

**PREMIERE  
ENTERTAINMENT PRODUCTIONS, INC.**

29/F Jollibee Plaza Condominium, F. Ortigas Jr. Avenue,  
Ortigas Center, Pasig City, MetroManila, Philippines  
Telephone Nos. 637-2711, 2712; 637-2707 (Direct Line)



November 14, 2006

**MS. JURISITA M. QUINTOS**  
Senior Vice President  
Philippine Stock Exchange Center  
Exchange Road, Ortigas Center  
Pasig City

Gentlemen:

We would like to inform you that we are hereby re-submitting our Amended Quarterly Report (SEC Form 17-Q) for the quarter ending September 30, 2006, which we submitted yesterday. The amendment was due to the revisions we made on the schedule of the aging of receivables.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'A. Diaz, Jr.'.

**ANASTACIO P. DIAZ, JR.**  
President & C E O

# COVER SHEET

1 4 7 5 8 4

SEC Registration Number

P R E M I E R E E N T E R T A I N M E N T

P R O D U C T I O N S , I N C .

(Company's Full Name)

2 9 T H F L R . , J O L L I B E E P L A Z A

C O N D O M I N I U M , E M E R A L D A V E

O R T I G A S C E N T E R , P A S I G C I T Y

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

ANASTACIO P. DIAZ, JR.

Contact Person

637-2711

Company Telephone Number

## SEC FORM 17-Q

1 2

Month

3 1

Day

Fiscal Year

FORM TYPE

0 5

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

197

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_

LCU

Document ID

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Cashier

STAMPS

PSE No.

SEC No. 147584

FILE No. \_\_\_\_\_

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended September 30, 2006
2. Commission identification number 147584
3. BIR Tax Identification No 043-002-727-376
4. Exact name of registrant as specified in its charter  
PREMIERE ENTERTAINMENT PRODUCTIONS, INC.
5. Province, country or other jurisdiction of incorporation or organization PHILIPPINES
6. Industry Classification Code:  (SEC Use Only)
7. Address of registrant's principal office: Postal Code  
29<sup>th</sup> Flr. Jollibee Plaza BLDG., EMERALD AVENUE, ORTIGAS CENTER, PASIG CITY 1605
8. Registrant's telephone number, including area code:  
632/637-27-11 TO 12
9. Former name, former address and former fiscal year, if changed since last report  
NOT APPLICABLE
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class amount outstanding	Number of shares of common stock outstanding and of debt
<u>COMMON STOCK P 1 PAR VALUE</u>	<u>520,000,000 COMMON SHARES</u>
.....	
.....	
.....	

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

Yes  No

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 RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

Yes  No  Not applicable - issuer has less than 100 holders of securities

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

Yes  No  Not applicable - issuer has less than 100 holders of securities

## PART I--FINANCIAL INFORMATION

### Item 1. Financial Statements

Financial Statements for the three quarters of 2006 are attached to this report.

6. The accompanying financial statements are prepared in accordance with the generally accepted accounting principles in the Philippines.
7.
  - a) The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.
  - b) For this period the Company's records shows only revenues derived from licensing income amounting to P0.07 million. Roving Cinema has no project within this period, however, there are still on-going negotiations with some advertising companies.
  - c) Film library is now being utilized by some broadcasting companies.
  - d) No items unusual because of their nature, size or incident affect assets, liabilities, equity, net income of cash flows during this period.
  - e) The nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, if those changes have a material effect in the current interim period. None.
  - f) No issuance, repurchases, nor repayments of debt and equity securities for this period.
  - h) No Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.  
There was no changes in the composition of the company during this period.
  - i) Changes in contingent liabilities or contingent assets since the last annual balance sheet date. None.
  - j) Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period. None.

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

Discussion and analysis of the company and its majority-owned subsidiaries' top five (5) key performance indicators, including the manner by which the company calculates or identify the indicators on a comparative basis.

