

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)

0] July to September 30
(Calendar Quarter Ending)

2010 Quarterly Report (SEC Form 17-Q)
(Form Type)

For The Quarter Ended September 30, 2010
(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 **30-Sep-10**

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

<i>Title of Each Class:</i>	<i>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding:</i>
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Common Shares	661,309,398 shares as of September 30, 2010
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11. Are any or all of the securities listed in the Philippine Stock Exchange?

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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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	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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b) has been subject to such filing requirements for the past ninety (90) days

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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PART I - FINANCIAL INFORMATION

ITEM I - FINANCIAL STATEMENTS

1. Balance Sheet

COMPARATIVE BALANCE SHEET (In P000)
As of September 30, 2010 and 2009
(Note: Dec. 31, 2009 and Dec. 31, 2008 are based on audited figures)

	Current YEAR			Previous YEAR		
	30-Sep 2010	31-Dec 2009	Diff	30-Sep 2009	31-Dec 2008	Diff
Current Assets						
Cash	76,117	74,698	1,419	48,686	67,954	(19,268)
Money market securities	37,635	22,150	15,485	82,375	65,565	16,810
Accounts receivable - net	309,685	372,500	27,185	416,685	390,111	26,574
Receivable from a stockholder	-	27,402	(27,402)	27,402	27,402	-
Inventory - Finished goods	93,513	97,374	(3,861)	107,542	143,569	(36,027)
- Work in Process	6,206	7,003	(797)	7,700	6,758	942
- Raw Materials & Supplies	128,376	84,310	44,066	119,170	95,231	23,939
Other current assets	37,079	38,512	(1,433)	61,115	70,356	(9,241)
Total Current Assets	778,610	723,949	54,661	870,675	866,946	3,729
Noncurrent Assets						
Available for sale financial assets	6,542	6,099	443	6,086	5,616	470
Property, plant and equipment - net	623,944	697,542	(73,598)	713,668	800,879	(87,211)
Land at appraised value	153,945	153,945	-	155,887	155,887	-
Other non-current assets	13,313	10,116	3,197	4,495	4,469	26
Total Non-current Assets	797,744	867,702	(69,958)	880,136	966,851	(86,715)
TOTAL ASSETS	1,576,355	1,591,651	(15,296)	1,750,811	1,833,797	(82,986)

Balance Sheet (continued)

COMPARATIVE BALANCE SHEET (In P000)
As of September 30, 2010 and 2009
 (Note: Dec. 31, 2009 and Dec. 31, 2008 are based on audited figures)

	Current YEAR			Previous YEAR		
	30-Sep 2010	31-Dec 2009	Diff	30-Sep 2009	31-Dec 2008	Diff
Current Liabilities						
Notes & Trust receipts payable	77,190	35,639	41,551	126,630	213,097	(86,467)
Accounts payable and accrued exp.	56,281	64,459	(8,178)	94,869	103,929	(9,060)
Current portion of long-term debt	87,500	87,500	-	87,500	65,625	21,875
Income Tax Payable	-	-	-	-	-	-
Total Current Liabilities	220,970	187,598	33,372	308,999	382,651	(73,652)
Noncurrent Liabilities						
Long-term loans	118,750	184,375	(65,625)	218,750	284,375	(65,625)
Deferred income tax liability	-	-	-	32,548	30,710	1,838
Customers deposit	19,387	19,388	(1)	18,852	18,618	234
Retirement benefits payable	15,532	17,632	(2,100)	10,992	10,992	-
Asset retirement obligation	868	868	(0)	771	771	-
Total Noncurrent Liabilities	154,537	222,263	(67,726)	281,913	345,466	(63,553)
Stockholders' Equity						
Common stock	688,309	688,309	0	688,309	688,309	-
Additional paid-in capital	176,594	176,594	0	176,594	176,594	-
Treasury stock	(27,402)	-	(27,402)	-	-	-
Appraisal Capital	126,400	126,400	0	99,667	99,667	-
Reserve for fluctuation in AFS-FA	462	18	444	6	(464)	470
Retained earnings	228,593	183,457	45,136	195,323	141,575	53,748
Noncontrolling Interest	7,890	7,012	878	-	-	-
Total Stockholders' Equity	1,200,848	1,181,790	19,058	1,159,899	1,105,681	54,218
TOTAL LIABILITIES & S. EQUITY	1,576,355	1,591,651	(15,296)	1,750,811	1,833,798	(82,987)

