COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

						5	9	3	6	6

Company Name

ALSONS CONSOLIDATED RESOURCES INC.

Principal Office (No./Street/Barangay/City/Town/Province)

Alsons Building 2286 Don Chino Roces Avenue Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	SEC	N.A.

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
Legal@alcantaragroup.com	9823000	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
466	May 27	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Luis R. Ymson, Jr.	lry@alcantaragroup.com	9823000	

Contact Person's Address

Alsons Building 2286 Don Chino Roces Avenue Makati City

NOTE 1 : *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2 : *All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.*

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

SEC
Electronic Records Management Division
MAY 12 2016
10
RECEIVED SUBJECT TO REVIEW OF FORM AND CONTENTS

1. For the quarterly period ended **31 March 2016**

2. SEC Identification Number **59366**

3. BIR Tax Identification Number - **001-748-412**

4. Exact name of registrant as specified in its charter: **ALSONS CONSOLIDATED RESOURCES, INC.**

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

6. Industry Classification Code:________________ (SEC Use Only)

7. Alsons Bldg., 2286 Pasong Tamo Extension,
   Makati City — **1231**
   Address of principal office — Postal Code

8. **(632) 982-3000**
   Registrant's telephone number, including area code

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

10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock P 1.00 par value	**6,291,500,000 Shares**

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

    Yes [X] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
    Philippine Stock Exchange **Common Stock**

12. Check whether the registrant:

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

    Yes [X] No [ ]

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

    Yes [X] No [ ]

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Alsons Consolidated Resources, Inc. and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
As at March 31, 2016 and for the Three-Month Periods Ended
March 31, 2015
(With Comparative Audited Consolidated Balance Sheet as at December 31, 2015)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED BALANCE SHEET

MARCH 31, 2016

(With Comparative Audited Figures as at December 31, 2015)

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱2,638,767,199**	₱3,939,847,554
Short-term cash investments (Note 13)	**447,495,711**	172,944,935
Trade and other receivables (Note 5)	**2,300,394,205**	1,763,100,597
Spare parts inventories	**642,690,589**	496,350,993
Real estate inventories (Note 6)	**635,957,163**	636,575,584
Prepaid expenses and other current assets	**931,066,550**	894,177,645
Total Current Assets	**7,596,371,417**	7,902,997,308
Noncurrent Assets		
Noncurrent portion of installment receivables	**6,758,473**	6,758,473
Investments in real estate (Note 6)	**1,463,639,767**	1,463,639,767
Investments in associates	**1,275,633,260**	1,275,633,260
Property, plant and equipment	**16,136,634,102**	15,676,131,842
Available-for-sale financial assets	**2,340,075,861**	2,345,573,271
Goodwill (Note 7)	**988,513,884**	1,052,063,536
Retirement assets	**26,762,424**	28,746,272
Deferred tax assets - net	**13,690,764**	13,690,764
Other noncurrent assets (Note 8)	**252,573,155**	401,189,408
Total Noncurrent Assets	**22,504,281,690**	22,263,426,593
	₱30,100,653,107	₱30,166,423,901

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities (Note 9)	**₱1,471,349,221**	₱1,348,533,548
Loans payable	**-**	300,000,017
Income tax payable	**114,930,409**	64,901,390
Current portion of long-term debt	**288,773,833**	311,720,556
Total Current Liabilities	**1,875,053,463**	2,025,155,511
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 13)	**16,905,476,019**	16,868,288,633
Deferred tax liabilities - net	**596,994,524**	596,994,524
Retirement payable	**4,892,042**	6,488,611
Asset retirement obligation (Note 13)	**64,989,887**	69,380,652
Total Noncurrent Liabilities	**17,572,352,472**	17,541,152,420
Total Liabilities	**19,447,405,935**	19,566,307,931

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED BALANCE SHEET
MARCH 31, 2016
(With Comparative Audited Figures as at December 31, 2015)

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Equity (Note 10)		
Capital stock	**6,318,083,333**	6,318,083,333
Other reserves	**1,672,639,353**	1,767,643,490
Retained earnings:		
Appropriated	**1,300,000,000**	1,300,000,000
Unappropriated	**886,053,395**	797,647,185
Attributable to owners of the parent	**10,176,776,081**	10,183,374,008
Non-controlling interests	**476,471,091**	416,741,962
Total Equity	**10,653,247,172**	10,600,115,970
	₱30,100,653,107	₱30,166,423,901

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended March 31	
	2016 Unaudited	2015) Unaudited
REVENUE		
Energy fees	**₱1,241,452,775**	₱1,188,100,184
Sale of real estate	**796,620**	4,673,300
Management fees	**6,603,779**	6,198,499
Rental income and others	**3,062,469**	2,372,142
	1,251,915,643	1,201,344,125
INCOME (EXPENSES)		
Cost of goods and services	**(941,599,505)**	(701,517,860)
General and administrative expenses	**(83,326,826)**	(102,557,645)
Finance income (charges) - net	**(33,008,576)**	(70,924,530)
Other income - net	**5,686,663**	(13,157,282)
	(1,052,148,242)	(888,157,317)
INCOME BEFORE INCOME TAX	**199,767,401**	313,186,808
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 12)		
Current	**51,583,040**	85,061,053
Deferred	**49,019**	14,425,521
	51,632,059	99,486,574
NET INCOME	**₱148,135,342**	₱213,700,234
Attributable to:		
Owners of the parent (Note 10)	**₱88,406,210**	₱111,069,052
Non-controlling interest	**59,729,132**	102,631,182
	₱148,135,342	₱213,700,234
Basic/diluted earnings per share attributable to owners of the parent	**₱0.014**	₱0.018

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended March 31	
	2016 (Unaudited)	2015 (Unaudited)
NET INCOME FOR THE PERIOD	**₱148,135,342**	₱213,700,234
OTHER COMPREHENSIVE INCOME		
Items that will be reclassified subsequently to profit or loss		
Gain (loss) on valuation of AFS financial assets	**(5,497,410)**	3,580,208
Translation adjustment	**(89,506,728)**	132,607,435
	(95,004,138)	136,187,643
TOTAL COMPREHENSIVE INCOME (LOSS)	**₱53,131,204**	₱349,887,877
Attributable to:		
Owners of the parent	**₱33,680,100**	₱205,666,358
Non-controlling interests	**19,451,104**	144,221,519
	₱53,131,204	₱349,887,877

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015

	Attributable to Equity Holders of the Parent									
	Capital Stock(Note 10)	Actuarial Gains (Losses)	Unrealized Gains (Losses) on AFS Financial Assets	Unappropriated Retained Earnings	Appropriated Retained Earnings	Equity Reserves	Cumulative Translation Adjustment	Total	Non-controlling Interests (Note 1)	Total
Balance at December 31, 2015	₱6,318,083,333	₱5,753,023	(₱50,979,995)	₱797,647,185	₱1,300,000,000	₱145,480,697	₱1667,389,765	₱10,183,374,008	₱416,741,962	₱10,600,115,970
Net income	–	–	–	88,406,210	–	–	–	88,406,210	59,729,129	148,135,339
Other comprehensive income	–	-	(5,497,410)	–	–	-	(49,228,700)	(54,726,110)	(40,278,027)	(95,004,137)
Total comprehensive income (loss)	–	–	(5,497,410)	88,406,210	–	-	(49,228,700)	33,680,100	19,451,102	53,131,202
Appropriation of retained earnings	-	-	-	-	-		-	-	-	-
Redemption of preferred shares	–	–	–	–	–	–	-	–	-	-
Balance at March 31, 2016	₱6,313,683,333	₱5,487,847	(₱54,663,327)	₱ 600,997,465	₱1,700,000,000	₱145,480,697	₱1,611,296,569	₱10,322,282,584	₱435,975,554	₱ 10,653,247,172
Balance at December 31, 2014	₱6,313,683,333	₱5,487,847	(₱58,243,535)	₱489,928,413	₱1,700,000,000	₱145,480,697	₱1,520,279,471	₱10,116,616,226	₱291,754,035	₱10,408,370,261
Net income	–		–	111,069,052	–	–	–	111,069,052	102,631,182	233,700,234
Other comprehensive income	–	–	3,580,208	–	–	-	91,017,098	94,597,306	41,590,337	136,187,643
Total comprehensive income (loss)	–	–	3,580,208	111,069,052	–	-	91,017,098	205,666,358	144,221,519	349,887,877
Investment in subsidiary									–	–
Reversal of appropriation	–	–	–	–	–	–	-	–	-	-
Balance at March 31, 2015	₱6,313,683,333	₱5,487,847	(₱54,663,327)	₱600,997,465	₱1,700,000,000	₱145,480,697	₱1,611,296,569	₱10,322,282,584	₱435,975,554	₱10,758,258,138

