

COVER SHEET

| | | | | | | | |
|---|---|---|---|--|--|--|--|
| 4 | 4 | 2 | 9 | | | | |
|---|---|---|---|--|--|--|--|

S.E.C. Registration Number

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|--|--|--|
| M | A | N | I | L | A | M | I | N | I | N | G | C | O | R | P | O | R | A | T | I | O | N | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

(Company's Full Name)

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|--|--|--|
| 2 | 0 | T | H | F | L | O | O | R | L | E | P | A | N | T | O | B | U | I | L | D | I | N | G | | | | | |
| 8 | 7 | 4 | 7 | P | A | S | E | O | D | E | R | O | X | A | S | | | | | | | | | | | | | |
| M | A | K | A | T | I | C | I | T | Y | | | | | | | | | | | | | | | | | | | |

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

| |
|------------------|
| ODETTE A. JAVIER |
|------------------|

Contact Person

| |
|----------|
| 815-9447 |
|----------|

Company Telephone Number

Not later than April 30

| | | | | | |
|--|---|---|--|---|---|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;">1</td><td style="width: 20px; text-align: center;">2</td> </tr> </table> <p style="text-align: center;">Month</p> | 1 | 2 | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;">3</td><td style="width: 20px; text-align: center;">1</td> </tr> </table> <p style="text-align: center;">Day</p> | 3 | 1 |
| 1 | 2 | | | | |
| 3 | 1 | | | | |
| Fiscal Year | | | | | |

| | | | |
|---|---|---|---|
| 1 | 7 | - | Q |
|---|---|---|---|

FORM TYPE

| | | | | | |
|--|--|--|--|--|--|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"></td><td style="width: 20px;"></td> </tr> </table> <p style="text-align: center;">Month</p> | | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;"></td><td style="width: 20px;"></td> </tr> </table> <p style="text-align: center;">Day</p> | | |
| | | | | | |
| | | | | | |
| Annual Meeting | | | | | |

| |
|-----|
| --- |
|-----|

Secondary License Type, If Applicable

| | | |
|--|--|--|
| | | |
|--|--|--|

Dept. Requiring this Doc.

| |
|--|
| |
|--|

Amended Articles Number/Section

| |
|--|
| |
|--|

Total no. of Stockholders

| | | | |
|---|---------|---|--|
| Total Amount of Borrowings | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100%; height: 20px;"></td> </tr> </table> | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100%; height: 20px;"></td> </tr> </table> | |
| | | | |
| | | | |
| Domestic | Foreign | | |

Domestic

Foreign

To be accomplished by SEC Personnel concerned

| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|

File Number

_____ LCU

| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|

Document I.D.

_____ Cashier

STAMPS

Remarks = please use black ink for scanning purposes

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: **June 30, 2011**
2. Commission identification number: **4429** 3. BIR Tax Identification No.: **000-164-442**
4. Exact name of issuer as specified in its charter:

MANILA MINING CORPORATION

5. Province, country or other jurisdiction of incorporation or organization:
Makati City, Philippines

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office:

**20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City, Philippines**

8. Issuer's telephone number, including area code:

(632) – 815-9447

9. Former name, former address and former fiscal year, if changed since last report: **N/A**

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

| Title of each Class | Number of shares of common stock outstanding: |
|---------------------|---|
|---------------------|---|

| | |
|------------------|------------------------|
| Class "A" | 121,054,276,583 |
| Class "B" | 80,645,583,773 |

Amount of Debt Outstanding: **Please refer to the attached Balance Sheet (Annex "B")**

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

Yes

No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein.

Philippine Stock Exchange

Classes "A" and "B"

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

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

Yes No

PART 1- FINANCIAL INFORMATION

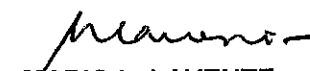
- | | | |
|--|---|-------------|
| Item 1. Financial Statements: | <i>Income Statement</i> | - Annex "A" |
| | <i>Balance Sheet</i> | - Annex "B" |
| | <i>Statement of Cash Flow</i> | - Annex "C" |
| | <i>Stockholders' Equity</i> | - Annex "D" |
| | <i>Notes to Financial Statements</i> | - Annex "E" |
| | <i>Aging of Accounts Receivable-Trade</i> | - Annex "F" |
| Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations | | - Annex "G" |
| Item 3. Impact of Current Global Financial Condition | | - Annex "H" |

