COVER SHEET

9 9 9 0 5

S.E.C. Registration Number

P H I L I P P I N E   R E A L T Y   A N D   H O L D I N G S

C O R P O R A T I O N

(Company's Full Name)

A N D R E A   N O R T H   C O M P L E X   B A L E T E

D R I V E   C O R   N   D O M I N G O   N E W   M A N I L A

Q U E Z O N   C I T Y

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

MS. RACHELLE R. GATPANDAN

Contact Person

636-1170

Company Telephone Number

0 3   3 1

Month Day

1 7 Q

FORM TYPE

Month Day

Annual Meeting

N/A

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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 March 31, 2014

2. Commission identification number 99905 3. BIR Tax Identification No. 000-188-233

4. Exact name of issuer as specified in its charter

PHILIPPINE REALTY AND HOLDINGS CORPORATION

5. Province, country or other jurisdiction of incorporation or organization PHILIPPINES

6. Industry Classification Code: [ ] e Only)

7. Address of issuer's principal office Postal Code

Andrea North Complex, Balete Drive cor. N. Domingo, New Manila, Quezon City
Satellite Office: E-512/513 East Tower, PSE Center, Exchange Rd., Ortigas Center, Pasig

8. Issuer's telephone number, including area code

(632) 636-1170/631-3179

9. The Registrant has not changed its corporate name and fiscal year. Prior to its transfer to the above address the registrant held its office at 3rd Floor Magnitude Bldg., 186 E. Rodriguez, Jr. Avenue, Quezon City

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 and amount of debt outstanding
Common	4,922,324,908 shares

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

Yes [X] No [ ]

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

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 [X] No [ ]

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

Yes [X] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

A copy of the comparative statements as of and for the quarters ended March 31 , 2014 and 2013, is submitted as part of this report. The financial statements were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computations followed in the interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2013.

Changes affecting balance sheet and income statement items are further disclosed in the Management Discussion and Analysis. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period. The company had reclassified accounts such as dividends, capital and foreign exchange gains, interest, and equity earnings to investment income during the period.

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

Refer to the First Quarter Analysis of Unaudited Consolidated Financial Statement attached as Exhibit I, Comparative Financial Soundness Indicators as Exhibit II, and Business Segments as Exhibit III.

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.

Amador C. Bacani
President
May 14, 2014

Vincent Fischer
Chief Financial Officer
May 14, 2014

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited March 31 2014	Audited December 31 2013
ASSETS		
Cash and cash equivalents	151,496,579	342,855,616
Trading investments	10,601,312	10,601,312
Available-for-sale investments (AFS)	146,638,480	104,575,381
Trade and other receivables - net	609,874,652	632,659,174
Prepayments and other assets - net	235,046,881	203,597,038
Real estate inventories	977,080,419	947,315,957
Real estate held for development and sale - net	899,518,696	899,518,696
Investments in and advances to associates - net	82,775,133	45,658,755
Investment in joint venture	60,282,943	60,212,943
Property and equipment - net	103,666,854	94,492,163
Investment properties - net	273,246,981	275,937,639
Deferred tax assets	19,206,783	17,469,392
	3,569,435,714	3,634,894,066
LIABILITIES AND EQUITY		
Trade and other payables	66,582,487	116,659,776
Unearned income	43,265,813	74,475,021
Funds held in trust	653,087,170	653,087,170
Retirement benefit obligation	67,550,972	68,360,848
Deferred tax liabilities	1,737,390	-
	832,223,833	912,582,815
Equity		
Capital stock	4,493,969,989	4,493,969,989
Reserves	205,825,461	159,860,056
Deficit	(1,794,440,297)	(1,763,488,497)
	2,905,355,153	2,890,341,548
Treasury stock	(163,383,896)	(163,383,895)
Equity attributable to equity holders of the parent	2,741,971,257	2,726,957,653
Minority interest	(4,759,376)	(4,646,402)
	2,737,211,881	2,722,311,251
	3,569,435,714	3,634,894,066

