

ATN HOLDINGS, INC.

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

November 12, 2012

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 September 30, 2012.

Thank you.

Very truly yours,


Celinia H. Faelmoca

SEC Number 37535
File Number _____

ATN HOLDINGS, INC.

(Company)

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

(Address)

717-0523

(Telephone Number)

March 31

(Fiscal Year Ending)
(month & day)

SEC 17Q

(Form Type)

Amendment Designation (if applicable)

September 30, 2012

(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 September 30, 2012
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 FINANCIAL POSITIONS

		30-Sep	Audited
	Notes	2012	31-Mar
			2012
ASSETS			
Current Assets			
Cash	4	P 462,824	P 1,539,703
Financial assets at fair value through profit or loss	5	543,900	630,000
Accounts receivables	6	6,040,279	6,458,478
Real estate inventories	7	4,485,000	8,872,500
Other current assets	8	3,978,930	4,206,917
Total Current Assets		15,510,933	21,707,598
Noncurrent assets			
Receivables from related parties	9	90,352,822	89,405,748
Available-for-sale investments	10	37,550,630	42,126,418
Investment properties	11	1,606,871,662	1,610,215,548
Investment in and advances to associates	12	31,256,000	31,256,000
Property and equipment - net	13	35,575,543	38,442,957
Intangible assets	14	10,312,500	10,950,000
		1,811,919,157	1,822,396,671
		P 1,827,430,090	P 1,844,104,269
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses		P 2,317,019	P 3,296,878
Bank loans	15	40,500,320	46,736,954
		42,817,339	50,033,832
Noncurrent Liabilities			
Deposits	16	8,748,526	6,911,287
Subscription payable	12	9,375,000	9,375,000
Payables to related parties	17	22,971,938	25,357,684
Deferred tax liabilities		376,450,646	376,488,044
		417,546,110	418,132,015
TOTAL LIABILITIES		460,363,449	468,165,847
EQUITY			
Share capital		450,000,000	450,000,000
Share premiums		22,373,956	22,373,956
Unrealized gain on available-for-sale financial assets - net of tax		55,416,882	59,969,791
Retained Earnings		839,275,803	843,594,675
		1,367,066,641	1,375,938,422
		P 1,827,430,090	P 1,844,104,269

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ending		Six (6) Months Ending	
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11
REVENUE	P7,748,235	P7,030,036	P17,150,623	P17,547,561
DIRECT COSTS (Note 18)	7,305,217	5,685,084	15,820,294	13,997,663
GROSS PROFIT	443,018	1,344,952	1,330,329	3,549,898
OTHER INCOME (EXPENSES)				
Rent	131,790	118,199	247,509	211,222
Interest income	-	569	10,133	1,881
	574,808 #	1,463,720	1,587,971	3,763,001
ADMINISTRATIVE EXPENSES (Note 19)	2,183,022	1,820,539	4,925,125	4,915,961
FINANCE COST	301,981	(42,371)	981,718	1,493,164
INCOME (LOSS) BEFORE INCOME TAX	(1,910,195)	(314,448)	(4,318,872)	(2,646,124)
Provision for income tax	(53,022)	(338,165)	-	(344,460)
	(1,963,217)	(652,613)	(4,318,872)	(2,990,584)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS)	(P1,963,217)	(P652,613)	(P4,318,872)	(P2,990,584)
EARNINGS PER SHARE			(0.01)	(0.01)

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Six (6) Months Ending	
	Sept. 30, 2012	Sept. 30, 2011
Share Capital		
Balance at beginning of fiscal year	P450,000,000	P450,000,000
Issuance during the fiscal year	-	-
Balance at end of fiscal year	P450,000,000	P450,000,000
Share Premiums	22,373,956	22,373,956
Unrealized gain on available-for sale financial asset - net of tax		
Balance at beginning of fiscal year	59,969,791	65,522,120
Change in fair value of Available-for-sale financial assets	(4,552,909)	-
Balance at end of fiscal year	55,416,882	65,522,120
Retained earnings (deficit)		
Balance at beginning of fiscal year year	843,594,675	850,180,836
Net income (loss) for the period	(4,318,872)	(2,990,584)
Balance at end of the year	839,275,803	847,190,252
	P1,367,066,641	P1,385,086,328

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries
STATEMENT OF CASH FLOWS

