COVER SHEET

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S.E.C. Registration Number

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(F O R M E R L Y I P C O N V E R G E D A T A

C E N T E R , I N C .

(Company's Full Name)

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C O S T A, S A L C E D O V I L L A G E, M A K A T I

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

Teresa C. Secuya Compliance Officer	**(632) 4789659/5333915/5333917**
Contact Person/s	Company Telephone Number

0 3	3 1	**SEC Form 17-Q** **March 31, 2014** (Amended)	0 7 / 2 9
Month	Day	FORM TYPE	Month / Day
Calendar Year			Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

23	22	1
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2014** (Amended)
2. Commission identification number **CS 2005 11 816**
3. BIR Tax Identification No **239-508-223-000**
4. Exact name of issuer as specified in its charter

8990 HOLDINGS, INC. (formerly IP CONVERGE DATA CENTER, INC.)

5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**
6. Industry Classification Code: [ ] (SEC Use Only)
7. Address of issuer's principal office Postal Code

11F Liberty Center, 104 HV Dela Costa, Salcedo Village, Makati City, 1200 Philippines

8. Issuer's telephone number, including area code **(632) 4789659/5333915/5333917**
9. Former name, former address and former fiscal year, if changed since last report **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	**4,655,804,670**

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

Yes [√] No [ ]

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

Name of Stock Exchange: **Philippine Stock Exchange**
Class of Securities Listed: **Common Shares**

COVER SHEET

C S 2 0 0 5 1 1 8 1 6

S.E.C. Registration Number

8990 HOLDINGS, INC.
(FORMERLY IP CONVERGE DATA
CENTER, INC.

(Company's Full Name)

11F LIBERTY CENTER, 104 HV DELA
COSTA, SALCEDO VILLAGE, MAKATI

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

Teresa C. Secuya
Compliance Officer
Contact Person/s

(632) 4789659/5333915/5333917
Company Telephone Number

0 3	3 1	SEC Form 17-Q March 31, 2014	0 7	2 9
Month	Day	FORM TYPE	Month	Day
Calendar Year			Annual Meeting	

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

23	22	1
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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ELECTRONIC RECORDS AND MANAGEMENT DIVISION
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RECEIVED SUBJECT TO REVIEW OF FORM AND CONTENTS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **March 31, 2014**

2. Commission identification number **CS 2005 11 816**

3. BIR Tax Identification No **239-508-223-000**

4. Exact name of issuer as specified in its charter

8990 HOLDINGS, INC. (formerly IP CONVERGE DATA CENTER, INC.)

5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**

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7. Address of issuer's principal office Postal Code

11F Liberty Center, 104 HV Dela Costa, Salcedo Village, Makati City, 1200 Philippines

8. Issuer's telephone number, including area code **(632) 4789659/5333915/5333917**

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

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	**4,655,804,670**

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

Yes [V] No [ ]

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

Name of Stock Exchange: **Philippine Stock Exchange**
Class of Securities Listed: **Common Shares**

12. Indicate by check mark whether the registrant:

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

Yes [V] No [ ]

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

Yes [V] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

8990 HOLDINGS, INC. (formerly IP Converge Data Center, Inc.) AND SUBSIDIARIES
Unaudited Consolidated Statements of Financial Position (in Philippine Peso)

	31-Mar	31-Dec	
	2014 (Unaudited)	2013 (Audited)	2012 (Audited)
ASSETS			
Current Assets			
Cash on hand and in banks (Note 4)	215,835,852	249,040,092	180,301,128
Current portion of trade and other receivables (Note 5)	542,755,736	537,057,908	527,242,552
Inventories (Note 6)	2,234,670,204	2,243,559,834	2,040,532,596
Due from related parties (Note 20)	805,855,149	517,490,590	147,400,252
Current portion of long-term investments	-	-	3,021,720
Other current assets (Note 7)	383,230,135	342,105,863	137,141,546
Total Current Assets	4,182,347,076	3,889,254,287	3,035,639,794
Noncurrent Assets			
Trade and other receivables - net of current portion (Note 5)	11,107,319,539	9,473,832,351	4,421,033,597
Land held for future development (Note 8)	4,022,203,959	3,784,727,576	1,010,474,241
Property and equipment (Note 9)	228,528,187	208,870,467	146,849,977
Investment properties (Note 10)	138,417,518	141,928,584	142,365,067
Long term investments, net of current portion			
Other noncurrent assets (Note 7)	124,835,912	117,010,245	81,582,994
Total Noncurrent Assets	15,621,305,115	13,726,369,223	5,802,305,876
	19,803,652,191	17,615,623,510	8,837,945,670
LIABILITIES AND EQUITY			
Current Liabilities			
Current portion of trade and other payables (Note 11)	2,122,919,326	2,937,730,783	617,715,984
Current portion of loans payable (Note 13)	3,223,282,394	3,332,250,211	1,257,747,508
Deposits from customers (Note 12)	71,701,724	47,746,763	104,887,729
Due to related parties (Note 20)	44,714,603	172,808,746	57,176,899
Income tax payable	71,790,308	31,209,903	13,899,640
Total Current Liabilities	5,534,408,355	6,521,746,406	2,051,427,760
Noncurrent Liabilities			
Trade and other payables - net of current portion (Note 11)	2,566,534	263,089,121	499,874,001
Loans payable - net of current portion (Note 13)	6,404,052,985	3,980,588,104	2,316,847,888
Deferred tax liability	333,179,298	254,352,695	31,781,000
Total Noncurrent Liabilities	6,739,798,817	4,498,029,920	2,848,502,889
Total Liabilities	12,274,207,172	11,019,776,326	4,899,930,649

(Forward)

Equity			
Capital Stock (Note 14)	4,655,804,670	4,655,804,670	221,866,669
Subscribed Capital Stock			
Additional paid-in capital	-	-	190,748,328
Equity reserve	-	-	3,024,273,168
Remeasurement loss on pension plan	(1,432,534)	(1,432,534)	-
Retained earnings	2,875,072,883	1,941,475,048	511,126,856
Total Equity	7,529,445,019	6,595,847,184	3,948,015,021
	19,803,652,191	17,615,623,510	8,847,945,670

8990 HOLDINGS, INC. (formerly IP Converge Data Center, Inc.) AND SUBSIDIARIES
Unaudited Consolidated Statements of Comprehensive Income (in Philippine Peso)

