

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 31 March 2015
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

| <u>Title of Each Class</u> | <u>Number of Shares of Common Stock</u> | <u>Outstanding and Amount of Debt Outstanding</u> |
|-------------------------------|---|---|
| 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 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 No
 - (b) has been subject to such filing requirements for the past 90 days.
Yes No

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Alsons Consolidated Resources, Inc.
and Subsidiaries

Unaudited Interim Condensed Consolidated Financial Statements
As at March 31, 2015 and for the Three-Month Periods Ended
March 31, 2014
*(With Comparative Audited Consolidated Balance Sheet
as at December 31, 2014)*

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED BALANCE SHEET
MARCH 31, 2015
(With Comparative Audited Figures as at December 31, 2014)

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|---|----------------------------------|-----------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents (Note 4) | P3,059,896,251 | P2,512,383,375 |
| Short-term cash investments (Note 13) | 731,835,707 | 34,444,998 |
| Trade and other receivables (Note 5) | 4,032,166,984 | 4,008,142,109 |
| Spare parts inventories | 186,678,346 | 241,564,024 |
| Real estate inventories (Note 6) | 636,761,696 | 642,340,836 |
| Prepaid expenses and other current assets | 321,372,038 | 326,665,057 |
| Total Current Assets | 8,968,711,022 | 7,765,540,399 |
| Noncurrent Assets | | |
| Noncurrent portion of installment receivables | 7,843,712 | 7,843,712 |
| Investments in real estate (Note 6) | 1,465,247,689 | 1,527,215,497 |
| Investments in associates | 1,218,315,960 | 1,218,315,960 |
| Property, plant and equipment | 13,638,791,188 | 13,410,542,642 |
| Available-for-sale financial assets | 120,621,172 | 117,040,963 |
| Goodwill (Note 7) | 1,003,526,164 | 1,001,896,049 |
| Retirement assets | 43,506,658 | 45,200,561 |
| Deferred tax assets - net | 14,552,098 | 30,268,777 |
| Other noncurrent assets (Note 8) | 530,621,436 | 601,428,826 |
| Total Noncurrent Assets | 18,043,026,077 | 17,959,752,987 |
| | P27,011,737,099 | P25,725,293,386 |
| <hr/> | | |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable and other current liabilities (Note 9) | P1,595,784,651 | P1,464,218,604 |
| Loans payable | - | 259,999,978 |
| Income tax payable | 213,829,680 | 120,268,492 |
| Derivative liability | 27,595,736 | 27,595,736 |
| Current portion of long-term debt | 437,007,291 | 590,427,513 |
| Total Current Liabilities | 2,274,217,358 | 2,462,510,323 |
| Noncurrent Liabilities | | |
| Long-term debt - net of current portion (Note 13) | 13,484,361,601 | 12,348,264,305 |
| Deferred tax liabilities - net | 419,844,859 | 431,506,243 |
| Retirement payable | 7,506,464 | 7,472,680 |
| Asset retirement obligation (Note 13) | 67,548,679 | 67,169,574 |
| Total Noncurrent Liabilities | 13,979,261,603 | 12,854,412,802 |
| Total Liabilities | 16,253,478,961 | 15,316,923,125 |

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED BALANCE SHEET

MARCH 31, 2015

(With Comparative Audited Figures as at December 31, 2014)

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--------------------------------------|---|--|
| Equity (Note 10) | | |
| Capital stock | 6,313,683,333 | 6,313,683,333 |
| Other reserves | 1,707,601,786 | 1,613,004,480 |
| Retained earnings: | | |
| Appropriated | 1,700,000,000 | 1,700,000,000 |
| Unappropriated | 600,997,465 | 489,928,413 |
| Attributable to owners of the parent | 10,322,282,584 | 10,116,616,226 |
| Non-controlling interests | 435,975,554 | 291,754,035 |
| Total Equity | 10,758,258,138 | 10,408,370,261 |
| | P27,011,737,099 | P25,725,293,386 |

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 | |
|--|--------------------------------|----------------------------|
| | 2015 Unaudited | 2014 (Note 9) Unaudited |
| REVENUE | | |
| Energy fees | P1,188,100,184 | P1,125,277,512 |
| Sale of real estate | 4,673,300 | - |
| Management fees | 6,198,499 | 6,275,731 |
| Rental income and others | 2,372,142 | 2,248,502 |
| | P1,201,344,125 | P1,133,801,745 |
| INCOME (EXPENSES) | | |
| Cost of goods and services | (701,517,860) | (725,784,585) |
| General and administrative expenses | (102,557,645) | (84,723,370) |
| Finance income (charges) - net | (70,924,530) | (59,172,480) |
| Other income - net | (13,157,282) | 8,339,104 |
| | (888,157,317) | (861,341,331) |
| INCOME BEFORE INCOME TAX | P13,186,808 | P272,460,414 |
| PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 12) | | |
| Current | 85,061,053 | 96,521,605 |
| Deferred | 14,425,521 | (12,480,125) |
| | 99,486,574 | 84,041,480 |
| NET INCOME | P213,700,234 | P188,418,934 |
| Attributable to: | | |
| Owners of the parent (Note 10) | P111,069,052 | P108,639,442 |
| Non-controlling interest | 102,631,182 | 79,779,492 |
| | P213,700,234 | P188,418,934 |
| Basic/diluted earnings per share attributable to owners of the parent | P0.018 | P0.017 |

