APC GROUP INC.

June 28, 2013

DISCLOSURE DEPARTMENT
PHILIPPINE STOCK EXCHANGE, INC.
4th Floor, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

We hereby submit APC Group, Inc.'s Amended SEC Form 17-Q for the first quarter ended March 31, 2013.

As per Securities and Exchange Commission (SEC) letter dated June 4, 2013, our first quarter report is not in full compliance with SRC Rule 17 and 68.1, as amended. The Commission requires the disclosures on the applicability and impact evaluation on the following standards based on audited financial statements of APC Group Inc. as of December 31, 2012. The details of the standards are as follows:

(1) Amended PAS 27 – Separate Financial Statements
(2) Amended PAS 28 – Investments in Associates and Joint Ventures
(3) Amendment to PRRS 1 – Government Loans
(4) Amendment to PFRS 7 – Disclosures – Offsetting Financial Assets and Financial Liabilities
(5) PFRS 10 – Consolidated Financial Statements
(6) PFRS 11 – Joint Arrangements
(7) PRFS 12 – Disclosure of Interests in Other Entities
(8) PFRS 13 – Fair Value Measurement

The above additional disclosure requirement is presented on page 14 of the attached amended report.

We trust the foregoing is in order.

Very truly yours,

Bernardo D. Lim
Executive Vice President/
Chief Fi\nance Officer

Ground Floor, PhilCom Building
8755 Paseo de Roxas, Makati City
Metro Manila, Philippines
Tels.: (632) 845-0620; 845-0621
(632) 845-0637; 845-0638
(632) 845-0614; 845-0647
Fax No.: (632) 845-0259

COVER SHEET

A	S	0	9	3	-	8	1	2	7

S. E. C. Registration Number

APC GROUP, INC.

(Company's Full Name)

10TH FLOOR PHILCOM BUILDING
8755 PASEO DE ROXAS
MAKATI CITY

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

MONETTE T. CRUZ
Contact Person

845-0614
Company's Telephone Number

12 31
Month Day
Fiscal Year

(Amended)
SEC FORM 17-Q
FORM TYPE

06 18
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Number of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

LCU

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes

COVER SHEET

APC GROUP INC.

(Company's Full Name)

8755 Ground Floor, Philcom Bldg. Paseo de Roxas Makati City

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

845-0614;845-0620;845-0621

(Company's Telephone No.)

December 31

(Fiscal Year Ending)

(Month & Day)

June 18

(Annual Meeting)

TERM EXPIRING ON:

1ST QTR 2013

Amended SEC 17Q

(FORM TYPE)

Amendment & Designation (If applicable)

(Secondary License Type, If any)

LGU

Cashier

DTU

ASO93-008127-A

S.E.C. Reg. No.

Centrol Receiving Unit

File Number

Document I.D.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17 - Q

QUARTERLY REPORT PURSUANT TO SECTION 11 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. **For the quarter period ended** **March 31, 2013**

2. **Commission identification number** **AS093-08127** 3. **BIR Tax Identification No.** **002-834-075**

4. **Exact name of registrant as specified in its charter** **APC GROUP, INC.**

5. **Province, Country or other jurisdiction of incorporation/organization** **Philippines**

6. **Industry classification** ☐ **(SEC Use Only)**

7. **Address of registrant's principal office**
   Tenth Floor, Philcom Bldg., 8755 Paseo de Roxas, Makati City, 1226

8. **Registrant's telephone number, including area code** **(632) 845-0614**

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

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

Title of each Class	Number of Shares of common Stock outstanding and amount of debt outstanding
Common Stock	**7,511,809,997**

11. **Are any or all of the Securities listed in a Stock Exchange?**

Yes(X) **No( )**

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

Out of a total of 7,511,809,997 outstanding common shares, only 2,726,641,700 shares are listed on the Philippine Stock Exchange (PSE).

