

PRIME MEDIA HOLDINGS INC.

(Formerly 1st e-Bank Corporation)

10Flr. MGO Building, Legazpi corner Dela Rosa Streets, Legazpi Village, Makati City
Tel. Nos. (632)889-9009 Telefax (632) 888-0811

14 November 2013

PHILIPPINE STOCK EXCHANGE

Disclosure Department
4/F PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **MS. JANET A. ENCARNACION**
Head
Disclosure Department

Re: PRIME MEDIA HOLDINGS, INC.
("PMHI") (PSE:PRIM)
SEC FORM 17-Q FOR THE 3rd QUARTER OF 2013

In compliance with the Revised Disclosure Rules of the Exchange, attached is SEC Form 17-Q for the 3rd quarter ending September 30, 2013 for PRIME MEDIA HOLDINGS, INC.

Thank you.

Very truly yours,



VIVIAN S. LIBAN
Corporate Information Officer

COVER SHEET

2 2 4 0 1

S.E.C. Registration Number

P R I M E M E D I A H O L D I N G S , I N C .

(f o r m e r l y F I R S T E - B A N K)

(Company's Full Name)

N O . 3 S A N A N T O N I O S T .

B O . K A P I T O L Y O P A S I G C I T Y

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

VIVIAN S. LIBAN

Contact Person

889-9009

Company Telephone Number

1 2 3 1

Month Day

Fiscal Year

SEC Form 17 - Q

FORM TYPE

May

Every 3rd Tuesday of

0 5

Month Day

Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles
Number/Section

1,905

Total No. of Stockholders

Total Amount of Borrowings

NONE

Domestic

none

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

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 30 September 2013
2. Commission identification number 22401 3. BIR Tax Identification No. 000-491-007

PRIME MEDIA HOLDINGS, INC.
4. Exact name of issuer as specified in its charter

MANILA
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

#3 SAN ANTONIO ST. BO. KAPITOLYO PASIG CITY 1603
7. Address of issuer's principal office Postal Code

889-9009
8. Issuer's telephone number, including area code

Not Applicable
9. Former name, former address and former fiscal year, if changed since last report

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 Stock, P1 par value	387,146,136
Preferred Stock, P1 par value	48,559,000

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

Yes No

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

Philippine Stock Exchange

Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 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 No

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

Yes No

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements

Item 1a.

Prime Media Holdings, Inc.
Comparative Statements of Financial Position
(In Thousands)

	Unaudited September 30, 2013	September 30, 2012	Audited December 31, 2012
ASSETS			
Current Assets			
Cash on hand and in banks	₱2,381	₱4,566	₱4,674
Loans and receivables	6,277	6,389	7,015
Other current assets	432	606	381
Total current assets	9,090	11,561	12,070
Noncurrent Assets			
Investment property	38,020	38,020	38,020
Available-for-sale investments	180	190	180
Other noncurrent assets	270	2,774	270
Total noncurrent assets	38,470	40,984	38,470
	₱47,560	₱52,545	₱50,540
LIABILITIES AND EQUITY			
Due to an affiliate	-	600,461	₱600,462
Loans payable	-	67,087	67,087
Accrued interest, taxes and other expenses	136,139	163,421	140,832
Other liabilities	77,064	77,021	77,345
Total liabilities	213,203	907,990	885,726
EQUITY			
Capital stock – ₱1 par value			
Paid-in – Preferred	48,559	48,601	48,601
Paid-in – Common	387,146	387,144	387,144
Deposit for future subscription	670,462		
Paid-in surplus	1,614,419	1,614,379	1,614,379
Deficit	(2,886,209)	(2,905,559)	(2,885,290)
Net unrealized gain on available-for-sale investment	(20)	(10)	(20)
Total Capital Deficiency	(165,643)	(855,445)	(835,186)
	47,560	₱52,545	₱50,540

Item 1b.

Prime Media Holdings, Inc.
Comparative Statement of Comprehensive Income
(Amounts in Thousands)

	Nine months ended September 30		Three months ended September 30	
	2013	2012	2013	2012
REVENUES				
Rental income	₱1,506	₱1,400	₱502	₱481
Interest income	6	9	2	3
Other income	-	200	-	-
	<u>1,512</u>	<u>1,609</u>	<u>504</u>	<u>484</u>
EXPENSES				
General and administrative expenses	1,364	1,869	286	483
Taxes and licenses	105	607	15	15
Financing and other charges	961	3,386	-	1,176
Legal fees	-	-	-	-
	<u>₱2,430</u>	<u>₱5,862</u>	<u>301</u>	<u>1,674</u>
NET LOSS FROM OPERATIONS	(918)	(4,253)	203	(1,190)
Provision for income tax	1	2	-	-
NET LOSS	(₱919)	(₱4,255)	₱203	(₱1,190)
Earnings (loss) per share				
Computed as follows:				
Net income (loss)	(919)	(4,255)	203	(1,190)
Divided by weighted average number of common shares	387,144	387,144	387,145	387,144
Loss per share – basic/diluted	(₱0.002)	(₱0.01)	(₱0.000)	(₱0.003)

Item 1 c.