PART II- OTHER INFORMATION (None)


SIGNATURES

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

Issuer : **Manila Mining Corporation**

Signature : 
Title : **MARIO L. LAVENTE**
Controller

Date : August 15, 2011

Signature : 
Title : **ODETTE A. JAVIER**
Assistant Corporate Secretary

Date : August 15, 2011

MANILA MINING CORPORATION
 CONSOLIDATED QUARTERLY INCOME STATEMENT
 FOR THE SECOND QUARTER OF 2011
 (WITH COMPARATIVE FIGURES FOR THE SECOND QUARTER OF 2010)

| | Second Quarter of 2011 | Second Quarter of 2010 | SIX MONTHS ENDED JUNE 2011 | SIX MONTHS ENDED JUNE 2010 |
|--|---------------------------|---------------------------|-------------------------------|-------------------------------|
| REVENUE | | | | |
| Copper | P - | P - | P - | P - |
| Gold | - | - | - | - |
| Silver | - | - | - | - |
| Interest and Other income | 1,072,681,799 | 633,130 | 1,072,686,473 | 633,130 |
| | <u>1,072,681,799</u> | <u>633,130</u> | <u>1,072,686,473</u> | <u>633,130</u> |
| COST AND EXPENSES | | | | |
| Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations | 108,943,153 | 1,884,460 | 111,371,570 | 4,943,863 |
| | <u>108,943,153</u> | <u>1,884,460</u> | <u>111,371,570</u> | <u>4,943,863</u> |
| NET INCOME BEFORE INCOME TAX | 963,738,646 | (1,251,330) | 961,314,903 | (4,310,734) |
| PROVISION FOR INCOME TAX | | | | |
| Current | | | | |
| Deferred | | | | |
| NET INCOME (LOSS) FOR THE PERIOD | P <u>963,738,646</u> | P <u>(1,251,330)</u> | P <u>961,314,903</u> | P <u>(4,310,734)</u> |
| EARNINGS (LOSS) PER SHARE | P <u>0.004782</u> | P <u>(0.000007)</u> | P <u>0.004770</u> | P <u>(0.000024)</u> |
| Formula: | | | | |
| Net Income / (Loss) | 963,738,646 | (1,251,330) | 961,314,903 | (4,310,734) |
| divided by Total shares subscribed, issued and outstanding | 201,547,390,569 | 178,956,383,833 | 201,547,390,569 | 178,956,383,833 |
| | <u>0.004782</u> | <u>(0.000007)</u> | <u>0.004770</u> | <u>(0.000024)</u> |

MANILA MINING CORPORATION
 CONSOLIDATED BALANCE SHEET
 As of June 30, 2011
 (With Comparative Figure for December 31, 2010)

| A S S E T S | | LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
|-------------------------------------|-------------------------------|--------------------------------------|---|-------------------------------|-------------------------------|
| | **June 2011 | *December 2010 | | **June 2011 | *December 2010 |
| CURRENT ASSETS | | | CURRENT LIABILITIES | | |
| Cash & cash equivalents | P 833,228,799 | P 7,145,383 | Accounts payable and accruals | P 184,422,107 | P 178,888,314 |
| Short-term investments | | | Dividends payable | 573,097 | 573,097 |
| Receivables | | | Non-trade payables | 1,945,300 | 1,180,648 |
| Trade | - | | Notes Payable | | |
| Non-trade (net) | 1,102,458 | 485,687 | | | |
| Subscription Receivables | - | | | <u>186,940,503</u> | <u>180,642,059</u> |
| Inventories | | | NON-CURRENT LIABILITIES | | |
| Bullion | - | | Notes Payable | | |
| Copper concentrate | - | | Deferred Tax Liability | 69,619,952 | 69,619,952 |
| Gold in process - CIP | - | | Pension Liability | 7,679,701 | 7,679,701 |
| Ore | - | | Provision for mine rehabilitation & decommissioning | | |
| Materials and supplies (net) | 30,983,179 | 28,165,393 | | | |
| Prepayments | 40,303,604 | 34,177,214 | | | |
| | <u>905,618,039</u> | <u>69,973,677</u> | | <u>11,299,653</u> | <u>11,299,653</u> |
| NON-CURRENT ASSETS | | | STOCKHOLDERS' EQUITY | | |
| Property, Plant and Equipment (net) | 1,783,420,509 | 1,684,709,544 | Capital Stock | | |
| Other Assets (net) | 7,403,232 | 6,889,896 | Authorized - 260,000,000,000 shares divided into 156,000,000,000 shares of Class "A" and 104,000,000,000 shares of Class "B" at P0.01 par value each - P2,600,000,000 | | |
| Available For Sale Financial Assets | 44,860,751 | 7,500,000 | Issued and outstanding-201,547,390,569 shares (December 2010-201,321,086,412) | 2,015,598,905 | 2,013,210,864 |
| Investment in Subs. & Affiliate | - | | Subscribed capital stock - 152,470,787 shares (Dec. 2010 - 58,774,944 shares), net of subscriptions receivable of P 2,278,405 | 202,303 | 218,276 |
| | <u>1,835,684,493</u> | <u>1,699,099,440</u> | Share Premium | 498,017,727 | 495,773,727 |
| TOTAL ASSETS | P <u>2,741,302,532</u> | P <u>1,769,073,117</u> | Deposit for future subscriptions | 0 | 0 |
| | | | | <u>2,513,818,935</u> | <u>2,509,202,867</u> |
| | | | Fair Value Reserve | - | - |
| | | | Retained earnings, beginning | (998,071,463) | (989,591,498) |
| | | | Add: Net income (loss) for the period | 961,314,903 | (8,479,965) |
| | | | Retained earnings, end | <u>(36,756,560)</u> | <u>(998,071,463)</u> |
| | | | Net stockholders' equity | <u>2,477,062,375</u> | <u>1,511,131,404</u> |
| | | | LIABILITIES AND STOCKHOLDERS' EQUITY | P <u>2,741,302,532</u> | P <u>1,769,073,117</u> |

