

COVER SHEET

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 S.E.C. Registration Number

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(Company's Full Name)

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

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Contact Person

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

1	7	-	Q
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 FORM TYPE

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Month

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Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

_____ LCU

Document I.D.

_____ Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

COVER SHEET

CROWN EQUITIES, INC.

(Company's Full Name)

4th Floor Crown Center, 158 N. Garcia
Corner Jupiter Street, Makati City

Company's Address: No./Street/City/Town/Province

899-0455

Company's Telephone Number

December 31

Calendar Year Ending
(Month & Day)

(Annual Meeting)

SEC Form 17-Q

Form Type

Amended Designation (If Applicable)

N/A

Secondary License Type and File Number

LCU

Cashier

DTU

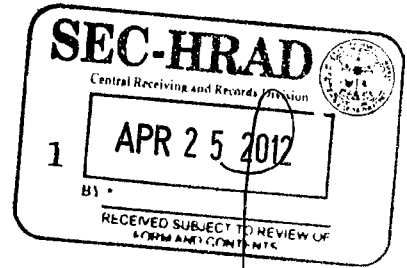
A1996-38745

S.E.C. Registration No.

Central Receiving Unit

File Number

Document I.D.



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: March 31, 2012
2. Commission Identification Number: 38745
3. BIR Tax Identification No.: 002-837-461
4. Exact name of issuer as specified in its charter: CROWN EQUITIES, INC.
5. Province, country or other jurisdiction of in Company or organization: Philippines
6. Industry Classification Code: XXXXXXXXXX (SEC Use Only)
7. Address of issuer's principal office: Crown Center, 158 Jupiter Corner N. Garcia Street, Bel-Air, Makati City Postal Code: 1209
8. Issuer's telephone number, including area code: (632) 899-04-55
9. Former name, former address and former fiscal year, if changed since last report: N/A
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of shares of common stock outstanding and amount of debt outstanding</u>
Common	13,599,999,960 shares

11. Are any or all of the securities listed on a Stock Exchange?

Yes No

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange / Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Company Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

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

Yes No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Please see Annex A

Item 2. Management's Discussion & Analysis of Financial Condition and Result of Operations

Discussions of Financial Condition and Changes in Financial Condition

	Mar 2012 (Unaudited)	Dec 2011 (Audited)	Increase/ (Decrease)	%age Change
Cash and cash equivalents	104.55	201.52	(96.96)	-48.12%
Financial assets at fair value thru profit & loss	22.91	30.16	(7.24)	-24.02%
Installment contracts receivable – short-term	23.52	28.59	(5.07)	-17.73%
Receivables and advances	46.24	47.23	(0.99)	-2.09%
Inventories	226.43	229.27	(2.84)	-1.24%
Available-for-sale financial asset	37.77	37.77	-	-
Other current assets	61.23	46.22	15.01	32.48%
Installment contracts receivable – long-term	47.00	47.00	-	-
Investments and advances to related parties-net	234.44	234.44	-	-
Investment properties – net	737.74	631.53	101.21	16.03%
Property and equipment - net	311.72	315.08	(3.37)	-1.07%
Goodwill	21.74	21.74	-	-
Other non-current assets	19.30	17.79	1.51	8.49%
TOTAL ASSETS	1,889.59	1,888.32	1.27	0.07%
Accounts payable and other liabilities	129.12	129.23	0.11	-0.09%
Due to related parties	43.81	43.81	-	-
Subscriptions payable	42.16	42.16	-	-
Retirement benefit obligation	8.61	8.15	0.46	5.70%
Shareholders' equity	1,530.33	1,529.41	0.91	0.06%
Minority interest	135.56	135.56	-	-
TOTAL LIABILITIES & EQUITY	1,889.59	1,888.32	1.27	0.07%

Amounts in million pesos, except percentages.

Total Assets

As of March 31, 2012, total assets increased by 0.07% or P1.27 million from P1.89 billion as of December 31, 2011 to P1.89 billion. The increase in non-current assets of 7.84% compensated for the decline in current assets of 15.80%. This was mainly driven by a significant increase in the Corporation's investment properties.

