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 June 2016**

2. Commission Identification No. **PW0000115A**

3. BIR Tax Identification No. **000-154-572**

4. Exact name of issuer as specified in its charter:

   ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION

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: **503-P, 5F Five E-com Center, Palm Coast Ave. cor. Pacific Drive, Mall of Asia Complex, Pasay City**
   Postal Code **1300**

8. Issuer's telephone number, including area code:
   (632) 831-8000 local 25001

9. Former name, former address and former fiscal year, if changed since last report
   9/F Quad Alpha Centrum 125 Pioneer Street, Mandaluyong City 1554

8. Securities registered pursuant to Section 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, Php1 par value	**2,087,032,774**

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

   Yes [**x**] No [ ]

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

   Philippine Stock Exchange **Common Stock**

10. Indicate by check 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 [**x**] No [ ]

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

    Yes [**x**] No [ ]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are integrally appended hereto and form part of this report:

Annex A - Unaudited Consolidated Statements of Financial Position
Annex B - Unaudited Consolidated Statements of Comprehensive Income
Annex C - Unaudited Consolidated Statements of Changes in Stockholders' Equity
Annex D - Unaudited Consolidated Statements of Cash Flows

Item 2. Management's Discussion and Analysis

A. Results of Operations and Changes in Financial Condition

The table below shows the consolidated results of operations of Atlas Consolidated Mining and Development Corporation ("ACMDC" or the "Parent Company") and its subsidiaries (collectively, the "Group") for the six-month period ended 30 June 2016 vis-à-vis those for the same period in 2015:

Results of Operations (Six-Month Period)

Particulars *(in PhP millions)*	30 June 2016	30 June 2015	Change
Consolidated Net Loss	(325)	(611)	(47)%
Consolidated Gross Revenues	6,130	5,262	16%
Costs and operating expenses	3,222	3,182	1%
Net income (loss) attributable to:			
Equity holders of the parent	(325)	(611)	(47%)
Carmen Copper	(176)	(635)	(72)%

ACMDC registered a *Net loss* of PhP325 million or a 47% reduction in losses as compared to the same period in 2015. The improvement in the bottom line was attributable mainly to higher volume of production and shipment during the semester as metal prices remained low. *Gross Revenues* for the six-month period reached PhP6.1 billion, 16% higher year-on-year. Average realized copper price slid by 20.7% at USD2.12/lb. as of June 2016 from USD2.67/lb. of the same period last year. Meanwhile, average realized gold price increased to USD1,227/oz from USD1,202/oz of the previous year. However, shipment volume increased by 19% which more than offset the unfavorable impact of lower metal prices.

For the first semester of 2016, ACMDC's subsidiary, Carmen Copper Corporation ("CCC" or "Carmen Copper"), reached an average daily milling rate of 48,851 dry metric tons ("dmt") which is 5% higher year-on-year. Consequently, it produced a total of 91,863 dmt of copper concentrate for the period, which yielded 54.459 million pounds ("lbs") of gross copper metal content and realizing a 17% increase in output based on production for similar period last year. Gold yield was up by 46% to 18,897 ounces.

With the increase in production, Carmen Copper shipped a total of 92,111 dmt of copper concentrate representing a 19% increase relative to the shipment volume for the same period in 2015. The gross copper metal contents of shipments likewise increased to 54.170 million lbs or a 20% improvement from last year. Gold content significantly increased to 17,797 ounces or a 48% increase from last year.

Costs and operating expenses slightly increased by 1% as the impact of higher production levels was tempered by the benefits realized from the cost containment initiatives being continuously implemented. Improvement in operating efficiencies and the decline in prices of key input costs resulted in lower costs of fuel, power, explosives, equipment rental, reagents, materials and spares. The lower waste to ore ratio contributed significantly also to the reduction in cost as more work was done on development waste stripping than on production waste stripping.

ACMDC recognized equity in net income of associates of PhP59 million as of the period under review. This represents the Parent Company's share in the results of operations of Ulugan Resources

Holding, Inc. (URHI), TMM Management, Inc. (TMMI), Ulugan Nickel Corporation (UNC), Nickeline Resources Holdings, Inc. (NRHI), and BNC (the "Nickel Corporations") as of June 2016.

Finance charges (14% of gross revenues) increased due to the availment of additional loans for working capital requirements.

