1	8	3	8	3	5

S.E.C. Registration Number

ALPHALAND CORPORATION

(Company's Full Name)

Alphaland Southgate Tower, 2258 Chino Roces Ave. corner EDSA, Makati, City

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

Rodolfo Ma. A. Ponferrada
Contact Person

(632) 338-5599
Company Telephone Number

12 31
Month Day
Fiscal Year

Amended
1 7 1 Q
Form Type

0 5
Month Day
Annual Meeting

Secondary License Type, If Applicable

CFD
Dept. Requiring this Doc.

Amended Articles Number/Section

42
Total No. of Stockholders

Total Amount of Borrowings

P1,985,500,600	Not Applicable
Domestic	Foreign

To be accomplished by SEC Personnel Concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-1Q

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE

1. For the fiscal year ended **31 March 2011**

2. SEC Identification No. **183835** 3. BIR Tax Identification No **000-001-746-612**

4. Exact Name of Issuer as specified in its charter **ALPHALAND CORPORATION**

Philippines
5. Province, Country or other jurisdiction of Incorporation or Organization

6. SEC Use Only
Industry Classification Code

Penthouse, Alphaland Southgate Tower, Chino Roces Avenue corner EDSA, Makati City **1232**
7. Address of Principal Office Postal Code

(632) 338-5599
8. Issuer's telephone number, including area code

NA
9. Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt/ Liabilities Outstanding
Common	**1,576,172,087**	**P1,985,500,600**

Are any of the securities listed on the Philippine Stock Exchange?
Yes ✓ No

12. Check whether the issuer

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

Yes ✓ No

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

Yes ✓ No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Please find attached herein the unaudited consolidated financial statements of Alphaland Corporation ("ALPHA" or the "Parent Company") and its subsidiaries (together with ALPHA, the "Group" or the "Company") for the period ended March 31, 2011. The consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS also include Philippine Accounting Standards and Interpretations issued by the International Financial Reporting Interpretations Committee.

ALPHA applied for the amendment of its primary purpose from a plastics manufacturing interest to a holding company, which was approved by the SEC on April 7, 2010. The plastics manufacturing interests of ALPHA shall continue to be carried out by its wholly-owned subsidiary, Macondray Plastics Products, Inc, ("MPPI"). This is following the spin off by ALPHA of the operation and maintenance of its plastic manufacturing business to MPPI.

ALPHA and MPPI entered into a deed of conveyance on October 13, 2009 where ALPHA shall transfer and convey in favor of MPPI all of its rights, titles and interests in, and obligations to, its net assets in consideration of, and solely in exchange for shares of stock of MPPI (the "Assignment"). MPPI has secured a ruling from the BIR confirming that the transfer of the specific assets and liabilities of ALPHA to MPPI is tax free. The transfer of properties and obligations to MPPI from ALPHA shall be effective upon the approval by the SEC of the increase in the authorized capital stock of MPPI. As of March 31, 2011, necessary steps have already been undertaken to obtain the said SEC approval so that transfer can be effected as specified in the deed of conveyance.

Effective December 1, 2009, MPPI assumed the management of ALPHA's plastic products manufacturing operations. On the same date, all the employees of ALPHA at that time (all of whom were connected to the plastics manufacturing business) were transferred to MPPI.

Further to the spinoff of MPPI, ALPHA signed a Memorandum of Understanding ("MOU") on December 23, 2010 with Macondray Philippines Co., Inc. ("MPCI"), where the latter is offering to buy ALPHA's entire interest in MPPI upon completion of the Assignment, which ALPHA accepted for a reasonable consideration to be determined nearer to the Assignment. With the agreement to sell MPPI shares to MPCI upon completion of the Assignment, MPPI was classified as a disposal group held for sale and as a discontinued operation as of December 31, 2010. The assets of MPPI is presented as "Assets held for sale", and liabilities as "Liabilities directly associated with assets held for sale" in the 2010 consolidated balance sheet, and reported the operations of the plastics manufacturing segment as "Income associated with assets held for sale" in the 2010 consolidated statement of comprehensive income.

The discussion that follows does not include the plastics manufacturing business of the Group.

The Company's financial statements are presented in the functional currency of Philippine pesos.

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

Description of Business

ALPHA is a Philippine holding company. The Group has two principal businesses: real property development and manufacturing of plastics. Each of these businesses are managed through three wholly-owned subsidiaries: Alphaland Development, Inc. ("ADI") and Alphaland Balesin Island Resort Corporation ("ABIRC") for the property development, and MPPI for the manufacturing of plastics.

Results of Operations

During the 1st quarter of 2011, the consolidated net income of the Company amounted to P9.3 million, while previous year's 1st quarter reported a consolidated net loss of P19.7 million. Consolidated total revenues in both 2011 and 2010 are composed of rental income from Alphaland Southgate Tower and Mall and other revenues, which commenced operations in August of 2009. Tenant occupancy is higher in March 2011 at 87% for Mall and 82% for Tower, compared to March 31, 2010 at 76% for Mall and 10% for Tower. Cost and expenses for the current period represent mainly the operating expenses of Alphaland Southgate Tower and Mall, as well as pre-selling expenses of the preferred shares of stock of The City Club at Alphaland Makati Place, Inc.

Revenues of the Company are generated from the following projects:

Alphaland Southgate Tower

Total lease revenues for Alphaland Southgate Tower for the quarter ended March 31, 2011 is P57.1 million. Currently, the office tower is 84% leased while the mall is 88% leased. Several large tenants such as Alorica/ACS have started to occupy their floors since the start of the year. Foot traffic has increased immensely by 45% year-on-year. Recorded mall tenant sales have also seen vast improvement.

The City Club at Alphaland Makati Place

Sales activities for The City Club at Alphaland Makati Place started last January 2011 utilizing a personal approach to the initial target market. Sales are being done by invitation only at this point. For the quarter ended March 31, 2011, a total of 259 shares have been sold generating a gain of P60.8 million for Alphaland Makati Place.