	Quarter Ending		Six (6) Quarter Ending	
	Sept. 30, 2012	Sept 30, 2011	Sept. 30, 2012	Sept 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Loss	(P1,910,195)	(P1,037,255)	(P4,318,872)	(P2,990,584)
Adjustments for:				
Depreciation and amortization	1,201,450	1,251,226	3,583,200	3,715,936
Unrealized loss on financial assets at fair value through profit or loss	86,100	-	86,100	-
Interest income	-	(569)	(10,133)	(1,881)
Interest expense	301,981	342,371	981,718	1,493,164
Operating income before working capital chang	(320,664)	555,773	322,013	2,216,635
Decrease (increase) in current assets				
Receivables	(75,938)	463,964	418,199	570,943
Real estate inventories	4,387,500	2,957,500	4,387,500	5,915,000
Other current assets	(74,655)	831,827	227,987	1,012,663
Increase (decrease) in current liabilities				
Accounts payable and accrued expenses	(83,711)	(99,057)	(994,377)	(498,388)
Deposits	(3,353,821)	(4,892,889)	1,837,239	(8,539,896)
Cash (used in) provided by operations	478,711	(182,882)	6,198,561	676,957
Interest income	-	569	10,133	1,881
Income taxes paid	14,519	-	-	-
	493,230	(182,313)	6,208,694	678,838
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Investment properties	-	-	3,343,886	-
Receivable from related party	-	-	(947,074)	-
Property and equipment	-	-	(78,286)	-
	-	-	2,318,526	-
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest paid	(301,981)	(342,371)	(981,718)	(1,493,164)
Payment of bank loans	(1,125,001)	(12,513,376)	(6,236,635)	(16,109,326)
Increase(decrease) in payable to related party	760,880	13,350,252	(2,385,746)	15,638,244
	(666,102)	494,505	(9,604,099)	(1,964,246)
NET INCREASE/(DECREASE) IN CASH	<u>(172,872)</u>	<u>312,192</u>	(1,076,879)	(1,285,408)
CASH AT BEGINNING OF PERIOD			1,539,703	2,157,635
CASH AT END OF PERIOD			P462,824	P872,227

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2012

1. Basis for Financial Presentation

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

2. Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The industry segments where the Group operates are (i) Real estate development and (ii) Health care management.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements.

The segment information in the consolidated financial statements as of Sept. 30, 2012 as follows:

	Real estate	Healthcare	Corporate and others	Total
Segment revenue	13,521,547	3,629,076	247,509	17,398,132
Intersegment revenue	-	-	247,509	247,509
Net	13,521,547	3,629,076	-	17,150,623
Segment result	-268,174	-3,427,939	-622,759	-4,318,872
Segment assets	1,533,455,675	42,815,697	501,380,850	2,077,652,222
Segment liabilities	439,773,726	33,656,953	10,706,168	484,136,847
Other information:				
Depreciation and amortization	985,888	2,521,824	75,488	3,853,200
Non-cash expenses other than depreciation	-	-	-	-
Capital expenditure	-	-	-	-

3. Cash and Cash Equivalents

As of September 30, 2012 and March 31, 2012 cash and cash equivalents represent cash on hand and cash in banks of P462,284 and P1,539,703 respectively. Cash in bank represents current account and USD dollar account that earn interest at the prevailing bank deposit rates.

4. Financial Assets at Fair Value Through Profit or Loss

The Group's financial assets at fair value through profit or loss (FVTPL) consist of shares of stocks of publicly listed companies.

All amounts presented have been determined directly by reference to published price quoted in the stock market.

	September 30, 2012	March 31, 2012
Balance at beginning of year	P630,000	P630,000
Unrealized gain (loss) on financial assets at fair value through profit or loss	(86,100)	-
	P543,900	P630,000

5. Accounts Receivables

The composition of this account is as follows:

	September 30, 2012	March 31, 2012
Trade		
Real estate	5,465,906	P5,989,287
Medical and health related services	574,373	469,191
	P6,040,279	P6,458,478

As of September 30, 2012 management believes that amounts are fully collectible and no provision for doubtful accounts is necessary.

6. Real Estate Inventories

Real estate inventories consist of residential lots stated at cost amounting to P4,485,000 as of September 30, 2012 and P8,872,500 as of March 31, 2012 respectively, Portion of these inventories is mortgaged to secure the Company's bank loans.