The Company with its subsidiary uses the following key performance indicators: 1) revenues; 2) net income before tax; 3) debt-to-equity ratio (computed as total liabilities divided by total Stockholders' Equity; 4) Current Ratio (computed as total current assets divided by total current liabilities); and return on investments (computed as net income divided by the book value of assets).

	SEPT 30, 2006	SEPT 30, 2005	YoY Change
1 REVENUES	70,093	0,000	(1000%)
2 NET INCOME/(LOSS) BEFORE TAX	(1,041,797)	(3,078,723)	(66.2%)
3 DEBT-TO-EQUITY RATIO	23.95%	22.74%	(1.21)%
4 CURRENT RATIO	(9.34%)	8.80%	(18.14)%
5 RETURN ON INVESTMENT	(0.01)	(0.02)	0.01

**Discussion and analysis of material events and uncertainties known to management that would address the past and would have an impact on future operations of the following:**

- ❖ Any known trends, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity. - None.
- ❖ Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation. - There is no event that will trigger direct or contingent financial obligation that is material to the company.
- ❖ All material off-balance sheet transactions, arrangements, obligations ( including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reported period. - None
- ❖ Any material commitment for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures. - None.
- ❖ Any 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. - 1) Decline of marketing budget for Roving Cinema; 2) Higher taxes, piracy, foreign films.

- ❖ Any significant elements of income or loss that did not arise from the issuer's continuing operations. - None.
- ❖ The Causes for any material change from period to period which shall include vertical and horizontal analyses of any material Item; The term "material" refer to changes or items amounting to five percent (5%) of the relevant accounts or such lower amount.
  - Cash and cash equivalent decreased by 125% from P0.4 million in December 31, 2005 to (P0.51) million as of September 30, 2006.
  - Notes Receivable-Net did not change from P64.6 million from December 31, 2005.
  - Accounts receivable net increased by 13.17% from P1.998 Million in December 2005 to P2.3 Million within the first three quarters of 2006. This increase includes the unliquidated advances for liquidation.
  - Property and Equipment-Net decreased by only 5.84%, most of the properties and equipment were fully amortized. Depreciation decreased by 10.9% from P1.3 million in September, 2005 to P1.8 on the same period this year.
  - Accounts payable and accrued expenses decreased by 12.2% from P6.2 Million in December, 2005 to P5.4 Million as of September 30, 2006. The decrease was due to the payment of current liabilities and accrued expenses made by the company within the first nine months of 2006.
  - Income tax payable as of December, 2005 was fully paid in due time.
  - Revenue derived from the sales of film rights was the only revenue realized this first nine months of 2006, since December 31, 2005. Roving Cinema had no project this year.
  - Salaries and wages slightly change, recorded at P0.7 million as of September, 2006 compared P0.69 million last year.
  - Taxes and licenses increased by 37.9% this period. mainly due the payment of real property tax compared to non-payment during the same period last year.
  - No production cost which refers mostly to roving cinema operating expenses, was recorded on this first three quarters due to non-operation of the roving cinema.
  - Professional fees decreased by 50% from P16 thousand in this first nine months of 2005 to P8 thousand on the same period of this year.
  - The employee benefits as of September 30, 2006 went down by 95.5% from P0.29 million in 2005 compared to the P13.97 million during this period of 2006.
  - Repairs and maintenance decreased by 26.8%. since there are no movement of the Roving Cinema less repairs were encountered this period.
  - Communication expenses went down by 11.86% from P0.64 million in September, 2005 to P56.47 million as of September 30, 2006.
  - Rental & Utilities went down by 33.47 % from P0.269 million in 2005 to 0.179 million this period.