USD:PhP Exchange rate closed at USD1.00:PhP47.02 as at 30 June 2016 versus USD1.00: PhP47.06 as at 31 December 2015. This triggered the recognition of *Net unrealized foreign exchange gain* of PhP27 million primarily from the restatement of US dollar-denominated loans and other payables.

Carmen Copper's debt obligations are mostly US dollar-denominated to match US dollar revenues. This establishes a natural hedge against foreign exchange fluctuations. As such, there will be no actual or real foreign exchange effect as the US dollar-denominated debts are settled using US dollar revenue receipts.

No provisional pricing contracts were entered during the period. Hence, *Net realized mark-to-market gain (loss)* was nil.

Interest income earned from short-term deposit placements increased by 26%. The 92% decrease in *Other income (charges) – net* refers to revenues earned from rent and scrap materials plus Asset Impairment Provision less Bond Issuance-related Costs.

Amortization of intangible assets increased by 4% due mainly to the higher volume of shipment.

ACMDC incurred aggregate net deferred income tax for the first half of 2016 amounting to PhP185 million.

Changes in Financial Condition

The discussion below pertains to the consolidated financial condition of the Group as of 30 June 2016 vis-à-vis that as of 31 December 2015:

Receivables decreased by 36% due to early settlement of trade credit accounts with Related Parties and Staff and Employees. The 9% decrease in *Inventories* was due to reduced procurement of materials and supplies. *Prepayments and other current assets* decreased by 3% due to the application of deposits to suppliers, prepaid insurance and deferred cost of consumables.

Movement of *Intangible assets* was due to depletion of mining rights during the semester. *Property, plant and equipment* decreased by 0.1% mainly due to depreciation. *Deferred tax assets* were recognized due to the net effect of unrealized foreign exchange gains (losses) for the year. *Investment in associate* pertains to ACMDC's effective interest on the net assets of the Nickel Corporations.

Accounts payable decreased by 40% due to decline in trade payables and accruals. *Current and non-current portions of long-term debt* (5% and 15% of total assets) decreased by 33% and increased by 84%, respectively. This was a net effect of the payment of maturing debts and the availment of long-term loans for working capital requirements and foreign exchange translation adjustment on US dollar-denominated loans. *Income tax payable* pertains to the accrual of income tax liability for the first half of the year.

Bonds Payable decreased due to the restatement of the US dollar-denominated liability.

Nickel Corporations

On 19 June 2014, Toledo Mining Corporation ("TMC") gained Board and management control over the Nickel Corporations by having its nominees elected (i) to fill 71% or 60% (as applicable) of the Board seats of the Nickel Corporations, and (ii) to serve as principal officers of the Nickel Corporations. As a result, the Nickel Corporations are no longer controlled by ACMDC. TMC is owned and controlled by DMCI Mining Corporation.

ACMDC however has sustained the power to participate in the financial and operating policy decisions of the Nickel Corporations. Thus, the related investments of ACMDC in the Nickel

Corporations were reclassified from investments in subsidiaries to investments in associates starting 2014.

The first half results of the Nickel Corporations were reported as *Equity in the net income of an associate* which amounted to PhP59 million.

Material Plans, Trends, Events or Uncertainties

- Promissory Notes from SMIC

  In January, February and March 2016, the Parent Company availed from SMIC senior unsecured loan facilities covering the aggregate amounts of PhP705,375,000, PhP1,346,268,000 and PhP2,236,560,000, respectively, to raise additional working capital. The loans are payable within 5 years from the dates of availment, accrued interest at the rate of 5% per annum subject to repricing at prevailing market rate and with prepayment option of all or part of the loan prior to maturity.

- Infusion of Additional Equity Capital by ACMDC to CCC

  In February 2016, ACMDC and CCC executed 2 Subscription Agreements for the equity capital infusion of ACMDC into CCC in the amounts of PhP705,375,000 and PhP1,146,268,000 respectively through subscription to CCC's unissued common shares at the subscription price of Php10.00 per share for a total of 70,537,500 common shares and 114,626,800 common shares. In June 2016 ACMDC subscribed to 19,103,950 common shares out of the unissued capital stock of CCC at the subscription price of Php100.00 per share for a total subscription price of Php1,910,395,000.

- Change in the Par Value of the Common Shares

  On 22 February 2016, the ACMDC Board of Directors ("BOD") approved the change in the Par Value of the common shares from PhP8.00 per share, with capital stock of PhP24 billion divided into 3 billion common shares to PhP1.00 per share, with capital stock of PhP3 billion divided into 3 billion common shares, which was approved by the Stockholders of ACMDC on 29 April 2016.