Current Assets

Total current assets decreased by 15.80% or P98.08 million in first quarter of 2012 from P620.74 million as of December, 31, 2011. Cash declined by 48.12% or P96.96 million to P104.55 million as of March 31, 2012. This was driven by the Corporations significant investments on properties made during the quarter. Financial assets also declined by 24.02% or P7.24 million during the period due to sale of investments in the local equities market. Short-term installment contract receivables also decreased by 17.73% or P5.07 million due to continuous collections. Receivables also declined by

2.09% or P0.99 million during the period primarily driven by collections from Spring Action Trading Limited which was partially offset by additional receivables from developers and healthcare service customers. Inventories decreased by 1.24% or P2.84 million due to real estate sales during the period. On the other hand, other current assets grew by P32.48 million or P15.01 million, primarily due to input tax from purchase of investment properties.

Non-Current Assets

Total non-current assets compensated the decrease in current assets due to an increase of 16.03% or P101.21 million in investment properties. The Corporation added parcels of land in Taguig City to complete its consolidation. Other non-current assets also grew by 8.49% or P1.51 million due to increase in refundable deposit while property and equipment declined by 1.07%.

Liabilities and Stockholders' Equity

Total liabilities increased by P354,258 or 0.16% to P223.71 million as of March 31, 2012. This was primarily driven by a 5.7% growth in retirement benefit obligations or P464,405. Accounts payable and other liabilities declined by 0.09% or P110,146 during the period. This was due to dividend payments to Solid Share Holdings, Inc., which was offset by increase in trade payables and customer and security deposits.

Total equity increased by 0.05% or P0.91 million representing the net income realized during the period.

Discussions on Results of Operation

Account	Mar 30 YTD 2012 (Unaudited)	Mar 31 YTD 2011 (Unaudited)
Real estate sales	5.97	13.37
Sales of medical goods & services	14.43	13.97
Rent Income	2.05	1.61
Interest income on installment contracts	2.72	2.24
Other income	7.08	2.72
Cost of sales & services	10.32	12.23
Employee compensation and benefits	7.70	6.11
Professional fees	0.77	1.04
Commission	0.37	1.13
Depreciation and amortization	3.29	2.43
Taxes and licenses	1.86	2.04
Operating costs and other expenses	5.75	5.23
Income tax	1.29	1.68
Net income (Loss)	0.91	2.03

Amounts in million pesos.

Net income decreased by 54.99% or P1.12 million from P2.03 million as of March 31, 2011 to P0.91 million as of March 31, 2012.

Total revenues declined by 19.32% or P6.03 million from P31.20 million as of March 31, 2011 to P25.17 million as of March 31, 2012. This was mainly driven by the decline in recognized real estate sales of 55.36% or P7.41 million. However, other revenue segments showed positive growth during the period. Sale of medical goods and services grew by 3.27% or P457,208 to P14.43 million as of March 31, 2012. Rent income and interest income from installment contract receivables both grew by 27.46% and 21.26%, respectively.

Total gross profit declined by P4.12 million or 21.70% driven by the decline in recognized real estate sales. Gross profit of the real estate business decreased by 55.43% or P3.90 million while cost of real estate sales also declined by 55.29%. Despite positive revenue growth, healthcare services gross profit declined by 14.01% or P1.31 million, driven by higher cost of goods and services by 26.96%. However, total gross margin remained positive as it stood at 59.02% as of March 31, 2012 from 60.81% as of March 31, 2011. Gross margin from the real estate business remained flat at 52.59% while healthcare business slightly declined to 48.14% as of March 31, 2012 from 57.81% as of March 31, 2011.

Operating costs and expenses for the first quarter of 2012 increased by 9.72% or P1.75 million. This was primarily driven by higher manpower costs, which grew by 26.03% or P1.59 million. Depreciation and amortization also grew by 35.37% or P0.86 million due to additional leasehold improvement and equipment while other operating expenses also grew by 9.87%. This was partially offset by a decline in commission expense of 67.76% or P0.77 million due to lower recognized real estate sales for the period. Taxes and licenses decreased as well by 8.86%

Other Income grew by 160.55% or P4.36 million as a result of improvements in the local equities market and higher interest income from placements. Income tax also fell by 22.90% or P384,331 due to lower taxable earnings for the period.

Key Performance Indicators

Indicator	As of		Formula
	Mar 2012	Dec 2011	
Current Ratio	2.43x	2.88x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	0.49x	0.94x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.13x	0.13x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.13x	1.13x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.51x	0.46x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD		
	Mar 2012	Mar 2011	
Interest Coverage Ratio	nil	nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	3.63%	2.31%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	0.05%	0.04%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	0.00007	0.00005	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$

The Company measures its performance based on the utilization of assets and the return on its investments. However, as of March 31, 2012, most of its investments are in ventures that are still at pre-operating stages.

