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**SECURITIES AND EXCHANGE COMMISSION**

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Company Information

SEC Registration No. AS93009289

Company Name PREMIUM LEISURE CORP.

Industry Classification Financial Holding Company Activities

Company Type Stock Corporation

Document Information

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Document Type 17-Q (FORM 11-Q: QUARTERLY REPORT/FS)

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Period Covered September 30, 2014

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Remarks

COVER SHEET

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S.E.C. Registration Number

P R E M I U M L E I S U R E C O R P A N D S U B S I -
D I A R I E S

(Company's Full Name)

5 t h F l o o r , T o w e r A , T w o E - C o m
C e n t e r , P a l m C o a s t A v e n u e , M a i l
o f A s i a C o m p l e x , C B P - 1 A , P a s a y
C i t y

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

JACKSON T. ONGSIP

Contact Person

(632) 662-8888

Company Telephone Number

1 2

Month

3 1

Day

1 7 - Q

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

559

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

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**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17 -Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE**

1. For quarterly period ended September 30, 2014
2. SEC Identification Number AS093-009289
3. BIR Tax Identification No. 003-457-827
4. Exact name of registrant as specified in its charter: **PREMIUM LEISURE CORP** (formerly **SINOPHIL CORPORATION**)
5. Province, Country or other jurisdiction of incorporation/organization: Philippines
6. (SEC Use Only)
7. Address of Principal Office: 5th Floor, Tower A, Two E-Com Center, Palm Coast Avenue, Mall of Asia Complex, CBP-1A, Pasay City
8. Registrant's telephone number, including area code: (632) 662-8888
9. Former name, former address, and former fiscal year, if changed since last report.
Not applicable
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding
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Common Stock, ₱0.25 ¹ par value	31,627,310,000
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Subscriptions receivable on the 31,627,310,000 outstanding shares amounted to ₱1,102,547,550.

11. Are any or all of these securities listed on the Philippine Stock Exchange (PSE).
Yes [x] No []

Out of a total of 31,627,310,000 outstanding shares, only 6,768,849,995 shares are listed on the PSE. With the exception of shares initially offered to the public in August 1995, only fully paid shares were allowed to be listed in the PSE under PSE Circular No. 562 dated November 27, 1995.

¹New par value of ₱0.25 was approved by the Securities and Exchange Commission on May 29, 2014.

12. Check whether the issuer:

- a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and under Section 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes ☒ No ☐

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

Yes ☒ No ☐

PART 1- FINANCIAL INFORMATION

Item 1. Financial Statements

The following unaudited financial statements are submitted as part of this report:

- Consolidated Statements of Financial Position as of September 30, 2014 and December 31, 2013;
- Consolidated Statements of Comprehensive Income for the NineMonths ended September 30, 2014 and September 30, 2013;
- Consolidated Statements of Changes in Equity for the NineMonths Ended September 30, 2014 and September 30, 2013;
- Consolidated Statements of Cash Flows for the NineMonths Ended September 30, 2014 and September 30, 2013.

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

(Amounts in Pesos, except percentages)	Nine Months Ended September 30		Horizontal Analysis		Vertical Analysis	
	2014	2013	Increase (Decrease)		2014	2013
			Amount	%		
INTEREST INCOME	1,119,479	800	1,118,679	139835%	0%	100%
DIVIDEND INCOME	1,999,754	-	1,999,754	100%	0%	0%
GAIN ON SALE OF PROPERTIES	149,170,154	-	149,170,154	100%	10%	0%
EQUITY IN NET EARNINGS OF AN ASSOCIATE	42,580,942	-	42,580,942	100%	3%	0%
REVERSAL OF IMPAIRMENT LOSS RESERVE ON AVAILABLE-FOR-SALE FINANCIAL ASSETS (NET)	1,302,693,464	-	1,302,693,464	100%	87%	0%
	1,497,563,793	800	1,497,562,993	187195374%	100%	100%
GENERAL AND ADMINISTRATIVE EXPENSES	(69,910,496)	(6,524,060)	(63,386,436)	972%	-5%	-815508%
NET INCOME (LOSS)	1,427,653,297	(6,523,260)	1,434,176,557	-21986%	95%	-815408%
OTHER COMPREHENSIVE INCOME (LOSS)						
Unrealized gains (loss) arising from changes in market value of available-for-sale investments during the quarter	49,517,175	(10,200,123)	59,717,298	-585%	3%	-1275015%
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	1,477,170,472	(16,723,383)	1,493,893,855	-8933%	99%	-2090423%