	For three months ended March 31		For years ended December 31	
	2014 Unaudited	2013 Unaudited	2013 Audited	2012 Audited
Sales (Note 15)	1,915,888,272	1,568,542,674	5,356,098,815	3,830,644,048
Cost of Sales (Note 16)	727,409,251	586,951,573	1,967,047,469	1,448,571,872
Gross Income	1,188,479,021	981,591,101	3,389,051,346	2,382,072,176
Operating Expenses (Note 17)	315,570,198	277,027,933	1,176,864,392	694,252,796
Net Operating Income	872,908,823	704,563,168	2,212,186,954	1,687,819,380
Finance Costs (Note 18)	(132,861,947)	(102,886,932)	(406,466,175)	(216,312,630)
Other Income (Note 19)	235,311,348	164,131,981	635,809,034	282,148,140
Income Before Income Tax	975,358,224	765,808,217	2,441,529,813	1,753,654,890
Provision for Income Tax	41,760,390	49,089,968	257,845,583	49,168,859
Net Income	933,597,835	716,718,249	2,183,684,230	1,704,486,031
Other Comprehensive Loss	-	-	(1,432,534)	-
Total Comprehensive Income	933,597,835	716,718,249	2,182,251,696	1,704,486,031

8990 HOLDINGS, INC. (formerly IP Converge Data Center, Inc.) AND SUBSIDIARIES
Unaudited Consolidated Statements of Changes in Equity (in Philippine Peso)

	Capital Stock	Subscribed Capital Stock	Additional Paid in Capital	Equity Reserve	Other Comprehensive Loss	Retained Earnings	Total
Balance at January 1, 2014	4,655,804,670	-	-	-	(1,432,534)	1,941,475,048	6,595,847,184
Total comprehensive income (loss)	-	-	-	-	-	933,597,835	933,597,835
Balance at March 31, 2014	4,655,804,670	-	-	-	(1,432,534)	2,875,072,883	7,529,445,019
Balance at January 1, 2013	221,866,669	-	190,748,328	3,024,273,168	-	511,126,856	3,948,015,021
Total comprehensive income (loss)	-		-	-	-	716,718,249	716,718,249
Balance at March 31, 2013	221,866,669	-	190,748,328	3,024,273,168	-	1,227,845,105	4,664,733,270

Balance at January 1, 2014	4,655,804,670	-	-	-	(1,432,534)	1,941,475,048	6,595,847,184
Total comprehensive income (loss)	-	-	-	-	-	933,597,835	933,597,835
Balance at March 31, 2014	4,655,804,670	-	-	-	(1,432,534)	2,875,072,883	7,529,445,019
Balance at January 1, 2013	221,866,669	-	190,748,328	3,024,273,168	-	511,126,856	3,948,015,021
Stock dividends issued by a subsidiary	-		-	420,000,000	-	(420,000,000)	-
Issuance of shares through Shares Swap	3,968,357,534		(190,748,328)	(3,444,273,168)	-	(333,336,038)	-
Issuance of shares by Parent Company	465,580,467		-	-	-	-	465,580,467
Total comprehensive income (loss)	-		-	-	(1,432,534)	2,183,684,230	2,182,251,696
Balance at December 31, 2013	4,655,804,670	-	-	-	(1,432,534)	1,941,475,048	6,595,847,184

Balance at January 1, 2012	181,866,669	25,000,000	129,948,328	306,935,003	-	624,290,825	1,268,040,825
Issuance of shares by Parent Company	40,000,000	(25,000,000)	60,800,000	(75,800,000)	-	-	-
Effect of acquisition of net assets of accounting acquiree (Parent Company)	-	-	-	(12,011,835)	-	-	(12,011,835)
Cash dividends declared by a subsidiary	-	-	-	-	-	(400,000,000)	(400,000,000)
Stock dividends issued by a subsidiary	-	-	-	1,417,650,000	-	(1,417,650,000)	-
Issuance of shares by a Subsidiary	-	-	-	1,387,500,000	-	-	1,387,500,000
Total comprehensive income (loss)	-	-	-	-	-	1,704,486,031	1,704,486,031
Balance at December 31, 2012	221,866,669	-	190,748,328	3,024,273,168	-	511,126,856	3,948,015,021

8990 HOLDINGS, INC. (formerly IP Converge Data Center, Inc.) AND SUBSIDIARIES
Unaudited Consolidated Statements of Cash Flows (in Philippine Peso)

	For three months ended March 31		For years ended December 31	
	2014 Unaudited	2013 Unaudited	2013 Audited	2012 Audited
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	975,358,224	975,358,224	2,441,529,813	1,753,654,890
Adjustments for:				
Interest income	(199,446,637)	(137,519,186)	(533,181,127)	(227,218,396)
Finance cost	131,988,565	102,873,222	404,614,757	215,560,446
Write-off of assets	-	-	64,945,573	-
Provision for impairment losses	-	-	58,414,812	2,076,561
Provision for probable losses	-	2,613,809	26,340,946	10,680,718
Depreciation and amortization	9,233,671	6,721,333	22,566,268	15,138,560
Provision for inventory write-down	-		3,646,000	-
Loss (gain) on repossession	(8,308,731)	(3,259,937)	(1,122,087)	1,256,353
Retirement Expense	-	-	442,531	444,200
Loss on sale of a subsidiary	-	-	-	11,165,026
Gain on sale of unquoted debt security classified as loans	(43,323)	-	-	(7,767,942)
Operating income before changes in working capital	908,781,768	946,787,464	2,488,197,486	1,774,990,416
Changes in operating assets and liabilities				
Decrease (increase) in:				
Trade and other receivables	(1,639,185,016)	(1,295,621,832)	(4,275,829,919)	(3,412,201,469)
Inventories	8,889,630	34,161,799	(69,059,536)	200,226,383
Other assets	(48,949,939)	108,763,867	(404,424,065)	(77,168,052)
Increase (decrease) in:				
Trade and other payables	(1,026,025,316)	135,923,225	177,998,680	17,715,084
Deposits from customers	23,954,961	13,854,430	(57,140,966)	(56,337,659)
Net cash used in operations	(1,772,533,912)	(56,131,048)	(2,140,258,320)	(1,552,775,297)
interest received	199,446,637	137,519,186	533,181,127	227,218,396
Interest paid	(102,886,982)	(92,267,656)	(364,210,661)	(174,133,174)
Income tax paid	-	-	(13,949,694)	(4,986,990)
Net cash used in operating activities	(1,675,974,257)	(10,879,518)	(1,985,237,548)	(1,504,677,065)

(Forward)

CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of:				
Land held for future development	(237,476,383)	(180,013,352)	(1,185,093,610)	(396,892,465)
Property and equipment	(19,657,720)	(995,280)	(81,948,759)	(37,494,702)
Proceeds from (Acquisition of) Investment properties	3,511,066	(236,664)	(2,201,516)	(6,293,155)
Proceeds from:				
Maturities/termination of long term investments	-	-	3,021,720	110,113,573
Sale of unquoted debt securities classified as loans	-	-		14,325,544
Disposal of property and equipment	-	-		-
Net cash outflow from disposal of investment in a subsidiary	-	-		(61,680,350)
Net cash inflow from acquisition of net assets of acquiree	-	-		100,000
Net cash used in investing activities	(253,623,037)	(181,245,296)	(1,266,222,165)	(377,821,555)
CASH FLOWS FROM FINANCING ACTIVITIES				
Availment (retirement) of loans payable	2,314,497,064	665,118,221	3,136,887,266	2,124,116,933
Issuance of shares by the Parent Company	-	-	465,580,467	-
Issuance of shares by subsidiaries	-	-		1,387,500,000
Decrease (increase) in the amount of due from related parties	(288,364,559)	(446,424,076)	(370,090,338)	393,750,716
Increase (decrease) in the amount of due to related parties	(128,094,143)	5,716,905	87,821,282	(1,693,270,423)
Payment of cash dividends	-	-	-	(400,000,000)
Net cash provided by financing activities	1,898,038,362	224,411,050	3,320,198,677	1,812,097,226
Net increase (decrease) in cash on hand and in banks	(31,558,932)	32,286,236	68,738,964	(70,401,394)
Cash Balance at the beginning of the year	249,040,092	180,301,128	180,301,128	250,702,522
Cash Balance at the end of the year	217,481,160	212,587,364	249,040,092	180,301,128

8990 HOLDINGS, INC. (formerly IP Converge Data Center, Inc.) AND SUBSIDIARIES
Notes to Unaudited Consolidated Financial Statements

1. **Basis of Preparation**

The accompanying unaudited consolidated financial statements have been prepared on a historical cost basis. Further, this has been presented in Philippine peso, the functional currency of 8990 Holdings, Inc. and its subsidiaries. All values are rounded to the nearest peso except when otherwise indicated.

2. **Basis of Consolidation**

The unaudited consolidated financial statements include the financial statements of the Parent Company and the following wholly owned subsidiaries:

- 8990 Housing Development Corporation
- Fog Horn, Inc.
- 8990 Luzon Housing Development Corporation
- 8990 Davao Housing Development Corporation
- 8990 Mindanao Housing Development Corporation
- 8990 Leisure and Resorts Corporation

Control is achieved when the Parent Company is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Parent Company controls an investee if and only if the Parent Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure or rights to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has the power over an investee, including:

- The contractual arrangement with the other voting shareholders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, expenses and other comprehensive income (OCI) of a subsidiary are included in the financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The consolidated financial statements are prepared for the same reporting period as the Parent Company's financial statements, using consistent accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Parent Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for within equity. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Parent Company.

When a change in ownership interest in a subsidiary occurs which results in a loss of control over the subsidiary, the Parent Company:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the Parent Company's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

When there are business combinations in which all the combining entities within the Group are ultimately controlled by the same ultimate parent (i.e. controlling shareholders) before and after the business combination and the control is not transitory (business combinations under common control), the Group accounts for such business combinations similar to a pooling of interests. The assets and liabilities of the acquired entities and that of the Group are reflected at their carrying values in the stand-alone financial statements of the investee companies. The difference in the amount recognized and the fair value of the consideration given is accounted for as an equity transaction, i.e., as either a contribution or distribution of equity. Further, when a subsidiary is disposed in a common control transaction without loss of control, the difference in the amount recognized and the fair value consideration received, is also accounted for as an equity transaction.

The Group recorded the above difference as Equity Reserve and is presented as a separate component of equity in the consolidated statement of financial position. Comparatives shall be restated to include balances and transactions as if the entities had been acquired at the beginning of the earliest period presented in the consolidated financial statements, regardless of the actual date of combination.

The Group consolidated the assets, liabilities, income and expenses of the Parent Company starting May 2012, which was the date when the controlling shareholders acquired or gained control over the Parent Company.

3. Segment Information

For management's purposes, the Group's operating segments are organized and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group has four reportable operating segments as follows:

Low-cost mas Mass Housing
This segment pertains to the housing market segment of the Group. It caters to the development and sale of residential lots and units.

Medium-rise Condominium Units
This segment pertains to the medium-rise condominium segment of the Group. It caters to the development and sale of condominium units.

Timeshare
This segment pertains to sale of non-proprietary timeshares wherein the purchaser has a perpetual right to occupy one unit of the Group's vacation hotel for a specific number of days in a year.

Hotel Operations
This segment pertains to the activities from hotel operations, which are considered incidental revenues while the Group has not yet sold all of the timeshares of its vacation hotel, Azalea Baguio Residences.

The Group has only one geographical business segment as all the assets and liabilities are located in the Philippines. The Group derives all of its revenues from domestic operations. Thus, geographical business segment information is not presented. No operating segments have been aggregated to form the above operating business segments.

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment operating income or loss. The presentation and classification of segment revenues and expenses are consistent with the consolidated statements of comprehensive income. This segment information is presented monthly to the Parent Company' BOD who is the Chief Operating Decision Maker.

Finance income consists on interest earned from installment contract receivables and deposits in banks.

The amount of segment assets and liabilities are based on the measurement principles that are similar with those used in measuring the assets and liabilities in the statement of financial position which is in accordance with PFRS. Capital expenditures represent acquisitions of 'Land held for future development', 'Property and equipment', and 'Investment properties'. The Group has no significant customer which contributes 10% or more of their segment revenue.

4. Cash on Hand and in Banks

This account consists of:

	31-Mar	31-Dec	
	2014 (Unaudited)	2013 (Audited)	2012 (Audited)
Cash on hand	733,425	689,925	475,130
Cash in banks	215,102,427	248,350,167	179,825,998
	215,835,852	249,040,092	180,301,128

5. Trade and Other Receivables

This account consists of:

	31-Mar	31-Dec	
	2014 (Unaudited)	2013 (Audited)	2012 (Audited)
Trade Receivables			
Installment contract receivables	332,767,430	306,046,028	266,090,280
Others	15,865,281	3,895,790	8,484,481
Advances to external marketing managers	40,640,631	47,812,508	157,085,699
Retention Receivables	53,461,845	52,318,996	100,239,272
Receivables from employees	12,259,078	35,171,413	3,666,609
Other Receivables	90,556,577	94,608,279	1,676,211
	545,550,842	539,853,014	537,242,552
Less: Allowance for impairment losses	2,795,106	2,795,106	-
	542,755,736	537,057,908	537,242,552
Non current			
Trade Receivables			
Installment contract receivables	11,107,319,539	9,471,874,962	4,406,018,917
Retention Receivables	-	1,957,389	15,014,680
	11,107,319,539	9,473,832,351	4,421,033,597
	11,650,075,275	10,010,890,259	4,958,276,149