Liquidity

Current ratio declined to 2.43x as of March 31, 2012 from 2.88x in as of December 31, 2011 mainly due to the spending for investment in properties during the period. Cash ratio also declined to 0.49x as of March 31, 2012 from 0.94x as of December 31, 2011. Current liabilities remained relatively flat during the period. Liquidity position still remains positive despite the decline.

Solvency / Leverage

Debt-Equity ratio of the company remained flat at 0.13x as of March 31, 2012 from 0.13x as of December 31, 2011 which is an indicative of a low leverage stance, driven by increased settlement of various obligations and continuous positive operating results. Furthermore, debt-asset ratio also remained flat at 0.12x. The company has a nil interest coverage ratio as it has not incurred any interest expense for the period.

Investment Ratio

Investment ratio marginally grew in the first quarter of 2012 as it rose to 0.51x as of March 31, 2012 from 0.46x as of December 31, 2011 resulting from additional acquisition of investment properties.

Profitability

Net margin grew to 3.63% in the first quarter of 2012 from 2.31 in the same period of 2011, driven by better operating model and additional revenues outside core operations. Increased margins show that the company has been operating more efficiently in 2011 despite lower recognition of sales from the real estate business.

Return on Assets

Return on assets grew to 0.05% in March 31, 2012 from 0.04% in March 31, 2011 because of stronger earnings after minority interest.

Earnings per Share

Growth in profitability drove the improvement of as it increased to 0.00007x in March 31, 2012 from 0.00005x in March 31, 2011. The Corporation's number of subscribed share has been fixed for the past four years.

PART II - OTHER INFORMATION

There are no information not previously reported in a report on SEC Form 17-C that will be reported under this section.

The Company and its subsidiaries have neither issued nor invested in any financial instruments or *complex foreign securities that will make them susceptible to the effects of the current global* financial condition. They have neither foreign currency denominated nor local peso-denominated loans. The Company's financial risk exposure is limited to its investments in the local equities market reported as "Financial Assets at Fair Value through Profit and Loss" in its Statement of Financial Position. But this exposure is insignificant being less than five percent (5%) of the Company's total asset base. Moreover, these investments in the local stock market are always marked to market thus reflecting the most verifiable values available.

The Company's risk management policies are religiously observed and fair values of investments are *reviewed by the Executive Committee on a weekly basis.*

Management has no known trends, demands, commitments, events or uncertainties in the present operations of the Company that is likely to result in the Company's liquidity increasing or decreasing in any material way nor it is aware of any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation and there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligation), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

As of this report, the Company has no material commitment for capital expenditure. Management is not aware of any trends, events or uncertainties that have or will have material impact on net sales or revenues or income from continuing operations neither of its operating subsidiaries nor of any seasonal aspects that had a material effect on the financial condition or results of operation of the Company.

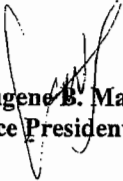
SIGNATURES

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 **CROWN EQUITIES, INC.**

Name
Signature and Title 
Romuald U. Dy Tang
President

Date **April 23, 2012**

Principal Financial Officer
Signature and Title 
Eugene B. Macalalag
Vice President – Finance

Date **April 23, 2012**

ANNEX A

**CROWN EQUITIES, INC
And SUBSIDIARIES**

UNAUDITED FINANCIAL STATEMENTS

March 31, 2012

Philippine Pesos

CROWN EQUITIES, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31 2012 (Unaudited)	December 31 2011 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	104,552,743	201,515,638
Financial assets at fair value through profit and loss	22,911,667	30,155,229
Installment contracts receivable	23,517,920	28,587,571
Receivables and advances - net	46,242,014	47,228,208
Inventories	226,432,767	229,268,034
Available-for-sale financial asset	37,766,772	37,766,772
Other current assets	61,232,950	46,218,903
Total Current Assets	522,656,833	620,740,355
Non-current Assets		
Installment contracts receivable	46,998,225	46,998,224
Investments in and advances to associates - net	234,438,556	234,438,556
Investment properties-net	732,739,007	631,531,026
Property and equipment, net	311,719,376	315,084,987
Goodwill	21,740,604	21,740,604
Other non-current assets	19,300,341	17,790,573
Total Non-current Assets	1,366,936,110	1,267,583,970
TOTAL ASSETS	1,889,592,943	1,888,324,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and other liabilities	129,121,281	129,231,428
Due to related party	43,812,887	43,812,887
Subscriptions payable	42,158,700	42,158,700
Total Current Liabilities	215,092,867	215,203,015
Retirement Benefit Obligation	8,614,657	8,150,252
Total Liabilities	223,707,524	223,353,267
Equity		
Attributable to parent company shareholders	1,530,327,082	1,529,413,982
Attributable to minority interest	135,558,337	135,557,076
Total Equity	1,665,885,419	1,664,971,058
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	1,889,592,943	1,888,324,325