Premium Leisure Corp ("PLC" or the "Company") realized consolidated income amounting to ₱1,427.6 million for the nine months ended September 30, 2014, compared to a consolidated net loss of ₱6.5 million for the nine months ended September 30, 2013. The higher net income in 2014 resulted mainly from the a) net reversal of a provision for impairment of its investment in Legend International Resorts(HK) Limited ("LIR") amounting to ₱1,219.1 million following the cancellation of the 1,000,000,000 PLC shares formerly held by Metroplex, thereby fulfilling the agreement entered into by and among Belle, PLC, Metroplex and LIR in rescinding the Swap Agreement, cancelling all obligations and reversing all transactions stated therein (the "Full LIR Unwinding"), and ₱83.6 million for the reversal of impairment of its 220 membership shares

in Tagaytay Midlands Golf Club, Inc. following its eventual sale in July 2014; b) P149.2 million gain on the sale of its 4,348 square meters real estate properties in the Aseana Business Park and 17 parcels of land in The Parks at Saratoga Hills; c) Equity in net earnings of an associate amounting to P42.58 million; and d) Partially offset with higher general and administrative expenses by P63.4 million due to the payment of documentary stamp and capital gains tax arising from the sale of Aseana land, 17 lots at Saratoga Hills amounting to P24.3 million, SEC filing fees for the increase in Capital Stock amounting P18.1 million, PSE listing fees P5 million and brokers and professional fees of P3.2 million.

PLC's total comprehensive income for the nine months ended September 30, 2014 of P1,477.2 million was higher than the total comprehensive loss for the nine months ended September 30, 2013 of P16.7 million, due to the higher net income as explained above and higher unrealized mark-to-market gain on available-for-sale investments during the 2014 period.

Aside from what has been mentioned in the foregoing, there were no significant elements that arose from continuing operations, nor were there any seasonal events that had a material effect on the results of operations, of PLC during the nine months ended September 30, 2014.

	September	December	Horizontal Analysis		Vertical Analysis	
	2014	2013	Increase (Decrease)		2014	2013
			Amount	%		
ASSETS						
Cash	1,526,390,545	925,039	1,525,465,506	164908%	10%	0%
Receivables and others	277,033,183	26,201,799	250,831,384	957%	2%	1%
Other asset	-	65,501,280	(65,501,280)	-100%	0%	3%
Investment in an associate	1,567,615,252	-	1,567,615,252		10%	0%
Available-for-sale						
Investments	515,897,975	1,580,820,800	(1,064,922,825)	-67%	3%	76%
Equipment-net	428,124	-	428,124	100%	0%	0%
Investment Property	285,510,452	394,210,452	(108,700,000)	-28%	2%	19%
Intangible asset	10,842,820,000	-	10,842,820,000	100%	72%	0%
Other non-current asset	310,531	-	310,531	100%	0%	0%
Total Assets	15,016,006,062	2,067,659,370	12,948,346,692	626%	100%	100%
LIABILITIES AND EQUITY						
Liabilities						
Accrued expenses and other current liabilities	60,977,372	53,321,504	7,655,868	14%	0%	3%
Due to Belle	-	179,011,579	(179,011,579)	100%	0%	9%
Total Liabilities	60,977,372	232,333,083	(171,355,711) *	-74%	0%	11%
Equity						
Capital stock	7,906,827,500	7,927,310,000	(20,482,500)	-38703%	53%	383%
Additional paid-in capital	6,714,995,285	2,004,390,426	4,710,604,859	43%	45%	97%
Subscription receivable	(1,102,547,550)	(4,962,580,586)	3,860,033,036	-129%	-7%	-240%
Cost of Parent Company shares held by a subsidiary	-	(477,256,825)	477,256,825	-100%	0%	-23%
Other reserves	365,468,940	315,951,765	49,517,175	638%	2%	15%
Retained earnings (deficit)	1,070,284,515	(2,972,488,493)	4,042,773,008	-74%	7%	-144%
Net Equity	14,955,028,690	1,835,326,287	13,119,702,403	715%	100%	89%
Total Liabilities and Equity	15,016,006,062	2,067,659,370	12,948,346,692	626%	100%	100%

In July 2014, The Company and its parent company, Belle Corporation ("Belle"), underwent a corporate reorganization where (i) Belle transferred its gaming assets consisting of 100% ownership of Premium Leisure Amusements, Inc (PLAI) and its shares representing 34.5% of Pacific Online Systems Corporation (POSC) into the Company. PLAI is part of the Consortium that holds the PAGCOR license for "City of Dreams Manila", an integrated resort project located in PAGCOR Entertainment City to be operated by Melco Crown Philippines; (ii) the Company transferred its non-gaming assets consisting of real properties and available-for-sale investments into Belle; and (iii) Belle subscribed to new shares of the Company to provide fresh capital as the Company embarks into the gaming business.

