SEC Number 37535
File Number

ATN HOLDINGS, INC.

(Company)

9th Floor Summit One Tower
530 Shaw Boulevard, Mandaluyong City

(Address)

717-0523 / 533-5052

(Telephone Number)

MARCH 31

(Fiscal Year Ending)
(month & day)

SEC Form 20-IS (Preliminary Information Statement)

(Form Type)

Amendment Designation (if applicable)

(Period Ended Date)

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS

Information Statement Pursuant to Section 20 of the Securities Regulation Code (SRC)

1. Check the appropriate box:

   ___x___ **Preliminary Information Statement**

   _______ **Definitive Information Statement**

2. Name of Registrant as specified in its Charter **ATN HOLDINGS, INC.**

3. Country of Incorporation **Philippines**

4. SEC Identification Number **37535**

5. BIR Tax Identification Number **005-056-869**

6. Address of principal office **9th Floor Summit One Tower, 530 Shaw Blvd. Mandaluyong City**

7. Telephone Number **(632) 717-0523/533-4052**

8. Date, time and place of meeting of security holders:

Date	:	August 14, 2008, Thursday
Time	:	1:00 o'clock lunch meeting
Place	:	Managed Care Phil., Inc. Multi Media Center GF Summit One Tower Annex Bldg. Mandaluyong City

9. Approximate date on which the Information Sheet is first to be sent or given to security holders:

   July 24, 2008

10. In case of Proxy Solicitation

    Name of Person Filing the Statement/Solicitor : n/a

11. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Subscribed and Outstanding (No. of Shares)	Pesos
Common "A"	120,000,000	P120,000,000.00
Common "B"	80,000,000	80,000,000.00
	200,000,000	P200,000,000.00

12. Are any or all of these securities listed on the Philippine Stock Exchange?

    YES ___X___ **NO** _______

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Security Holders

Date	:	August 14, 2008, Thursday
Time	:	1:00 o'clock, Lunch meeting
Place	:	Managed Care Phil., Inc. GF Summit One Tower Annex Bldg. 530 Shaw Blvd., Mandaluyong City
Principal office	:	9th Floor Summit One Tower 530 Shaw Boulevard, Mandaluyong City

Approximate date on which the Information Sheet is first to be sent or given to security holders is **July 24, 2008**.

Item 2. Dissenter's Right of Appraisal

There are no matters to be acted upon at the meeting involving instances set forth in the Corporation Code of the Philippines for which a stockholder may exercise the right of appraisal.

Procedure for Exercise of Dissenter's Appraisal Right

Pursuant to the Corporation Code, the appraisal right may be exercised by any stockholders who shall have voted against the proposed corporate action, by making a written demand on the Company, within 30 days after the date on which the vote was taken for payment of the fair value of his shares; provided, that failure to make demand within such period shall be deemed a waiver of the appraisal right. After demanding payment of his shares, the dissenting stockholder shall submit the stock certificates representing his shares to the Company, for notation thereon that such shares are dissenting shares.

The price of the shares of the dissenting stockholder shall be the fair value thereof as at the day immediately prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of the proposed corporate action. If within 60 days from the date of the proposed corporate action was approved by the stockholders, the dissenting stockholders and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, another by the Company and the third by the two thus chosen. The findings of a majority of the appraisers shall be final, and the Company shall pay the award within 30 days after such award is made.

No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment. Upon such payment, the stockholder shall forthwith transfer his shares to the company.

Item 3. Interest of Certain Persons in or Opposition to Matter to be Acted Upon

The following persons have no substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office:

1. each person who has been a director or officer of the Corporation at any time since the beginning of the fiscal year;
2. each nominee for election as a director of the Corporation: and
3. each associate of any of the foregoing persons.

No member of the Board of Directors of the Corporation has informed the Corporation in writing that he intends to oppose any action to be taken by the Corporation at the annual meeting of the stockholders.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

Class "A" Shares	120,000,000
Class "B" Shares	80,000,000
Total Outstanding Shares Voting/Shares	200,000,000

The Company's capital stock consists of Class "A" and Class "B" shares which have the same voting rights and privileges and are equal in all respects, except that Class "A" shares are transferable only to Philippine nationals while Class "B" shares are transferable to any person regardless of nationality. Each share is entitled to one vote. All stockholders of record at the close of business on **July 17, 2008** shall be entitled to notice and to vote at the Annual Stockholders meeting.

The directors of the Corporation shall be elected by plurality vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors, every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his share equal, or by distributing such votes at the same principle among any number of candidates.

(1) Security Ownership Of Certain Record and Beneficial Owners

Owners of more than 5% of voting securities as of June 30, 2008:

Class	Name and address of record Owner and relationship with Issuer	Name of beneficial ownership and relationship with record owner	Citizenship	Shares Owned	%
A	1. Arsenio T. Ng 9th Floor Summit One Tower 530 Shaw Boulevard, Mand, City **Chairman, President and CEO**	None	Filipino	40,406,296"r"	20.10%
A B	2. Guild Securities, Inc. – FREE Unit 1215 Tower One & Exchange Plaza Ayala Avenue, Makati City Client	various	Filipino	2,271,500"r" 28,857,000"r"	15.56%
A B	3. Jaka Securities Corporation Unit 814, Ayala Tower I Ayala Avenue, Makati City Client	various	Filipino	8,434,405"r" 16,634,095"r"	12.53%
A B	4. Abacus Securities Corp. Unit 2904-A East Tower, PSE Centre Exchange Road, Ortigas Center, Pasig Client	various	Filipino	14,684,310"r" 9,140,960"r"	12.06%

Guild Securities, Inc., Jaka Securities Corporation and Abacus Securities Corp. are participants of PCD Nominee Corporation with more that 5% of the company's outstanding capital stock. The clients of Guild Securities, Inc., Jaka Securities Corporation and Abacus Securities Corp. and are the beneficial owners and have the power to decide how their shares are to be voted.

(2) Security ownership of Management as of June 30, 2008:

Class	Name of beneficial owner	Amount and nature of beneficial ownership	Citizenship	%
	Directors:			
A	Arsenio T. Ng	P40,406,296"r"	Filipino	20.20%
A	Hilario T. Ng	350,100"r"	Filipino	00.17%
A	Bonifacio Choa	100"r"	Filipino	00.00%
A	Eric Rodriguez	100"r"	Filipino	00.00%
B	Chee Choong Cheah	100"r"	Malaysia	00.00%
A	Santos L. Cejoco	100"r"	Filipino	00.00%
A	Hyland Si	100,000"r"	Filipino	00.05%
A	Leopoldo Veroy	100"r"	Filipino	00.00%
A	Richard Palou	100"r"	Filipino	00.00%
A	Renato Reyes	100"r"	Filipino	00.00%
A	Antonio Gregorio III	100"r"	Filipino	00.00%
A	Paul Saria	100"r"	Filipino	00.00%
	All directors and executive officers as a group	**P40,857,296"r"**		**20.42%**

Each every security holder is the beneficial owner in his own right.

(3) Voting trust Holders of 5% or More

There are no persons who hold more than 5% of a class under voting trust or similar agreement.

(4) Changes in Control

The company has no arrangements which may result in a change in control of the Corporation. There has been no change in control since the beginning of its last fiscal year.

Item 5. Directors and Executive Officers:

(1) The names of the incumbent Directors and Executive officers of the Company and their respective ages and citizenship, current positions held, period of service and business experience during the past five years as required under Sec. 38 of the Code and SRC Rule 38.1 are as follows:

ARSENIO T. NG - Chairman, President and CEO

Age 49, Filipino Citizen
Period Served - 1995 to present
Term of office - one year

Mr. Arsenio Ng holds a degree in Business Administration, Major in Finance from the California State University Stanislaus (CSUS), and took his MBA degree at California State University, Stanislaus and the University of California at Los Angeles (UCLA). He also took special studies in political science at the US Congress in Washington, D.C. Mr. Ng started as a Senior Project Officer for the National Development Company (1982-1983). In 1984, he joined China Banking Corporation as a Trust Investment Officer and rose up Vice President and Area Head in 1992. In 1994, he became the President and CEO of the Energy Corporation. He is also a Director and Treasurer of Hambrecht and Quist Philippine Ventures II, a private equity fund managed by Hambrecht and Quist, Philippines Inc. He is the Chairman of Transpacific Broadcast Group Int'l, Inc. (TBGI), a technology business for commercial telecommunications and television broadcasting operations and Vice Chairman of CBCP World Corporation a broadband internet service provider and the information technology arm of the Catholic Bishop Conference of the Philippines (CBCP). He is the Chief

Executive Officer of CLINICA MANILA, Managed Care Phils. Inc., Palladian Land Development Inc., Advanced Home Concept Development Corp., and Unipage Management Inc.

HYLAND SI - Independent Director
Age 50, Filipino
Period Served - 1995 to present
Term of office as director - one year

Engineer Hyland Si is the Executive Vice President of Torque Builders, Inc., a major supplier and contractor of local electrical construction works for dozens of high-rise office buildings and manufacturing plants.

HILARIO NG – Director
Age 47, Filipino Citizen
Period Served - 1995 to present
Term of office as director - one year

Architect Hilario Ng is the President of his own architectural firm, Palladian International, Inc. A member of both the Philippine and American architectural boards, Architect Ng placed third overall in the Philippine architectural board exams. He has twenty (20) years of experience in his chosen field, garnering several US design awards. His major projects center on design of shopping malls for the GAISANO and UNIWIDE Groups.

CHEE CHOONG CHEAH - Independent Director
Age 56, Malayan
Period Served - 1995 to present
Term of office as director - one year

Mr. Chee Choong Cheah is the director of a Malaysian firm, Philma Industrial PTE Ltd., with business concerns in Singapore, Indonesia and China.

BONIFACIO CHOA - Independent Director
Age 65, Filipino Citizen
Period Served - 1995 to present
Term of office as director - one year

Mr. Bonifacio Choa is the President of Bon Mar Realty, and also President of two technology firm, Future Logic and Omron Philippines.

SANTOS L. CEJOCO - Director
Age 53, Filipino Citizen
Period Served - 2002 to present
Term of office as director - one year

Formerly Vice President for Corporate Services, a Division of Philippine Associated Smelting and Refining Corporation and Project Manager in National Development Company. Finished his Master in Business Management at the Asian Institute of Management. Presently spearheading in the Initial Public Offering (IPO) activities of TBGI.

ATTY. LEOPOLDO S. VEROY, Independent
Age 70, Filipino Citizen
Period Served – 2007 to present
Term of office as director – one year

Atty. Veroy is a Senior Partner and consultant of Saludo, Agpalo, Fernandez and Aquino Law Office from 2005 to present. His past achievement includes being the Executive Vice President of Social Security System in Quezon City and had extensive proven leadership and experience in interpreting SSS concepts for individuals and organizations, integrating current laws and years of professional experience. Demonstrated ability to achieve significant results, specifically in the area of establishing outreach and satellite location.

RICHARD N. PALOU, Independent
Age 60, Filipino Citizen
Period Served – 2007 to present
Term of office as director – one year

Mr. Richard N. Palo is a MBA candidate and a graduate of Business Management at the Ateneo de Manila University. At present, he is the director of University Athletics at the Ateneo De Manila University from 2004 to present. He is the current director of DENAGA Pawnshop, Inc. and Vantage Investigation and Security Agency, Inc. (2007). From 1997 to present is the director of First Philippine Wind Corporation and from 1999 – 2004 he was the Finance Director of Philippine Basketball Association.