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	2016	2015
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱199,767,401**	₱313,186,808
Adjustments for:		
Depreciation and amortization	**87,665,623**	81,333,825
Interest income	**(12,345,568)**	(1,083,534)
Finance charges	**45,354,144**	72,008,064
Retirement cost	**100,228**	33,784
Unrealized foreign exchange loss (gain)	**-**	(5,254,165)
Impairment loss on deferred project cost	**-**	-
Loss (gain) on sale of property and equipment	**-**	44,357,148
Operating income before working capital changes	**337,861,604**	504,581,930
Decrease (increase) in:		
Trade and other receivables	**(537,293,608)**	(24,024,875)
Prepaid expenses and other current assets	**(36,888,905)**	(200,915,591)
Spare parts and supplies	**(146,339,596**	54,885,678
Increase (decrease) in:		
Accounts payable and other current liabilities	**122,815,673**	313,185,729
Customers' deposits	**-**	-
Net cash flows from operations	**(259,844,832)**	647,712,871
Increase (decrease) in income tax payable	**(48,365,189)**	93,561,188
Net cash flows from (used in) operating activities	**(308,210,021)**	741,274,059
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in:		
Other noncurrent assets	**122,815,673**	70,807,390
Due from related parties	**-**	(35,318,931)
Short-term cash investments	**(274,550,776)**	(697,390,709)
Investments in real estate	**-**	61,967,808
Additions to property, plant and equipment (Note 7)	**(548,167,883)**	(309,582,371)
Interest received	**12,345,568**	1,083,534
Increase in other noncurrent liabilities	**-**	-
Computer software	**-**	-
Proceeds from disposal of property and equipment	**-**	68,470,990
Net cash flows from (used in) investing activities	**(661,756,838)**	(804,643,358)

(Forward)

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31	
	2016 (Unaudited)	2015 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment (payments) of:		
Net availment of debts	**(₱287,759,353)**	₱722,677,096
Interest	**(45,354,144)**	(111,794,920)
Net cash flows used in financing activities	**(331,113,497)**	610,882,176
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,301,080,355)**	547,512,876
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3,939,847,554**	2,512,383,375
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	**₱2,638,767,199**	₱3,059,896,251

See accompanying Notes to Interim Condensed Consolidated Financial Statements

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Corporate Information

Alsons Consolidated Resources, Inc. (ACR or Parent Company) is a stock corporation organized on December 24, 1974 as Victoria Gold Mining Corporation to engage in the business of exploration of oil, petroleum and other mineral products. The corporate name was changed to Terra Grande Resources, Inc. in March 1995 and to Alsons Consolidated Resources, Inc. in June 1995 to mark the entry of the Alcantara Group. ACR's primary purpose was consequently changed to that of an investment holding company and oil exploration was relegated as a secondary purpose. The registered office address of ACR is 2286 Don Chino Roces Avenue, Makati 1231 Philippines.

The consolidated financial statements include the accounts of ACR and the subsidiaries (collectively referred to as "the Group") listed in the table below:

		Percentage of Ownership			
		March 31, 2016		December 31, 2015	
Subsidiaries	Nature of business	**Direct**	**Indirect**	Direct	Indirect
Conal Holdings Corporation (CHC)	Investment holding	**100.00**	–	100.00	–
Alsing Power Holdings, Inc. (APHI)	Investment holding	**20.00**	**80.00**	20.00	80.00
Western Mindanao Power Corporation (WMPC)	Power generation	–	**55.00**	–	55.00
Southern Philippines Power Corporation (SPPC)	Power generation	–	**55.00**	–	55.00
Alto Power Management Corporation (APMC)	Management services	–	**60.00**	–	60.00
APMC International Limited (AIL)	Management services	–	**100.00**	–	100.00
Mapalad Power Corporation (MPC)	Power generation	–	**100.00**	–	100.00
FGen Northern Mindanao Power Corp. (FGNPC)	Power generation	–	**60.00**	–	60.00
Sarangani Energy Corporation (Sarangani)	Power generation	**75.00**	–	75.00	–
Alsons Renewable Energy Corp (AREC)	Power Generation	**100.00**	–	100.00	–
Siguil Hydro Power Corporation (Siguil)	Power generation	–	**80**		80
Kalaong Power Corporation (Kalaong)	Power generation	–	**80**		80
Alsons Thermal Energy Corporation (ATEC)	Power generation	**100.00**	–	100.00	–
San Ramon Power, Inc. (SRPI)	Power generation	**100.00**	–	100.00	–
Alsons Land Corporation (ALC)	Real estate	**99.55**	–	99.55	–
Alsons Power International Limited (APIL)	Power generation	**100.00**	–	100.00	–
ACR Mining Corporation (ACRMC)*	Exploration and mining	**9.00**	–	9.00	–
MADE (Markets Developers), Inc.	Distribution	**80.44**	–	80.44	–
Kamanga Agro-Industrial Ecozone Development Corporation (KAED)	Agro-industrial economic zone	**100.00**	–	100.00	–
ACES Technical Services Corporation (ACES)	Management services	**100.00**	–	100.00	–

**The Parent Company declared its 91% interest in ACRMC as property dividend in 2015. The Group thereafter accounts for its remaining 9% interest in ACRMC as available-for-sale (AFS) investment.*

SPPC and WMPC are independent power producers (IPPs) with Energy Conversion Agreements (ECAs) with the Philippine government through the National Power Corporation (NPC).

Except for AIL and APIL, which are incorporated in the British Virgin Islands (BVI), all of the subsidiaries are incorporated in the Philippines.

Status of Operations

MPC. CHC organized and incorporated MPC on July 13, 2010 as wholly owned subsidiary to rehabilitate and operate the 103 MW Bunker-Fired Iligan Diesel Power Plants (IDPPs) I and II located in Iligan City. On June 27, 2011, ACR acquired full control of MPC through an agreement with CHC, wherein CHC assigns all shares to ACR. The deed of sale of IDPP with Iligan City Government was signed on February 27, 2013. On August 1, 2013, ACR transferred MPC to CHC. MPC entered into Power Supply Power Supply Agreements (PSAs) with various distribution utilities and electric cooperatives. On September 6, 2013, MPC started operating 98 MW of the 103 MW Bunker-Fired IDPPs. The rehabilitation of the additional 5 MW was completed in January 2014 and operations started in March 2014.

Sarangani. CHC organized Sarangani on October 15, 2010, as wholly owned subsidiary to construct, commission and operate power generating plant facilities of electricity in Maasim, Sarangani Province. Sarangani's power-generating project "SM 200" is a coal-fired power plant project with a 210 mega-watts (MW) capacity. SM200 is embedded within the franchised area of South Cotabato II Electric Cooperative, Inc. (SOCOTECO II). The total project cost is ₱13 billion of which ₱4 billion is in the form of equity and ₱9 billion through a syndicated term loan from local banks. In 2009, the Department of Energy and the Department of Environment and Natural Resources approved the Environmental Compliance Certificate (ECC) application for SM200. The Construction of SM200 will be in two phases. Construction of Phase 1 (105MW) commenced in 2012 and expected to be completed in the Second Quarter of 2016. Phase 2 (105MW) will follow a year after Phase 1. On June 27, 2011, ACR acquired full control of Sarangani through an agreement with CHC, wherein CHC assigned all shares to ACR. On December 10, 2012, ACR entered into a shareholders agreement with Toyota Tsusho Corporation (TTC), a company incorporated in Japan, wherein TTC agreed to subscribe and paid ₱355 million worth of Sarangani shares, representing 25% of the total equity of Sarangani.