6. Inventories

This account consists of:

	31-Mar	31-Dec	
	2014 (Unaudited)	2013 (Audited)	2012 (Audited)
Real estate inventories			
Low-cost mass housing	1,763,822,189	1,735,597,099	1,452,941,504
Medium-rise condominium units	80,548,204	115,535,085	189,099,680
	1,844,370,393	1,851,132,184	1,642,041,184
Timeshares	390,299,811	392,427,650	398,491,412
	2,234,670,204	2,243,559,834	2,040,532,596

7. Other Assets

This account consists of:

	31-Mar 2014 (Unaudited)	31-Dec 2013 (Audited)	31-Dec 2012 (Audited)
Current			
Advances to contractors	332,917,339	295,972,057	87,758,629
Input tax	46,809,910	44,306,675	37,607,319
Advances to landowners	32,500,000	32,500,000	-
Creditable withholding tax	11,310,907	10,390,648	124,444
Prepaid expenses	4,816,274	4,604,870	3,507,124
Hotel inventories	3,964,014	3,419,922	1,839,338
Others	6,095,984	6,095,984	8,381,253
	438,414,428	397,290,156	139,218,107
Less: Allowance for impairment losses	55,184,293	55,184,293	2,076,561
	383,230,135	342,105,863	137,141,546
Non-current			
Deposits	97,109,864	89,284,197	75,949,494
AFS equity investment	23,745,500	23,745,500	633,500
Software cost	1,492,522	1,492,522	-
Others	5,000,000	5,000,000	5,000,000
	127,347,886	119,522,219	81,582,994
Less: Allowance for impairment losses	2,511,974	2,511,974	-
	124,835,912	117,010,245	81,582,994
	508,066,047	459,116,108	218,724,540

8. Land Held for Future Development

This account consists of:

	31-Mar 2014 (Unaudited)	31-Dec 2013 (Audited)	31-Dec 2012 (Audited)
Balance at beginning of year	3,784,727,576	1,010,474,241	692,971,776
Land acquired during the year	237,476,383	3,062,009,922	317,502,465
Land transferred to inventories	-	(284,110,587)	-
Provision for write down	-	(3,646,000)	-
Balance at end of year	**4,022,203,959**	**3,784,727,576**	**1,010,474,241**

9. Property and Equipment

This account consists of:

31-Mar-14

(Unaudited)

	Land	Building	Land Improvements	Leasehold Improvements	Furnitures and Fixtures	Machineries and Equipment	Transportation Vehicles	Construction in Progress	Total
Cost									
Balances at beginning of year	107,405,010	52,716,704	10,458,647	7,112,051	21,254,001	13,116,335	58,526,501	1,176,127	271,765,376
Additions	-	-	29,310	3,109,425	2,234,389	20,007,200	-	-	25,380,324
Balances at end of year	107,405,010	52,716,704	10,487,957	10,221,476	23,488,390	33,123,535	58,526,501	1,176,127	297,145,700
Accumulated Depreciation and Amortization									
Balances at beginning of year	-	9,495,048	3,422,013	4,140,404	11,432,376	4,479,529	29,925,539	-	62,894,909
Depreciation and Amortization	-	796,588	29,994	326,653	968,311	1,088,844	2,512,215	-	5,722,604
Balances at end of year	-	10,291,636	3,452,007	4,467,057	12,400,687	5,568,373	32,437,754	-	68,617,513
Net Book Value	**107,405,010**	**42,425,068**	**7,035,951**	**5,754,419**	**11,087,703**	**27,555,162**	**26,088,747**	**1,176,127**	**228,528,187**

31-Dec-13
(Audited)

	Land	Building	Land Improvements	Leasehold Improvements	Furnitures and Fixtures	Machineries and Equipment	Transportati on Vehicles	Constructio n in Progress	Total
Cost									
Balances at beginning of year	53,585,010	49,919,320	9,652,150	6,044,734	14,802,820	4,551,483	51,261,100	-	189,816,617
Additions	53,820,000	2,797,384	806,497	1,067,317	6,451,181	8,564,852	7,265,401	1,176,127	81,948,759
Balances at end of year	107,405,010	52,716,704	10,458,647	7,112,051	21,254,001	13,116,335	58,526,501	1,176,127	271,765,376
Accumulated Depreciation and Amortization									
Balances at beginning of year	-	7,005,824	1,371,608	1,620,682	8,811,354	2,824,811	21,332,361	-	42,966,640
Depreciation and Amortization	-	2,489,224	2,050,405	2,519,722	2,621,022	1,654,718	8,593,178	-	19,928,269
Balances at end of year	-	9,495,048	3,422,013	4,140,404	11,432,376	4,479,529	29,925,539	-	62,894,909
Net Book Value	**107,405,010**	**43,221,656**	**7,036,634**	**2,971,647**	**9,821,625**	**8,636,806**	**28,600,962**	**1,176,127**	**208,870,467**

31-Dec-12
(Audited)

	Land	Building	Land Improvements	Leasehold Improvements	Furnitures and Fixtures	Machineries and Equipment	Transportation Vehicles	Construction in Progress	Total
Cost									
Balances at beginning of year	53,585,010	42,756,368	9,652,150	4,165,906	11,996,428	3,982,651	26,089,500	392,870	152,620,883
Additions	-	6,770,082	-	1,936,736	3,047,452	568,832	25,171,600	-	37,494,702
Transfers	-	392,870	-	-	-	-	-	(392,870)	-
Effect of disposal of a subsidiary	-	-	-	(57,908)	(241,060)	-	-	-	(298,968)
Balances at end of year	53,585,010	49,919,320	9,652,150	6,044,734	14,802,820	4,551,483	51,261,100	-	189,816,617
Accumulated Depreciation and Amortization									
Balances at beginning of year	-	4,740,502	808,500	102,891	6,801,757	2,190,147	16,385,908	-	31,029,705
Depreciation and Amortization	-	2,265,322	563,108	1,534,198	2,059,119	634,664	4,946,453	-	12,002,864
Effect of disposal of a subsidiary		-	-	(16,407)	(49,522)	-	-	-	(65,929)
Balances at end of year	-	7,005,824	1,371,608	1,620,682	8,811,354	2,824,811	21,332,361	-	42,966,640
Net Book Value	**53,585,010**	**42,913,496**	**8,280,542**	**4,424,052**	**5,991,466**	**1,726,672**	**29,928,739**	**-**	**146,849,977**

