

ATN HOLDINGS, INC.

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

December 3, 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 (Amended) for quarter ending September 30, 2012 incorporating the following amendments:

1. Additional notes to financial statements – Note 23
2. Additional disclosures – MDA on financial soundness indicators.

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 - Amended

(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).

The same accounting policies and methods of computation are followed in the interim financial statements as compared to the most recent annual financial statements.

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
	P3,978,930	P4,206,917

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
	P90,352,822	P89,405,748

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)
	P37,550,630	P42,126,418

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)
	352,203,082	355,546,968
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	-	-
	P1,254,668,580	1,254,668,580
	P1,606,871,662	P1,610,215,548

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
	P19,500,000	P19,500,000
Advances to MMC and Sierra Madre Consolidated Mines (SMCM)	11,756,000	11,756,000
	P31,256,000	P31,256,000

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
	P134,950,455	P134,950,455	P140,160,347	P140,160,347
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
	P74,537,803	P74,537,803	P82,302,803	P82,302,803

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
	P29,449,490	P31,540	P 8,613,500

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.

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 financial maturities.

The table below summarizes the maturity profile of the Group's financial liabilities at September 30, 2012 based on contractual undiscounted payments:

September 30, 2012	Not later than one month	Later than 1 Month & not later than 3 months	Later than 3 Months & not later than 1 year	Later than 1 Year & not later than 5 years	Total
Accounts payable and accrued expenses	P480,466	P1,836,553			P2,317,019
Bank loans	375,000	4,500,000	P35,625,320		40,500,320
Deposits	8,748,526	-	-		8,748,526
Payable to related parties	886,173	-	3,000,000	18,324,885	22,971,938
	P10,590,165	P6,336,553	P38,625,320	P18,324,885	P74,537,803

Credit Risk

Credit risk is risk due to uncertainty in a counterparty's (also called an obligor) ability to meet its obligation.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the consolidated statements of financial position (or in the detailed analysis provided in the notes to consolidated financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The table below shows the gross maximum exposure to credit risk of the Group as of September 30, 2012 and March 31, 2012. Net maximum exposure is the effect after considering the collaterals and other credit enhancements.

	Gross Exposure maximum	
	30-Sept-12	31-March-12
Cash and cash equivalents	P462,824	P1,534,703
PVTPL	543,900	630,000
AFS	37,550,630	42,126,418
Accounts receivable	6,040,279	6,458,478
Receivable from related parties	90,352,822	89,405,748
	P134,950,455	P140,155,347

Credit quality of the Group's assets as of September 30, 2012 follows:

September 30, 2012	Neither High grade	past due nor Standard grade	impaired Substandard grade	Past due But not impaired	Total
Cash and cash equivalents	P462,824	P -	P -	P -	P462,824
FVTPL	-	543,900	-	-	543,900
AFS	-	37,550,630	-	-	37,550,630
Accounts receivable	-	2,002,718	1,483,123	2,554,438	6,040,279
Receivables from related parties	-	-	-	90,352,822	90,352,822
	P462,824	P40,097,248	P1,483,123	P92,907,260	P134,950,458

High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in banks belonging to the top banks in the Philippines in terms of resources and profitability.

High grade accounts, other than cash and cash equivalents, are accounts considered to be of high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits.

Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Substandard grade accounts are accounts which have probability of impairment based on historical trend. These accounts show propensity to default in payment despite regular follow-up actions and extended payment terms.

The aging analysis of past due accounts which are unimpaired follows:

September 30, 2012	Receivables	Receivables from Related parties	Total
Past due 31-60 days	-	-	-
Past due 61-90 days	-	-	-
Past due 91-120 days	-	-	-
Over 120 days	P6,040,279	P90,352,822	P96,393,101
	P6,040,279	P90,352,822	P96,393,101

Market Risk

The Group is exposed to market risk with respects 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 and Dollar 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 carrying amount of the Group's foreign currency denominated monetary liabilities at the reporting date is as follows:

	<u>30-Sept-12</u>
Japanese yen loan	P37,351,778
US Dollar loan	<u>3,148,542</u>
	<u>P40,500,320</u>

The above table details the Group's sensitivity to a 5% 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 5% 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 and in foreign currency rates. The sensitivity analysis includes all of the Group's foreign currency denominated liabilities. A positive number below indicates an increase in net income when the functional currency of the Group strengthens at 5% against the relevant currency, there would be an equal and opposite impact on the net income and the balances would be negative.

September 30, 2012	Effect on Income Before taxes
Increase/Decrease in Peso to US Dollar Rate	
+5%	+.16 Million
-5%	-.16 Million
Increase/Decrease in Peso to Japanese Yen Rate	
+5%	+.2.2 Million
-5%	-.2.2 Million

Interest Rate Risk

The primary source of the Group's interest rates risk relates to debt instruments. The interest rates on this liability are disclosed in Note 14.