CROWN EQUITIES, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the first quarter ended		Year-to-date ended	
	March 31 2012 (Unaudited)	March 31 2011 (Unaudited)	March 31 2012 (Unaudited)	March 31 2011 (Unaudited)
REVENUES				
Real estate sales	5,970,460	13,375,492	5,970,460	13,375,492
Sale of medical goods & services	14,431,651	13,974,443	14,431,651	13,974,443
Rent	2,048,560	1,607,182	2,048,560	1,607,182
Interest income on installment contracts receivable	2,722,227	2,244,915	2,722,227	2,244,915
	25,172,898	31,202,033	25,172,898	31,202,033
COST & EXPENSES				
Cost of real estate sales	2,830,881	6,331,530	2,830,881	6,331,530
Cost of goods and services	7,484,379	5,895,183	7,484,379	5,895,183
Employee compensation & benefits	7,701,387	6,110,965	7,701,387	6,110,965
Professional fees	769,096	1,040,780	769,096	1,040,780
Commission	365,114	1,132,452	365,114	1,132,452
Depreciation and amortization	3,294,843	2,433,912	3,294,843	2,433,912
Taxes and Licenses	1,855,955	2,036,434	1,855,955	2,036,434
Other operating expenses	5,745,484	5,229,290	5,745,484	5,229,290
	30,047,139	30,210,547	30,047,139	30,210,547
OTHER INCOME	7,082,658	2,718,300	7,082,658	2,718,300
INCOME (LOSS) BEFORE TAX	2,208,418	3,709,786	2,208,418	3,709,786
TAX EXPENSE	1,294,058	1,678,389	1,294,058	1,678,389
NET INCOME (LOSS)	914,360	2,031,397	914,360	2,031,397
Net Income (Loss) Attributable to:				
Shareholders of Crown Equities, Inc.	913,099	721,938	913,099	721,938
Minority Interest	1,261	1,309,459	1,261	1,309,459
	914,360	2,031,397	914,360	2,031,397
Net Income attributable to Shareholders of Crown Equities, Inc.				
Average Number of Outstanding Common Shares	13,599,999,960	13,599,999,960	13,599,999,960	13,599,999,960
Earnings (Loss) Per Share	0.000067	0.000053	0.000067	0.000053

CROWN EQUITIES, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	For the first quarter ended		Year-to-date ended	
	March 31 2012 (Unaudited)	March 31 2011 (Unaudited)	March 31 2012 (Unaudited)	March 31 2011 (Unaudited)
Capital Stock - P0.10 par value				
Authorized - 24,000,000,000 shares				
Subscribed - 13,599,999,960 shares	1,359,999,996	1,359,999,996	1,359,999,996	1,359,999,996
Less subscriptions receivable	29,853,180	29,853,180	29,853,180	29,853,180
	1,330,146,816	1,330,146,816	1,330,146,816	1,330,146,816
Additional paid-in capital	118,570,274	118,570,274	118,570,274	118,570,274
Retained Earnings/(Deficit)				
Balance, beginning	80,696,892	60,094,397	80,696,892	60,094,397
Net income(loss)	913,099	721,938	913,099	721,938
Balance, end	81,609,992	60,816,335	81,609,992	60,816,335
Minority Interest				
Balance, beginning	135,557,077	146,059,445	135,557,077	146,059,445
Share in net income(loss)	1,261	1,309,459	1,261	1,309,459
Balance, end	135,558,337	147,368,904	135,558,337	147,368,904
TOTAL EQUITY	1,665,885,419	1,656,902,329	1,665,885,419	1,656,902,329