See Notes to the Consolidated Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Three Months Ended March 31	
	2014	2013
INCOME		
Sales of real estate	**35,689,451**	68,828,964
Rent	**5,998,556**	7,005,520
Management fees	**6,331,219**	6,084,510
Interest income	**496,317**	3,830,274
Net underwriting income		8,473,920
Commission	**1,879,170**	1,726,089
Equity in net earnings of associate	**744,521**	
Other income	**667,025**	2,440,767
	51,806,259	98,390,043
COSTS AND EXPENSES		
Cost of real estate sold	**33,320,567**	59,924,433
General and administrative	**44,945,621**	39,490,262
Other Expenses	**4,237,491**	
	82,503,679	99,414,695
FINANCE COSTS	**-**	-
LOSS BEFORE INCOME TAX	**(30,697,420)**	(1,024,651)
INCOME TAX EXPENSE (BENEFIT)	**310,020**	285,296
NET INCOME (LOSS)	**(31,007,440)**	(1,309,947)
ATTRIBUTABLE TO:		
Equity holders of the parent	**(30,951,800)**	(1,993,771)
Minority interest	**(55,639)**	683,824
	(31,007,440)	(1,309,947)
OTHER COMPREHENSIVE INCOME:		
Unrealized holding gain (loss) on AFS investments	**42,063,100**	(12,859,523)
Remeasurement on RBO	**-**	-
Transfers of gain on sale of AFS investments to stat	**-**	-
TOTAL COMPREHENSIVE INCOME (LOSS)	**11,055,660**	(14,169,470)
Income per share		
Basic	**(0.006345)**	(0.000409)
Diluted	**(0.006345)**	(0.000409)
Number of shares outstanding		
Basic (net of treasury stock 125,644,005)	**4,877,907,002**	4,877,907,002
Diluted (net of treasury stock 125,644,005)	**4,877,907,002**	4,877,907,002

See Notes to the Consolidated Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	For the Three Months Ended March 31	
	2014	2013
Capital Stock		
Authorized 8,000,000,000 common shares		
Issued and outstanding 3,688,808,944 shares in 2014;		
3,688,679,636 shares in 2013		
Capital stock, December 31	3,688,808,944	3,688,679,636
Issuance of capital stock	-	-
	3,688,808,944	3,688,679,636
Subscribed capital stock 1,314,772,063 shares in 2014;		
1,314,901,371 shares in 2013	1,314,772,063	1,314,901,371
Less: Subscription receivable	509,725,769	509,782,113
	805,046,294	805,119,258
Additional paid-in capital	114,751	114,751
Capital stock, September 30	4,493,969,989	4,493,913,645
Reserves		
Appropriated retained earnings for		
Treasury stock acquisition	250,000,000	250,000,000
Catastrophe loss		660,988
	250,000,000	250,660,988
Unrealized holding gain (loss) on avilable-for-sale investments		
Balance, beginning	(189,652,263)	119,770,865
Unrealized holding gain (loss)	42,063,100	(6,876,020)
Balance, end	(147,589,163)	112,894,845
Accumulated Remeasurement Gains/Losses	(15,441,829)	-
Reserve for fluctuation in market value of investments	116,476,742	-
Revaluation of property and equipment		
Balance,beginning	2,379,712	15,116,523
Transfers to retained earnings from depreciation valuation reserves	-	-
Balance,end	2,379,712	15,116,523
	205,825,462	378,672,356
Deficit		
Balance, beginning	(1,763,488,497)	(1,817,642,318)
Net income (loss)	(30,951,800)	(1,993,771)
Balance, end	(1,794,440,297)	(1,819,636,089)
	2,905,355,154	3,052,949,912
Treasury Stock	(163,383,896)	(163,383,895)
	2,741,971,258	2,889,566,016
Minority Interest		
Balance, beginning	(4,646,402)	23,307,367
Additional investment	-	
Share in net income	(55,639)	683,824
Share in fluctuation of market value of investments in shares of stocks	(57,334)	
	(4,759,375)	23,991,191
	P2,737,211,881	P2,913,557,207