  The reduction in par value is to effect a reduction in the unit price of the shares of stock, to widen the corporate base and to improve marketability of primary share issuance. The lower par value of PhP1.00 per share would allow the Parent Company to raise fresh funds through primary shares issuance if needed. The par value reduction of the common shares of stock to Php1.00 and decrease in capital stock resulted in Additional Paid-In Capital ("APIC") of Php14,609,229, 418. The SEC approved the reduction in par value and capital stock on 29 June 2016.

- Change in Functional Currency of CCC

  The functional currency of CCC has changed from the Philippine Peso to US Dollar starting year 2015: management established that US Dollar is the currency of the primary economic environment in which CCC operates. The Philippine peso is the currency of the primary economic environment in which the Group except for CCC operates. The change in functional currency was approved by the SEC on February 16, 2016.

- Reduction in mill throughput at the Carmen Copper Mine

  On 6 April 2016, the BODs of ACMDC and its subsidiary, CCC, approved and authorized the implementation of a comprehensive plan to reduce the mill throughput at the Carmen Copper Mine in Cebu, from its nameplate capacity of 60,000 tonnes per day ("tpd") throughput to 40,000 tpd. Impact of the plan is estimated to reduce 2016 and 2017 copper production by 33% after implementation. The revised milling and mining plan is in response to the recent decline in copper prices. LME copper prices averaged US$3.11/lb in 2014, $2.49/lb in 2015 and $2.11/lb in Q1, 2016.

  ACMDC will be reducing its capital expenditures to $27 million from the original planned spending of $104 million as it lowers the throughput of its mine in Cebu. The planned capital spending is 74% lower than last year's capex. ACMDC would continue to trim its capex to $12 million next year.

On 5 May 2016, CCC notified its employees of the implementation to streamline operations, which is part of a broad restructuring it is undertaking to ensure its long term viability amid current market conditions.

The comprehensive plan for the restructuring involves:
1) Production levels being scaled back to 40k tpd;
2) Mine site pre-stripping being reduced for 2016 and 2017;
3) Capex levels reduced to focus on keeping the mine going; and
4) Reduction in all operating costs which will affect 551 workers, equivalent to 15% of workforce

Key Performance Indicators

The key performance indicators of the Group are shown below:

Particulars	30 June 2016	31 December 2015
Current/Liquidity Ratio		
Current Ratio	0.62:1	0.42:1
Solvency Ratios		
Debt-to-Equity	0.95:1	0.91:1
Debt-to-Assets	0.49:1	0.48:1
Asset-to-Equity	1.95:1	1.91:1
Interest Rate Coverage	0.59:1	1.06:1
Profitability Ratios		
Return on Equity	-0.89%	-2.23%
Return on Sales	-5.92%	-8.20%
Return on Assets (Fixed Assets)	-0.93%	-2.48%

- Current Ratio = Current Assets / Current Liabilities
- Debt-to-Equity = Total Liabilities / Total Stockholders' Equity Attributable to Equity Holders of Parent Company
- Debt-to-Assets = Total Liabilities / Total Assets
- Asset-to-Equity = Total Assets / Total Stockholders' Equity Attributable to Equity Holders of Parent Company
- Interest Rate Coverage = Earnings Before Income Tax / Interest Expense
- Return on Equity = Net Income Attributable to Equity Holders of Parent Company as of the Quarter / Average Total Stockholders' Equity Attributable to Equity Holders of Parent Company
- Return on Sales = Consolidated Net Income as of the Quarter / Total Consolidated Net Revenues as of the Quarter
- Return on Assets (Fixed Assets) = Net Income Attributable to Equity Holders of Parent Company as of the Quarter / Average Fixed Assets-Net

B. Liquidity and Capital Resources

Below is a summary of the Group's consolidated cash flow as of 30 June 2016:

Particulars *(in PhP million)*	Amount
Net cash flow provided by operating activities	1,184
Net cash flows used in investing activities	(6,251)
Net cash flows provided by financing activities	4,669
Net increase in cash and cash equivalents	412

The Group is not required to present a segment report.

Except as already reported herein, there is no material event occurring subsequent to the close of the second quarter of 2016 that should be disclosed in this report.

The Group has no significant seasonality or cyclicality in its business operations that will have a material effect on its financial condition or results of operations.