** - UNAUDITED

* - AUDITED

MANILA MINING CORPORATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2011

(WITH COMPARATIVE FIGURES FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2010)

| | SECOND QUARTER | | SIX MONTHS ENDED JUNE | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | 2011 | 2010 | 2011 | 2010 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Net income/(loss) for the period | 963,738,646 | (1,251,330) | 961,314,902.80 | (4,310,734) |
| Add/(deduct) year-to-date adjustments | - | - | - | - |
| | <u>963,738,646</u> | <u>(1,251,330)</u> | <u>961,314,903</u> | <u>(4,310,734)</u> |
| Adjustment to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation | 1,052,560 | 1,025,930 | 2,105,120 | 2,051,861 |
| Impairment loss | - | - | - | - |
| | <u>964,791,206</u> | <u>(225,400)</u> | <u>963,420,023</u> | <u>(2,258,873)</u> |
| Changes in assets and liabilities | | | | |
| (Increase) decrease in receivables | 917,799 | (3,122,007) | (2,525,702) | (3,204,837) |
| (Increase) decrease in inventories | (2,798,918) | 10,873 | (2,817,786) | 13,243 |
| (Increase) decrease in prepayments | (4,012,101) | (551,660) | (6,126,390) | (673,642) |
| Increase (decrease) in accounts payable & accruals | (6,266,964) | (112,482,285) | 5,533,793 | (79,985,097) |
| Increase (decrease) in notes payable/dividends payable | - | - | - | - |
| Net cash provided by operating activities | <u>952,631,023</u> | <u>(116,370,480)</u> | <u>957,483,937</u> | <u>(86,109,206)</u> |
| CASH USED IN INVESTING ACTIVITIES: | | | | |
| (Increase) decrease of property, plant and eqpt | (62,395,147) | (7,600,551) | (100,816,086) | (12,497,699) |
| (Increase) decrease in investments in subsidiaries | 125,000 | - | 125,000 | - |
| (Increase) decrease in investments in available for sale securities | (37,360,751) | - | (37,360,751) | - |
| (Increase) decrease in other assets | (375,793) | (17,476) | (513,336) | (18,330) |
| Net cash used in investing activities | <u>(100,006,691)</u> | <u>(7,618,027)</u> | <u>(138,565,174)</u> | <u>(12,516,030)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Increase (decrease) in subscribed capital stock | (669,500.00) | 223,755,401.43 | 4,156,000.00 | 223,755,401.4 |
| Increase (decrease) in Share Premium | 669,500.00 | 107,627,817.49 | 2,244,000.00 | 107,627,817.49 |
| Increase (decrease) in Deposit for Future Subscription | - | (676,589.93) | - | (0.00) |
| Increase (decrease) in pension liability | - | - | - | - |
| Receipts from (payment to) related parties | (25,034,865) | (103,594,932) | 764,652 | (129,828,818) |
| Increase (decrease) in deferred tax liability | - | - | - | - |
| Provision for mine rehabilitation & decommissioning | - | - | - | - |
| Net cash provided by (used in) financing activities | <u>(25,034,865)</u> | <u>227,111,697</u> | <u>7,164,652</u> | <u>201,554,401</u> |
| NET INCREASE (DECREASE) IN CASH FOR THE YEAR | 827,589,466 | 103,123,190 | 826,083,416 | 102,929,166 |
| CASH | | | | |
| Beginning of the period | <u>5,639,332</u> | <u>1,239,388</u> | <u>7,145,383</u> | <u>1,433,411</u> |
| End of the period | <u><u>833,228,799</u></u> | <u><u>104,362,577</u></u> | <u><u>833,228,799</u></u> | <u><u>104,362,577</u></u> |