See Notes to Consolidated Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Three Months Ended March 31	
	2014	2013
Cash flows from Operating Activities		
Net Income	(30,951,800)	(1,993,771)
Adjustments for:		
Prior Period Adjustment	-	
Equity in net losses (earnings) of subsidiaries and affiliate	-	
Depreciation and amortization	4,524,802	2,562,441
Provision for tax	-	
Minority Interest	(55,639)	683,824
Gain (Loss) from operations before working capital changes	(26,482,638)	1,252,494
Decrease (Increase) in:		
Real estate inventories	(29,764,462)	(120,581,884)
Real estate held for sale	(0)	-
Receivables	22,784,522	47,620,040
Prepayments and other current assets	(31,449,843)	(29,565,210)
Increase (Decrease) in:		
Accounts payable and accrued expenses	(50,077,289)	14,667,781
Funds Held in Trust/ for Reinsurers	0	(539,844)
Unearned premiums	-	(3,747,101)
Finance Lease Obligation	-	
Deferred Tax Liability	1,737,390	
Retirement Benefit Obligation	(809,876)	244,275
Unearned Income	(31,209,208)	
Loans Payable		
Net cash used in operating activities	(145,271,403)	(90,649,448)
Cash Flows from Investing Activities		
Decrease (Increase) in:		
Other assets	-	
Deferred Tax Assets	(1,737,391)	
Computer Software		
Investments in joint venture	(70,000)	(70,000)
Held to maturity investments		239,174
Investments and advances	(37,116,378)	
Trading Investments	0	(7,066,499)
Available-for-sale investments	(42,063,099)	12,894,523
Investment Property	2,690,658	(11,423,816)
Net disposals (additions) to property and equipment	(13,699,493)	(85,684)
Net cash from investing activities	(91,995,704)	(5,512,304)
Cash Flows from Financing Activities		
Proceeds (payments) of bank loans - net		
Increase in capital stock		
Unrealized holding gain (loss) on available-for-sale investmei	43,585,693	
Transfer to consolidated statements of income on sale of available-for-sale invetsments		
Revaluation of property and equipment		
Reserve for fluctuation in MV of investment in stocks	2,379,712	(6,874,654)
Increase(decrease) in minority interest	(57,335)	
Treasury stock transactions		
Net cash from (used in) financing activities	45,908,070	(6,874,654)
Net Decrease in Cash and Cash Equivalents	(191,359,037)	(103,036,405)
Cash and Cash Equivalents, Beginning	342,855,616	569,014,062
Cash and Cash Equivalents, End	151,496,579	465,977,657

PHILIPPINE REALTY AND HOLDINGS CORPORATION
AGING OF ACCOUNTS RECEIVABLE-TRADE
AS OF MARCH 31, 2014

PARTICULARS	CURRENT	OVER DUE 31-60 DAYS	61-90 DAYS	OVER 91 DAYS	TOTAL
PRHC	121,194,520	7,464,165	218,919	228,536,662	357,414,266
PPMI	1,944,135	425,716	116,665	378,217	2,864,734
TIBI			5,946,472		5,946,472
UTC	494,200				494,200
GRAND TOTAL	123,632,856	7,889,882	6,282,055	228,914,879	366,719,672

Accounts Receivable - Trade	366,719,672
Accounts Receivable - Others	243,154,980
Total	609,874,652

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FIRST THREE (3) MONTHS OF 2014

At the close of the first quarter 2014, the Company launched Sky Villas its latest project, in its Andrea North complex at New Manila, Quezon City. This new launch initiates a series of projects that form part of the Company's plan for the succeeding years. Although it has not yet contributed to the Company's revenues as it is still getting traction, Sky Villas is expected to contribute to the total revenues within the year.

Without much inventory on hand, coupled with the deconsolidation of Meridian Assurance Corporation (MAC), the Company posted total revenues of P51.8 million for the quarter down 47% from P98.4 million posted during the same period last year. Albeit this resulted to a net loss of P31.0 million, the Company's holding gain from its Available-for-sale investments of P42.0 million fully offset the loss resulting in a total comprehensive income of P11.0 million, a complete reversal of the Company's 2013 total comprehensive loss of P14.2 million. The Company remains confident it will post positive results throughout the year.