The Group is not aware of (i) any uncertainties, trends, events or seasonal aspects that will significantly influence its liquidity or financial condition or the results of its operations; (ii) any high-probability event that will trigger direct or contingent financial obligation that is material to the Group; or (iii) any material off-balance sheet transactions that occurred as of the second quarter of 2015.

C. Results of operations of certain subsidiaries

Carmen Copper:

Particulars *(in PhP millions)*	30 June 2016	30 June 2015	Change
Revenues	6,130	5,262	16%
Cash costs	4,461	4,401	1%
EBITDA	1,669	861	94%
Net income (loss)	(176)	(635)	-72%

Carmen Copper's operations reported a *Net loss* of PhP176 million, a decrease of 72%, due to higher copper and gold production.

Revenues increased by 16% at PhP6.1 billion against PhP5.2 billion in 2015. Copper revenues of PhP5.1 billion were 10% higher than last year's PhP4.6 billion. This was attributable to the increase in copper production during the first half.

Copper production increased by 15% to 54.459 million lbs of copper metal in concentrate due to enhanced milling equipment availability which pushed average daily throughput to 48,851 tpd from 46,597 tpd for the same period last year. The realized copper grade also was higher by 8% to 0.317% due to higher copper content in the current mining area.

With increased production, total volume of copper concentrate shipments rose by 19% to 92,111 dmt during the semester. Copper metal content increased by 20% to 54.170 million lbs of copper metal in concentrate, while gold content spiked 48% to 17,797 ounces. The impact of higher volume shipped represented around 153% increase in revenues while lower prices caused a decline by 53%.

Average realized copper price was at USD2.12/lb vis-à-vis USD2.67/lb. Average realized gold price increased from USD1,227/oz as compared to USD1,202/oz the previous year. *Gold sales* stood at PhP1 billion, which represents a 62% increase vis-a-vis the same period of 2015's PhP638 million.

Total operating *cash costs* inched up slightly by 1% to PhP4.5 billion during the period owing to higher volume of shipments. For the second quarter, average cash cost per lb of copper continued to decline, dropping by 27% to USD1.32 from USD1.81/lb. for the same period last year. Lower waste to ore ratio in the first semester contributed to the reduction in cash cost as more work was done on development waste stripping. Reductions were also registered in cost to concentrate driven by power, materials and spares and labor and fuel.

D. Financial Risk Management Objectives and Policies

The Group's main financial instruments are cash and cash equivalents, loans, other interest-bearing cash liabilities, and derivative assets and liabilities. It has various other financial assets and liabilities such as receivables and accounts payable and accrued liabilities which arise from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, commodity price risk, credit risk, and liquidity risk. The Audit and Risk Management Committee (ARMC) of the Board of Directors of ACMDC reviews and guides the adoption of relevant policies for managing each of these risks which are described below:

(All figures are in thousands)

Foreign currency risk

Foreign currency risk is the risk to earnings or capital arising from changes in foreign exchange rates. The Group has foreign currency risk arising from its cash and cash equivalents, receivables, derivative assets, accounts payable and accrued liabilities and long-term debt and derivative liabilities. To mitigate the risk of incurring foreign exchange losses, foreign currency holdings are matched against the potential need for foreign currency in financing investments and new projects. The Group also uses foreign currency forwards to hedge its risk exposures.

Foreign currency-denominated assets and liabilities are as follows:

		30 June 2016			31 December 2015	
		Original Currency	Peso Equivalent		Original Currency	Peso Equivalent
Cash and cash equivalents*	US$	11,329	532,546	US$	5,490	258,359
	JP¥	436	199	JP¥	1,066	418
	GB£			GB£	139	9,755
Short-term investments	US$	13,000	611,091	US$	33,186	1,561,733
Receivables	US$	13,983	657,307	US$	16,936	797,008
	US$	38,312	1,800,944	US$	55,612	2,617,100
	GB£			GB£	139	9,755
	JP¥	436	199	JP¥	1,066	418
Liabilities						
Trade payables and accrued expenses	US$	15,309	719,812	US$	54,871	2,582,229
	AU$	181	6,341	AU$	91	3,118
	EU€	5	275	EU€	3	155
	JP¥	7,035	3,214			
Long-term debt	US$	431,222	20,276,071	US$	372,866	17,547,074
Derivative liabilities	US$	52	2,456	US$	52	2,447
	US$	446,583	20,998,339	US$	427,789	20,131,750
	AU$	181	6,341	AU$	91	3,118
	EU€	5	275	EU€	3	155
	JP¥	7,035	3,214			
Net Liabilities in US$	US$	408,271	19,197,396	US$	372,177	17,514,650
Net Assets in GB£	GB£			GB£	139	9,755
Net Liabilities in JP¥	JP¥	6,599	3,016	JP¥	1,066	418
Net Liability in AU$	AU$	181	6,341	AU$	91	3,118
Net Liabilities in EU$	EU€	5	275	EU€	3	155