	Land	Building	31-Dec-12 (Audited) Land Improvements	Construction in Progress	Total
Cost					
Balances at beginning of year	54,468,615	8,604,750	44,155,223	36,641,897	143,870,485
Additions	-	-	-	6,293,155	6,293,155
Transfers	-	-	42,935,052	(42,935,052)	-
Balances at end of year	54,468,615	8,604,750	87,090,275	-	150,163,640
Accumulated Depreciation and Amortization					
Balances at beginning of year	-	906,202	3,756,675	-	4,662,877
Depreciation and Amortization	-	430,237	2,705,459	-	3,135,696
Balances at end of year	-	1,336,439	6,462,134	-	7,798,573
Net Book Value	**54,468,615**	**7,268,311**	**80,628,141**	**-**	**142,365,067**

11. Trade and Other Payables

This account consists of:

	31-Mar 2014 (Unaudited)	31-Dec 2013 (Audited)	2012 (Audited)
Current			
Trade and accounts payables	1,195,167,712	2,209,103,891	237,317,751
Accrued expenses	745,334,564	497,970,175	239,573,314
Retention payables	58,002,807	57,744,129	24,392,140
Withholding tax payables	33,116,362	21,875,280	6,899,773
Construction bonds	16,001,949	16,210,949	20,410,237
Net output tax	-	6,661,147	6,661,147
Others	75,295,932	128,165,212	82,461,622
	2,122,919,326	2,937,730,783	617,715,984
Non-current			
Trade and accounts payables	1,134,000	259,389,316	461,296,790
Retention payables	-	-	37,559,937
Others	1,432,534	3,669,805	1,017,274
	2,566534	263,059,121	499,874,001
	2,125,485,860	3,200,789,904	1,117,589,985

12. Deposits from Customers

This account represents downpayments made by the real estate buyers for the purchase of residential housing units and timeshares. Once the residential unit is ready for occupancy, delivered and accepted by the buyer, the amount is removed from the liability account and is classified as part of sales. For timehares, when the level of required payment is reached by a buyer, a sale is recognized.

13. Loans Payable

This account consists of:

	31-Mar	31-Dec	
	2014 (Unaudited)	2013 (Audited)	2012 (Audited)
Short-term loans payable	3,223,282,394	2,612,529,325	1,239,648,027
Long-term loans payable	6,404,052,985	4,700,308,990	2,334,947,369
	9,627,335,379	7,312,838,315	3,574,595,396

14. Equity

This account consists of:

	31-Mar-14 Unadited	31-Dec-13 Audited	31-Dec-12 Audited
Authorized, par value PhP1.00	7,000,000,000	7,000,000,000	460,000,000
Issued and outstanding at beginning of year	4,655,804,670	221,866,669	181,866,669
Issuance of shares	-	4,433,938,001	40,000,000
Issued and outstanding at end of year	4,655,804,670	4,655,804,670	221,866,669

15. Sales

This account consists of:

	Three Months Ended March 31		Years Ended December 31	
	2014 Unadited	2013 Unaudited	2013 Audited	2012 Audited
Real estate				
Low-cost mass housing	1,677,306,144	1,418,239,872	4,666,488,875	3,702,823,087
Medium-rise condominium units	207,756,250	120,107,213	559,780,876	33,301,000
Timeshares	8,447,034	9,521,065	46,077,321	52,878,961
	1,893,509,428	1,547,868,150	5,272,347,072	3,789,003,048
Hotel Operations				
Rooms	14,781,672	14,030,335	56,091,567	26,743,829
Food and Beverages	7,597,172	6,644,189	27,660,176	14,897,171
	22,378,843	20,674,524	83,751,743	41,641,000
	1,915,888,272	1,568,542,674	5,356,098,815	3,830,644,048

16. Cost of Sales and Services

This account consists of:

	Three Months Ended March 31		Years Ended December 31	
	2014	2013	2013	2012
	Unadited	Unaudited	Audited	Audited
Real estate				
Low-cost mass housing	649,263,578	530,707,986	1,717,519,321	1,405,835,469
Medium-rise condominium units	71,168,867	44,944,341	197,320,474	12,822,403
Timeshares	2,127,839	3,562,800	12,140,099	16,375,980
	722,560,284	579,215,128	1,926,979,894	1,435,033,852
Hotel Operations				
Rooms	1,630,740	5,250,177	19,085,469	8,621,563
Food and Beverages	3,218,226	2,486,268	20,982,106	4,916,457
	4,848,966	7,736,445	40,067,575	13,538,020
	727,409,251	586,951,573	1,967,047,469	1,448,571,872

17. Operating Expenses

This account consists of:

	Three Months Ended March 31		Years Ended December 31	
	2014	2013	2013	2012
	Unadited	Unaudited	Audited	Audited
Marketing and selling	129,693,410	95,776,704	307,015,371	197,402,838
Documentation	98,538,590	86,608,675	292,188,702	232,054,087
Taxes and licenses	19,679,427	18,495,357	103,568,517	38,808,832
Salaries and employee benefits	17,897,879	18,229,286	75,943,647	55,249,493
Write-off of assets	-	-	64,945,573	-
Provision for impairment losses	-	-	58,414,812	2,076,561
Management and professional fees	10,445,999	2,874,150	44,502,235	26,188,710
Communication, light and water	8,726,006	8,584,993	34,961,571	27,272,814
Provision for probable losses	-	2,613,809	26,340,946	10,680,718
Security, messengerial and janitorial	4,707,901	7,745,513	25,369,411	23,590,909
Depreciation and amortization	9,233,671	6,721,333	22,566,268	15,138,560
Transportation and travel	6,081,641	5,467,941	22,270,000	13,778,481
Repairs and maintenance	2,221,909	2,856,828	11,295,057	7,111,871
Entertainment, amusement and representation	2,459,514	3,279,629	10,575,323	19,131,170
Rent	1,888,176	2,874,647	8,350,287	7,211,136
Supplies	1,521,998	1,567,473	7,750,140	4,604,354
Provision for write-down	-	-	3,646,000	-
Subscription dues and fees	813,699	-	876,704	789,447
Miscellaneous	1,660,379	13,331,594	56,283,828	13,162,815
	315,570,198	277,027,933	1,176,864,392	694,252,796

18. Finance Costs

This account consists of:

	Three Months Ended March 31		Years Ended December 31	
	2014	2013	2013	2012
	Unadited	Unaudited	Audited	Audited
Borrowings	124,719,937	92,267,656	363,633,267	181,122,301
Accretion	7,268,628	10,605,566	40,918,456	34,410,141
Bank charges	873,382	13,711	1,851,418	752,184
Net interest expense on pension obligation	-	-	63,034	28,004
	132,861,947	102,886,932	406,466,175	216,312,630

