

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO**

IN THE MATTER OF:

BTB CORPORATION

Debtor

CASE NO. 15-03681 (MCF)

CHAPTER 11

**PERIODIC REPORT REGARDING VALUE, OPERATIONS AND
PROFITABILITY OF ENTITIES IN WHICH THE ESTATE OF BTB
CORPORATION HOLDS A SUBSTANTIAL OR CONTROLLING INTEREST**

This is the report as of July 20, 2015 on the value, operations and profitability of those entities in which the estate holds a substantial or controlling interest, as required by Bankruptcy Rule 2015.3. The estate of BTB Corporation holds a substantial or controlling interest in the following entities:

Name of Entity	Interest of the Estate	Tab #
Asphalt Solutions Hatillo, LLC	80% Common Stock	1
The Placco Company of Puerto Rico, Inc.	100% Common Stock	2
BTB Milling & Equipment, LLC	100% Common Stock	3

This periodic report (the “Periodic Report”) contains separate reports (“Entity Reports”) on the value, operations, and profitability of each entity listed above.

Each Entity Report shall consist of three exhibits. Exhibit A contains a valuation estimate for the entity as of a date not more than two years prior to the date of this report. It also contains a description of the valuation method used. Exhibit B contains a balance sheet, a statement of income (loss), a statement of cash flows, and a statement of changes in shareholders’ or partners’ equity (deficit) for the period covered by the Entity Report, along with summarized footnotes. Exhibit C contains a description of the entity’s business operations.

THIS REPORT MUST BE SIGNED BY A REPRESENTATIVE OF THE TRUSTEE OR DEBTOR IN POSSESSION.

The undersigned, having reviewed the above listing of entities in which the estate of BTB Corporation holds a substantial or controlling interest, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that the listing is complete, accurate and truthful to the best of his/her knowledge.

Date: July 20, 2015

s/ Samuel Lizardi

Signature of Authorized Individual

SAMUEL LIZARDI

Name of Authorized Individual

Interim President

Title of Authorized Individual

Tab #1
Asphalt Solutions Hatillo, LLC

Exhibit A

Valuation Estimate for Asphalt Solutions Hatillo, LLC

This company is 80% owned by debtor in possession BTB Corporation, who filed a bankruptcy petition on May 17, 2015. Asphalt Solutions Hatillo, LLC has accumulated operating losses as of June 30, 2015 in the amount of \$1,729,220. Loan and debt payables to non-related parties approximate to \$3,286,167. As of June 30, 2015 the best estimated value is the contributed capital of \$2,705,284. Please refer to the interim financial statements as of June 30, 2015.

Exhibit B
Financial Statements for Asphalt Solutions Hatillo, LLC

Balance Sheet for Asphalt Solutions Hatillo, LLC as of June 30, 2015.

Statement of Income (Loss) for Asphalt Solutions Hatillo, LLC for the six months period ended June 30, 2015.

Statement of Cash Flows for Asphalt Solutions Hatillo, LLC for the six months period ended June 30, 2015.

Statement of Changes in Shareholders'/Partners' Equity (Deficit) for Asphalt Solutions Hatillo, LLC as of June 30, 2015.

ASPHALT SOLUTIONS HATILLO, LLC

Balance Sheet

As of June 30, 2015

Assets

Cash and Cash Equivalents	\$ 85,457
Account Receivables - Trades	1,923,740
Receivables - Related Parties	31,520
Inventory	286,737
Fixed Assets - Net	1,990,474
Prepayments	10,712

Total Assets \$ 4,328,640

Liabilities

Accounts Payable - Trade	\$ 2,540,914
Payables - Related Parties	66,409
Accrued Expenses	23,286
Loan Payables	721,967

Total Liabilities \$ 3,352,576

Equity

Contributed Capital	\$ 2,705,284
Accumulated Deficit	(1,729,220)

Total Equity 976,064

Total Liabilities & Equity \$ 4,328,640

ASPHALT SOLUTIONS HATILLO, LLC
Statement of Income
For the six months ended June 30, 2015

Sales Income	\$ 3,682,511
Less: Cost of Sales	<u>2,657,727</u>
Gross Profit	\$ 1,024,784
Operating Expenses	<u>828,690</u>
Income from operations	\$ 196,094
Other Income/(Expenses)	<u>(17,644)</u>
Net Income	<u><u>\$ 178,450</u></u>