12. **Indicate by check whether the registrant:**

(a) **has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder and Sections 26 and 141of the Corporation Code of the Philippines, during the preceeding months (or for such shorter period the registrant was required to file report (s)**

Yes(X) **No( )**

(b) **has not been subject to such finling requirements for the past 90 days**

Yes(X) **No( )**

Item 1. Financial Statements

APC GROUP INC. AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2013

		March 31 2013		December 31 2012
ASSETS				
Current Assets				
Cash and cash equivalents	P	63,250,654	P	44,629,483
Trade and other receivables		1,245,667		25,308,225
Available-for-sale financial assets		84,921		84,921
Other current assets		7,640,596		7,646,451
		72,221,838		77,669,080
Asset classified as held-for-sale		114,875,071		119,648,365
Total Current Assets		187,096,909		197,317,445
Noncurrent Assets				
Available-for-sale financial assets		31,185,100		32,194,700
Property and equipment		1,135,872		1,293,017
Investment properties		156,953,000		156,953,000
Goodwill and other noncurrent assets		130,853,151		130,792,213
Total Noncurrent Assets		320,127,123		321,232,930
	P	507,224,032	P	518,550,375
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	P	13,461,884	P	13,603,358
Income tax payable		861		861
Advances from related parties		91,485,945		91,485,945
		104,948,690		105,090,164
Liabilities directly associated with assets classified as held-for-sale		73,272,557		78,034,106
Total Current Liabilities		178,221,247		183,124,270
Noncurrent Liabilities				
Subscription payable		75,161,959		75,161,959
Accrued retirement costs		4,974,063		4,870,764
Total Noncurrent Liabilities		80,136,022		80,032,723
Total Liabilities		258,357,269		263,156,993
Equity Attributable to Equity Holders of the Parent Company				
Capital stock		6,388,012,148		6,388,012,148
Additional paid-in capital		1,613,942,096		1,613,942,096
Unrealized mark-to-market gain on available-for-sale financial assets		17,999,700		19,000,300
Gain on dilution		226,304		226,304
Deficit		(7,741,841,075)		(7,738,007,903)
Treasury shares		(29,435,220)		(29,435,220)
Total Equity Attributable to Equity Holders of the Parent Company		248,903,953		253,737,725
Equity Attributable to Non-controllong Interests		(37,190)		1,655,657
Total Equity		248,866,763		255,393,382
	P	507,224,032	P	518,550,375

BERNARDO D. LIM
EVP/CFO

APC GROUP INC. AND SUBSIDIARIES
Consolidated Income Statements
March 31, 2013

		1st Quarter 2013 (Jan-Mar)		1st Quarter 2012 (Jan-Mar)
INCOME (EXPENSES)				
General and administrative	P	(4,206,374)	P	(4,114,587)
Interest Income		322,934		35,123
Dividend Income		-		3,000
Other income including rent		-		660,342
Other expenses		-		(407,281)
		(3,883,440)		**(3,823,403)**
		-		-
INCOME (LOSS) BEFORE INCOME TAX		**(3,883,440)**		(3,823,403)
Provision for Income tax-current		-		-
Net income (loss) from continuing operations		**(3,883,440)**		**(3,823,403)**
Net income (loss) from discontinued operations		**87,458**		**88,795**
NET INCOME(LOSS)		**(3,795,982)**		**(3,734,608)**
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized mark-to-market gain/loss on available-for-sale financial assets		(1,000,600)		2,001,378
TOTAL COMPREHENSIVE INCOME (LOSS)		**(4,884,040)**		**(1,733,230)**
Income/loss attributable to:				
Equity holders of the Parent Company		(3,833,172)		(3,750,016)
Non-controlling interests		37,190		15,408
		(3,795,982)		**(3,734,608)**
Total comprehensive income/loss attributable to:				
Equity holders of the Parent Company		(4,921,230)		(1,748,638)
Non-controlling interests		37,190		15,408
	P	**(4,884,040)**	P	**(1,733,230)**
Basic/Diluted Earnings (Loss) Per common Share				
(P3,833,172)/7,504,203,997 March 31, 2013		**(0.0005)**		**(0.0005)**
(P3,686,155)/7,504,203,997 March 31, 2012				
Weighted average number of common shares:				
Total common shares		7,511,809,997		7,511,809,997
Less: Treasury shares		(7,606,000)		(7,606,000)
Weighted average common shares	P	**7,504,203,997**	P	**7,504,203,997**