Sale of condominium units amounted to P35.7 million in 2014 from P68.8 million in 2013 due to lower recognized sales for Skyline and Icon Plaza towers during the period on account of decreasing inventory on hand. Rent income decreased by 14.37% from P7.0 million in 2013 to P6.0 million in 2014 due to delayed renewal of some lease contracts. This was positively offset by the increase in Management fees by subsidiary PRHC Property Managers, Inc. (PPMI) of 4.05% brought about by escalation in fees and additional properties under management. Commission income also increased from P1.7 million in 2013 to P1.9 million in 2014 due to higher volume of premiums written. Net underwriting income was no longer reflected in 2014 on account of MAC's deconsolidation. In lieu of this, the Equity in net earnings of associate was recognized as the Company's share in MAC's net earnings before tax. Interest income dropped to P0.5 million in 2014 from P3.8 million in 2013 since funds have been actively used for the construction of Sky Villas. Other income, on the other hand, decreased to P0.7 million in 2014 from P2.4 million in 2013 due to lower penalties earned brought about by improved collection efficiency.

General and administrative expense rose from P39.5 million in 2013 to P44.9 million in 2014 due to expenses incurred for additional manpower necessary for the launch of Sky Villas and additional provision for retirement for both the Parent Company and subsidiary, Tektite Insurance Brokers, Inc. (TIBI).

The table below shows the material change from period to period in the Statement of Comprehensive Income. Material shall refer to changes or items amounting to five percent (5%) of the relevant accounts.

	Vertical Analysis		Inc./ (Dec.) 2014 vs. 2013	Horizontal Analysis
	2014	2013		2014
Sale of condominium units	68.89%	69.96%	(33,139,513)	(48.15%)
Rent	11.58%	7.12%	(1,006,963)	(14.37%)
Management fees	12.22%	6.18%	246,709	4.05%
Commission income	3.63%	1.75%	153,081	8.87%
Net Underwriting Income	0.00%	8.61%	(8,473,920)	(100.00%)
Interest income	0.96%	3.89%	(3,333,957)	(87.04%)
Other income	1.29%	2.48%	(1,773,742)	(72.67%)
Cost of condominium unit sold	64.32%	60.90%	(26,603,866)	(44.40%)
General and administrative expense	86.76%	40.14%	5,455,359	13.81%
Unrealized holding gain on AFS	81.19%	(13.07%)	54,922,623	427.10%

As for the Company's financial position, Available-for-sale investments increased by 40.2% due to higher market prices of investments as of March 31, 2014.

Prepayments and other current assets increased by 15.5% due mainly to the creditable tax remittance for Skyline and Icon Plaza units as well as input taxes from purchase of goods and services from various contractors for the Sky Villas project of the Parent Company.

Increase in investment in and advances to associate was due to additional investment in Meridian Assurance Corporation (MAC).

Increase in property and equipment was due to additional cost incurred for the Showroom of the Parent Company.

Trade and other payables decreased by 42.9% on account of lower customer deposits from decreasing Skyline sales and release of retention to Skyline contractors by the Parent Company.

Unearned income dropped by 41.9% since additional sold units for Icon Plaza Towers were recognized as revenues based on the percentage of completion as of March 2014.

The table below shows the material change from period to period in the Statement of Financial Position. Material shall refer to changes or items amounting to five percent (5%) of the relevant accounts.

	Vertical Analysis		Inc./ (Dec.) 2014 vs. 2013	Horizontal Analysis
	2014	2013		2014
Cash and cash equivalents	4.24%	9.43%	(191,359,037)	(55.81%)
Available for sale investments	4.11%	2.88%	42,063,099	40.22%
Prepayments and other current assets	6.58%	5.60%	31,449,843	15.45%
Investments in and advances to associates	2.32%	1.26%	37,116,378	81.29%
Property and Equipment	2.90%	2.60%	9,174,691	9.71%
Trade and other payables	1.87%	3.21%	(50,077,289)	(42.93%)
Unearned Income	1.21%	2.05%	(31,209,208)	(41.91%)

The consolidated stockholders' equity as of end March 2014 stood at P2.74 billion.