19. Other Income

This account consists of:

	Three Months Ended March 31		Years Ended December 31	
	2014	2013	2013	2012
	Unadited	Unaudited	Audited	Audited
Interest Income from:				
Installment contract receivables	199,428,244	137,303,917	531,811,849	218,340,111
Cash in banks and long term investments	18,393	215,269	1,369,278	8,878,285
Water income	12,599,817	10,945,821	52,873,719	31,327,458
Penalties	6,446,162	2,848,644	13,676,202	2,447,857
Rent income	29,712	1,301,113	6,481,920	1,412,532
Collection service fees	-	836,985	2,826,651	11,805,294
Gain on repossession	8,308,731	3,259,937	1,122,087	-
Loss on sale of a subsidiary	-	-	-	(11,165,026)
Gain on sale of unquoted debt security classified as loans	43,323	-	-	7,767,942
Miscellaneous	8,436,966	7,420,296	25,647,328	11,333,687
	235,311,348	164,131,981	635,809,034	282,148,140

20. Related Party Transactions

This account consists of:

Related Party	Nature of Transaction	Account	31-Mar-14 (Unaudited) Outstanding Balance/ Amount	Terms	Conditons
Stockholders	Advances	Due from related parties	222,390,884	Non-interest bearing, payable on demand	Unsecured, no impairment
Entities under common control	Advances	Due from related parties	583,464,265	Non-interest bearing, payable on demand	Unsecured, no impairment
Entities under common control	Advances	Due to related parties	44,714,603	Non-interest bearing, payable on demand	Unsecured

Related Party	Nature of Transaction	Account	2013 (Audited) Outstanding Balance/Amount	Terms	Conditons
Stockholders	Advances	Due from related parties	205,790,884	Non-interest bearing, payable on demand	Unsecured, no impairment
Entities under common control	Advances	Due from related parties	311,699,706	Non-interest bearing, payable on demand	Unsecured, no impairment
Entities under common control	Advances	Due to related parties	172,808,746	Non-interest bearing, payable on demand	Unsecured

Related Party	Nature of Transaction	Account	2012 (Audited) Outstanding Balance/Amount	Terms	Conditons
Stockholders	Advances	Due from related parties	57,176,899	Non-interest bearing, payable on demand	Unsecured
Entities under common control	Advances	Due from related parties	147,400,252	Non-interest bearing, payable on demand	Unsecured, no impairment

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

Financial Highlights and Key Performance Indicators

Table below shows comparative consolidated balance sheet financial highlights of 8990 Holdings, Inc. (the Company) for three months ended March 31, 2014 (unaudited) and year ended December 31, 2013 (audited).

Consolidated Balance Sheet	As of March 31, 2014 Unaudited	As of December 31, 2013 Audited	Increase Amount	%
Total Assets	19,803,652,191	17,615,623,510	2,188,028,681	12.42%
Current Assets	4,182,347,076	3,889,254,287	293,092,789	7.54%
Trade Receivables	11,650,075,275	10,010,890,259	1,639,185,016	16.37%
Total Liabilities	12,274,207,172	11,019,776,326	1,254,430,846	11.38%
Current Liabilities	5,534,408,355	6,521,746,406	(987,338,051)	-15.14%
Loans Payable	9,627,335,379	7,312,838,315	2,314,497,064	31.65%
Stockholder's Equity	7,529,445,019	6,595,847,184	933,597,835	14.15%

Table below shows comparative consolidated statement of income financial highlights of 8990 Holdings, Inc. (the Company) for three months ended March 31, 2014 and 2013 (both unaudited).

Consolidated Statements of Income	As of March 31, 2014 Unaudited	As of March 31, 2013 Unaudited	Increase Amount	%
Net Sales	1,915,888,272	1,568,542,674	347,345,598	22.14%
Gross Profit	1,188,479,021	981,591,101	206,887,920	21.08%
Operating Expenses	315,570,198	277,027,933	38,542,265	13.91%
Net Operating Income	872,908,823	704,563,168	168,345,655	23.89%
EBITDA	1,115,808,533	875,416,482	240,392,051	27.46%
Net Income Before Tax	975,358,224	765,808,217	209,550,007	27.36%
Net Income After Tax	933,597,835	716,718,249	216,879,586	30.26%

Tables below show quarter one 2014 key performance indicators of the Company, with relevant comparative figures.

Key Performance Indicators	As of March 31, 2014 Unaudited	As of December 31, 2013 Audited
Current Ratio	0.76	0.60
Book Value Per Share	1.62	1.42
Debt to Equity Ratio	1.28	1.11
Asset to Equity Ratio	2.63	2.67
Asset to Debt Ratio	1.61	1.60
Interest Coverage Ratio	8.89	7.83

Key Performance Indicators	As of March 31, 2014 Unaudited	As of March 31, 2013 Unaudited
Gross Margin	62.03%	62.58%
EBITDA Margin	58.24%	55.81%
Net Income Margin	48.73%	45.69%

Description of Consolidated Statements of Comprehensive Income Line Items

Sales

8990 Holdings, Inc.'s (the Company) sales primarily comprise revenues received from its sales of low-cost mass housing units and subdivision lots and medium-rise building housing units, as well as revenues derived from its timeshare and hotel operations.

Cost of Sales and Services

Cost of sales and services comprise: [1] the Company's costs of sales from its low-cost mass housing sales of housing units and subdivision lots, costs of sales from sales of medium-rise condominium units and costs of sales from sales of timeshares; and [2] the Company's costs of services from its hotel operations (including room and food and beverage sales).

Operating Expenses

Operating expenses generally include selling and administrative costs that are not directly attributable to the services rendered. Operating expenses of the Company comprise expenses related to marketing and selling, documentation, taxes and licenses, salaries and employment benefits, write-off of assets, provisions for impairment losses, management and professional fees, communication, light and water, provisions for probable losses, security, messengerial and janitorial services, depreciation and amortization, transportation and travel, repairs and maintenance, rent, entertainment, amusement and representation, supplies, provisions for write-down, subscription dues and fees and miscellaneous expenses (such as extraordinary documentation expenses, liquidation and donation expenses, as well as other expenses).

Finance Costs

Finance costs comprise costs associated with the Company's borrowings, accretion of interest, bank charges and net interest expense on its pension obligations.

