

# COVER SHEET

3 9 7 4 5

S.E.C. Registration Number

C R O W N E Q U I T I E S , I N C .

(Company's Full Name)

5 t h F l o o r , C r o w n C e n t e r

1 5 8 J u p i t e r c o r . N . G a r c i a

S t s . M a k a t i C i t y

Atty. Elmer B. Serrano

Contact Person

687.1195

Company Telephone Number

1 2

Month

3 1

Day

SEC Form 17-Q

FORM TYPE

Month Day

Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

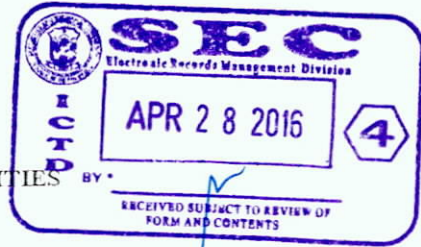
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SECURITIES AND EXCHANGE COMMISSION

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, 2016
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 inCompany or organization: Philippines
6. Industry Classification Code:  (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>
<u>Common</u>	<u>13,599,999,960 shares</u>

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

# COVER SHEET

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S.E.C. Registration Number

C R O W N E Q U I T I E S , I N C . A N D S U B S I  
 D I A R I E S

(Group's Full Name)

C r o w n C e n t e r , 1 5 8 J u p i t e r c o r n  
 e r N . G a r c i a S t r e e t s , M a k a t i C  
 i t y

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

Atty. Elmer B. Serrano

Contact Person

899-0081

Group Telephone Number

1 2      3 1  
 Month      Day

FORM TYPE

Month      Day  
 Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

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## 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

#### CROWN EQUITIES, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Mar. 31, 2016 (Unaudited)	Dec. 31, 2015 (Audited)	Increase (Decrease)	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	199.54	204.01	(4.47)	-2.19%
Financial assets at fair value through profit or loss	37.47	31.95	5.52	17.27%
Installment contract receivables - net	16.07	17.83	(1.75)	-9.84%
Receivables - net	50.13	45.68	4.45	9.75%
Loan receivable	12.50	12.50	-	0.00%
Inventories	186.26	186.49	(0.22)	-0.12%
Other current assets	59.38	56.86	2.52	4.43%
<b>Total Current Assets</b>	<b>561.35</b>	<b>555.32</b>	<b>6.04</b>	<b>1.09%</b>
<b>Noncurrent Assets</b>				
Installment contracts receivable - net of current portion	52.87	52.21	0.66	1.27%
Loan receivable	45.83	45.83	-	0.00%
Available-for-sale financial asset	47.34	47.34	(0.00)	0.00%
Investment in and advances to a joint venture - net	234.44	234.44	-	0.00%
Goodwill	21.74	21.74	-	0.00%
Property and equipment - net	275.84	277.87	(2.03)	-0.73%
Investment properties - net	695.16	695.41	(0.25)	-0.04%
Deferred tax assets - net	1.63	1.63	-	0.00%
Other noncurrent assets	7.35	7.03	0.32	4.61%
<b>Total Noncurrent Assets</b>	<b>1,382.22</b>	<b>1,383.52</b>	<b>(1.29)</b>	<b>-0.09%</b>
	<b>1,943.58</b>	<b>1,938.84</b>	<b>4.74</b>	<b>0.24%</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued expenses	143.49	135.42	8.08	5.97%
Due to related parties	15.21	15.21	-	0.00%
Income tax payable	1.49	0.79	0.70	87.88%
Subscriptions payable	42.16	42.16	-	0.00%
<b>Total Current Liabilities</b>	<b>202.35</b>	<b>193.58</b>	<b>8.77</b>	<b>4.53%</b>
<b>Noncurrent Liability</b>				
Retirement liability	12.12	12.12	-	0.00%
<b>Total Liabilities</b>	<b>214.47</b>	<b>205.70</b>	<b>8.77</b>	<b>4.27%</b>
<b>Equity</b>				
Attributable to equity holders of the parent company	1,570.18	1,575.18	(4.99)	-0.32%
Non-controlling interests	158.92	157.96	0.96	0.61%
<b>Total Equity</b>	<b>1,729.11</b>	<b>1,733.14</b>	<b>(4.03)</b>	<b>-0.23%</b>
	<b>1,943.58</b>	<b>1,938.84</b>	<b>4.74</b>	<b>0.24%</b>

Amounts in million pesos, except percentages.

### Total Assets

Total assets posted an increase of ₱4.74 million or 0.24% as of March 31, 2016 primarily caused by an increase in current asset of ₱5.95 million or 1.07%. The increase in current asset was mainly driven by receivables from patients and partners.