7. Other Current Assets

	September 30, 2012	March 31, 2012
Input tax	P2,242,038	P2,923,995
Prepaid expenses	1,638,092	1,184,122
Rental deposits	98,800	98,800
	<u>P3,978,930</u>	<u>P4,206,917</u>

8. Receivable from Related Parties

	September 30, 2012	March 31, 2012
Unipage Management Inc.	P68,668,822	P68,718,822
Transpacific Broadband Group Int'l., Inc.	21,684,000	20,686,926
	<u>P90,352,822</u>	<u>P89,405,748</u>

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

9. Available for Sale Financial Assets

	September 30, 2012	March 31, 2012
Balance at beginning of the year	P42,126,418	P97,928,714
Sold	-	(50,222,066)
Changes in fair value	(4,575,788)	(5,580,230)
	<u>P37,550,630</u>	<u>P42,126,418</u>

10. Investment Properties

	September 30, 2012	March 31, 2012
Cost:		
Balance at beginning of the year	P355,546,968	P359,041,703
Additions (deductions) resulting from expenditures	842,013	2,111,954
Sale/disposal during the year	(4,185,899)	(5,606,689)
	<u>352,203,082</u>	<u>355,546,968</u>
Unrealized gain on fair value adjustment Of investment properties:		
Balance at beginning of the year	P1,254,668,580	P1,254,668,580
Fair value adjustment during the year	-	-
	<u>P1,254,668,580</u>	<u>1,254,668,580</u>
	<u>P1,606,871,662</u>	<u>P1,610,215,548</u>

11. Investment in and Advances to Associates

	September 30, 2012	March 31, 2012
Cost:		
Mariestad Mining Corporation	P7,000,000	P7,000,000
ATN Solar	12,500,000	12,500,000
	<u>P19,500,000</u>	<u>P19,500,000</u>
Advances to MMC and Sierra Madre Consolidated Mines (SMCM)	11,756,000	11,756,000
	<u>P31,256,000</u>	<u>P31,256,000</u>

12. Property and Equipment

September 30, 2012	Medical Equipment & Fixtures	Office Furniture & Fixtures	Leasehold Improvements	Transportation Equipment	Total
Costs					
April 1, 2012	P34,194,095	P8,158,853	P19,792,673	P995,536	P63,141,157
Sept. 30, 2012	P34,194,095	P8,158,853	P19,870,959	P995,536	P63,219,443
Accumulated dep'n					
At April 1, 2012	P11,061,653	P5,461,110	P7,196,495	P978,942	P24,698,200
Provisions	1,354,322	412,438	1,162,346	16,594	2,945,700
At Sept. 30, 2012	12,415,975	5,873,548	8,358,841	995,536	27,643,900
Net Book Value					
At Sept. 30, 2012	P21,778,120	P2,285,305	P11,512,117	-	P35,575,542

Depreciation allocated to direct cost and administrative expenses are as follows:

	September 30, 2012	September 30, 2011
Direct costs	P1,616,822	P2,654,561
Administrative expenses	1,966,378	1,061,376
	P2,945,700	P3,715,937

13. Intangible Asset

	September 30, 2012	March 31, 2012
Cost	P15,000,000	P15,000,000
Accumulated amortizations		
Balance, April 1	4,050,000	3,200,000
Provisions	637,500	850,000
Balance, September 30	4,687,500	4,050,000
Net Book Value at September 30	P10,312,500	P10,950,000

The amortization allocated to direct cost and administrative expenses are as follows:

	September 30, 2012	September 30, 2011
Direct costs	P262,500	P262,500
Administrative expenses	375,000	375,000
	P637,500	P637,500

14. Accounts Payable and Accrued Expenses

	September 30, 2012	March 31, 2012
Trade	P1,740,459	P2,296,033
Accrued expenses	94,875	519,160
Others	481,685	481,685
	P2,317,019	P3,296,878

Terms and conditions of the above financial liabilities are as follows:

- Trade payables are noninterest-bearing and are normally settled on a 90-day term;
- Accrued expenses are noninterest-bearing and have an average term of two (2) months;
- Other current liabilities are noninterest-bearing and have a maximum term of six (6) months.

15. Bank Loans

Bank loans pertain to the principal amount of peso, dollar and yen loans with Rizal Commercial Banking Corporation and China Banking Corporation represented by promissory notes. Interest on these loans at the end of reporting period ranges from 6.5% to 8% for peso loan, 4% to 5% for dollar loan and 3% for yen loan per annum. These loans are secured by a mortgage on certain investment property with a fair value of P69,115,443.

	September 30, 2012	March 31, 2012
Peso loan	P-	P240,000
USD loan	3,148,542	3,148,542
Yen loan	37,351,778	43,348,411
	P40,500,320	P46,736,954

16. Deposit from Buyer

Deposits represent the reservation fees from real estate buyers. The same will be applied to contract price when the buyer committed to purchase the unit. Reservation fees are not refundable should the buyer decided not to purchase the unit.

