the Board elected the following as:

a. Officers for the year 2007-2008

Renato B. Magadia	- Chairman & Chief Executive Officer
Edwin Li. Umali	- President & Chief Operating Officer
Medardo S. Germano	- Senior Vice President
Wilfredo D. Hamoy, Jr.	- Vice President for Finance
Romeo G. Dela Cruz	- Area Sales Manager for Luzon
Ma. Melva E. Valdez	- Corporate Secretary
Lory Anne P. Manuel-McMullin	- Assistant Corporate Secretary

b. Committee membership for the year 2007-2008

	<u>Excom</u>	<u>Nomina.</u>	<u>Compen.</u>	<u>Audit</u>
Renato B. Magadia	Chairman		Chairman	
Tomoyuki Koike	Member	Member		Member
Yukihiko Tonoki	Member		Member	
Edwin Li. Umali	Member			
Aristotle L. Villaraza	Member			
Jose O. Juliano (Indep. Dir.)		Chairman		Chairman
Weslie T. Gatchalian		Member		
Renato N. Migriño (Indep. Dir.)			Member	Member
Walter C. Wassmer				Member

D. On May 30, 2007, the Board resolved:

To award the civil/electro-mechanical works to Philippine Iron Construction and Marine Works as General Contractor of the on-going IEM-2 Project.

E. On June 20, 2007, the Board resolved:

To approve and accept the Specific Terms and Conditions and General Terms and Conditions imposed by the Board of Investments (BOI) as enumerated on the Project Approval Sheet relative to the approval of its

application as a New Producer of Caustic Soda, Hydrochloric Acid and Liquid Chlorine on a Pioneer status under the Retention, Expansion and Diversification (RED) Program of the BOI.

F. On June 29, 2007, the Board resolved:

a. To apply for abatement under the provisions of Section 204(B) of the National Internal Revenue Code as implemented by Revenue Regulations 15-2006 and 03-2007, which prescribe the guidelines for availment of One-Time Administrative Abatement of penalties, interest and surcharges on delinquent accounts and assessments, with the offer to pay the Bureau of Internal Revenue (BIR) the total amount of NINETY FIVE MILLION TWO HUNDRED FIFTY EIGHT THOUSAND TWO HUNDRED THIRTY SEVEN AND 80/100 Pesos (P95,258,237.80), which represent one hundred percent (100%) of the basic withholding tax assessed by the BIR for the CY1988 and CY1989.

b. Considering the amount involved in the abatement and the fact that MVC has to finance the retrofitting of the IEM-2 Project, the Corporation is likewise authorized to request the BIR for it (MVC) to be allowed to pay the amount of P95,258,237.80 on a staggered basis for a period of one (1) year.

6. Disclosure Of Compliance With Generally Accepted Accounting Principles

The interim financial statement is prepared in accordance with generally accepted accounting principles, particularly the pronouncements of recognized bodies like the Phil. Stock & Exchange Commission, Accounting Standards Council, and International Standards Committee.

7. Notes To The Interim Financial Statements

- a. The same accounting policies and methods of computation are followed as with the annual financial statements as of December 31, 2006.
- b. The interim operation is under normal business condition and is unaffected by any seasonal or cyclical nature.
- c. Unusual items in the financial statements (as of September 30, 2007):

Money market securities	- P151.2 M are 30 to 60 days short term investment in time deposit and special savings account.
Accounts receivable - net	- P286.9 M represents claim from customers for products sold with credit terms of 30 to 90 days.
Property, plant & equip. - net	- P439.6 M consisting of buildings, machinery and equipment, transportation equipment, leasehold improvements, office furniture and equipment, and construction in progress.
Notes & trust receipts payab.	- P28.0 M consisting of short-term promisory notes issued to banks to finance the importation of finished goods mostly caustic soda.

- d. There are no changes in estimates of amounts reported in the prior interim period or prior financial year that have a material effect in the current interim period.
- e. There is no segment revenue and segment result to be reported. The company is primarily engaged in its continuing core business operations of manufacturing and selling chemicals.
- f. There is no contingency or event that is material and affecting the current interim period.