RENATO LLAMAS REYES – Director
Age 61, Filipino Citizen
Period Served – 2007 to present
Term of office as director – one year

Mr. Reyes is a graduate of BS Industrial Engineering at the University of the Philippines and completed his Masters in Business Management at the Asian Institute of Management.. At present he is the President/Director and owner of Active Earnings, Inc., President/Director of Cangoc, Inc.; Carellan, Inc. Cuisine Allurements, Inc.; Grand Pin Dev. Corp.; Hobitton, Inc.; JMARR Realty, Inc. Neorama Signs, Inc.; Pinecrest Realty Corp.; PPARR Management and Holding Corp. and Weathertop, Inc.

ATTY. ANTONIO VICTORIANO F. GREGORIO III - Director
Age 36, Filipino Citizen
Period Served – 2007 to present
Term of office as director – one year

Atty. Gregorio III is a Juris Doctor at the Ateneo de Manila and graduated with honors and consistent Dean's Lister. He completed his Bachelor of Arts Major in Economics with Honors and Bachelor of Science Major in Management Engineering, Cum Laude at the Ateneo de Manila. Some of his present positions include Corporate Secretary/Trustee/Director of the following corporations 4A9T Scholarship Foundation, Inc., Active Earnings, Inc., Bamyard Realty Corporation, Beaver Q. Corporation, Big Herald Link International Corporation, Buddybuds, Inc., Cangoc, Inc. Carellan, Inc., Carom, Inc. Cuervo Appraisers, Inc. Cuervo Far East, Inc. and Grand Pin Development Corp.

ATTY. ERIC M. RODRIGUEZ – Director and Corp. Sec
Age 55, Filipino Citizen, Nominee
Period Served – 2007 to present
Term of office as director – one year

Atty. Rodriguez is a graduate of College of Law at the University of the Philippines. At present he is a partner of Respicio Velasquez & Rodriguez Law Firm from 2000 to present. His past positions held includes house counsel, corporate secretary and administrative manager of Saldana Group of Companies from 1987 to 2000, and from 1979 to 1986, he joined San Juan, Africa, Gonzales & San Agustin Law Firm doing litigation work.

The aforementioned directors and officers have served the fiscal year ended March 31, 2007, and shall continue to serve until their successors have been duly elected at the Company's next annual stockholders' meeting.

Nominees for Elections as Directors of the Company

The nominees for election as directors of the company are the following:

Arsenio T. Ng (Filipino)	Eric Rodriduez (Filipino)	Renato Llamas Reyes (Filipino)
Hilario T. Ng (Filipino)	Chee Choong Cheah (Malaysia)	Antonio Victoriano F. Gregorio (Filipino)
Bonifacio Choa (Filipino)	Leopoldo Veroy (Filipino)	Santos L. Cejoco (Filipino)
Hyland Si (Filipino)	Richard N. Palou (Filipino)	

Hyland Si, Chee Choong Cheah, Bonifacio Choa, Leopoldo Veroy and Richard N. Palou are the nominees for independent directors. In the approval of nomination for independent directors, the Nominations Committee has taken into consideration the guidelines prescribed under SRC Rule 38. The independent directors are nominated by Paul B. Saria (Filipino) and Hilario Ng (Filipino) Mr. Paul Saria and Arch. Hilario Ng have no relationship with the nominees for independent directors.

Management Committee Members / Key Executive Officers

Arsenio T. Ng	-Director, Chairman, CEO, Remuneration and Nomination committee chairman
Hilario T. Ng	-Director, Chief Operating Officer and Audit Committee chairman
Eric Rodriguez	-Director, Corporate secretary and Nomination committee member
Bonifacio Choa	-Independent Director and Audit committee member
Hyland Si	-Independent Director and Remuneration committee member
Leopoldo Veroy	-Independent Director and Nomination committee member
Antonio Victoriano F. Gregorio III	- Director and Remuneration committee member
Renato Reyes	- Director and Audit Committee member
Paul B. Saria	-Chief Finance Officer, Corporate Information Officer and Asst. Corp. Sec.

(2) Significant Employees
The company has no significant employees.

(3) Family Relationship
Architect Hilario T. Ng and Susana Ling Ng is the younger brother and sister respectively of Arsenio T. Ng. Except for the above-mentioned directors there are no family relationships among the officers listed.

Resignation of Officer
There were no resignation, removal or election of company's Directors or officers fort the past two years.

(4) Involvement in Certain Legal Proceedings
The Company is not aware of or not involved in any legal proceedings of the nature required to be disclosed under Part IV of Annex "C" of the SRC with respect to directors and executive officers.

Item 6. Compensation of Directors and Executive Officers

There is no compensation whatsoever for the Company to disclose, because the CEO, to signify his support and solidarity with the Company's stockholders, has waived his rights to the compensation due a CEO that is normally set by the Board of Directors for the last five completed fiscal years and the ensuing fiscal year, thereby taking on the same risks and rewards as the common shareholders. The CEO and the four (4) most highly compensated officers received no compensation from the Company whatsoever for the last five completed fiscal years and the ensuing fiscal year. All of the Company's employees are part of the personal management team of the CEO, and as such, their salaries are personally shouldered by the CEO.

There are no warrants and options granted to Directors and Officers of the Company.

The members of the Board are entitled to receive a reasonable per diem of P5,000 for attendance at each meeting of the Board of Directors. Other than such per diem, there is no other arrangement pursuant to which any amount of compensation is due to the directors for services rendered as such.

Item 7. Independent Public Accountant

The company had appointed C. O. Garcia and Partners to audit the financial Statements of the company for the fiscal year March 31, 2008 and same accounting firm is being recommended for re-election at the scheduled annual meeting with the same remuneration as in the previous year. Under SEC Memorandum Circular no. 38 Series of 2003, the company is not yet entitled to change/rotate its external auditors. Representatives of the said firm are expected to be present at the stockholders' meeting and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The company has not had any disagreement with any of these former or present accountants on any matter of accounting principles or practices, financial statements disclosures, audit scope or procedures which led to a change in external auditors and if not resolved to the satisfaction of any of these accountants, would have caused the latter to make reference to the subject matter of disagreement in connection with its reports.

Item 8. Compensation Plans

There is no cash or non-cash compensation to be distributed with respect to stock options, warrants or rights or any other extra consideration.

Employment Contracts, Termination Of Employment, And Change-In-Control Arrangement

An employment contract between the Corporation and a named executive officer will normally include a compensation package, duties and responsibilities, and term of employment.

The Corporation has not entered into any compensatory plan or arrangement with any named executive officer which would entitle such named executive officer to receive any amount under such plan or arrangement as a result of or which will result from the resignation, retirement, or any other termination of such executive officer's employment with the Corporation and its subsidiaries, or from a change-in-control of the Corporation, or a change in the executive officer's responsibilities following a change-in-control of the Corporation.

Item 10. Modification or Exchange of Securities
No action is to be with respect to the modification of any class of securities of the registrant.

Item 11. Financial and Other Information
No action is to be taken with respect to any matter specified in item 10 above.

Item 12. Mergers, Consolidations, Acquisitions, and Similar Matters

No action is to be taken with respect to any transaction involving:

1. the merger or consolidation of the Corporation into or with any person, or of any other person into or with the Corporation;
2. the acquisition by the Corporation or any of its security holders of securities of another person;
3. the acquisition by the Corporation of any other going business or of the assets thereof;
4. the sale or other transfer of all or any substantial part of the assets of the Corporation; or
5. the liquidation or dissolution of the Corporation.

Item 13. Acquisition or Disposition or Property
No action to be taken with respect to the acquisition or disposition of property.

Item 14. Restatement of Accounts
No action is to be taken with respect to the restatement of accounts.

<u>D. OTHER MATTERS</u>

Item 15. Action with Respect to Reports:
The following reports/minutes shall be submitted to the stockholders for approval/ratification:

1. Minutes of the previous Annual Stockholders' Meeting
    a. Approval of previous annual minutes of meeting
    b. Report of the President
    c. Approval of FY March 31, 2007 audited FS
    d. Election of Directors
    e. Appointment of Independent Auditors
2. Annual Report of the President
3. Fiscal Year Ending March 31, 2007 Audited Financial Statements

During the annual stockholders on August 16, 2007 there were more than 71.24% of the issued and outstanding shares present in person or by proxy. The board of directors were elected for the year 2007 – 2008 and the votes were counted in the presence of the corporate secretary.

The president reported the highlights of the audited fiscal year March 31, 2007 financial statements, and the acts of the Board and the executive officers during the above fiscal year. The corporate secretary read to the stockholders the minutes of the previous annual stockholders' meeting.

The stockholders in said meeting approved and ratified (1) the minutes of the previous annual stockholders' meeting, (2) the audited fiscal year March 31, 2007 financial statements and the annual report which was presented by the president, Mr. Arsenio T. Ng, (3) the appointment of C. O. Garcia and Partners as External Auditor, and (4) ratified the acts of the Board and the executive officers during the above fiscal year including but not limited to memberships in (a) remuneration committee, (b) audit committee, and (c) nomination committee. Membership in said committees, which include one independent director in compliance with SEC rules, are as follows:

Remuneration Committee:	Audit Committee:	Nomination Committee:
Arsenio T. Ng (Chairman)	Hilario T, Ng (Chairman)	Arsenio T. (Chairman)
Antonio Gregorio 111	Renato Reyes	Eric Rodriguez
Hyland Si - Independent	Bonifacio Choa - Independent	Leopoldo Veroy - Independent

tem 16. Matters not Required to be Submitted

No action is to be taken with respect to any matter, which is not required to be submitted to a vote of security holders.

Item 17. Amendments of Charter, Bylaws, and Other Documents

The Securities and Exchange Commission (SEC) have approved the amendment of the company's By-laws on August 17, 2005 in compliance with SRC Rule 38 (Guidelines on Nomination and Elections of Independent Directors).

Item 18. Other Proposed Actions

No action is to be taken with respect to any matter not specifically referred to above.

Item 19. Voting Procedures

A majority of the subscribed capital, present in person, shall be sufficient at a stockholders' meeting to constitute a quorum for the election of directors and for the transactions of any business whatsoever, except in those cases in which the Corporation Code requires the affirmative vote of a greater portion.

At each meeting of the stockholders, every stockholder shall be entitled to vote in person, for each share of stock held by him which has voting power upon the matter in question. The votes for the election of directors, and, except upon demand by any stockholder, the votes upon any question before the meeting, except with respect to the procedural questions determined by the chairman of the meeting, shall be by vica voce or show of hands.

The directors of the corporation shall be elected by plurality vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his share shall equal, or by distributing such votes at the same principle among any number of candidates.

The manner of counting the vote shall be by viva voce unless balloting is demanded by stockholders representing at least 10% of the outstanding capital stock entitled to vote, in the presence of the corporate secretary or the assistant corporate secretary.

PART III

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true and correct. This report is signed in the City of Mandaluyong on July 4, 2008.

Issuer : ATN HOLDINGS, INC.
Date : July 4, 2008

PAUL B. SARIA
Corporate Information Officer

BUSINESS AND GENERAL INFORMATION

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE REGISTRANT'S BUSINESS AND ITS SUBSIDIARIES

ATN Holdings, Inc. (ATN) was incorporated on February 17, 1961 as the Jabpract Mining and Industrial Corporation (JINICO), for the primary purpose of engaging in mining and oil exploration, with an initial authorized capital stock of Two Million Pesos (P2,000,000). On September 13, 1995, SEC approved the increase in authorized capital stock to Two hundred million pesos (P200,000,000) at One centavo (P0.01) per share.

On March 14, 1996, Securities and Exchange Commission (SEC), approved the changes of name from Jabpract Mining and Industrial Corporation to ATN Holdings, Incorporated and corporate purpose from mining to a holding company. A change of par from One Centavo (P0.01) per share to One Peso (P1.00) per share was subsequently approved by the SEC in November, 1996.

