

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2006
 (With Comparative Figures for December 31, 2005)

	Consolidated		Parent	
	06.30.06	12.31.05	06.30.06	12.31.05
	Unaudited	Audited	Unaudited	Audited
A S S E T S				
Cash	P 2,548,514	P 4,188,498	P 120,088	P 120,088
Advances to an affiliate	94,428,724	94,338,085	100,511,484	100,511,484
Prepayments and Other receivables - net	110,159,744	113,020,546	17,386,244	17,495,962
Condominium inventory	206,915,868	206,915,868	-	-
Investments	125,000	125,000	7,000	7,000
Land held for future development	768,000,000	768,000,000	768,000,000	768,000,000
Property and equipment- net	14,349,714	14,932,210	-	-
Other assets	5,167,683	4,468,236	529,151	416,400
	P 1,201,695,248	P 1,205,988,443	P 886,553,967	P 886,550,934
LIABILITIES AND STOCKHOLDERS' EQUITY				
Accounts payable and accrued expenses	P 341,399,758	P 328,788,925	P 163,379,273	P 163,379,273
Customer's deposits	4,541,634	4,908,890	-	-
Loans payable	604,877,697	606,178,594	289,765,317	289,765,317
Other liabilities	14,943,916	14,805,717	1,330,892	1,330,892
	965,763,005	954,682,126	454,475,482	454,475,482
Accumulated equity in net losses of investee in excess of investment			191,464,249	176,371,365
Advances from related parties	7,534,412	7,314,412	12,216,404	11,712,182
	973,297,417	961,996,538	658,156,135	188,083,547
STOCKHOLDERS' EQUITY				
Capital stock - P1 par value	796,450,000	796,450,000	796,450,000	796,450,000
Additional paid in capital	192,053,636	192,053,636	192,053,636	192,053,636
Retained earnings (Deficit)	(760,105,805)	(744,511,731)	(760,105,805)	(744,511,731)
	228,397,831	243,991,905	228,397,831	243,991,905
	P 1,201,695,248	P 1,205,988,443	P 886,553,966	P 886,550,934

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2006
(With Comparative Figures for June 30, 2005)

	Consolidated		Parent Company	
	06.30.06	06.30.05	06.30.06	06.30.05
REVENUES				
Gain on sale of condominium units	P -	P -	P -	P -
Interest	1,368,022	1,273,502	-	-
Rentals	49,000	4,500	-	-
Others	135,295	207,424	-	-
	1,552,317	1,485,426	-	-
EXPENSES				
Finance and operating costs	2,228,520	3,868,377	501,190	778,135
Interest expense	14,917,870	14,917,870	-	-
	17,146,391	18,786,247	501,190	778,135
NET LOSS	P 15,594,074	P 17,300,821	P 501,190	P 778,135
LOSS PER SHARE				
Net Loss	P 15,594,074	P 17,300,821	P 501,190	P 778,135
Divided by the weighted average number of outstanding common shares	796,450,000	796,450,000	796,450,000	796,450,000
Net Loss per share	P 0.01958	P 0.02172	P 0.00063	P 0.00098

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED JUNE 30, 2006
(With Comparative Figures for June 30, 2005)

	Consolidated		Parent Company	
	06.30.06	06.30.05	06.30.06	06.30.05
	Unaudited	Audited	Unaudited	Audited
REVENUES				
Sale of condominium units	P -	P -	P -	P -
Interest	740,816	656,157	-	-
Rentals	8,000	-	-	-
Others	207	69,627	-	-
	749,023	725,784	-	-
EXPENSES				
Taxes and licenses	222,770	39,499	221,385	7,154
Salaries, wages and employees' benefits	421,701	401,294	60,000	60,000
Association, membership dues and subscriptions	86,787	948,994	10,957	8,383
Depreciation and amortization	290,248	352,656	-	-
Professional fees	131,560	387,788	41,960	296,400
Repairs and maintenance	75,533	3,915	0	-
Representations and entertainment	17,375	48,366	5,545	8,476
Facilitation expense	7,518	-	-	-
Rent, light and water	19,507	25,626	9,685	13,107
Transportation and travel	11,700	14,359	3,947	2,301
Utilities expense	38,745	49,167	-	-
Penalties and surcharges	300	51,934	-	-
Postage, telephone and telegraph	16,773	27,618	800	-
Supplies	3,602	19,133	1,291	6,437
Miscellaneous	2,521	(24,193)	1,292	2,117
Finance and operating costs	1,346,639	2,346,156	356,862	404,375
NET INCOME (LOSS) FROM OPERATIONS	P (597,615)	P (1,620,372)	P (356,862)	P (404,375)
INTEREST EXPENSE	7,458,935	7,458,935	-	-
EQUITY SHARE IN NET INCOME (LOSS)	-	-	(7,699,689)	(8,674,932)
NET INCOME (LOSS)	(8,056,551)	(9,079,307)	(8,056,551)	(9,079,307)
DEFICITS - BEGINNING	744,511,731	711,836,936	744,511,731	711,836,936
DEFICITS - END	752,568,282	720,916,243	752,568,282	720,916,243
LOSS PER SHARE				
Net Loss	P (8,056,551)	P (9,079,307)	P (8,056,551)	P (9,079,307)
Divided by the weighted average number of outstanding shares	796,450,000	796,450,000	796,450,000	796,450,000
Net Loss per share	P (0.01012)	P (0.01140)	P (0.01012)	P (0.01140)

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2006
(With Comparative Figures for June 30, 2005)