ITEM II - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

KEY PERFORMANCE INDICATORS

(Note: MVC does not have any subsidiary company)

	Sep 30, 2007	Dec. 31, 2006	Sep 30, 2006
A. Liquidity			
1. Quick ratio - capacity to cover its short-term obligations using only its more liquid assets. [(cash + cash equiv. + A/R) / current liabilities]	3.0	2.9	2.6
- Forecasted ratio	2.8		
Remarks: The company is highly liquid to meet its short-term obligations.			
2. Current ratio - capacity to meet current obligations out of its liquid assets. (current assets / current liabilities)	5.9	4.4	4.3
- Forecasted ratio	4.0		
Remarks: The company is very much financially capable in meeting all its currently due obligations.			
B. Profitability			
3. Net profit margin - ability to generate surplus for stockholders. (net income / sales)	0.049	0.034	0.032
- Forecasted ratio	0.032		
Remarks: The company has performed better than expected due to an improvement in gross profit rate and lesser interest expense.			

KEY PERFORMANCE INDICATORS (continued...)

(Note: MVC does not have any subsidiary company)

	Sep 30, 2007	Dec. 31, 2006	Sep 30, 2006
<p>4. Return on equity - ability to generate returns on investment of stockholders</p> <p>(net income / stockholders equity)</p> <p>- Forecasted ratio</p> <p>Remarks: Actual ROE is much better than forecasted ratio due to a 58% favorable net income generated for the past nine months.</p>	0.043	0.041	0.028
<p>C. Leverage</p> <p>5. Debt to total asset ratio - the proportion of total assets financed by creditors (total debt / total assets)</p> <p>- Forecasted ratio</p> <p>Remarks: Reduction in ratio is significantly due to regular payment of bank loans.</p>	0.169	0.178	0.192
<p>6. Debt to equity ratio - an indicator of which group has the greater representation in the assets of the company (long-term debt / equity)</p> <p>- Forecasted ratio</p> <p>Remarks: Reduction in ratio means the company is updated on its quarterly installment of long-term loan.</p>	0.022	0.039	0.044

1.A - MATERIAL CHANGES IN FINANCIAL CONDITION

<i>From December 31, 2006 To Sep 30, 2007</i>	<i>From December 31, 2005 To Sep 30, 2006</i>	<i>From December 31, 2004 To Sep 30, 2005</i>
<p>a. Money market securities increased by P87.4 M The amount is reserved for the ongoing IEM-2 retrofitting project.</p>	<p>a. Money market securities decreased by P11.2 M Amount was used to partially settle a higher interest bearing trust receipts payable.</p>	<p>a. Money market securities decreased by P76.3 M Amount was used to build-up finished goods and partial settlement of trust receipts payable.</p>
<p>b. Accounts receivable decreased by P83.7 M This is the result of an intensified collection effort directed towards our major customers.</p>	<p>b. Accounts receivable increased by P14.2 M The power blackout caused by typhoon "Milenyo" significantly affected our collection in Sep.</p>	<p>b. Accounts receivable increased by P31.1 M The increase is a consequence of an improvement in sales revenue by 31%.</p>
<p>c. Receivable from a stockholder decreased by P0.8 M Decrease is due to partial payment from Metro Alliance Holdings Corp.</p>	<p>c. Receivable from a stockholder decreased by P1.8 M Decrease is due to partial payment from Metro Alliance Holdings Corp.</p>	<p>c. Receivable from a stockholder decreased by P73.8 M Decrease is due to partial settlement of loan extended to Metro Alliance and Holdings Corp. by way of Dacion en Pago of its 64,007,468 shares of stock of the company.</p>
<p>d. Finished goods decreased by P44.0 M Mainly due to a drop in inventory level of imported caustic soda.</p>	<p>d. Finished goods decreased by P20.2 M Due to a reduction in inventory level of locally produced products to balance with market demand.</p>	<p>d. Finished goods increased by P93.0 M The change is mainly attributed to a substantial increase in cost of imported caustic soda.</p>
<p>e. Raw materials decreased by P23.1 M Decrease is greatly due to normal consumption of Salt. Next shipment is scheduled in October.</p>	<p>e. Raw materials decreased by P19.0 M Decrease is greatly due to normal consumption of Salt. The next incoming shipment of salt is scheduled in November.</p>	<p>e. Raw materials increased by P17.4 M The arrival of 14,400 MT of salt and at a price higher than the previous year's contract, caused the increase.</p>