**Excluding cash on hand*

Foreign exchange closing rates are as follow:

Currency	30 June 2016	31 December 2015
US$	47.02	47.060
AU$	35.07	34.265
JP¥	0.46	0.392
EU€	52.23	51.741
CD$	36.31	33.932
GB£	63.17	70.178

The Group monitors its transactional and translational foreign exchange currency risk and manages the impact of foreign exchange volatility primarily through natural hedging where foreign currency revenues are matched against target levels of foreign currency financing.

Commodity price risk

The Group's copper concentrate revenues are based on international commodity quotations (i.e., primarily on the LME) over which the Group has no significant influence or control. This exposes the Group's results of operations to commodity price volatilities that may significantly impact its cash inflows. The Group enters into derivative transactions as a means to mitigate the risk of fluctuations in the market prices of its mine products. An analysis is made based on the assumption that gold and copper prices move using the implied volatility based on one year historical LME copper prices with all other variables held constant.

Shown below is the Group's sensitivity to changes in the copper prices arising from its copper derivatives:

30 June 2016

Change in Copper Prices	Effect on Income before Income Tax	
Increase by 10%	PhP	557,289,043
Decrease by 10%		(557,289,043)

31 December 2015

Change in Copper Prices	Effect on Income before Income Tax	
Increase by 10%	PhP	993,735
Decrease by 10%		(993,722)

The sensitivity analyses are performed for risk management purposes and do not represent a prediction or forecasting of Carmen Copper's future income.

Equity price risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to equity price risk because of financial assets it holds that are classified as available-for-sale (AFS) financial assets. Management believes that the fluctuation in the fair value of available-for-sale financial assets will not have a significant effect on the consolidated financial statements.

Credit risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due. It is inherent to the business as potential losses may arise due to the failure of its customers and counterparties to fulfill their obligations on maturity dates or due to adverse market conditions.

The Group's financial assets which are exposed to credit risk include its cash and cash equivalents, trade receivables, interest receivables, AFS financial assets and Mine rehabilitation fund under "Other noncurrent assets" with a maximum exposure equal to the carrying amount of these assets.

With respect to cash and cash equivalents and AFS financial assets, credit risk is mitigated by the short-term and/or liquid nature of its cash investments placed with financial institutions of high credit standing.

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the consolidated statements of financial position.

The following table summarizes the gross maximum exposure to credit risk for the components of the consolidated statements of financial position. The maximum exposure is shown gross, before the effect of mitigation through use of master netting and collateral agreements.

		30 June 2016		31 December 2015
Cash and cash equivalents*	PhP	922,809	PhP	510,186
Short-term investments		869,510		797,028
Trade receivables		528,933		385,724
Interest receivables		126,636		106,437
Nontrade receivables		176,738		62,577
Advances to officers and employees		13,176		18,901
Other noncurrent assets		80,970		28,542
AFS financial assets		5,784		4,326
Derivative assets		56		56
	PhP	2,724,612	PhP	1,913,777

*excluding cash on hand

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Credit quality per class of financial assets

The table below indicates the credit quality by class of assets for the Group's financial asset based on credit system:

30 June 2016

	Neither past due nor impaired				
	High grade	Standard grade	Substandard grade	Past due but not impaired	Total
Cash and cash equivalents *	922,809	-	-	-	922,809
Short-term investments	869,510	-	-	-	869,510
Trade receivables	528,933	-	-	-	528,933
Interest receivables	126,636	-	-	-	126,636
Nontrade receivables	-	-	-	176,738	176,738
Advances to officers and employees	-	-	-	13,176	13,176
MRF under "Other noncurrent assets"	80,970	-	-	-	80,970
Derivative assets	56	-	-	-	56
AFS financial assets	5,784				5,784
TOTAL	2,534,698	-	-	189,914	2, 724,612