### Current Assets

As of March 31, 2016, total current assets increased to ₱561.26 million from ₱555.32 million as of December 31, 2015. Despite continued collection of receivables, cash decreased by 2.19% or ₱4.47 million due to settlement of outstanding payables. Net short-term receivables increased to ₱50.13 million from ₱45.68 million primarily due to recognition of receivables from patients and unremitted collections from joint venture. Inventories decreased by .12% or ₱0.22 million due to the net effect of the cost of real estate sales, recovery of inventories from delinquent accounts and addition to house units inventory in Palma Real. The financial assets increased by ₱5.52 million or 17.27% due to its increase in market value and additional investments. Further, other current assets went up to ₱59.38 million as of March 31, 2016 due to the recognition of tax assets.

### Noncurrent Assets

Total noncurrent assets dropped by 0.09% or ₱1.20 million. Installment contract receivable increased to ₱52.87 million as of March 31, 2016 from ₱52.21 million as of December 31, 2015 due to recognized real estate sales for the quarter. The property and equipment dropped by ₱2.03 million or .73% as well the investment properties by ₱0.25 million or .04% due to depreciation of these assets. Other non-current asset however increased by 4.61% or ₱0.32 million due mainly to deferred tax assets.

### Liabilities and Stockholders' Equity

The total liabilities for the period increased by ₱8.77 million or 4.37%; from ₱205.70 million as of yearend 2015 to ₱214.47 million as of March 31, 2016. This was attributable to the increase in accounts payable & accrued expenses amounting to ₱8.08 million due to contractors.

Lastly, total equity recorded a ₱4.03 million or 0.23% decrease due to the negative bottom line figure posted for the three-month period ending March 31, 2016.

Discussions on Results of Operation

Account	Mar 31 YTD 2016 (Unaudited)	Mar 31 YTD 2015 (Unaudited)
Real estate sales	14.34	57.63
Sales of medical goods & services	12.21	11.47
Rent Income	2.53	1.31
Interest on Loans	1.58	1.39
Interest income on installment contracts	2.41	4.52
<b>Total revenue</b>	<b>33.07</b>	<b>76.31</b>
Cost of sales & services	9.05	32.25
<b>Gross Profit</b>	<b>24.02</b>	<b>44.06</b>
Employee compensation and benefits	12.12	11.66
Professional fees	0.57	0.76
Commission	1.05	1.36
Depreciation and amortization	3.58	3.76
Taxes and licenses	2.12	1.42
Other operating expenses	5.67	4.71
<b>Total cost and expenses</b>	<b>25.11</b>	<b>23.67</b>
Other income	(1.72)	0.83
<b>Income before income tax</b>	<b>(2.82)</b>	<b>21.21</b>
Income tax	1.21	5.80
<b>Net income</b>	<b>(4.03)</b>	<b>15.41</b>

The first quarter of 2016 recognized a net loss of ₱4.03 million compared to net income of ₱15.41 of the same quarter last year, March 31, 2015.

Total revenues realized for the period amounted to ₱33.07 million, 56.67% or ₱43.25 million lower than the revenue from the same period last year. The decrease in revenue was due primarily to the sale of portion of Batangas property in 2015 which is non-recurrent. Though, revenue from medical goods and services and rental income increased by ₱.74 million or 6.48% and ₱1.21 million or 91.46%, respectively.

Cost of real estate sales significantly decreased as of March 31, 2016 by 71.94% due to the cost of the sale of portion of Batangas property sold in 2015. On the other hand, the cost of medical goods and services increased by 16.09% or ₱0.29 million compared to the same period last year.

As of March 31, 2016, total operating expenses increased by ₱1.43 million or 6.02%. However, the other income decreased to a loss of ₱1.72 million from income of ₱0.83 million as of March 31, 2016 and 2015, respectively.

### Key Performance Indicators

Indicator	As of		Formula
	Mar. 2016	Dec. 2015	
Current Ratio	2.77x	2.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	0.99x	1.05x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.11x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.12x	1.12x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.48x	0.48x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD		
	Mar. 2016	Dec. 2015	
Interest Coverage Ratio	Nil	Nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	(15%)	6.42%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	(0.26%)	0.63%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	(0.00037)	.00047	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$

The Company measures its performance based on the utilization of assets and the return on its investments.

#### Liquidity

As of March 31, 2016, current ratio decreased to 2.77x compared to 2.87x as of December 31, 2015 due to a significant increase in current liabilities particularly accounts payable and accrued expenses. Cash ratio during the period dropped to 0.99x from 1.05x as of March 31, 2016 and December 31, 2015, respectively. The decrease in cash balance as well as the increase in accounts payable and accrued expenses causes the decrease in cash ratio. Liquidity position remains positive during the period.

#### Solvency / Leverage

Leverage stance remained low as of March 31, 2015 having debt-equity at 0.12x, debt-asset ratio at 0.11x and asset-equity ratio at 1.12x due to the Corporation's efficient management of its liabilities. The company has a nil interest coverage ratio as it has not incurred any interest expense for the period.