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 | |
|---|------------------------------------|-----------------------------------|
| | 2015 (Unaudited) | 2014 (Unaudited) |
| NET INCOME FOR THE PERIOD | ₱213,700,234 | ₱188,418,934 |
| OTHER COMPREHENSIVE INCOME | | |
| <i>Items that will be reclassified subsequently to profit or loss</i> | | |
| Gain on valuation of AFS financial assets | 3,580,208 | 7,220,233 |
| Translation adjustment | 132,607,435 | 253,200,351 |
| | 136,187,643 | 260,420,584 |
| TOTAL COMPREHENSIVE INCOME (LOSS) | ₱349,887,877 | ₱448,839,518 |
| Attributable to: | | |
| Owners of the parent | ₱205,666,358 | ₱369,060,026 |
| Non-controlling interests | 144,221,519 | 79,779,492 |
| | ₱349,887,877 | ₱448,839,518 |

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, 2015 and 2014

| Attributable to Equity Holders of the Parent | | | | | | |
|--|-----------------|----------------|--|----------------------------------|--------------------------------|------------------------------------|
| | Capital | Actuarial | Gains (Losses) on AFS Financial Assets | Unappropriated Retained Earnings | Appropriated Retained Earnings | Cumulative Translation Adjustment |
| | Stock (Note 10) | Gains (Losses) | | | Equity Reserves | Non-controlling Interests (Note 1) |
| Balance at December 31, 2014 | ₱6,313,683,333 | ₱5,487,847 | (₱58,243,535) | ₱489,925,413 | ₱1,700,000,000 | ₱1,520,279,471 |
| Net income | — | — | 111,069,052 | — | — | 111,069,052 |
| Other comprehensive income | — | — | 3,580,208 | — | — | 94,597,306 |
| Total comprehensive income (loss) | — | — | 111,069,052 | — | — | 205,666,358 |
| Appropriation of retained earnings | — | — | — | — | — | — |
| Redemption of preferred shares | — | — | — | — | — | — |
| Balance at March 31, 2015 | ₱6,313,683,333 | ₱5,487,847 | (₱54,663,327) | ₱600,997,165 | ₱1,700,000,000 | ₱1,611,296,597 |
| | | | | | | ₱10,322,382,584 |
| | | | | | | ₱45,975,554 |
| | | | | | | ₱10,758,258,138 |
| Balance at December 31, 2014 | ₱6,291,500,000 | ₱1,558,367 | ₱23,754,589 | ₱1,156,385,631 | ₱850,000,000 | ₱1,575,034,794 |
| Issuance of Preferred shares | 55,000,000 | (57,216,667) | — | — | — | 55,000,000 |
| Subscription receivable | — | — | — | — | — | (37,216,667) |
| Preferred shares for the period | 17,783,334 | — | — | 108,639,442 | — | 17,783,334 |
| Net income | — | — | — | 7,220,233 | — | 108,639,442 |
| Other comprehensive income | — | — | — | — | 14,343,924 | 79,779,492 |
| Total comprehensive income (loss) | — | — | — | 108,639,442 | 238,356,427 | 188,418,934 |
| Appropriation of retained earnings | — | — | — | — | 14,343,924 | 260,420,584 |
| Redemption of preferred shares | — | — | — | — | — | (89,268,181) |
| Balance at March 31, 2015 | ₱6,309,283,333 | ₱1,558,367 | ₱35,974,822 | ₱15,025,073 | ₱1,700,000,000 | ₱1,593,324,621 |
| | | | | | | ₱1,313,891,221 |
| | | | | | | ₱45,325,434 |
| | | | | | | ₱10,691,882,921 |

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 | |
|---|------------------------------------|----------------------------|
| | 2015 (Unaudited) | 2014 (Unaudited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | ₱313,186,808 | ₱272,460,414 |
| Adjustments for: | | |
| Depreciation and amortization | 81,333,825 | 192,087,968 |
| Interest income | (1,083,534) | (3,613,716) |
| Finance charges | 72,008,064 | 65,318,244 |
| Retirement cost | 33,784 | - |
| Unrealized foreign exchange loss (gain) | (5,254,165) | 21,485,394 |
| Impairment loss on deferred project cost | - | - |
| Loss (gain) on sale of property and equipment | 44,357,148 | 262,162 |
| Operating income before working capital changes | 504,581,930 | 548,000,466 |
| Decrease (increase) in: | | |
| Trade and other receivables | (24,024,875) | (39,186,752) |
| Prepaid expenses and other current assets | (200,915,591) | (118,380,853) |
| Spare parts and supplies | 54,885,678 | 6,329,360 |
| Increase (decrease) in: | | |
| Accounts payable and other current liabilities | 313,185,729 | (22,583,353) |
| Customers' deposits | - | 5,206,777 |
| Net cash flows from operations | 647,712,871 | 379,385,645 |
| Increase (decrease) in income tax payable | 93,561,188 | (11,038,633) |
| Net cash flows from (used in) operating activities | 741,274,059 | 368,347,012 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Decrease (increase) in: | | |
| Other noncurrent assets | 70,807,390 | (10,619,652) |
| Due from related parties | (35,318,931) | (35,318,931) |
| Short-term cash investments | (697,390,709) | (480,555,687) |
| Investments in real estate | 61,967,808 | - |
| Additions to property, plant and equipment (Note 7) | (309,582,371) | (1,023,639,225) |
| Interest received | 1,083,534 | 4,729,948 |
| Increase in other noncurrent liabilities | - | 24,546,021 |
| Computer software | - | (3,741,353) |
| Proceeds from disposal of property and equipment | 68,470,990 | 1,862,021 |
| Net cash flows from (used in) investing activities | (804,643,358) | (1,547,282,879) |