CROWN EQUITIES, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the first quarter ended		Year-to-date ended	
	March 31	March 31	March 31	March 31
	2012	2011	2012	2011
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash Flows from Operating Activities				
Net (loss) income	913,099	721,938	913,099	721,938
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	10,503,288	2,433,912	10,503,288	2,433,912
Operating Income before working capital changes	11,416,387	1,911,062	11,416,387	1,911,062
Decrease (increase) in receivables and advances	986,194	24,805,048	986,194	24,805,048
Decrease (increase) in other current assets	(15,014,047)	(2,561,558)	(15,014,047)	(2,561,558)
Decrease (increase) in installment contracts receivable	5,069,650	(2,158,866)	5,069,650	(2,158,866)
Decrease (increase) in other non-current assets	(1,509,768)	(184,196)	(1,509,768)	(184,196)
Increase (decrease) in accts. payable and other liab.	(110,147)	2,528,035	(110,147)	2,528,035
Increase (decrease) in retirement benefit obligation	464,405	-	464,405	-
Increase (decrease) in due to related parties	(0)	624	(0)	624
Cash generated from (used in) operations	1,302,673	24,340,149	1,302,673	24,340,149
Cash paid for income taxes	-	-	-	-
Net Cash Provided (used) by Operating Activities	1,302,673	24,340,149	1,302,673	24,340,149
Cash Flows from Investing Activities				
Decrease (increase) in investments in and adv. to related parties	-	(9,833)	-	(9,833)
Decrease (increase) in inventories	2,835,267	5,821,917	2,835,267	5,821,917
Decrease (increase) in investment in financial assets	7,243,562	(6,929,572)	7,243,562	(6,929,572)
Decrease (increase) in property and equipment	(7,137,677)	138,636	(7,137,677)	138,636
Decrease (increase) in investment property	(101,207,981)	(100,500)	(101,207,981)	(100,500)
Net Cash Used in Investing Activities	(98,266,829)	165,436	(98,266,829)	165,436
Cash Flows from Financing Activities				
Increase (decrease) in minority interest	1,261	1,309,459	1,261	1,309,459
Net Cash Provided by (Used in) Financing Activities	1,261	1,309,459	1,261	1,309,459
Decrease in Cash and Cash Equivalents	(96,962,895)	25,815,044	(96,962,895)	25,815,044
Cash and Cash Equivalents, Beginning	201,515,638	135,023,838	201,515,638	135,023,838
Cash and Cash Equivalents, End	104,552,743	160,838,882	104,552,743	160,838,882

CROWN EQUITIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

(b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Group's consolidated financial statements comprise the accounts of Crown Equities, Inc., the Parent Company, and its subsidiaries as follows:

CEI Development Corp. (CEIDC);
Crown Central Properties, Corp. (CCPC);
CEI Properties, Inc. (CEIPI);
Ceres Holdings, Inc. (CHI) and its subsidiary, Ceres Property Venture, Inc. (CPVI);
Fort Bonifacio Medical Center, Inc. (FBMCI);
Parkfield Land Holdings, Inc. (PLHI); and
Healthcare Systems of Asia Phils., Inc. (HSAPI) and its subsidiary, Fortmed Medical Clinics Makati, Inc. (FMCMI)

after the elimination of material intercompany transactions. All intercompany balances and transactions with subsidiaries, including income, expenses and dividends, are eliminated in full. Unrealized profits and losses from intercompany transactions that are recognized in assets are also eliminated in full. Intercompany losses that indicate an impairment is recognized in the consolidated financial statements

The financial statements of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles.

Minority interests represent the interests not held by the Group in HSAPI, PLHI and CCPC.

The interim financial statements of the Group have been prepared in accordance with *Philippine Financial Reporting Standards* (PFRS) consistently applied by the Group and are consistent with those used in previous year.

(c) COMMITMENTS AND CONTINGENCIES

There are commitments, guarantees, litigations and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the accompanying financial statements.

OTHER INFORMATION

a. Business Segment

For management purposes, the Group is organized into three major business segments, namely real estate, healthcare services, and investment holdings. These are also the basis of the Group in reporting its primary segment information.

- (a) The real estate segment involves acquisition of land, planning and developing residential communities such as development and sale of condominium units and parking slots, residential lots, and housing units.
- (b) Healthcare services involves in delivering outpatient health care service through ambulatory care centers. This includes the sale of goods and services.

- (c) The investment holding creates project investments and later disposes these investments after creating value. This also includes acquisition and sale of equity securities. Included in this segment are the Group's transactions on investments in associates and trading of financial assets at fair value through profit and loss.