Other Income

Other income comprises the Company's interest income from its installment contract receivables, cash in bank and long-term investments. Other income of the Company also comprises income from water supply, gain on repossession of delinquent units and associated penalties, rent income, collection service fees and other miscellaneous income (such as gain from sales cancellations, retrieval fees, association due and transfer fee). The Company also recorded other gains and losses such as a gain from the sale of unquoted debt security classified as loans, and other expenses such as a loss on the sale of a subsidiary.

Provision for Income Tax

Provision for income tax comprises the Company's provisions for regular and minimum corporate income taxes, final taxes to be paid as well as deferred income tax liabilities recognized.

Results of Operations

Three months ended March 31, 2014 compared to three months ended March 31, 2013

Sales

For the three months ended March 31, 2014, the Company recorded consolidated sales of PhP1,915.89 million, an increase of 22.14% from consolidated sales of PhP1,568.54 million recorded for the three months ended March 31, 2013. The increase was mainly attributable to increased sales in the Company's low-cost mass housing, MRB and hotel operations businesses. The Company's low-cost mass housing segment generated PhP1,677.31 million in revenues for the three months ended March 31, 2014, an increase of 18.27% from the PhP1,418.24 million in revenues recorded for the three months ended March 31, 2013. The sales growth was mainly due to an increase in the number of units sold during the quarter, supported by the increasing nationwide market acceptance of the Company's CTS Gold program, as well as price increases. The Company's MRB segment generated PhP207.76 million in revenues for the three months ended March 31, 2014, a 72.98% increase from the PhP120.11 million in revenues from the MRB segment recorded for the three months ended March 31, 2013. The increase was mainly due to higher sales during the year as the Company sold more MRB units.

Cost of Sales and Services

The Company's consolidated cost of sales and services for the three months ended March 31, 2014 was PhP727.41 million, an increase of 23.93% from consolidated cost of sales and services of PhP586.95 million recorded for the three months ended March 31, 2013. The increase was mainly attributable to increases in costs of sales in the Company's low-cost mass housing and MRB segments, consistent with the sales growth of these segments. The Company's low-cost mass housing segment recorded PhP649.26 million in costs of sales for the three months ended March 31, 2014, an increase of 22.34%

from the PhP530.71 million in costs of sales recorded for the three months ended March 31, 2013. The increase was mainly due to an increase in sales of housing units and subdivision lots. The Company's MRB segment recorded PhP71.17 million in costs of sales for the three months ended March 31, 2014, an increase from the PhP44.94 million in costs of sales from the MRB segment recorded for the three months ended March 31, 2013. This growth was generally consistent with the higher number of MRB condominium units completed by the Company during the year.

Gross Income

The Company's consolidated gross income for the three months ended March 31, 2014 was PhP1,188.48 million, an increase of 21.08% from consolidated gross income of PhP981.59 million recorded for the three months ended March 31, 2013. The Company's gross income margin for the three months ended March 31, 2014 was 62.03%, compared to a gross income margin of 62.58% recorded for the three months ended March 31, 2013. The Company attributes its strong and maintained gross income margin to its sound internal financial planning policies with respect to land banking activities and project budgeting process.

Operating Expenses

For the three months ended March 31, 2014, the Company recorded consolidated operating expenses of PhP315.57 million, an increase of 13.91% from consolidated operating expenses of PhP277.03 million recorded for the three months ended March 31, 2013. The increase was mainly attributable to increases in marketing and selling expenses, documentation and management and professional fees.

> *Marketing and selling expenses*. The Company's consolidated marketing and selling expenses were PhP129.69 million for the three months ended March 31, 2014, an increase of 35.41% from the PhP95.78 million recorded for the three months ended March 31, 2013. The increase was mainly due to sales commissions paid to the Company's agents and unit managers, as well as increased media advertisements and expenses related to marketing efforts in shopping malls.
>
> *Documentation*. The Company's consolidated expenses related to documentations were PhP98.54 million for the three months ended March 31, 2014, a 13.77% increase from the PhP86.61 million consolidated taxes and licenses expenses recorded for the three months ended March 31, 2013. The increase was mainly due to increased documentations consistent with the increased quarter one sales.
>
> *Management and Professional Fees.* The Company's management and professional fees were PhP10.44 million in the three months ended March 31, 2014, compared to management and professional fees of PhP2.87 million in the three months ended March 31, 2013. The increase was mainly due to acquired services of BPO International, Inc. to perform bookkeeping activities for the Company.

Net Operating Income

The Company's consolidated net operating income for the three months ended March 31, 2014 was PhP872.91, an increase of 23.89% from consolidated net operating income of PhP704.56 million recorded for the three months ended March 31, 2013. The Company's consolidated net operating margin was 45.56%, compared to a consolidated net operating margin of 44.92% for the three months ended March 31, 2013, as a result of controlled operating expenses during the quarter one 2014.

Finance Costs

The Company's consolidated finance costs for the three months ended March 31, 2014 were PhP132.86 million, an increase of 29.13% from consolidated finance costs of PhP102.89 million recorded for the three months ended March 31, 2013. The increase was mainly attributable to interest expense resulting from the Company's increased short-term and long-term loans entered into during the year to support its operations.

Other Income

For the three months ended March 31, 2014, the Company recorded consolidated other income of PhP235.31 million, an increase of 43.37% from the consolidated other income of PhP164.13 million recorded for the three months ended March 31, 2013. The increase was mainly attributable to interest income on the Company's higher level of installment contract receivables under its CTS Gold program during the year, consistent with its higher sales volumes.

Income before Income Tax

The Company's consolidated income before income tax for the three months ended March 31, 2013 was PhP975.36 million, an increase of 27.36% from consolidated income before income tax of PhP765.81 million recorded for the three months ended March 31, 2013.

Provision for Income Tax

The Company's consolidated provision for income tax for the three months ended March 31, 2014 was PhP41.76 million, a decrease from consolidated provision for income tax of PhP49.09 million recorded for the three months ended March 31, 2013. The decrease was mainly attributable to eligibility of the Company's projects with the Government tax incentive accreditation under the priority projects program of the Board of Investments.

Net Income

As a result of the foregoing, the Company's consolidated net income for the three months ended March 31, 2013 was PhP933.60 million, an increase of 30.26% from consolidated net income of PhP716.72 million recorded for the three months ended March 31, 2013. The Company's consolidated net income margin for the three months ended March 31, 2014 was 48.73%, compared to a consolidated net income margin of 45.69% for the three months ended March 31, 2013.

Financial Position

As at March 31, 2014 compared to as at December 31, 2013

Assets

Cash on Hand and in Banks

The Company's consolidated cash on hand and in banks were PhP215.84 million as at March 31, 2014, a decrease of 13.33% from consolidated cash on hand and in banks of PhP249.04 million as at December 31, 2013.