PRIME MEDIA HOLDINGS, INC.

STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY

(Amounts In thousands)

	Deposit on future subscription	Common Stock	Preferred Stock	Additional Paid-in Capital	Deficit	Unrealized Gain (Loss) on Available-for-Sale Investment	Total Capital Deficiency
Balance at January 1, 2013	₱ -	387,144	₱48,601	₱1,614,379	(₱2,885,290)	(₱20)	(₱835,186)
Net loss for the period	-	-	-	-	(919)	-	(919)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(919)	-	(919)
Conversion of Preferred Additional share subscription	670,462	2	(42)	4	-	-	-
Balances at September 30, 2013	₱670,462	₱387,146	₱48,559	₱1,614,419	(₱2,886,209)	(₱20)	670,462 (₱165,643)
Balance at January 1, 2012	₱ -	₱387,144	₱48,601	₱1,614,379	(₱2,901,304)	(₱10)	(₱851,190)
Net loss for the period	-	-	-	-	(4,255)	-	(4,255)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(4,255)	-	(4,255)
Balances at September 30, 2012	₱ -	₱387,144	₱48,601	₱1,614,379	(₱2,905,559)	(₱10)	(₱855,445)

Item 1d

**PRIME MEDIA HOLDINGS, INC.
STATEMENTS OF CASH FLOWS**

	Nine months ended September 30	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(P918)	(P4,254)
Adjustments for:		
Interest expense	961	3,386
Movement in pension asset	-	490
Interest income	(6)	(9)
Operating income (loss) before working capital changes	37	(387)
Changes in operating assets and liabilities		
Decrease (increase) in:		
Loans and receivables	738	(149)
Other current assets	(51)	(61)
Increase (decrease) in:		
Accrued expenses	(3,082)	(4,665)
Other liabilities	(281)	172
Net cash used for operations	(2,639)	(5,090)
Interest received	6	9
Interest paid	(2,572)	(3,386)
Income taxes paid	(1)	(2)
Net cash used in operating activities	(5,206)	(8,469)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share subscription	70,000	-
Payments of loans payable	(67,087)	(1,147)
Increase in due to affiliates		8,700
Net cash provided by financing activities	2,913	7,553
NET DECREASE IN CASH ON HAND AND IN BANKS	(2,293)	(916)
CASH ON HAND AND IN BANKS AT BEGINNING OF YEAR	4,674	5,481
CASH ON HAND AND IN BANKS AT END OF YEAR	P2,381	P4,565

Prime Media Holdings, Inc.
Notes to Financial Statements

1. General Information and Status of Operations

Prime Media Holdings, Inc. (the Company), was incorporated in the Philippines and is listed in the Philippine Stock Exchange. The Company was registered with the Securities and Exchange Commission (SEC) on February 6, 1963. On December 6, 2002, the company's Board of Directors (BOD) approved the amendment of its Articles of Incorporation to change its primary purpose from a development bank to a holdings company, which would hold investments in the media industry. SEC approved the amendment on October 1, 2003.

On January 26, 2013, the BOD approved the extension of the Company's corporate life for another 50 years. Subsequently, it was approved by the stockholders during the special stockholders' meeting on February 4, 2013. SEC approved the extension on March 4, 2013.

In April 2013, the major stockholder of the Company, Neo Oracle Holdings, Inc. (NOHI), together with its subsidiary, Metro Tagaytay Land Company Inc. (MTLCI), subscribed to 71.6 million common shares of the Company at a price of P2.50 per share. The same stockholders also converted a total of P600.5 million advances to equity at a price of P2.50 per share or a total of 284,184,770 common shares. These activities are part of the overall plan to reduce capital deficiency to a manageable level to pave the way for prospective investors to come in so that the company can resume normal operations. The related applications for exemption from registration and for the listing of the underlying shares were filed with the SEC and the PSE 23 May 2013 and 28 August 2013, respectively

The accompanying financial statements have been prepared on a going concern basis. The Company had a capital deficiency of P835.2 million at the start of the year and although the Company was able to raise additional equity from the conversion of advances and new equity infusion, it continues to reflect a capital deficiency of P165.6 million. The Company's ability to continue as a going concern depends on its ability to complete its clean-up activities and return to normal operation and to profitability.