SRPI. The Parent Company organized and incorporated SRPI on July 22, 2011, as wholly owned subsidiary. SRPI was incorporated primarily to acquire, construct, commission, operate and maintain power-generating plants and related facilities for the generation of electricity. SRPI has obtained its ECC on March 20, 2012 for the planned 105MW coal fired power plant to be located in Zamboanga Ecozone. SRPI Expected construction of the power plant that was previously forecasted to commence in the later part of 2013 has been deferred at later time. The total project cost is estimated at ₱13 billion. As at March 31, 2016, SRPI is has not yet started the construction of the power plant.

AREC and Subsidiaries. The Parent Company organized and incorporated Siguil Hydro Power Corporation (Siguil) and Kalaong were incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. Siguil's 17MW Hydro Power Project us in Maasim Sarangani while Kalaong's 22MW Hydro Power Project is in Bago, Negros Oriental. These projects are expected to augment power supply in the cities of General Santos and Bacolod, respectively, once they are completed. As at March 31, 2016, Sigui and Kalaong have not yet started commercial operations.

On September 18, 2014, the Parent Company organized AREC primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources with total capital infusion amounting to ₱31 million.

On July 10, 2015, the Parent Company organized AREC executed an assignment of share agreement wherein the Parent Company assigned and transferred its ownership interest in Siguil and Kalaong to AREC. Accordingly, Siguil and Kalaong became wholly owned subsidiaries of AREC. The Group recognized increase in non-controlling interest by ₱13 million in 2015 due to the reduction in the Parent Company's interest in AREC from 100% in 2014 to 80% in 2015.

ATEC. On November 23, 2015, the Parent Company organized and incorporated ATEC as a wholly owned subsidiary. ATEC was incorporated primarily to develop and invest in energy projects including but not limited to the exploration, development and utilization of renewable energy resources. As at March 31, 2016, ATEC has not yet started commercial operations.

KAED. On September 3, 2010, the Parent Company incorporated KAED to establish, develop, operate and maintain an agro-industrial economic zone and provide the required infrastructure facilities and utilities such as power and water supply and distribution system, sewerage and drainage system, waste management system, pollution control device, communication facilities and other facilities as may be required for an agro-industrial economic zone. As at March 31, 2016 KAED has not started commercial operations.

MADE. MADE, which is in the distribution business, has incurred significant losses in prior years resulting in capital deficiency. Because of the recurring losses, MADE decided to cease operations effective April 30, 2006 and significantly reduced its employees. These factors indicate the existence of a material uncertainty which cast significant doubt about MADE's ability to continue operating as a going concern. As of March 31, 2015, MADE has no plans to liquidate but new business initiatives are being pursued which will justify resumption of its trading operations.

ACRMC. In 2007, the Parent Company infused capital in ACRMC amounting to ₱195 million to support the latter's acquisition of the 75% interest of Alsons Development and Investment Corporation (Aldevinco), an affiliate, in the Joint Venture with Southern Exploration Corporation (SECO) to explore and develop the Manat Mining Claims situated in the provinces of Davao del Norte and Compostela Valley. On October 25, 2012, the Declaration of Mining Project Feasibility was submitted to the Mines and Geosciences Bureau.

In May 2015, the Parent Company declared its 91% investment in ACRMC as property dividend amounting to ₱208 million. The Parent Company's remaining 9% interest in aCRMC amounting to ₱21 million is recognized as AFS financial assets. As of March 31, 2016, ACRMC has not yet started commercial operations.

ACES. The Parent Company organized and incorporated ACES on July 7, 2011 with primary purpose as the operations and maintenance contractor of the coal power plant. As at March 31, 2016, ACES has not yet started commercial operations.

2. Basis of Preparation and Changes to the Group's Accounting Policies

Basis of Preparation

The unaudited interim condensed consolidated financial statements of the Group as at March 31, 2016 and for the Three-month periods ended March 31, 2016 and 2015 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for available-for-sale (AFS) financial assets that have been measured at fair value. The consolidated financial statements are presented in Philippine peso, the functional and presentation currency of the Group, except for CHC and Subsidiaries whose functional currency is U.S. dollar. All values are rounded off to the nearest Philippine peso, except when otherwise indicated.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2015.

<u>Basis of Consolidation</u>
The consolidated financial statements comprise the financial statements of the Parent Company and the subsidiaries it controls (see Note 1).

<u>New Standards, Interpretations and Amendments thereof, Adopted by the Group</u>
The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements for the year ended December 31, 2015.

<u>New Standards Issued</u>
The Group adopted these standards as they become effective. There is no significant impact from the adoption of the standards on its financial position or performance unless otherwise stated.

- PFRS 7, *Financial instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities*, will become effective for annual periods beginning on or after January 1, 2013. These amendments require an entity to disclose information about rights of set-off and related arrangements (such as collateral agreements). The new disclosures are required for all recognized financial instruments that are set off in accordance with PAS 32. These disclosures also apply to recognized financial instruments that are subject to an enforceable master netting arrangement or 'similar agreement,' irrespective of whether they are set-off in accordance with PAS 32. The amendments require entities to disclose, in a tabular format unless another format is more appropriate, the following minimum quantitative information. This is presented separately for financial assets and financial liabilities recognized at the end of the reporting period:
  (a) The gross amounts of those recognized financial assets and recognized financial liabilities;
  (b) The amounts that are set off in accordance with the criteria in PAS 32 when determining the net amounts presented in the statement of financial position;
  (c) The net amounts presented in the statement of financial position;
  (d) The amounts subject to an enforceable master netting arrangement or similar agreement
  that are not otherwise included in (b) above, including:
    i. Amounts related to recognized financial instruments that do not meet some or all of the offsetting criteria in PAS 32; and
    ii. Amounts related to financial collateral (including cash collateral); and
  (e) The net amount after deducting the amounts in (d) from the amounts in (c) above.

- PFRS 10, *Consolidated Financial Statements,* will become effective for annual periods beginning on or after January 1, 2013. PFRS 10 replaces the portion *of PAS 27, Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12, *Consolidation - Special Purpose Entities.* PFRS 10 establishes a single control model that applies to all entities including special purpose entities. PFRS 10 defines control as when an investor is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power. A reassessment of control was performed by the Group on all its subsidiaries in accordance with the provisions of PFRS 10. Following the reassessment, the Group determined that it has no subsidiaries where the Group has lost its control or new control was gained over previously accounted associates

- PFRS 9, *Financial Instruments: Classification and Measurement,* will become effective for annual periods beginning on or after January 1, 2015. PFRS 9 reflects the first phase of the work on the replacement of PAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in PAS 39. In subsequent phases, hedge accounting and impairment of financial assets will be addressed. The completion of this project is expected on the first half of 2012. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will potentially have no impact on classification and measurements of financial liabilities. The Group will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

- PFRS 11, *Joint Arrangements,* will become effective for annual periods beginning on or after January 1, 2013. PFRS 11 replaces PAS 31, *Interests in Joint Ventures* and SIC-13, *Jointly-controlled Entities - Non-monetary Contributions by Venturers.* PFRS 11 describes the accounting for a joint arrangement which is defined as a contractual arrangement over which two or more parties have joint control. The standard requires a joint arrangement to be classified as either a joint operation or a joint venture, based on the contractual rights and obligations of that joint arrangement. The standard removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. The Group is currently assessing the impact of this standard on its financial position and performance.