ATN invested in real properties and stocks. Its investments in real properties are several units of Summit One Tower located at 530 Shaw Boulevard, Mandaluyong City. Summit One Tower is a 48 storey building. Units of Summit One Tower are office condominium spaces ready for occupancy, with its own separate 6-level parking building and 2 basement parking levels. The units are for sale or leased through either direct sales from walk-in clients, or referrals from independent brokers.

ATN's subsidiaries are Palladian Land Development Inc. (PLDI), Advanced Home Concept Development Corp. (AHCDC) and Managed Care Phils., Inc. (MCPI).

Palladian Land Development Inc. is the developer and major owner of the 48-storey Summit One Tower and an adjacent 6 storey parking building, located at 530 Shaw Boulevard, Mandaluyong City, subdivided residential land in Pasig City and the owner of 1.3 hectare commercial property located in San Fernando, Pampanga. The 1.3 hectare Pampanga property contains a 3-storey commercial building with usable area of 3,000 square meters. PLDI's main sources of revenues include sale and rent of condominium units and residential land.

Advanced Home Concept Development Corp. (AHCDC) is a corporation engaged in developing residential properties. AHCDC is a developer of various properties around Ever Gotesco in Pasig City. The main source of revenues is rent income and sale of residential land.

Managed Care Phil. Inc. (MCPI) is a corporation engaged in the healthcare industry with investments in outpatient clinics. One hundred doctors of MCPI manage the healthcare needs of the fifty thousand client patients. The opening of MCPI Ayala branch and Mandaluyong City branch marked the extensive growth of MCPI market share.

The company established a relatively large ambulatory surgical center at the ground floor of the Annex Building of Summit One under the umbrella of its subsidiary MCPI. The new state-of-the-art surgical center, which cost approximately P40.0 million to complete, includes 14 surgery rooms, 20 consultation rooms, 14 recovery rooms and an x-ray room, equipped with X-ray, 3D ultrasound, ECG, tread mill, dental clinic, etc. Doctors of various surgical disciplines in medical and aesthetic surgery services have committed to practice their respective professions in the center, and 54 HMOs have designated the center to deliver the diagnostic and surgical services required by their members.

Properties

The Company and its subsidiaries are the owners of (a) selected units and floors of Summit One Tower at 530 Shaw -Boulevard, Mandaluyong City, (b) Palladian project in Pasig City, (c) Lincoln Plaza in San Fernando, Pampanga and (d) land for development in Montalban, Rizal.

The Company also invested in shares stock of Transpacific Broadband Group Int'l Inc. (TBGI) of 40.858 million shares of stock. Total fair value of the investment as of March 31, 2008 is P 122 million.

The Company's investment in TBGI represents 22% ownership as of December 31, 2007 with paid up capital stock of 222 million shares and par value of P1.00 per share. TBGI has a total assets as of December 31, 2007 of P335 million, liabilities of P23 million and stockholder's equity of P319 million.

Legal Proceedings

The Company is rarely involved in litigation incidental to the conduct of its business. The Company believes that the cases against it have no legal basis and that there is no pending litigation that will have a material or adverse effect on its financial position or operations.

Submission of Matters to a Vote of Security Holders

There was no meeting held during the 4th quarter of fiscal year ending March 31, 2008.

Certain Relationship And Related Transactions

Investment agreement No. 1

On January 10, 2002, the Company entered into an investment agreement with Transpacific Broadcast Group Int'l, Inc. (TBGI).

Under the terms of the agreement, both parties contributed to the value of project investment amounting to P30 million, as determined by an independent firm of appraisers. The project investment consisted of 10,000 participation units of P3,000 per unit. In particular, the project investment pertains to the 9th floor of Summit One Tower Building consisting of 852.64 square meters. As per subscription agreement, TBGI invested P15 million equivalent to 5,000 participation units.

Both parties, as co investors, can jointly use space not exceeding 50% of the entire area.

After five (5) years from the date of this agreement, either party can terminate this investment agreement via sale or buy out of the invested amount of either party. In case either party cannot agree on sale or buy out at the original price of investment, termination of the investment may proceed via sale of the project to a third party. The net proceeds from sale to a third party shall be shared equally by the co-investors.

On December 28, 2007, the company decided to sold the remaining TBGI financial interest in the 9th floor of Summit One Tower Building at its fair market value of Nineteen Million One Hundred Eighty Four Thousand Four Hundred (19,184,400) in exchange for 11,501,439 shares of TBGI.

Investment Agreement No. 2

On July 20, 2002, the company entered into an agreement with Unipage Management Inc. (UMI) to co-invest and acquire a controlling block in TBGI.

Under the terms of the agreement, the co-investment shall initially be reflected as UMI shares in TBGI amounting to P109.25 million, and shall be divided between the parties as follows:

(a) P30.00 million investment in TBGI, representing 30% ownership of TBGI common shares of stock.
(b) P79.25 million investment of UMI in TBGI, representing at least 40% of total TBGI shares that UMI shall negotiate and procure from the corporation via primary shares or from shareholders of TBGI through secondary share purchase.

ATN shall compensate UMI for good performance of TBGI equivalent to 5% of the appreciation of TBGI shares reckoned from acquisition price in recognition of UMI's technology management and investment expertise.

The co-investment agreement was terminated during the year when UMI unloaded 80 million out of its 95 million TBGI shares. ATN retained its original investment of P30 million representing 36 million TBGI shares.

Other Related Party Transactions

The unquoted available-for-sale financial assets were sold to related party at cost amounting to P17.5 million. Other related party transactions consist mainly of advances to project costs and working capital requirements. As of March 31, 2007 and 2006, receivables from related parties amounted to P14.3 million and P19.0 million, respectively, and payable of P20.8 million and P4.6 million respectively.

In 1998 and prior years, the Group acquired 68% equity in Ambulatory Health Care Institute, Inc. In 2006, ownership of certain blocks of shares were declared null and void by the Court due to technical issues. With the declaration, equity ownership was reduced to 47% and the Group was denied significant influence.

The company has no parent company and has no transaction with promoters for the past five years.

Management's Discussion and Analysis or Plan of Operation

Plan of Operation

The company plans to continue in the manner it did last year. The company's income from various money market placements, proceeds from sale/rental of its office and residential condominium units and service income from healthcare clinics are sufficient to satisfy its cash requirements for the next twelve months. It will continue focus on its existing principal activities and has no plan to engage in product research and development or purchase or sell any plant and significant equipment. The Company values its human resources and it has no plan to decrease the number of its employees.

FY 2008

Financial and Operating Highlights

The following table shows the financial indicators during the fiscal years ending March 31, 2008 and comparable period in the past year. Net profit on consolidated basis came from positive margins realized from interest income from money market placement and real estate business units.

	ATN Holdings		Palladian Land		Advanced Home		Managed Care	
	2008	2007	2007	2006	2007	2006	2007	2006
Current Ratio	31.00	244.00	0.42	0.35	1.32	0.43	2.18	-3.69
Debt to Equity Ratio	0.002	0.08	0.615	0.94	-13.84	-8.09	-4.04	-7.44
Gross Profit Margin	-72%	35.25%	46.80%	3.09%	33.20%	30.04%	6.70%	3.92%
Net Income to Sales Ratio	-72%	35.25%	65.00%	3.09%	7.00%	60.04%	12.00%	-5.63%
Net Income (Loss) in Pesos	-3,655,545	1,261,181	657,309,331	208,830	128,206	277,061	130,605	-342,892

The following are important performance 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.
Gross Profit margin	Calculate ratio expressed in percentage of the gross margin into revenues. Indicates the ability of the company to generate margin sufficient to cover administrative charges, financing charges and provide income for the stockholders.
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.

Total assets increased from P850 million to P1.897 billion as of March 31, 2008. The significant movements in assets were as follows:

(1) increase of P6.066 million in cash from P3.601 million to P9,667 million due to increase in collection of receivables and increase in sales.

(2) increase in financial assets at fair value through profit or loss from P1.020 million to P1.199 million due to increase in market value of securities.

(3) increase in accounts receivable from P4.566 million to P6.877 million due to increase in sales.

(4) real estate inventories decreased from P46.904 million to P41.141 million due to sales.

(5) other current assets decreased from P12.459 million to P11.487 million due to decrease in VAT inputs.

(6) decrease in receivables from related parties from P14.307 million to P13.407 million. These are non-interest bearing advances to augment working capital requirements,

(7) increase in available for sale financial assets from P81.034 million to P137.164 million due to additional investment and increase in fair value of the financial assets.

(8) increase in investment properties from P610 million to P1.598 billion due to increase in fair value of real estate investments.

(9) deferred tax asset of P3.642 million was provided.

(10) property and equipment decreased from P75.725 million to P74.208 million due to depreciation.

Current liabilities decreased to P94.923 million in 2008, from P106.117 million in 2007. The net decrease of P11.194 million is due to the following:

(1) decrease in accounts payable from P12.453 million to P8.462 million due payments of accounts.

(2) decrease in bank loans from P70.403 million to P55.634 million due to payment of loans.

(3) increase in deposits from P23.234 million to P30.763 million due increase in reservation fees.

Noncurrent liabilities increased from P110 million to P488 million. The increase is due to the following:

(1) increase in payable to related party from P20.778 million to P44.412 million. These are non-interest bearing advances to augment working capital requirements,

(2) increase in deferred tax liability from P89.287 million to P443 million due to increase in fair value valuation of financial assets.

The company's net income increased to P653 million in FY March 31, 2008 from P1.404 million in FY March 31, 2007 due to:

(1) unrealized gain on fair value adjustment of investment properties and

(2) sale of investment properties.

The company does not expect an event that will trigger default on direct and contingent liabilities since foreign currency denominated short-term borrowings are hedged, and there is no off-balance sheet transaction, arrangement or obligation. Given that the real estate business is still recovering from the long slump, there could not be a trend, events, or uncertainties that will have material impact on sales of the company.

The real estate inventory of the holding company, which forms the bulk of its subsidiary assets, are assigned higher values due to the fair value valuation of the investment properties.

There is no known trend, events or uncertainties that transpired or that is reasonably expected to have a material favorable or unfavorable impact on net sales or revenue. The company's real estate sales and rentals are dependent on the health of Philippine economy's growth.

FY 2007

Financial and Operating Highlights

The following table shows the financial indicators during the fiscal years ending March 31, 2007 and comparable period in the past year. Net profit on consolidated basis came from positive margins realized from interest income from money market placement and real estate business units.

	ATN Holdings		Palladian Land		Advanced Home		Managed Care	
	2007	2006	2006	2005	2006	2005	2006	2005
Current Ratio	244.00	54.00	0.35	72.95	0.43	3.40	-3.69	4.49
Debt to Equity Ratio	0.08	0.006	0.94	0.287	-8.09	-9.432	-7.44	-0.366
Gross Profit Margin	35.25%	23.80%	3.09%	5.60%	30.04%	6.20%	3.92%	1.50%
Net Income to Sales Ratio	35.25%	23.80%	3.09%	5.60%	60.04%	6.20%	-5.63%	1.50%
Net Income (Loss) in Pesos	1,261,181	533,245	208,830	165,074	277,061	25,163	-342,892	60,065

Total assets have remained stable at around P776 to P849 million level. Non-current assets of around P470 to P781 million remained the same while current assets moved within the same total amount of P305 to P68 million level. The significant movements in assets were as follows:

(1) foreign exchange treasury notes was used to purchase medical equipments of the new medical clinic located at Mandaluyong City.

(2) decrease in financial assets at fair value through profit or loss from P1.072 million to P1.020 million due to sale of securities with an income of P0.350 million.