(Forward)

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

| | Three Months Ended March 31 | |
|---|-----------------------------|-----------------------|
| | 2015 | 2014 |
| | (Unaudited) | (Unaudited) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Availment (payments) of: | | |
| Net availment of debts | 722,677,096 | 2,899,580,679 |
| Interest | (111,794,920) | (77,664,654) |
| Net cash flows used in financing activities | <u>610,882,176</u> | <u>2,821,916,025</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | |
| | 547,512,876 | 1,642,980,158 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | | |
| | <u>2,512,383,375</u> | <u>1,422,362,785</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4) | | |
| | <u>P3,059,896,251</u> | <u>P3,065,342,943</u> |

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:

| Subsidiaries | Nature of business | Percentage of Ownership | | | |
|--|-------------------------------|-------------------------|----------|-------------------|----------|
| | | March 31, 2015 | | December 31, 2014 | |
| | | 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 |
| 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 | 100.00 | — | 100.00 | — |
| Kalaong Power Corporation (Kalaong) | 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 | 100.00 | — | 100.00 | — |
| 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 | — |

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. On June 27, 2011, ACR acquired full control of Sarangani through an agreement with CHC, wherein CHC assigns 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. On the same date, ACR entered into a Development Fee Agreement with TTC, wherein TTC agreed to pay ACR a development fee amounting to \$5.75 million or ₱236 million, representing compensation to ACR as sole project proponent for the time, risk, and resources in developing Sarangani project.

Sarangani has obtained a ₱9.3 billion project financing facility from syndicate of domestic banks on December 12, 2012. The notice to proceed to commence the relevant sub-contract works in accordance with the Engineering Procurement Construction Contract was issued to Daclim Industrial, Inc. of Korea on December 28, 2012. Commercial operation is expected to commence in the fourth quarter of 2015 and the total project cost of the power plant is estimated at ₱14 billion.

Sigil and Kalaong. The Parent Company organized and incorporated Sigil and Kalaong on July 22, 2011 as wholly owned subsidiaries. Sigil 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. As at March 31, 2015, Sigil and Kalaong have not started commercial operations.

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. Daclim Industrial, Inc. of Korea is also its EPC contractor. The total project cost is estimated at ₱13 billion. As at March 31, 2015, SRPI is still in the process of negotiation with various banks to finance the project.

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, 2015 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. As of March 31, 2015, 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, 205, 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, 2015 and for the Three-month periods ended March 31, 2015 and 2014 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, 2014.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and the subsidiaries it controls (see Note 1).

New Standards, Interpretations and Amendments thereto, Adopted by the Group

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, 2014.

New Standards Issued

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, 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 | (17,141,166) | (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 |

| Three Months Ended March 31, 2014 (Unaudited) | | | | | | |
|---|-----------------|-------------|-------------------|-----------------|------------------------------|-----------------|
| | Power | Real Estate | Other Investments | Total | Adjustments And Eliminations | Consolidated |
| Earnings Information | | | | | | |
| Revenues | | | | | | |
| External customer | ₱ 1,131,553,243 | ₱ 2,248,502 | ₱ - | ₱ 1,133,801,745 | ₱ - | ₱ 1,133,801,745 |
| Inter-segment | - | - | - | - | - | - |
| Total revenues | 1,131,553,243 | 2,248,502 | - | 1,133,801,745 | - | 1,133,801,745 |
| Interest expense | (20,883,051) | (1,152,179) | (40,750,966) | (62,786,196) | - | (62,786,196) |
| Interest income | 3,404,014 | 166,941 | 42,761 | 3,613,716 | - | 3,613,716 |
| Provision for income tax | 92,913,529 | 9,121 | - | 92,922,650 | - | 92,922,650 |
| Net income | 253,192,106 | (3,720,281) | (61,052,891) | 188,418,934 | - | 188,418,934 |

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, 2015 (Unaudited) | December 31, 2014 (Audited) |
|---------------|----------------------------------|-----------------------------------|
| Cash on hand | ₱ 15,341,083 | ₱ 59,500 |
| Cash in banks | 3,044,555,168 | 2,512,323,875 |
| | ₱ 3,059,896,251 | ₱ 2,512,383,375 |

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, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|----------------------------------|-----------------------------------|
| Trade | | |
| Power | ₱775,777,277 | ₱762,478,325 |
| Real estate | 85,457,400 | 83,760,479 |
| Product distribution and others | 31,730,458 | 31,730,458 |
| Due from related parties (see Note 14) | 3,088,003,584 | 2,944,690,536 |
| Retention receivable | 57,364,378 | 115,393,178 |
| Others | 74,549,633 | 150,573,048 |
| | 4,112,882,730 | 4,088,626,024 |
| Less allowance for doubtful accounts | 80,715,746 | 80,483,915 |
| | ₱4,032,166,984 | ₱4,008,142,109 |

Power

Represent billings to NPC by SPPC and WMPC under existing ECAs (see Note 34 of the Audited Financial Statements in 2014). These receivables are noninterest-bearing and are generally on 30 days term. Trade receivables include long-outstanding receivables of SPPC from NPC amounting to (\$2.48 million) as at March 31, 2015 and December 31, 2014, respectively, representing billings from 2005 to 2006 for additional 5MW installed capacity nominated by SPPC. The allowance provided amounting to (\$0.69 million) as at March 31, 2015 and December 31, 2014, 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, 2015 and December 31, 2014.