- PFRS 12, *Disclosures of Interests in Other Entities,* will become effective for annual periods beginning on or after January 1, 2013. This standard includes all of the disclosures that were previously in PAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in PAS 31 and PAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. The Group expects that this new standard will have no significant effect on its financial position or performance.

- PFRS 13, *Fair Value Measurement,* will become effective for annual periods beginning on or after January 1, 2013. PFRS 13 establishes a single source of guidance under PFRS for all fair value measurements. PFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under PFRS when fair value is required or permitted. The Group is currently assessing the impact of this standard on its financial position and performance.

- PAS 1, *Financial Statement Presentation – Presentation of Items of Other Comprehensive Income,* will become effective for annual periods beginning on or after July 1, 2012. The amendments to PAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has therefore no impact on the Group's financial position or performance.

- PAS 12, *Income Taxes (Amendment) - Deferred Tax: Recovery of Underlying Assets*, will become effective for annual periods beginning on or after January 1, 2012. The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in PAS 40, *Investment Property,* should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in PAS 16 always be measured on a sale basis of the asset.

- PAS 19, *Employee Benefits (Amendment),* will become effective for annual periods beginning on or after January 1, 2013. Amendments to PAS 19 range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The Group does not expect this amendment to have any significant impact on its financial position or performance.

- PAS 27, *Separate Financial Statements (as revised in 2011),* will become effective for annual periods beginning on or after January 1, 2013. As a consequence of the new PFRS 10 and PFRS 12, what remains of PAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. The amendment becomes effective for annual periods beginning on or after January 1, 2013. The Group does not expect this revised standard to have any significant impact on its financial position or performance.

- PAS 28, *Investments in Associates and Joint Ventures (as revised in 2011),* will become effective for annual periods beginning on or after January 1, 2013. As a consequence of the new PFRS 11 and PFRS 12, PAS 28 has been renamed PAS 28, Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates.

- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities*, will become effective for annual periods beginning on or after January 1, 2014. These amendments to PAS 32 clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the PAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to PAS 32 are to be applied retrospectively. The Group is currently assessing impact of the amendments to PAS 32.

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate.* This interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. This interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contracts qualify as construction contract under PAS 11, *Construction Contracts*, or involve rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion. The Philippine SEC deferred its implementation until the final Revenue Standard is issued by the International Accounting Standards Board (IASB) and after an evaluation on the requirements and guidance in the said interpretation vis-à-vis the practices and regulations in the Philippines real estate industry is completed.

- Philippine Interpretation IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine,* will become effective for annual periods beginning on or after January 1, 2013. This interpretation applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine ("production stripping costs") and provides guidance on the recognition of production stripping costs as an asset and measurement of the stripping activity asset.

3. Segment Information

The Group conducts majority of its business activities in two major business segments: (1) Power and (2) Real Estate. The Group's other activities consisting of product distribution and investment holding activities are shown in aggregate as "Product Distribution and Others."

Information with regard to the Group's significant business segments are shown below:

Nine Months Ended March 31, 2016 (Unaudited)						
	Power	**Real Estate**	**Other Investments**	**Total**	**Adjustments And Eliminations**	**Consolidated**
Earnings Information						
Revenues						
External customer	₱ 1,248,056,554	₱3,859,089	₱–	₱ 1,251,915,643	₱–	₱1,251,915,643
Inter-segment	–	1,158,630	-	1,158,630	(1,158,630)	–
Total revenues	1,248,056,554	5,017,719	-	1,253,074,273	(1,158,630)	1,251,915,643
Interest expense	(12,193,722	-	(152,069,671)	(164,263,393)	118,909,249	(45,354,144)
Interest income	6,064,579	41,487	6,239,502	12,345,568	–	12,345,568
Provision for income tax	51,503,099	128,960	–	51,632,059	-	51,632,059
Net income	183,486,508	720,261	(153,822,047)	30,384,722	117,750,620	148,135,342

Three Months Ended March 31, 2015 (Unaudited)						
	Power	**Real Estate**	**Other Investments**	**Total**	**Adjustments And Eliminations**	**Consolidated**
Earnings Information						
Revenues						
External customer	₱ 1,194,298,683	₱7,045,442	₱–	₱ 1,201,344,125	₱–	₱ 1,201,344,125
Inter-segment	–	–	-	-	-	–
Total revenues	1,194,298,683	7,045,442	-	1,201,344,125	-	1,201,344,125
Interest expense	(17,141,1660)	(596,661)	(70,545,133)	(88,282,960)	16,274,896	(72,008,064)
Interest income	920,620	102,838	60,076	1,083,534	–	1,083,534
Provision for income tax	99,445,533	41,041	–	99,486,574	-	99,486,574
Net income	321,369,294	(44,580,072)	(79,363,884)	197,425,338	16,274,896	213,700,234

4. Cash and Cash Equivalents

For the purpose of the interim consolidated statements of cash flows, cash and cash equivalents are comprised of the following:

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Cash on hand	**₱381,388**	₱438,565
Cash in banks and short-term placements	**2,638,385,811**	3,939,408,989
	₱2,638,767,199	₱3,939,847,554

Cash in banks earn interest at the respective bank deposit rates. Short-term deposits are made for varying periods of up to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

5. Trade and Other Receivables

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Trade		
Power	**₱1,052,974,871**	₱682,845,454
Real estate	**85,457,400**	86,276,518
Product distribution and others	**31,730,458**	31,730,458
Due from related parties (see Note 14)	**887,455,580**	867,129,580
Retention receivable	**47,364,378**	47,364,378
Others	**275,813,437**	128,156,128
	2,380,796,124	1,843,502,516
Less allowance for doubtful accounts	**80,401,919**	80,401,919
	₱2,300,394,205	₱1,763,100,597

Power

Represent billings to NPC by SPPC under existing ECAs (see Note 34 of the Audited Financial Statements in 2015). The receivables are noninterest-bearing and are generally on 30 days term. Trade receivables include long-outstanding receivables of SPPC from NPC amounting to ₱115 million as at March 31, 2016 and December 31, 2015, respectively, representing billings from 2005 to 2006 for additional 5MW installed capacity nominated by SPPC. The allowance provided amounting ₱30 million as at March 31, 2016 and December 31, 2015, respectively, is management's best estimate of impairment loss on the long-outstanding receivables from NPC.

Real Estate

This pertains to receivables from venturers and customers from the sale of residential and commercial lots and units.

Product Distribution and Others

These pertain to receivables from the supply of goods and merchandise to customers. Product distribution and other receivables are noninterest-bearing and generally have a term of less than one year. Outstanding receivables amounting to 32 million were fully provided with allowance for impairment losses as at March 31, 2016 and December 31, 2015.

Retention Receivables

Retention receivable pertains to the outstanding balance from Aboitiz Land, Inc. (Aboitiz) for the sale of Lima Land Inc. (LLI), which will be collected upon accomplishment of certain milestones (see Note 30 of 2015 Audited Financial Statements).