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2012					
REVENUES	14,217	14,518	-	(3,563)	25,173
RESULTS					
Segment results	(4,253)	(1,184)	(13)	2,350	(3,100)
Interest Income			2,036		2,036
Change in fair value of financial assets at FVPL			3,272		3,272
Income Tax Expense			-		(1,294)
Net Income					914
ASSETS AND LIABILITIES					
Segment Assets	2,981,856	224,237	112,341	(1,450,581)	1,867,852
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,981,856	224,237	134,082	(1,450,581)	1,889,593
Segment Liabilities	426,112	168,942	12,785	(384,131)	223,708
OTHER SEGMENT INFORMATION					
Depreciation	2,508	787	-	-	3,295
Capital Expenditure in Investment Property	(101,208)	-	-	-	-
Investments and advances in associates - net	1,355,257	152,595	57,181	(1,330,594)	234,439

Amounts in thousand pesos.

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2012					
REVENUES	17,227.59	13,974	-	-	31,202
RESULTS					
Segment results	(4,338)	1,415	(13)	4,523	1,587
Interest Income			1,245		1,245
Change in fair value of financial assets at FVPL			878		878
Income Tax Expense			-		(1,678)
Net Income					2,031
ASSETS AND LIABILITIES					
Segment Assets	2,933,786	277,174	131,884	(1,462,186)	1,880,659
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,933,786	277,174	153,625	(1,462,186)	1,902,399
Segment Liabilities	731,496	242,945	138,132	(867,076)	245,497
OTHER SEGMENT INFORMATION					
Depreciation	1,593	1,593	1,593	1,593	6,374
Capital Expenditure in Investment Property	(101)	-	-	-	(101)
Investments and advances in associates - net	1,355,257	152,595	57,181	(1,330,594)	234,439

Amounts in thousand pesos.

- b. PFRS 9, *Financial Instruments (2009)* was issued as the first phase of the PAS 39 replacement project. The chapters of the standard released in 2009 only related to the classification and measurement of financial assets. PFRS 9 (2009) retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets:

amortized cost and fair value. The basis of classification depends on the entity's business model and contractual cash flow characteristics of the financial asset. In October 2010, a new version of PFRS 9 *Financial Instruments (2010)* was issued which now includes all the requirements of PFRS 9 (2009) without any amendment. The new version of PFRS 9 also incorporates requirements with respect to the classification and measurement of financial liabilities and derecognition of financial assets and liabilities. The guidance in PAS 39 on impairment of financial assets and hedge accounting continues to apply. The new standard is effective for annual periods beginning on January 1, 2013. Earlier application is permitted. PFRS 9 (2010) supersedes PFRS 9 (2009). However, for annual periods beginning before January 1, 2015, any entity may elect to apply PFRS 9 (2009) rather than PFRS (2010).

The Group will adopt this standard on January 1, 2015.

As of March 31, 2012, based on the Group's assessment, the adoption of PFRS 9 (2009) / PFRS 9 (2010) will not have a substantial impact on the financial position and financial performance of the Group.

- c. There are neither unusual items affecting the financial statement accounts nor changes in estimates that have material effect in the current interim period.
- d. There has been no issuance, repurchases and repayments of debt and equity securities nor any declaration or payments of dividends.
- e. There have been no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

f. INCOME/(LOSS) PER SHARE

Income per share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the year. Income/(loss) per share amounts were computed as follows:

	As of Mar 31, 2012	As of Mar 31, 2011
Net Income (loss)	P 913,099	P 721,938
Divided by weighted Average number of Outstanding common shares	13,599,999,960	13,599,999,960
Income (loss) per share	P 0.00007	P 0.00005

CROWN EQUITIES, INC. AND SUBSIDIARIES

Aging of Accounts Receivable

As of March 31, 2012

1. Aging of Accounts Receivable

Type of Accounts receivable	Total	1 mo.	2-3 mos.	4-6 mos.	7 mos. - 1 year	1-2 years	2-5 years	5 yrs. & above	Past due accounts & items in litigation
a. Trade Receivable									
1.) Installment Contract Receivable	74,662,211	5,628,090	6,092,232	9,007,865	6,935,798	8,050,102	19,944,163	19,003,960	-
2.) Receivable from sale medical goods and services	21,012,021	4,616,341	4,862,182	11,533,498					
Less: Allowance for doubtful account	14,171,288			10,025,222	4,146,065				
Net Trade Receivable	81,502,944	10,244,431	10,954,414	10,516,142	2,789,732	8,050,102	19,944,163	19,003,960	-
b. Non-Trade Receivable									
1.) Advances to Contractors	12,741,843						12,741,843		
2.) Others	35,255,215			35,255,215					
Sub-total	47,997,058			35,255,215			12,741,843		
Less: Allowance for doubtful account	12,741,843						12,741,843		
Net Non-trade Receivable	35,255,215	-	-	35,255,215	-	-	-	-	-
Net Receivables (a+b)	116,758,159								