PLC's total assets amounted to ₱15,016.0 million as of September 30, 2014, which is higher by ₱ 12,948.3 million (626%) compared to ₱2,067.7 million as of December 31, 2013.

Cash

Cash increased by ₱1,525.5 million due to net cash received from Belle for its subscription to new shares and full payment of its partially paid shares ₱12,725.7 million, proceeds from sale of properties ₱ 323.4 million, proceeds from sale of AFS ₱198 million, proceeds from preferred shares redemption ₱ 1,000 million, offset with payment for acquisition of PLAI and POSC ₱12,372.8 million.

Receivables and Others

Net increase in receivable and others by ₱250.8 million was mainly due to the sale of AFS investment amounting to ₱253.3 million on account and subsequently cleared on October 2, 2014

Other Assets

Decrease in other assets represents sale of 17 lots in The Parks at Saratoga Hills.

Investment in an Associate

Investment in an associate represents the Company's acquisition of the 34.5% stake in POSC amounting to ₱1,525 million and equity in net earnings for the year of ₱42.6 million which was accounted using the Equity method.

Available-for-Sale Investments

AFS Investments decreased by ₱1,064.9 million due to redemption by Belle of its ₱1 billion Preferred shares held by the Company and the sale of 220 membership shares in Tagaytay Midlands to Belle.

Investment Property

Decrease in the Investment property account was due to sale of its real estate property in Aseana to Belle.

Intangible Asset

The Company acquired 100% interest in PremiumLeisure and Amusement, Inc. (PLAI) for a consideration of ₱10,847.8 million. As a result of the PLAI Acquisition, the assets and activities of PLAI are designated as a business and accounted for using the acquisition method. Acquisition of PLAI resulted in consolidation of all assets and liabilities of PLAI with a net book value of ₱4.6 million and recognition of "Intangible Asset" amounting to ₱10,842.8 million.

Total Liabilities

The Company's total liabilities decreased by ₱171.3 million or 74% as of September 30, 2014 from total liabilities of ₱232.3 million as of December 31, 2013 due to the full settlement of the remaining liabilities to Belle amounting to ₱179.0 million.

Equity

Stockholders' equity increased by ₱13,119.7 million (715%) as of September 30, 2014 from ₱1,835.3 million as of December 31, 2013. The increase was mainly due Belle's subscription to new shares of the Company and full payment of its partially paid shares which were part of the corporate reorganization ₱12,372.8 million. Other reserves increased by ₱49.52 million due to unrealized mark-to-market net gain on its available for sale investments.

Foundation Capital Resources, Inc. a wholly owned subsidiary of PLC, had sold all of its 156.53 million shares of PLC at ₱1.65 per share resulting to a decrease in Cost of Parent Company shares held by a subsidiary.

Other movements within the Stockholders' equity account were primarily due to effects of the quasi-reorganization completed by PLC in the 2014, which reduced the par value of its common shares from ₱1.00 per share to ₱0.25 per share and applied the resulting additional paid-in capital to reduce its accumulated deficit by ₱2,614.5 million.

The Company's net income of ₱1,426.7 million during the 2014 period thereby resulted in the Company's positive consolidated retained earnings of ₱1,069.3 million as of September 30, 2014. There were no payment or declaration of dividends made, during the third quarter of 2014.

Below are the comparative key performance indicators of the Company and its subsidiaries:

	Manner by which the Company calculates the key performance indicators	September 30, 2014 (unaudited)	September 30, 2013 (unaudited)	December 31, 2013 (audited)
Current ratio	Current assets over current liabilities	29.58:1.00	1.78:1.00	1.74:1.00
Return on assets	Annualized net income or (loss) over average total assets during the period	22.3%	(0.42%)	(0.43%)
Return on equity	Annualized net income or (loss) over average stockholders' equity during the period	22.67%	(0.47%)	(0.47%)
Asset-to-equity ratio	Total assets over total equity	1.41:1.00	1.12:1.00	1.13:1.00
Debt to equity ratio	Total debt over total equity	Not applicable	Not applicable	Not applicable
Interest rate coverage ratio	Earnings before interest and taxes over interest expense	Not applicable	Not applicable	Not applicable

The Company does not foresee any liquidity problem over the next 12 months. The key performance indicators of the Company have not changed materially as compared to the same period last year.

