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## SECURITIES AND EXCHANGE COMMISSION

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### Company Information

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Company Name ALSONS CONSOLIDATED RESOURCES INC.

Industry Classification

Company Type Stock Corporation

### Document Information

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SEC Registration Number

ALSONS CONSOLIDATED RESOURCES,  
INC.

(Company's Full Name)

Alsons Bldg., 2286 Don Chino  
Roxes Ave. Makati City 1231  
Philippines

(Business Address: No. Street City/Town/Province)

**Mr. Luis R. Ymson, Jr.**

(Contract Person)

982 3000

(Company Telephone Number)

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*Month*

(Fiscal Year)

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(Annual Meeting)

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(Secondary License Type, If Applicable)

CFD

**Amended Articles Number/Section**

#### Total Amount of Borrowings

Total No. of Stockholders

File Number	LCU
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SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended 30 September 2011
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  
Common Stock P 1.00 par value Outstanding and Amount of Debt Outstanding  
6,291,500,000 Shares
11. Are any or all of these securities listed on the Philippine Stock Exchange ?  
Yes  No
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 Consolidated Financial Statements  
September 30, 2011 and for the Nine-Month Period Ended  
September 30, 2011 and 2010  
(With Comparative Audited Consolidated Balance Sheet  
As of December 31, 2010)**

**ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES****UNAUDITED CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 2011**

(With Comparative Audited Figures as at December 31, 2010)

	September 30, 2011 (Unaudited)	December 31, 2010 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	₱580,903,360	₱557,484,545
Short-term cash investments	1,400,739,730	925,252,004
Trade and other receivables	3,327,957,819	3,786,571,932
Inventories	144,913,361	149,473,558
Real estate inventories	926,259,430	965,934,960
Prepaid expenses and other current assets	152,618,731	126,177,090
<b>Total Current Assets</b>	<b>6,533,394,431</b>	<b>6,510,894,089</b>
<b>Noncurrent Assets</b>		
Noncurrent portion of installment receivables	8,518,424	8,518,424
Investments in real estate	1,238,278,289	1,236,984,371
Investments in associates	50,598,703	49,348,697
Property, plant and equipment	2,908,620,575	3,213,630,071
Available-for-sale financial assets	469,134,680	1,414,733,973
Goodwill	977,591,766	983,029,619
Other noncurrent assets	812,166,433	667,025,629
<b>Total Noncurrent Assets</b>	<b>6,464,908,870</b>	<b>7,573,270,784</b>
	<b>₱12,998,303,301</b>	<b>₱14,084,164,873</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	₱489,222,173	₱593,628,607
Loans payable	13,803,497	30,000,000
Income tax payable	67,044,817	96,301,458
Current portion of long-term debt	330,347,572	345,385,504
Debts under negotiation	—	145,000,000
<b>Total Current Liabilities</b>	<b>900,418,059</b>	<b>1,210,315,569</b>
<b>Noncurrent Liabilities</b>		
Long-term debt - net of current portion	887,037,251	997,560,955
Deferred tax liabilities - net	438,871,554	439,161,455
Retirement payable	15,292,378	14,490,866
Customers' deposits	98,948,896	46,577,892
Asset retirement obligation	33,966,200	32,004,919
Other noncurrent liabilities	21,326,167	14,436,523
<b>Total Noncurrent Liabilities</b>	<b>1,495,442,446</b>	<b>1,544,232,610</b>
<b>Total Liabilities</b>	<b>2,395,442,446</b>	<b>2,754,548,179</b>
<b>Equity</b>		
Capital stock	6,291,500,000	6,291,500,000
Other reserves	(891,307,991)	54,391,302
Cumulative translation adjustment	1,055,007,498	1,247,908,915
Retained earnings	1,154,795,509	821,624,316
Attributable to owners of the parent	7,609,995,016	8,415,424,533
Non-controlling interests	2,992,447,779	2,914,192,161
<b>Total Equity</b>	<b>10,602,442,795</b>	<b>11,329,616,694</b>
	<b>₱12,998,303,301</b>	<b>₱14,084,164,873</b>

**ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

	Nine Months Ended September 30		Three Months September 30	
	2011 Unaudited	2010 Unaudited	2011 Unaudited	2010 Unaudited
<b>REVENUE</b>				
Energy fees	₱1,522,188,069	₱1,535,910,220	₱504,816,617	₱506,427,707
Power sales and service income	505,124,373	403,624,388	188,451,800	140,150,720
Sale of real estate	14,718,212	33,799,929	1,537,971	4,168,430
Management fees	22,278,550	24,737,899	12,816,621	14,786,166
Rental income and others	17,528,866	11,594,143	6,062,135	3,326,519
	<b>2,081,838,070</b>	<b>2,009,666,580</b>	<b>713,685,144</b>	<b>668,859,542</b>
<b>INCOME (EXPENSES)</b>				
Cost of goods and services	(1,069,002,664)	(1,023,231,727)	(366,948,670)	(371,556,993)
General and administrative expenses	(221,758,280)	(216,926,837)	(72,890,211)	(29,525,842)
Finance charges - net	16,183,414	2,913,779	5,395,300	4,645,288
Other income - net	292,385,553	195,948,204	26,433,233	17,586,189
	<b>(982,191,977)</b>	<b>(1,041,296,581)</b>	<b>(408,010,348)</b>	<b>(378,851,357)</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>1,099,646,093</b>	<b>968,369,999</b>	<b>305,674,796</b>	<b>290,008,185</b>
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>				
Current	191,646,767	203,922,236	67,244,026	62,312,899
Deferred	(7,685,738)	(13,746,391)	(910,670)	(9,800,234)
	<b>183,961,029</b>	<b>190,175,846</b>	<b>66,333,356</b>	<b>52,512,665</b>
<b>NET INCOME</b>	<b>₱915,685,064</b>	<b>₱778,194,153</b>	<b>₱239,341,440</b>	<b>₱237,495,521</b>
Attributable to:				
Owners of the parent	₱402,377,693	₱254,252,590	₱113,384,377	₱103,603,258
Non-controlling interests	513,307,370	523,941,563	125,957,062	133,892,263
	<b>₱915,685,064</b>	<b>₱778,194,153</b>	<b>239,341,439</b>	<b>237,495,521</b>
Basic/diluted earnings per share attributable to owners of the parent				
	<b>₱0.064</b>	<b>₱0.040</b>	<b>₱0.018</b>	<b>₱0.016</b>

**ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**

	Nine Months Ended September 30		Three Months Ended September 30	
	2011 (Unaudited)	2010 (Unaudited)	2011 (Unaudited)	2010 (Unaudited)
<b>NET INCOME FOR THE PERIOD</b>	<b>₱915,685,063</b>	<b>₱778,194,153</b>	<b>₱239,341,439</b>	<b>₱237,495,521</b>
<b>OTHER COMPREHENSIVE LOSS</b>				
Loss on fair valuation of AFS financial assets	(980,131,133)		(105,829,240)	–
Tax effect	34,431,839	–	3,722,622	–
	(945,699,293)		(102,106,619)	–
Translation adjustments	(86,630,388)	(28,693,312)	–	–
	(1,032,329,671)	(28,693,312)	(102,106,619)	237,495,521
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(₱116,644,608)</b>	<b>₱749,500,841</b>	<b>₱137,234,820</b>	<b>₱237,495,521</b>
Attributable to:				
Owners of the parent	(541,477,959)	245,040,320	12,013,640	103,603,258
Non-controlling interests	423,833,351	504,460,521	125,221,180	133,892,263
	<b>(₱116,644,608)</b>	<b>₱749,500,841</b>	<b>₱137,234,820</b>	<b>₱237,495,521</b>

**ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTH PERIODS SEPTEMBER 30, 2011 AND 2010**

Attributable to Equity Holders of the Parent						
		Unrealized Gains (Losses) on AFS Financial Assets		Cumulative Translation Adjustment		
	Capital Stock	Actuarial Gains (Losses)	Retained Earnings		Non-controlling Interests	Total
Balance at January 1, 2011	₱6,291,500,000	(₱3,892,053)	₱58,283,355	₱821,624,316	₱1,096,049,526	₱8,263,565,144
Net income	—	—	—	402,377,693	—	402,377,693
Other comprehensive loss	—	—	(945,699,293)	—	(41,042,068)	(966,384,031)
Total comprehensive income (loss)	—	—	(945,699,293)	402,377,693	(41,042,068)	(564,006,338)
Dividends	—	—	—	(69,206,500)	—	(69,206,500)
Balance at September 30, 2011	₱6,291,500,000	(₱3,892,053)	₱887,415,938	₱1,154,705,509	₱1,055,007,498	₱7,609,995,016
Balance at January 1, 2010	₱6,291,500,000	(₱3,313,821)	₱12,878,575	₱606,677,806	₱1,415,178,468	₱8,322,921,028
Net income	—	—	—	254,252,590	—	254,252,590
Other comprehensive loss	—	—	(4,369,205)	—	(49,039,468)	(53,408,673)
Total comprehensive income (loss)	—	—	(4,369,205)	254,252,590	(49,039,468)	200,843,917
Dividends	—	—	—	(62,915,000)	—	(62,915,000)
Balance at September 30, 2010	₱6,291,500,000	(₱3,313,821)	₱8,509,370	₱798,015,396	₱1,366,139,000	₱8,460,849,945
					₱2,836,643,207	₱11,297,493,152

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

	Nine Months Ended September 30	
	2011 (Unaudited)	2010 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	₱915,685,064	₱778,194,153
Adjustments for:		
Depreciation and amortization	449,148,266	471,987,186
Gain on settlement of debts	(57,519,783)	—
Interest income	(39,214,596)	(38,112,604)
Finance charges	23,031,182	35,198,825
Retirement costs	9,658,407	8,404,059
Unrealized foreign exchange (gain ) loss	(6,356,142)	1,096,052
Equity in net earnings of associates	(1,265,270)	(3,068,293)
Impairment loss on deferred project cost	814,756	—
Accretion expense for asset retirement obligation	1,961,283	6,477,804
Impairment loss on property, plant and equipment	—	1,300,000
Loss on sale of property, plant and equipment	—	44,250
Operating income before working capital changes	1,295,943,167	1,261,521,433
Decrease (increase) in:		
Trade and other receivables	259,853,093	(171,151,887)
Prepaid expenses and other current assets	(38,318,808)	17,789,917
Inventories	3,428,098	5,014,336
Real estate inventories	13,880,737	41,479,733
Noncurrent portion of installment receivables	—	7,658,636
Increase (decrease) in:		
Accounts payable and other current liabilities	(104,406,433)	2,864,987
Customers' deposits	52,371,004	39,517,964
Net cash flows from operations	1,482,750,858	1,204,695,119
Retirement contributions	(5,727,279)	(6,111,849)
Income taxes paid	(98,301,458)	(17,870,199)
Net cash flows from (used in) operating activities	1,378,722,121	1,180,713,071
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in:		
Other noncurrent assets	(34,264,487)	(50,831,490)
Short-term cash investments	(475,487,726)	(276,534,441)
Investments in real estate	1,293,918	(767,058)
Additions to property, plant and equipment	(175,613,729)	(90,940,871)
Interest received	39,416,787	20,240,199
Increase in other noncurrent liabilities	7,711,985	745,817
Proceeds from disposal of property, plant and equipment	140,345	—
Net cash flows from (used in) investing activities	(636,802,907)	(398,087,844)

(Forward)

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

	Nine Months Ended September 30	
	2011 (Unaudited)	2010 (Unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of:		
Cash dividends paid	(477,244,394)	(495,672,332)
Debts	(191,597,704)	(375,214,072)
Interest	(36,944,015)	(35,198,825)
Net cash flows used in financing activities	<b>(643,508,987)</b>	<b>(906,085,229)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	36,133,100	(123,459,002)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		
	(6,356,142)	(96,242,025)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		
	<b>557,484,545</b>	<b>662,008,558</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		
	<b>₱580,905,360</b>	<b>₱346,065,506</b>

*See accompanying Notes to Unaudited 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 Ave. Extension, Makati City 2281.