- Transportation & travel went up by 31% from 0.013 million in September 30, 2005 compared to P0.018 million this period.
  - Insurance expense went down by 87.7% from P0.75 million last September 30, 2005 to P0.09 million on the same period of 2006. This is mainly due to the disposal for some idle assets.
  - Representation expenses likewise decrease by 58% from 2005 to 2006.
  - Miscellaneous expenses had an increase of 26.7% from P0.21 million in 2005 to P0.27 this period. Some other expenses like supplies and materials also increased by 29%. These increases are due to additional efforts to acquire new projects and for the Roving Cinema and the disposition of Film Library to acquire new revenues.
- ❖ Any seasonal aspects that had a material effect on the financial condition or results of operation. - None.

The company reported a pre-tax net loss of P1.04 million this first nine months of 2006, 66% lower compared to P3.08 million net loss reported a year ago. It is due to the increase in interest and other non-operating income and expenses from P0.193 million as of September 30, 2005 to P1.76 million this year. Further decreases in cost and expenses helped also to reduced the net loss.

Operating revenues of P0.070 million derived from the sales of film library rights were recorded for 2006 compared to none during this period of 2005.

Total cost and expenses for September 30, 2006 amounted to P2.9 million, or a decrease of 12.% compared to the P3.3 million reported during the same period of last year. Salaries and wages this period slightly changed which was recorded at P0.69 million for the first nine months of 2005 compared to P0.7 this 2006. Production costs comprising primarily of roving cinema expenses registered at P0.0 for both first nine months of 2005 & 2006.

Operating expenses recorded at P1.9 million during the first nine months of 2005 went down by 12.8% compared to P1.7 million this period. Depreciation and amortization decreased by a 10.9%.

Interest and other non-operating income increased by 815.6% from P0.192 million during the first nine months of 2005 to P1.8 million on the same period of 2006.

The company was not able to deploy any of its roving cinema units. However, shooting equipment was rented out during the third month of 2005.

Cash balance went down to (P0.506) million at the end of September 30, 2006 from P0.40 million recorded last December 31, 2005.

As of September 30, 2006, total assets recorded was P178 million reflecting a decrease of 1.0% compared to the December 31, 2005 total assets of P179.6 million.

The total liabilities registered at P34 million at the end of the first three quarters of 2006, is 2.1% lower than the total liabilities of P35.0 as of December 31, 2005 and almost unchanged compared to the P34.0 million total liabilities a year ago.

The stockholders' equity, at the end of the first nine months of 2006 amounted to P143 million, 0.7% lower than the total stockholders' equity amounting to P144 million as of December 31, 2005.

In Item 2: 3a & 3c, no disclosure was made since there is no event that will trigger direct or contingent financial obligation that is material to the company. Likewise, no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reported period.

PART II - OTHER INFORMATION


1. Disclosure not made under SEC Form 17-C. - None.

**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.

PREMIERE ENTERTAINMENT PRODUCTIONS, INC.

Issuer.....

  
ANASTACIO P. DIAZ, JR.  
Principal Executive Officer

Signature and Title.....

November 10, 2006  
Date.....

Principal Financial/Accounting Officer/Comptroller.....

(Signed)  
EFREN M. TIBAY  
Accounting Officer

Signature and Title.....

November 10, 2006  
Date .....