ASPHALT SOLUTIONS HATILLO, LLC
Statement of Cash Flows
For the six months ended June 30, 2015

Net Income	\$ 178,450
Adjustment to reconcile Net Income to net cash provided by operations	
(Increase)/Decrease in Assets	(1,170,269)
Increase/(Decrease) in Liabilities	<u>1,071,842</u>
Net Cash Provided by Operating Activities	\$ 80,023
Net cash used by investing activities	(10,418)
Net cash used by financing activities	<u>(102,474)</u>
Net cash decrease for the period	(32,869)
Cash at beginning of period	<u>\$ 118,326</u>
Cash at end of period	<u><u>\$ 85,457</u></u>

ASPHALT SOLUTIONS HATILLO, LLC
Statement of Changes in Equity
As of June 30, 2015

	Contributed Capital	Accumulated Deficit
Beginning Balance December 31, 2014	\$ 2,705,284	\$ (1,907,670)
Net Income	<u>-</u>	<u>178,450</u>
Balance at June 30, 2015	<u><u>\$ 2,705,284</u></u>	<u><u>\$ (1,729,220)</u></u>

Exhibit C
Description of Operations for Asphalt Solutions Hatillo, LLC

As aforementioned Debtor's owns 80% of the common stock of Asphalt Solutions Hatillo, LLC.

This company has been operating a hot mix plant dedicated to supply hot mix asphalt to governmental and private clients. However, due to a decision issued by General Services Administration of Puerto Rico barring the company from entering contracts with governmental units, the company has been forced to enter into a contract agreement with a third party for the lease of its assets in order to generate rental income.

Tab #2
The Placco Company of
Puerto Rico, Inc.

Exhibit A
Valuation Estimate for The Placco Company of Puerto Rico, Inc.

This company is 100% owned by debtor in possession BTB Corporation, who filed a bankruptcy petition on May 17, 2015. The Placco Company of Puerto Rico, Inc. has accumulated operating losses as of June 30, 2015 in the amount of \$546,472. Loan and debt payables to non-related parties approximate to \$6,496,849. As of June 30, 2015 the best estimated value is the amount paid of common stocks of \$7,975,000 and additional paid-in capital of \$3,278,761. Please refer to the interim financial statements as of June 30, 2015.

Exhibit B
Financial Statements for The Placco Company of Puerto Rico, Inc.

Balance Sheet for The Placco Company of Puerto Rico, Inc. as of June 30, 2015.

Statement of Income (Loss) The Placco Company of Puerto Rico, Inc. for the six months period ended June 30, 2015.

Statement of Cash Flows for The Placco Company of Puerto Rico, Inc. for the six months period ended June 30, 2015.

Statement of Changes in Shareholders'/Partners' Equity (Deficit) for The Placco Company of Puerto Rico, Inc. as of June 30, 2015.

The Placco Company of Puerto Rico, Inc.
Balance Sheet
As of June 30, 2015

Assets

Cash and Cash Equivalents	\$ 57,053
Account Receivables - Trades	45,125
Receivables - Related Parties	6,968,708
Fixed Assets - Net	9,939,014
Deposits, Prepayments and Other Assets	15,838
Deferred Tax Assets	178,400

Total Assets

\$ 17,204,138

Liabilities

Accounts Payable - Trade	\$ 2,066
Accrued Expenses	238,053
Loan Payables	6,256,730

Total Liabilities

\$ 6,496,849

Equity

Common Stocks	\$ 7,975,000
Additional paid capital	3,278,761
Accumulated Deficit	(546,472)

Total Equity

10,707,289

Total Liabilities & Equity

\$ 17,204,138

The Placco Company of Puerto Rico, Inc.
Statement of Income
For the six months ended June 30, 2015

Rent Income	\$ 413,140
Operating Expenses	<u>191,177</u>
Net Income	<u><u>\$ 221,963</u></u>

The Placco Company of Puerto Rico, Inc.
Statement of Cash Flows
For the six months ended June 30, 2015

Net Income	\$ 221,963
Adjustment to reconcile Net Income to net cash provided by operations	
(Increase)/Decrease in Assets	(34,027)
Increase/(Decrease) in Liabilities	<u>(35,347)</u>
Net Cash Provided by Operating Activities	\$ 152,589
Net cash used by investing activities	-
Net cash used by financing activities	<u>(112,956)</u>
Net cash decrease for the period	39,633
Cash at beginning of period	<u>\$ 17,420</u>
Cash at end of period	<u><u>\$ 57,053</u></u>

The Placco Company of Puerto Rico, Inc.
Statement of Changes in Equity
As of June 30, 2015

	Common Stocks	Additional Paid Capital	Accumulated Deficit
Beginning Balance December 31, 2014	\$ 7,975,000	\$ 3,278,761	\$ (768,435)
Net Income	<u>-</u>	<u>-</u>	<u>221,963</u>
Balance at June 30, 2015	<u>\$ 7,975,000</u>	<u>\$ 3,278,761</u>	<u>\$ (546,472)</u>

Exhibit C
Description of Operations for The Placco Company of Puerto Rico, Inc.