BERNARDO D. LIM
EVP/CFO

APC GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	March 2013			March 2012		
	Number of Shares		Amount	Number of Shares		Amount
CAPITAL STOCK						
P 1 par value						
Authorized						
Preferred shares	6,000,000,000	P	6,000,000,000	6,000,000,000	P	6,000,000,000
Common shares	14,000,000,000		14,000,000,000	14,000,000,000		14,000,000,000
	20,000,000,000		20,000,000,000	20,000,000,000		20,000,000,000
Issued						
Common						
Balance at end of quarter	2,498,069,059		2,498,069,059	2,498,069,059		2,498,046,559
Subscribed (net of subscription receivable amounting to P1,123,797,849)						
Common						
Balance at end of quarter	3,889,943,089		3,889,943,089	3,889,943,089		3,889,943,089
Capital Stock						
Common						
Balance at end of quarter	6,388,012,148		6,388,012,148	6,388,012,148		6,387,989,648
Additional Paid-in Capital			1,613,942,096			1,613,942,096
Gain on dilution			226,304			226,304
Unrealized Mark-to-Market Gain /Loss on Available for Sale Financial Assets			17,999,700			23,198,417
Deficit						
Balance at beginning of year			(7,738,007,904)			(7,739,114,867)
Net income(loss)			(3,833,171)			(3,750,015)
Balance at end of year			(7,741,841,075)			(7,742,864,882)
Less cost of 7,606,000 shares held by a subsidiary			(29,435,220)			(29,435,220)
Minority interest			(37,190)			6,264,872
		P	**248,866,763**		**P**	**259,321,237**

BERNARDO D. LIM
EVP/CFO

APC GROUP INC. AND SUBSIDIARIES
Consolidated Statement of Cash Flows
For the Period Ended March 31, 2013

		Jan. - March 2013		Jan. - March 2012
Net cash provided by (used in) operating activities	P	20,516,340	P	14,192,324
Net cash provided by (used in) investing activities		(428,426)		(7,974,254)
Net cash provided by (used in) financing activities		(1,466,743)		(2,510,449)
Net increase(decrease) in cash and cash equivalents		18,621,171		3,707,621
Net cash flows from discontinued operations		(1,291,438)		-
Cash and cash equivalents at beginning of year		44,629,483		19,628,634
Cash and cash equivalents at end of March	**P**	**63,250,654**	**P**	**23,336,255**

BERNARDO D. LIM
EVP/CFO

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

Balance Sheet

Total assets decreased by P11.3 million from P 518.6 million as of December 31, 2012 to P 507.2 million as of March 31, 2013.

- Cash and cash equivalents increased by P18.6 million, mainly due to collection of advances from sale of investments in subsidiaries (APCProperties and APC Distribution Networks, Inc.) amounting to P24.7 million, partially offset by the disbursements for operating activities of APC Parent and its subsidiaries (P4.2 million).
- Receivables decreased by P24.1 million attributable to the collection of advances as mentioned above.
- Assets classified as held-for-sale pertains to wholly owned subsidiary EGSI decreased by P4.8 million.
- Non-current Available for Sale Financial Assets decreased by P1.0 million due to the decrease in market value of investments in stocks.

Liabilities directly associated with assets classified as held-for-sale (EGSI) decreased by P4.8 million due to partial payment of loans payable amounting to P3.7 million

Stockholders' Equity as of March 31, 2013 and December 31, 2012 amounted to P 248.9 million and P255.3 million, respectively. The decrease of P3.8 million was due to the net loss for the first quarter of 2013.

There were no off-balance sheet transactions.

Income Statement

Net loss for the first quarter of 2013 amounted to P 3.8 million which is 2% or P0.1 million higher compared to the same period last year.

Total comprehensive loss for the first quarter of 2013 and first quarter of 2012 amounted to P4.9 million and P1.7 million, respectively, higher by P3.1 million. This was due to the unrealized mark-to-market loss on available-for-sale financial assets.

As of March 31, 2013, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Company;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Seasonal aspects that had a material impact on the Company's results of operations; and
- Material changes in the financial statements of the Company for the periods ended December 31, 2012 and March 31, 2013, except those mentioned above.

BERNARDO D. LIM
EVP/CFO

Key Performance Indicators

The key performance indicators of APC Group are as follows:

		(Amount in P 000,000)	
		March 2013	**March 2012**
EBITDA (Earnings before interest, taxes, depreciation and amortization)	P	**(3.3)**	P **(3.0)**

The decrease in EBITDA was due to the increase in interest income.

	March 2013	**December 31, 2012**
Current Ratio		
Current Assets	187.1	197.3
Current Liabilities	178.2	183.1
	105%	**108%**

The decrease in Current Ratio of 3% was due to the decrease in trade and other receivables of APC Parent.