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 2014 Audited Financial Statements).

6. Real Estate Inventories and Investments in Real Estate

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|----------------------------------|-----------------------------------|
| Real estate inventories: | | |
| Eagle Ridge Project (General Trias, Cavite) | ₱617,237,011 | ₱622,816,151 |
| Campo Verde Project ((Lipa and Malvar, Batangas) | 19,524,685 | 19,524,685 |
| | ₱636,761,696 | ₱642,340,836 |

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|----------------------------------|-----------------------------------|
| Investments in real estate: | | |
| CASI Property (Lanang, Davao City) | ₱1,275,631,722 | ₱1,275,631,722 |
| ALC Property (Pasong Tamo) | 131,312,070 | 131,810,479 |
| Batangas Project (Lipa and Malvar, Batangas) | 53,617,761 | 115,087,360 |
| Laguna Project (Cabuyao, Laguna) | 4,685,936 | 4,685,936 |
| | ₱1,465,247,689 | ₱1,527,215,497 |

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 ₱1,048 million 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 ₱49 million were capitalized as part of "Investment in real estate". Also ACR incurred input VAT amounting to ₱103 million in 2014 arising from this transaction. (See Note 15 of the 2014 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 ₱1,003 million as at March 31, 2015 and ₱1,002 million as at December 31, 2014.

The movement during the three month period ended March 31, 2015 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, 2015, management concludes that there are no indicators of impairment that could result in the impairment of goodwill.

8. Other Noncurrent Assets

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|----------------------------------|-----------------------------------|
| Mining rights and deferred exploration costs | ₱229,844,041 | ₱229,884,041 |
| Deferred project costs | 229,660,808 | 225,271,124 |
| Deposits | 25,592,842 | 98,611,384 |
| Deferred oil exploration costs | 63,372,934 | 63,372,934 |
| Computer software | 24,882,924 | 24,882,924 |
| Deferred financing costs | 17,593,143 | 17,593,143 |
| Others | 3,409,678 | 5,186,210 |
| | 594,356,370 | 664,801,760 |
| <u>Less provision for impairment loss</u> | <u>63,734,934</u> | <u>63,372,934</u> |
| | ₱530,621,436 | ₱601,428,826 |

Mining rights

In 1997, Aldevinco entered into a Mineral Production Sharing Agreement (MPSA) with the Republic of the Philippines for the exploration, sustainable development and commercial utilization of mineral deposits covering 1,547.32 hectares in the Municipalities of Nabunturan and Maco in Compostela Valley (the Manat Claims).

In 1999, Aldevinco and SECO entered into a joint venture (the Joint Venture), for the purpose of prospecting, exploring, and developing and mining the Manat Claims. Under the Joint Venture Agreement, SECO shall conduct exploration works on the Manat Claims. SECO's participating interest shall be (a) 25% after completion of certain work program and/or incurring total expenditures of US\$1,000,000; and (b) 50% after completion of certain work program and/or incurring total expenditure of US\$2,250,000. As soon as SECO shall have earned 50% participating interest, SECO and Aldevinco shall register the joint venture as a partnership with the SEC to qualify it to hold legal title to the Manat Claims and other properties acquired by the Joint Venture.

In 2007, ACRMC acquired Aldevinco's 75% participating interest in the Joint Venture for ₱195 million.

As at March 31, 2015 and December 31, 2014, the participating interests of ACRMC and SECO in the Joint Venture are 75% and 25%, respectively.

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, 2015 and December 31, 2014, 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.

Others. Other project costs include deferred exploration costs incurred by ACRMC for the mineral deposits in the Manat Claims. As at March 31, 2015, the Manat MPSA is still in the exploration phase of development.

9. Accounts Payable and Other Current Liabilities

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|--|----------------------------------|-----------------------------------|
| Trade | ₱698,094,284 | ₱581,408,965 |
| Accrued expenses | 319,018,019 | 351,596,254 |
| Payable to customers | 301,443,388 | 301,443,388 |
| Output tax and withholding tax payable | 83,885,213 | 111,431,676 |
| Advances from customers | 25,885,934 | 23,966,412 |
| Other current liabilities | 167,457,813 | 94,371,909 |
| | ₱1,595,784,651 | ₱1,464,218,604 |

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

Nontrade, advances from customers and other current liabilities are noninterest-bearing and have an average term of 30 days.

In December 2014, the Group determined that the energy fees billed to and collected from customers for the period May 2013 to December 2014 were overstated. The restatement resulted in decrease in energy fees by ₱49million, decrease in provision for deferred income tax by₱9million, decrease in consolidated net income by ₱40 million for the for the first quarter of 2014.