Investment Ratio

Continued competence of the Corporation's investments made investment ratio of .48x unchanged as of March 31, 2016 and December 31, 2015.

Profitability

Net income margin significantly declined to -15% for the first quarter of 2016. The Company has recognized a net loss for the period.

Return on Assets

The return on assets as of March 31, 2016 declined to -.26% due to recognized loss for the quarter.

Earnings per Share

As a result of the decrease in the Company's profitability for the first quarter of 2016, income per share is -.00037x compared to .00047 as of December 31, 2015. The Company's number of outstanding shares has been fixed for the past five 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 no significant investment in any complex financial instruments. They have neither foreign currency denominated nor local peso-denominated loans. The Company's financial risk exposure is limited to its investments 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 and foreign 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.

**CROWN EQUITIES, INC.**

By:



**Romuald U. Dy Tang**  
President



**Eugene B. Macalalag**  
First Vice President

Date: April 28, 2016

**CROWN EQUITIES, INC. AND SUBSIDIARIES**

**UNAUDITED FINANCIAL STATEMENTS  
MARCH 31, 2016**

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**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Mar. 31, 2016 (Unaudited)	Dec. 31, 2015 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P199,538,478	P204,010,289
Financial assets at fair value through profit or loss	37,468,739	31,951,632
Loan receivable	12,500,000	12,500,000
Installment contracts receivable – current portion	16,074,875	17,829,446
Receivables – net	50,130,038	45,676,878
Inventories	186,264,565	186,489,381
Other current assets	59,377,921	56,860,240
<b>Total Current Assets</b>	<b>561,354,615</b>	<b>555,317,866</b>
<b>Noncurrent Assets</b>		
Installment contracts receivable - net of current portion	52,873,620	52,213,086
Loans receivable	45,833,333	45,833,333
Investment properties	695,164,418	695,413,822
Available-for-sale financial asset	47,344,659	47,344,659
Investments in and advances to associates	234,438,556	234,438,556
Property and equipment – net	275,843,938	277,872,717
Goodwill	21,740,604	21,740,604
Deferred tax assets	1,630,836	1,630,836
Other noncurrent assets	7,353,844	7,030,045
<b>Total Noncurrent Assets</b>	<b>1,382,223,808</b>	<b>1,383,517,659</b>
	<b>P1,943,578,422</b>	<b>P1,938,835,525</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	P143,494,021	P135,415,322
Due to related parties	15,212,887	15,212,887
Income tax payable	1,486,997	791,469
Subscriptions payable	42,158,700	42,158,700
<b>Total Current Liabilities</b>	<b>202,352,605</b>	<b>193,578,378</b>
<b>Noncurrent Liability</b>		
Retirement liability	12,119,432	12,119,432
<b>Total Liabilities</b>	<b>214,472,037</b>	<b>205,697,810</b>
<b>Equity</b>		
Attributable to equity holders of the parent company	1,570,182,282	1,575,176,393
Non-controlling interests	158,924,104	157,961,322
<b>Total Equity</b>	<b>1,729,106,386</b>	<b>1,733,137,715</b>
	<b>P1,943,578,422</b>	<b>P1,938,835,524</b>

**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	As of and for the Quarter Ended March 31	
	2016	2015
<b>REVENUES</b>		
Real estate sales	P14,338,086	P57,625,151
Sale of medical goods and services	12,210,615	11,467,227
Interest on installment contracts receivable	2,411,294	4,515,043
Interest on loans	1,580,366	1,390,278
Rent income	2,527,888	1,320,325
	<b>33,068,249</b>	<b>76,318,024</b>
<b>COST AND EXPENSES</b>		
Cost of real estate sales	6,962,386	30,452,492
Cost of medical goods and services	2,087,984	1,798,543
Salaries and employee benefits	12,116,373	11,662,604
Commission	1,049,864	1,363,944
Depreciation	3,584,580	3,757,109
Others	8,361,565	6,901,721
	<b>34,162,752</b>	<b>55,936,413</b>
<b>OTHER INCOME - Net</b>	<b>(1,724,628)</b>	<b>829,558</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>(2,819,132)</b>	<b>21,211,169</b>
<b>INCOME TAX EXPENSE - Net</b>	<b>1,212,198</b>	<b>5,799,785</b>
<b>NET INCOME</b>	<b>(P4,031,329)</b>	<b>P15,411,384</b>