The following projects are under construction:

Alphaland Makati Place

Alphaland Makati Place will consist of several high-end residential towers atop an upscale six-storey podium with a shopping center and a City Club dedicated to urban sports and leisure. Alphaland Makati Place will rise on a premium one hectare property along Ayala Avenue Extension corner Malugay Street, Makati City. Featuring truly "smart homes," The Alphaland Makati Place will be the first in the country with built-in concierge technology that will enable its residents and tenants to achieve lifestyle objectives on demand.

Comprising of almost 1.6 hectares of sports and leisure facilities, The City Club at Alphaland Makati Place will fulfill the wellness, social, sports and business needs of its members. Facilities will include a spa, aerobics, dance and yoga rooms, formal and casual restaurants, cafes, a sports bar, children's activity center, coffee lounges, indoor tennis courts, indoor badminton courts, lap pool and children's pool, private business meeting rooms, and a business center.

The first phase of Alphaland Makati Place consisting a 5-level basement, a mall and The City Club is slated for completion by December 2012.

Alphaland Makati Tower

Rising at the heart of the Makati Central Business District, Alphaland Makati Tower will be a new landmark building to service the growing demand for high-end corporate offices in the Philippines. Designed by world renowned Wong and Ouyang Ltd. of Hong Kong and certified by Aromin & Sy and its associates, Alphaland Makati Tower will be the most modern of only six existing premium-grade office buildings in the district. The 35-storey tower will rise on a 2,400 square meter property along Ayala Avenue and will have a gross floor area of 48,000 square meters. The land alone is valued at Php 1.3 Billion, another Php 2.4 Billion will be spent on constructing the tower which is slated for completion on 2013.

The Alphaland Makati Tower is envisioned to have a superimposing lobby with a two-storey high ceiling clad in glass to allow natural lighting in. Each level will have a large floor template of up to 1,500-1,600 square meters. The first two floors of prime commercial space along Ayala Avenue will be sold to a large financial institution but the crowning glory of the tower will be a three-storey penthouse which will be sold to only one entity. The penthouse will have its own swimming pool and al fresco lounge, making it the most desirable office in the country.

Alphaland Makati Tower is currently under construction and will be operational by January 2013.

Alphaland Balesin Island Club

33 kilometers off the eastern coast of Luzon and only a mere 23 minutes by plane from Manila's Ninoy Aquino Domestic Airport sits Balesin Island: an untouched, lush tropical getaway with roughly 7.3 kilometers of white sand beaches. Alphaland Balesin Island Club is a 409-hectare island resort which will have uniquely designed accommodations and amenities in each of the major sites of the island.

With the clubhouse as the island's centerpiece, Alphaland Balesin Island Club will be subdivided into six villages which will take inspiration from the most luxurious beachside destinations around the world St. Tropez (Cote d'azur), Phuket (Thailand), Costa Smeralda (Sardinia), Bali (Indonesia), Mykonos (Greece), and Balesin (Philippines).

Currently, the runway is under construction and the first village is slated for completion by the end of the year.

Alphaland Boracay Gateway Country Club

Alphaland Boracay Gateway is joint venture between Alphaland Corporation and Akean Resorts Corporation. Situated in a sprawling 500-hectare property in the northern tip of Nabas, Aklan on Panay Island, the property faces the world-famous Boracay Island. With the proposed Caticlan International Airport and the Boracay Jetty only a five minute drive away, Alphaland can truly build a gateway development to Boracay and a spectacular destination in itself.

The Alphaland Boracay Gateway Country Club is designed for an exclusive market in search of an escape in an idyllic setting. Luxurious water villas on the beachfront aid in creating your very own private haven, to be enjoyed in splendid isolation while on white sand beaches. Alphaland also aims to transform this prime property into a high-end, mixed-use resort complex anchored by a Polo and Country Club that also features water recreational activities. Furthermore, members of the Gateway Club will enjoy direct access to and from Boracay Island via a direct ferry service.

Alphaland Bay City

Alphaland Bay City is a 32-hectare planned premium seaside residential, commercial and business community located along Manila Bay beside the Mall of Asia compound. Alphaland Bay City's highlight is a magnificent marina with a shoreline containing a broad promenade lined by outdoor cafés, restaurants, boutiques, book-ended by two grand hotels. Directly behind the promenade are clusters of low-rise commercial buildings, backed by medium-rise apartment complexes, followed by high-rise business towers, carefully positioned to ensure unmatched views and generous breezes for all of the property's residents and workers.
Alphaland Bay City's centerpiece is a modern Marina Club that provides world-class yachting facilities

for about 200 yachts, including super- and megayachts. It is the only marina in the country where members may use several exclusive yachts belonging to the club itself. For those who have only occasional use for a yacht, this fractional use frees them from the concerns of ownership, maintenance and crewing, as well as allows them to try different types of yachts and sailboats.

Shangri-La at The Fort

Shangri-La at The Fort is located in a 1.5 hectare property in West Super Block of the Fort Bonifacio Global City at the corner of 5th Avenue and 30th Street. Slated for completion in 2014, Shangri-La at The Fort is a mixed-use business, hospitality, residential and retail tower with over 13 hectares of gross floor area. The project which will be located Shangri-La has named US-based Skidmore, Owings, and Merrill LLP as architect and Hirsch Bedner Associates to undertake the interior design for guestrooms and the main lobby. The tower will present a contemporary yet timeless design with the façade of the building tapering skyward, maximizing the ocean view.

Alphaland Corporation has a 20% stake in Shangri-La at the Fort. The complex is expected to cost close to Php 13 Billion and will comprise of a 544-key hotel, exclusive serviced apartments and 89 premier residential condominiums including 2 penthouses that will be the most coveted residential address in the country. Pre-selling of the units will start in the second half of 2011.

Financial Condition

Total assets increased by P2,595.9 million (14%), from P17,984.7 million as of December 31, 2010 to P20,580.6 million as of March 31, 2011. This increase is attributable to the upward movement in cash and cash equivalent by P1,739.9 million (307%) from P566.6 million as of December 31, 2010 to P2,306.6 million as of March 31, 2011 brought about by shareholder's cash infusion in January 28, 2011. Trade and other receivables likewise increased by as much as P86.6 million (144%) primarily due to ADI's tower tenants coming in during the quarter. Advances to contractors which represent advance payments on services to be incurred in connection with the Group's operations predominantly causes the increase in prepaid expenses and other current assets as of March 31, 2011 to P808.1 million from P421.9 million as of December 31, 2010.