MANILA MINING CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE PERIOD ENDED JUNE 30, 2011 AND 2010

| | JUNE 30 | |
|--|-------------------------------|-------------------------------|
| | <u>2011</u> | <u>2010</u> |
| STOCKHOLDERS' EQUITY | | |
| Capital Stock | | |
| Authorized - 260B shares @ P.01 par value each (P 2,600,000,000) | | |
| Issued and outstanding | 2,015,598,905 | 2,013,092,066 |
| Subscribed capital stock (net of subscriptions receivable) | 202,303 | 186,164 |
| Share premium | 498,017,727 | 496,429,484 |
| Deficit | | |
| Operations | | |
| Beginning balance | (998,071,463) | (989,591,498) |
| Net income (loss) for the period | 961,314,903 | (4,310,734) |
| | <u>(36,756,560)</u> | <u>(993,902,231)</u> |
| TOTAL STOCKHOLDERS' EQUITY | P <u>2,477,062,375</u> | P <u>1,515,805,482</u> |

MANILA MINING CORPORATION
NOTES TO FINANCIAL STATEMENTS

Note 1 - Operations; registration with the Board of Investments (BOI)

Manila Mining Corporation (the "Company") had a total of 59 regular employees as of 30 June 2011.

Due to the temporary cessation of operations since July 2001, the BOI certificates of registration of the Company have been cancelled.

Note 2 – Compliance with generally accepted accounting principles and basis of financial statement presentation

The financial statements of the Company have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS), International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) Interpretations.

The policies set out below have been consistently applied to all the months presented. The Company's financial statements were prepared in accordance with generally accepted accounting principles in the Philippines (GAAP) and in conformity with PFRS

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed properly.

Adoption of new accounting standards

The ASC approved the issuance of new and revised accounting standards which are based on revised International Accounting Standards (IAS) and new International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) which are effective for annual periods beginning on or after January 1, 2005.

These new Standards have been renamed PASs to correspond to adopted IASs while the PFRSs correspond to adopted IFRSs. The Company adopted the applicable PASs and PFRSs effective January 1, 2005:

PAS - PAS 1, 2, 8, 10, 16, 17, 19, 21, 24, 32, 33, 36, 37, 38 & 39

PFRS - PFRS 1 & 2

Adoption of PFRS 9

The company has not yet decided whether or not to early adopt PFRS 9 (2009) or PFRS 9 (2010) for its 2011 financial reporting and therefore, the interim financial statements do not reflect the impact of the said standard.

It is currently evaluating the impact of the possible early adoption of either PFRS 9 (2009) or PFRS 9 (2010) in its financial statements.

The accounts that are to be affected are Available-for-sale financial assets (AFS) and Fair Value Reserve.

Note 3– Receivables

This consists of Advances to officers and employees and other receivables.

Note 4– Pre-payments and Deposits

This account represents Prepaid royalties & Miscellaneous deposit in relation to drilling contract.

Note 5– Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depletion, depreciation and impairment in value, if any. This includes exploration cost.

Note 6 – Other Assets

This account consists mainly of Deposit receivable and Idle equipment.

Note 7 – Accounts Payable and Accrual

This represents payables to suppliers and advances from shareholders.

Note 8 – Non-trade Payables

This account represents payables to affiliates.

Note 9 – Pension Benefits

Pension cost and obligation are computed in accordance with Republic Act No. 7641, Retirement Pay Law, which is similar to that computed under a defined benefit pension plan. A defined benefit plan is a retirement plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on certain factors such as age, years of credited service and salary.