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			
		September 30, 2011	December 31, 2010	Direct	Indirect
Conal Holdings Corporation (CHC)	Investment holding	60.00	—	60.00	—
Alsings 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
Mapafad Power Corporation	Power generation	—	100.00	—	100.00
Sarangani Energy Corporation	Power generation	100.00	—	—	100.00
Alsons Land Corporation (ALC)	Real estate	99.55	—	99.55	—
Lima Land, Inc. (LLI)	Real estate	—	59.93	—	59.93
Isleworth Properties, Inc.	Real estate	—	100.00	—	100.00
Lima Utilities Corporation (LUC)	Power distribution	—	100.00	—	100.00
Lima Water Corporation (LWC)	Water distribution	—	100.00	—	100.00
Alsons Power International Limited (APIL)	Power generation-Offshore	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	Agro-industrial economic zone	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.

## 2. 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." The Group reports its primary segment information based on the business segments which are significantly conducted in the Philippines.

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

Nine Months Ended September 30, 2011 (Unaudited)					
	Power	Real Estate	Product Distribution and Others	Adjustments And Eliminations	Consolidated
Earnings Information			Total		
Revenues					
External customer	₱1,544,466,619	₱537,371,451	₱—	₱2,081,838,070	₱—
Inter-segment	—	—	326,767,346	326,767,346	(326,767,346)
Total revenues	1,544,466,619	537,371,451	326,767,346	1,695,147,310	(326,767,346)
Interest expense	(11,790,851)	(9,270,858)	(667,140)	(21,728,849)	(1,292,940)
Interest income	34,676,998	4,455,695	80,950	39,213,643	—
Provision for income tax	183,292,826	5,804,191	—	189,097,017	(5,135,988)
Net income	811,137,332	70,481,996	302,210,114	1,183,829,442	(268,144,378)
					915,685,064

Nine Months Ended September 30, 2010 (Unaudited)					
	Power	Real Estate	Product Distribution and Others	Adjustments And Eliminations	Consolidated
Earnings Information			Total		
Revenues					
External customer	₱1,560,648,119	₱449,018,460	₱—	₱2,009,666,579	₱—
Inter-segment	—	—	362,569,138	362,569,138	(362,569,138)
Total revenues	1,560,648,119	449,018,460	362,569,138	2,372,235,717	(362,569,138)
Interest expense	(20,213,028)	(7,769,179)	(7,216,618)	(35,198,825)	—
Interest income	32,617,879	5,453,567	41,158	38,112,604	—
Provision for income tax	186,968,630	4,043,144	—	191,011,774	(835,928)
Net income	810,615,350	(23,282,035)	329,215,315	1,116,548,630	(338,354,477)
					778,194,153

## 3. Cash and Cash Equivalents

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

	September 30, 2011 (Unaudited)	December 31, 2010 (Audited)
Cash on hand and in banks	₱290,725,150	₱123,500,555
Short-term deposits	290,180,210	433,983,990
	<b>₱580,905,360</b>	<b>₱557,484,545</b>

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#### 4. Available-for-Sale Financial Assets

AFS financial assets primarily consist of investments in equity securities which are listed in the stock exchanges. Movements of AFS financial assets are as follows:

September 30, 2011 (Unaudited)

Balance at beginning of the period	₱1,414,733,973
Loss on fair valuation taken to other comprehensive income	(945,599,293)
<u>Balance at end of the period</u>	<u>₱469,134,680</u>