**PREMIERE ENTERTAINMENT PRODUCTIONS, INC.****Balance Sheets**

	<b>Unaudited 30-Sep-06</b>	<b>Audited 31-Dec-05</b>
<b>ASSETS</b>		
CASH & CASH EQUIVALENT	(506,336)	404,951
NOTES RECEIVABLE-net	64,635,593	64,635,593
RECEIVABLE-net	2,261,535	1,998,400
PREPAID EXPENSES	3,003,115	2,963,726
FILM COST INVENTORY-net	45,753,848	45,753,848
INVESTMENT	43,027,001	42,461,001
AVAILABLE-FOR-SALE INVESTMENTS		566,000
PROPERTY & EQUIPMENT-(Net)	19,178,625	20,367,578
OTHER ASSETS	415,924	415,923
	<b>177,769,304</b>	<b>179,567,020</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
ACCOUNTS PAYABLE & ACCRUED EXPENSES	5,420,250	6,176,167
INCOME TAX PAYABLE		
SUBSCRIPTION PAYABLE	28,900,000	28,900,000
UNEARNED INCOME FROM RENTAL DEPOSIT	30,100	30,100
	<b>34,350,350</b>	<b>35,106,267</b>
<b>STOCKHOLDERS' EQUITY</b>		
CAPITAL STOCK - P 1 par value		
Authorized - 1,000,000,000 shares		
Issued - 520,000,000 shares	520,000,000	520,000,000
DEFICIT	(376,671,045)	(375,629,247)
NET UNREALIZED GAIN ON		
AVAILABLE-FOR-SALE INVESTMENTS	90,000	90,000
	<b>143,418,955</b>	<b>144,460,753</b>
	<b>177,769,304</b>	<b>179,567,020</b>

**PREMIERE ENTERTAINMENT PRODUCTIONS, INC.**  
**Income Statement**

	Nine months ending Sept 30		Three months ending Sept 30	
	2006	2005	2006	2005
<b>INCOME</b>				
LICENSING INCOME	70,093	0	70,093	0
	70,093	0	70,093	0
<b>COST AND EXPENSES</b>				
DEPRECIATION	1,188,889	1,334,260	443,355	442,536
SALARIES & WAGES	770,000	693,000	308,000	231,000
TAXES & LICENSES	302,589	219,469	28,511	10,410
RENTAL & UTILITIES	179,083	269,180	95,397	123,353
COMMUNICATIONS	56,471	64,071	26,854	17,296
REPAIRS & MAINTENANCE	32,752	44,734	8,866	30,072
SUPPLIES & MATERIALS	17,590	13,624	2,581	6,912
EMPLOYEE BENEFITS	13,973	296,268	1,500	18,908
TRANSPORTATION & TRAVEL	17,707	13,482	6,270	7,460
PROFESSIONAL FEES	8,000	16,000	0	0
INSURANCE	9,277	75,216	1,338	27,647
REPRESENTATION	3,026	7,263	599	4,950
PRODUCTION COST		0	0	0
MISCELLANEOUS	278,019	224,981	5,095	9,543
	<b>2,877,377</b>	<b>3,271,548</b>	<b>928,365</b>	<b>930,087</b>
<b>NET INCOME / ( LOSS ) FROM OPERATIONS</b>	(2,807,283)	(3,271,548)	(858,272)	(930,087)
<b>INTEREST AND OTHER NON-OPERATING</b>				
<b>INCOME AND EXPENSES</b>	1,765,486	192,825	82,775	48,040
<b>INCOME / (LOSS) BEFORE EQUITY IN</b>				
<b>NET LOSSES OF AN AFFILIATE</b>	(1,041,797)	(3,078,723)	(775,497)	(882,047)
<b>EQUITY IN NET LOSS OF AN AFFILIATE</b>	0	0	0	0
<b>NET INCOME / (LOSS) BEFORE TAX</b>	(1,041,797)	(3,078,723)	(775,497)	(882,047)
<b>PROVISION FOR INCOME TAX</b>				
<b>CURRENT</b>	0	0	0	0
<b>NET INCOME / (LOSS)</b>	(1,041,797)	(3,078,723)	(775,497)	(882,047)
<b>DEFICIT AT BEGINNING OF YEAR</b>	(375,629,248)	(367,238,393)	(375,367,422)	(367,238,392)
<b>DEFICIT AT END OF MONTH / YEAR</b>	<b>(376,671,045)</b>	<b>(370,317,116)</b>	<b>(376,142,919)</b>	<b>(368,120,439)</b>
<b>EARNINGS / (LOSS) PER SHARE</b>	(0)	(0)	(0)	(0)
<b>NO. OF SHARES ISSUED</b>	520,000,000	520,000,000	520,000,000	520,000,000