Return on Assets		
Net Income (Loss)	(3.8)	4.7
Total Assets	507.2	518.6
	-0.7%	**0.9%**

The decrease in Return on Assets of 1.7% was due to the decrease in revenues.

Stockholders' Equity Ratio		
Stockholders'Equity	248.9	255.4
Total Assets	507.2	518.6
	49%	**49%**

Total Liabilities to Stockholders' Equity		
Total Liabilities	258.4	263.2
Stockholders' Equity	248.9	255.4
	104%	**103%**

The increase in Total Liabilities to Stockholders' Equity Ratio of 1% was due to net loss.

BERNARDO D. LIM
EVP/CFO

SIGNATURES

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

Issuer:	**APC Group Inc.**
Chairman of the Board	**Willy N. Ocier**
Date:	**June 28, 2013**
President	**Frederic C. DyBuncio**
Date:	**June 28, 2013**
EVP/CFO	**Bernardo D. Lim**
Date:	**June 28, 2013**

APC GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2013

1. Principles of Consolidation

The consolidated financial statements include the accounts of the Parent Company and the following subsididaries (collectively referred to as the "Company"):

	Percentage of Ownership
APC Cement (ACC)	100.00 (1)
Environment and General Services, Inc. (EGSI)	100.00 (2)
Aragorn Coal Resources Inc.	100.00 (1)
Aragorn Power & Energy Corp.	90.00 (1)
APC Mining Corporation	83.00 (1)
PRC-Magma Energy Resources, Inc.	85.00 (1)

(1) Still in the pre-operating stage
(2) Held-for-sale

All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements.

2. Trade and other Receivables

Other receivables	P	1,245,667

3. Investments and Advances

This account consists of the following:

Available-for-sale financial assets	P	31,270,021

BERNARDO D. LIM
EVP/CFO

8. RISK EXPOSURES

Financial Risk Management

The Company's principal financial instruments comprise advances from related parties and loans payable. The main purpose of these financial liabilities is to finance the Company's operations. The Company has cash and cash equivalents, trade and other receivables, deposits and trade and other payables that arise directly from its operations. The Company also holds AFS financial assets.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk, liquidity risk and equity price risk. The BOD reviews and approves policies of managing each of the risks and they are summarized below.

Interest Rate Risk

The Company's exposure to interest rate risk is minimal since the Company's borrowing is short-term in nature and interest rate is fixed.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss.

To manage credit risk, the Company trades only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subjected to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts.

There are no significant concentrations of credit risk within the Company. Since the Company deals only with recognized third parties, there is no requirement for collateral.

Liquidity Risk

The Company's objective is to maintain continuity of funding. The Company's policy is to maximize the use of suppliers' credit for all its major purchases and limit major capital expenditures at a reasonable level.

The Company monitors its cash position by a system of cash forecasting. All expected collections, check disbursements and other payments are determined on a weekly basis to arrive at the projected cash position to cover its obligations.

There is no material change in the financial risk exposures of the company and its subsidiaries particularly on currency, interest, credit, market and liquidity risks on its March 31, 2013 interim financial statements compared to the December 31, 2012 audited consolidated financial statements of APC Group Inc.

9. FINANCIAL INSTRUMENTS

Fair value of financial Instruments

A comparison by category of the carrying values and estimated fair values of the Company's financial instruments that are carried in the consolidated financial statements as of March 31, 2013 and December 31, 2012 are as follows:

	March 31, 2013		December 31, 2012	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Financial assets:				
Loans and receivables:				
Cash and cash equivalents	**₱63,250,654**	**₱63,250,654**	**₱44,629,483**	**₱44,629,483**
Trade and other Receivables	**1,245,667**	**1,245,667**	**25,308,225**	**25,308,225**
Deposits*	**19,213**	**19,213**	**19,217**	**19,217**
AFS financial assets	**31,270,021**	**31,270,021**	**32,279,623**	**32,279,621**
Total financial assets	**₱95,785,555**	**₱95,785,555**	**₱102,236,546**	**₱102,236,546**
Financial liabilities -				
Other financial liabilities:				
Loans payable	**₱ 0**	**₱ 0**	**₱ 0**	**₱ 0**
Trade and other payables**	**13,461,884**	**13,461,884**	**12,792,072**	**12,792,072**
Advances from related parties	**91,485,945**	**91,485,945**	**91,485,945**	**91,485,945**
Subscriptions payable	**75,161,959**	**75,161,959**	**75,161,959**	**75,161,959**
Other noncurrent liabilities	**0**	**0**	**0**	**0**
Total current financial liabilities	**₱180,109,788**	**₱180,109,788**	**₱179,439,976**	**₱179,439,976**

** Included in "Other noncurrent assets" account*
***Excluding statutory liabilities.*

Cash and Cash Equivalents, Trade and Other Receivables, Trade and Other Payables, <u>Loans Payable and Advances from Related Parties</u>
Due to the short-term nature of the transactions, the carrying values approximate the fair values at reporting dates.