As of September 30, 2014, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Company;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Seasonal aspects that had a material impact on the Company's results of operations; and
- Material changes in the financial statements of the Company for the periods ended December 31, 2013 and September 30, 2014, except those mentioned in the preceding.

PART II - OTHER INFORMATION

Financial Risk Management

The Company's principal financial instruments comprise cash and AFS investments. The main purpose of these financial instruments is to help finance the Company's operations. The Company has other financial assets and liabilities such as receivables and accrued expenses and other current liabilities, which arise directly from its operations.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and equity price risk. The Company is not exposed to any other type of market risk as the Company has no outstanding foreign currency-denominated accounts and interest-bearing loans and borrowings as of September 30, 2014 and December 31, 2013.

The Board of Directors reviews and approves the policies for managing credit, liquidity and equity price risks and they are summarized below:

Credit Risk. Credit risk arises from the Company's financial assets which are composed of cash, receivables and AFS investments. It is the Company's policy that all credit terms are subject to credit verification and/or approval procedures. The Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company's credit risk is primarily with Belle, a major stockholder, of which outstanding balance covers at least 5% and 65% of the Company's total receivables as of September 30, 2014 and December 31, 2013, respectively.

Liquidity Risk. Liquidity risk arises from the possibility that the Company may encounter difficulties in meeting obligations associated with its accrued expenses and other current liabilities.

The Company seeks to manage its liquidity profile to be able to finance its investments and pay its outstanding liabilities. To cover its financing requirements, the Company uses internally generated funds.

The Company's accrued expenses and other current liabilities are payable on demand.

Fair Value of Financial Instruments

Set out below is a comparison by category of carrying values and fair values of all the Company's financial instruments.

	September 30, 2014		December 31, 2013	
	Carrying value	Fair value	Carrying value	Fair value
Loans and Receivables				
Cash	1,526,390,545	1,526,390,545	925,039	925,039
Receivable and others:				
Advances to related parties	14,824,479	14,824,479	17,692,279	17,692,279
Nontrade and others	32,465	32,465	23,255	23,255
	1,541,247,489	1,541,247,489	18,640,573	18,640,573
AFS Investment				
Unquoted shares	11,100	11,100	1,000,011,100	1,000,011,100
Quoted shares	515,886,875	515,886,875	580,809,700	580,809,700
	515,897,975	515,897,975	1,580,820,800	1,580,820,800
	2,057,145,464	2,057,145,464	1,599,461,373	1,599,461,373
Loans and Borrowings				
Accrued expenses & other liabilities*	60,853,037	60,853,037	53,249,280	53,249,280

*Excluding statutory payables amounting to P 124,336 and P 72,223 as at September 30, 2014 and December 31, 2013 respectively

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's-length transaction, other than in a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models, as appropriate.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts of cash, receivables and others and accrued expenses and other current liabilities approximate their fair values due to the short-term nature of the transactions.

The fair values of AFS investments in quoted equity shares are based on quoted prices in the Philippine Stock Exchange as of reporting date. There are no quoted market prices for the unlisted shares of stock and there are no other reliable sources of their fair values, therefore, these are carried at cost, net of any impairment loss.

Other Required Disclosures

- A.) The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2013. The adoption of PFRS 9, Financial Instruments: *Classification and Measurement*, will have an effect on the classification and measurement of financial assets and liabilities. The Company will quantify the effect in conjunction with the other phases when issued, to present a comprehensive picture. As of September 30, 2014, the Company has decided not to early adopt PFRS 9 on its consolidated financial statements.
- B.) Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
- C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.
- D.) Except as disclosed in the MD&A, there were no other issuance, repurchases and repayments of debt and equity securities.
- E.) There were no material events that occurred subsequent to September 30, 2014 and up to the date of this report that need disclosure herein.
- F.) There were no changes in the composition of the Company during the interim period such as business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring, and discontinued operations.
- G.) There were no changes in contingent liabilities or contingent assets since December 31, 2013, as of September 30, 2014.
- H.) There exist no material contingencies and other material events or transactions affecting the current interim period.