<i>From December 31, 2006 To Sep 30, 2007</i>	<i>From December 31, 2005 To Sep 30, 2006</i>	<i>From December 31, 2004 To Sep 30, 2005</i>
f. Other current assets increased by P13.8 M Mainly due to temporary recording of installment remittances of tax abatement program of BIR as deferred charge while still waiting for its final approval.	f. Other current assets decreased by P4.8 M Settlement of Hull insurance claim caused the decrease.	f. Other current assets increased by P5.3 M The increase is due to various insurance premiums on company assets, advances on importation of spare parts and unamortized portion of business taxes.
g. Available for sale financial assets No change.	g. Available for sale financial assets No change.	g. Available for sale financial assets No change.
h. Property, plant and equipment decreased by P9.5 M The net decrease is mainly due to depreciation charge for the period.	h. Property, plant and equipment decreased by P51.9 M The net decrease is mainly due to depreciation charge for the period.	h. Property, plant and equipment decreased by P33.2 M The net decrease is mainly due to depreciation charge for the period.
i. Land at appraised value No change.	i. Land at appraised value No change.	i. Land at appraised value No change.
j. Accounts payable & accrual increased by P7.9 M Increase is due to accrual of power and fuel consumption.	j. Accounts payable & accrual decreased by P25.0 M Reduction is due to payment of previously accrued power & fuel consumption, trucking & shipping costs.	j. Accounts payable & accrual increased by P11.0 M Due to accrual of power and bunker oil consumption.
k. Notes & trust receipts payable decreased by P56.6 M Due to partial settlement of trust receipts payable on imported caustic soda.	k. Notes & trust receipts payable decreased by P70.4 M Due to partial settlement of trust receipts payable on imported caustic soda.	k. Notes & trust receipts payable decreased by P22.1 M Due to partial settlement of trust receipts payable on imported caustic soda.
l. Current portion of long term debt No change.	l. Current portion of long term debt No change.	l. Current portion of long term debt No change.

<i>From December 31, 2006 To Sep 30, 2007</i>	<i>From December 31, 2005 To Sep 30, 2006</i>	<i>From December 31, 2004 To Sep 30, 2005</i>
n. Long term loan decreased by P18.8 M Represents 3 quarters of installment payment.	n. Long term loan decreased by P18.8 M Represents 3 quarters of installment payment.	n. Long term loan decreased by P18.8 M Represents 3 quarters of installment payment.
n. Deferred income tax liability No change.	o. Deferred income tax liability No change.	o. Deferred income tax liability increased by P2.7 M Effect of adjustment for change in income tax rate from 32% to 35%.
o. Customers' deposit payable increased by P0.7 M Additional deposit received for Chlorine cylinders.	o. Customers' deposit payable increased by P0.4 M Additional deposit received for Chlorine cylinders.	o. Customers' deposit payable No change.
p. Retirement benefits payable decreased by P1.9 M Represents partial remittance of obligation to the Fund Trustee.	p. Retirement benefits payable No change.	p. Retirement benefits payable No change.
q. Asset retirement obligation No change.	q. Asset retirement obligation No change.	q. Asset retirement obligation decreased by P0.5 M Represents annual provision.
r. Treasury stock decreased by P93.2 M Represents retirement of 100,057,468 shares after being duly approved by the stockholders in its April 26, 2007 meeting.	p. Treasury stock No change.	p. Treasury stock increased by P70.4 M This represents cost of 64,007,468 shares acquired from Metro Alliance Holdings & Equities Corp. as partial settlement of its loan.

1.B - CHANGES IN OPERATING RESULTS

<i>3rd Quarter 2007 vs. 3rd Quarter 2006</i>	<i>YTD - Jan. To Sep 2007 vs. YTD - Jan. To Sep 2006</i>	<i>YTD - Jan. To Sep 2006 vs. YTD - Jan. To Sep 2005</i>
a. Net sales increased by 9.5 M Higher sales volume of HCl and Sodium hypo are the main factors causing the increase.	a. Net sales increased by 10.3 M Increase is mainly due to improvement in sales volume of Sodium hypo and HCl by 17% and 9%, respectively.	a. Net sales decreased by 86.7 M Drop in price of caustic soda and lower sales volume on both HCl & Chlorine caused the decrease.

