

ATN HOLDINGS, INC.

9F Summit One Tower, 530 Shaw Blvd. Mand. City
Tel. No. 717-0523, Fax No. 533-5052

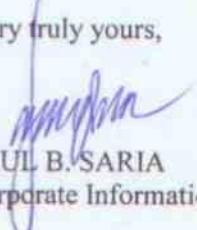
August 17, 2010

JANET A. ENCARNACION
HEAD, DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE
PSE Center, Exchange Road
Ortigas Complex, Pasig City

Dear Ms. Encarnacion,

In compliance with PSE's requirement, we are sending you herewith SEC Form 17Q for quarter ending June 30, 2010.

Very truly yours,



PAUL B. SARIA
Corporate Information Officer

SEC Number 37535
File Number _____

ATN HOLDINGS, INC.

(Company)

**9th Floor, Summit One Tower,
530 Shaw Blvd., Mandaluyong**

(Address)

717-0523/718-3721

(Telephone Number)

March 31

(Fiscal Year Ending)
(month & day)

SEC 17-Q

(Form Type)

Amendment Designation (if applicable)

June 30, 2010

(Period Ended Date)

(Secondary License Type and File Number)

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, 2010
2. Commission identification no. 37535 3. BIR Tax Identification No. 005-056-869
4. ATN Holdings, Inc. (the "Company")
5. Philippines
6. Industry Classification Code:
7. 9th Floor, Summit One Tower, 530 Shaw Blvd., 1550 Mandaluyong City
8. Telephone No. 717-0523/ 718-3721
9. The Company did not change its name, address or fiscal year during the period covered by this report.
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Stock, P1.00	
Class "A"	370,000,000
Class "B"	80,000,000

11. These securities are not all listed on the Philippine Stock Exchange.
 - (a) The company 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 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)
 - (b) The company has been subject to such filing requirements for the past ninety (90) days.

I. Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries
CONSOLIDATED BALANCE SHEET

	(Unaudited) June 30	Audited March 31
	2010	2010
ASSETS		
Current Assets		
Cash and cash equivalent (Note 4)	P5,474,607	P3,862,825
Financial assets at fair value through profit and loss (Note 5)	1,183,570	1,183,570
Account receivables (Note 6)	4,368,074	3,997,899
Real estate inventories (Note 7)	22,100,000	22,100,000
Other current assets (Note 8)	7,847,578	7,791,806
	40,973,829	38,936,100
Noncurrent Assets		
Receivable from related parties (Note 9)	32,905,270	36,250,568
Available-for-sale investments (Note 10)	109,267,518	106,267,518
Investment in properties (Note 11)	1,616,957,033	1,616,957,033
Investment in and advances to associates (Note 12)	18,756,000	18,756,000
Property and equipment - net (Note 13)	44,630,965	46,588,575
Intangible asset (Note 14)	12,225,000	12,650,000
	1,834,741,786	1,837,469,694
TOTAL ASSETS	P1,875,715,615	P1,876,405,794
LIABILITIES AND EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	P2,720,612	P4,094,771
Income tax payable	6,429	P6,429
Bank loans (Note 15)	57,926,929	57,075,554
Deposits (Note 16)	20,068,771	18,258,221
	80,722,741	79,434,975
Noncurrent Liabilities		
Payable to related parties (Note 17)	23,912,028	19,217,964
Deferred tax liabilities	377,024,060	377,024,060
	400,936,088	396,242,024
Total Liabilities	481,658,829	475,676,999
EQUITY		
Share capital	450,000,000	450,000,000
Share premiums	22,373,956	22,373,956
Unrealized gain on available-for sale financial asset-net of tax	73,819,230	73,819,230
Retained earnings	847,863,600	854,535,609
TOTAL EQUITY	1,394,056,786	1,400,728,795
TOTAL LIABILITIES AND EQUITY	P1,875,715,615	P1,876,405,794