*excluding cash on hand

31 December 2015

	Neither past due nor impaired				
	High grade	Standard grade	Substandard grade	Past due but not impaired	Total
Cash and cash equivalents *	510,186				510,186
Short-term investments	797,028				797,028
Trade receivables	385,724				385,724
Interest receivables	106,437				106,437
Nontrade receivables	-	1,248	39	61,290	62,577
Advances to officers and employees	-	684	607	17,610	18,901
MRF under "Other noncurrent assets"	28,542				28,542
Derivative assets	56				56
AFS financial assets	4,326				4,326
TOTAL	1,832,299	1,932	646	78,900	1,913,777

**excluding cash on hand*

The credit quality of the financial assets was determined as follows:

- Cash and cash equivalents, short-term investments and related interest receivables and MRF are assessed as high-grade since these are deposited in reputable banks, which have low probability of insolvency.
- Trade receivables, which pertain mainly to receivables from sale of copper and other precious metals, are assessed as high-grade. These are assessed based on past collection experience of full settlement within two (2) months after invoice date with no history of default.

The above high grade credit quality financial assets pertain to financial assets with insignificant risk of default based on historical experience. Substandard grade credit quality financial assets pertain to financial assets with more than insignificant risk of default based on historical experience and/or counterparty credit standing.

Liquidity Risk

Liquidity risk is such risk where the Group becomes unable to meet its payment obligations when they fall due under normal and stress circumstances. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group also manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of financing in order to maintain flexibility.

The tables below summarize the maturity profile of the financial liabilities of the Group, as well as financial assets considered by management as part of its liquidity risk management based on remaining undiscounted contractual obligations:

30 June 2016

	On demand	Within 1 year	1 to <3 years	> 3 years	Total
Loans and receivables:					
Cash in bank	922,809				922,809
Short-term investments	869,510				869,510
Trade receivables		528,933			528,933
Interest receivables		126,636			126,636
Advances to officers and employees		3,604		9,572	13,176
Nontrade receivables		163,554		13,184	176,738
Other noncurrent assets*		55,261	25,709		80,970
Available-for-sale (AFS) financial asset	5,784				5,784
Derivative Assets	56				56
	1,798,159	877,988	25,709	22,756	2,724,612
Financial liabilities:					
Accounts payable and accrued liabilities**	0	3,151,352	0	0	3,151,352
Long-term debt and other interest-bearing liabilities - net of current portion	0	3,939,708	17,958,680	7,034,730	28,933,118
Derivative liabilities	2,456	0	0	0	2,456
	2,456	7,091,060	17,958,680	7,034,730	32,086,926
	1,795,703	(6,213,071)	(17,932,972)	(7,011,974)	(29,362,314)

31 December 2015

	On demand	Within 1 year	1 to <3 years	> 3 years	Total
Loans and receivables:					
Cash and cash equivalents	510,186				510,186
Short-term investments	797,028				797,028/
Trade receivables		385,724			385,724
Interest receivables		106,437			106,437
Advances to officers and employees		14,379		4,522	18,901
Nontrade receivables		62,577			62,577
Other noncurrent assets”		28,542			28,542
AFS financial asset	4,326				4,326
Derivative assets	56				56
	1,311,596	597,659		4,522	1,913,777
Financial liabilities:					
Accounts payable and accrued liabilities**		5,316,804			5,316,804
Long-term debt and other interest-bearing liabilities		5,552,671	20,077,362		25,630,033
Derivative liabilities		2,459			2,549
		10,871,934	20,077,362		30,949,296
	1,311,596	(10,274,275)	(20,077,362)	4,522	29,035,519

***Excluding government payables*

Financial instruments

The following table shows the carrying values and fair values of the Group's financial instruments, whose carrying values do not approximate their fair values:

	Carrying Values		Fair Values	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Other Financial Liabilities				
Long-term debt and other interest-bearing liabilities:				
Bonds Payable	14,102,100	14,118,000	13,925,824	13,941,525
SMIC	6,196,638	927,000	6,196,638	1,021,035
UOB	1,153,787	1,176,500	1,269,670	1,294,665
Security Bank	1,079,806	1,100,000	1,224,988	1,247,894
MayBank	923,029	941,200	1,015,736	1,035,731
RCBC	899,954	917,670	990,343	1,009,838
APHC	700,000	700,000	700,000	771,008
BDO Leasing	528,710	630,477	551,207	657,304
SCB	282,332	391,916	291,676	404,887
Alakor Corporation	173,000	173,000	173,000	190,549
USD75 Million BDO Loan				
LBP Leasing				
SBM Leasing				
	26,039,355	21,075,763	26,339,081	21,574,437

The carrying values of cash, receivables, trade and other payables, advances from and due to related parties, and long-term debt approximate their fair values due to the relatively short-term maturities of these financial instruments. The fair values of AFS investments were determined by reference to market-quoted bid price as of balance sheet date.