**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTERS ENDED MARCH 31, 2016 AND 2015**

	Equity Attributable to Equity Holders of the Parent Company						Total Equity
	Capital Stock	Additional Paid-in Capital	Retained Earnings	Actuarial Gains	Total	Non-controlling Interests	
As of January 1, 2016	P1,348,035,906	P118,570,274	P106,933,349	P1,636,864	P1,575,176,393	P157,961,322	P1,733,137,715
Total comprehensive income for period	-	-	(4,994,112)	-	(4,994,112)	962,782	(4,031,329)
As of March 31, 2016	P1,348,035,906	P118,570,274	P101,939,237	P1,636,864	P1,570,182,281	P158,924,104	P1,729,106,386
As of January 1, 2015	P1,345,110,906	P118,570,274	P100,588,825	P1,194,146	P1,565,464,151	P152,004,282	P1,717,468,433
Total comprehensive income for period	-	-	12,453,876	-	12,453,876	2,957,508	15,411,384
As of March 31, 2015	P1,345,110,906	P118,570,274	P113,042,701	P1,194,146	P1,577,918,027	P154,961,790	P1,732,879,817

**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Quarters Ended March 31

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	P(2,819,132)	P21,211,169
Adjustments for:		
Depreciation and amortization	3,584,580	3,816,740
Retirement expense	492,000	71,119
Interest income	(4,786,888)	(6,715,527)
Gain on sale of investment property	-	(16,626,500)
Unrealized gain (loss) in the change in value of financial assets at FVPL	(6,079,894)	494,360
Operating loss before working capital changes	(9,609,334)	2,251,361
Decrease (increase) in:		
Installment contracts receivable	(1,094,038)	(3,709,261)
Receivables	4,453,160	(12,054,984)
Inventories	(224,816)	8,934,959
Other current assets	2,427,834	9,311,118
Increase (decrease) in accounts payable and accrued expenses	(8,078,699)	(20,042,747)
Cash generated from (used in) operations	(12,125,893)	(15,309,554)
Interest received - net of tax	4,786,888	6,571,403
Income taxes paid	(695,528)	(5,655,661)
Net cash provided by (used in) operating activities	(8,034,533)	(14,393,812)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investment properties	-	36,816,056
Additions to property and equipment and investment properties	-	(12,915,348)
Increase in:		
Financial assets at fair value through profit or loss	5,517,107	(6,568,155)
Other noncurrent assets	(1,954,385)	(72,678)
Net cash provided by (used in) investing activities	3,562,722	17,259,875
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>4,471,811</b>	<b>2,866,063</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	<b>204,010,289</b>	<b>202,611,044</b>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<b>P199,538,478</b>	<b>P205,477,107</b>

**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. Reporting Entity**

Crown Equities, Inc. ("CEI" or the "Parent Company") is an investment holding company incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 24, 1969. The Parent Company's registered office address is located at the Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City.

The consolidated financial statements comprise the financial statements of the Parent Company and its Subsidiaries (collectively referred to as the "Group"). The Parent Company's shares of stock are listed and traded at the Philippine Stock Exchange (PSE).

The Group operates within the Philippines and is mainly involved in real estate business, healthcare services and investment holding. As of March 31, 2016 and 2015, the Parent Company has ownership interests in the following subsidiaries and associates, all incorporated in the Philippines:

	Effective Percentage of Ownership	
	2016	2015
<b>Subsidiaries</b>		
<i>Real Estate</i>		
Crown Central Properties, Corp. (CCPC) <sup>(a)</sup>	48%	48%
Parkfield Land Holdings, Inc. (PLHI) <sup>(b)</sup>	75%	75%
<i>Healthcare</i>		
Healthcare Systems of Asia Phils., Inc. (HSAPI)	97%	97%
Fortmed Medical Clinics Makati, Inc. (FMCM1) <sup>(c)</sup>	97%	97%
<b>Joint Venture</b>		
Sky Leisure Properties, Inc. (SLPI)	50%	50%

*(a) Management has determined that the Company has control over the financial and operating policies of CCPC through representation of the Board of Directors.*

*(b) This company has not yet started commercial operations.*

*(c) This represents direct and indirect ownership in 2016 and 2015, respectively.*

**2. Basis of Preparation**

Statement of Compliance

The consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations issued by the Financial Reporting Standards Council (FRSC).



#### Basis of Measurement

The consolidated financial statements of the Group have been prepared on the historical cost basis except for financial assets at fair value through profit or loss (FVPL).

#### Functional and Presentation Currency

The consolidated financial statements are presented in Philippine peso, which is also the Parent Company's functional currency. All financial information presented is rounded to the nearest peso, except when otherwise indicated.

#### Basis of Consolidation

The Group obtains and exercises control through voting rights. The Group's consolidated financial statements comprise the accounts of the Parent Company, and its subsidiaries as enumerated in Note 1, after the elimination of intercompany balances and transactions with subsidiaries, including income, expenses and dividends. Unrealized profits and losses from intercompany transactions are also eliminated in full.

The consolidated financial statements are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented in the consolidated statements of financial position, separately from equity attributable to equity holders of the Parent Company.