The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with any adjustments for unrecognized gains or losses and past service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity which approximates the terms of the related pension liability. The defined benefit obligation is calculated on a regular periodic basis by an independent actuary using the “Projected Unit Credit Cost” method.

Note 10 - Earnings (loss) per share

Following are the basis for the computation of earnings (loss) per share:

| | 2nd qtr 2011 | 2nd qtr 2010 |
|--|-----------------|-----------------|
| Numerator: | | |
| Net (loss) income for The quarter | P 963,738,646 | P (1,251,330) |
| Denominator: | | |
| Weighted average Total shares subscribed, issued and outstanding | 201,547,390,569 | 178,956,383,833 |

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of June 30, 2011

NONE

p -o0o-
=====

**Management's Discussion and
Analysis of Financial Condition
and Results of Operations**

As of June 30, 2011

The company's operation continued to be suspended in the second quarter of the year. Interest and other income totaled P1.07 billion during the second quarter compared with P0.63 million last year. Other income of P1.06 billion represents the net payment received by MMC from Philex for the sale of 5% of MMC's shareholdings in Kalayaan Copper-Gold Resources, Inc. ("Kalayaan"). A forex gain of P8.9 million was made in connection with the same transaction. Interest income from money market placements and bank deposits increased to P3.08 million compared with P0.63 million last year.

Total expenses for the second quarter amounted to P108.94 million compared with P1.88 million in 2010, composed mainly of administrative and depreciation expenses. The incremental administrative cost during the period was due to the capital gains tax on the sale of Kalayaan shares to Philex as discussed above. Net income amounted to P963.74 million compared with a net loss of P1.25 million in 2010.

For the six months ended June 30, 2011, Interest and other income increased to P1.07 billion vs. P0.63 million last year as a result of the sale of the Kalayaan shares. Likewise, administration and depreciation expenses increased to P111.37 million from P4.94 million last year as discussed above. Net income for the first half of 2011 was P961.31 million compared with a net loss of P4.31 million last year.

As a result of the income realized from the sale of the Kalayaan shares, cash and cash equivalents increased to P833.23 million as against P7.15 million as of end-2010. Receivables increased to P1.1 million compared with P0.49 million due to advances made to further sustain exploration activities. Materials and Supplies, used mainly for exploration work, increased to P30.98 million from P28.17 million. Prepayments increased to P40.3 million from P34.18 million due to recognition of Input VAT. Investment in Available for Sale Securities increased to P44.86 million from P7.5 million on account of the purchase of PSE-listed stocks. Property plant and equipment increased to P1.78 billion from P1.68 billion due to enhanced exploration activities. Other Assets increased to P7.40 million due to additional environmental funds set up by the company. Accounts Payable and Accruals increased to P184.42 million from P178.89 million on account of drilling services. Non-trade Payables increased to P1.95 million from P1.18 million representing advances from related parties.

Deficit was reduced to P36.76 million from P998.07 million due to the Other Income reported above.

OUTLOOK FOR THE REST OF THE YEAR

The company continues to pursue an aggressive exploration drilling program for 2011. After accomplishing 23.6 kilometers of exploration drilling as of 30 June 2011, about 17 km more of exploration, sanitation and geo-technical drilling are targeted by year-end.

Manila Mining Company
Impact of Current Global Financial Condition

Credit Risk

Not applicable

Market Risk

The value of financial instruments may change as a result of changes in interest rates, foreign currency exchange rates and equity prices. The Company has 'Available For Sale Financial Assets' in the amount of P44.86 million which is subject to fluctuations in market prices.

Foreign Exchange Risk

Not applicable

Interest Rate Risk

Not applicable as the Company has no interest-bearing payables.

Liquidity Risk

Not applicable, as the Company is not operating.

Fair Values

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash, Receivables, Trade Payables and Accrued Expenses

The carrying amounts of cash, receivables, trade payables and accrued expenses are all subject to normal trade credit terms and are short term in nature, approximate their fair values.

AFS Investments

Fair values of investments are estimated by reference to their quoted market values made during the balance sheet date as of the end of last year. Unquoted equity securities are carried at cost net of impairment in value, since fair value of these AFS securities cannot be reliably determined as these securities are not listed and have no available bid price. The Company has no investments in foreign securities.

Loans Payable and Borrowings

Not applicable