2. Accounts Receivable Description

Type of Receivable	Nature/Description	Collection Period
a. Installment Contract Receivable	Unpaid balance of clients for sales in Palma Real Lots and Cypress units	Various
b. Receivable from sale medical goods and services	Unpaid balance of clients for medical services rendered and medical goods sold	Various
c. Advances to Contractors	Advance payments for Roadworks & Utilities of the Palma Real Lots	Various
d. Others	Various receivables	Various

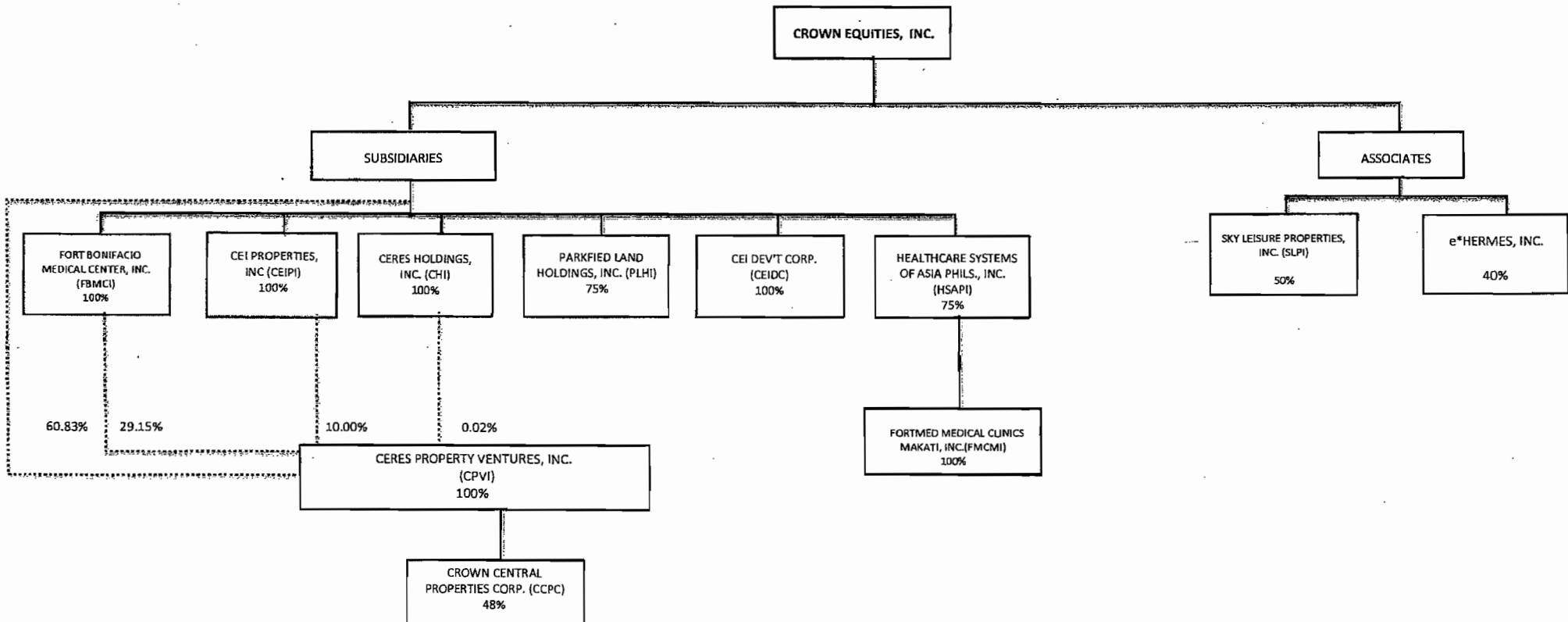
3. Normal operating cycle:

Various

Crown Equities, Inc. and Subsidiaries
 Lists of Philippine Financial Accounting Standards
 March 31, 2012