17. Revenues

	September 30, 2012	September 30, 2011
Real estate sales	P13,521,547	P12,974,902
Health care services	3,629,076	4,572,659
	P17,150,623	P17,547,561

18. Direct Costs

	September 30, 2012	September 30, 2011
Cost of property	P8,573,399	P5,915,000
Depreciation	1,616,822	2,654,561
Medical supplies	675,431	505,685
Professional fees	612,375	518,796
Real estate and other taxes	611,442	531,894
Rent	247,635	563,906
Salaries, wages and other benefits	1,340,627	1,301,504
Utilities and communications	2,142,563	1,979,051
Miscellaneous	-	37,266
	P15,820,294	P13,997,663

19. Administrative expenses

	September 30, 2012	September 30, 2011
Communication, dues and utilities	P106,447	P483,061
Depreciation and amortization	1,966,378	1,061,376
Office supplies	269,301	341,569
Professional fees	1,062,393	588,270
Repairs and maintenance	119,158	9,282
Representation and entertainment	-	28,923
Salaries, wages and other benefits	307,321	311,643
Security services	164,338	121,429
Taxes, licenses and permits	127,903	1,472,299
Transportation and travel	716,086	438,619
Unrealized loss on financial assets through profit or loss	86,100	59,490
	P4,925,125	P4,915,961

20. Loss per Share

Loss per share is computed by dividing the loss by the weighted average number of common shares as follows:

	September 30, 2012	September 30, 2011
Loss (A)	(P4,318,872)	(P2,990,584)
Divided by:		
Weighted Average Shares (B)	450,000,000	450,000,000
Loss per share (A/B)	(0.01)	(P0.0066)

21. Early Adoption of PFRS

PFRS 9, Financial Instruments: Classification and Measurement

PFRS 9 as issued reflects the first phase on the replacement of PAS 39, Financial Instruments: Recognition and Measurement, and applies to classification and measurement of financial assets and financial liabilities as defined in PAS 39. The standard is effective for annual periods beginning on or after January 1, 2015.

In subsequent phases, hedge accounting and impairment of financial assets will be addressed with the completion of this project. The Company decided not to early adopt PFRS 9 until its effective date or until all chapters of this new standard have been published. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will potentially have no impact on classification and measurements of financial liabilities.

22. Fair values of financial instruments

The following table presents the summary of the Group's financial assets and liabilities recognized in the Consolidated Statements of Financial Position as of September 30, 2012 and March 31, 2012:

	30-Sept-12		31-Mar-12	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Loans and receivables				
Cash and cash equivalents	P462,824	P462,824	P1,539,703	P1,539,703
Account receivables	6,040,279	6,040,279	6,458,478	6,458,478
Receivables from related party	90,352,822	90,352,822	89,405,748	89,405,748
Financial assets at fair value through profit and or loss	543,900	543,900	630,000	630,000
Available-for-sale investments	37,550,630	37,550,630	42,126,418	42,126,418
	<u>P134,950,455</u>	<u>P134,950,455</u>	<u>P140,160,347</u>	<u>P140,160,347</u>
Accounts payable and accrued expenses	P2,317,019	P2,317,019	P3,296,878	P3,296,878
Bank loans	40,500,320	40,500,320	46,736,954	46,736,954
Deposits	8,748,526	8,748,526	6,911,287	6,911,287
Payable to related party	22,971,938	22,971,938	25,357,684	25,357,684
	<u>P74,537,803</u>	<u>P74,537,803</u>	<u>P82,302,803</u>	<u>P82,302,803</u>

Due to short-term nature of the transactions, their fair values approximate the carrying amounts at the end of reporting period.

Fair values hierarchy

The Parent company uses the following hierarchy in determining and disclosing the fair value of financial instruments.

- (i) Level 1: Quoted prices in an active market for identical instruments;
- (ii) Level 2: Valuation techniques based on observable inputs other than the quoted prices for identical assets and liabilities in active markets at the measurement date
- (iii) Level 3: Valuation techniques based on unobservable inputs. The inputs are adjusted for information that is inconsistent with market expectations that takes into account the risk premium inherent in the unobservable inputs.

The table below summarizes the Parent company's financial instruments carried at fair value as of September 30, 2012 by the level in the fair value hierarchy recognized in the statement of financial position.

	Level 1	Level 2	Level 3
Fair value through profit or loss	P543,900	P -	P -
Available-for-sale	28,905,590	31,540	8,613,500
	<u>P29,449,490</u>	<u>P31,540</u>	<u>P 8,613,500</u>

There were no transfer from level 1 and level 3.

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 internal rate risk. The Group has no formal risk management program.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

Liquidity risk is a risk due to uncertain liquidity. An institution may suffer liquidity problem when its credit rating falls. The Group is also exposed to liquidity risk if markets on which it depends on are subject to loss of liquidity.