The fair values of long-term debt and bonds payable are estimated using the discounted cash flow methodology using the benchmark risk free rates for similar types of long-term debt and other interest bearing liabilities. Bonds payable is measured using the quoted price in the active market.

The fair values of commodity forwards and embedded derivatives are obtained using the "forward versus forward" approach using copper forward prices and discounted at the appropriate LIBOR.

The Group uses the following hierarchy in determining and disclosing the fair value by valuation technique:

- Quoted prices in active markets for identical liability (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those inputs for the liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value hierarchy of the financial assets and liabilities is presented in the following table:

30 June 2016

	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value :				
AFS financial assets	5,784			5,784
Derivative assets	56			56
	5,839			5,839
Liability measured at fair				

value:				
Derivative liabilities		(2,456)		(2,456)
Liability for which fair values are disclosed:				
Long-term debt and other interest-bearing liabilities	(14,103,000)		(14,770,882)	(28,873,882)
	(14,103,000)	(2,456)	(14,770,882)	(28,876,338)

31 December 2015

	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value :				
AFS financial assets	-	-	-	-
Liability measured at fair value:				
Derivative liabilities	-	(2,459)	-	(2,459)
Liability for which fair values are disclosed:				
Long-term debt and other interest-bearing liabilities	(13,941,525)	-	(7,632,914)	(21,574,439)
	(13,941,525)	(2,459)	(7,632,914)	(21,576,898)

.
There were no transfers between levels of fair value measurement as of 30 June 2016 and 31 December 2015.

E. Accounting Policies and Disclosures

PFRS 9, Financial Instruments: Classification and Measurement

PFRS 9 as issued reflects the first phase of the work on the replacement of PAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in PAS 39. In subsequent phases, hedge accounting and impairment of financial assets will be addressed with the completion of this project.

The Group has decided not to early adopt PFRS 9 for its interim financial reporting.

PAS 27, Separate Financial Statements (as revised in 2011)

As a consequence of the issuance of the new PFRS 10, and PFRS 12, what remains of PAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in the separate financial statements. The Group’s adoption of the amended PAS 27 will not have a significant impact on the separate financial statements of the entities in the Group. The amendment became effective for annual periods beginning on or after January 1, 2013.

PAS 28, Investments in Associates and Joint Ventures (as revised in 2011)

As a consequence of the issuance of the new PFRS 11, and PFRS 12, PAS 28 has been renamed PAS 28, Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The amendment became effective for annual periods beginning on or after January 1, 2013. The Group’s adoption of the amended PAS 27 will not have a significant impact on the separate financial statements of the entities in the Group.

Amendments to PFRS 1, Government Loans

This is not applicable to the Group and will not have a significant impact on the separate financial statements of the entities in the Group.

Amendments to PFRS 7, Disclosures – Offsetting Financial Assets and Financial Liabilities

This is not applicable to the Group and will not have a significant impact on the separate financial statements of the entities in the Group.

PFRS 10, Consolidated Financial Statements

This has been adopted by the Group and has a significant impact on the separate financial statements of the entities in the Group.
PFRS 11, Joint Arrangements

This has been adopted by the Group and has a significant impact on the separate financial statements of the entities in the Group.

PFRS 12, Disclosure of Interest in Other Entities

The amendments clarify the transition guidance in PFRS 10 and provide additional transition relief in PFRS 10, PFRS 11 and PFRS 12, which is to limit the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments also remove the requirement to present comparative information for disclosures related to unconsolidated structured entities, for periods before PFRS 12 is first applied. This was adopted by the Group in its 2011 and 2012 audited financial statements and has a significant impact on the separate financial statements of the entities in the Group.

PFRS 13, Fair Value Measurement

PFRS 13 establishes a single source of guidance under PFRSs for all fair value measurements. PFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under PFRS when fair value is required or permitted. This standard is applicable but has no significant impact on the separate financial statements of the entities in the Group. It should be applied prospectively as of the beginning of the annual period in which it is initially applied. Its disclosure requirements need not be applied in comparative information provided for periods before initial application of PFRS 13. The standard becomes effective for annual periods beginning on or after January 1, 2013.