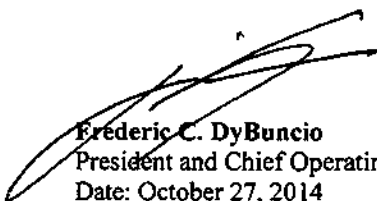
SIGNATURE

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

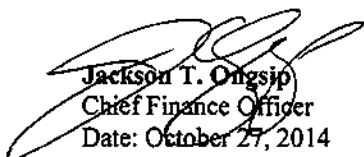
Issuer: **Premium Leisure Corp**



Willy N. Ocjer
Chairman of the Board
Date: October 27, 2014



Frederic C. DyBuncio
President and Chief Operating Officer
Date: October 27, 2014



Jackson T. Ongsip
Chief Finance Officer
Date: October 27, 2014

PREMIUM LEISURE CORP AND SUBSIDIARIES
Consolidated Statements of Financial Position

	September 30, 2014		December 31, 2013	
	(Unaudited)		(Audited)	
ASSETS				
Current Assets				
Cash	P	1,526,390,545	P	925,039
Receivables and others		277,033,183		26,201,799
Other asset		-		65,501,280
Total Current Assets		1,803,423,728		92,628,118
Noncurrent Assets				
Investment in an associate		1,567,615,252		-
Available-for-Sale investments		515,897,975		1,580,820,800
Equipment-net		428,124		-
Intangible asset		10,842,820,000		-
Investment property		285,510,452		394,210,452
Other non-current asset		310,531		-
Total Noncurrent Assets		13,212,582,334		1,975,031,252
Total Assets	P	15,016,006,062	P	2,067,659,370
LIABILITIES AND EQUITY				
Current Liabilities				
Accrued expenses and other current liabilities	P	60,977,372	P	53,321,503
Noncurrent Liability				
Due to Belle		-		179,011,579
Total Liabilities	P	60,977,372	P	232,333,082
Equity				
Capital Stock		7,906,827,500		7,927,310,000
Additional paid-in capital		6,714,995,285		2,004,390,426
Subscription receivable		(1,102,547,550)		(4,962,580,586)
Cost of Parent Company shares held by a subsidiary		-		(477,256,825)
Other reserves		365,468,940		315,951,765
Retained earnings (deficit)		1,070,284,515		(2,972,488,493)
Net Equity		14,955,028,690		1,835,326,287
Total Liabilities and Equity	P	15,016,006,062	P	2,067,659,370

PREMIUM LEISURE CORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Nine Months Ended September 30		This quarter	
	2014	2013	2014	2013
	(Unaudited)		(Unaudited)	
INCOME				
Interest income from banks	P 1,119,479	P 800	P 1,118,983	P 193
Dividend Income	1,999,754	-	-	-
Gain on sale of properties	149,170,154	-	149,170,154	-
Equity in net earnings of investees	42,580,942	-	42,580,942	-
Reversal of Impairment Loss Reserve on available-for-sale financial assets (net)	1,302,693,464	-	83,560,000	-
	<u>1,497,563,793</u>	<u>800</u>	<u>276,430,078</u>	<u>193</u>
General and administrative expenses	(69,910,496)	(6,524,060)	(66,205,418)	(939,046)
NET INCOME (LOSS)	<u>1,427,653,297</u>	<u>(6,523,260)</u>	<u>210,224,660</u>	<u>(938,853)</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized gains (loss) arising from changes in market value of available for sale investments during the quarter	49,517,175	(10,200,123)	17,480,038	(23,367,544)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>P 1,477,170,472</u>	<u>P (16,723,383)</u>	<u>P 227,704,698</u>	<u>P (24,306,397)</u>
	<u>P 0.09258</u>	<u>P (0.00084)</u>		