(3) increase in accounts receivable from P3.426 million to P4.566 million due to slower in collection,

(4) real estate inventories decreased from P271 million to P46.904 million due to re classification of accounts to investment property.

(5) other current assets increased from P9.300 million to P12,459 million due to increase in VAT inputs that was accumulated in the construction of Mandaluyong City branch clinic and purchase of medical equipments,

(6) decrease in receivables from related parties from P19.041 million to P14.307 million. These are non-interest bearing advances to augment working capital requirements,

(7) increase in investment properties from P383.882 million to P610.124 million due to reclassification of account from real estate inventories to investment properties.
(8) increase in available-for sale financial assets from P55.371 million to P81,034 million due to increase in fair value of the assets. Unrealized gain was taken up in the equity account in the amount of P28.029 million, net of deferred tax liability of P15,092 million.
(9) property and equipment increased from P11.886 million to P75,725 million. The increase was due to the construction of Mandaluyong City branch clinic and the purchase of various medical equipments and acquisition of portal and enterprise system development,
(10) increase in accounts payable from P6.407 million to P12.454 million due to purchase of equipments on installment terms,
(11) decrease in bank loans from P74.503 million to P70.403 million due to payment of loans.

Current liabilities increased to P106.117 million in 2007, from P94.766 million in 2006 due mostly to the increase of deposits from clients which represents reservation fees with pending full payment of amounts as required in the contract to sell.

Noncurrent liabilities increased from P4.562 million to P124.943 million. The increase was due mainly from deferred tax liability in the amount of P104 million which was accumulated in the fair value valuation of financial assets.

The company's net income increased to P1.104 million in 2006 from P0.456 million in 2005 due to increase in rental revenue and unrealized gain on fair value adjustment of investment properties.

The company does not expect an event that will trigger default on direct and contingent liabilities since foreign currency denominated short-term borrowings are hedged, and there is no off-balance sheet transaction, arrangement or obligation. Given that the real estate business is still recovering from the long slump, there could not be a trend, events, or uncertainties that will have material impact on sales of the company.

The real estate inventory of the holding company, which forms the bulk of its subsidiary assets, had realize higher values due to the fair value valuation of the investment properties.

There is no known trend, events or uncertainties that transpired or that is reasonably expected to have a material favorable or unfavorable impact on net sales or revenue. The company's real estate sales and rentals are dependent on the health of Philippine economy's growth.

FY 2006

Financial and Operating Highlights

The following table shows the financial indicators during the fiscal years ending March 31, 2006 and comparable period in the past year. Net profit on consolidated basis came from positive margins realized from interest income from money market placement and real estate business units.

	ATN Holdings		Palladian Land		Advanced Home		Managed Care	
	2006	2005	2005	2004	2005	2004	2005	2004
Current Ratio	54.00	0.00	72.95	2.70	3.40	0.02	4.49	1.20
Debt to Equity Ratio	0.006	-	0.287	0.19	-9.432	81.66	-0.336	0.35
Gross Profit Margin	23.80%	67.07%	5.60%	54.42%	6.20%	13.73 %	1.50%	5.27%
Net Income to Sales Ratio	23.80%	67.07%	5.60%	3.80%	6.20%	1.06%	1.50%	0.39%
Net Income (Loss) in Pesos	533,245	1,623,655	165,074	156,900	25,163	54,493	60,065	13,764

Total assets have remained stable at around P771 to P778 million level. Non-current assets of around P451 to P443 million remained the same while current assets moved within the same total amount of P320 to P334 million level. The significant movements in assets were as follows:

(1) decrease in marketable securities from P1.438 million to P1.072 million due to increase in provision for decline in value of marketable securities,
(2) increase in accounts receivable from P6.407 million to P6.608 million due to increase in revenue,
(3) decrease in advances to affiliated companies from P25.851 million to P11.297 million. These are non interest bearing advances to augment working capital requirements,
(4) increase in investment in real properties from P378.937 million to P383.882 million due to development of riverside property.
(5) increase in accounts payable from P5.304 million to P6.407 million due to delay in payments,
(6) decrease in bank loans from P81.973 million to P74.503 million due to payment of loans.

Current liabilities reduced to P94.766 million in 2006, from P102.391 million in 2005 due mostly to payment of bank loans.

The company's net income decreased to P0.456 million in 2005 from P2.079 million in 2005 due to decrease in rental revenue. The decrease in total gross profit from P11.335 million in 2005 to P5.742 million in 2006 resulted from a higher mix of revenue from health care services and lower revenue from real estate.

Information on Independent Accountant and Related Matter

(1) External Audit Fees and Services

For the last two fiscal years, the financial statements of the Company have been audited by C.O. GARCIA & PARTNERS with a contract professional service fee of P200,000.00 for FY2008 and P170,000.00 for FY2007.

C.O. GARCIA & PARTNERS. will audit the Company's balance sheet and the related statements of income, changes in stockholders' equity and cash flows for the year then ending and will provide an audit report on the financial statements referred to above in accordance with auditing standards generally accepted in the Philippines with the objective of expressing an opinion as to whether the presentation of the financial statements, taken as a whole, conforms with accounting principles generally accepted in the Philippines.

As part of the engagement, C.O. GARCIA & PARTNERS will also assist in the preparation of the Company's annual income tax returns for filing with the Bureau of Internal Revenue.

There were no tax fees paid for the last two fiscal years for professional services rendered on tax accounting, compliance, advice, planning and any other form of tax services.

There were no other fees paid by the company for product and other services provided by the auditor.

The audit committee has no policies and procedures of the above services.

Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

There were no events in the past where C. O. GARCIA and company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosures or auditing scope procedures.

Expansion Plans

ATN is pursuing opportunities for additional investments in healthcare subsidiaries in the Philippines. Management believes that the future growth and profitability of Clinica Manila lies mainly on its ability to replicate as many branches as the market can assimilate. Franchise operations provide an opportunity to accelerate expansion of market share and participate in the rapid growth of the health care sector brought about by an aging global and exploding domestic population, and increased health care spending. As the ideal "point-of presence entity of the ATN group, Clinica Manila shall likewise host the business process outsource services that will be provided to Philippine Health Insurance Corporation member hospitals and clinics nationwide.

ATN's investment in Transpacific Broadcast Group International (TBGI) is a strategic move towards technology business. TBGI defines as its corporate mission of contributing to national development by providing services in (1) information and communication technology and (2) Internet connectivity to rural communities for the enhancement of delivery of education, health care and livelihood programs of government agencies, multi-lateral and other concerned institutions.

TBGI generates revenues mainly from Internet, Intranet, and local loop services subscriptions of schools, hospitals, corporate private sector and government agencies.

TBGI enjoys privileges granted by the government for the conduct of its business operations through franchise, authority to operate, and incentives:

1. RA 8657 enacted by Congress grants for a term of 25 years for TBGI to construct, establish, install, maintain and operate communications systems for the reception and transmission of messages within the Philippines, to include but not limited to voice, audio, data, facsimile, video, and such other intelligence by radio, wire, satellite and other means now known to sciences or which may be developed in the future.
2. Provisional Authority issued by NTC grants TBGI the authority to procure, install, operate and maintain International Internet Exchange Service Nodes in Metro Manila, CSEZ and Angeles City, and to offer Value Added Services and charges rates thereof. The Provisional Authority elevated TBGI to "International Carrier " status.
3. Certificate of Registration and Tax Exemption issued by Clark Development Corporation, valid until July 2020, grants TBGI incentives available to CSEZ enterprise exemptions from customs and import duties, and national and internal revenue taxes on importation of capital goods supplies and other articles. In lieu of paying taxes, TBGI shall pay a total of 5% of gross income earned to the national government, to the local government units affected by the declaration of the economic zone, and the development fund of neighboring communities.
4. Certificate of Registration as Value Added Service Provider issued by NTC which allows TBGI to offer services for web page hosting, electronic mail, file transfer protocol, Internet fax, and e-commerce.
5. Extension of Provisional Authority issued by NTC allowing TBGI to construct, install, establish, operate, and maintain for commercial purposes an uplink service only in Clark Special Economic Zone.

Transpacific accomplished significant progress in its operations in 2004. The company continued the roll out its satellite data communications network. To date 110 installations of remote units provided access to the Internet by at least 200,000 students. In addition to the above, other locations scheduled for connection in 2005 include 120 schools who signed contracts with Transpacific.

The ATN board and management believe that the holding company will derive significant growth in share value from the expansion of the Transpacific satellite data network, and the listing of Transpacific in the stock exchange. The listing will not only provide Transpacific access to capital markets but also bring about good corporate image to ATN as an institution and diversified holding company. TBGI has at its disposal the use of facilities owned by the ATN Group for the performance of broadband services. Summit One Tower will provide the space for call center and data center. Clinica Manila will likewise host the PHIC software applications services for nationwide billing system of affiliated public and private hospitals and clinics.

With the company's sound financial condition, ATN can ride the global mass-market growth trend in healthcare and data broadcasting 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. Funding for any expansion of business will be sourced from borrowings and available credit facilities from local and international banks. The peso depreciation and current economic events have minimal effects on the company.

Market Price for Registrant's Common Equity and related Stockholder Matters

(1) Market Information

ATN High and Low Sales Prices per Quarter for the Last Two Fiscal Years:

	Apr 1, 2006 to Mar. 31, 2007		Apr 1, 2007 to Mar. 31, 2008	
	High	Low	High	Low
Qtr. 1	P2.40	P 1.50	P2.00	P 1.74
Qtr. 2	1.62	1.42	3.41	1.80
Qtr. 3	3.60	1.50	3.65	2.32
Qtr. 4	2.00	1.50	4.55	1.80

(2) Holders

As of June 30, 2008, the company had 205 holders of Class "A" shares and 19 class "B" shares. The high and low sales price as of June 30, 2008 is P7.30 and P4.50 respectively.

The top 20 stockholders as of June 30, 2008 are as follows:

Stockholder	No. of Shares Held	% of Total Shares Outstanding
1. Arsenio T. Ng	40,406,296	20.20%
2. Guild Securities, Inc. – Free	31,128,500	15.56%
3. Jaka Securities Corporation	25,068,500	12.53%
4. Abacus Securities Corporation	24,125,270	12.06%
5. Strategic Equities Corp.	8,947,945	4.47%
6. Belson Securities, Inc.	6,288,400	3.14%
7. Triton Securities Corporation	5,322,000	2.66%
8. PCCI Securities Brokers Corp. – FREE	4,749,000	2.37%
9. Pan Asia Securities Corporation	3,439,600	1.72%
10. HDI Securities, Inc.	3,175,750	1.59%
11. BDO Securities Corp.	3,119,000	1.56%
12. Abacus Securities Corp. – CPRAXIS	3,000,000	1.50%
13. Citisecurities, Inc.	2,411,800	1.21%
14. RCBC Securities, Inc.	2,035,000	1.02%
15. Ansaldo, Godinez & Co. , Inc.	1,960,450	0.98%
16. Standard Chartered Bank	1,800,000	0.90%
17. Asiatec Equities, Inc.	1,614,000	0.81%
18. Quality Investments & Securities Corp.	1,505,600	0.75%
19. Westin Securities Corporation	1,420,000	0.71%
20. SB Equities, Inc..	1,330,000	0.67%

(3) Dividends

There was no cash dividend declared for the last three fiscal years.

(4) Recent Sales of Unregistered Securities

The Company has not sold any securities within the past three years that were not registered under the RSA.

Compliance with leading practice on Corporate Governance

On August 29, 2002, the Company submitted to the Securities and Exchange Commission its Manual of Corporate Governance in accordance with SEC Memorandum Circular No. 2 Series of 2002 dated April 4, 2002. Thereafter, a Compliance Officer was appointed to undertake quarterly feedback sessions with the Chairman of the Board to discuss governance-related issues.