As ADI's tower tenants comes in during the quarter security deposits related to lease inception correspondingly increases which brings about the chief cause of slight movement in total liabilities from P4,640.0 million as of December 31, 2010 to P5,115.7 million as of March 31, 2011, a P475.7 million or 10% rise.

Additional shareholder's infusion of P1,933.7 million in January as mentioned above has equally brought up deposits for future subscriptions. Gain on sale of preferred shares of a subsidiary amounted to P60.8 million as of March 31, 2011.

Discussion and Analysis of Material Events and Uncertainties

As of reporting date:

There are no material events and uncertainties known to management that would have impact or change reported financial information and condition on the Group.

There are no known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Group's liquidity in any material way. The Group does not anticipate having any cash flow or liquidity problems. The Group is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

The Group has no unusual nature of transactions or events that affects assets, liabilities, equity, net income or cash flows.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the financial statements and should be read in conjunction with the Group's consolidated annual financial statements as of and for the year ended December 31, 2010.

The accounting policies and methods of computation adopted in preparation of the Group's unaudited interim consolidated financial statements are the same with the most recent annual financial statements for the year ended December 31, 2010.

There were no material events subsequent to the end of the year that have not been reflected in the Group's Financial Statement for the first quarter of 2011.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

Below are the comparative key performance indicators of the Company.

Key Performance Indicator	Manner of Calculation	31-Mar-11 (unaudited)	31-Dec-10 (audited)
Debt to equity ratio	Interest-bearing debt over shareholders' equity	0.12 : 1.00	0.12 : 1.00
Net debt to equity ratio	Interest-bearing debt less cash and cash equivalents over shareholders' equity	-0.03 : 1.00	0.08 : 1.00
Return on assets	Net income over average total assets during the period	0.05%	8.14%
Return on equity	Net income over average stockholders' equity during the period	0.07%	10.83%

Financial Risk Management Objectives and Policies

The Board of Directors ("BOD") has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and manage the Group's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group has exposure to credit risk, interest rate risk, liquidity risk and foreign currency risk from the use of its financial instruments. The BOD reviews and approves the policies for managing each of these risks.

Credit Risk

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the Parent Company, the Group does not offer credit terms without the specific approval of the Chief Finance Officer.

With respect to credit risk arising from the other financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades with recognized third parties and related parties, there is no requirement for collateral. There are no other concentrations of credit risk within the Group.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group's exposure to interest rate risk relates primarily to its financial instruments with floating interest and/or fixed interest rates. Fixed rate financial instruments are subject to fair value interest rate risk while floating rate financial instruments are subject to cash flow interest rate risk. Re-pricing of floating rate financial instruments is done every three to six months. Interest on fixed rate financial instruments is fixed until maturity of the instrument.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt subject to floating interest rates.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management. The Group manages its liquidity risk based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

The Group also maintains a balance between continuity of funding and flexibility. The policy of the Group is to first exhaust lines available from affiliated companies before local bank lines are availed of. The Group seeks to manage its liquid funds through cash planning on a weekly basis. The Group uses historical figures and experiences and forecasts from its collections and disbursements. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities. Also, the Group only places funds in the money market which are exceeding the Group requirements. Placements are strictly made based on cash planning assumptions and covers only a short period of time.

Foreign Currency Risk

The Group follows a policy to manage its currency risk by not maintaining major cash accounts aside from US dollar (US$) and Philippine peso (₱).

PART II - OTHER INFORMATION

There are no disclosures not reported under SEC Form 17-C.

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 on May 19, 2011.

Issuer: **ALPHALAND CORPORATION**

Mario A. Oreta
President

Marriana H. Yulo
Chief Financial Officer

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	December 31, 2010 (Audited)
Current Assets			
Cash and cash equivalents	2,306,558,689	31,715,155	566,642,921
Trade and other receivables	146,636,048	45,984,292	60,031,010
Advances to related parties	204,600,579	197,047,000	102,674,638
Prepaid expenses and other current assets	808,183,080	279,921,995	421,889,044
	3,465,978,396	554,668,442	1,151,237,613
Assets held for sale	585,267,197	-	571,427,261
	4,051,245,593	554,668,442	1,722,664,874
Noncurrent Assets			
Investments in and advances to associates	769,839,016	731,588,767	757,470,866
Available for sale (AFS) investments	11,600,000	-	11,600,000
Investment properties	15,658,641,120	11,472,553,282	15,337,579,953
Property and equipment	45,142,251	7,966,356	110,925,870
Goodwill	23,229,684	-	23,229,684
Other noncurrent assets	20,881,366	8,478	21,241,889
	16,529,333,436	12,212,116,883	16,262,048,262
TOTAL ASSETS	**20,580,579,029**	**12,766,785,325**	**17,984,713,136**
Current Liabilities			
Trade and other payables	629,759,552	252,183,205	437,002,691
Loans payable	128,000,000	-	128,000,000
Current portion of long-term debt	149,999,400	-	137,499,100
Current portion of customers' deposits	6,828,964	31,249,400	9,412,959
Advances from related parties	11,267,164	76,638,413	10,347,098
Subscriptions payable	523,549,500	-	523,549,500
	1,449,404,580	360,071,018	1,245,811,348
Liabilities directly associated with assets held for sale	303,404,784	-	292,382,542
	1,752,809,364	360,071,018	1,538,193,890
Noncurrent Liabilities			
Long-term debt - net of current portion and deferred financing costs	1,686,176,748	1,368,750,600	1,459,168,417
Customer deposits - net of current portion	68,347,332	30,885,978	40,251,703
Retirement benefits obligation	6,149,700	-	4,919,700
Deferred tax liabilities	1,633,769,865	1,282,862,473	1,592,577,535
Obligation under finance lease - net of current portion	4,666,767	-	4,932,788
	3,399,110,412	2,682,499,051	3,101,850,143
Total Liabilities	**5,151,919,776**	**3,042,570,069**	**4,640,044,033**