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries

CONSOLIDATED STATEMENT OF INCOME AND DEFICIT

	First Quarter Ending	
	June 30, 2010	June 30, 2009
REVENUES	P8,389,292	P17,752,868
DIRECT COST (Note 18)	9,489,612	16,543,245
GROSS PROFIT (LOSS)	(1,100,320)	1,209,623
OTHER INCOME		
Rent	80,357	80,357
Interest	9,534	2,165
	(1,010,429)	1,292,145
ADMINISTRATIVE EXPENSES (Note 19)	4,593,230	2,739,585
FINANCE COST	1,068,350	971,293
INCOME (LOSS) BEFORE INCOME TAX	(6,672,009)	(2,418,733)
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	-	245,691
Deferred	-	-
	-	245,691
NET PROFIT (LOSS) FOR THE PERIOD	(P6,672,009)	(P2,664,424)
EARNINGS PER SHARE	(0.01483)	(0.01332)

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	1st Qtr. Ending	
	June 30, 2010	June 30, 2009
SHARE CAPITAL		
Balance at beginning of fiscal year	P450,000,000	P450,000,000
Issuance during the year	-	-
Balance at end of fiscal year	450,000,000	450,000,000
SHARE PREMIUM	22,373,956	22,373,956
UNREALIZED GAIN ON AVAILABLE-FOR-SALE		
FINANCIAL ASSETS - net of tax		
Balance at beginning of fiscal year	73,819,230	51,641,457
Change in fair value	-	-
	73,819,230	51,641,457
RETAINED EARNINGS		
Balance at beginning of fiscal year	854,535,609	859,866,804
Net profit (loss)	(6,672,009)	(2,664,424)
	847,863,600	857,202,380
	P1,394,056,786	P1,381,217,793

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries
CONSOLIDATED STATEMENT OF CASH FLOWS

	First Quarter Ending	
	June 30, 2010	June 30, 2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	(P6,672,009)	(P2,664,424)
Adjustments to reconcile net income to cash		
Depreciation and amortization	2,382,612	2,042,296
Unrealized loss (gain) on financial assets at fair value through profit and loss	-	-
Interest income	(9,534)	(2,165)
Interest expense	1,068,350	971,293
Operating income before working capital changes	(3,230,581)	347,000
Decrease (increase) in current assets		
Receivables	(370,177)	(513,834)
Real estate inventories	-	6,019,000
Other current assets	(55,772)	1,176,289
Increase (decrease) in current liabilities		
Accounts payable and accrued expenses	(1,374,159)	(1,496,000)
Deposits	1,810,550	(5,738,768)
Cash (used in) provided by operations	(3,220,139)	(206,313)
Interest income	9,534	2,165
Interest expense	(1,068,350)	(971,293)
Income taxes paid	-	-
Cash flows from Operating Activities	(4,278,955)	(1,175,441)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increased) decreased in investment properties	-	(1,466,172)
(Increased) decreased in receivable from related parties	3,345,298	(1,438,517)
Increase in fair value available for sale financial assets	(3,000,000)	-
	345,298	(2,904,689)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) of bank loans	851,375	(2,885,827)
Increase (decrease) of payables to related parties	4,694,064	7,285,531
	5,545,439	4,399,704
NET INCREASE/(DECREASE) IN CASH	1,611,782	319,574
CASH AT BEGINNING OF PERIOD	3,862,825	2,329,085
CASH AT END OF PERIOD	P5,474,607	P2,648,659

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS FOR FINANCIAL STATEMENT PRESENTATION

The interim financial statements have been prepared in conformity with Philippine Financial Reporting Standards (PFRS).

Name of Subsidiary	Principal Activity	% of Ownership
Palladian Land Development, Inc.	Real property developer	100%
Advanced Home Concept Development Corp.	Real property developer	100%
Managed Care Philippines, Inc.	Healthcare	100%

2. FINANCIAL RISK DISCLOSURE

The Group's principal financial instruments comprise of cash, financial assets, receivables and payables.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk, fair value risk price risk, market risk, foreign exchange risk and interest rate risk. The Group has no formal management risk program.

Liquidity Risk

The Group manages its liquidity profile to : a) ensure that adequate funding is available at all times; b) meet commitments as they arise without incurring unnecessary costs; c) be able to access funding when needed at the least possible cost, and d) maintain an adequate time spread of financing maturities.

The table below summarizes the maturity profile of the Group's financial liabilities at June 30, 2010 based on contractual undiscounted payments:

	< 1 year	>1 to 5 yrs	Total
Accounts payable and accrued expenses	2,720,612		2,720,612
Bank loans	57,926,929		57,926,929
Deposits	20,068,771		20,068,771
Payables to related parties	21,756,385	2,155,643	23,912,028
	102,472,697	2,155,643	104,628,340

Credit Risk

The Group ensures that contracts are made with counterparties with an appropriate credit history.