10. Equity

Capital Stock

| | March 31, 2015 (Unaudited) | December 31, 2014 (Audited) |
|-----------------------------------|-----------------------------------|-----------------------------------|
| Authorized | No. of shares | Amount |
| Common stock - ₱1 par value: | 11,945,000,000 | ₱11,945,000,000 |
| Preferred stock - ₱0.01 par value | 5,500,000,000 | 55,000,000 |
| | | ₱12,000,000,000 |
| Common shares | | |
| Issued and outstanding | 6,291,500,000 | ₱6,291,500,000 |
| Preferred shares | | |
| Subscribed | 55,000,000 | 55,000,000 |
| Subscription receivable | (32,816,667) | (32,816,667) |
| | ₱6,313,683,333 | 6,313,683,333 |

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 MW coal-fired power plant in San Ramon, Zamboanga City | 150 | 2016 |
| IDPP 1 & 2 | Rehabilitation of 103 MW diesel plant in Iligan City | 200 | 2013 |
| Sigui | 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 Maasin Sarangani | ₱600 | 2015 |
| ZAM 100 | Construction of 105 MW coal-fired power plant in San Ramon, Zamboanga City | 150 | 2016 |
| Siguil | Hydro-electric power plant in Maasin, 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 | |

The ₱200 million previously appropriated to IDPP 1 & 2 in 2012 has been reallocated to SM200 Phase 2.

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

The dates of declaration, record and payment of cash dividend amounting to ₱0.016 per share equivalent to ₱101 million in 2014 and 2013, ₱0.010 per share equivalent to ₱63 million in 2012 payable to all stockholders are as follow:

| Year | Date of Declaration | Date of Record | Date of Payment |
|------|---------------------|----------------|-----------------|
| 2014 | May 23, 2014 | June 30, 2014 | July 24, 2014 |
| 2013 | March 21, 2013 | May 23, 2013 | June 14, 2013 |
| 2012 | May 20, 2012 | May 18, 2012 | June 14, 2012 |

The share of non-controlling interests on the dividends declared by subsidiaries amounted to ₱497 million in 2013.

Dividends on preferred shares amounting to ₱4.4 million in 2014 and ₱4 million were applied against the Company's subscription receivable from Alcorp.

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

Earnings Per Share

| | Three Months Ended March 31, | |
|--|------------------------------|---------------------|
| | 2015 (Unaudited) | 2014 (Unaudited) |
| Net income attributable to equity holders of the Parent Company | ₱111,069,052 | ₱108,639,442 |
| Divided by the average number of shares outstanding for the year | 6,291,500,000 | 6,291,500,000 |
| Basic/Diluted EPS | ₱0.018 | ₱0.017 |

12. Income Tax

The major components of income tax expense in the consolidated statements of income for the period ended March 31, 2015 and 2014 are as follows:

| | 2015 | 2014 |
|---|--------------------|--------------------|
| Current income tax expense | ₱85,061,053 | ₱96,521,605 |
| Deferred income tax expense (benefit) related to origination and reversal of deferred taxes | 14,425,521 | (12,480,125) |
| | ₱99,486,574 | ₱84,041,480 |

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, 2015 | | | | |
|------------------------------|----------------|----------------|------------|-----------|----------------|
| | On Demand | < 1 Year | 1-3 Years | > 3 Years | Total |
| Cash and cash equivalents | P3,059,896,251 | — | — | — | P3,059,896,251 |
| 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 |
| | P3,180,517,423 | P1,593,070,384 | P7,843,712 | — | P4,781,431,519 |

| | December 31, 2014 | | | | |
|------------------------------|-------------------|--------------|------------|-----------|----------------|
| | On Demand | < 1 Year | 1-3 Years | > 3 Years | Total |
| Cash and cash equivalents | P2,512,383,373 | — | — | — | P2,512,383,373 |
| Short-term cash investments* | — | 34,444,998 | — | — | 34,444,998 |
| Trade receivables | — | 804,161,861 | 7,843,712 | — | 812,005,573 |
| AFS financial assets | 117,040,963 | — | — | — | 117,040,963 |
| | P2,629,424,336 | P838,606,859 | P7,843,712 | — | P3,475,874,907 |

Including interest income computed using prevailing rate as at December 31, 2014

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. The Group's ratio of fixed to floating rate debt stood at 8:92 as of December 31, 2014.

The following tables set out the carrying amounts, by maturity, of the Group's interest-bearing financial obligations with floating interest rate:

| | 2014 | | | | |
|-----------------------------------|-----------------------|----------------------------|--------------|-------------|---------------|
| | Interest Terms (p.a.) | Rate Fixing Period | <1 Year | 1-3 Years | >3 Years |
| Long-term debt | | | | | |
| U.S. dollar-denominated borrowing | LIBOR +3.375% | Quarterly to Semi-annually | P309,752,635 | P66,640,696 | — |
| Peso-denominated borrowings | 91 T-bill +3% | Semi-annually | — | — | 8,585,696,599 |
| | | | | | 8,585,696,599 |

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.

Foreign Currency Risk

The Group's exposure to foreign currency risk is limited to monetary assets and liabilities denominated in currencies other than its functional currency. Substantial portion of the U.S. dollar-denominated assets and liabilities is attributable to the Group's power segment in which the functional currency is the U.S. dollar.

In translating the foreign currency-denominated monetary assets and liabilities into peso amounts, the Philippine peso to U.S. dollar exchange rates used was ₱44.71 and ₱44.72 to US\$1.0, for March 31, 2015 and December 31, 2014, respectively.