As aforementioned Debtor owns 100% of the common stock of The Placco Company of Puerto Rico, Inc.

This corporation is a single asset real estate company that owns the real estate wherein Debtor operates. As such, Debtor pays a monthly rent to this company.

Tab #3
BTB Milling & Equipment, LLC

Exhibit A
Valuation Estimate for BTB Milling & Equipment, LLC.

This company is 100% owned by debtor in possession BTB Corporation, who filed a bankruptcy petition on May 17, 2015. BTB Milling & Equipment, LLC has accumulated operating losses as of June 30, 2015 in the amount of \$61,668. Payables to non-related parties approximate to \$153,516. This entity ceased operations on May 12, 2015. Please refer to the interim financial statements as of June 30, 2015.

Exhibit B
Financial Statements for BTB Milling & Equipment, LLC.

Balance Sheet for BTB Milling & Equipment, LLC as of April 30, 2015.

Statement of Income (Loss) BTB Milling & Equipment, LLC for the four months period ended April 30, 2015.

Statement of Cash Flows for BTB Milling & Equipment, LLC for the four months period ended April 30, 2015.

Statement of Changes in Shareholders'/Partners' Equity (Deficit) for BTB Milling & Equipment, LLC as of April 30, 2015.

BTB Milling & Equipment, LLC
Balance Sheet
As of April 30, 2015

Assets

Cash and Cash Equivalents	\$ 18,559
Account Receivables - Trades	315,739
Fixed Assets - Net	<u>2,882</u>

Total Assets \$ 337,180

Liabilities

Accounts Payable - Trade	\$ 146,833
Payables - Related Parties	245,332
Accrued Expenses	<u>6,683</u>

Total Liabilities \$ 398,848

Equity

Accumulated Deficit	<u>(61,668)</u>
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Total Equity (61,668)

Total Liabilities & Equity \$ 337,180

THIS COMPANY CEASED OPERATIONS ON MAY 12, 2015

BTB Milling & Equipment, LLC
Statement of Income (Loss)
For the four months ended April 30, 2015

Sales Income	\$ 469,012
Less: Cost of Sales	<u>284,860</u>
Gross Profit	\$ 184,152
Operating Expenses	<u>245,820</u>
Net Loss	\$ (61,668)

THIS COMPANY CEASED OPERATIONS ON MAY 12, 2015

BTB Milling & Equipment, LLC
Statement of Cash Flows
For the four months ended April 30, 2015

Net Income	\$ (61,668)
Adjustment to reconcile Net Income to net cash provided by operations	
(Increase)/Decrease in Assets	(315,739)
Increase/(Decrease) in Liabilities	<u>398,848</u>
Net Cash Provided by Operating Activities	\$ 21,441
Net cash used by investing activities	(2,882)
Net cash used by financing activities	<u>-</u>
Net cash decrease for the period	18,559
Cash at beginning of period	<u>\$ -</u>
Cash at end of period	<u><u>\$ 18,559</u></u>

THIS COMPANY CEASED OPERATIONS ON MAY 12, 2015

**BTB Milling & Equipment, LLC
Statement of Changes in Equity
As of June 30, 2015**

	Contributed Capital	Accumulated Deficit
Beginning Balance December 31, 2014	\$ -	\$ -
Net Income	-	(61,668)
Balance at June 30, 2015	<u>\$ -</u>	<u>\$ (61,668)</u>

THIS COMPANY CEASED OPERATIONS ON MAY 12, 2015

Exhibit C
Description of Operations for BTB Milling & Equipment, LLC.

As aforementioned Debtor owns 100% of the common stock of BTB Milling & Equipment, LLC.

This corporation used to do the milling services on some of the projects wherein Debtor's product was used. However, the corporation was never profitable and it ceased operations on May 12, 2015.