2. Basis of Preparation

The Company's interim financial statements were prepared in compliance with Philippine Financial Reporting Standards (PFRS).

In preparing the interim financial statements, the issuer adopted the same accounting policies and methods of computation followed in the preparation of the previous year's annual financial statements, i.e., financial statements as of December 31, 2012.

The Company did not conduct an evaluation on the possible financial impact of the adoption of Philippine Financial Reporting Standard 9 as this standard is not expected to have a material effect on the classification and measurement of the Company's financial asset and liabilities because of the short-term nature of these accounts. The carrying values of these assets and liabilities approximate their fair values.

3. Financial Risk Disclosure

The Company's principal financial instruments consist of cash on hand and in banks, AFS investment, loans and receivables, due to an affiliate, loans payable, accrued expenses and other liabilities.

The main risks arising from the Company's financial instruments are market risk (i.e., interest rate risk), liquidity risk, and credit risk. There has been no change in the Company's risk management policies and the classification and measurements applied to each financial instrument from last year's treatment that would have a material impact on the financial condition of the Company.

The methods and assumptions used in estimating the fair value of financial instruments are:

Cash in bank, loans and receivables, other current asset, due to an affiliate, loans payable, accrued expenses and other liabilities - carrying amounts approximate fair values due to short-term nature of these financial instruments.

AFS investment - the fair value is based on the quoted price published in the market for golf club share.

4. Aging of Receivables (Amounts in Thousands)

September 30, 2013 (Unaudited)						
Type	Current	0 - 30 days	31 - 60 days	61 - 90 days	Over 120 days	Balance
Loans Receivable	₱ 2,000	-	-	-	₱ 60,278	₱ 62,278
Accounts Receivable	2,839	-	-	-	-	2 839
Other receivables	1,438	-	-	-	-	1,438
TOTAL	6,277	-	-	-	60,278	66,555
Allowance for impairment/loss						
Loans Receivables						(60,278)
Accounts Receivable						-
Other Receivables						-
TOTAL						(60,278)
NET RECEIVABLES						₱ 6,277

Type of Accounts Receivable	December 31, 2012 (Audited)					Balance
	Current	0 - 30 days	31 - 60 days	61 - 90 days	Over 120 days	
Loans Receivable	₱ 2,000	-	-	-	₱ 60,278	₱ 62,278
Accounts Receivable	3,228	-	-	-	-	3,228
Other receivables	1,786	-	-	-	-	1,786
TOTAL	7,015	-	-	-	60,278	67,293
Allowance for impairment/loss						
Loans Receivables						(60,278)
Accounts Receivable						-
Other Receivables						-
TOTAL						(7,015)
NET RECEIVABLES						₱ 7,015

Management Discussion and Analysis of Financial Condition and Results of Operation

The company continue to actively pursue the clean-up of its books and the transfer of the remaining assets from its former banking operation to the two regulatory bodies, the Philippine Deposit Insurance Corporation (PDIC) and the Bangko Sentral ng Pilipinas (BSP) during the nine months of the year. As part of the clean-up of its books, the company was able to accomplish the planned capital raising exercises with the conversion of the P600.5 million advances from its major stockholder and a related party into 240.2 million common shares and the subscription to new shares amounting to P179 million for 71.6 million common shares. With the initial proceeds from the new subscription of P70 million, the Company was able to fully pay its maturing loan. Collectively these capital raising exercises resulted in the reduction of the Company's capital deficiency from its yearend 2012 level of P835.2 million to only P165.6 million as of September 30, 2013.

The Company intends to complete the transfer of the remaining assets to PDIC and BSP and to reduce and/or pay-off its remaining obligations upon NOHI's and MTLCI's full payment of their subscription. For the nine month period, the Company transferred about P15.0 million of properties to PDIC and BSP leaving a balance of P225 million still to be transferred. The transfer of assets, mostly situated in the Mindanao area was delayed by additional requirements imposed by government entities regulating the transfer of properties in the area, such as Land Registration Authority, Register of Deeds, BIR and Municipal Assessor's offices and the occurrence of natural calamities in the area.