	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	December 31, 2010 (Audited)
Equity attributable to equity holders of the Parent			
Capital Stock	1,430,220,287	150,588,900	1,429,220,287
Additional paid-in Capital	5,998,700,015	6,892,686,762	5,998,700,015
Deposits for future stock subscriptions	4,081,502,650	-	2,147,819,426
Gain on sale of preferred shares of a subsidiary	60,797,921	-	2,559,163
Unrealized gains on AFS investments	1,000,000	-	1,000,000
Excess of acquisition price over acquired interest	(159,018,215)	-	(159,018,215)
Retained earnings (deficit)	3,931,081,803	2,655,240,901	3,921,710,715
	15,344,284,461	9,698,516,564	13,341,991,391
Less cost of 423,900 shares in treasury	(1,213,526)	(1,213,526)	(1,213,526)
	15,343,070,935	9,697,303,038	13,340,777,865
Non-controlling interest	85,588,318	26,912,217	3,891,238
Total Equity	**15,428,659,253**	**9,724,215,256**	**13,344,669,103**
TOTAL LIABILITIES AND EQUITY	**20,580,579,029**	**12,766,785,325**	**17,984,713,136**

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended	
	March 31, 2011 (unaudited)	**March 31, 2010** (unaudited)
REVENUES		
Rental	57,153,218	22,110,509
Others	15,452,263	7,957,334
	72,605,481	**30,067,843**
COSTS AND EXPENSES	**52,509,469**	**30,188,450**
OTHER INCOME (CHARGES)		
Interest income	11,519,507	155,900
Interest expense	(17,723,376)	(20,814,814)
Other financing charges	(888,147)	-
Foreign exchange gain (loss)	(1,390)	(1,513)
Equity in net earnings of associates - net	51,050	739,064
Others	(10,000)	1,626,186
	(7,052,356)	**(18,295,177)**
INCOME (LOSS) BEFORE INCOME TAX	**13,043,656**	**(18,415,784)**
PROVISION FOR INCOME TAX		
Current	1,452,110	-
Deferred	5,038,153	1,315,670
	6,490,263	**1,315,670**
INCOME (LOSS) FROM CONTINUING OPERATIONS AFTER TAX	**6,553,393**	**(19,731,454)**
Income associated with assets held for sale	2,817,695	-
NET INCOME(LOSS)	**9,371,088**	**(19,731,454)**
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME (LOSS)	**9,371,088**	**(19,731,454)**
Net income (loss) attributable to:		
Equity holders of the Company	9,371,088	(19,713,492)
Non-controlling interest	-	(17,962)
	9,371,088	**(19,731,454)**
Total comprehensive income (loss) attributable to:		
Equity holders of the Company	9,371,088	(19,713,492)
Non-controlling interest	-	(17,962)
	9,371,088	**(19,731,454)**

ALPHALAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended March 31, 2011 and 2010 (Unaudited) and for the year ended December 31, 2010 (Audited)

	Capital Stock	Additional Paid in Capital	Equity Reserves	Deposit for Future Subscriptions	Gain on sale of Preferred Shares	Unrealized valuation gains on AFS investments	Excess of acquisition price over carrying value of Minority Interest	Retained Earnings	Treasury Shares	TOTAL	Non-controlling Interest	TOTAL EQUITY
Balances at December 31, 2009	150,588,900	-	6,892,686,762	-	-	-		2,674,954,393	(1,213,526)	9,717,816,529	26,930,179	9,743,946,708
Total comprehensive income						-		(19,713,492)		(19,713,492)	(17,962)	(19,731,454)
Balances at March 31, 2010	150,588,900	-	6,892,686,762	-	-	-	-	2,655,240,901	(1,213,526)	9,697,303,037	26,912,217	9,724,215,255
Issuance of new shares	8,897,346	80,076,114								88,973,460		88,973,460
Deposits for future stock subscriptions				2,147,819,426						2,147,819,426		2,147,819,426
Sale of preferred shares of a subsidiary					2,559,163					2,559,163	3,890,838	6,450,001
Acquisition of non-controlling interest							(159,018,215)			(159,018,215)	(30,034,977)	(189,053,192)
Effect of share swap agreement	1,269,734,041	5,918,623,901	(6,892,686,762)							295,671,180		295,671,180
Increase in non-controlling interest								-		-	400	400
Total comprehensive income						1,000,000		1,266,469,814		1,267,469,814	3,122,760	1,270,592,574
Balances at December 31, 2010	1,429,220,287	5,998,700,015	-	2,147,819,426	2,559,163	1,000,000	(159,018,215)	3,921,710,715	(1,213,526)	13,340,777,865	3,891,238	13,344,669,103
Total comprehensive income								9,371,088		9,371,088	-	9,371,088
Issuance of new shares	1,000,000									1,000,000		1,000,000
Deposits for future stock subscriptions				1,933,683,224						1,933,683,224		1,933,683,224
Sale of preferred shares of a subsidiary					58,238,758					58,238,758		58,238,758
Increase in non-controlling interest								-		-	81,697,080	81,697,080
Balance at March 31, 2011	1,430,220,287	5,998,700,015	-	4,081,502,650	60,797,921	1,000,000	(159,018,215)	3,931,081,803	(1,213,526)	15,343,070,935	85,588,318	15,428,659,253

ALPHALAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended	
	March 31, 2011 (unaudited)	**March 31, 2010** (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	13,043,656	(18,415,784)
Income associated with assets held for sale	2,817,695	-
	15,861,351	**(18,415,784)**
Adjustments for:		
Interest expense and other finance charges	18,611,523	20,814,814
Depreciation and amortization	1,498,472	684,021
Provision for selling expenses	13,595,095	-
Equity in net income of associates	(51,050)	(739,064)
Interest income	(11,519,507)	(155,900)
Unrealized foreign exchange losses (gains)	1,390	1,513
Operating income (loss) before working capital changes	**37,997,274**	**2,189,600**
Decrease (increase) in:		
Trade and other receivables	(86,605,038)	1,158,063
Prepaid expenses and other current assets	(311,525,200)	(5,092,106)
Increase (decrease) in:		
Trade and other payables	233,949,191	(1,258,868)
Customers' deposits	25,511,634	(561,776)
Retirement benefit obligation	1,230,000	-
Net cash generated from (used for) operating activities	**(99,442,139)**	**(3,565,087)**
Interest received	11,519,507	187,053
Net cash flows from (used in) operating activities	**(87,922,632)**	**(3,378,033)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of :		
Property, plant and equipment	64,285,147	(1,748,933)
Decrease (increase) in:		
Investment properties	(321,061,167)	(25,434,544)
Investments in and advances to associates	(12,368,150)	(51,638,413)
Other noncurrent assets	360,523	-
Proceeds from sale of AFS investments of a subsidiary	42,315,000	-
Net cash flows used in investing activities	**(226,468,647)**	**(78,821,890)**

	Years Ended	
	March 31, 2011 (unaudited)	**March 31, 2010** (unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of:		
Long-term debt	270,000,000	-
Payments of :		
Interest and other finance charges	(18,611,523)	(17,872,929)
Long-term debt	(30,491,369)	-
Finance lease	(266,021)	-
Deposits for future stock subscriptions	1,933,683,224	-
Issuance of capital stock	1,000,000	-
Net changes in accounts with related parties	(101,005,875)	76,638,413
Net cash flows from financing activities	**2,054,308,436**	**58,765,484**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,390)	(1,513)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,739,915,767	(23,435,952)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**566,642,921**	**55,151,107**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**2,306,558,688**	**31,715,155**

Notes to Financial Statements

1. **Cash and Cash Equivalents**

	March 2011	December 2010
Cash on hand and with banks	690,558,689	132,642,921
Short-term placements	1,616,000,000	434,000,000
	2,306,558,689	566,642,921

Cash with banks earn interest at the respective bank deposit rates. Short-term placements are made for varying periods of up to three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term placement rates.

Interest income earned related to cash and cash equivalents amounted to ₱11.5 million and P7.8 million in March 2011 and December 2010, respectively.

2. **Trade and Other Receivables**

	March 2011	December 2010
Trade	125,624,385	36,800,789
Officers and employees	26,393,181	27,100,236
Others	318,481	1,829,985
	152,336,047	65,731,010
Less allowance for impairment losses	5,700,000	5,700,000
	146,636,047	60,031,010

Trade receivables are noninterest-bearing and are generally on 30 to 90 day terms. Receivables from officers and employees are usually settled within one year.

Provision for impairment losses pertains to receivables from several lessees of Alphaland Development Inc. (ADI) that are 90 days past due and impaired.

3. **Prepaid Expenses and Other Current Assets**

	March 2011	December 2010
Input VAT - net	285,314,217	272,275,847
Prepayments	66,841,073	48,603,826
Advances to contractors	369,046,481	47,921,786
Deferred rent	43,027,076	26,991,563
TCCs	11,267,037	11,267,038
CWT	16,697,606	8,209,853
Others	15,989,590	6,619,131
	808,183,080	421,889,044

Input VAT arises from the acquisition of land and payments to suppliers and contractors for the acquisition of goods and development of the Group's projects. This can be claimed as credit against the Group's output VAT payable. The portion of input VAT which is required to be amortized over the life of the related asset or a maximum period of 60 months is recognized as part of "Other noncurrent assets" account

Prepayments include prepaid rent, insurance and commissioning fees.

4. **Investments in and advances to associates**

	March 2011	December 2010
Investments in associates	91,057,159	84,756,108
Advances to associates	678,781,857	672,714,758
	769,839,016	757,470,866

Details of investments in associates are as follows:

	March 2011	December 2010
Acquisition costs:		
Balances at beginning of year	50,533,779	533,779
Additions	6,250,000	50,000,000
Balances at end of year	56,783,779	50,533,779
Accumulated equity in net income:		
Balances at beginning of year	34,222,329	7,177,511
Equity in net income during the year	51,050	27,044,818
Balances at end of year	34,273,379	34,222,329
	91,057,158	84,756,108

The following are the associates of the Group:

		Percentage of Ownership	
Company	Principal Activities	Mar. 2011	Dec.2010
Shang Global City Properties, Inc. (SGCPI)	Real property development	20%	20%
Fort Bonifacio Shangri-La Hotel, Inc. (FBSHI)	Real property development	20%	20%
Alphaland Heavy Equipment Corporation (AHEC)	Sale and lease of heavy equipment	50%	50%

All associates are incorporated in the Philippines.

SGCPI

SGCPI, 20%-owned by ADI, was incorporated and registered with the Philippine SEC on December 13, 2007, primarily to acquire by purchase and to own, use, improve, sell, mortgage, exchange, lease and hold for investment or otherwise, real estate of all kinds, whether to improve, manage, or otherwise dispose of said properties together with their appurtenances.

As of March 31, 2011 and December 31, 2010, SGCPI is owned by Shang Global City Holdings, Inc. (40%), Oceans Growth Limited (40%) and ADI (20%).

FBSHI

FBSHI, 20%-owned by ADI, was incorporated and registered with the Philippine SEC on February 15, 2008, primarily to own, carry, operate conduct and engage in hotel business, high and low residential condominium/apartment development and related business and, for this purpose, to purchase or own any interest in real property (except land) and personal property of all kinds.

As of March 31, 2011 and December 31, 2010, FBSHI is owned by Shang Fort Bonifacio Holdings, Inc. (40%), Oceans Growth Limited (40%) and ADI (20%).

SGCPI and FBSHI are to enter an unincorporated joint venture agreement to construct a six-star hotel and high-end development at SGCPI's land property in Bonifacio Global City, Taguig, Metro Manila, to be known as Shangri-La at the Fort. It will be a mixed-use business, hospitality, residential and retail tower, envisioned as the new flagship luxury development in the Shangri-La portfolio. Shangri-La at the Fort is planned for opening by year 2014.

