APC GROUP INC.

November 12, 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 SEC Form 17-Q for the third quarter ended September 30, 2013.

We trust the foregoing is in order.

Very truly yours,

Bernardo D. Lim
Executive Vice President/
Chief Finance 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)

8TH 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

1	2		3	1

Month Day
Fiscal Year

SEC
FORM 17-Q
FORM TYPE

0	6		1	8

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

L C U

Cashier

S T A M P S

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	**June 16**
(Fiscal Year Ending)	**(Annual Meeting)**
(Month & Day)	

TERM EXPIRING ON: ____________________

3rd Qtr 2013
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 <u>**September 30, 2013**</u>

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

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

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

6. Industry classification [ ] **(SEC Use Only)**

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

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

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( )

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

APC GROUP INC. AND SUBSIDIARIES
Consolidated Balance Sheets
September 30, 2013

		September 30 2013		December 31 2012
ASSETS				
Current Assets				
Cash and cash equivalents	P	77,643,951	P	44,629,483
Trade and other receivables		2,830,750		25,308,225
Available-for-sale financial assets		84,921		84,921
Other current assets		5,893,683		7,646,451
		86,453,305		77,669,080
Asset classified as held-for-sale		-		119,648,365
Total Current Assets		86,453,305		197,317,445
Noncurrent Assets				
Available-for-sale financial assets		29,185,100		32,194,700
Property and equipment		978,909		1,293,017
Investment Properties		156,986,106		156,953,000
Goodwill and other noncurrent assets		87,545,335		130,792,213
Total Noncurrent Assets		274,695,450		321,232,930
	P	361,148,756	P	518,550,375
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	P	18,617,695	P	25,682,356
Income tax payable		-		861
Advances from Related Parties		79,408,069		79,406,947
		98,025,764		105,090,164
Liabilities directly associated with assets classified as held-for-sale		-		78,034,106
Total Current Liabilities		98,025,764		183,124,270
Noncurrent Liabilities				
Subscription payable		75,161,959		75,161,959
Accrued retirement costs		5,180,662		4,870,764
Total Noncurrent Liabilities		80,342,621		80,032,723
Total Liabilities		178,368,385		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		16,000,000		19,000,300
Gain on dilution		226,304		226,304
Deficit, beg.		(7,738,007,903)		(7,738,007,903)
Net income		(62,796,098)		
Treasury shares		(29,435,220)		(29,435,220)
Total Equity Attributable to Equity Holders of athe Parent Company		187,941,327		253,737,725
Equity Attributable to Non-controllong Interests		(5,160,956)		1,655,657
Total Equity		182,780,370		255,393,382
	P	361,148,756	P	518,550,375

APC GROUP INC. AND SUBSIDIARIES
Consolidated Income Statements
September 30, 2013

	3nd Quarter 2013 (July-Sept.)	YTD 2013 (Jan.-Sept.)	2nd Quarter 2012 (July-Sept.)	YTD 2012 (Jan.-Sept.)
SERVICE FEES	P -	P -	P 92,636,044	P 271,803,929
INCOME (EXPENSES)				
Cost of services	-	-	(85,406,038)	(250,822,638)
General and administrative	(3,524,824)	(10,814,095)	(11,386,287)	(31,544,147)
Interest Income	216,601	943,605	191,815	319,748
Dividend Income	-	-	676,972	679,972
Gain/loss on AFSFA	-	-	-	256,569
Gain on sale of investments	-	500,000	-	-
Loss on sale of investment in subsidiary	-	(14,777,885)	-	-
Provision for unrecoverable deferred exploration costs and other assets	(46,788,151)	(46,788,151)	-	-
Other income including rent	-	-	12,188,148	13,538,533
Equity in net loss	-	-	(30,817)	(130,109)
Other expenses	-	-	(147,599)	(432,502)
	(50,096,374)	**(70,936,525)**	**(83,913,806)**	**(268,134,574)**
INCOME (LOSS) BEFORE INCOME TAX	**(50,096,374)**	**(70,936,525)**	**8,722,238**	**3,669,355**
Provision for Income tax-current	-	-	(206,619)	(503,686)
NET INCOME(LOSS)	**P (50,096,374)**	**P (70,936,525)**	**P 8,515,619**	**P 3,165,669**
OTHER COMPREHENSIVE INCOME (LOSS)				
Mark-to-market gain(loss) on available-for-sale financial assets	(1,000,000)	**(3,000,300)**	(2,000,000)	**(1,196,139)**
TOTAL COMPREHENSIVE INCOME (LOSS)	**(51,096,374)**	**(73,936,825)**	**6,515,619**	**1,969,530**
Income/loss attributable to:				
Equity holders of the Parent Company		(62,796,098)		2,895,213
Non-controlling interests		(8,140,427)		270,456
		(70,936,525)		**3,165,669**
Total comprehensive income/loss attributable to:				
Equity holders of the Parent Company		(65,796,399)		(4,607,229)
Non-controlling interests		(8,140,427)		270,456
		(73,936,825)		**1,969,530**
Basic/Diluted Earnings (Loss) Per common Share				
(P76,095,647)/7,340,120,999 September 30, 2013		**P (0.0086)**		**P 0.0004**
P2,895,213/7,340,120,999 September 30, 2012				
Weighted average number of common shares:				
Total common shares		7,511,809,999		7,511,809,999
Less: Treasury shares		(7,606,000)		(7,606,000)
Weighted average common shares		**7,504,203,999**		**7,504,203,999**