December 31, 2010 (Audited)

Balance at beginning of the period	₱34,672,679
Gain (loss) on fair valuation taken to other comprehensive income	(4,369,205)
<u>Balance at September 30, 2010</u>	<u>30,303,474</u>
Additions	1,315,533,080
Gain (loss) on fair valuation taken to other comprehensive income	68,897,419
<u>Balance at end of the period</u>	<u>₱1,414,733,973</u>

The Company's AFS financial asset consist primarily of the 29.1 million shares of Indophil Resources NL (IRN) representing 2.93% of the outstanding shares of IRN. IRN is an Australian Company listed in the Australian Stock Exchange with major asset being its 37.5% interest in the Tampakan Mining project being managed by Sagittarius Mines, Inc. (SMI). SMI holds a Financial and Technical Assistance Agreement with the Philippine government to explore, develop and operate the Tampakan Mining project. The project is located approximately 50 km north of General Santos City in South Cotabato, Mindanao.

Management believes that the decline in market value of IRN shares is temporary and the Company has no plan to dispose the same in near term. The decline in market value can be attributed to currently uncertain conditions due to inconsistent mining law interpretations in South Cotabato where the project is located. The drop in market value can be recovered as the situation normalizes.

The Group assesses at each balance sheet date whether there is objective evidence that an investment or group of investments is impaired. In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is "significant" or "prolonged" requires judgment. In making this judgment, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. A significant decline is assessed based on the historical volatility of the share price. The higher the historical volatility, the greater the decline in fair value required before it is likely to be regarded as significant. Based on these criteria, the Group has not identified any impairment on its AFS financial assets.

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## 5. Equity

### Capital Stock

Common stock - ₱1 par value:	
Authorized - 11,945,000,000 shares	
Issued and Outstanding - 6,291,500,000 shares	₱6,291,500,000
Preferred stock - ₱0.01 par value	
Authorized - 5,500,000,000 shares	
Issued and Outstanding - none	

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There have been no changes in the composition of the Parent Company's shares of capital stock as at September 30, 2011.

On March 17, 2011, the BOD approved the creation of a class of preferred shares by reclassifying 55,000,000 unissued common shares with a par value of ₱1 per share into 5,500,000,000 preferred shares with a par value of ₱0.01 per share. This was approved by the stockholders owning at least two-thirds of the outstanding capital stock on April 17, 2011.

### Retained Earnings

On March 26, 2010, the BOD declared cash dividends of ₱0.01 per share or a total of ₱62,915,000 out of the unrestricted retained earnings as at December 31, 2009 to common shares of record on April 20, 2010, which was paid on May 17, 2010.

The share of non-controlling interests on the dividends declared by subsidiaries amounted to ₱548 million and ₱561 million for the nine month periods ended September 30, 2011 and 2010, respectively.

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

### Earnings Per Share

	Nine Months Ended September 30,	
	2011 (Unaudited)	2010 (Unaudited)
Net income attributable to equity holders of the Parent Company	₱402,377,693	₱254,252,590
Divided by the average number of shares outstanding for the year	6,291,500,000	6,291,500,000
Basic/Diluted EPS	₱0.064	₱0.040

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## 7. Other Matters

In compliance with SEC Memorandum Circular 3 relative to the rules and discloses specifically the impact of the adoption of Philippine Financial Reporting Standards 9 (PFRS 9) for interim financial statements, management has been evaluating the effect of the early adoption of this Accounting Standard. As of September 30, 2011, management has not yet made a decision whether to early adopt the said PFRS.

## PART I -- FINANCIAL INFORMATION

### *Item 1. Financial Statements*

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

Interim Financial Statements September 30, 2011 and for the Nine-Month Period Ended September 30, 2011 and 2010 (with Comparative Audited Consolidated Balance Sheet as of December 31, 2010).