Top Five Performance Indicators	2014	2013
Gross Revenue	P 49,898,396	P 92,119,002
Current Ratio = Current Assets / Current Liabilities	2,130,738,323 / 762,935,470 = 2.79	2,594,063,307 / 1,003,255,162 = 2.59
Debt-to-Equity Ratio= Liabilities / Equity	0.00	0.00
Book value per share=SHE + Subs. Rec. / # of shares outstanding	3,251,697,026 / 4,877,907,002 =0 .67	3,399,348,130 / 4,877,907,002 =0.70
Earnings Before Interest, Tax, Depreciation and Amortization	(P 26,978,955)	P 899,054

Gross revenue includes sale of real estate, rent, commission and management fees. The Company's current ratio is at 2.79 and 2.59 for 2014 and 2013, respectively. As of March, the Company's debt-to-equity ratio remains at zero. Book value per share is at 0.67 and 0.70 in 2014 and 2013, respectively.

There was no issuance, repurchase and repayment of neither debt and equity securities nor dividends paid during the interim period.

Segment revenue and segment result for business segments or geographical segments is presented as Annex IV of this report.

As of December 20, 2013, the Company's liabilities to a contractor, Andrea North Skyline buyers and unsecured creditors were already paid, such that, the Company has filed a motion to terminate the rehabilitation proceedings on account of the successful implementation of the rehabilitation plan. This petition was granted on March 31, 2014.

Planning and design of the architectural finishes of the next tower at Andrea North Towers called "Sky Villas", is in its final stages while construction of the superstructure is ongoing. Construction of the joint venture project, Icon Plaza, in the Bonifacio Global City with Xcell Property Ventures, commenced mid 2010 and is still ongoing.

As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation and other relationship of the Company with unconsolidated entities or other persons created during this period.

The Group's activities expose it to a variety of financial risks. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The policies for managing specific risks are summarized below:

FINANCIAL RISK MANAGEMENT

Foreign Exchange Risk

The Company has foreign currency-denominated receivable from its associate, Alexandra, USA amounting to $3.01 million which has already been fully provided for impairment due to uncertainty of collection. The sensitivity rate used in reporting foreign currency risk internally to key management personnel is 10% and it represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign exchange rates.

Credit Risk

The Group's credit risk is primarily attributable to its trade and other receivable and advances to associates. The Group has adopted stringent procedure in extending credit terms to customers and in monitoring its credit risk.

The Group has no significant concentration of credit risk. It has policies in place to ensure that services are rendered to customers with an appropriate credit history. The Group's exposure to credit risk arises from default customer, with a maximum exposure equal to carrying amount of the related receivables particularly those relating to its leasing operations.

Interest Rate Risk

Interest on loans payable were arranged at fixed interest rates as stated in the amended rehabilitation plan, eliminating the possible exposure of the Group to fair value interest rate risk fluctuation. The Group has no outstanding loans

Liquidity Risk

The Group maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity. Free cash flows have been restricted primarily for the settlement of the Parent's Company's debt obligation, in conformance with the rehabilitation plan.

SEC Memorandum Circular No. 3, Series of 2011

In compliance with the above SEC circular in which the adoption has been deferred by the Financial Reporting Standard Council (FRSC) to January 1, 2015, the Group decided not to early adopt PFRS 9 for their 2014 financial reporting and hereby provides the following information in our interim FS as of March 31, 2014:

i) After consideration of the result of its initial impact evaluation, the Group has decided not to early adopt PFRS 9 for its annual reporting;
ii.) The Group has yet to assess the full impact of PFRS 9 and intends to adopt PFRS 9 beginning January 1, 2015.
iii.) The Group will also consider the impact of the remaining phases of PFRS 9 when issued.

New and Revised Standards and Amendments to Standards Adopted in 2013

Effective January 1, 2013, the Group adopted the following new and revised standards and amendments to standards:

PAS 1, Financial Statement Presentation - Presentation of Items of Other Comprehensive Income (Amendment). The amendments to PAS 1 change the grouping of items presented in OCI. 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

PAS 19, Employee Benefits (Revised). These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. They would also require recognition of all actuarial gains and losses in other comprehensive income as they occur and of all past service costs in profit or loss. The amendments replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). See Note 40 for the impact of the adoption on the consolidated financial statements.