The level of compliance of the Board of Directors is measured by their attendance in scheduled meetings for Corporate Governance in which possible violation are discussed and all attendees are reminded of their responsibilities. In the meetings in all members attended, there was no violation identified.

The Company adopted additional leading practices on good governance in its Manual of Corporate Governance, although some of them were already practiced in the Company beforehand.

On the overall, the Company has substantially complied with the rules and principles of corporate governance set out in the Company's Manual of Corporate Governance as of March 31, 2008.

The Company did not deviate from the adopted Manual of Corporate Governance and all members of the Board Directors as well as Senior Management officers completed and were duly certified to have attended a 1-day special in-house seminar on Corporate Governance.

SEC FORM 17-A

A copy of SEC Form 17-A will be provided to any stockholder of ATN Holdings, Inc. without any charge upon written request addressed to:

Mr. Paul Saria
ATN Holdings, Inc.
9th Floor Summit One Tower
530 Shaw Blvd. Mand. City

ATN HOLDINGS, INC.

9TH Floor Summit One Tower
530 Shaw Blvd. Mandaluyong City
Tel. Nos. 533-4052 / 717-0523

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

July 4, 2008

The management of ATN Holdings, Inc. is responsible for all information and representations contained in the consolidated balance sheets of ATN Holdings, Inc. and Subsidiaries as of March 31, 2008 and 2007, and the consolidated statements of income, changes in equity and cash flows for each of the three years in the period ended March 31, 2008, and the summary of significant accounting policies and other explanatory notes. The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to the Company's audit committee and to its external auditor: (I) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data; (ii) material weaknesses in the internal controls; and (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The Board of Directors reviews the consolidated financial statements before such statements are approved and submitted to the stockholders of the Company.

Carmencita O. Garcia and Partners, the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing and has expressed their opinion on the fairness of presentation upon completion of such audit, in their report to the Board of Directors and Stockholders.

Arsenio T. Ng Chairman and Chief Executive Officer	Hilario T. Ng Chief Operating Officer	Paul Saria Chief Finance Officer

SUBSCRIBED AND SWORN to before me this 4th day of July 2008, affiants exhibiting to me his Residence Certificate, as follows:

NAMES	RES. CERT. NO.	DATE OF ISSUE	PLACE OF ISSUE
Arsenio T. Ng	000366270	02/14/08	Manila
Hilario T. Ng	6231651	01/03/08	Manila
Paul B. Saria	6231650	03/03/08	Manila

Doc. No. : 199
Page No. : 20
Book No. 115
Series of 2008 08

NOTARY PUBLIC
PTR NO. 9331213
TIN NO. 144519066
COM. #332 2007-2008
ROLL NO. 24855
DATE ISSUED: 1/2/08
ISSUED AT QUEZON CITY
VALID UNTIL DEC. 31, 2008

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
ATN Holdings, Inc.
9th Floor Summit Tower I Bldg.,
530 Shaw Blvd, Mandaluyong City

We have consolidated the accompanying audited financial statements of ATN Holdings, Inc. and Subsidiaries, which comprise the balance sheets as of March 31, 2008 and 2007, and the statements of income, statements of changes in stockholder's equity and statements of cash flows for each of the three years in the period ended March 31, 2008, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Philippine Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements. We did not audit the financial statements of Palladian Land Development Inc., Managed Care Philippines Inc. and Advanced Home Concept Dev. Corp., which statements reflect total assets of 74% and 73% as of March 31, 2008 and 2007, respectively, and total gross income of 99% and 79% for the years ended March 31, 2008 and 2007, respectively, of the related consolidated totals. Those statements were audited by other auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, is based solely on the report of the other auditor. We conducted our audit in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

Suite 303 SEDCCO Building, Rada cor. Legazpi Sts., Legazpi Village, Makati City, Philippines * Tel. No. 892-5636 * Fax No. 892-2459

and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

The financial statements of each of the Subsidiaries of ATN Holdings, Inc., namely, Palladian Land Development Inc., Managed Care Philippines Inc. and Advanced Home Concept Dev. Corp., as of March 31, 2008 and 2007 and for each of the three years in the period ended March 31, 2008 were audited by other auditor whose latest reports which are all dated April 8, 2008 for Palladian Land Development Inc., Managed Care Philippines Inc. and Advanced Home Concept Dev. Corp., expressed an unqualified opinion on those financial statements.

Based on the opinion of the other auditor for the subsidiaries included in the consolidation as indicated in the sixth paragraph and our opinion on ATN Holdings, Inc., the consolidated financial statements present fairly, in all material respects, the financial position of ATN Holdings, Inc. and Subsidiaries as of March 31, 2008 and 2007, and of its financial performance and its cash flows for each of the three years in the period ended March 31, 2008 in accordance with Philippine Financial Reporting Standards.

Carmencita O. Garcia and Partners

Carmencita O. Garcia

Carmencita O.Garcia
Partner
CPA Certificate No. 23924
SEC Accreditation No. 0128-AR-1
BOA / PRC Registration No. 0123
BIR Accreditation No. 08-001032-1
Tax Identification No. 109-225-879
PTR No. 0997577
January 9, 2008, City of Makati

July 2, 2008

ATN HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

		March 31		
		2008		2007
ASSETS				
Current Assets				
Cash and cash equivalent (Notes 6, 8 and 26)	P	9,667,712	P	3,601,370
Financial assets at fair value through profit or loss (Notes 6, 9 and 26)		1,199,590		1,020,190
Accounts receivables (Notes 6, 10 and 26)		6,876,907		4,566,241
Real estate inventories (Note 11)		41,140,667		46,904,000
Other current assets (Note 12)		11,487,357		12,459,312
		70,372,233		68,551,113
Noncurrent Assets				
Receivables from related parties (Notes 6,13, 25 and 26)		13,407,762		14,307,613
Available-for-sale financial assets (Notes 14, 25 and 26)		137,164,312		81,034,228
Investment properties (Note 15)		1,598,618,828		610,124,131
Deferred tax asset (Note 16)		3,642,168		-
Property and equipment - net (Note 17)		74,208,485		75,725,458
		1,827,041,555		781,191,430
	P	1,897,413,788	P	849,742,543
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued expenses (Notes 6 and 26	P	8,462,436	P	12,453,932
Income tax payable		64,665		25,861
Bank loans (Notes 6, 18 and 26)		55,632,648		70,403,695
Deposits (Notes 6, 19 and 26)		30,763,350		23,234,100
		94,923,099		106,117,588
Noncurrent Liabilities				
Payables to related parties (Notes 6, 20, 25 and 26)		44,412,153		20,778,939
Deferred tax liabilities (Note 16)		443,298,274		89,287,205
		487,710,427		110,066,144
Stockholders' Equity				
Capital stock (Note 22)		200,000,000		200,000,000
Additional paid-in capital		22,373,956		22,373,956
Deposit for future subscription		220,000,000		220,000,000
Unrealized gain on available-for-sale financial asset - net of tax (Note 14)		70,216,026		42,907,172
Retained earnings		802,190,280		148,277,683
		1,314,780,262		633,558,811
	P	1,897,413,788	P	849,742,543

See accompanying Notes to Consolidated Financial Statements

ATN HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Fiscal Years Ended March 31		
	2008	2007	2006
REVENUE	P 29,197,305	P 6,086,165	P 7,510,873
DIRECT COSTS (Note 23)	22,587,023	5,847,353	4,053,565
GROSS PROFIT	6,610,282	238,812	3,457,308
OTHER OPERATING INCOME			
Interest	276,844	2,110,155	2,807,594
Rent	400,930	4,315,202	-
Gain on sale of investment properties	4,262,800	-	-
Income from sale of financial assets at fair value through profit or loss	-	350,652	-
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	179,400	304,200	-
Unrealized gain on fair value adjustment of investment properties - net (Note 15)	1,000,482,520	4,186,058	-
Others	-	-	38,930
	1,012,212,776	11,505,079	6,303,832
OPERATING EXPENSES			
Taxes and licenses	913,341	1,405,691	1,383,374
Repairs and maintenance	529,441	204,385	42,044
Professional fees	515,000	125,000	410,459
Association dues	502,546	918,382	661,446
Office supplies and printing	394,077	147,869	59,170
Transportation and travel	388,793	323,151	172,918
Marketing	334,404	68,682	41,250
Salaries , wages and benefits (Note 21)	283,993	544,622	322,081
Utilities	234,847	901,652	892,145
Depreciation	186,781	186,781	186,781
Communication	164,602	58,329	19,746
Representation and entertainment	164,146	75,051	67,697
Director's fees	60,000	60,000	55,000
Insurance	50,735	218,477	222,487
Security & janitorial services	-	173,386	165,888
Unrealized loss on financial assets at fair value through profit or loss	-	-	366,050
Miscellaneous	235,789	213,705	99,632
	4,958,495	5,625,163	5,168,168
INCOME FROM OPERATIONS	1,007,254,281	5,879,916	1,135,664
FINANCE COST			
Interest on short-term loans	2,802,931	2,446,674	-
INCOME BEFORE TAX	1,004,451,350	3,433,242	1,135,664
PROVISION FOR INCOME TAX (Note 16)			
Current	307,081	1,871,788	679,236
Deferred	350,231,672	157,276	-
	350,538,753	2,029,064	679,236
NET INCOME	P 653,912,597	P 1,404,178	P 456,428
EARNINGS PER SHARE (Note 24)	P 3.26956	P 0.00702	P 0.00228

See accompanying Notes to Consolidated Financial Statements

ATN HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Fiscal Years Ended March 31		
	2008	2007	2006
Capital stock (Note 22)			
Authorized - 200,000,000 shares at P1 per share			
Issued and outstanding - 200,000,000 shares	P 200,000,000	P 200,000,000	P 200,000,000
Additional paid-in capital	22,373,956	22,373,956	22,373,956
Revaluation increment (Note 15)	-	-	250,000,000
Deposit for future subscription	220,000,000	220,000,000	220,000,000
Unrealized gain on available-for-sale financial asset - net of tax (Note 14)	70,216,026	42,907,172	-
Retained earnings (deficit)			
Balance at beginning of year	148,277,683	(15,626,495)	(16,082,923)
Prior period adjustment (Note 15)	-	162,500,000	-
Net income	653,912,597	1,404,178	456,428
Balance at end of year	802,190,280	148,277,683	(15,626,495)
	P 1,314,780,262	P 633,558,811	P 676,747,461