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (In P000)

FOR THE QUARTER ENDED September 30, 2010 and 2009

(Note: Dec. 31, 2009 and Dec. 31, 2008 are based on audited figures)

	Capital Stock	Capital Paid In Excess Par	Stocks Held In Treasury	Revaluation Increment	Reserve AFS-FA	Retained Earnings	Noncontrol Interest
JAN. TO SEPTEMBER 2010							
Balances, Dec. 31, 2009	688,309	176,594	-	126,400	18	183,457	7,012
Net Income, Jan. to September 2010					444	45,136	878
Prior's Years Adjustment			(27,402)				
Balances, September 30, 2010	688,309	176,594	(27,402)	126,400	462	228,593	7,890

	Capital Stock	Capital Paid In Excess Par	Stocks Held In Treasury	Revaluation Increment	Reserve AFS-FA	Retained Earnings	Total Stock Equity
JAN. TO September 2009							
Balances, Dec. 31, 2008	688,309	176,594	-	99,667	(464)	141,575	1,105,681
Net Income, Jan. to June 2009					470	59,324	59,794
Prior's Years Adjustment						(5,576)	(5,576)
Balances, September 30, 2009	688,309	176,594	-	99,667	6	195,323	1,159,899

3. Profit and Loss Statement

COMPARATIVE PROFIT AND LOSS STATEMENT (In P000)
For The Quarter Ending September 30, 2010 and 2009

	3rd Quarter			YTD - January to September		
	2010	2009	Dif.	2010	2009	Dif.
NET SALES	316,661	340,070	(23,409)	919,368	1,001,594	(82,226)
Less: Cost Of Sales	219,335	228,214	(8,879)	648,855	709,934	(61,079)
GROSS PROFIT	97,327	111,856	(14,529)	270,513	291,660	(21,147)
Less: Administrative Exp.	9,453	12,688	(3,235)	36,826	25,447	11,379
Selling Exp.	1,433	1,682	(249)	4,485	3,195	1,290
Distribution Exp.	57,149	46,606	10,543	158,760	94,142	64,618
Total Operating Exp.	68,035	60,976	7,060	200,071	122,784	77,287
NET OPERATING INCOME	29,291	36,674	(7,383)	70,442	57,020	13,421
Add: Interest & Other Income	2,934	3,203	(269)	10,402	4,874	5,528
Less: Interest Expense	6,311	9,067	(2,756)	18,087	20,280	(2,193)
NET INCOME BEFORE TAX	25,914	30,810	(4,896)	62,756	41,614	21,142
Less: Provision For Income Tax	7,009	9,357	(2,348)	16,742	10,606	5,136
Income (Loss) From Continuing Oper.	18,905*	21,453	4,424	46,014	31,008	15,006
RETAINED EARNINGS						
Beginning balance	209,688	151,970	57,718	141,575	-	141,575
Prior year adjustment					(172)	172
Under accrual of provision for tax				(5,576)		5,576
Less: Cash Dividend					(20,649)	20,649
RETAINED EARNINGS - Ending	228,593	173,423	55,170	182,013	10,187	171,826

* Amount includes Noncontrolling interest of P0.374M

	3rd Quarter			YTD Jan- Sept		
	2010	2009	Dif.	2010	2009	Dif.
a. Earnings per share						
(Net income(loss) / 661,309,398 outstanding shares)-2010	0.0286	0.0411	(0.0126)	0.0696	0.0469	0.0227
(Net income(loss) / 688,309,398 outstanding shares)-2009						
b. Dividends declared per share				-		-

4. Statement of Cash Flows

MABUHAY VINYL CORPORATION
COMPARATIVE CASHFLOW STATEMENT (In P000)
For the Quarter ending September 30, 2010 and 2009

