

**CENTRAL AZUCARERA DE TARLAC**  
**BALANCE SHEET**  
**DECEMBER 31, 2006 AND JUNE 30, 2006**  
(In Thousand Pesos)

	UNAUDITED DEC. 31 2006	AUDITED JUNE 30 2006
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH	95818	13,715
ACCOUNTS RECEIVABLE - NET	1,024,732	982,829
INVENTORIES	70,254	47,725
OTHER CURRENT ASSETS	6,028	6,028
<b>TOTAL CURRENT ASSETS</b>	<b>1,196,833</b>	<b>1,320,512</b>
<b>NON CURRENT ASSETS</b>		
AVAILABLE FOR SALE FINANCIAL ASSETS	17,339	176,339
PROPERTY, PLANT & EQUIPMENT-NET	167,834	183,233
DEFERRED INCOME TAX	48,170	48,018
OTHER NON CURRENT ASSETS	11,058	13,180
<b>TOTAL NON-CURRENT ASSETS</b>	<b>403,401</b>	<b>420,770</b>
	<b>1,600,232</b>	<b>1,741,282</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
CURRENT PORTION OF NOTES PAYABLE	185,000	819,742
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	1,125,224	780,006
INCOME TAX PAYABLE	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,310,224</b>	<b>1,599,748</b>
<b>NON-CURRENT LIABILITIES</b>		
LONG TERM DEBT	216,500	-
PENSION BENEFIT OBLIGATION	80,779	80,779
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>297,279</b>	<b>80,779</b>
<b>STOCKHOLDERS' EQUITY</b>		
CAPITAL STOCK	282,546	282,546
RETAINED EARNINGS	(439,361)	(371,333)
UNREALIZED CUMULATIVE GAIN ON AVAILABLE FOR SALE FINANCIAL ASSETS	149,550	149,550
COST OF 720 SHARES OF STOCK IN TREASURY	(7)	(7)
<b>TOTAL STOCKHOLDERS EQUITY</b>	<b>(7,272)</b>	<b>60,756</b>
	<b>1,600,232</b>	<b>1,741,282</b>
<b>CURRENT RATIO</b>	0.91	0.83
<b>DEBT-EQUITY RATIO</b>	(191.28)	27.66

**CENTRAL AZUCARERA DE TARLAC**  
**STATEMENTS OF LOSS**  
**FOR THE QUARTER ENDED DECEMBER 31, 2006 AND 2005**  
(in Thousand Pesos)

	6 MOS. ENDED		3 MOS. ENDED	
	DEC. 31	DEC. 31	DEC. 31	DEC. 31
	2006	2005	2006	2005
<b>REVENUES</b>				
Net sales of sugar & by products	162,604	22,541	134,251	22,541
Tolling fees	45,252	6,381	45,252	6,381
	207,856	28,922	179,503	28,922
<b>COST OF GOODS SOLD &amp; SERVICES</b>				
Cost of goods sold	154,006	46,040	81,810	22,570
Cost of tolling	31,918	8,320	27,206	7,566
	185,294	54,360	109,016	30,136
GROSS INCOME	21,932	(25,438)	70,487	(1,214)
OPERATING EXPENSES	40,976	20,934	24,767	14,892
INCOME (LOSS) FROM OPERATIONS	(19,044)	(46,372)	45,720	(16,106)
INTEREST & OTHER CHARGES – NET	(49,983)	(59,911)	(8,132)	(52,844)
INCOME (LOSS) BEFORE INCOME TAX	(68,027)	(106,283)	37,588	(68,991)
PROVISION FOR (BENEFIT FROM) INCOME TAX				
Current	-	-	-	-
Deferred	-	-	-	-
NET INCOME (LOSS)	(68,027)	(106,283)	37,588	(68,991)
LOSS PER SHARE	(0.24)	(0.38)	(0.74)	(0.24)

**CENTRAL AZUCARERA DE TARLAC**  
**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**DECEMBER 31, 2006 AND 2005**  
(In Thousand Pesos)

	UNAUDITED DEC. 31 2006	UNAUDITED DEC. 31 2005
<b>CAPITAL STOCK – P10.00 PAR VALUE</b>		
AUTHORIZED-40,000,000 SHARES		
ISSUED – 28,254,596 SHARES	282,546	282,546
<b>RETAINED EARNINGS</b>		
UNAPPROPRIATED		
BALANCE AT BEGINNING OF YEAR	(371,333)	(230,042)
NET (LOSS)	(68,027)	(106,285)
BALANCE AT END OF YEAR	(439,360)	(336,327)
CUMULATIVE UNREALIZED GAIN ON AVAILABLE-FOR-SALE FINANCIAL ASSETS-AT JULY 2, 2005	204,261	-
DECLINE IN THE VALUE OF AVAILABLE-FOR-SALE FINANCIAL ASSETS –AT JUNE 30, 2006	(54,710)	-
	149,551	-
COST OF 720 SHARES OF STOCK IN TREASURY	(7)	(7)
	(7,270)	(53,788)

**CENTRAL AZUCARERA DE TARLAC**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE QUARTER ENDING DECEMBER 31, 2006 AND 2005**

	FROM JULY 1 TO DEC. 31 2006 (6 months)		FROM OCT. 1 TO DEC. 31 2005 (3 months)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
INCOME BEFORE INCOME TAX	(68,027)	(106,283)	37,588	(40,700)
ADJUSTMENTS FOR:				
INTEREST EXPENSE	51,494	79,734	10,322	32,617
INTEREST INCOME	(2,612)	(19,801)	(2,339)	(8,001)
DEPRECIATION AND AMORTIZATION	22,363	23,465	9,718	16,406
OPERATING INCOME (LOSS) BEFORE WORKING CAPITAL CHANGES	3,217	(22,885)	55,288	322
DECREASE (INCREASE) IN:				
ACCOUNTS RECEIVABLE	175,824	21,470	6,155	12,321
INVENTORIES	3,629	(36,461)	(13,997)	(36,455)
INCREASE (DECREASE) IN:				
ACCTS. PAYABLE & ACCRUED EXPENSES	297,857	95,417	(70,229)	101,321
CASH GENERATED FROM /USED FOR OPERATIONS	480,528	57,541	73,882	77,509
INCOME TAX PAID	-	-	-	-
NET CASH PROVIDED BY (USED FOR ) ACTIVITIES	480,528	57,541	73,882	77,509
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
DISPOSALS OF (ADDITIONS TO) PPE	(6,961)	10,870	2,964	(29)
DECREASE (INCREASE) IN:				
DUE FROM AFFILIATES	-	(40,137)		(32,744)
OTHER NON CURRENT ASSETS	1,970	(1,208)	2,060	(1,196)
INTEREST RECEIVED	227	1	15	(5)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(4,764)	(30,474)	5,039	(33,794)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
PAYMENTS OF:				
NOTES PAYABLE	(418,241)	-	-	-
INTEREST	(4,133)	(12,651)	-	966
INCREASE/DECREASE IN DUE TO AFLIATES	-	(22,091)	-	(29,091)
PROCEEDS FROM NOTES PAYABLE	-	21,188	-	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(422,374)	(13,554)	-	(28,125)
NET INCREASE (DECREASE) IN CASH	53,389	13,513	78,921	15,410
CASH AT BEGINNING OF YEAR	42,430	3,540	16,898	1,641
CASH AT END OF YEAR	95,818	17,052	95,818	17,052