See accompanying Notes to Consolidated Financial Statements

ATN HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Fiscal Years Ended March 31		
	2008	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax	P 1,004,451,350	P 3,433,242	P 1,135,664
Adjustments for:			
Depreciation (Note 17)	4,565,469	1,347,820	858,329
Gain on sale of investment properties	(4,262,800)	-	-
Unrealized gain on financial assets at fair value through profit or loss (Note 9)	(179,400)	(304,200)	366,050
Unrealized gain on fair value adjustment of investment properties - net (Note 15)	(1,000,482,520)	(4,186,058)	-
Interest income	(276,844)	(2,110,155)	(2,807,594)
Interest expense	2,802,931	2,446,674	-
Operating income before working capital changes	6,618,186	627,323	(447,551)
Decrease (increase) in current assets:			
Foreign exchange treasury note	-	20,177,627	-
Financial assets at fair value through profit or loss	-	356,425	(512,074)
Receivables	(2,310,666)	(1,139,383)	(200,972)
Real estate inventories	5,763,333	(1,992,805)	(4,944,804)
Other current assets	971,955	(3,159,101)	263,157
Increase (decrease) in current liabilities			
Accounts payable and accrued expenses	(3,991,496)	7,461,243	1,102,496
Bank loans	(14,771,047)	(4,100,000)	(7,470,251)
Deposits	7,529,250	9,444,844	(1,274,836)
Cash generated from operations	(190,485)	27,676,173	(13,484,835)
Interest received	276,844	2,110,155	2,807,594
Interest paid	(2,802,931)	(2,446,674)	-
Income taxes paid	(268,278)	(1,912,085)	(661,703)
Cash Flows from Operating Activities	(2,984,850)	25,427,569	(11,338,944)
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in receivables from related parties	899,851	4,733,953	14,554,524
Increase in available-for-sale financial assets (Note 14)	(28,684,000)	17,460,000	(3,000,000)
Disposal (acquisition) of investment properties (Note 15)	16,250,623	(7,050,000)	-
Acquisition of property and equipment (Note 17)	(3,048,496)	(53,906,771)	(170,000)
Increase in other asset	-	-	(38,931)
Cash Flows from Investing Activities	(14,582,022)	(38,762,818)	11,345,593
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in payables to related parties	23,633,214	16,215,999	-
NET INCREASE IN CASH AND CASH EQUIVALENT	6,066,342	2,880,750	6,649
CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR	3,601,370	720,620	713,971
CASH AND CASH EQUIVALENT AT END OF YEAR (Note 8)	P 9,667,712	P 3,601,370	P 720,620

See accompanying Notes to Consolidated Financial Statements

1. Reporting Entity

ATN Holdings, Inc. (ATN) was formerly registered under the name JABPRACT Mining and Industrial Corporation. On March 14, 1996, JABPRACT changed its corporate name to ATN Holdings, Inc. and its primary and secondary purposes were amended to enable it to perform the acts of a holding company. ATN and its subsidiaries Palladian Land Development, Inc. (PLDI), Advanced Home Concept Development Corporation (AHCDC) and Managed Care Phil., Inc. (MCPI) are engaged in the business of real property development and healthcare maintenance.

The common shares of ATN are listed and traded on the Philippine Stock Exchange, or PSE. The registered office address of ATN is 9th Floor Summit One Tower Bldg., 530 Shaw Blvd, Mandaluyong City.

2. Basis of Preparation

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS). PFRS includes all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss (FVPL), available-for-sale financial assets (AFS) and investment properties that have been measured at fair values.

Functional and Presentation Currency

The financial statements are presented in Philippine Peso, the Group's functional currency.

3. Adoption of New and Revised Standards

Standards and Interpretations Effective in the Current Period

PFRS 7 (and PAS 32 & IAS 30) - Financial Instruments: Disclosures

PFRS 7 requires disclosures enabling users to evaluate the significance of financial instruments and the nature and extent of risks, and how these are managed. This aims to complement the recognition, measurement and presentation principles given in PAS 32 and 39

PAS 1 - Amendment - Capital disclosures

PAS 1 - Amendment - Capital disclosures require the disclosure of information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital.

IFRIC 8 - Scope of PFRS 2

PFRS 2 applies when equity instruments are granted or liabilities (based on a value of an entity's equity instruments) are incurred by the entity, when the identifiable consideration appears to be less than the fair value of the instruments given. Under PFRS 2, unidentifiable goods or services are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received/receivable at grant date.

IFRIC 10 - Interim Financial Reporting an Impairment

Under IFRIC 10, the specific requirements of PAS 36 and 39 take precedence over the general requirements of PAS 34. An impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost must not be reversed in subsequent interim periods.

IFRIC 11 - PFRS 2 - Group and Treasury Share Transactions

Arrangements whereby an employee is granted rights to an entity's equity instruments is to be accounted for as equity-settled schemes by the entity.

In the current year, the Company has adopted PFRS 7 Financial Instruments: Disclosures and the amendments to PAS 1 - Capital Disclosures.

The impact of the adoption of PFRS 7 and the amendments to PAS 1 has been to expand the disclosures provided in these financial statements regarding the Group's financial instruments and management of capital.

Amendment to Standards Not Yet Adopted

The following are the amendments to standards and interpretations which are not yet effective as of and for the year ended March 31, 2008, and have not been applied in preparing the financial statements:

PFRS 8 - Operating Segments

This replaces PAS 14 Segment Reporting. It adopts a management approach to segment reporting, driven by internal information reported to the entity's chief operating decision maker (CODM) and requires additional disclosures. (Effective January 1, 2009)

PAS 1 - Presentation of Financial Statements (Revised 2007)

The revision on PAS 1 will require information in financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income. The revised standard likewise gives preparers of financial statements the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements. (Effective January 1, 2009)

PAS 23 - Amendment - Borrowing Costs

Borrowing costs related to the aquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed as incurred. This is not required to be applied to qualifying asset carried at fair value and inventories produced on a large quantities on a repetitive basis. (Effective January 1, 2009)

IFRIC 12 - Service Concession Arrangements

This applies to public-to-private arrangements where the grantor controls the services that the operator must provide or controls any significant residual interest in the infrastucture at the end of the arrangement. The operator recognises a financial asset if it has an unconditional right to receive cash or another financial asset or an intangible asset if it has a right to charge the public for use of the asset. (Effective January 1, 2008)

IFRIC 13 - Customer Loyalty Programmes

Loyalty awards credits are accounted for as a separate component of the sales transaction. Consideration is allocated to loyalty award credits by reference to their fair value and deferred until the awards are redeemed. (Effective July 1, 2008)

IFRIC 14 - PAS 19- The Limit of a Defined Benefit Asset, Minimum Funding Requirements (MFR) and their Interaction

Refunds are only available if unconditional. IFRIC defines the interaction between MFR, contributions, surplus and present value (PV) of future service cost. (Effective January 1, 2008)

PAS 27 - Consolidated and Separate Financial Statements

Change in ownership of subsidiary will be accounted for as equity transaction. Losses of the non-controlling interest will be allocated between controlling and non-controlling interest, even if losses exceeds the non-controlling equity investment in the subsidiary. On loss of control of subsidiary - any retained interest will be re-measured to fair value - P&L (Effective July 1, 2010)

Under the prevailing circumstances, the adoption of the above amendments to standards and interpretations in 2007 is not expected to have any material effect on the Group's financial statements.

4. Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements.

Cash and Cash Equivalents

Cash consists of cash on hand and in banks and is stated at its face value. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of acquisition and that are subject to an insignificant change in value.

Financial Assets

Investments are recognised and derecognised on trade date where the purchase or sale of the investment is under a contract whose term require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discount estimated future cash receipts (including all fees on points paid and received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Financial Assets at FVTPL

Financial assets are classified as at FVTPL where the financial asset is either held for trading or designated as at FVTPL.

A financial asset is classified as held for trading if:

* it has been acquired principally for the purpose of selling in the near future; or
* it is part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
* it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

* such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
* the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
* it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Held-to-Maturity Investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

AFS Financial Assets

Unlisted shares held by the Group that are traded in active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity with the exception of impairment losses, interest calculated using the effective interest rate method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain orloss previously recognised in the equity is included in profit or loss for the period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occured after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For unlisted shares classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets classified as AFS objective evidence of impairment could include:

* significant financial difficulty of the issuer or counterparty; or
* default or deliquency in interest or principal payments; or
* it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of the AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occuring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised through profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

Derecognition of Financial Assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group has no held to maturity investments.

Inventories

Inventories are carried at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less cost to complete redevelopment and selling expenses.

Investment Properties

Investment properties consists of properties that are held to earn rentals or for capital appreciation or both and that is not occupied by the Group.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are reviewed annually by the Group. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of income in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

Leases

Properties leased out under operating leases are included in investment property in the balance sheet. Lease income is recognized over the term of the lease on a straight - line basis.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment consists of its purchase price and any directly attributable costs of bringing the assets to its working condition and location ready for its intended use. Expenditures incurred after the properties have been put into operation, such as repairs and maintenance, are normally recognized in the statements of income in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of the property and equipment.

Depreciation is computed on a straight-line basis over the estimated useful lives except for portal and enterprise system which is computed based on the aggregate predicted life of 15-20 years from the date of launch.

	Number of years
Medical equipment & fixtures	15.00
Office furniture & fixtures	10.00
Leasehold improvements	3-15
Transportation equipment	5.00
Portal and enterprise system	Aggregate predicted life of 100,000 transaction usage or 15-20 years

The useful lives and depreciation method are reviewed at each balance sheet date to ensure that such useful lives and method of depreciation are consistent with the expected pattern of economic benefits from those assets.

Construction-in-progress is not depreciated until such time that the relevant assets are completed and put into operational use.

When assets are retired or otherwise disposed of, their costs and accumulated depreciation and any impairment in values are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statements of income.

Investment in Subsidiaries

Investment in subsidiaries is accounted for under the cost method. Under this method, the original investment is recorded at cost at the date of acquisition. The net accumulated earnings of the investee subsequent to the date of investment are recognized only to the extent distributed as dividends. Dividends received in excess of earnings subsequent to the date of investment are considered as reductions of the cost of investment. The share of investee's earnings or losses are not recognized.

Impairment of Assets

Property and equipment, investments and other long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the statements of income. The recoverable amount is the higher of an asset's net selling price or value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's-length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The reversal is recorded as income. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined had the impairment loss not been recognized for that asset in prior years.

Financial Liabilities

Financial liabilities are recognized in the Group's financial statements when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially recognized at fair value. Transaction costs are included in the initial measurement of all financial liabilities, except for debt instruments classified as at fair value through profit or loss. In a regular way purchase or sale, financial liabilities are recognized and derecognized, as applicable, using settlement date accounting.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading.

A financial liability is classified as held for trading if:

* it has been incurred principally for the purpose of repurchasing in the near future; or
* it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
* it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognized in statements of income.

Trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are non-interest bearing and are stated at their original invoice amount since the effect of discounting is immaterial.

Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

Revenue Recognition

Revenue from sale of real properties is recognized upon passage of title to customers. Revenue from services is recognized when the service is rendered. Rental income from operating leases is recognized in income on a straight-line basis over the term of the lease. Interest income is recorded when earned.

Related costs and expenses are recorded as incurred.

Dividends

Dividends are recognized in the period in which they are declared.

Retirement Benefit Cost

The Group accrues retirement expense based on the provisions of the Retirement Pay Law (R.A. 7641).

The Group's provision for retirement benefit is equivalent to one (1) month plan salary for every year of credited service plus 13th month pay and unused vacation leave and sick leaves.

Borrowing Costs

Borrowing costs are generally expensed as incurred. Borrowing costs are capitalized if they are attributable to the acquisition, construction or production of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are ready for their intended use.

Provisions

Provisions are recognized when a) the Group has a present obligation (legal or constructive) as a result of a past event, b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and c) a reliable estimate of the amount of the obligation can be made.

When the Group expects a provision or loss to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain and its amount can be estimated.

Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded in Philippine Peso using the exchange rates prevailing at the transaction dates. Foreign currency-denominated monetary assets and liabilities are translated to Philippine Peso at exchange rates prevailing at the balance sheet date. The resulting foreign exchange gains or losses are recognized in the statements of income.

Earnings Per Share

Earnings per share is determined by dividing the net income for the year by the weighted average number of common shares outstanding during the year.

Events After the Balance Sheet Date

Post year-end events that provide additional information about the Group's financial position at balance sheet date (adjusting events), are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Related Party Transactions and Relationships

Related party relationships exist when one party has the ability to control directly or indirectly through one or more of the intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity or between and/or among the reporting entity and its key management personnel, directors, or its stockholders. Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

Basis of Consolidation

The consolidated financial statements include the financial statements of ATN and those of the consolidated subsidiaries. The reporting date of the subsidiaries is December 31. The length of the reporting periods and the difference in the reporting dates are the same from period to period. There are no significant transactions or events that occurred between the reporting date of the subsidiaries and that of the parent.