AHEC

In January 2010, ADI subscribed to 125,000 common shares of AHEC representing 50% of the outstanding shares of AHEC. AHEC is 50% owned by ADI and 50% owned by Fabricom-XCMG Phils., Inc. Its purpose is to purchase, import, or otherwise acquire, as well as to lease (except financial leasing), sell, distribute, market, convey, or otherwise dispose, in so far as may be permitted by law, all kinds of goods, commodities, and merchandise of every kind and description such as but not limited to heavy equipment, machinery and related implements; and to act as manufacturer's representative. AHEC has imported various equipment from its supplier, Xuzhou Construction Machinery Group (XCMG), the largest construction machinery manufacturer and exporter in China. The pool of equipment will be leased or sold to local government units and private entities for construction and repair of damaged infrastructures.

AHEC has sold heavy equipment in December 2010 to ADI and ABIRC for their construction projects in Caticlan and Balesin, respectively; none during the first quarter of 2011.

5. **AFS Investments**

ALPHA has AFS investments in listed ordinary shares. The fair value of the listed ordinary shares is determined by reference to published price quotations in an active market. The cumulative fair value changes of ALPHA's AFS investments in shares of stock of WackWack Golf and Country Club, Inc. presented under "Unrealized valuation gains on AFS investments" account in the equity section of the consolidated balance sheets amounted to ₱1.0 million as of March 31, 2011 and December 31, 2010.

AFS investments amounted to ₱11.6 million as of March 31, 2011 and December 31, 2010.

6. Investment Properties

The movements of this account are as follows:

March 2011	Investment Properties	Properties under Construction	Total
Balances at beginning of year	12,874,203,975	2,463,375,978	15,337,579,953
Additions:			
Capital expenditures/ development costs		321,061,166	321,061,166
Capitalized borrowing costs			-
Share in the investment property of the Joint Venture Company			-
Contribution to the Joint Venture Company			-
Fair value change			-
Balances at end of year	**12,874,203,975**	**2,784,437,144**	**15,658,641,119**

December 2010	Investment Properties	Properties under Construction	Total
Balances at beginning of year	10,046,740,399	1,400,378,339	11,447,118,738
Additions:			
Capital expenditures/ development costs	95,613,709	505,482,283	601,095,992
Capitalized borrowing costs		10,491,539	10,491,539
Share in the investment property of the Joint Venture Company	8,776,246,500		8,776,246,500
Contribution to the Joint Venture Company	(6,455,988,000)		(6,455,988,000)
Fair value change	411,591,367	547,023,817	958,615,184
Balances at end of year	**12,874,203,975**	**2,463,375,978**	**15,337,579,953**

Investment properties consist of:

ADI

- In January 2008, ADI acquired from South China Resources, Inc. and the Puyat family two parcels of land measuring a total of 9,497 square meters, more or less, at the corner of EDSA and Chino Roces Avenue in Makati City together with the existing improvements thereon. The property is now a fully developed and operational 20-storey office tower building with a 6-storey podium shopping mall known as Alphaland Southgate Tower and Mall. It was declared an Information Technology Zone on January 12, 2009 by the Philippine Economic Zone Authority, pursuant to Presidential Proclamation No. 1692 dated December 22, 2008. The property currently secures the long-term debt obtained by ADI in 2008 for its development.

- ADI's completed Southgate Tower and Mall has a fair value of 3,234.3 million and ₱3,212.7 million as of March 31, 2011 and December 31, 2010, respectively.

- In June 2008, ADI acquired from Sta. Lucia Land, Inc., two parcels of land measuring a total of 2,400 square meters, more or less, along Ayala Avenue, Makati City. Due to current zoning height restrictions, ADI also acquired air rights from the owner of the adjacent property for a consideration of ₱95.0 million as the Company plans to build a 35-storey building to be known as Alphaland Makati Tower. Properties under construction amounted to ₱1,423.2 million and ₱1,392.7 million as of March 31, 2011 and December 31, 2010, respectively.

- ADI's joint-venture development in a 500-hectare property in the northern tip of Nabas, Aklan, which faces Boracay Island, one of the world's best beach resort islands. ADI aims to transform this prime property into a high-end mixed-use resort complex anchored by a Polo and Country Club as well as water recreational activities, which later will be called Alphaland Boracay Gateway Country Club.

- ADI's 50% proportionate share in the landholdings of the Joint Venture Company comprised 28 hectares of land in Aseana Business Park, Parañaque, Bay City, Metro Manila with fair value of ₱8,776.2 million as of March 31, 20111 and December 31, 2010. The Joint Venture Company will develop the property into a high-end, mixed-use property project to be known as Alphaland Bay City.

- ADI's three parcels of land and development in Silang Cavite, measuring a total of 300,000 square meters, more or less. The property, which is reserved for future development has fair a value of P246.2 million and ₱245.9 million as of March 31, 2011 and December 31, 2010, respectively. The property currently secures the loan payable to Bank of Commerce (BOC).

AMPI

- AMPI's leasehold rights and development in BSP's property along Ayala Avenue corner Malugay Street, Makati City where the Alphaland Makati Place will rise has a fair value of ₱560.0 million as of December 31, 2010. Properties under construction amounted to ₱233.7 million and ₱185.2 million as of March 31, 2011 and December 31, 2010, respectively.

ABIRC

- ABIRC acquired approximately 394 hectares of land in Balesin Island, Polillo, Quezon. ABIRC is in the process of acquiring additional parcels of land in the island for development into a premier tourism resort facility. Properties under construction amounted to ₱1,000.1 million and ₱902.2 million as of March 31, 2011 and December 31, 2010, respectively.