	Jan-Sept 2010	Jan-Sept 2009	Diff
Cash Flows From Operating Activities:			
Net Income - from continuing operations	46,014	59,324	(13,310)
Provision for income tax		(5,578)	5,576
Prior Year adjustment - Income tax accrual		-	-
Adjustments for: Depreciation & amortization	80,014	92,460	(12,446)
			-
(Increase) Decrease In:			
Accounts receivable	(27,184)	(26,574)	(611)
Finished goods	3,861	36,027	(32,166)
Work in process	797	(942)	1,739
Raw materials & supplies	(44,065)	(23,938)	(20,126)
Other current assets	1,433	9,242	(7,809)
			-
Increase (Decrease) In:			
Accounts payable & accrued expenses	(8,180)	9,793	(17,972)
Notes & trust receipts payable	41,551	(86,467)	128,019
Current portion of long term debt		(18,618)	18,618
Customers' deposit payable		-	-
Retirement benefits payable	(2,100)	-	(2,100)
Net Cash Provided By/(Used In) Operations	92,142	44,730	47,412
Cash Flows From Investing Activities:			
Receivable from an affiliated company	-	-	-
Receivable from a stockholder	27,402	-	-
Investment	-	-	-
Acquisition of property, plant & equipment	(6,417)	(5,250)	(1,167)
Decrease (Increase) in other assets	(3,197)	(18,653)	15,456
Net Cash Used In Investing Activities	17,788	(23,903)	41,691

Statement of Cash Flows (continued)

	Jan-Sept 2010	Jan-Sept 2009	Diff
Cash Flows From Financing Activities:			
Payment of long-term debt	(65,625)	(65,625)	-
Current portion of long term debt / PN		21,875	
Acquisition of Treasury Shares	(27,402)		
Deferred income tax liability		20,466	
Net Cash Provided By/(Used In) Financing Activities	(93,027)	(23,284)	(69,743)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENT	16,903	(2,457)	19,360
ADD: CASH & CASH EQUIVALENT	96,848	133,519	(36,671)
CASH & CASH EQUIVALENT - ENDING	113,751	131,062	(17,311)

5. Disclosure Of Events Subsequent To Fiscal Year December 31, 2010 (January 2010 to September 2010)

08 Jan. 2010	PSE Approval of the Block Sale consisting of 4.59% of outstanding capital stock of MVC
12 Jan. 2010	Notice of BPI Securities Corporation re check payment for the tender offer
04 Mar. 2010	Board of Directors' Approval of Authority to Release/Issue MVC's Audited Financial Statements for the year ended 31 December 2009
29 Apr. 2010	Stockholders' approval on the re-appointment of Sycip, Gorres, Velayo & Co. as External Auditor of Mabuhay Vinyl Corporation for the year 2010
	Election of Directors for the year 2010-2011
	Stockholders' approval of Mabuhay Vinyl Corporation's (MVC) 2009 Annual Report and Audited Financial Statements
27 May 2010	Election of Officers
	Appointment of Chairmen and Members of Various Committees
21 July 2010	Receipt of Official Advice/Confirmation on the retirement of Mr. Felix V. Tiongson Jr. as Assistant Vice President - Finance
28 July 2010	Resignation of Mr. Yoshihiko Abe as member of the Board of Directors and Election of Mr. Shinhachiro Emori as replacement
02 Aug. 2010	Receipt of Certificate Authorizing Registration (CAR) dated July 28, 2010 from the Bureau of Internal Revenue (BIR) relative to the assignment of 27,000,000 MVC shares owned by Metro Alliance Holdings Equities Corp. (MAHEC) to settle the remaining loan of MAHEC to MVC
16 Aug. 2010	Appointment of Mr. Michael S. Yu as Officer in Charge for Finance (OIC-Finance)

6. Disclosure Of Compliance With Generally Accepted Accounting Principles

The interim financial statement was 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, 2009.
- 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, 2010):

Money market securities	- P37.635M are 30 to 60 days short term investment in time deposit and special savings account.
Accounts receivable - net	- P398.554M represents claim from customers for products sold with credit terms of 30 to 90 days. Included in the account are non-trade receivable of P1.131M
Property, plant & equip. - net	- P623.944M consists of buildings, machinery and equipment, transportation equipment, leasehold improvements, office furniture and equipment, and construction in progress.
Notes & trust receipts payab.	- P77.19M consists of short-term promisory notes issued to banks to finance the importation of finished goods mostly caustic soda
Long Term Loans	P118.75M term loan with BPI to partly finance the IEM2 project

- 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.
- g. The financial instruments of the company as of September 30, 2010 are limited to money market placements which are held to maturity and available for sale financial assets consisting of quoted and unquoted equity instruments.

The quoted equity instruments represent investments in preferred redeemable non-convertible non-voting shares and 10% of the authorized capital stock of Tosoh Polyvin Corporation. It is the intention of the company to hold on to these until they are redeemed.