APC GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Period Ended September 30, 2013 and 2012

	September 2013			September 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	2,498,039,060		2,498,039,060	2,498,039,060		2,498,039,060
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	3,539,950,590		3,539,950,590
Capital Stock						
Common						
Balance at end of quarter	6,388,012,148		6,388,012,148	6,037,989,650		6,037,989,650
Additional Paid-in Capital			1,613,942,096			1,963,942,094
Gain on dilution			226,304			226,304
Unrealized Mark-to-Market Gain /Loss on Available for Sale Financial Assets			16,000,000			20,000,900
Deficit						
Balance at beginning of year			(7,738,007,903)			(7,739,114,866)
Net income(loss)			(62,796,098)			2,895,213
Balance at end of year			(7,800,804,001)			(7,736,219,653)
Less cost of 171,689,000 shares held by a subsidiary			(29,435,220)			(29,435,220)
Minority interest			(5,160,956)			5,381,022
		P	**182,780,370**		**P**	**261,885,098**

APC GROUP INC. AND SUBSIDIARIES
Consolidated Cash Flows
For the Period Ended September 30, 2013

		Jan. - Sept. 2013		July to Sept. 2013		Jan. - Sept. 2012		July to Sept. 2012
Net cash provided by (used in) operating activities	P	46,419,809	P	7,226,719	P	48,053,082	P	30,113,111
Net cash provided by (used in) investing activities		(3,588,428)		(1,188,499)		(30,132,174)		(20,152,888)
Net cash provided by (used in) financing activities		(9,816,913)		(11,472,570)		(7,352,316)		(1,534,934)
Net increase(decrease) in cash and cash equivalents		33,014,468	**P**	**(5,434,350)**		10,568,592	**P**	**8,425,289**
Cash and cash equivalents, beginning		44,629,483				19,628,634		
Cash and cash equivalents, September 30	**P**	**77,643,951**			**P**	**30,197,226**		

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

Balance Sheet

Total assets decreased by P157.4 million from P 518.6 million as of December 31, 2012 to P 361.1 million as of September 30, 2013.

- Cash and cash equivalents increased by P33.0 million, mainly due to collection of advances to APC Properties, Inc. and APC Distribution Networks, Inc. which were sold in late 2012 and the sale of Environment and General Services, Inc. (EGSI) in 2013, which generated total cash proceeds of P49.7 million, partially offset by disbursements for operating activities (P15.4 million).
- Receivables decreased by P22.5 million attributable to the collection of advances resulting from the sale of subsidiaries as mentioned above.
- Asset classified as held-for-sale as of December 31, 2012 amounting to P119.6 million pertained to EGSI which was sold in April 2013.
- Non-current Available for Sale Financial Assets decreased by P3.0 million due to the decrease in market value of investments in stocks.
- Goodwill and other non-current assets decreased by P43.2 million due to the provision for unrecoverable deferred exploration costs of P46.8 million from a mining subsidiary due to low prospectivity for metallic mineralization based on exploration activities conducted.

Trade and other payables decreased by P7.1 million resulting from the sale of subsidiaries as mentioned above.

Liabilities directly associated with assets classified as held-for-sale amounting to P78.0 million as of December 31, 2012 pertained to EGSI.

Stockholders' Equity as of September 30, 2013 and December 31, 2012 amounted to P182.8 million and P255.4 million, respectively. The decrease of P72.6 million was mainly attributable to net loss for the nine month period ending September 30, 2013 amounting to P62.8 million, unrealized mark-to-market loss on available-for-sale financial assets of P3.0 million and decrease in minority interest of P6.8 million.

There were no off-balance sheet transactions.

Income Statement

There were no more service fees and cost of services in 2013 due to the sale of EGSI.

Net loss for the third quarter of 2013 amounted to P50.1 million compared to a net income of P8.5 million for the same period last year. The loss in 2013 was due to the provision for unrecoverable deferred exploration costs of a mining subsidiary amounting to P46.8 million.

Total comprehensive loss for the second quarter of 2013 amounted to P51.1 million and compared to a total comprehensive income of P6.5 million for the same period last year, higher by P70.9 million, due to the reason stated above.

As of September 30, 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 September 30, 2013, except those mentioned above.

Key Performance Indicators

The key performance indicators of APC Group are as follows:

	(Amount in P 000,0000)	
	September 2013	September 2012
EBITDA (Earnings before interest, taxes, depreciation and amortization)	P **(70.6)**	P **4.9**

The decrease in EBITDA was due to the losses resulting from the sale of a subsidiary (EGSI) and impairment provision for unrecoverable deferred exploration costs of a mining subsidiary.