	Consolidated		Parent Company	
	06.30.06	06.30.05	06.30.06	06.30.05
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before Income Tax	P (15,594,074)	P (17,300,821)	P (501,190)	P (778,135)
Adjustments for:				
Interest expense	14,917,870	14,917,870	-	-
Depreciation and amortization	580,497	704,503	-	-
Prior Period	0	0	-	(560,511)
Interest income	(1,368,022)	(1,273,502)	-	-
Operating Income (Loss) before working capital changes	<u>(1,463,729)</u>	<u>(2,951,950)</u>	<u>(501,190)</u>	<u>(1,338,646)</u>
Decrease (Increase) in other receivables	(412,129)	(358,891)	109,718	-
Decrease (Increase) in condominium inventory	-	0	-	-
Decrease (Increase) in Prepaid Expense and other assets	(699,447)	(1,338,857)	(112,751)	(3,522)
Increase (Decrease) in accounts payable and accrued expenses	12,610,833	15,029,382	-	560,512
Increase (Decrease) in customer's deposits	(367,256)	299,981	-	-
Increase (Decrease) in other liabilities	138,199	2,050,749	-	781,656
Cash generated (Used) from operations	<u>9,806,471</u>	<u>12,730,414</u>	<u>(504,223)</u>	<u>-</u>
Interest received	1,368,022	1,273,502	-	-
Accrued interest	(14,917,870)	(14,917,870)	-	-
Net Cash from (Used) in Operating Activities	<u>(3,743,377)</u>	<u>(913,954)</u>	<u>(504,223)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from (acquisition of) property and equipment - net	582,496	(23,029)	-	-
Proceeds from (acquisition of) investment - net	-	-	-	-
Net Cash from (used in) Investing Activities	<u>582,496</u>	<u>(23,029)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of loans payable	1,300,897	(704,100)	-	-
Increase in advances to an affiliate	220,000	0	504,222	-
Net Cash from (used in) Financing Activities	<u>1,520,897</u>	<u>(704,100)</u>	<u>504,222</u>	<u>-</u>
INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	<u>(1,639,984)</u>	<u>(1,641,083)</u>	<u>(0)</u>	<u>-</u>
CASH & CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>4,188,498</u>	<u>4,968,398</u>	<u>120,088</u>	<u>120,088</u>
CASH & CASH EQUIVALENTS AT END OF QUARTER	<u>P 2,548,514</u>	<u>P 3,327,315</u>	<u>P 120,088</u>	<u>P 120,088</u>

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2006
(With Comparative Figures for June 30, 2005)

	<u>Consolidated</u>		<u>Parent Company</u>	
	<u>06.30.06</u>	<u>06.30.05</u>	<u>06.30.06</u>	<u>06.30.05</u>
CAPITAL STOCK	P 796,450,000	P 796,450,000	P 796,450,000	P 796,450,000
ADDITIONAL PAID IN CAPITAL	<u>192,053,636</u>	<u>192,053,636</u>	<u>192,053,636</u>	<u>192,053,636</u>
DEFICIT				
Balance at the beginning of the year	(744,511,731)	(711,836,936)	(744,511,731)	(711,836,936)
Net Income (Loss)	<u>(15,594,074)</u>	<u>(17,300,821)</u>	<u>(15,594,074)</u>	<u>(17,300,821)</u>
Balance at the end of the year	<u>(760,105,805)</u>	<u>(729,137,757)</u>	<u>(760,105,805)</u>	<u>(729,137,757)</u>
	<u>P 228,397,831</u>	<u>p 259,365,879</u>	<u>P 228,397,831</u>	<u>P 259,365,879</u>

Zipporah Realty Holdings , Inc. and Subsidiary
Schedule of Customers Deposits
As of June 30, 2006

Owner	BALANCE
Balderosa, Buenafe	348,432.00
Bhojwani, Aurora	33,300.00
Bongalos, Norma	452,275.66
Cornista, Raul	200,000.00
Cruz, Angelina	405,000.00
De Jesus, Ferdinand	42,000.00
Dino, Ma. Theresa	595,000.00
Fernandez, Ferdinand	16,000.00
Hotchkiss, Kairuz Marteen	223,666.66
Kug, Jin Ku/kim ok soon	762,857.15
Kwang Woo Bae	495,000.00
Paniagua, Rodolfo	11,100.00
Paraiso, Lorelei	242,000.00
Pendlebury, Chryzma	5,000.00
Pidlaon, Ma. Fe	705,002.16
Timola, Felipe	5,000.00
GRAND TOTAL	4,541,633.63

ZIPPORAH REALTY HOLDINGS, INC. AND SUBSIDIARY
Schedule of Other Receivables
As of June 30, 2006

	Zipporah	EBEDEV			Consolidated
		Current	4-6 months	7 mos-1yr	over 1 yr
<u>Accounts Receivable - Others</u>					
Wincorp	17,386,244.00				17,386,244.00
Antonio Ong				829,662.00	829,662.00
Ecop Group Inc.				550,000.00	550,000.00
ERR				15,028.39	15,028.39
Lucio Pua				82,500.00	82,500.00
Nelida Dacuwarat				10,814.72	10,814.72
Roberto P. Alvarez				14,855,292.26	14,855,292.26
Sia Wan Hong				80,119.38	80,119.38
UCPB Receivable Line				934,422.46	934,422.46
Victoriano Yap				80,129.37	80,129.37
Westmont bank				294,335.00	294,335.00
WVCOAI				237,160.84	237,160.84
					-
TOTAL				17,969,464.42	17,969,464.42