7. Property and Equipment

March 2011	Land and Improvements	Leasehold Improvements	Buildings and Structures	Machinery, Equipment and Tools	Transportation Equipment	Office Furniture and Equipment	Construction in Progress	Total
Cost:								
Balances at beginning of year	-	4,498,300	328,900	86,784,977	25,131,402	8,769,438	-	125,513,017
Additions								-
Effect of share swap agreement								-
Reclassifications				(68,875,452)				(68,875,452)
Balances at end of year	-	4,498,300	328,900	17,909,525	25,131,402	8,769,438	-	56,637,565
Accumulated depreciation and amortization:								
Balances at beginning of year	-	4,498,300	109,633	3,742,239	4,233,601	2,003,374	-	14,587,147
Depreciation and amortization			27,407	39,825	4,793,439			4,860,671
Effect of share swap agreement								-
Reclassifications				(7,952,503)				(7,952,503)
Balances at end of year	-	4,498,300	137,040	(4,170,439)	9,027,040	2,003,374	-	11,495,315
Net book values	-	-	191,860	22,079,964	16,104,362	6,766,064	-	45,142,250

December 2010

	Land and Improvements	Leasehold Improvements	Buildings and Structures	Machinery, Equipment and Tools	Transportation Equipment	Office Furniture and Equipment	Construction in Progress	Total
Cost:								
Balances at beginning of year		4,498,300			9,827,054	903,249		15,228,603
Additions			328,900	86,784,977	15,304,348	7,866,189		110,284,414
Effect of share swap agreement	37,657,227	4,963,815	131,616,962	230,451,309	13,957,291	7,408,337	6,340,241	432,395,182
Reclassifications	(37,657,227)	(4,963,815)	(131,616,962)	(230,451,309)	(13,957,291)	(7,408,337)	(6,340,241)	(432,395,182)
Balances at end of year	-	4,498,300	328,900	86,784,977	25,131,402	8,769,438	-	125,513,017
Accumulated depreciation and amortization:								
Balances at beginning of year		4,498,300			3,597,408	231,451		8,327,159
Depreciation and amortization			109,633	3,742,239	636,193	1,190,127		5,678,192
Effect of share swap agreement	5,356,441	4,963,815	44,665,616	116,974,365	9,007,772	6,084,751		187,052,760
Reclassifications	(5,356,441)	(4,963,815)	(44,665,616)	(116,974,365)	(9,007,772)	(5,502,955)		(186,470,964)
Balances at end of year	-	4,498,300	109,633	3,742,239	4,233,601	2,003,374	-	14,587,147
Net book values	-	-	219,267	83,042,738	20,897,801	6,766,064	-	110,925,870

8. Other Noncurrent Assets

	March 2011	December 2010
Input VAT	9,019,907	9,609,163
Refundable deposits	8,214,023	8,218,951
Software costs - net	3,639,001	3,405,321
Others	8,435	8,454
	20,881,366	21,241,889

Refundable deposits pertain to billing and meter deposits from Manila Electric Company (Meralco). These are refundable upon termination of the contract with Meralco.

In April 2010, ADI purchased computer software license amounting to ₱3.9 million. Related amortization amounted to ₱0.8 million and ₱0.5 million in March 2011 and December 2010.

9. Trade and Other Payables

	March 2011	December 2010
Trade	467,069,348	301,656,518
Retention payable	54,944,447	50,148,544
Unearned rent income	51,506,454	22,335,096
Accrued expenses	38,459,798	15,960,959
Accrued interest	3,855,833	2,971,317
Current portion of obligation under financ	1,037,264	1,016,537
Others	12,886,409	42,913,720
	629,759,553	437,002,691

Trade payables are noninterest-bearing and are due for payment within 30 to 120 days.

Other payables consist of government payables, nontrade payables, accrued 13th month pay and payables to customers for utility bill and meter deposits.

10. Loans Payable

In May 2010, ADI entered into a loan agreement with BOC totalling ₱128.0 million to finance the Group's working capital requirements. The said loan is subject to 8.5% interest per annum with a term of 90 days. ADI's property in Silang, Cavite was used as collateral for the loan. The fair value of the property amounted to ₱246.2 million as of March 31, 2011.

Interest expense on loans payable amounted to ₱2.7 million and ₱15.6 million in March 31, 2011 and December 31, 2010.

11. **Long-term Debt**

	March 2011			December 2010		
Borrower	Current	Noncurrent	Total	Current	Noncurrent	Total
ADI	149,999,400	1,187,501,200	1,337,500,600	137,499,100	1,231,251,200	1,368,750,300
AMPI		498,675,548	498,675,548	-	227,917,217	227,917,217
	149,999,400	**1,686,176,748**	**1,836,176,148**	**137,499,100**	**1,459,168,417**	**1,596,667,517**

ADI

On September 11, 2008, ADI entered into an Omnibus Loan and Security Agreement (OLSA) with the Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and Bank of the Philippine Islands (BPI), collectively referred to as the "Lenders," for a loan facility of ₱1,400.0 million for the purpose of funding the development of Alphaland Southgate Tower and Mall. On September 18, 2008, ADI made the first drawdown amounting to ₱660.0 million. The second and third drawdown amounting to ₱380.0 million and ₱360.0 million, respectively, were made on February 24, 2009 and May 25, 2009, respectively.

The loan has a term of seven years from initial drawdown date, payable in 20 consecutive quarterly installments commencing at the end of the ninth quarter from the initial drawdown date. Interest, which is based on floating rate equivalent to applicable three-month PDEx rate plus 1.75% spread per annum, is payable quarterly. Interest and other financing costs on the loan amounting to ₱53.4 million were capitalized as part of properties under construction in 2009. The rate used to determine the amount of borrowing costs eligible for capitalization ranged from 7.85% to 8.12%, which is the effective interest rate of the specific borrowing in 2009. In September 2009, ADI ceased capitalizing borrowing costs as the activities necessary to prepare the qualifying asset for its intended use were substantially completed. Interest expense and other finance charges recognized in the consolidated statements of comprehensive income amounted to ₱14.8 million and ₱77.9 million as of March 31, 2011 and December 31, 2010, respectively. Further, ADI's Alphaland Southgate Tower and Mall was used as collateral for the loan. The Alphaland Southgate Tower has a fair value of ₱3,212.7 million as of December 31, 2010.