6. Real Estate Inventories and Investments in Real Estate

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Real estate inventories:		
Eagle Ridge Project (General Trias, Cavite)	**₱620,497,880**	₱620,497,880
Campo Verde Project (Lipa and Malvar, Batangas)	**15,459,283**	16,077,704
	₱635,957,163	₱636,575,584

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Investments in real estate:		
Lanang Property (Lanang, Davao City)	**₱1,275,631,722**	₱1,275,631,722
ALC Property (Pasong Tamo)	**131,810,479**	131,810,479
Batangas Project (Lipa and Malvar, Batangas)	**54,744,468**	54,744,468
Laguna Project (Cabuyao, Laguna)	**4,685,936**	4,685,936
	₱1,463,639,767	₱1,463,639,767

On December 27, 2011, the BOD of ACR approved the acquisition of 72% of the outstanding shares of C. Alcantara & Sons, Inc. (CASI) from Alcorp, in behalf of Aldevinco, and Aldevinco, stockholders of ACR, at a consideration of ₱1,226 million (see Note 21). The number of shares acquired consists of 2,000,000 common and 344,498 preferred CASI shares valued at ₱1,048million and ₱178 million, respectively. The transaction value of ₱1,226 million represents the market value of Lanang landholdings of CASI as determined by an independent third party appraiser. This acquisition provides ACR the right to own and develop 21.27 hectares of land and 3 hectares of foreshore leased area in Lanang, Davao City. The acquisition also caused the reduction of ACR's receivables from Aldevinco equivalent to ₱1,226 million in 2011 (see Audited FS of 2014 disclosed in Note 10).

In 2014, CASI filed with the Bureau of Internal Revenue (BIR) an notified the SEC regarding the shortening of its corporate life until March 31, 2014. As a result, ACR received the Lanang property of CASI as liquidating dividend amounting to ₱1,226 million. The transaction costs incurred such as taxes and processing fees to transfer the Lanang property to ACR's name totaling P49 million were capitalized as part of "Investment in in real estate". Also ACR incurred input VAT amounting to ₱103 million in 2015 arising from this transaction. (See Note 15 of the 2015 Audited Financial Statements).

7. Goodwill

Goodwill acquired through business combinations has been allocated to the power generation cash-generating unit consisting of the operations of SPPC and WMPC.

The carrying amount of goodwill allocated to SPPC and WMPC amounted to ₱989 million as at March 31, 2016 and ₱1,052 million as at December 31, 2015.

The movement during the three month period ended March 31, 2016 is due to the effect of foreign exchange rate changes used in translating the amount of goodwill allocated to SPPC and WMPC from their functional currency of U.S. dollars to the Group's functional of Philippine peso.

Goodwill is subject to annual impairment testing which is performed by management at every December 31st or whenever indicators of impairment are present. The recoverable amount of the operations of SPPC and WMPC have been determined based on value in use calculating using the cash flow projections based on financial budgets approved by management.

As at March 31, 2016, management concludes that there are no indicators of impairment that could result in the impairment of goodwill.

8. Other Noncurrent Assets

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Deferred project costs	**₱241,659,170**	₱323,168,150
Deposits	**362,000**	58,226,913
Deferred oil exploration costs	**63,372,934**	63,372,934
Computer software	**10,611,382**	13,484,761
Deferred financing costs	**-**	492,589
Others	**302,603**	5,816,995
	316,308,089	464,562,342
Less provision for impairment loss	**63,734,934**	63,372,934
	₱252,573,155	₱401,189,408

Deferred Project Costs

Deferred project costs are expenses incurred by the Group on the following ongoing projects:

ZAM 100. ZAM 100 is a coal-fired power plant project with a 100MW capacity in San Ramon, Zamboanga City. ZAM 100 received its ECC approval on March 20, 2012. The plant will be embedded the franchise area of Zamboanga City Electric Cooperative, Inc. to take advantage of eliminating the transmission charges of National Grid Corporation of the Philippines (NGCP). As at March 31, 2016 and December 31, 2015, costs incurred for this project amounted to ₱242 million and ₱225 million, respectively.

Siguil. Siguil hydro powerplant project is a 16.7 MW run-off river with three cascades along Siguil River in Sarangani Province. The project is composed of a non-overflow concrete gravity dam. Its hydrology validation study is on-going and the DOE registration requirements have been completed.

9. Accounts Payable and Other Current Liabilities

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Trade	**₱497,678,913**	₱405,251,742
Accrued expenses	**549,553,835**	425,996,345
Payable to customers	**184,238,901**	199,495,999
Output tax and withholding tax payable	**48,597,989**	107,363,534
Advances from customers	**25,885,934**	27,441,600
Other current liabilities	**165,393,649**	182,984,328
	₱1,471,349,221	₱1,348,533,548

Trade payables are noninterest-bearing and are normally on a 60 to 75 days term.

10. **Equity**

Capital Stock

	March 31, 2016 (Unaudited)		December 31, 2015 (Audited)	
Authorized	**No. of shares**	**Amount**	No. of shares	Amount
Common stock - ₱1 par value:	**11,945,000,000**	**₱11,945,000,000**	11,945,000,000	₱11,945,000,000
Preferred stock - ₱0.01 par value	**5,500,000,000**	**55,000,000**	5,500,000,000	55,000,000
		₱12,000,000,000		₱12,000,000,000
Common shares				
Issued and outstanding	**6,291,500,000**	**₱6,291,500,000**	6,291,500,000	₱6,291,500,000
Preferred shares				
Subscribed		**55,000,000**		55,000,000
Subscription receivable		**(28,416,667)**		(28,416,667)
		₱6,318,083,333		6,318,083,333

On May 25, 2011, SEC approved the amendment of the Articles of Incorporation of ACR creating a class of preferred shares, by reclassifying 55,000,000 unissued common shares with a par value of ₱1.0 per share into 5,500,000,000 redeemable preferred voting shares with a par value of ₱0.01 per share.

The redeemable preferred shares have the following features:

a. Redeemable preferred shares may only be issued or transferred to Filipino citizens or corporations or associations at least 60% of capital of such corporations or associations is owned by Filipino citizens.

b. Holders of redeemable preferred shares are entitled to receive, out of the unrestricted retained earnings of ACR, cumulative dividends at the rate of 8% per annum of the par value of the preferred shares, before any dividends shall be paid to holders of the common shares.

c. ACR may, by resolution of the BOD, redeem the preferred shares at par value.

d. In the event of dissolution or liquidation, holders of redeemable preferred shares are entitled to be paid in full, or pro-rata insofar as the assets and properties of ACR will permit, the par value of each preferred share before any distribution shall be made to the holders of common shares, and are not entitled to any other distribution.

On February 4, 2013, Alsons Corporation subscribed 5,500,000,000 preferred shares with par value of ₱0.01 per share, from unissued authorized preferred shares of the Company. On the same date, Alsons Corporation paid ₱13,750,000 for the 25% subscription price of ₱55,000,000.

The following summarizes the information on the Parent Company's registration of securities under the Securities Regulation Code:

Date of SEC Approval	Authorized Shares	No. Of Shares Issued	Issue/Offer Price
1993	12,000,000,000	6,291,500,000	₱1

Retained Earnings

On May 4, 2012, the BOD approved the appropriation of 850 million of its retained earnings as at December 31, 2011, for its equity contributions to the following projects:

Project Name	Nature/Project Description	Amount (in Millions)	Timeline
SM 200 1 & 2	Phase 1 of the 205 MW coal-fired power plant in Maasim Sarangani	₱400	2015
ZAM 100	Construction of 105 MWcoal-fired power plant in San Ramon, Zamboanga City	150	2016
IDPP 1 & 2	Rehabilitation of 103 MW diesel plant in Iligan City	200	2013
Siguil	Hydro-electric power plant in Maasim, Sarangani	35	2017
Bago	Hydro-electric power plant in Negros Occidental	15	2019
SMI 400	400 MW coal-fired power plant facility in Tampakan copper-gold mine in South Cotabato	50	2019
		₱850	

On March 28, 2014, the BOD approved the appropriation of 850 million of its retained earnings as at December 31, 2013, for its equity contributions to the following projects:

Project Name	Nature/Project Description	Amount (in Millions)	Timeline
SM 200 1 & 2	Phase 1 of the 205 MW coal-fired power plant in Maasim Sarangani	₱600	2015
ZAM 100	Construction of 105 MWcoal-fired power plant in San Ramon, Zamboanga City	150	2016
Siguil	Hydro-electric power plant in Maasim, Sarangani	35	2017
Bago	Hydro-electric power plant in Negros Occidental	15	2019
SMI 400	400 MW coal-fired power plant facility in Tampakan copper-gold mine in South Cotabato	50	2019
		₱850	

On December 11, 2015, the BOD approved the reversal of appropriation relating to Phase 1 of the Sarangani project amounting to ₱400 million.