Current portion of trade and other receivables

The Company's consolidated current portion of trade and other receivables were PhP542.76 million as at March 31, 2014, a slight increase from consolidated current portion of trade and other receivables of PhP537.2 million as at December 31, 2013.

Inventories

The Company's consolidated inventories were PhP2,234.67 million as at March 31, 2013, a slight decrease from consolidated inventories of PhP2,243.56 million as at December 31, 2013. The decrease was due mainly to quick sale turnover upon project completion.

Due from related parties

The Company's consolidated due from related parties were PhP805.86 million as at March 31, 2014, an increase of 55.72% from consolidated due from related parties of PhP517.49 million as at December 31, 2013. The increase was attributable primarily to higher intercompany advances made to shareholders and affiliated entities during the quarter.

Other current assets

The Company's consolidated other current assets were PhP383.23 million as at March 31, 2014, an increase of 12.02% from consolidated other current assets of PhP342.11 million as at December 31, 2013, primarily due to increased advances to contractors in relation to construction on the Company's development projects.

Trade and other receivables – net of current portion

The Company's consolidated trade and other receivables-net of current portion were PhP11,107.32 million as at March 31, 2014, an increase of 17.24% from consolidated trade and other receivables - net of current portion of PhP9,473.83 million as at December 31, 2013. This increase was due mainly to higher receivables under the Company's CTS Gold program, in line with its higher sales.

Land held for future development

The Company's consolidated land held for future development was PhP4,022.20 million as at March 31, 2014, an increase of 6.27% from consolidated land held for future development of PhP3,784.73 million as at December 31, 2013, as the Company acquired certain real properties as part of its land banking.

Property and equipment

The Company's consolidated property and equipment was PhP228.53 million as at March 31, 2014, an increase of 9.41% from consolidated property and equipment of PhP208.87 million as at December 31, 2013.

Investment properties

The Company's consolidated investment properties were PhP138.42 million (U.S.$3.2 million) as at March 31, 2014, a decrease of 2.47% from consolidated investment properties of PhP141.93 million as at December 31, 2013.

Other noncurrent assets

The Company's other noncurrent assets were PhP124.84 million as at March 31, 2014, an increase of 6.69% from other noncurrent assets of PhP117.01 million as at December 31, 2013.

Liabilities

Current portion of trade and other payables

The Company's consolidated current portion of trade and other payables were PhP2,122.92 million as at March 31, 2014, an decrease of 27.74% from consolidated current portion of trade and other payables of PhP2,937.73 million as at December 31, 2013. The decrease was mainly attributable to payment of the unpaid purchase price on certain land acquired by the Company.

Current portion of loans payable

The Company's consolidated current portion of loans payable were PhP3,223.28 million as at March 31, 2014, a slight decrease from consolidated current portion of loans payable of PhP3,332.25 million as at December 31, 2013.

Deposits from customers

The Company's consolidated deposits from customers were PhP71.70 million as at March 31, 2014, an increase from consolidated deposits from customers of PhP47.75 million as at December 31, 2013.

Due to related parties

The Company's consolidated due to related parties were PhP44.71 million as at March 31, 2014, a decrease from consolidated due to related parties of PhP172.81 million as at December 31, 2013.

Income tax payable

The Company's consolidated income tax payable was PhP71.79 million as at March 31, 2014, an increase from consolidated income tax payable of PhP31.21 million as at December 31, 2013.

Trade and other payables - net of current portion

The Company's consolidated trade and other payables - net of current portion were PhP2.57 million as at March 31, 2014, a decrease from consolidated trade and other payables - net of current portion of PhP263.09 million as at December 31, 2013.

Loans payable - net of current portion

The Company's consolidated loans payable - net of current portion was PhP6,404.05 million as at March 31, 2014, a 60.88% increase from consolidated loans payable - net of current portion of PhP3,980.59 million as at December 31, 2013. The Company entered into additional loan transactions during the quarter to fund its installment contract receivables under the CTS Gold program.

Deferred tax liability

The Company's consolidated deferred tax liability was PhP333.18 million as at March 31, 2014, an increase from consolidated deferred tax liability of PhP254.35 million as at December 31, 2013. This deferred tax liability was attributable to provision for income tax resulting from the delay in the income tax holiday accreditation for certain Company projects. Accreditation for these projects has since been obtained.

Liquidity and Capital Resources

The Company mainly relies on the following sources of liquidity: [1] cash flow from operations, [2] cash generated from the sale or transfer of receivables to private financial institutions such as banks or to government housing related institutions such as the Home Development Mutual Fund ("PAG-IBIG"), and [3] financing lines provided by banks. The Company knows of no demands, commitments, events, or uncertainties that are reasonably likely to result in a material increase or decrease in liquidity. The Company is current on all of its loan accounts, and has not had any issues with banks to date. The Company does not anticipate having any cash flow or liquidity problems over the next twelve (12) months. The Company is not in breach or default on any loan or other form of indebtedness.

The Company expects to meet its operating assets and liabilities, capital expenditure, dividend payment and investment requirements for the next twelve (12) months primarily from its operating cash flows, borrowings and proceeds of the shares issuance. It may also from time to time seek other sources of funding, which may include debt or equity financings, depending on its financing needs and market conditions.

Cash Flows

Cash flow used in operating activities

The Company's consolidated net cash used in operating activities is primarily affected by the revenues generated from its operations, primarily the sale of residential housing units, subdivision lots and MRB condominium units. The Company's consolidated net cash used in operating activities were PhP1,667.62 million and PhP1,985.24 million for the periods ended March 31, 2014 and December 31, 2013, respectively.

Cash flows used in investing activities

Consolidated net cash flow used in investing activities for the periods ended March 31, 2014 and December 31, 2013 were PhP253.62 million and PhP1,266.2 million, respectively.

For the year ended December 31, 2013, consolidated net cash flow used in investing activities reflected acquisitions of land for future development, as well as purchases of property and equipment.

Cash flow provided by financing activities

Consolidated net cash flow provided by financing activities for the periods ended March 31, 2014 and December 31, 2013 were PhP1,898.04 million and PhP3,320.2 million, respectively.

PART II–OTHER INFORMATION

On Timeshare Business

The Company is currently in the process of selling its timeshare business, which is currently under the Azalea brand. In exchange, the Company will receive preferred shares of its timeshare business from the third party buyer. The Company expects to sell the preferred shares to the public on a secondary offering.

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: 8990 Holdings, Inc. (formerly IP Converge Data Center, Inc.)

By:

RICHARD L. HAOSEN
Chief Finance Officer

Date: May 15, 2014