An estimate of 100 basis points increase or decrease is used in reporting interest rate changes on fair value of loans and represents management's assessment of the reasonable possible change in interest rates. The effect on profit for the year is increase or decrease by P2.3 million.

Price Risk

The Group is exposed to property price and property rentals risk and to market price changes of financial assets through profit or loss.

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimum of the debt and equity balance. The Group's overall strategy remains unchanged.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividends paid to shareholders or issue new shares.

The capital structure of the Group consists of issued share capital and additional paid-in capital.

The financial ratio at the year end, which is within the acceptable range of the Group, is as follows:

	30-Sept-12	30-Mar-12
Equity	P1,367,066,641	P1,375,938,422
Total assets	1,827,430,090	1,844,104,269
Ratio	0.75	0.75

23. Other SEC requirements

Disclosures on the issuer's interim financial report, in compliance with Philippine Financial Reporting Standards:

1. There is no seasonality or cyclicity of interim operations.
2. There is no item that has unusual effect on asset, liabilities, equity, net income and cash flows.
3. There is no change in the nature and amounts reported in prior interim periods of the current financial year or prior financial year.
4. There is no issuance, repurchase nor repayment of debt and equity securities during the interim period.
5. There is no dividend paid for ordinary or other shares.
6. There is no material event subsequent to the end of the interim period that has not been reflected in the financial statements.
7. There is no change in the composition of the issuer such as business combination, acquisition, disposal of subsidiary and long-term investment, and restructuring during the interim period.
8. There is no change in contingent assets or contingent liabilities since the last annual balance sheet date.
9. There is no seasonal effect that had material effect on financial condition or result of operation.

Item 2. Management's Discussion and Analysis of Operation

(B) Interim Periods

Corporate revenues are segmented as follows:

Revenue from Real Estate Business	Php	13,521,547
Revenue from Health Care Business	Php	3,629,076

The company and its three majority-owned subsidiaries use current ratio and debt to equity ratio to measure liquidity, and gross profit margin and net income to sales ratio as key performance indicators. Current ratio is calculated using current accounts cash, marketable securities, receivables, accounts payable, income tax payable and other liabilities maturing in one year. Debt to equity ratio is derived from division of total debt by total amount of stockholders' equity. Profit margin is computed based on ratio of income from operation (before financing charges and other income/loss) to total revenues.

The company uses past year performance as basis for expected results in current year. With the bulk of its business in real estate, the company has no productivity program. It adopts a prudent policy of matching expenditures with revenues to keep current accounts position in balance.

The following are 7 (seven) key performance and financial soundness indicators of the company:

Current Ratio	Calculated ratio of current assets into current liabilities. Indicates the ability of the company to finance current operations without need for long term capital
Debt-to Equity Ratio	Calculated ratio of total debt into total equity. Indicates the level of indebtedness of the company in relation to buffer funds provided by equity against any operating losses. Also indicates the capacity of the company to absorb or take in more debt.
Asset-to-Equity Ratio	Calculated ratio of total asset into total equity. Indicates the long-term or future solvency position or general financial strength of the company.
Interest Rate Coverage Ratio	Calculated ratio of earnings before interest and taxes into interest expenses. Indicates the ability to meet its interest payments.
Gross profit Margin	Calculated ratio expressed in percentage of the gross margin into total revenues. Indicates the ability of the company to generate margin sufficient to cover administrative charges, financing charges and provide income for the stockholders.
EBITDA	Calculated earnings before income tax, and non-cash charges. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses.
Net Income to Sales Ratio, and Earnings per Share	Calculated ratio of net income into total revenues. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses and non-cash charges, and the ability of the company to declare dividends for stockholders.

	ATN Holdings		Palladian Land		Advanced Home		Managed Care	
	2012	2011	2012	2011	2012	2011	2012	2011
Current Ratio	1.12	4.8	-0.21	14.87	-13.29	8.35	-12.08	9.57
Debt to Equity Ratio	2%	2.2%	0.23%	39%	1391%	-108%	367%	214%
Asset-to-Equity Ratio	1.34	1.34	1.40	1.39	15.02	17.09	4.67	3.49
Interest Rate Coverage Ratio	3.40	0.77	0.87	1.77	n/a	n/a	65.05	43.12
Gross Profit Margin	0.00	0.00	25%	43%	0.00	0%	-55%	-43%
EBITDA	-P735,672	P1,069,812	P869,058	P2,134,967	-P151,344	-P450,116	-P906,115	P416,853
Net Income to Sales Ratio	0.00	0%	1%	0%	0.00	0%	-94%	-50%
Net Income (Loss) in Pesos	-P672,759	-P655,500	-P116,830	P804,619	-P151,344	-P450,116	-P3,427,939	-P2,289,586

On a consolidated basis, ATN accounts that changed by more than 5% compared to quarter ending September 30, 2012 financial statements are as follows:

1. Cash and cash equivalents decreased to Php0.463 million from Php1.540 million (-70%) due to payment of bank loans.
2. Financial assets at fair value through profit or loss decreased due to fair value adjustment from Php630 thousand to Php543 thousand (-13.67%)
3. Receivables decreased to Php6.04 million from Pph6.458 million (-6.48%) due to collection.
4. Real estate inventories decreased to Php4.485 million from Php8,872 million due to sale (-49.45%)
5. Other current assets decreased to Php3.978 million from Php4.207 million (-5.42%).
6. Available-for-sale investments decreased from Php37.550 million to Php42.126 million (-10.86%) due to fair value adjustment.
7. Accounts payable decreased from Php3.296 million to Php2.317 million (-29.72%) due to payment of payables.

8. Bank loans decreased from Php46.737 million to Php40.5 million (-13.34%) due to payment of loans.
9. Deposits increased from Php6.911 million to Php8.748 million (26.58%). This principally consists of reservation fees from customers pending full payment of amounts as required in the "Contract to Sell".
10. Payable to related parties decreased from Php25.357 million to Php22.971 million (-9.41%). These advances made are without interest to augment working capital requirements.
11. Decrease in gross profit to Php1.3 million as of September 30, 2012 from Php3.5million (-62.52%) due to increase in direct cost from Php14 million as of September 30, 2011 compared to Php15.8 million as of September 30, 2012 due to the following:
 - a. Increase in cost of property by Php2.66 million (45%) from Php5.9 million in 2011 due to sale of property.
 - b. Decrease in depreciation and amortization by Php1 million (-39%) from Php2.6 million in 2011.
 - c. Increase in medical supplies by php169 thousand (33.57%) from Php505 thousand on 2011.
 - d. Increase in professional fees by Php93 thousand (18%) from Php0.5 million in 2011.
 - e. Increase in real estate and other taxes by Php79 thousand (15%) from Php531 thousand in 2011.
 - f. Decrease in rent expense by Php316 thousand (-56%) from Php346 thousand in 2011.
 - g. Increase in salaries, wages and other benefits by Php39 thousand (3%) from Php1.3 million in 2011.
 - h. Increase in utilities and communication by Php163thousand (8.26%) from Php1.98 million in 2011.
12. Administrative expenses almost the same from Php4.916 in 2011compared to Php4.9 in 2012. The following are the accounts with more than 5% change:
 - a. Decrease in communication, dues and utilities by Php376 thousand (-78%) due to decrease in office area.
 - b. Increase in depreciation and amortization by Php905 thousand (85%) due to reclassification from direct to administrate expenses.
 - c. Decrease in office supplies by Php272 thousand (-79%) due to non procurement.
 - d. Increase in professional fees by Php474 thousand (80%) due to consultation made.
 - e. Decrease in taxes, licenses and permits by Php1.3 million (-91%) due to non recurring expenses.
 - f. Increase transportation and travel expenses by Php277 thousand (63%) due to messenger errands.

Corporate Development

During 2010, the Group subscribed to 12.5 million shares in ATN Solar Energy Group, Inc., (ATN Solar). From the 12.5 million shares subscribed P3.125 million have been paid and the balance is presented in the liability section as "Subscription Payable" amounting to P9.375 million. ATN Solar is engaged in renewable energy generation and trade distribution of renewable energy equipment and accessories. ATN Solar secured a service contract from the Department of Energy for its 30-MW Rodriguez Solar Power Project on May 12, 2011 and a Certificate of Registration from the BOI for income tax holiday, which can be availed in the first seven years of operation.

As at September 30, 2012, certain conditions are yet to be finalized including supply of material, project financing and government permits. ATN Solar has not started commercial operation.

In conjunction with its utilities scale solar PV power generation in Montalban, ATN Philippines Solar Energy Group Inc. will expand the business relationship of TBGI with client schools through the installation of 30-50 KW off-grid solar PV to complement the TBGI supply of computer laboratories with internet connectivity in schools.

With the company's sound financial condition, ATN can ride the global mass-market trend in healthcare, TV satellite and digital data services investments. Hence there is no foreseeable event, which may have a material impact on its short-term liquidity, and no seasonal aspect had material effect on the financial condition of the Company's operation.

Improvements of real estate assets will be funded by borrowings and augmented by internally generated funds. To the best knowledge of Management there are no unusual or non-recurrent accounts that adversely affect the financial condition of the company.


The company expects to continue its focus on its existing principal activities and actively pursue opportunities for investment in the healthcare technology and renewable energy sectors in the Philippines.


SIGNATURES

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

Company : **ATN HOLDINGS, INC.**

Signature and Title :


PAUL B. SARIA
Principal Financial Officer
December 3, 2012


CELINIA FAELMOCA
Principal Accounting Officer
December 3, 2012