Retained earnings are restricted from being declared as dividend to the extent of the appropriation for equity to the foregoing projects.

The Parent Company declared the following cash dividends:

Year	Date of Declaration	Date of Record	Date of Payment	Amount	Per Share
2015	March 27, 2015	June 5, 2015	March 22, 2016	3,145,750	0.0005
2015	Mary 22, 2015	June 5, 2015	June 16, 2015	62,915,000	0.01
2014	May 23, 2014	June 30, 2014	July 24, 2014	101,000,000	0.016
2013	March 21, 2013	May 23, 2013	June 14, 2013	101,000,000	0,016

Dividends on preferred shares amounting to ₱4 million in 2015 and 2014 were applied against the Company's subscription receivable from Alcorp.

The share of non-controlling interests on the dividends declared by subsidiaries amounted to ₱390 million as of December 31, 2015.

The retained earnings is further restricted for dividend declaration to the extent of (a) undistributed earnings of subsidiaries amounting to ₱520 million as at December 31, 2015.

11. Earnings Per Share Attributable to Equity Holders of the Parent Company

Earnings Per Share

	Three Months Ended March 31,	
	2016 (Unaudited)	2015 (Unaudited)
Net income attributable to equity holders of the Parent Company	**₱88,406,210**	₱111,069,052
Divided by the average number of shares outstanding for the year	**6,291,500,000**	6,291,500,000
Basic/Diluted EPS	**₱0.014**	₱0.018

12. Income Tax

The major components of income tax expense in the consolidated statements of income for the period ended March 31, 2016 and 2015 are as follows:

	2016	2015
Current income tax expense	**₱51,583,040**	₱85,061,053
Deferred income tax expense (benefit) related to origination and reversal of deferred taxes	**49,019**	14,425,521
	₱51,632,059	₱99,486,574

13. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, short-term cash investments, AFS financial assets and loans and borrowings. The main purpose of these financial instruments is to raise finances for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and accounts payable and other current liabilities which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk (interest rate risk, equity price risk and foreign currency risk).

The management reviews and BOD approves policies for managing each of these risks and they are summarized below.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or a customer contract, leading to a financial loss. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

In the Group's real estate business, transfer of the property is executed only upon full payment of the purchase price. There is also a provision in the sales contract which allows forfeiture of the installment/deposits made by the customer in favor of the Group in case of default. These measures minimize the credit risk exposure or any margin loss from possible default in the payment of installments.

In the Group's power generation business, credit risk is significantly concentrated on NPC, the sole customer of SPPC and WMPC. It is the policy of the Group that all provisions in the ECA are complied with.

With respect to credit risk arising from the financial assets of the Group, which comprise cash and cash equivalents, short-term cash investments, trade and other receivables and AFS investments, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity Risk

Liquidity risk arises from the possibility that the Group encounter difficulties in raising funds to meet or settle its obligations at a reasonable price. The Group maintains sufficient cash and cash equivalents to finance its operations. Any excess cash is invested in short-term money market placements. These placements are maintained to meet maturing obligations and pay dividend declarations.

The table below summarizes the maturity profile of the Group's financial assets (held for liquidity purposes) and financial liabilities based on contractual undiscounted payments:

	March 31, 2016				
	On Demand	**< 1 Year**	**1–3 Years**	**> 3 Years**	**Total**
Cash and cash equivalents	**₱ 2,638,767,199**	**₱–**	**₱–**	**₱–**	**₱ 2,638,767,199**
Short-term cash investments*	–	**447,495,711**	–	–	**447,495,711**
Trade receivables	–	**1,138,432,274**	**6,758,473**	–	**1,145,190,747**
AFS financial assets	**2,340,075,861**	–	–		**2,340,075,861**
	₱4,978,843,060	**₱1,585,927,985**	**₱6,758,473**	**₱–**	**₱6,571,529,518**

	March 31, 2015				
	On Demand	< 1 Year	1–3 Years	> 3 Years	Total
Cash and cash equivalents	₱3,059,896,251	₱–	₱–	₱–	₱3,059,896,251
Short-term cash investments*	–	731,835,707	–	–	731,835,707
Trade receivables	–	861,234,677	7,843,712	–	869,078,389
AFS financial assets	120,621,172	–	–		120,621,172
	₱3,180,517,423	₱1,593,070,384	₱7,843,712	₱–	₱4,781,431,519

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's interest-bearing loan obligations with floating interest rate as it can cause a change in the amount of interest payments. The Group's policy is to manage its interest cost using a mix of fixed and variable debt rates.

Equity Price Risk
Equity price risk is the risk that the fair value of quoted AFS investment decreases as the result of changes in the value of individual stocks. The Group's exposure to equity price risk relates primarily to the Group's quoted AFS investments. The Group intends to hold these investments indefinitely in response to liquidity requirements or changes in market conditions.

The following table demonstrates the sensitivity to a reasonably possible change in equity price, with all other variables held constant, of the Group's consolidated equity. The reasonably possible change in equity price was based on the year to year change of stock market indices. In quantifying the effect of reasonably possible change in equity price, the expected return on the AFS investment is correlated to the return of the financial market as a whole through the use of beta coefficients. The methods and assumptions used in the analysis remained unchanged over the reporting periods.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its businesses and maximize shareholder's value.

The Group monitors its capital based on debt to equity ratio. The Group includes within debt interest bearing loans and borrowings. Capital includes equity attributable to the equity holders of the parent less (add) the net unrealized gain (loss) reserve and cumulative translation adjustment.

The Group's current ratio and debt-to-equity ratio as of March 31, 2016 and December 31, 2015 follow:

Current Ratio

	2016	2015
Current assets	**₱7,596,371,417**	₱7,902,997,308
Current liabilities	**1,909,798,463**	2,025,155,511
	3.98 :1	3.90:1

Debt-to-Equity Ratio

	2016	2015
Loans payable	**₱-**	₱300,000,017
Long-term debt (net of unamortized transaction costs)	**17,194,249,853**	16,900,009,189
Total debt	**17,194,249,853**	17,200,009,206
Equity	**10,176,776,081**	10,183,374,008
Other equity reserves	**(1,681,983,030)**	(1,767,643,490)
Total equity	**₱8,494,793,051**	₱8,415,730,518
	2.02:1	2.04:1

14. Financial Instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

During the nine-month period ended March 31, 2016, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are submitted as part of this report:

Interim Financial Statements as of March 31, 2016 and for the Three-Month Periods Ended March 31, 2016 and 2015 (with Comparative Audited Consolidated Balance Sheet as of December 31, 2015).

Key Performance Indicators

The following key performance indicators were identified by the Company and included in the discussion of the results of operations and financial condition for the Three months ended March 31, 2016 and 2015. (Amounts in million pesos, except ratios)

Financial KPI	Definition	March 31 2016	March 31 2015
Profitability			
REVENUES		**₱1,252**	**₱1,201**
EBITDA		**320**	**465**
EBITDA Margin	EBITDA / Net Sales	**26%**	**39%**
Return on Equity	Net Income / Total Average Stockholders' Equity	1.46%	2.06%
NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS		**88**	**111**
Efficiency			
Operating Expense Ratio	Operating Expenses / Gross Operating Income	18%	33%
Liquidity			
Net Debt Coverage	Cash Flow from Operating Activities / Net Financial Debt	2%	4%
CURRENT RATIO	Current Assets / Current Liabilities	3.98:1	3.94:1
DEBT-TO-EQUITY RATIO		1.68:1	1.35:1
Asset-to-equity Ratio	Total Assets / Total Equity	2.96:1	2.94:1
Interest Rate Coverage Ratio	Earnings Before Interest and Taxes / Interest Expense	4.86:1	5.15:1

Profitability

Earnings before interest, taxes, depreciation and amortization (EBITDA) margin of the Company decreased to 26% from 39% in the same period last year due mainly to lower income this year resulting from the change of Western Mindanao's ECA with NPC to Merchant effective

December 18, 2015. Return on equity (ROE) also decreased from 2.06% to 1.46% due mainly to the lower net income generated during the current period.