Non-controlling interests consist of the interests not held by the Group in PLH1, HSAPI and CCPC as of March 31, 2016 and 2015.

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### **3. 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.

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### **4. Other Information**

#### Business Segment

For management purposes, the Group is organized into three (3) 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. 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 out-patient health care service through ambulatory care centers. This includes the sale of medical goods and services.
- c. Investment holdings create project investments and later dispose these investments after creating value.

The following tables present revenue and profit information regarding business segments of the Group for the nine-month period ended September 30, 2015 and 2014 and certain assets and liability information regarding industry segments as at September 30, 2015 and 2014 (in thousands).

	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2016					
<b>REVENUES</b>	22,394	12,211	150	(1,686)	33,068
<b>RESULTS</b>					
Segment results	1,066	(2,160)	-	-	(1,095)
Other income					1,695
Income Tax Expense					(1,064)
Minority Interest					(963)
Net Income					(4,994)
<b>ASSETS AND LIABILITIES</b>					
Segment Assets	2,182,132	35,123	77,638	(373,055)	1,921,838
Intangible Assets	-	-	21,740	-	21,740
Total Assets	2,182,132	35,123	99,379	(373,055)	1,943,578
Segment Liabilities	220,062	18,694	78,962	(103,246)	214,472
<b>OTHER SEGMENT INFORMATION</b>					
Depreciation	2,172	1,413	-	-	3,585
Capital Expenditure in property and equipment	-	-	-	-	-
Capital Expenditure in Investment Property	-	-	-	-	-
Investments and advances in associates – net	603,503	-	22,292	(391,267)	234,528
	Real Estate	Healthcare Services	Investment Holdings	Elimination	Total
Year to Date March 31, 2015					
<b>REVENUES</b>	66,556	11,527	-	(1,764)	76,318
<b>RESULTS</b>					
Segment results	23,573	(2,209)	(2,205)	2,205	21,363
Interest Income					725
Change in fair value of financial assets at FVPL					(877)
Income Tax Expense					(5,800)
Minority Interest					(2,958)
Net Income					12,454
<b>ASSETS AND LIABILITIES</b>					
Segment Assets	2,203,192	36,017	93,649	(419,187)	1,913,671
Intangible Assets	-	-	21,741	-	21,741
Total Assets	2,203,192	36,017	115,390	(419,187)	1,935,412
Segment Liabilities	225,155	16,787	78,962	(130,021)	190,883
<b>OTHER SEGMENT INFORMATION</b>					
Depreciation	2,163	1,594	-	-	3,757
Capital Expenditure in Investment Property	40,413	(27,498)	-	-	12,915
Investments and advances in associates – net	614,786	-	15,518	(395,865)	234,439

Amounts in \$ in thousands.

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5. **Income (Loss) Per Share**

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

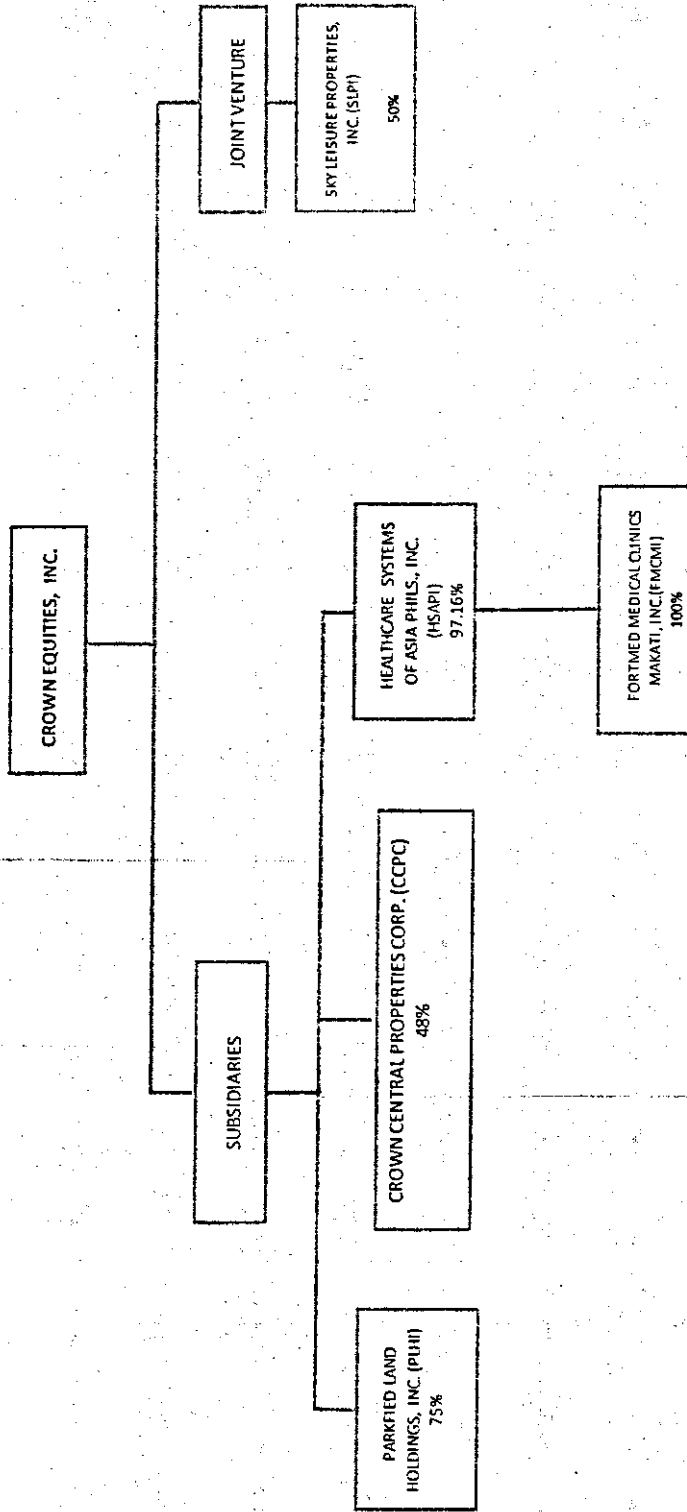
	As of Mar. 31, 2016	As of Mar. 31, 2015
Net income (loss) attributable to parent stockholders	(P4,994,112)	P12,453,876
Divided by weighted Average number of Outstanding common shares	13,599,999,960	13,599,999,960
Income (loss) per share	(P0.000367)	P0.00092