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, 2015 and December 31, 2014 follow:

Current Ratio

| | 2015 | 2014 |
|---------------------|----------------|----------------|
| Current assets | ₱8,968,711,022 | ₱7,765,540,399 |
| Current liabilities | 2,274,217,358 | 2,462,510,323 |
| | 3.94 :1 | 3.2:1 |

Debt-to-Equity Ratio

| | 2015 | 2014 |
|---|-----------------|-----------------|
| Loans payable | ₱- | ₱259,999,978 |
| Long-term debt (net of unamortized transaction costs) | 13,921,368,892 | 12,938,691,818 |
| Total debt | 13,921,368,892 | 13,198,691,796 |
| Equity | 10,322,282,584 | 10,116,616,226 |
| Other equity reserves | (1,707,601,786) | (1,613,004,480) |
| Total equity | ₱8,614,680,798 | ₱8,503,611,746 |
| | 1.61:1 | 1.55:1 |

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, 2015, 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, 2015 and for the Three-Month Periods Ended March 31, 2015 and 2014 (with Comparative Audited Consolidated Balance Sheet as of December 31, 2014).

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, 2015 and 2014. (Amounts in million pesos, except ratios)

| Financial KPI | Definition | March 31 | |
|--|--|----------|--------|
| | | 2015 | 2014 |
| <u>Profitability</u> | | | |
| REVENUES | | ₱1,201 | ₱1,134 |
| EBITDA | | 469 | 562 |
| EBITDA Margin | <u>EBITDA</u> Net Sales | 39% | 24% |
| Return on Equity | <u>Net Income</u> Total Average Stockholders' Equity | 2% | 2% |
| <u>NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS</u> | | 111 | 108 |
| <u>Efficiency</u> | | | |
| Operating Expense Ratio | <u>Operating Expenses</u> Gross Operating Income | 26% | 26% |
| <u>Liquidity</u> | | | |
| Net Debt Coverage | <u>Cash Flow from Operating Activities</u> Net Financial Debt | 6.8% | 6.3% |
| <u>CURRENT RATIO</u> | <u>Current Assets</u> Current Liabilities | 3.94:1 | 4.15:1 |
| <u>DEBT-TO-EQUITY RATIO</u> | | 1.35:1 | 0.85:1 |
| Asset-to-equity Ratio | <u>Total Assets</u> Total Equity | 2.64:1 | 2.08:1 |
| Interest Rate Coverage Ratio | <u>Earnings Before Interest and Taxes</u> Interest Expense | 5.15:1 | 5.28:1 |

Profitability

Earnings before interest, taxes, depreciation and amortization (EBITDA) margin of the Company increased to 39% from 24% in the same period last year due mainly to higher revenues while Return on equity (ROE) remain the same at 2% for both periods.

Efficiency

The Company's wholly-owned subsidiary MPC's 103 MW power plant was the main driver of the higher revenues in 2015, contributing ₦674 million during the period from ₦578 million in 2014. Operating expense ratio on the other hand remain the same at 26% for both periods.

ACR's cash flows from operations this year increased to ₦741 million from last year's ₦368 million resulting from the increase in accounts payable and other current liabilities. Debt coverage increased to 6.8% from 6.3% in 2014 due to the drawdown of the project loan of SEC and ACR Parent Company, while current ratio decreased to 3.94:1 from to last year's 4.15:1 resulting from higher account payable and other current liabilities due to timing of settlements.

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 a 6% increase in revenues from ₦1,134 million in 2014 to ₦1,201 million this year. The growth was due mainly to the revenue contribution of MPC which includes the cost of fuel – a pass thru item. ACR's net income attributable to the parent posted a 2% increase during the three-month period from ₦109 Million in 2014 to ₦111 Million in 2015 due mainly to lower direct costs and slightly higher revenues during the year. The one-time loss resulting from a disposal of a portion of undeveloped property of Alsons Land negated the gains on higher revenues and lower costs.

The reduction in cost of goods sold and services was due to the revision of estimated useful lives of the power plant assets of SPPC and WMPC from the end of Energy Conversion Agreement (ECA) to a period of another ten years since these plants are expected to run as merchants after their ECA's are expired. This resulted to a lower depreciation cost of ₦91 million during the period. Gross profit significantly improved to ₦500 million from ₦408 million in 2014 and improved gross profit rate from 36% to 42%.

General and administrative expenses increased 21% from ₦85 million to ₦103 million; this is due primarily to the higher taxes and licenses and other administrative costs in 2015.

Net finance charges this year was at ₦103 million compared to last year's ₦85 million. This is due to higher interest expense resulting from the loan drawdown of the Parent Company.

Other income was a loss of ₦13 million in 2015 versus an income of ₦8 million earned in 2014 due mainly to the loss on partial disposal of undeveloped property of Alsons Land Corp. sold during the year.

The consolidated net income before tax for the period was 15% higher at ₦313 million from ₦272 million in 2014. Provision for income tax was higher this year at ₦99 million from ₦84 million in 2014 due to higher taxable income. The equity attributable to Parent is likewise higher at ₦111 million from ₦109 million in 2014, resulting to an improved earnings per share of ₦0.018 from ₦0.017 in previous year.

REVIEW OF FINANCIAL POSITION

ACR and Subsidiaries posted total assets of ₦27,012 million, 5% higher than the ₦25,726 million at the end of 2014.

Current assets increased 15% from ₦7,766 million to ₦8,969 million brought about by the increased in cash and cash equivalent and temporary placements. The significant increases in cash and cash equivalents were due to timing of usage of the cash drawn from project loan facility of Sarangani Energy and the Parent Company during the period.