Efficiency

For the three-month period ended March 31, 2016, the Company's three diesel plants sold 316 gigawatt hours of electricity – 7% less than the 340 gigawatt hours sold in the same period last year. All these plants have significantly contributed to alleviating the power shortage in Mindanao. Operating expense ratio decreased to 18% from last year's 33% due to lower operating income in 2016.

ACR's cash flows used in operations this year also amounting to ₱308 million from a last year's positive cash flows of ₱741 million resulting from higher receivables during the year. Net debt coverage ratio decreased to 2% from 4% in 2015 due to the lower operating cash flows, while current ratio slightly increased to 3.98:1 from last year's 3.94:1 resulting from lower cash and cash equivalents during the period.

DESCRIPTION OF KEY PERFORMANCE INDICATORS:

1. REVENUES. Revenue is the amount of money that the company subsidiaries receive arising from their business activities and is presented in the top line of the statements of income. The present revenue drivers of the Company are i) Energy and power and ii) Real estate. Revenue growth is one of the most important factors management and investors use in determining the potential future stock price of a company and is closely tied to the earnings power for both the near and long-term timeframes. Revenue growth also aids management in making a sound investment decision.

2. EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA). The Company computes EBITDA as earnings before extra-ordinary items, net finance expense, income tax, depreciation and amortization. It provides management and investors with a tool for determining the ability of the Company to generate cash from operations to cover financial charges and income taxes. It is also a measure to evaluate the Company's ability to service its debts, to finance its capital expenditure and working capital requirements.

3. NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT. Net income attributable to shareholders is one more step down from net income on the income statement. The net income of a company is just all of the revenues minus all of the expenses including interest expenses and taxes. Net income attributable to shareholders is the net income minus the non-controlling interests. This aids management and investors in identifying company's profit allocated to each outstanding share.

4. DEBT-TO-EQUITY RATIO. This measures the company's financial leverage calculated by dividing its total liabilities by stockholders' equity. It indicates what proportion of equity and debt the company is using to finance its assets.

5. CURRENT RATIO. Current ratio is a measurement of liquidity computed by dividing current assets by current liabilities. It is an indicator of the Company's ability to meet its current maturing obligations. The higher the ratio, the more liquid the Company presents.

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

RESULTS OF OPERATIONS

The three months financial results showed ₱1,252 million revenues, 4% higher than the ₱1,201 million revenues in 2015. The increase in WMPC revenues from ₱340 million in 2015 to ₱505 million this year was negated by the lower revenues of MPC of ₱557 million from ₱674. WMPC became a merchant plant effective December 19, 2015.

Cost of goods sold and services was also higher in 2016 due mainly to the pass-on fuel cost of WMPC, as a result gross profit significantly lower this year at ₱310 million from ₱499 million in 2015 and gross profit rate from 42% to 25%.

General and administrative expenses decreased significantly by 19% from ₱103 million to ₱83 million this year; this is due primarily to the cost reduction measures implemented by WMPC and SPPC during the year.

Net finance charges this year was at ₱33 million compared to last year's ₱71 million. The settlement of maturing obligations of the operating Companies resulted to a lower interest expense this year.

Other income of ₱6 million in 2016 versus a loss of ₱13 million earned in 2015 due to the one-time loss resulting from a disposal of a portion of undeveloped property of Alsons Land during that year.

The consolidated net income before tax for the period was 36% lower at ₱200 million from ₱313 million in 2015. Provision for income tax was also lower this year at ₱52 million from ₱99 million in 2015 due to lower taxable income. Parent net income was slightly lower at ₱88 Million against the ₱111 Million registered in the same period last year. The resulted earnings per share of ₱0.014 from ₱0.018 in previous year was 20% lower.

REVIEW OF FINANCIAL POSITION

ACR and Subsidiaries posted total assets of ₱30,101 million is at the same level at the end of 2015.

Current assets slightly increased by 1% from ₱22,263 million to ₱22,504 million brought about by the construction in progress of the power plant of Sarangani Energy during the period.

Non-current assets increased 9% from ₱17,960 million to ₱19,588 million. This is due largely to the increase in property, plant and equipment resulting from the on-going construction of SEC power plant during the period.

Total liabilities amounted to ₱19,447 million, 1% lower than the ₱19,566 million reported at the end of 2015. The loans payable drawdown of the project loan for SEC led to the increase in total liabilities.

As of March 31, 2016, ACR's current ratio increased from 1.94:1 to 1.98:1 and its debt to equity ratio increased to 1.68:1 from 1.35:1 last year.

ACR's consolidated statement of cash flows showed that cash from operating activities is the major source of funding for payment of maturing loans, while cash flows from financing activities was used for additional capital expenditures.

i. Causes of the material changes (5% or more) in balances of relevant accounts as of March 31, 2016 compared to December 31, 2015 are as follows:

   a) **Cash and Cash Equivalents** – Decreased 33%
   The decrease is due mainly to the timing of usage of cash by the operating Companies as well as the cash drawn from the project loan of Sarangani Energy and the Parent Company during the period.

   b) **Short-term Cash Investments** – Increased 159%
   The increase is due mainly to additional placements of SPPC and WMPC during the year.

   c) **Trade and other receivables** – Increased 30%
   The increase is due mainly to the timing of collection of trade receivables during the period.

   d) **Spare Parts and Supplies** – Increased 29%
   The increase is due mainly to the spare parts billed of Sarangani Energy during the period as well as usage of the SPPC, MPC and WMPC for their regular maintenance.

   e) **Goodwill** – Decreased 6%
   The decrease is due mainly to the foreign exchange difference from last year's year-end rate of ₱47.06 to ₱46.11 as of the end of the period.

   f) **Retirement Assets** – Decreased 7%
   The decrease was due to the additional accrual of current service costs of SPPC and WMPC which were deducted from the balance of the retirement Assets during the year.

   g) **Other Noncurrent Assets** – Decreased 37%
   The decreased was due mainly to the reclassification of deferred project cost to property and equipment during the period.

   h) **Accounts Payable and Accrued Expenses** – Increased 9%
   The timing of payments of trade payables led to the increase in this account during the period.

   i) **Income Tax Payable** – Increased 77%
   Timing of payments of income tax payable led to the increase in this account during the period.

   j) **Loans Payable** – Decreased 100%
   The decrease was due to the full repayment of the loans payable during the period.

   k) **Retirement Payable** – Decreased 25%
   The settlement of retirement benefits of some SPPC employees caused the decrease in in this account.

l) **Reserves** – Decreased 5%
The translation of US$ denominated assets of the SPPC and WMPC at current PhP exchange rate caused the decrease in this account.

m) **Noncontrolling Interest** – Increased 14%
The share on noncontrolling interest in consolidated net income during the period caused the increase in this account during the period.

ii. Events that will trigger Direct or Contingent Financial Obligation that is material to the Company, including any default or acceleration of obligation.

Some of the subsidiaries or affiliates of the Company are from time to time involved in routine litigation and various legal actions incidental to their respective operations. However, in the opinion of the Company's management, none of the legal matters in which its subsidiaries or affiliates are involved have material effect on the Company's financial condition and results of operations.

iii. There are 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.

PART II -- OTHER INFORMATION

Other Required Disclosures

1. The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2015.

2. Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

3. There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.

4. Except as disclosed in the MD&A, there were no other issuances, repurchases and repayments of debt and equity securities.

5. There were no material events subsequent to March 31, 2016 up to the date of this report that needs disclosure herein.