Standards	"Adopted", "Not adopted" or "Not applicable"
<i>Philippine Financial Reporting Standards (PFRSs)</i>	
<i>PFRS 1</i> First-time Adoption of Philippine Financial Reporting Standards	Adopted
<i>PFRS 2</i> Share-based Payment	Not applicable
<i>PFRS 3</i> Business Combinations	Adopted
<i>PFRS 4</i> Insurance Contracts	Not applicable
<i>PFRS 5</i> Non-current Assets Held for Sale and Discontinued Operations	Not applicable
<i>PFRS 6</i> Exploration for and Evaluation of Mineral Resources	Not applicable
<i>PFRS 7</i> Financial Instruments: Disclosures	Adopted
<i>PFRS 8</i> Operating Segments	Adopted
<i>Philippine Accounting Standards (PASs)</i>	
<i>PAS 1</i> Presentation of Financial Statements	Adopted
<i>PAS 2</i> Inventories	Adopted
<i>PAS 7</i> Statement of Cash Flows	Adopted
<i>PAS 8</i> Accounting Policies, Changes in Accounting Estimates and Errors	Adopted
<i>PAS 10</i> Events after the Reporting Period	Adopted
<i>PAS 11</i> Construction Contracts	Not applicable
<i>PAS 12</i> Income Taxes	Adopted
<i>PAS 16</i> Property, Plant and Equipment	Adopted
<i>PAS 17</i> Leases	Adopted
<i>PAS 18</i> Revenue	Adopted
<i>PAS 19</i> Employee Benefits	Adopted
<i>PAS 20</i> Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
<i>PAS 21</i> The Effects of Changes in Foreign Exchange Rates	Adopted
<i>PAS 23</i> Borrowing Costs	Not applicable
<i>PAS 24</i> Related Party Disclosures	Adopted
<i>PAS 26</i> Accounting and Reporting by Retirement Benefit Plans	Not applicable
<i>PAS 27</i> Consolidated and Separate Financial Statements	Adopted
<i>PAS 28</i> Investments in Associates	Adopted
<i>PAS 29</i> Financial Reporting in Hyperinflationary Economies	Not applicable
<i>PAS 31</i> Interests in Joint Venture	Adopted
<i>PAS 32</i> Financial Instruments: Presentation	Adopted
<i>PAS 33</i> Earnings per Share	Adopted
<i>PAS 34</i> Interim Financial Reporting	Adopted
<i>PAS 36</i> Impairment of Assets	Adopted
<i>PAS 37</i> Provisions, Contingent Liabilities and Contingent Assets	Adopted
<i>PAS 38</i> Intangible Assets	Adopted
<i>PAS 39</i> Financial Instruments: Recognition and Measurement	Adopted
<i>PAS 40</i> Investment Property	Adopted
<i>PAS 41</i> Agriculture	Not applicable

Crown Equities, Inc. and Subsidiaries
 Map of Conglomerate
 March 31, 2012



Crown Equities, Inc.

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION**

*(Figures based on functional
currency unaudited financial
statements as of and for the
period ended March 31, 2012)*

Unappropriated Retained Earnings, as adjusted to available for dividend distribution, beginning		P45,866,114
Add: Net loss actually earned/realized during the period		
Net income during the period closed to Retained Earnings	P6,676,358	
Less: Non-actual/unrealized income net of tax		
Equity in net income of associate/joint venture		
Unrealized foreign exchange gain - net (except those attributable to Cash and Cash Equivalents)		
Unrealized actuarial gain	-	
Fair value adjustments (M2M gains)	3,272,223	
Fair value adjustments of Investment Property resulting to gain	-	
Adjustment due to deviation from PFRS/GAAP – gain	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Sub-total	3,404,135	3,404,135
Add: Non-actual losses		
Depreciation on revaluation increment (after tax)	-	
Adjustment due to deviation from PFRS/GAAP – loss	-	
Loss on fair value adjustment of investment property (after tax)	-	
Sub-total	-	-
Net loss actually earned during the period		3,404,135
Add (Less):		
Dividend declarations during the period	-	
Appropriations of Retained Earnings during the period	-	
Reversals of appropriations	-	
Effects of prior period adjustments	-	
Treasury shares	-	
	-	-
TOTAL RETAINED EARNINGS, END AVAILABLE FOR DIVIDEND		P49,270,249

Crown Equities, Inc. and Subsidiaries
Financial Soundness Indicator
March 31, 2012

Indicator	As of		Formula
	Mar 2012	Dec 2011	
Current Ratio	2.43x	2.88x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	0.49x	0.94x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.13x	0.13x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.13x	1.13x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.51x	0.46x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD		
	Mar 2012	Mar 2011	
Interest Coverage Ratio	nil	nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	3.63%	2.31%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	0.05%	0.04%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	0.00007	0.00005	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$