There were no unusual changes affecting the assets, liabilities, equity, net income or cash flows for the interim period nor were there material events subsequent to the end of the interim period that have not been reflected in the financial statements. Certain accounts reflected changes from last year's balances as a result of the Company's continuing activity relating to the transfer of assets in favor of PDIC and BSP and certain activities geared towards cleaning up of accounts, generating funds and eliminating/reducing capital deficiency. The major changes in the asset and liability accounts versus last year are as follows:

- a. Cash on hand dropped by 49% due to continuous disbursements for transfer expenses and operating costs.
- b. Loans and receivables were lower by 20% largely due to collections from a terminated investment management account
- c. Other current assets increased by 13% due to recognition of creditable withholding taxes paid on rental income
- d. Due to affiliates was reduced to zero due to the conversion of P600.5 million advances to equity.
- e. Loans payable of P67 million was extinguished with proceeds from the initial payment of new subscription to common shares of the Company.
- f. Total capital deficiency was significantly lower by 80% from a capital deficiency of P835.2 million as of December 31, 2012 to only P166 million as of September 30, 2013 mainly due to the conversion of the P600.5 million advances to equity and subscription to new shares of P70 million (net of subscriptions payable of P109 million).

The significant changes in the income accounts for the nine month period versus the same period last year are as follows:

- a. Rental income increased by 8% this year versus last year due to rate escalation on a sub-leased property.
- b. Other income was nil this year versus last year when a one-time unexpected collection of certain loans which carried bad debt provisions was realized.
- c. Interest income was 33% lower due to lower bank deposits resulting from use of cash for transfer expenses
- d. General and Administrative expenses decreased by 27% mainly due to lower activities relating to transfer of assets to PDIC in the nine months of this year versus same period last year.
- e. Financing charges dropped by 72% due to the full repayment of the bank loan in April 2013.
- f. Taxes and licenses were lower by 83% due to non-renewal of the bank loan this year which activity required payment of documentary stamp tax last year.

Key Performance Indicators

Financial Ratios	September 30	December 31
	2013	2012
Current Ratio ^(a)	0.04	0.014
Solvency Ratio ^(b)	-0.004	0.018
Total Liabilities-to-Equity Ratio ^(c)	-1.287	-1.061
Asset-to-Equity Ratio ^(d)	-.287	-0.061
Interest Rate Coverage Ratio ^(e)	.045	518.93%
Return on Assets ^(f)	-1.87%	30.71%
Return on Equity ^(g)	-0.18%	-1.90%

^(a) Current ratio is measured as total current assets divided by total current liabilities

^(b) Solvency ratio is measured as net income plus depreciation and amortization divided by total liabilities


- ^(c) *Total liabilities-to-equity ratio is measured as total liabilities divided by total equity*
- ^(d) *Asset-to-equity ratio is measured as total assets divided by total equity*
- ^(e) *Interest rate coverage ratio is measured as earnings before interests and taxes divided by net interest expense*
- ^(f) *Return on assets is measured as net income divided by average total assets*
- ^(g) *Return on equity is measured as net income divided by average total equity*

Other Information

- There are no known trends, demands, commitments, events or uncertainties that have a material impact on the Company's liquidity. The company relies on proceeds from the collection of certain receivables, sale of remaining assets and as disclosed in Note 5, on proceeds from its equity raising activity.
- There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations, and other relationships of the company with unconsolidated entities, or other persons created during the interim period.
- There are no material commitments for capital expenditures during the interim period.
- There are no known trends, events or uncertainties that have or that are reasonably expected to have a material impact on net sales/ revenues/ income from continuing operations.
- There is no significant income or expense that did not arise from the Company's continuing operations.
- The causes for any material change in the Company's financial condition and results of operation from period to period are explained in Notes to the Financial Statements (Note 4)
- There is no seasonal aspect that had a material effect on the financial condition or results of operation.

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: **PRIME MEDIA HOLDINGS, INC.**
By: 
Signature: _____
MANOLITO A. MANALO
Title: *Chairman of the Board / President & CEO*


Signature: _____
VIVIAN S. LIBAN
Title: *Treasurer*

SUBSCRIBED AND SWORN to before me this NOV 13 2013, affiants exhibiting to me their Driver's License as follows:

<u>Name</u>	<u>Driver's License</u>	<u>Expiry Date</u>
1. MANOLITO A. MANALO	N-17-75-012369	July 27, 2014
2. VIVIAN S. LIBAN	N-04-88-081813	March 3, 2015

Doc. No. 535
Page No. 90
Book No. 2
Series of 2013


TANYA PAMELA C. CARONONGAN
Commission No. M-490
Notary Public for Makati City
Until December 31, 2013
10/F MGO Building, Legazpi cor. Dela Rosa St.,
Legazpi Village, Makati City 0721 Philippines
Roll No. 61154/City of Manila: 04-27-2012
PTR No. 3676707/01/07/13/Province of Rizal
IBP Lifetime Member No. 011031