The consolidated subsidiaries include the following:

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

Subsidiaries are consolidated from the date when control is transferred to the ATN Group and cease to be consolidated when control is transferred out of the ATN Group. Ambulatory Health Care Institute, Inc. was temporarily transferred out of the Group in 2006 while ownership of certain blocks of shares are under dispute for having been declared null and void by the courts because of technical issues. Prior period's consolidated financial statements were restated to consider this event.

The financial statements are consolidated using uniform accounting policies for like transactions and other events in similar circumstances adjusted for known facts. Intercompany balances and transactions are eliminated.

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about varying values of assets and liabilities that are not readily apparent from other sources. Although, these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

Judgments

In the process of applying the Group's accounting policies, management has made judgments apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Distinction between investment properties and owner-occupied properties

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to the other assets used in business.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of services or for administrative purposes. If these portions cannot be sold separately as of balance sheet date, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of services or for administrative purposes.Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Operating lease commitments - Group as lessor
The Group has entered into property leases on a portion of its investment property. The Group has determined that it retains all significant risks and rewards of ownership of these properties which are leased out on operating leases.

Distinction between real estate inventories and investment properties
The Group determines whether a property will be classified as Real estate inventories or Investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (Real estate inventories) or whether it will be retained as part of the Group's strategic property development activities for capital appreciation or development in the medium or long-term (Investment properties).

Estimates
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described below:

Estimated fair value of investments properties
The best evidence of fair value is current prices in an active market for similar properties and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgment, the Group considers information from a variety of sources including:
(i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; and
(ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occured at those prices; and
(iii) appraisal of independent qualified appraisers.

Estimated useful lives of property and equipment
The Group reviews annually the estimated useful lives of property and equipment based on the period over which the assets are expected to be available for use and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of property and equipment would increase the recorded depreciation expenses and decrease noncurrent assets.

Impairment of assets
In accordance with the Group's policy on impairment of assets, the Group performs an impairment test when certain impairment indicators are present. In determining the present value of future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the Group's financial statements.

Deferred tax assets
The Group reviews the carrying amounts at each balance sheet date and reduces tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Group will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized.

6. Financial Risk Management

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 risk management 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 March 31, 2008 based on contractual undiscounted payments:

		< 1 year		>1 to 5 years		Total
Accounts payable and accrued expenses	P	8,462,436	P	-	P	8,462,436
Bank loans		55,632,648		-		55,632,648
Deposits		30,763,350		-		30,763,350
Payables to related parties		997,074		43,415,079		44,412,153
	P	95,855,508	P	43,415,079	P	139,270,587

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 March 31, 2008.

Balance sheet items		2008		2007
Cash and cash equivalent	P	9,667,712	P	3,601,370
Financial assets at fair value through profit or loss		1,199,590		1,020,190
Accounts receivables		6,876,907		4,566,241
Receivables from related parties		13,407,762		14,307,613
Available-for-sale financial assets		137,164,312		81,034,228
	P	168,316,283	P	104,529,642

The table below shows the credit quality of the Group's financial assets as of March 31, 2008.

		Neither past due nor impaired		Past due but not impaired		Total
Cash and cash equivalent	P	9,667,712	P	-	P	9,667,712
Financial assets at fair value through profit or loss		1,199,590		-		1,199,590
Accounts receivables		-		6,876,907		6,876,907
Receivables from related parties		-		13,407,762		13,407,762
Available-for-sale financial assets		137,164,312		-		137,164,312
	P	148,031,614	P	20,284,669	P	168,316,283

		Past Due But Not Impaired				
		<30 days		30-90 days		>90 days
Accounts receivables	P	2,047,399	P	1,648,108	P	3,181,400
Receivables from related parties		4,244,997		9,162,765		-
	P	6,292,396	P	10,810,873	P	3,181,400

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

		2008		2007
Yen loans	P	**44,979,669**	P	47,703,695

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 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 includes only outstanding foreign currency denominated 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 denominated 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 the balances below would be negative.

		2008
Loans payable	P	**4,497,967**
Effect on net income		**(4,497,967)**

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 18.

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

The effect on net income for the year is increase or decrease by P2.8 Million.

7. Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2007.

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, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The capital structure of the Group consists of issued capital, additional paid-in capital and retained earnings.

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

		2008		2007
Equity	P	**1,314,780,262**	P	633,558,811
Total assets		**1,897,413,788**		849,742,543
Ratio		**0.69**		0.75

8. Cash and Cash Equivalents

		2008		2007
Cash in bank	P	**1,498,029**	P	3,601,370
Short-term investments		**8,169,683**		-
	P	**9,667,712**	P	3,601,370

Cash in banks earn interest at the prevailing bank deposit rates. Short-term investments are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the prevailing short-term investment rates. The interest rate on the short-term investment is 3%.

9. Financial Assets At Fair Value Through Profit And Loss

		2008		2007
Balance at beginning of year	P	**1,020,190**	P	1,072,415
Unrealized gain on financial assets at fair value through profit or loss (FVTPL)		**179,400**		304,200
Sale of financial assets at FVTPL		**-**		(356,425)
	P	**1,199,590**	P	1,020,190

The breakdown of shares is shown below:

		2008		2007
C & P Homes, Inc./Vista Land	P	**642,000**	P	545,700
TBGI		**525,000**		441,000
Uni Rightfield		**31,540**		31,540
Cyber Bay Corporation		**1,050**		1,950
	P	**1,199,590**	P	1,020,190

10. Accounts Receivables

		2008		2007
Trade	P	**3,098,839**	P	2,791,693
Advances to employees		**581,668**		-
Others		**3,196,400**		1,774,548
	P	**6,876,907**	P	4,566,241

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

11. Real Estate Inventories

		2008		2007
Beginning balance	P	**46,904,000**	P	271,197,148
Additions during the year		**(5,763,333)**		1,992,805
Less Transfer to investment properties - net (Note 15)		-		(226,285,953)
	P	**41,140,667**	P	46,904,000

Real estate inventories are stated at cost which is lower than net realizable value. These inventories are mortgaged to secure the Group's bank loans.

The inventory of condominium units and parking lots for sale was transferred to investment property in 2007 due to change in the use of the property. The real estate inventories consists of residential lots and units located in Pasig.

Inventories recognized as cost of sales amounted to P4,300,833. Inventories used to pay a liability amounted to P1,462,500.

12. Other Current Assets

		2008		2007
Input VAT	P	**10,759,809**	P	11,736,056
Rental deposit		**656,300**		656,300
Medicine inventory		**71,248**		-
Prepaid taxes		-		66,956
	P	**11,487,357**	P	12,459,312

13. Receivables From Related Parties

		2008		2007
Unipage Management Inc.	P	**9,162,765**	P	4,924,246
Transpacific Broadband Group, Inc.		-		3,303,467
Ambulatory Health Care Institute		-		3,181,400
Mariestad Mining Corporation		**3,850,000**		-
Others		**394,997**		2,898,500
	P	**13,407,762**	P	14,307,613

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

14. Available For Sale Financial Assets

		2008		2007
Balance at beginning of year	P	**81,034,228**	P	47,460,000
Add : Shares acquired		**28,684,000**		-
Reclassification of Ambulatory Health Care Institute		-		7,911,442
Less: Shares sold at cost to UMI		-		(17,460,000)
Unrealized gain on available-for-sale financial asset		**27,446,084**		43,122,786
	P	**137,164,312**	P	81,034,228

The breakdown of shares is shown below:

		2008		2007
Quoted				
Transpacific Broadband Group Int'l, Inc. (TBGI)	P	**97,553,766**	P	58,029,811
Unquoted				
Ambulatory Health Care Institure		**7,911,442**		7,911,442
Mariestad Mining Corporation		**7,000,000**		-
	P	**112,465,208**	P	65,941,253

Transpacific Broadband Group Int'l, Inc. (TBGI)

The Group has a co-investment agreement with Unipage Management, Inc.(UMI) in TBGI. As per agreement, the co-investment is reflected as UMI shares in TBGI totalling P109.25 Million, of which P30.00 Million is the share of the Group. In 2008, UMI sold a significant portion of its participation in the shares of TBGI while ATN retained its original number of shares in the co-investment agreement.

The original cost of TBGI shares is P58.7 Million in 2008 and P30.0 Million in 2007.

Mariestad Mining and Sierra Madre Consolidated Mines

On September 19, 2007, the Group entered into an agreement with Mariested Mining Corporation and Sierra Madre Consolidated Mines to participate in the extraction and mining of Manganese Ores in the latter's mining sites. The Group's participation is in form of providing financial resources to undertake the mining operations.

The Group agreed to pay P50 Million as exchange for 70% share in all the stated mining claims of Sierra Madre Consolidated Mines and 70% share in the outstanding capital stock of Mariested Mining Corporation. The schedule of payment is based on specific milestones with a corresponding increase in ownership of the mining firms until the 70% ceiling is reached upon the full payment of P50 Million. The amount of financial participation as of March 31, 2008 is P7 Million which corresponds to a 25% equity in the aforementioned companies. This does not include the cost of mining equipment such as bulldozer, loaders and dumptrucks, and the cost of roads and dams built in the area.

Ambulatory Health Care Institute

In 1998 and prior years, the Group acquired 68% equity in Ambulatory Health Care Institute, Inc. In 2006, ownership of certain blocks of shares were declared null and void by the Court due to technical issues. With the declaration, equity ownership was reduced to 47% and the Group was denied significant influence.

Movements in the net unrealized gain on AFS financial assets are as folows:

		2008		2007
Balance at beginning of year	P	**42,907,172**	P	-
Add Unrealized gain recognized in equity - net of tax effect of P137,230 in 2008 and P215,614 in 2007		**27,308,854**		42,907,172
Balance at end of year	P	**70,216,026**	P	42,907,172

15. Investment Properties

		2008		2007
Beginning balance	P	**610,124,131**	P	383,882,120
Additions (disposals) during the year		**(11,987,823)**		7,050,000
Transfer from real estate inventories - net (Note 11)				226,285,953
Transfer to property and equipment				(11,280,000)
Unrealized gain on fair value adjustment of investment properties - net		**1,000,482,520**		4,186,058
	P	**1,598,618,828**	**P**	610,124,131

The breakdown of properties is shown below:

		2008		2007
Land for development in Montalban	P	**1,321,519,088**	P	327,810,176
Condominium properties at Summit		**251,752,870**		270,964,955
Condominium properties in Pasig		**13,577,015**		-
Land at Pampanga		**11,769,855**		11,349,000
	P	**1,598,618,828**	P	610,124,131

Investment properties are stated at fair values, which have been principally determined based on the latest valuations performed by Cuervo Appraisers, an independent firm of appraisers, which is an industry specialist in valuing these types of investment properties. The valuation undertaken was based on market evidence in which assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's-length transaction at the dates of valuation.

In prior years, the Group used the appraisal made by a firm of independent appraisers in 1996 for the land for development in Montalban. This property was appraised to have a sound value of P322 Million. No appraisal of independent appraisers was made until recently where the property was appraised at P1.6 Billion.

Prior to 2007, the excess of sound value over cost of P250 million was credited to Revaluation Increment as shown under the stockholders' equity section of the balance sheet. In 2007, the Revaluation Increment was reclassified to Retained Earnings under Prior Period Adjustment amounting to P162.5 million and Deferred Tax Liability amounting to P87.5 million.