PREMIUM LEISURE CORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Nine Months Ended September 30	
		2014	2013
		(Unaudited)	(Unaudited)
CAPITAL STOCK	P0.25 per share		P1.00 per share
Authorized:			
Preferred shares	6,000,000,000 shares		6,000,000,000 shares
Common shares	37,630,000,000 shares		10,130,000,000 shares
Issued:			
Balance at beginning of year	P 3,096,990,785	P 3,096,890,785	
Balance at beginning of year	(1,000,000,000)	-	
Effect of quasi-reorganization (reduction of par)	(1,572,743,089)	-	
New issuance	6,175,000,000		
Issuances (transfer from subscribed)	3,755,603,810	100,000	
Balance at end of period	10,454,851,506	3,096,990,785	
Subscribed:			
Balance at beginning of year	4,830,319,215	4,830,419,215	
Effect of quasi-reorganization (reduction of par)	(3,622,739,411)		
Issuances (transfer to issued)	(3,755,603,810)	(100,000)	
Balance at end of period	(2,548,024,006)	4,830,319,215	
Subscription receivable:			
Balance at beginning of year	(4,962,580,586)	(4,962,655,586)	
Collections	3,860,033,036	75,000	
Balance at end of period	(1,102,547,550)	(4,962,580,586)	
	6,804,279,950	2,964,729,414	
	-		
ADDITIONAL PAID-IN CAPITAL (APIC)			
Beginning balance	2,039,727,798	2,039,727,799	
Cancellation (1B shares)	(559,847,304)	-	
Effect of quasi-reorganization (reduction of par)	5,195,482,500	-	
Effect of quasi-reorganization (application of APIC to reduce deficit)	(2,614,473,011)	-	
Other adjustments	2,908,424,999		
Loss on disposal of parent company shares held by a subsidiary	(254,319,697)	(35,337,372)	
	6,714,995,285	2,004,390,427	
Other Reserves			
Balance at beginning of year	374,270,753	395,071,490	
Net Unrealized gain on available-for-sale investments	49,517,175	(10,200,122)	
Balance at the end of period	423,787,928	384,871,368	
SHARE IN CUMULATIVE TRANSLATION			
ADJUSTMENTS OF AN ASSOCIATE	(58,318,988)	(58,318,988)	
PARENT COMPANY SHARES HELD BY A SUBSIDIARY	-	(477,256,825)	
RETAINED EARNINGS (DEFICIT)			
Balance at beginning of year	(2,971,841,794)	(2,963,753,826)	
Net income (loss)	1,427,653,297	(6,523,260)	
Effect of quasi-reorganization (application of APIC to reduce deficit)	2,614,473,012	-	
Balance at end of period	1,070,284,515	(2,970,277,086)	
	P 14,955,028,690	P 1,848,138,310	

PREMIUM LEISURE CORP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30	
	2014	2013
	(Unaudited)	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	P 1,427,653,297	P (5,584,407)
Adjustments for:		
Provisions for impairment of Receivables and others	193,515	122,778
Reversal of impairment (net)	(1,302,693,464)	-
Gain on sale of land	-	-
Dividend income	(1,999,754)	-
Equity in net earnings of investee	-	-
Interest income from cash in bank	(1,119,479)	(607)
Loss before working capital changes	122,034,115	(5,462,235)
Increase in receivables and others	(251,141,916)	8,554,155
Decrease in investment property	108,700,000	-
Decrease in AFS investment	(408,740,392)	-
Increase (decrease) in accrued expenses and other current liabilities	7,655,869	(112,615)
Income tax paid	(0)	(2,854,689)
Dividend income received	1,999,754	-
Interest received	1,119,479	607
Net cash provided by operating activities	(418,373,091)	125,223
CASH FLOW FROM INVESTING ACTIVITY		
Acquisition of a subsidiary and associate	(12,372,854,295)	-
Payment of advances to Belle	(179,011,579)	-
Proceeds from sale of available for sale financial assets	1,198,000,000	-
Proceeds from sale of land and other asset	323,371,434	-
Net cash from investing activities	(11,030,494,440)	-
CASH FLOW FROM FINANCING ACTIVITY		
New issuance of shares	9,114,300,000	-
Collection of subscription receivable	3,860,033,036	75,000
Net cash from financing activities	12,974,333,036	75,000
NET INCREASE IN CASH	1,525,465,506	200,223
CASH AT BEGINNING OF PERIOD	925,039	789,884
CASH AT END OF PERIOD	P 1,526,390,545	P 990,107

PREMIUM LEISURE CORP AND SUBSIDIARIES
SCHEDULE OF RECEIVABLES, ADVANCES AND OTHER ASSETS
September 30, 2014

NAME	AMOUNT
Advances to Affiliates	14,824,479
Belle Corporation	14,057,595
Parallax Resources, Inc.	766,884
Total	<u>14,824,479</u>
Others	<u>19,804</u>
Total Receivables*	<u>14,844,283</u>
Receivable - current	253,251,042
Other Current Assets	<u>8,937,858</u>
Total Receivables and Other Assets	<u>277,033,183</u>

**Total receivables consists of Advances to Affiliates and others which are collectible after more than 1 year.*