### 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 nine months ended September 30, 2011 and 2010.

Financial KPI	Definition	September 30	
		2011	2010
<u>Profitability</u>			
EBITDA Margin	<u>EBITDA</u> Net Sales	74%	69%
Return on Equity	<u>Net Income</u> Total Average Stockholders' Equity	8%	7%
<u>Efficiency</u>			
Operating Expense Ratio	<u>Operating Expenses</u> Gross Operating Income	28%	28%
<u>Liquidity</u>			
Net Debt Coverage	<u>Cash Flow from Operating Activities</u> Net Financial Debt	212%	100%
Current Ratio	<u>Current Assets</u> Current Liabilities	5.39:1	4.33:1

### Profitability

Earnings before interest, taxes, depreciation and amortization (EBITDA) margin of the Company increased to 74% from 69% in 2010. The increase in revenues from ₩ 2,082 million to ₩2,009 million resulting from higher tariff rates by the power companies and higher energy consumption by our Lima Technology Center locators contributed to the increase in EBITDA margin. Return on equity (ROE) also increased to 8% from 6% in 2011 because of higher income this period.

## Efficiency

Operating expense ratio remained the same at 28% for both periods. The gross operating income this year increased due to higher tariff rates by the two power companies as well as higher power sales and service income from Lima Land Inc.'s utility companies.

Likewise, ACR's higher cash flows from operations this year improved its debt coverage ratio to 212% from 100% in 2010. Current ratio also improved to 5.39:1 in 2011 compared to last year's 4.33:1 resulting from higher short-term placements.

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

### **RESULTS OF OPERATIONS**

ACR's financial performance improved significantly in the first nine months ended September 30, 2011 compared to the same period last year. Consolidated net income rose by 18% from ₡778 million to ₡916 million, while income attributable to equity holders of the Parent Company increased 58% from ₡254 million last year to ₡402 million this year.

Energy fees from the Company's Energy and Power business which formed 73% of total revenues, decreased by 0.9% from ₡1,536 million to ₡1,522 million. The higher price index in energy fees cushioned the impact of lower energy dispatched and foreign exchange rates during the year. The electricity consumption of locators at the Lima Technology Center also went up and led to the 25% improvement in water sales and other service income at ₡505 million from ₡404 million in 2010. Rental and other income likewise increase to ₡18 million from ₡12 million in the previous year.

Cost of goods sold was reported at ₡1,069 million, 4% higher than the ₡1,023 million in 2010. The increase is primarily due to higher spare parts usage in 2011 and depreciation costs of the assets of WMPC that was restored in March 2010. This translated to a lower gross profit margin this year at 49% from 51% last year.

General and administrative expenses slightly increased 2% from ₡217 million to ₡222 million, this is due primarily to higher administrative expenses by the power companies this year.

Net finance income this year was higher at ₡16 million from ₡3 million in 2010. This is due to lower interest expense resulting from the continued reduction in the Company's loans and drop in interest rates of the WMPC and SPPC loans.

Other income amounted to ₡292 million, up 49% from last year's ₡196 million due largely to higher collection on insurance claim and reimbursement of a burned engine of WMPC during the year as well as a gain realized on the restructuring of a loan by the Parent Company.

ACR's net income before tax stood at ₦916 million, 18% better than the ₦778 million reported in 2010. Provision for income tax was lower this year at ₦184 million from ₦190 million resulting from lower taxable income.

In view of the above results, net income attributable to the equity holders of the Parent increased significantly from ₦254 million to ₦402 million. Hence, basic earnings per share rose from ₦0.040 to ₦0.064 this year.

#### REVIEW OF FINANCIAL POSITION

ACR and Subsidiaries posted total assets of ₦12.998 billion, 8% lower than the ₦14.084 billion the end of 2010. The decrease was due primarily to the decline in the market value of the available for sale financial assets. (Detailed discussion of this account is presented in item e below).