The scheduled maturities of ADI's outstanding long-term debt are as follows:

2011	106,249,400.00
2012	193,750,100.00
2013	250,000,400.00
2014	337,500,400.00
2015	450,000,300.00
Total	1,337,500,600.00
Less current portion	149,999,400.00
Noncurrent portion	1,187,501,200.00

AMPI

On April 22, 2010, AMPI entered into an Omnibus Loan and Security Agreement with DBP, LBP, BOC and Maybank Philippines, Inc. (Maybank) for a loan facility of ₱1,750.0 million exclusively for the purpose of partially financing the development, construction and operation of the mixed-use building complex named Alphaland Makati Place consisting of a six-storey podium mall, city club basement parking and two residential towers. On June 10, 2010 and March 16, 2011, AMPI made the first and second drawdown amounting to ₱250.0 million and ₱270.0 million, respectively.

As of March 31, 2011 and December 31, 2010, interest and other financing costs on the loan amounting to ₱3.5 million and ₱10.8 million, respectively, were capitalized as part of properties under construction.

The scheduled maturities of AMPI's outstanding loan are as follows:

	TOTAL
2013	6,500,000
2014	58,500,000
2015	149,500,000
2016	201,500,000
2017	104,000,000
TOTAL	520,000,000

12. **Equity**

a. Capital Stock

The composition of ALPHA's capital stock consisting of all common shares as of March 31, 2011 and December 31, 2010, 2009 is as follows:

	March 2011	December 2010
Authorized	5,000,000,000	5,000,000,000
Issued and subscribed	1,430,220,287	1,429,220,287
Treasury	(423,900)	(423,900)
Outstanding	1,429,796,387	1,428,796,387

Common shareholders are entitled to vote and be voted for in all meetings of the shareholders of ALPHA.

All common shares shall be entitled to a pro rata share, on a per share basis, in the profits of ALPHA in the event it declares any dividends in accordance with the By-Laws or applicable law and not have any pre-emptive or similar right with respect to any issuance or disposition of any shares of stock by or of ALPHA.

b. Deposits for Future Stock Subscriptions

Additional deposits for future stock subscriptions of ₱1,933.7 million received by ALPHA on January 28, 2011 cause the increase from ₱2,147.8 million as of December 31, 2010 to ₱4,081.5 million as of March 31, 2011.

In 2010, ALPHA received deposits for future stock subscriptions from its major stockholders amounting to ₱2,147.8 million.

On March 3, 2011, the Executive Committee of the BOD authorized the issuance of 408,150,264 shares in favor of some of the existing shareholders of ALPHA at the same subscription price of P10 per share payable by previously paid deposits, as follows:

Shareholders	Deposits for Future Stock Subscriptions	New Shares Issued
Alphaland Holdings	2,591,722,322	259,172,233
Masrickstar Corporation (Masrickstar)	1,000,000,000	100,000,000
Boerstar Corporation	408,150,265	40,815,026
Azurestar Corporation	81,630,053	8,163,005
Total	4,081,502,640	408,150,264

Masrickstar agreed to assume the P1,000.0 million deposits for future stock subscriptions of AH. Masrickstar paid in full the P1,000.0 million directly to AH.

Deposits for future stock subscriptions as of December 31, 2010 of P2,147,819,426 is included in the amount of deposits for future stock subscriptions presented above plus additional deposits for future stock subscriptions of P1,933,683,224 received by ALPHA on January 28, 2011.

However, as these existing stockholders are related parties of ALPHA, the foregoing issuances will be submitted for the approval of the stockholders during the annual stockholders' meeting of ALPHA scheduled in May 2011.

In the event the required stockholders' approval of the foregoing issuances is obtained, the resulting shareholder structure of ALPHA will be as follows:

Shareholders	Number of Shares	Percentage
Alphaland Holdings	767,065,849	38.66%
Masrickstar Corporation (Masrickstar)	709,472,340	35.75%
Boerstar Corporation	167,788,430	8.46%
DMWAI	147,375,700	7.43%
RVO Capital Ventures Corporation	142,656,748	7.19%
Azurestar Corporation	33,557,686	1.69%
Public	16,405,599	0.82%
Total issued and outstanding capital stock	1,984,322,352	100.00%

The Executive Committee of the BOD approved a follow-on public offering to ensure that ALPHA will comply with the minimum public ownership requirement.

c. Retained Earnings

Accumulated equity in net income of associates and subsidiaries brings up retained earnings from ₱3,921.7 million in December 31, 2010 to ₱3,931.1 million as of March 31, 2011.

d. Treasury Shares

In accordance with the buy-back of ₱10.0 million worth of ALPHA's shares as approved by the BOD on February 12, 2001, ALPHA bought 217,000 shares in 2009 and 4,000 shares in 2008 amounting to ₱0.7 million and ₱0.01 million, respectively.

Total cost of 423,900 treasury shares amounted to ₱1.2 million as of March 31, 2011.

13. **Costs and Expenses**

	Year Ended	
	March 31,2011	**March 31,2010**
Provision for selling expenses	13,595,095	
Utilities and rent	9,115,530	8,009,322
Taxes and licenses	8,011,460	4,349,753
Service and professional fees	7,697,510	3,470,974
Salaries and employees' benefits	4,213,277	4,672,457
Sales and marketing	3,048,843	1,690,165
Repairs and maintenance	2,137,715	781,615
Depreciation and amortization	1,498,472	684,021
Insurance	1,053,929	1,006,496
Listing and filing fees	275,232	
Supplies	272,681	549,497
Representation	106,436	397,795
Communication	81,931	495,636
Travel and transportation	39,217	1,348,562
Others	1,362,142	2,732,158
	52,509,469	**30,188,450**

ALPHALAND CORPORATION
Aging of Accounts Receivable
As of March 31, 2011

	Neither Past Due nor Impaired	1-30 days	31-60 days	61-90 days	over 90 days	Total
Trade	16,725,607	92,250,210	2,112,147	532,359	8,304,062	119,924,385
Others	10,573	14,400	-	-	-	24,973
Advances to Officers & Employee	26,393,181	-	-	-	-	26,393,181
Advances to Contractors	-	-	-	-	-	-
Accrued Interest Income	293,508	-	-	-	-	293,508
Accrued Rent Income	-	-	-	-	-	-
TOTAL	**43,422,869**	**92,264,610**	**2,112,147**	**532,359**	**8,304,062**	**146,636,047**