Current Ratio	**September 2013**	**December 31, 2012**
Current Assets	86.5	197.3
Current Liabilities	98.0	183.1
	88%	**108%**
	.88:1	**1.08:1**

The decrease in Current Ratio of 19% was due to higher decrease in current assets than the decrease in current liabilities resulting from the sale of a subsidiary (EGSI).

Return on Assets

Net Income (Loss)	(70.9)	4.7
Total Assets	361.1	518.6
	-19.6%	**0.9%**
	(.20):1	**.01:1**

The decrease in Return of Assets of 21% was the result of higher net loss recognized for the nine month ending Septemer 30, 2013 and the decrease in total assets resulting from the sale of a subsidiary (EGSI).

Stockholders' Equity Ratio

Stockholders'Equity	182.8	255.4
Total Assets	361.1	518.6
	51%	**49%**
	.51:1	**.49:1**

The increase in Stockholders' Equity Ratio of 1% was due to a higher decrease in total assets than the decrease in stockholders' equity.

Total Liabilities to Stockholders' Equity Ratio

Total Liabilities	178.4	263.2
Stockholders' Equity	182.8	255.4
	98%	**103%**
	.98:1	**1.03:1**

The decrease in Total Liabilities to Stockholders' Equity Ratio of 5% was due to the higher decrease in total liabilities resulting from the sale of a subsidiary (EGSI) than the decrease in stockholders' equity.

Financial Soundness Indicators:

	September 2013	September 2012
Current/Liqudity Ratio		
Current Assets	86.5	149.3
Current Liabilities	98.0	228.0
	88%	**65%**
	.88:1	**.65:1**

The increase in Current Ratio/Liqudity Ratio of 23% was due to higher decrease in current liabilities than the decrease in current assets resulting from sale of a subsidiary (EGSI).

Solvency Ratio, Debt-to-equity Ratio

Total Liabilities	178.4	334.7
Stockholders' Equity	182.8	261.9
	98%	**128%**
	.98:1	**1.28:1**

The decrease in Total Liabilities to Stockholders' Equity Ratio of 5% was due to the higher decrease in total liabilities resulting from the sale of a subsidiary (EGSI) than the decrease in stockholders' equity.

Asset-to-equity Ratio

Total Assets	361.1	596.6
Stockholders' Equity	182.8	261.9
	198%	**228%**
	2.0:1	**2.28:1**

The decrease in Asset-to-Equity Ratio of 30% was due to the higher decrease in total assets than decrease in stockholders equity due to the sale of a subsidiary (EGSI).

Profitability Ratio

Net Income (Loss)	(70.9)	3.2
Total Assets	361.1	596.6
	-19.6%	**0.5%**
	(.20):1	**.01:1**

The decrease in Profitability Ratio of 20.0% was the result of higher net loss recognized for the nine month ending September 30, 2013 and the decrease in total assets resulting from sale of a subsidiary (EGSI)

1. PRINCIPLES OF CONSOLIDATION

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

	Percentage of Ownership
APC Cement Corporation (ACC)	100.00 *(1)*
Aragorn Coal Resources, Inc.(ACRI)	100.00 *(1)*
Aragorn Power & Energy Corporation (APEC)	90.00 *(1)*
APC Mining Corporation	83.00 *(1)*

(1) Still in the pre-operating stage

2. 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 September 30, 2013 interim financial statements compared to the December 31, 2012 audited consolidated financial statements of APC Group Inc.

3. 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 September 30, 2013 and December 31, 2012 are as follows:

	September 30, 2013		December 31, 2012	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Financial assets:				
Loans and receivables:				
Cash and cash equivalents	₱77,643,951	₱77,643,951	₱44,629,483	₱44,629,483
Trade and other Receivables*	2,830,750	2,830,750	25,308,225	25,308,225
Deposits**	29,213	29,213	19,217	19,217
AFS financial assets	29,270,021	29,270,021	32,279,623	32,279,621
Total financial assets	**₱109,773,935**	**₱109,773,935**	**₱102,236,546**	**₱102,236,546**
Financial liabilities -				
Other financial liabilities:				
Loans payable	₱ 0	₱ 0	₱ 0	₱ 0
Trade and other payables***	18,475,053	18,475,053	12,792,072	12,792,072
Advances from related parties	79,408,069	79,408,069	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	**₱169,045,081**	**₱169,045,081**	**₱179,439,976**	**₱179,439,976**

** all current*
***Included in "Other noncurrent assets" account*
****Excluding statutory liabilities*

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

AFS Financial Assets
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.

Deposits and Other Noncurrent Liabilities
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

4. 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.

5. 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.

6. 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.

7. 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 September 30, 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 September 30, 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.

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:	**November 8, 2013**
President	**Frederic C. DyBuncio**
Date:	**November 8, 2013**
Executive Vice President/Chief Finance Officer	**Bernardo D. Lim**
Date:	**November 8, 2013**