<u>AFS Financial Assets</u>
The fair values of quoted equity securities were determined by reference to market bid quotes as of reporting dates. The unquoted equity securities were valued at cost.

<u>Deposits and Other Noncurrent Liabilities</u>
Estimated fair value of deposits is based on the discounted value of future cash flows using the prevailing interest rates that are specific to the tenor of the instruments' cash flows as of reporting dates.

The company has no investments in foreign securities

11. FAIR VALUE HIERARCHY

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

12. MANAGEMENT'S USE OF JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect certain reported amounts and disclosures. In preparing the consolidated financial statements, management has made its best judgments and estimates of certain amounts, giving due consideration to materiality. The judgments, estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from those estimates, and such estimates will be adjusted accordingly.

Judgments, estimates and assumptions are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair Value of Financial Assets and Liabilities. Certain financial assets and liabilities are required to be carried at fair value, which requires the use of accounting estimates and judgment. While significant components of fair value measurement are determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates, volatility rates), the timing and amount of changes in fair value would differ with the valuation methodology used. Any change in the fair value of these financial assets and financial liabilities would directly affect profit or loss and equity.

13. FUTURE CHANGES IN ACCOUNTING POLICIES

The Company will adopt PFRS 9 (Financial Instruments: Recognition and Measurement) when this becomes effective. Except as otherwise indicated, the Company does not expect the adoption of these new and amended standard and interpretation to have significant impact on its consolidated financial statements.

- PFRS 9, *Financial Instruments: Classification and Measurement* (effective for annual periods beginning on or after January 1, 2013), as issued in 2010, reflects the first phase of the work on the replacement of PAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in PAS 39. In subsequent phases, hedge accounting and de recognition will be addressed. The completion of this project is expected in early 2011. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Company's financial assets. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

14. Additional Disclosures on the interim financial statements as of March 31, 2013 on the applicability and impact evaluation on the following standards based on audited financial statements as of December 31, 2012:

Title	Subject	Applicability	Impact Evaluation
1 Amended PAS 27	Separate Financial Statements	Applicable	No significant impact.
2 Amended PAS 28	Investments in Associates and Joint Ventures	Not applicable	The Company has no investments in associates and joint ventures.
3 Amendments to PFRS 1	Government Loans	Not applicable	The Company has no existing government loans.
4 Amendments to PFRS 7	Disclosre-Offsetting Financial Assets Financial Liabilities	Not applicable	The Company has no offsetting of financial assets and financial liabilities.
5 PFRS 10	Consolidated Financial Statements	Applicable	No significant impact.
6 PFRS 11	Joint Arrangements	Not applicable	The Company has no existing joint arrangements such as joint operation and joint venture.
7 PFRS 12	Disclosure of Interests in Other Entities	Applicable	No significant impact.
8 PFRS 13	Fair Value Measurement	Applicable	No significant impact.

BERNARDO D. LIM
EVP/CFO

Other Required Disclosures

A.) The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2012. The adoption of PFRS 9, Financial instruments: *Classification and Measurement*, will have an effect on the classification and measurement of financial assets and liabilities. The Company will quantify the effect in conjunction with the other phases when issued, to present a comprehensive picture. As of March 31, 2013, the Company has decided not to early adopt PFRS 9 on consolidated financial statements.

B.) Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.

D.) Except as disclosed in the MD&A, there were no other issuance, repurchases and repayments of debt and equity securities.

E.) There were no material events that occurred subsequent to March 31, 2013 and up to the date of this report that need disclosure herein.

F.) There were no changes in the composition of the Company during the interim period such as business combinations, acquisition or disposals of subsidiaries and long-term investments, restructuring and discontinued operations.

G.) There were no changes in contingent liabilities or contingent assets since December 31, 2012.