**PREMIERE ENTERTAINMENT PRODUCTIONS INC.  
STATEMENT OF CASH FLOWS**

	Nine months ended	
	30-Sep-06	30-Sep-05
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income / (Loss)	(1,041,797)	(3,078,721)
Adjustments to reconcile net loss to net		
Cash provided by (used in) operating activities:		
Equity in net loss of an affiliate	0	0
Depreciation	1,188,889	1,334,260
Amortization of deferred cost	0	0
Changes in operating assets & liabilities:		
Decrease (Increase) in:		
Receivable	(263,135)	2,811,840
Film cost inventory	0	0
Prepaid expenses	(39,390)	(29,322)
Increase (Decrease) in :		
Accounts payable & accrued expenses	(755,917)	(922,370)
Unearned income from sponsored film exhibits	0	0
Rent deposit	0	0
<b>Net cash provided by (used) in operating activities</b>	<b>(911,351)</b>	<b>115,686</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net advances to subsidiaries	0	0
(Additions to) / sale of property & equipment	64	(4,045)
(Increase) / Decrease in other assets	0	0
<b>Net cash used in investing activities</b>	<b>64</b>	<b>(4,045)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Installment payable	0	0
<b>Net cash provided by (used in) financing activities</b>	<b>0</b>	<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	(911,287)	111,641
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	404,951	340,973
<b>CASH &amp; CASH EQUIVALENTS AT END OF MONTH / YEAR</b>	<b>(506,336)</b>	<b>452,613</b>

**PREMIERE ENTERTAINMENT PRODUCTIONS, INC.**  
 AGING OF RECEIVABLES  
 AS OF SEPTEMBER 30, 2006

Account Title	TOTAL	DAYS				
		1-30	31-60	61-90	91-120	OVER 121
1 Trade	38,219					38,219
2 Non-trade	0					
3 Advances for liquidation	1,917,047	28,500	46,000	46,000		1,796,547
4 Others	306,269					306,269
<b>TOTAL - Net</b>	<b>2,261,535</b>	<b>28,500</b>	<b>46,000</b>	<b>46,000</b>	<b>0</b>	<b>2,141,035</b>

**PREMIERE ENTERTAINMENT PRODUCTIONS, INC.**  
**SCHEDULE OF ACCOUNTS PAYABLE & ACCRUED EXPENSES**

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	<u>30-Sep-2006</u>	<u>31-Dec-2005</u>
<b>ACCOUNTS PAYABLE</b>		
1 Provision for VAT	1,315,474	1,315,474
2 Department of Health		0
3 JP Properties		0
4 Withholding tax	(79,847)	(63,805)
5 SSS Premium Payable	2,261	(1,539)
6 Philhealth Insurance Payable	4,213	5,988
7 Pag-ibig Fund Payable	1,987	5,687
8 Pag-ibig Loan Payable	(1,600)	17,365
9 SSS Loan Payable	3,938	13,038
10 P & GP	0	0
11 Others	0	0
	<u>1,246,427</u>	<u>1,292,208</u>
<b>ACCRUED EXPENSE</b>	<u>4,173,823</u>	<u>4,883,958</u>
<b>TOTAL</b>	<u><u>5,420,250</u></u>	<u><u>6,176,166</u></u>

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**PREMIERE ENTERTAINMENT PRODUCTIONS INC.  
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

	<b>Nine months ended</b>	
	<b>30-Sep-06</b>	<b>30-Sep-05</b>
<b>CAPITAL STOCK</b>	<b>520,000,000</b>	<b>520,000,000</b>
<b>DEFICIT</b>		
Deficit at beginning of year	(375,629,248)	(367,238,393)
Net Loss	(1,041,797)	(3,078,721)
Balance at end of year	(376,671,045)	(370,317,115)
	<b>143,328,955</b>	<b>149,682,885</b>