16. Income Taxes

The components of the Group's deferred tax liabilities account in the balance sheet are as follows:

		2008		2007
Balance at beginning of year	P	**89,287,205**	P	-
Charged to equity				
Prior period adjustment (Note 15)		-		87,500,000
Unrealized gain on available-for-sale financial asset		**137,230**		215,614
Charged to income				
Unrealized gain on financial assets at fair value through profit or loss		**62,790**		106,470
Unrealized gain on fair value adjustment of investment properties		**353,811,049**		1,465,121
	P	**443,298,274**	P	89,287,205

The component of the Group's deferred tax asset account in the balance sheet is as follows:

		2008
Unrealized loss on fair value adjustment of investment properties	P	**3,642,168**

Except for the related deferred tax liability on available-for-sale financial asset which is stated at 1/2 of 1% stock transaction tax, all other deferred tax asset (liabilities) are stated at 35% income tax rate.

Reconciliation of tax on income before income tax computed at the statutory tax rates to the provision for income tax is as follows:

		2008		2007
Income tax at statutory rates	P	**351,557,973**	P	1,201,635
Tax effects of:				
Interest income already subjected to final tax		**(44,884)**		(315,769)
Net loss carry-over		**(974,336)**		-
Non-deductible expenses		-		1,143,198
	P	**350,538,753**	P	2,029,064

Provision for income tax includes final withholding tax on interest income.

Under applicable tax regulations, the regular corporate income tax rate is 32% until October 31, 2005, 35% from November 1, 2005 until December 31, 2008 an 30% starting January 1, 2009 onwards.

The regulation also provides for a minimum corporate income tax (MCIT) of 2% on modified gross income which is compared with regular corporate income tax (RCIT). Any excess of the MCIT over RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years. Also, net operating loss carry-over (NOLCO) may be applied by the Company against its taxable income over a three year period from year of incurrence.

On January 31, 2006, the Bureau of Internal Revenue issued Revenue Memorandum Circular No. 7-2006. the memorandum provides for the approval and effectivity of the recommended increase in the Value Added Tax rate from ten percent (10%) to twelve percent (12%) effective February 1, 2006.

17. Property And Equipment

At 2008

		April 1, 2007 Balance		Acquisitions/ (Disposals)		March 31, 2008 Balance
Cost:						
Medical equipment & fixtures	P	27,133,560	P	2,331,546	P	29,465,106
Office furniture & fixtures		7,786,088		-		7,786,088
Leasehold improvements		19,075,723		716,950		19,792,673
Portal/Website development		15,000,000		-		15,000,000
Transportation equipment		995,536		-		995,536
		69,990,907		3,048,496		73,039,403
Accumulated depreciation:						
Medical equipment & fixtures		1,651,417		1,805,763		3,457,180
Office furniture & fixtures		2,808,135		600,242		3,408,377
Leasehold improvements		1,069,305		1,210,357		2,279,662
Portal/Website development		-		750,000		750,000
Transportation equipment		16,592		199,107		215,699
		5,545,449		4,565,469		10,110,918
Construction in progress		11,280,000		-		11,280,000
Net book value	P	75,725,458	P	(1,516,973)	P	74,208,485

At 2007

		April 1, 2006 Balance		Acquisitions/ (Disposals)		March 31, 2007 Balance
Cost:						
Medical equipment & fixtures	P	7,966,003	P	19,167,557	P	27,133,560
Office furniture & fixtures		4,616,664		3,169,424		7,786,088
Leasehold improvements		3,501,469		15,574,254		19,075,723
Portal/Website development		-		15,000,000		15,000,000
Transportation equipment		-		995,536		995,536
		16,084,136		53,906,771		69,990,907
Accumulated depreciation:						
Medical equipment & fixtures		1,013,864		637,553		1,651,417
Office furniture & fixtures		2,434,415		373,720		2,808,135
Leasehold improvements		749,350		319,955		1,069,305
Transportation equipment		-		16,592		16,592
		4,197,629		1,347,820		5,545,449
Construction in progress		-		11,280,000		11,280,000
Net book value	P	11,886,507	P	63,838,951	P	75,725,458

18. Bank Loans

		2008		2007
Peso loans	P	**10,652,978**	P	22,700,000
Yen loans		**44,979,669**		47,703,695
	P	**55,632,647**		70,403,695

Interest rates on the peso and yen loans are 8% and 3% per annum, respectively. These loans are collateralized by a mortgage on the real estate inventories.

19. Deposits

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

20. Payables To Related Parties

		2008		2007
Stockholder	P	**43,415,079**	P	18,633,474
TBGI		**997,074**		-
AHCDC		**-**		2,145,465
	P	**44,412,153**	P	20,778,939

The payables to related parties are interest-free.

21. Retirement Benefits

The Group provides retirement benefits to its employees based on the provision of the Retirement Pay Law (R.A. 7641). Under the SFAS No. 21, Retirement Benefit Cost, the cost of defined benefits, including those mandated by R.A. 7641, should be determined using an accrued valuation method or a projected benefit method. Both methods require an actuarial valuation which the Group did not undertake as of March 31,2008 and 2007, Management believes, however, that the effect on the financial statements of the difference between the pension expense determined under the old generally accepted accounting principle and the method required under PFRS is not significant.

Retirement costs amounted to P25,862 in 2008 and P206,897 in 2007.

22. Capital Stock

		2008		2007
Authorized - 200,000,000 shares at P1 par value				
Class "A"	P	**120,000,000**	P	120,000,000
Class "B"		**80,000,000**		80,000,000
	P	**200,000,000**	P	200,000,000

In accordance with the Articles of Incorporation, certain restrictions have been imposed regarding issuance and transfer of capital stock as follows:

Common Class A shares are to be issued only to citizens of the Philippines or to partnership, association or corporation organized under the laws of the Philippines, at least 60% of the capital or capital stock outstanding is owned and held by Filipino citizens.

Common Class B shares are to be issued to any person subject to the limitation that at any time the total number of shares subscribed, issued or outstanding does not exceed 2/3 of the total number of Common Class A shares subscribed, issued or outstanding.

23. Direct Costs

		2008		2007
Cost of sales	P	**4,300,833**	P	-
Depreciation		**4,378,688**		1,161,039
Rent		**3,391,378**		1,520,703
Salaries, wages and benefits		**3,248,845**		1,167,851
Utilities		**2,390,256**		505,430
Medical supplies		**1,592,987**		708,094
Professional fees		**1,073,227**		784,236
Taxes and licenses		**984,924**		-
Association dues		**850,215**		-
Insurance		**246,810**		-
Repairs ans maintenance		**128,860**		-
Miscellaneous				-
	P	**22,587,023**	P	5,847,353

24. Earnings Per Share

Earnings per share is computed as follows:

		2008		2007
Net income for the year (A)	P	**653,912,597**	P	1,404,178
Weighted average number of shares outstanding during the year (B)		**200,000,000**		200,000,000
Earnings per share (A/B)	P	**3.26956**	P	0.00702

25. Related Party Transactions

Investment Agreement No. 1

On January 10, 2002, the Group entered into an investment agreement with Transpacific Broadband Group Int'l,, Inc. (TBGI).

Under the terms of the agreement, both parties shall contribute to the value of project investment amounting to P30 Million, as determined by an independent firm of appraisers. The project investment shall consist of 10,000 participation units of P3,000 per unit. In particular, the project investment pertains to the 9th Floor of Summit One Tower Building consisting of 852.64 sq. meters. ATN, being the developer of Summit One Tower Building contributed the entire 9th floor as part of its investment allocation. As per subscription agreement, TBGI invested P15 million equivalent to 5,000 participation units.

Both parties, as co-investors, can jointly use space not exceeding 50% of the entire area.

After five (5) years from the date of this agreement, either party can terminate this investment agreement via sale or buy out of the invested amount of either party. In case either party cannot agree on sale or buy out at the original price of investment, termination of the investment may proceed via sale of the project to a third party. The net proceeds from sale to a third party shall be shared equally by the co-investors.

On December 28, 2007, TBGI decided to buy-out the remaining ATN financial interest in the 9th Floor of Summit One Tower Building at its fair market value of P19.2 Million.

Investment Agreement No. 2

On July 20, 2002, the Group entered into an investment agreement with Unipage Management Inc. (UMI) to co-invest and acquire a controlling block in TBGI.

Under the terms of the agreement, the co-investment shall initially be reflected as UMI shares in TBGI amounting to P109.25 Million, and shall be divided between the parties as follows:

(a) P30.00 Million investment of ATN in TBGI, representing ownership of 36 million TBGI common shares of stock.
(b) P79.25 Million investment of UMI in TBGI, representing 95 million of total TBGI shares that UMI shall negotiate and procure from the corporation via primary shares or from shareholders of TBGI through secondary share purchases.

ATN shall compensate UMI for good performance of TBGI equivalent to 5% of the appreciation of TBGI shares reckoned from acquisition price in recognition of UMI's technology management and investment expertise.

The co-investment agreement was terminated during the year when UMI unloaded 80 million out of its 95 million TBGI shares. ATN retained its original investment of P30.00 Million representing 36 million TBGI shares.

Other related party transactions

The unquoted available-for-sale financial assets were sold to a related party at cost amounting to P17.5 million in 2007. Other related party transactions consist mainly of advances for project costs and working capital requirements. As of March 31, 2008 and 2007, receivables from related parties amounted to P13.4 million and P14.3 million, respectively, and payables of P44.4 million and P20.8 million, respectively.

Key management personnel do not derive compensation from the Group.

26. Financial Instruments

Fair Values

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments that are carried in the financial statements as of March 31, 2008.

At 2008

		Carrying Amount		Fair Value
Current financial assets				
Cash and cash equivalent	P	9,667,712	P	9,667,712
Financial assets at fair value through profit or loss		1,199,590		1,199,590
Accounts receivables		6,876,907		6,876,907
		17,744,209		17,744,209
Noncurrent financial assets				
Receivables from related parties		13,407,762		13,407,762
Available-for-sale financial assets		137,164,312		137,164,312
		150,572,074		150,572,074
	P	168,316,283	P	168,316,283
Current financial liabilities				
Accounts payable and accrued expenses	P	8,462,436	P	8,462,436
Bank loans		55,632,648		55,632,648
Deposits		30,763,350		30,763,350
		94,858,434		94,858,434
Noncurrent financial liabilities				
Payables to related parties		44,412,153		44,412,153
	P	139,270,587	P	139,270,587

At 2007

		Carrying Amount		Fair Value
Current financial assets				
Cash and cash equivalent	P	3,601,370	P	3,601,370
Financial assets at fair value through profit or loss		1,020,190		1,020,190
Accounts receivables		4,566,241		4,566,241
		9,187,801		9,187,801
Noncurrent financial assets				
Receivables from related parties		14,307,613		14,307,613
Available-for-sale financial assets		81,034,228		81,034,228
		95,341,841		95,341,841
	P	104,529,642	P	104,529,642
Current financial liabilities				
Accounts payable and accrued expenses	P	12,453,932	P	12,453,932
Bank loans		70,403,695		70,403,695
Deposits		23,234,100		23,234,100
		106,091,727		106,091,727
Noncurrent financial liabilities				
Payables to related parties		20,778,939		20,778,939
	P	126,870,666	P	126,870,666

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

The carrying amount of cash, receivables and payables approximates fair value primarily due to the relatively short maturity of these financial instruments.

The fair values of financial assets at fair value through profit or loss and quoted available-for-sale financial assets were based on quoted market bid prices at the close of business on the balance sheet date.

27. Reclassification of Accounts

Certain accounts in the 2007 financial statements were reclassified to conform with 2008 presentation.

28. Approval and Authorization for Issue of the Financial Statements

The financial statements were authorized for issue and approved by the Group's board of directors on July 2, 2008.