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CROWN EQUITIES, INC. AND SUBSIDIARIES  
Aging of Financial Assets  
As of March 31, 2016

Types of Accounts	Total	1 month	2 to 6 months	7 mos. To 1 year	1 to 3 years	3 to 5 years	5 years & above
<b>Financial Assets</b>							
a. Cash and cash equivalents							
1. Cash in bank	46,030,477.78	46,030,477.78	-	-	-	-	-
2. Short-term placements	153,450,000.00	153,450,000.00	-	-	-	-	-
	199,480,477.78	199,480,477.78	-	-	-	-	-
b. Trade receivable							
1. Installment contract receivable	68,948,494.44	11,252,412.20	3,214,974.91	1,607,487.46	21,149,447.95	18,505,766.95	13,218,404.97
2. Receivable from sale of medical goods and services	20,449,318.41	3,536,257.92	3,964,472.15	551,577.38	592,338.24	845,790.42	10,958,882.30
Less: Allowance for doubtful account	(10,183,116.49)	-	-	-	-	-	(10,183,116.49)
Net trade receivable	79,214,696.36	14,788,670.12	7,179,447.06	2,159,064.84	21,741,786.19	19,351,557.37	13,994,170.78
c. Non-trade receivable							
1. Due from project developers	20,348,096.08	-	-	20,348,096.08	-	-	-
2. Receivable from buyers	3,620,367.36	-	-	3,620,367.36	-	-	-
3. Rent receivables	2,437,522.82	-	-	2,437,522.82	-	-	-
4. Interest receivables	1,306,412.81	250,000.00	-	1,056,412.81	-	-	-
6. Others	396,505.00	-	-	396,505.00	-	-	-
Sub-total	28,108,904.07	250,000.00	-	27,858,904.07	-	-	-
Less: Allowance for doubtful account	(530,020.30)	-	-	-	-	-	(530,020.30)
Net Non-trade receivable	27,578,883.77	250,000.00	-	27,858,904.07	-	-	(530,020.30)

CROWN EQUITIES, INC. AND SUBSIDIARIES  
MAP OF CONGLOMERATE  
AS OF MARCH 31, 2016



**CROWN EQUITIES, INC. AND SUBSIDIARIES**  
**Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City**  
**SCHEDULE OF PHILIPPINE FINANCIAL REPORTING STANDARDS AND**  
**INTERPRETATIONS**