The table below shows the maximum exposure to credit risk for the components of the balance sheet as of June 30, 2010.

Balance sheet items	
Cash and cash equivalent	5,474,607
Financial assets at fair value through profit and loss	1,183,570
Available-for-sale financial assets	109,267,518
Receivables	4,368,074
Receivables from related parties	32,905,270
	153,199,039

The table below shows the credit quality of the Group's financial assets as of June 30, 2010.

	Neither past due nor impaired	Past due but not impaired	Total
Cash and cash equivalent	5,474,607	-	5,474,607
Financial assets at fair value through profit or loss	1,183,570		1,183,570
Accounts receivables		4,368,074	4,368,074
Receivables from related parties		32,905,270	32,905,270
Available-for-sale financial assets	109,267,518		109,267,518
	115,925,695	37,273,344	153,199,039

	Past Due But Not Impaired		
	<30 days	30-90 days	>90 days
Accounts receivables	4,368,074	-	-
Receivables from related parties		32,905,270	-
	4,368,074	32,905,270	-

Fair Value Risk

Third-party receivables and payables are interest-free and have settlement dates within one year.

Price Risk

The Group is exposed to property price and property rentals risk.

Market Risk

The Group is exposed to market risk with respect to financial instruments it holds in equity securities.

Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from currency exposures primarily with respect to the Yen loans. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Significant fluctuation in the exchange rates could significantly affect the Group's financial position.

The choice of foreign currency liabilities has positive impact in terms of lower interest charges. Based on experience, the bank interest charges turned out to be more advantageous against the effect of currency fluctuation.

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the reporting date is as follows:

Yen loans	51,732,628
USD loans	3,342,925

The above table details the Group's sensitivity to a 10% increase and decrease in the functional currency of the Group against the relevant foreign currencies. The sensitivity rate used in reporting foreign currency risk is 10% and it represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency dominated monetary items and adjusts their translation at the period end in foreign currency rates. The sensitivity analysis includes all of the Group's foreign currency dominated liabilities. A positive number below indicates an increase in net income when the functional currency of the Group strengthens at 10% against the relevant currency. For a 10% weakening of the functional currency of the Group against the relevant currency, there would be an equal and opposite impact on the net income and on the balances below would be negative.

Loans payable	5,507,555
Effect on net income	(5,507,555)

Interest rate risk

The primary source of the Group's interest rate risk relates to debt instruments. The interest rates on this liability are disclosed in Note 15.

An estimate of 50 basis points increase or decrease is used in reporting interest rate changes on fair of loans and represents management's assessment of the reasonably possible change in interest rates.

The effect on net income (loss) as of June 20, 2010 is increase or decrease by P5.5 million.

3. SEGMENT INFORMATION

The industry segments where the Group operates are Real estate development and Healthcare management.

Presented below is the segment information in the consolidated financial statements as of June 30, 2010.

	Real estate	Healthcare	Corporate and Others	Total
Segment revenue	3,350,285	5,039,007	80,357	8,469,649
Intersegment revenue	212,190		80,357	292,547
Net	3,138,095	5,039,007	-	8,177,102
Segment result	(2,372,644)	(3,929,899)	(369,466)	(6,672,009)
Segment assets	1,405,018,256	40,045,961	516,725,336	1,961,789,553
Segment liabilities	430,667,385	52,400,539	3,942,103	487,010,027
Other Information				-
Depreciation and amortizati	575,161	1,769,707	37,744	2,382,612
Non-cash expenses other				-
than depreciation	-	-	-	-
Capital expenditures	-	-	-	-

4. CASH AND CASH EQUIVALENT

	30-Jun-10	30-Mar-10
Cash on hand and in bank	5,474,607	3,862,825

Cash in banks earn interest at the prevailing bank deposit rates.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	30-Jun-10	30-Mar-10
Balance at beginning of year	1,183,570	734,970
Unrealized gain (loss) on financial assets at fair value through profit or loss (FVTPL)	-	448,600
	1,183,570	1,183,570

6. ACCOUNTS RECEIVABLES

	Total	Current	1-60 days
Trade			
Real estate	1,854,108		1,854,108
Medical and healthcare related services	2,513,966	1,616,900	897,066
	<u>4,368,074</u>	<u>1,616,900</u>	<u>2,751,174</u>

No allowance for doubtful accounts was provided as all of the accounts are fully collectible.