3rd Quarter 2007 vs. 3rd Quarter 2006	YTD - Jan. To Sep 2007 vs. YTD - Jan. To Sep 2006	YTD - Jan. To Sep 2006 vs. YTD - Jan. To Sep 2005
b. Cost of sales decreased by P8.4 M Greatly due to low sales volume of caustic soda and lower cost of production of Hcl.	b. Cost of sales decreased by P26.6 M Greatly due to drop in sales volume of caustic soda and partly due to lower cost of production of Hcl.	b. Cost of sales decreased by P41.5 M Reduction in cost of imported caustic soda and lower sales volume of Hcl caused the decrease.
c. Operating expense increased by P5.2 M Increase is greatly due to higher delivery costs attributed to more volume sold for Hcl & Sodium hypo, and partly due fuel increases.	c. Operating expense increased by P12.4 M Increase is greatly due to higher delivery costs attributed to more volume sold for Hcl & Sodium hypo, and partly due fuel increases.	c. Operating expense increased by P3.0 M Increase in local business tax and depreciation on newly acquired Cl2 cylinders caused the increase.
d. Interest & other income decreased by P2.1 M Due to no scrap sale during the period and termination of tank rental lease contract.	d. Interest & other income decreased by P2.0 M Mainly due to termination of tank rental contract and lower yield from money market placement.	d. Interest & other income decreased by P5.4 M Reduction in surplus funds available for placement caused the decrease.
e. Interest expense decreased by P2.1 M Reduction in long-term loan balance caused the decrease.	e. Interest expense decreased by P5.5 M Reduction in long-term loan balance caused the decrease.	e. Interest expense decreased by P3.8 M Reduction in long-term loan balance caused the decrease.
f. Net income increased by P8.3 M Due to higher sales volume of HCl and Sodium hypo, improved price of caustic soda and lower production cost.	f. Net income increased by P18.1 M Hcl and Sodium hypo are the main contributors to the increase due to more sales volume. Caustic soda also added with slight improvement in price.	f. Net income decreased by P35.4 M Reduction in price of caustic soda and volume of Hcl & Chlorine plus lower interest earnings are the factors causing the decrease.

2 - DISCUSSION AND ANALYSIS OF MATERIAL EVENTS / UNCERTAINTIES WITH IMPACT ON FUTURE OPERATIONS

a. Impact On Issuer's Liquidity

The Ion-Exchange Membrane plant will continue to sustain liquidity because of its competitive cost advantage.

b. There is no event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

- c. There is no 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.
- d. Aside from the regular capex for the year, the company has initially budgeted from its internal funds P142.1 million in 2007 for partial payment to equipment suppliers and general contractor who shall undertake the retrofitting/modernizing of the old Diaphragm cell plant into an Ion-Exchange Membrane plant in Iligan City. Completion of the project will be in mid 2008 at an estimated cost of P500.0 million. A term loan of about P400 million will be secured from a local bank for the remaining funding requirement.
- e. Impact On Net Sales/Income
- Net sales in 2007 is projected to remain flat at P1,350 B. But net income from normal business operations will most likely hit P60 million, a significant improvement from our original estimate of P46 million.
- f. There is no significant element of income or loss that did not arise from continuing operations.
- g. Causes For Material Changes In Line Items Of Financial Statements
- (Please refer to pages 11 to 14)
- h. The financial condition or results of operations of the company is not affected by any seasonal change.

PART II - OTHER INFORMATION


1. Disclosure not made under SEC Form 17-C

None.

Pursuant to the requirements of the Securities Regulation code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.



EDWIN L. UMALI Nov 13, 2007
 President and COO



WILFREDO D. HAMOY, JR. Nov 13, 2007
 VP - Finance

Mabuhay Vinyl Corporation

**Aging of Accounts Receivable
As of September 30, 2007**

1) Aging of Accounts Receivable (In Million Pesos)						Past Due In
Type of Accounts Receivable	Total	1 Month	2 - 3 Months	4 - 5 Months	7 Mos - 1 Yr	Litigation
a) Trade Receivables						
1) Luzon	178.957	129.658	14.804	17.484	17.012	
2) Visayas	36.298	31.793	1.781	1.718	1.006	
3) Mindanao	78.843	60.430	13.683	1.776	2.954	
Subtotal	294.098	221.881	30.269	20.978	20.971	
Less: Allow. for Doubtful Accounts	8.704					
Net Trade Receivable	285.394					
b) Non - Trade Receivables						
1) Administrative	0.829	0.829				
2) Cred. Tax W/held by Customers	0.000	0.000				
3) Others	0.329	0.329				
Subtotal	1.158					
Less: Allow. for Doubtful Accounts	0.000					
Net Non-trade Receivable	1.158					
c) Accrued interest receivable	0.303					
Net Receivables (a + b + c)	286.855					
2) Accounts Receivable Description						
Type of Accounts Receivable	Nature / Description	Collection Period				
a) Trade Receivables						
1) Luzon	Sale of products	30 - 90 days				
2) Visayas	Sale of products	30 - 90 days				
3) Mindanao	Sale of products	30 - 90 days				
b) Non - Trade Receivables						
	Receivable from employees, creditable tax w/held by customers, receivable from truckers/others	30 - 60 days				