H.) There exist no material contingencies and other material events or transactions affecting the current interim period.

Information with regard to the significant business segments of the Company and its subsidiaries are shown below:

SCHEDULE 2-A

JANUARY - MARCH 2013	General Services	APC Parent and others	Combined	Eliminations	Consolidated
Income (loss) from operations	87,458	(3,883,440)	(3,195,371)	(600,611)	(3,795,982)
Interest Expense	83,404	-	-	-	-
Interest Income	721	322,934	323,655	-	323,655
Provision for income tax	37,482	-	37,482		37,482
Net Income (loss)	87,458	(3,883,440)	(3,795,982)	-	(3,795,982)
<u>Other Information</u>					
Segment Assets	114,875,071	710,774,169	825,649,240	(318,425,208)	507,224,032
Consolidated total assets	114,875,071	710,774,169	825,649,240	(318,425,208)	507,224,032
Consolidated total liabilities	73,272,557	443,078,628	516,351,185	(257,993,916)	258,357,269
Depreciation and amortization	603,886	201,234	805,120	-	805,120
Other noncash expenses other than depreciation and amortization	-	-	-	-	-

SCHEDULE 2-B

JANUARY - MARCH 2012	General Services	APC Parent and others	Combined	Eliminations	Consolidated
Income (loss) from operations	287,460	(3,454,245)	(3,166,785)	-	(3,166,785)
Interest Expense	-	-	-	-	-
Interest Income	-	35,123	35,123	-	35,123
Provision for income tax	38,055	63,861	101,916		101,916
Net Income (loss)	88,795	(3,823,403)	(3,734,608)	-	(3,734,608)
<u>Other Information</u>					
Segment Assets	111,053,227	396,265,930	507,319,157	-	507,319,161
Investment and advances	-	497,241,348	497,241,348	(444,328,830)	52,912,518
Consolidated total assets	111,053,227	914,517,477	1,025,570,704	(444,328,830)	581,241,875
Consolidated total liabilities	79,177,813	490,125,721	569,303,534	(247,382,903)	321,920,631
Depreciation and amortization	445,391	173,436	618,827	-	618,827
Other noncash expenses other than depreciation and amortization	-	-	-	-	-

APC GROUP INC. AND SUBSIDIARIES
Aging of Accounts Receivable
As of March 31, 2013

COMPANY	TOTAL	1 Month	2 - 3 Months	4 - 6 Months	7 Months to 1 Year	1 - 2 Years	3 - 5 Years	5 Years above	Past due accounts & items in litigation
Type of Accounts Receivables									
a. Other receivables									
1. APC Group Inc.	25,748,797	95,667.9	-	-	26,592	114,781	-	-	25,511,756
2. Aragorn Coal	-	-				-			
3. Aragorn Power	990,265	-	428,569		561,696	-			
4. APC Mining	1,411	1,411	-	-		-			
5. APC Cement Corporation	16,950	16,950		-	-				
	-	-							
Subtotal	26,757,423	114,029	428,569	-	588,288	114,781	-	-	25,511,756
Less: Allowance for Doubtful Accounts	25,511,756					-	-		25,511,756
	1,245,667	114,029	428,569		588,288	114,781			-
Net Receivables	**1,245,667**								

Type of Receivables	Nature/Description	Collection Period
Other Receuvabkes		
1. APC Group Inc.	Receivables from employees and others	
2. Aragorn Power	Receivables from employees and others	
3. Aragorn Coal	Receivables from employees and others	
4. APC Mining	Receivables from employees and others	
5. APC Cement Corp.	Receivables from employees and others	

Normal Operating Cycle: One Year

Financial Soundness Indicators:

The financial soundness indicators of APC Group are as follows:

	March 31, 2013	March 31, 2012
Current/Liquidity Ratio		
Current Assets	187.1	153.1
Current Liabilities	178.2	217.1
	105%	**71%**
Solvency Ratio, Debt-to-equity Ratio		
Total Liabilities	258.4	321.9
Stockholders' Equity	248.9	258.3
	104%	**125%**
Asset-to-equity Ratio		
Total Assets	507.2	580.2
Stockholders' Equity	248.9	258.3
	204%	**225%**
Profitability Ratio		
Net Income (Loss)	3.8	(3.8)
Total Assets	507.2	580.2
	0.7%	**-0.7%**