7. REAL ESTATE INVENTORIES

	30-Jun-10	30-Mar-10
Beginning balance	22,100,000	35,464,000
Additions during the year	-	
Less: Sold	-	(13,364,000)
	<u>22,100,000</u>	<u>22,100,000</u>

Portion of these inventories is mortgaged to secure the Company's bank loans.

8. OTHER CURRENT ASSETS

	30-Jun-10	30-Mar-10
Input Tax	6,433,118	6,531,496
Prepaid expenses	758,160	604,010
Rental deposit	656,300	656,300
	<u>7,847,578</u>	<u>7,791,806</u>

9. RECEIVABLES FROM RELATED PARTIES

	30-Jun-10	30-Mar-10
Unipage Management Inc.	14,587,722	17,587,722
TBGI	18,317,548	18,662,846
	<u>32,905,270</u>	<u>36,250,568</u>

No allowance for doubtful accounts was provided as management believes that all of the accounts are fully collectible. These receivables are interest-free.

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30-Jun-10	30-Mar-10
Balance at beginning of year	106,267,515	75,364,640
Reclassification from investments in associates	3,000,000	8,613,500
Changes in fair value	-	22,289,375
	<u>109,267,515</u>	<u>106,267,515</u>

11. INVESTMENT PROPERTIES

	30-Jun-10	30-Mar-10
The breakdown of properties is shown below:		
Cost:		
Balance at beginning of year	362,288,453	360,857,823
Additions resulting from subsequent expenditures	-	1,430,630
	362,288,453	362,288,453
Unrealized gain on fair value adjustment of investment properties:		
Balance at beginning of year	1,254,668,580	1,254,668,580
	1,616,957,033	1,616,957,033

12. INVESTMENT IN AND ADVANCES TO ASSOCIATES

	30-Jun-10	30-Mar-10
The breakdown of this account follows:		
Acquisition cost:		
Mariestad Mining Corp. (MMC)	7,000,000	7,000,000
Ambulatory Health Care Institute, Inc. (AHCII)	-	8,613,500
	7,000,000	15,613,500
Accumulated equity in net earnings		
Balance at beginning of year	-	888,642
Equity in net earnings during the year	-	(888,642)
	-	-
	7,000,000	15,613,500
Advances to MMC and Sierra Madre Consolidated Mines (SMCM)		
	11,756,000	11,756,000
	18,756,000	27,369,500
Reclassification Available for sale financial assets		
	-	(8,613,500)
	18,756,000	18,756,000

13. PROPERTY AND EQUIPMENT

	1-Mar-10	Transfer/ Disposals	30-Jun-10
	Balance		Balance
Cost:			
Medical equipment & fixtures	34,194,093		34,194,093
Office furniture & fixtures	8,158,855		8,158,855
Leasehold improvements	19,792,673		19,792,673
Transportation equipment	995,536		995,536
	63,141,157	-	63,141,157
Accumulated depreciation:			
Medical equipment & fixtures	7,259,417	902,881	8,162,298
Office furniture & fixtures	4,434,743	262,376	4,697,119
Leasehold improvements	4,261,101	692,800	4,953,901
Transportation equipment	597,321	99,554	696,875
	16,552,582	1,957,611	18,510,193
Net book value	46,588,575	(1,957,611)	44,630,964

14. INTANGIBLE ASSET

	30-Jun-10	30-Mar-10
Cost	15,000,000	15,000,000
Accumulated depreciation		
Balance beg.	2,350,000.00	1,500,000
Provisions	425,000.00	850,000
Disposal	-	-
Balance end	2,775,000	2,350,000
Net book value	12,225,000	12,650,000

15. BANK LOANS

Bank loans consist of various loans represented by promissory notes. Interest on the loan as at balance sheet date ranges from 3% to 6.5% per annum. These loans are collateralized by a mortgage on certain investments in real properties.

16. DEPOSITS

This principally consists of reservation fees from customers pending full payment of amounts as required in the "Contract to Sell".

17. PAYABLE TO RELATED PARTIES

	30-Jun-10	30-Mar-10
Stockholder	20,029,888	21,782,929
	20,029,888	21,782,929

This consist of advances from related party without interest to augment working capital.