Available - for - sale Financial Assets

	Sept. 30 2010	Jun 30 2010	Diff.
Quoted equity instruments:			
Capital Stock	1.201	0.783	0.418
Golf Shares	0.340	0.350	(0.010)
Unquoted equity instruments:	5.001	5.001	-
Total	6.542	6.134	0.408

Financial Risk:

1. Interest Rate Risk - Not Applicable

The company does not have any interest rate risk since its medium term loans have fixed interest.

2. Foreign Currency Risks

Exposure of the company to foreign currency risk arises from importation of finished goods, raw materials and spare parts. Its purchases are subject to an open account with foreign suppliers and are settled immediately or through a peso trust receipts financing from a local bank once documentation requirements are completed.

3. Credit Risk

The company has the policy to require customers who wish to buy on credit terms to comply and undergo a credit verification process concentrating on capacity, character and willingness to pay among others.

Receivables are also closely monitored to ensure that changes in credit quality is recognized and exposure to bad debts is minimized.

The company transacts only with legitimate and duly accredited customers.

4. Liquidity Risk

The company maintains a balance between continuity of funding and flexibility using bank loans and purchase contracts. Short term loans which mature within one year are availed of for operating needs while loans through trust receipts mature within 180 days.

5. The company has no investment in foreign securities

6. Risk in the Valuation of Assets or Liabilities

The assets of the company are valued using historical cost convention but real properties notably land and improvements therein are stated at appraised value. Appraisal is done regularly at 2-year intervals and the financial statements of the company are updated using this appraisal

Trade receivables are also stated at cost. However, based on the age of receivables, allowance for bad debts are provided.

Allowance for obsolescence is also provided for inventories consisting of finished goods, work-in-process, raw materials, supplies and other materials.

Long Term Liabilities such as loans are covered by mortgage participation certificates which in turn is backed by a mortgage trust indenture.

7. The criteria used in determining whether the market for a financial instrument is active or inactive are the prices available from regular market transactions. In the absence of available market transactions, the item is carried at cost.

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

KEY PERFORMANCE INDICATORS

		Sept. 30 2010	Jun. 30 2010	Mar. 31 2010
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]	2.14	2.39	1.99
	- Forecasted ratio	1.49	1.58	1.47
	Remarks: The company is liquid to meet its short-term obligations.			
2. Current ratio				
	- capacity to meet current obligations out of its liquid assets. (current assets / current liabilities)	3.24	3.69	3.10
	- Forecasted ratio	2.50	2.50	2.50
	Remarks: The company is financially capable to meet its current obligations.			
B. Profitability				
3. Net profit margin	- ability to generate surplus for stockholders. (net income / sales)	0.05	0.04	0.04
	- Forecasted ratio	0.03	0.04	0.06
	Remarks: The company performed well enough			

KEY PERFORMANCE INDICATORS (continued...)

(Note: MVC does not have any subsidiary company)

		Sept. 30 2010	Jun. 30 2010	Mar. 31 2010
4. Return on equity -	ability to generate returns on investment of stockholders (net income / stockholders equity) - Forecasted ratio Remarks:	0.038 0.029	0.022 0.022	0.011 0.018
C. Leverage				
5. Debt to total asset ratio -	the proportion of total assets financed by creditors (total debt / total assets) - Forecasted ratio Remarks: The ratio reflects the effects of a long term loan taken out to partly finance the IEM2 project.	0.238 0.315	0.243 0.323	0.264 0.332
6. Debt to equity ratio -	an indicator of which group has the greater representation in the assets of the company (long-term debt / equity) - Forecasted ratio Remarks: Exposure to long term debt is better than expected.	0.113 0.156	0.148 0.176	0.152 0.196