Non-current assets also increased 5% from ₦17,960 million to ₦18,043 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 ₦16,523 million, 6% higher than the ₦15,317 million reported at the end of 2014. The drawdown of the project loan for SEC led to the increase in total liabilities.

As of March 31, 2015, ACR's current ratio decreased from 4.15:1 to 3.94:1 and its debt to equity ratio increased to 1.35:1 from 0.85:1 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, 2015 compared to December 31, 2013 are as follows:

- a) **Cash and Cash Equivalents** – Increased 22%
The increase is due mainly to the timing of usage of cash drawn from the project loan of Sarangani Energy and the Parent Company during the period.
- b) **Short-term Cash Investments** – Increased 2,025%
The increase is due mainly to additional placements of SPPC and WMPC.
- c) **Spare Parts and Supplies** – Decreased 23%
The decrease is due mainly to the spare parts usage of the SPPC, MPC and WMPC for their regular maintenance during the period.
- d) **Deferred Tax Assets** – Decrease 52%
The timing of tax deductibility of temporary differences between tax reporting and financial reporting caused the decrease in deferred tax assets.
- e) **Other Noncurrent Assets** – Decreased 12%
The decrease was due mainly to the reclassification of deferred project cost to construction-in-progress during the period.
- f) **Accounts Payable and Accrued Expenses** – Increased 9%
The timing of payments of trade payables led to the increase in this account during the period.
- g) **Income Tax Payable** – Increased 78%
Timing of payments of income tax payable led to the increase in this account during the period.
- h) **Loans Payable** – Decreased 100%
The decrease was due to reclassification of the current portion into long-term debt during the period as a result of extension of maturity period.
- i) **Current Portion and Long-term Debt** – Decreased 26%
The decrease in this account was due to the amortization of maturing debts during the period.
- j) **Long-term Debt – net of Current Portion** – Increased 9%
The increase was due mainly to the additional loan availed by the Parent Company for SEC project that remain unused during the period ended March 31, 2015.
- k) **Other Reserves** – Increased 27%.
The increase was due to the appreciation of the market value of AFS financial assets.

- i) **Cumulative Translation Adjustments** – Increased 6%.
The increase was due to the translations of the US Dollar Functional Currency Financial Statements of the power company subsidiaries using the current exchange rate as of the end of March 31, 2015.
- m) **Noncontrolling Interest** – Increased 49%
The increase was due to the higher non-controlling interest income 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. 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.

The Company has no other material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons created during the period that is not included in the financial statements.

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, 2014.
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, 2015 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, 2014.
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. Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources for such expenditures.

On October 24, 2014, ACR, the Parent Company entered into a US\$73.5 million Loan Facility Agreement with various banks with an intention to finance payment of the Parent Company's existing indebtedness and other working capital requirements. Following are the salient features of the loan:

- *Maturity Date* – Principal is payable in full at maturity which is the three years from the date of the loan facility agreement.
- *Mandatory Prepayment* – Prior to maturity date, the Parent Company shall pay the loan, in full or in part (as applicable), upon happening of any of the following:
 - Change of control when: (i) AC, APHC and ADIC (collectively called "Sponsors" in the loan facility agreement) collectively ceasing to legally and beneficially own, directly or indirectly at least 51% of the issued share capital of the Company; (ii) Sponsors collectively ceasing to have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (A) cast, or control the casting of more than 51% of the maximum number of votes that might be cast at a general meeting of the Parent Company; (B) appoint or remove all, or the majority of the directors or other equivalent officers of the Parent Company; (C) give directors with respect to the operating and financial policies of the Parent Company with which the directors or other equivalent officers of the Parent Company are obligated to comply; (iii) the Parent Company ceasing to legally and beneficially own, directly or indirectly (A) 100% of the issued share capital of CHC; and (B) at least 20% of the issued share capital of APHI and (iv) CHC ceasing to legally and beneficially own, directly or indirectly (A) at least 80% of the issued capital of APHI; and (B) at 51% of the issued share capital of MPC.
 - Material asset sale which means: (i) any sale, transfer or other disposal of shares in Sarangani Energy by the Parent Company to Toyota, so long as the consideration received is solely used to finance other power projects in material subsidiaries which the Parent Company controls and of which the Parent Company beneficially owns,

directly or indirectly, more than half of the issued share capital; and (ii) any sale, lease, transfer or other disposal not permitted by the loan facility agreement.

- On March 26, 2015, the Parent Company obtained additional loan commitment amounting to US\$ 26.5 million increasing the above loan Facility to US\$100 million.

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 :


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

Date:

5/13/15


LUIS R. YMSON, JR.
Chief Financial Officer

Date:

5/13

| 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 | 775,777,277 | 583,163,061 | 69,589,174 | 1,115,695 | 8,150,716 | 113,758,631 | | | |
| 2 Real Estate | 76,089,857 | 297,463 | 849,332 | 1,047,302 | 4,625,462 | 2,437,824 | 64,356,605 | | |
| 3 Rental | 9,367,343 | 658,692 | 716,220 | 689,963 | 506,899 | 969,395 | 2,022,412 | 3,733,962 | |
| 4 Plywood Hardiflex, agri & Ind'l | 31,730,458 | | | | | | | 31,730,458 | |
| Subtotal | 892,965,135 | 584,119,216 | 71,154,726 | 2,862,960 | 13,283,077 | 117,165,850 | 4,498,281 | 99,881,025 | |
| Less: Allow. For Doubtful Accounts | | | | | | | | | |
| Net Trade Receivables | 819,752,470 | 584,119,216 | 71,154,726 | 2,862,960 | 13,283,077 | 117,165,850 | 4,498,281 | 26,668,360 | |
| b) Accounts Receivable – Others | | | | | | | | | |
| 1 Advances affiliates/project developer/joint venture | 3,088,003,584 | 46,390,354 | 16,482,826 | 82,730,527 | 117,316,924 | 42,157,073 | 239,650,946 | 2,543,274,924 | |
| 2 Advances contractors and suppliers | 32,206,876 | 24,898,559 | 223,800 | 300,000 | 904,225 | | | 5,890,262 | |
| 3 Accrued Interest | 367,650 | 367,650 | | | | | | | |
| 4 Advances officers & employees | 10,189,671 | 1,863,088 | 1,537,754 | 1,240,078 | 2,056,940 | 2,220,010 | 1,150,577 | 121,224 | |
| 5 Miscellaneous and other receivables | 89,149,814 | 1,808,071 | 1,418,629 | 518,918 | 2,029,279 | 57,986,782 | 2,146,522 | 23,241,613 | |
| Total Accounts Receivable – Others | 3,219,917,955 | 75,327,762 | 19,663,009 | 84,789,523 | 122,307,368 | 102,353,865 | 242,943,045 | 2,572,518,023 | |
| Less: Allow. For Doubtful Accounts | | | | | | | | 7,503,081 | |
| ACCOUNTS RECEIVABLE- NET (a + b) | 4,032,166,384 | 659,446,978 | 90,817,735 | 84,789,523 | 122,307,368 | 102,353,865 | 242,943,045 | 2,565,014,942 | |

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 routine inter-company transactions. | 30 days – 2 years |

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES
Supplementary Schedules
As of MARCH 31, 2015

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 PDIC | 22,324,000 | Fixed 6% | Quarterly | 30. Sep. 2015 | 58,115,111 |
| Alsons Power Holdings Corp. | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 1,408,990,279 |
| Land Bank of the Philippines | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 1,539,050,920 |
| Development Bank of the Phils. | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 433,535,471 |
| Mega Int'l Commercial Bank Co., Ltd | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 650,303,206 |
| Robinsons Bank Corporation | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 216,767,735 |
| Capthay United Bank Co., Ltd | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | 86,707,094 |
| Challease International Financial Services Co., Ltd | - | Fixed 5.5% + Libor | Quarterly | 24. Oct. 2017 | |
| Southern Philippines Power Corp. | 57,224,712 | Fixed 2.25% | Quarterly | 15. Jul. 2016 | 28,734,427 |
| Development Bank of the Phils. | 29,538,364 | Fixed 3.57% | Quarterly | 15. Jul. 2016 | 14,753,705 |
| Western Mindanao Power Corp. | 12,769,818 | Fixed 2.25% | Quarterly | 14. Aug. 2015 | |
| Union Bank of the Philippines | 102,257,725 | Fixed 3.375% | Semi-Annual | 15. Aug. 2015 | |
| Union Bank of the Philippines | | | | | |
| Sarangani Energy Corp. | | | | | |
| Barco de Oro | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 4,602,549,096 |
| RCBC | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 902,460,607 |
| UCPB | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 902,460,607 |
| Asia United Bank | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 1,353,690,911 |
| Philippine Business Bank | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 451,230,303 |
| Planters Development Bank | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 90,246,061 |
| Robinson Savings Bank | - | Fixed 8.05% | Semi-Annual | 19. Oct. 2026 | 90,246,061 |
| Mapala Power Corporation | 146,067,672 | Fixed 6.25% | Semi-Annual | 15. Aug. 2019 | 614,939,246 |
| Banco de Oro | | | | | |
| Alsons Land Corporation | 32,080,000 | Fixed 5% | Quarterly | 2. Nov. 2015 | 12,589,035 |
| Security Bank Corporation | | | | | |
| Market Developers, Inc. | | | | | |
| Security Bank Corporation | 34,745,000 | Fixed 5% | Quarterly | 2. Nov. 2015 | 26,991,125 |
| TOTAL | 437,007,291 | | | | 13,484,381,601 |

Alsons Consolidated Resources, Inc. and Subsidiaries
Schedule of Financial Soundness

Attachment C

| Financial KPI | Definition | Three Months Period Ended March 31 | |
|-------------------------------------|--|------------------------------------|---------|
| | | 2015 | 2014 |
| Liquidity | | | |
| Current Ratio / Liquidity Ratio | Current Assets Current Liabilities | 3.94:1 | 4:15:01 |
| Solvency | Long-term debt (net of unamortized transaction costs)+Loans Payable+Derivative Liability (Capital Stock+Other Reserves+Cumulative Translation Adjustments+RE) | 1.35:1 | 0.85:1 |
| Interest Rate Coverage Ratio | | | |
| Interest Rate Coverage Ratio | Earnings Before Interest and Taxes Interest Expense | 5.15:1 | 6.07:1 |
| Profitability Ratio | | | |
| Return on Equity | Net Income Total Average Stockholders' Equity | 2.09:1% | 2% |
| Asset-to-Equity Ratio | | | |
| Asset-to-Equity Ratio | Total Assets Total Equity | 2.64:1 | 1.96:1 |