6. There were no changes in the composition of the Company during the interim period such as business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

7. There were no changes in contingent liabilities or contingent assets since December 31, 2015.

8. There are no material contingencies and other material events or transactions affecting the current interim period.

9. There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

10. There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact to the Company.

11. There is no significant element of income or loss that did not arise from the Company's continuing operations.

12. There are no known seasonal or cyclical aspects that had a material effect on the financial condition or results of operations for the interim period.

13. There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources for such expenditures.

14. Any seasonal aspects that had a material effect on the financial condition or results of operations.

    ACR being a holding company has no seasonal aspects that will have any material effect on its financial condition or operational results.

    ACR's power business units generates fairly stable stream of revenues throughout the year.

    ACR's real property development does not show any seasonality. The remaining real estate inventory of Alsons Land does not shown signs of impairments during the period.

    There are NO matters and events that need to be disclosed under SEC Form 17-C.

SIGNATURES

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

ALSONS CONSOLIDATED RESOURCES, INC.
Issuer

By:

Registrant : ______________________ **Date:** 5/11/16

TIRSO G. SANTILLAN, JR.
Executive Vice-President & COO

______________________ **Date:** 5/11/16

LUIS R. YMSON, JR.
Chief Financial Officer

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
ACCOUNTS RECEIVABLES
AS OF MARCH 31,2016

Attachment A

Type of Accounts Receivable:	TOTAL	1month	2-3months	4-6months	7months to 1year	1-2years	3-5years	5years and above	Past due Accounts
a) Accounts Receivable – Trade									
1 Power	1,052,974,871	851,095,719	81,171,515	8,088,326	1,324,774	111,294,537	-	-	-
2 Real Estate	76,037,141	621,657	1,355,515	1,072,486	2,280,729	8,798,327	7,696,261	54,212,166	-
3 Rental	9,420,259	521,053	289,072	299,149	541,463	987,113	2,177,093	4,605,316	-
4 Plywood Hardiflex, agri & Ind'l	31,730,458	-	-	-	-	-	-	31,730,458	-
Subtotal	1,170,162,729	852,238,429	82,816,102	9,459,961	4,146,966	121,079,977	9,873,354	90,547,940	-
Less: Allow. For Doubtful Accounts	75,037,920	-	-	-	-	-	-	75,037,920	
Net Trade Receivables	**1,095,124,809**	**852,238,429**	**82,816,102**	**9,459,961**	**4,146,966**	**121,079,977**	**9,873,354**	**15,510,020**	-
b) Accounts Receivable – Others									
1 Advances affiliates/project developer/joint venture	887,455,580	6,147,826	1,399,512	1,835,374	1,695,682	1,417,294	11,619,985	863,339,907	-
2 Advances contractors and suppliers	48,949,962	13,195,395	18,408,528	10,185,574	-	-	-	7,160,465	-
3 Accrued Interest	1,554,925	1,554,925	-	-	-	-	-	-	-
4 Advances officers & employees	3,813,820	999,118	565,413	130,865	1,136,963	347,073	88,077	546,311	-
5 Miscellaneous and other receivables	268,859,108	169,778,910	15,628,811	3,449,444	1,314,591	7,770,239	49,504,875	21,412,238	-
Total Accounts Receivable – Others	**1,210,633,395**	**191,676,173**	**36,002,264**	**15,601,258**	**4,147,235**	**9,534,606**	**61,212,937**	**892,458,921**	-
Less: Allow. For Doubtful Accounts	5,363,999							5,363,999	-
	1,205,269,396	**191,676,173**	**36,002,264**	**15,601,258**	**4,147,235**	**9,534,606**	**61,212,937**	**887,094,922**	-
ACCOUNTS RECEIVABLE-NET (a + b)	**2,300,394,205**	**1,043,914,602**	**118,818,366**	**25,061,220**	**8,294,202**	**130,614,583**	**71,086,291**	**902,604,942**	-

Accounts Receivable Description

Type of Receivable	Nature/Description	Collection Period
1. Trade receivable		
a) Power	Receivable arising from sale of power to NPC	30 days
b) Lots	Sale of residential lots	3 to 10 years
c) Rental	Office, parking & warehouse rental	30 days
d) Plywood Hardiflex, agri & Ind'l	Sale of ecowood, fiber cement board, Agri & Industrial products	38,58 & 130 days
2. Non-Trade receivable		
a) Advances Officers & Employees	Cash advances for business expenses	30 days
b) Advances Operators/Contractors	Advances made to operators/contractors	30 days
c) Accrued Interest	Interest on temporary investments	30 – 90 days
d) Others	Advances to various and other entities for business/investment	
	development and routinary inter-company transactions.	30 days – 2 years

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Supplementary Schedules
As of March 31,2016

Attachment B

Title of Issue and Type of Obligation	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Term	Maturity	Non-Current Portion of Long-Term Debt in the Balance Sheet
Parent Company					
Development Bank of the Phils.	-	Fixed 7.243%	Maturity Date	3. Dec. 2020	3,481,747,036
Land Bank of the Philippines	-	Fixed 7.243% and 7.92%	Maturity Date / Annually	3. Dec. 2020 and 3. Dec. 2022	2,387,454,747
Robinsons Bank Corporation	-	Fixed 7.243% and 7.92%	Maturity Date / Annually	3. Dec. 2020 and 3. Dec. 2022	985,192,895
Social Security System	-	Fixed 7.243%	Maturity Date	3. Dec. 2020	488,572,987
SSS Provident Fund	-	Fixed 7.92%	Annually	3. Dec. 2022	69,204,910
Southern Philippines Power Corp.					
Development Bank of the Phils.	29,821,672	Fixed 2.25%	Quarterly	15. Jul. 2016	-
Development Bank of the Phils.	15,369,333	Fixed 3.57%	Quarterly	15. Jul. 2016	-
Saranggani Energy Corp.					
Banco de Oro	83,537,113	Fixed 8.06%	Semi-Annual	19. Oct. 2026	4,902,080,582
RCBC	16,379,826	Fixed 8.06%	Semi-Annual	19. Oct. 2026	961,192,271
UCPB	16,379,826	Fixed 8.06%	Semi-Annual	19. Oct. 2026	961,192,271
Asia United Bank	24,569,739	Fixed 8.06%	Semi-Annual	19. Oct. 2026	1,441,788,407
Philippine Business Bank	8,189,913	Fixed 8.06%	Semi-Annual	19. Oct. 2026	480,596,136
Planters Development Bank	1,637,983	Fixed 8.06%	Semi-Annual	19. Oct. 2026	96,119,227
Robinson Savings Bank	1,637,983	Fixed 8.06%	Semi-Annual	19. Oct. 2026	96,119,227
Mapalad Power Corporation					
Banco de Oro	91,250,444.99	Fixed 6.25%	Semi-Annual	15. Aug. 2019	554,215,323.44
TOTAL	**288,773,833**				**16,905,476,019**

Alsons Consolidated Resources, Inc. and Subsidiaries **Attachment C**

Schedule of Financial Soundness

Financial KPI	Definition	Three Months Period Ended March 31	
		2016	2015
Liquidity			
Current Ratio / Liquidity Ratio	Current Assets / Current Liabilities	3.98:1	3.94:1
Solvency			
Debt to Equity Ratio/Solvency Ratio	Long-term debt (net of unamortized transaction costs)+Loans Payable+Derivative Liability / (Capital Stock+Other Reserves+Cumulative Transalation Adjustments+RE)	1.68:1	1.35:1
Interest Rate Coverage Ratio			
Interest Rate Coverage Ratio	Earnings Before Interest and Taxes / Interest Expense	4.86:1	5.15:1
Profitability Ratio			
Return on Equity	Net Income / Total Average Stockholders' Equity	1.46:1	2.09:1
Asset-to-Equity Ratio			
Asset-to-Equity Ratio	Total Assets / Total Equity	2.96:1	2.64:1