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		✓		
PFRSs Practice Statement Management Commentary			✓	
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	✓		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			✓
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			✓
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			✓
	Amendments to PFRS 1: Government Loans			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: First-time Adoption of Philippine Financial Reporting Standards – Repeated Application of PFRS 1			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Borrowing Cost Exemption			✓
	Annual Improvements to PFRSs 2011 – 2013 Cycle: PFRS version that a first-time adopter can apply	✓		
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Meaning of 'vesting condition'			✓
PFRS 3 (Revised)	Business Combinations	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Classification and measurement of contingent consideration			✓
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Scope exclusion for the formation of joint arrangements			✓
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Changes in method for disposal			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PFRS 7: Transition			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	✓		
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	✓		
	Annual Improvements to PFRSs 2012 – 2014 Cycle: 'Continuing involvement' for servicing contracts			✓
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Offsetting disclosures in condensed interim financial statements			✓
PFRS 8	Operating Segments	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Disclosures on the aggregation of operating segments	✓		
PFRS 9	Financial Instruments	✓		
	Hedge Accounting and amendments to PFRS 9, PFRS 7 and PAS 39			✓
PFRS 9 (2014)	Financial Instruments		✓	
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities	✓		
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			✓
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception		✓	
PFRS 11	Joint Arrangements	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance			✓
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations			✓
PFRS 12	Disclosure of Interests in Other Entities	✓		

<b>PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS</b> Effective as of December 31, 2015		<b>Adopted</b>	<b>Not Adopted</b>	<b>Not Applicable</b>
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities	✓		
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception		✓	
<b>PFRS 13</b>	Fair Value Measurement	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Measurement of short-term receivables and payables	✓		
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Scope of portfolio exception	✓		
<b>PFRS 14</b>	Regulatory Deferral Accounts	✓		
<b>Philippine Accounting Standards</b>				
<b>PAS 1 (Revised)</b>	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Presentation of Financial Statements – Comparative Information beyond Minimum Requirements			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Presentation of the Opening Statement of Financial Position and Related Notes			✓
	Amendments to PAS 1: Disclosure Initiative		✓	
<b>PAS 2</b>	Inventories			✓
<b>PAS 7</b>	Statement of Cash Flows	✓		
<b>PAS 8</b>	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
<b>PAS 10</b>	Events after the Reporting Period	✓		
<b>PAS 11</b>	Construction Contracts	✓		
<b>PAS 12</b>	Income Taxes	✓		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		
<b>PAS 16</b>	Property, Plant and Equipment	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Property, Plant and Equipment – Classification of Servicing Equipment	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Restatement of accumulated depreciation (amortization) on revaluation (Amendments to PAS 16 and PAS 38)	✓		



PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization		✓	
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		
PAS 19 (Amended)	Employee Benefits	✓		
	Amendments to PAS 19: Defined Benefit Plans: Employee Contributions			✓
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Discount rate in a regional market sharing the same currency – e.g. the Eurozone			✓
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation			✓
PAS 23 (Revised)	Borrowing Costs	✓		
PAS 24 (Revised)	Related Party Disclosures	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Definition of 'related party'	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans	✓		
PAS 27 (Amended)	Separate Financial Statements	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities			
	Amendments to PAS 27: Equity Method in Separate Financial Statements		✓	
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			✓
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception		✓	
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues	✓		
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	✓		
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Financial Instruments Presentation – Income Tax Consequences of Distributions			✓
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting			✓
	Annual Improvements to PFRSs 2009 – 2011 Cycle: Interim Financial Reporting – Segment Assets and			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
	Liabilities			
	Annual Improvements to PFRSs 2012 – 2014 Cycle: Disclosure of information "elsewhere in the interim financial report"			✓
PAS 36	Impairment of Assets	✓		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets	✓		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets	✓		
	Annual Improvements to PFRSs 2010 – 2012 Cycle: Restatement of accumulated depreciation (amortization) on revaluation (Amendments to PAS 16 and PAS 38)	✓		
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization		✓	
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			✓
	Amendments to PAS 39: The Fair Value Option			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
	Amendment to PAS 39: Eligible Hedged Items			✓
Amendment to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting			✓	
PAS 40	Investment Property	✓		
	Annual Improvements to PFRSs 2011 – 2013 Cycle: Inter- relationship of PFRS 3 and PAS 40 (Amendment to PAS 40)	✓		
PAS 41	Agriculture			✓
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			
<b>Philippine Interpretations</b>				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	<i>Determining Whether an Arrangement Contains a Lease</i>	✓		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	<i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			✓
IFRIC 9	Reassessment of Embedded Derivatives	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
IFRIC 10	Interim Financial Reporting and Impairment			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			✓
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners			✓
IFRIC 18	Transfers of Assets from Customers			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies			✓
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-15	Operating Leases - Incentives	✓		
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			✓
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures.			✓
SIC-31	Revenue - Barter Transactions Involving Advertising Services			✓
SIC-32	Intangible Assets - Web Site Costs			✓
<b>Philippine Interpretations Committee Questions and Answers</b>				
PIC Q&A 2006-01	PAS 18, Appendix, paragraph 9 – Revenue recognition for sales of property units under pre-completion contracts			✓
PIC Q&A 2006-02	PAS 27.10(d) – Clarification of criteria for exemption from presenting consolidated financial statements			✓
PIC Q&A 2007-01- Revised	PAS 1.103(a) – Basis of preparation of financial statements if an entity has not applied PFRSs in full			✓
PIC Q&A 2007-02	PAS 20.24.37 and PAS 39.43 - Accounting for government loans with low interest rates [see PIC Q&A No. 2008-02]			✓
PIC Q&A 2007-03	PAS 40.27 – Valuation of bank real and other properties acquired (ROPA)			✓
PIC Q&A 2007-04	PAS 101.7 – Application of criteria for a qualifying NPAE			✓
PIC Q&A	PAS 19.78 – Rate used in discounting post-employment			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2015		Adopted	Not Adopted	Not Applicable
2008-01- Revised	benefit obligations			
PIC Q&A 2008-02	PAS 20.43 – Accounting for government loans with low interest rates under the amendments to PAS 20			✓
PIC Q&A 2009-01	Framework.23 and PAS 1.23 – Financial statements prepared on a basis other than going concern			✓
PIC Q&A 2009-02	PAS 39.AG71-72 – Rate used in determining the fair value of government securities in the Philippines			✓
PIC Q&A 2010-01	PAS 39.AG71-72 – Rate used in determining the fair value of government securities in the Philippines			✓
PIC Q&A 2010-02	PAS 1R.16 – Basis of preparation of financial statements	✓		
PIC Q&A 2010-03	PAS 1 Presentation of Financial Statements – Current/non-current classification of a callable term loan	✓		
PIC Q&A 2011-01	PAS 1.10(f) – Requirements for a Third Statement of Financial Position			✓
PIC Q&A 2011-02	PFRS 3.2 – Common Control Business Combinations			✓
PIC Q&A 2011-03	Accounting for Inter-company Loans			✓
PIC Q&A 2011-04	PAS 32.37-38 – Costs of Public Offering of Shares			✓
PIC Q&A 2011-05	PFRS 1.D1-D8 – Fair Value or Revaluation as Deemed Cost			✓
PIC Q&A 2011-06	PFRS 3, Business Combinations (2008), and PAS 40, Investment Property – Acquisition of Investment properties – asset acquisition or business combination?			✓
PIC Q&A 2012-01	PFRS 3.2 – Application of the Pooling of Interests Method for Business Combinations of Entities Under Common Control in Consolidated Financial Statements			✓
PIC Q&A 2012-02	Cost of a New Building Constructed on the Site of a Previous Building			✓
PIC Q&A 2013-01	Applicability of SMEIG Final Q&As on the Application of IFRS for SMEs to Philippine SMEs			✓
PIC Q&A 2013-02	Conforming Changes to PIC Q&As - Cycle 2013			✓
PIC Q&A 2013-03 (Revised)	PAS 19 – Accounting for Employee Benefits under a Defined Contribution Plan subject to Requirements of Republic Act (RA) 7641, The Philippine Retirement Law			✓

**Crown Equities, Inc.**  
**Crown Center, 158 Jupiter corner N. Garcia Streets, Makati City**  
**SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR**  
**DIVIDEND DECLARATION**

*((Figures based on functional  
currency of unaudited financial  
statements as of and for the period  
ended March 31, 2016))*

Unappropriated Retained Earnings, beginning	P55,113,061
Net loss	(3,068,547)
Non-actual/unrealized loss (gain) net of tax	
Fair value adjustments (M2M gains)	-
<b>TOTAL RETAINED EARNINGS AVAILABLE FOR</b> <b>DIVIDEND, ENDING</b>	<b>P52,044,514</b>

**Crown Equities, Inc.**  
**Financial Soundness Indicator**  
**March 31, 2016**

Indicator	As of		Formula
	Mar. 2016	Dec. 2015	
Current Ratio	2.77x	2.87x	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Cash Ratio	0.99x	1.05x	$\frac{\text{Cash and Cash equivalents}}{\text{Current Liabilities}}$
Debt-Equity Ratio	0.12x	0.12x	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Debt-Asset Ratio	0.11x	0.11x	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$
Asset-Equity Ratio	1.12x	1.12x	$\frac{\text{Total Asset}}{\text{Total Equity}}$
Investment Ratio	0.48x	0.48x	$\frac{\text{Total Investment and Advances}}{\text{Total Asset}}$
	YTD		
	Mar. 2016	Dec. 2015	
Interest Coverage Ratio	Nil	Nil	$\frac{\text{Earnings before Interest and Taxes}}{\text{Interest Expense}}$
Net Income Margin	(.09%)	6.42%	$\frac{\text{Net Income after Minority Interest}}{\text{Net Revenues}}$
Return on Assets	(0.15%)	0.63%	$\frac{\text{Net Income after Minority Interest}}{\text{Average Total Assets}}$
Earnings Per Share	(0.00023)	.00047	$\frac{\text{Net Income after Minority Interest}}{\text{Total Shares Subscribed}}$