5.A - MATERIAL CHANGES IN FINANCIAL CONDITION

From January 1, 2010 to September 30, 2010	From January 1, 2009 to September 30, 2009	From January 1, 2008 to September 30, 2008
<p>a. Money market securities increased by P15.485M Increase was due to excess funds because of improved collection of receivables.</p>	<p>a. Money market securities increased by P16.8 M The increase was due to the build up of funds for the payment of the current portion of the long term obligation.</p>	<p>a. Money market securities decreased by P30.7 M The amount was used for the purpose the fund was build up which was to finance the IEM2 retrofitting project</p>
<p>b. Accounts Receivable increased by P27.185M This is due to the increase in sales of Chlorine and Sodium Hypochlorite affecting credit sales</p>	<p>b. Accounts receivable increased by P26.6 M. The increase was brought about the rising costs of goods which had an effect also credit sales.</p>	<p>b. Accounts Receivable increased by P44.0 M The increase came soon after the start of the operation of the IEM2 project. As at the time of the FS, most of these are not yet due.</p>
<p>c. Receivable from Stockholder P 0M Stockholder paid in form of MVC stocks which was taken of as treasury shares</p>	<p>c. Receivable from Stockholder P27.4 M no change</p>	<p>c. Receivable from stockholder There is no movement in the amount</p>
<p>d. Finished Goods decreased by P3.861M Decreased due to lower inventory level of NaOH</p>	<p>d. Finished goods decreased by P36.03 M Decrease was due to normalization of manufacturing activites with the new plant which was put on stream.</p>	<p>d. Finished goods increase by P95.2 M The main reason for the increase was the upward movement in prices of imported NaOH which almost doubled during the period</p>
<p>e. Raw materials increased by P44.07M Increase was due to purchase of major raw materials.</p>	<p>e. Raw materials increased by P23.9 M Increase was due to high cost of major raw materials contracted at the time the cost of oil was at its peak late last year.</p>	<p>e. Raw materials decreased by P26.84 M Decrease was due to the depletion of salt as a raw material used to produce caustic soda and other co-products. Next salt shipment is in November</p>

From January 1, 2010 to September 30, 2010	From January 1, 2009 to September 30, 2009	From January 1, 2008 to September 30, 2008
f. Other current assets decreased by P1.43M Due to the application of input VAT against output VAT and application of creditable withholding taxes.	f. Other current assets decreased by P9.2 M Decrease was largely because of remittances of input taxes on local purchases	f. Other current assets increased by P10.5 M Due to the application of input VAT against output VAT.
g. Available for sale financial assets increased by P0.443M The increase was brought about by the improvements in the market valuation of the investment	g. Available for sale financial assets No change.	g. Available for sale financial assets decreased by P0.129 M Redemption of referred shares
h. Property, plant and equipment decreased by P73.6M The decrease was mainly because of the depreciation of PPE	h. Property, plant and equipment decreased by P87.2 M The decrease was mainly because of depreciation of PPE.	h. Property, plant and equipment increased by P118.9 M The increase is mainly because of the TEM2 retrofitting project
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 P11.21M Increase was due to accrual of various of expenses.	j. Accounts payable & accrual reduced by P9.06 M Reduction is due to payment of previously accrued power & fuel consumption, trucking & shipping costs and taxes	j. Accounts payable & accrual reduced by P126.6 M Reduction is due to payment of previously accrued power and fuel consumption, trucking and shipping costs.
k. Notes & trust receipts payable decreased by P41.55M Increase was due to cost of imported caustic soda financed through short term loans.	k. Notes & trust receipts payable decreased by P86.47 M Decreased was due to payment of trust receipts loans	k. Notes & trust receipts payable increased by P73.5 M Increase was due to increase in the cost of imported caustic soda financed through short term loans.
l. Current portion of long term debt No change	l. Current portion of long term debt increased by P21.9 M Increase is due to number of quarters the long term debt is maturing in a year compared to last year's 3 quarters	l. Current portion of long term debt Fully paid already

<i>From January 1, 2010 to September 30, 2010</i>	<i>From January 1, 2009 to September 30, 2009</i>	<i>From January 1, 2008 to September 30, 2008</i>
m. Long term loan reduced by P 65.63M Reduction due to reclassification of portion of long term loan to current	m. Long term loan reduced by by P65.6 M Reduction caused by reclassification of a portion of the long term loan to current	m. Long term loan of P350 M Represents fresh funds taken to partly finance the IEM2 retrofitting project.
n. Deferred income tax liability No change.	n. Deferred income tax liability No change.	n. Deferred income tax liability No change.
o. Customers' deposit payable decreased by P0.001 M Slight increase only	o. Customers' deposit payable increased by P0.2 M Slight increase due to deposit received	o. Customers' deposit payable No change.
p. Retirement benefits payable decreased by P 2.1M Due to reversal of monthly contribution to the retirement fund	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 No change.
r. Treasury stock P27.4M Retrieval of issued stock as payment for receivable of stockholder	r. Treasury stock No change.	r. Treasury stock No change.
s. Reserve for Fluctuation in AFS-SA increased by P.44M Due to market valuation of AFS	s. Reserve for Fluctuation in AFS-SA increased by P.47M Due to market valuation of AFS	s. Reserve for Fluctuation in AFS-SA No change