PFRS 10, Consolidated Financial Statements (effective January 1, 2013). The objective of PFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. It defines the principle of control, and establishes control as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.

PAS 27 (Revised), Separate Financial Statements (effective January 1, 2013). PAS 27 (Revised) includes the provisions on separate financial statements that are left after the control provisions of PAS 27 have been included in the new PFRS 10.

PAS 28 (Revised), Investments in Associates and Joint Ventures (effective January 1, 2013). PAS 28 (Revised) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of PFRS 11.

PFRS 11, Joint Arrangements (effective January 1, 2013). This new standard focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted.

PFRS 12, Disclosures of Interests in Other Entities (effective January 1, 2013). This new standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

PFRS 13, Fair Value Measurement. The new standard establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of PFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other PFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in PFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy are currently required for financial instruments only under PFRS 7 Financial Instruments: Disclosures will be extended by PFRS 13 to cover all assets and liabilities within its scope.

Amendments to PFRS 7, Disclosures – Offsetting Financial Assets and Financial Liabilities. The amendments change the required disclosures to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognized financial assets and recognized financial liabilities, on the entity's financial position.

Exhibit II

PHILIPPINE REALTY AND HOLDINGS CORPORATION
FINANCIAL SOUNDNESS INDICATORS

Indicator	Formula	2014 Computation	2014	2013 Computation	2013
Current Ratio: *Indicates ability to cover short term obligations*	Current Assets/ Current Liabilities	2,130,738,323 / 762,935,470	2.79	2,594,063,307 / 1,003,255,162	2.59
Net Profit Margin: *Shows how much profit is made for every peso of revenue*	Net Income(Loss)/ Total Revenues	(30,951,800) / 51,806,259	-59.75%	(1,993,771) / 98,390,043	-2.03%
Asset Turnover: *Shows efficiency of asset used in operations*	Total Revenues/ Ave. Total Assets	51,806,259 / 3,602,164,890	0.01	98,390,043 / 4,193,514,288	0.02
Leverage Ratio (D/E Ratio): *Measure of how much of a company's assets are funded through borrowing and how much through equity*	Liabilites (Loans Payable) Total Equity	0 / 2,737,211,881	0	0 / 2,722,311,251	0
Interest Rate Coverage Ratio: *Determine how easily a company can pay interest on outstanding debt*	EBIT/ Interest Expense	(26,978,955) / -	0	(2,292,484) / -	0

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

Exhibit III

BUSINESS SEGMENTS

AS OF MARCH 31, 2014

	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Travel Services	Other Income	Elimination	Consolidated
Revenue	41,323,502	6,331,219	1,543,979	157,981	1,208,740		50,565,421
Segment Result	(33,280,350)	470,314	(1,841)	(335,121)	1,208,740	-	(31,938,258)
Interest expense/Bank charges	-						-
Interest income	490,411	367	5,445	95			496,317
Dividend income							-
Equity in net income of							-
associate	744,521					-	744,521
Income taxes	-	-	-				(310,020)
Income before minority interest							(31,007,440)
Minority interest							(55,639)
Net Income							(30,951,800)
Other Information							
Segment assets	3,401,763,092	32,807,959	22,419,338	28,310,141		(17,846,732)	3,467,453,797
Investment at equity method	122,540,113					(39,764,980)	82,775,133
Unallocated corporate assets	16,191,638	3,015,145					19,206,783
Consolidated Total Assets	3,540,494,843	35,823,104	22,419,338	28,310,141	-	(57,611,712)	3,569,435,714
Segment liabilities	801,950,629	17,864,905	7,875,951	54,078,284		(51,283,326)	830,486,442
Unallocated corporate liabilities	717,514	-	1,019,876	-			1,737,390
Consolidated Total Liabilities	802,668,143	17,864,905	8,895,828	54,078,284		(51,283,326)	832,223,833
Capital expenditure	10,987,353	-	29,683	-			11,017,036
Depreciation	3,728,100	332,011	431,342	33,348			4,524,802
Non-cash expenses other than depreciation	2,114						2,114