Current assets remained the same at ₦6.5 billion, although trade and other receivables decreased 12%, short-term cash investment was up 51% to ₦1.4 billion from ₦925 million at the end of 2010. The increase was due mainly to the additional placements by the power companies during the year.

Non-current assets decreased by 15% from ₦7.573 billion to ₦6.46 billion. This is due largely to the 67% decline in value of available-for-sale financial assets from ₦1.415 billion in 2010 to ₦469 million this period. The explanation of this decline is shown in Note 4 of the financial statements.

Total liabilities amounted to ₦2.396 billion, 13% lower than the ₦2.755 billion reported at the end of 2010. The continued debt settlements led decline in total liabilities. Current liabilities decreased 26% due mainly to the restructuring and partial settlement of debts during year.

As of September 30, 2011, ACR's current ratio increased from 4.33:1 to 5.39:1, while its debt to equity ratio remained strong at 0.21:1.

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

- i. Causes of the material changes (5% or more) in balances of relevant accounts as of September 30, 211 compared to December 31, 2010 are as follows:
  - a) **Short-term Cash Investments** – Increased 51%  
The increase is due mainly to the additional cash placements of the power companies.
  - b) **Trade and Other Receivables** – Decreased 12%  
The collection of trade and other receivables caused the variances of this account.

- c) **Prepaid Expenses and Other Current Assets** –Increased 21%.  
The increase was due largely to the additional prepaid insurance incurred during the period.
- d) **Property, Plant and Equipment** – Decreased 9%  
The recognized depreciation expense during the period led to the decrease in this account.
- e) **Available-for-sale-financial assets** – Decreased 67%.  
The decrease was due to the decline in the market value of investment in Indophil Shares. The decreased in market value of the shares as of September 30, 2011 could be attributed to the volatile fluctuations of share prices for the past few months. Background and explanation was discussed in Note 4 of the financial statements.
- f) **Other Assets** – increased 22%.  
The increase is due largely to the additional project development costs incurred during the current period.
- g) **Accounts Payable and Accrued Expenses** – Decrease 22%  
The decrease is primarily due to the restructuring of a loan by the Parent Company and the condoned interest amounting to P83 million.
- h) **Income Tax Payable** – Decreased 30%.  
The increase was due to the timing of income tax payments. On the other hand, the provision for income tax is lower due to the adoption of the optional standard deduction of the power companies.
- i) **Debts Under Negotiation** – Decreased 100%.  
The decrease is due the restructuring of this account in 2011. Please refer to item g above.
- j) **Customer's Deposit** – Increased 112%.  
The additional deposits related to lot buyers during the period led to the increase in this account.
- k) **Other Noncurrent Liabilities** – Increased 48%  
The increase in deferred income resulted to the increase in this account.
- l) **Other Reserves** – Decreased 1,739%.  
The decrease is due primarily to the decline in value of AFS investment. Please refer to item e above.

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, 2010.
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 September 30, 2011 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, 2010.
8. There are no material contingencies and other material events or transactions affecting the current interim period.

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

### SIGNATURES

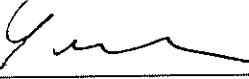
Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized

#### ALSONS CONSOLIDATED RESOURCES, INC.

Issuer

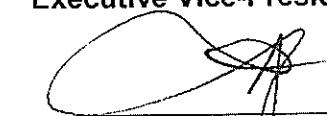
By:

Registrant :

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

Date:

11/16/11

  
LUIS R. YMSON, JR.  
Chief Financial Officer

Date:

11/16

ALSONS CONSOLIDATED RESOURCES, INC. AND SUBSIDIARIES  
ACCOUNTS RECEIVABLES  
AS OF SEPTEMBER 30, 2011

Attachment A

Type of Accounts Receivable:	TOTAL	1month	2-3months	4-6months	7months to 1year	1-2years	3-5years	5years and above
a) Accounts Receivable – Trade								
1 Power (sppcl/wmpc)	547,579,080	379,314,416	3,376,017	968,488	46,540,261	117,379,898	1,656,632	55,647,727
2 Real Estate (alc)	259,657,764	4,008,705	532,699	5,012,750	859,323	7,831	6,853	191,938,928
3 Water Sales & Utilities (lima water & utilities)	69,965,743	63,906,202	3,548,245	1,674,819	821,734	1,323,931	1,397,075	1,373,773
4 Rental (alc)	5,780,661	362,774	606,237	198,505	518,366			
5 Plywood Hardillex, agri & Ind'l	31,730,458							
Subtotal	914,713,706	447,593,157	8,063,198	7,854,562	48,739,684	120,368,292	88,782,113	193,312,701
Less: Allow. For Doubtful Accounts	74,953,216							
Net Trade Receivables	839,760,490	447,593,157	8,063,198	7,854,562	48,739,684	120,368,292	88,782,113	118,359,485
b) Accounts Receivable – Others								
1 Advances affiliates/project developer/joint venture	2,453,822,380	61,625,158	8,729,427	619,711,329	205,171,145	861,897,560	434,477,571	262,210,190
2 Advances contractors and suppliers	15,767,092	5,394,340	1,695,788	1,349,385	398,931	3,343,345	2,972,573	612,730
3 Advances officers & employees	2,061,821	241,574	246,923	978,162	48,170	31,283	97,814	417,894
5 Miscellaneous and other receivables	50,216,776	147,499	104,810	1,579,040	192,510	10,862,187	14,773,212	22,557,518
Total Accounts Receivable – Others	2,521,868,069	67,408,571	10,776,949	623,617,916	205,810,756	876,134,375	452,321,170	285,798,332
Less: Allow. For Doubtful Accounts	33,670,740							
ACCOUNTS RECEIVABLE-NET (a + b)	2,488,197,329	67,408,571	10,776,949	623,617,916	205,810,756	842,463,635	452,321,170	285,798,332
	3,327,957,819	515,001,728	18,840,147	631,472,478	254,550,440	962,831,927	541,103,283	404,157,817

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) Water & Utilities	Receivable from water & utilities	30 days
d) Steel Frames	Sale of door & window frames	60 days from date of sale
e) Rental	Office, parking & warehouse rental	30 days
f) Plywood Hardillex, agri & Ind'l	Sale of ecowood, fiber cement board, Agri & Indust	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 transaction	30 days – 2 years

ALSONS CONSOLIDATED RESOURCES, INC AND SUBSIDIARIES  
Supplementary Schedules  
As of September 30,2011

Attachment B

Title of Issue and Type of Obligation	Current Portion of Long-Term Debt in the Balance Sheet	Interest Rates	Data shown under long-Term Debt in the Balance Sheet	
			Term	Maturity
<b>Parent Company</b>				
Union Bank of the Philippines	18,493,667	Fixed 8%	Quarterly	1. Mar. 2014
Philippine National Bank	30,370,890	Fixed 5%	Monthly	30. Jun. 2012
Rizal Commercial Bank	36,000,000	90days T-Bill plus 3% Spread	30. Sep. 2014	193,304,800
UCPB	3,500,000	Fixed 6%	30. Sep. 2015	81,074,000
PDIC	123,066,000		Quarterly	-
<b>Southern Philippines Power Corp.</b>				
Development Bank of the Phils.	54,545,409	Fixed 2.25%	Quarterly	15. Jul. 2016
<b>Western Mindanao Power Corp.</b>				
Union Bank of the Philippines	24,463,498	Fixed 2.25%	Quarterly	14. Aug. 2015
<b>Lima Utilities Corp.</b>				
National Transmission Corporation				
Alsons Land Corporation	-	Fixed 5%	Quarterly	2. Nov. 2015
Security Bank Corporation				
<b>Market Developers, Inc.</b>				
Security Bank Corporation	39,908,109	Fixed 5%	Quarterly	2. Nov. 2015
	330,347,572			887,037,251