LB - CHANGES IN OPERATING RESULTS

<i>3rd Quarter 2010 vs. 3rd Quarter 2009</i>	<i>3rd Quarter 2009 vs. 3rd Quarter 2008</i>	<i>3rd Quarter 2008 vs. 3rd Quarter 2007</i>
a. Net Sales decreased by P23.41M Due to reduction in average selling price for NaOH	a. Net sales decreased by P3.3 M The decrease was brought about by the reduced availability of products in Luzon because of the drydocking of the HCl tanker of the company.	a. Net sales decreased by P2.18 M The slight decrease was caused by the reduced availability of HCl with the ongoing retrofitting of the IEM2 project

3rd Quarter 2010 vs. 3rd Quarter 2009	3rd Quarter 2009 vs. 3rd Quarter 2008	3rd Quarter 2008 vs. 3rd Quarter 2007
b. Cost of sales decreased by P8.88M The reduction in the cost of sales was due to lower cost of electric power and imported caustic soda	b. Cost of sales decreased by P37.6 M Decrease was due to lower import cost of caustic soda and the rise of the newly retrofitted IEM plant to produce finished products	b. Cost of sales increased by P20.7 M Increase was due to higher import cost of caustic soda and power
c. Operating expense increased by P7.06M The increase was in distribution expenses mainly because of the continuing rise in the cost of delivery to customers and movement of products from Mindanao to Luzon	c. Operating expense decreased by P5.4 M Decrease was brought about mainly because of reduced number of deliveries of products to Luzon from Iligan	c. Operating expense increased by P6.9 M The increase was mostly due to the unprecedented rise in the cost of fuel increasing costs to move and deliver finished products between the plant and depots and ultimately to customers.
d. Interest & other income decreased by P0.269M Decrease due to lower interest rates for money market placements.	d. Interest & other income decreased by P0.3 M Decrease came mainly because of reduced interest rates	d. Interest & other income decreased by P2.2 M Increase was caused by income from money market placements.
e. Interest expense reduced by P2.76M Interest went down because interest on the long term loan is paid quarterly	e. Interest expense increased by P3.9 M Increase came from maturing obligations including long term loan and interest on FR/PNs	e. Interest expense increased by P3.3 M Interest rose due to term loan to partly finance the retrofitting project and interest on TR/PNs.
f. Net income decreased by P4.9M The decrease was due to lower sales for the quarter and increase in various operating expenses.	f. Net income increased by P35.6 M Increase was due to normalization of manufacturing operations with the completion of the new IEM plant and unusually low prices of imported caustic prices	f. Net income decreased by P17.6 M The decrease was caused by losses from operations resulting from reduced production because of the retrofitting project

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

a. Impact On Issuer's Liquidity

The Ion-Exchange Membrane plants 1 and 2 are expected to sustain the liquidity of the company because of its competitive manufacturing cost. Moreover, the power crisis in Mindanao allows the company flexibility in the operation of the two (2) plants without sacrificing its support to the power curtailment program in place.

- 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. The approved capex for the year amounts to P28.8M. It will be used generally for the improvement of Distribution and Manufacturing facilities.

e. Impact On Net Sales/Income

Net sales in 2010 was initially projected at P1.35B but gauging from the past three quarters sales' performance, it is expected that the effects of the competition on market will grow stronger as various traders penetrate the market.

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.L. UMALI
President and COO
12-Nov-10



MICHAEL S. YU
CIC - Finance
12-Nov-10

Mabuhay Vinyl Corporation

Aging of Accounts Receivable
As of September 30, 2010

1) Aging of Accounts Receivable (In Million Pesos)						
Type of Accounts Receivable	Total	1 Month	2 - 3 Months	4 - 5 Months	7 Mos - 1 Yr	Past Due In Litigation
a) Trade Receivables						
1) Luzon	269.414	129.61	77.50	21.81	40.50	
2) Visayas	45.307	32.82	6.39	6.09	-	
3) Mindanao	119.574	57.26	18.96	43.36	-	
Subtotal	434.295	219.69	102.84	71.27	40.50	
Less: Allow. for Doubtful Accounts	35.741					
Net Trade Receivable	398.554					
b) Non - Trade Receivables						
1) Administrative	0.329					
2) Others	0.802					
Subtotal	1.131					
Less: Allow. for Doubtful Accounts	-					
Net Non-trade Receivable	1.131					
c) Accrued interest receivable						
	-					
Net Receivables (a + b + c)	399.685					
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, receivable from truckers/others					30 - 60 days