PART II – FINANCIAL INFORMATION

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.

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION
Issuer

ADRIAN PAULINO S. RAMOS	**FERNANDO A. RIMANDO**
President	Vice President/Chief Financial Officer

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
AS OF JUNE 2016
(Pesos in Thousands, Except Par Value)

	Unaudited June 2016	Audited December 2015
ASSETS		
Current Assets		
Cash and cash equivalents	**924,393**	512,037
Short-term investments	**869,510**	797,028
Receivable - net	**430,441**	677,620
Derivative assets	**56**	56
Inventories - net	**2,021,455**	2,212,668
Prepayments and other current assets	**470,079**	483,320
Total Current Assets	**4,715,934**	4,682,728
Noncurrent Assets		
Intangible assets, net	**27,459,986**	27,561,605
Property, plant and equipment - net	**34,806,740**	34,783,222
Available-for-sale (AFS) financial assets	**1,345**	-
Other noncurrent assets	**3,405,089**	2,350,248
Investment in associate	**256,862**	198,163
Total Noncurrent Assets	**65,930,022**	64,893,238
TOTAL ASSETS	**70,645,956**	69,575,967
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	**3,823,474**	5,476,354
Current portion of long-term debt	**3,714,512**	5,552,671
Income tax payable	**12,937**	32
Derivative liabilities	**2,456**	2,459
Total Current Liabilities	**7,553,380**	11,031,517
Noncurrent Liabilities		
Bonds payable	**14,031,936**	14,012,844
Long-term debt – net of current portion	**11,138,515**	6,064,518
Retirement benefits liability	**294,912**	333,844
Liability for mine rehabilitation	**49,253**	48,172
Deferred income tax liabilities	**1,400,066**	1,604,845
Total Noncurrent Liabilities	**26,914,682**	22,064,223
Total Liabilities	**34,468,062**	33,095,739
Stockholders' Equity		
Capital stock	**16,748,870**	16,696,262
Additional paid in capital	**196,416**	77,733
Revaluation increment in land	**298,869**	298,869
Net unrealized gains on AFS investment	**5,675**	4,861
Remeasurement loss on retirement	**120,499**	128,681
Foreign currency translation reserve	**1,108,388**	456,736
Retained earnings	**17,722,444**	18,840,352
Attributable to equity holders of the Parent Company	**36,201,161**	36,503,494
Minority interests	**(0)**	(0)
Treasury Shares	**(23,267)**	(23,267)
Total Stockholders' Equity	**36,177,894**	36,480,227
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**70,645,956**	69,575,967

Annex A

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIOD ENDED JUNE 2016
(Pesos in Thousands, Except Per Share Amounts)

	For the Three Months Ended		For the Six Months Ended	
	30 June 2016	30 June 2015	**30 June 2016**	30 June 2015
REVENUES				
Copper	**2,290,998**	2,291,920	**5,094,386**	4,622,161
Gold	**487,027**	333,798	**1,033,805**	638,203
Silver	**1,292**	1,097	**2,202**	1,935
	2,779,317	2,626,816	**6,130,393**	5,262,299
Marketing charges	**(252,912)**	(318,736)	**(640,006)**	(644,257)
	2,526,406	2,308,080	**5,490,387**	4,618,042
COSTS AND OPERATING EXPENSES				
Cost of sales	**(1,923,439)**	(1,841,920)	**(4,458,038)**	(4,206,234)
Operating expenses	**(369,282)**	(324,157)	**(686,226)**	(677,092)
	(2,292,720)	(2,166,077)	**(5,144,264)**	(4,883,326)
INCOME (LOSS) FROM OPERATIONS	**233,685**	**142,003**	**346,123**	**(265,284)**
OTHER INCOME (CHARGES)				
Share in net income from associates	**77,543**	183,446	**58,699**	182,302
Finance charges	**(441,329)**	(353,036)	**(862,085)**	(705,035)
Unrealized foreign exchange gain (loss)-net	**(41,558)**	(206,614)	**26,806**	(220,016)
Realized mark-to-market gain (loss) on derivative assets (liabilities) - net	**-**	212,888	**-**	212,888
Interest income	**13,885**	6,077	**24,517**	19,400
Other income (charges) - net	**2,224**	(19,828)	**(3,053)**	(39,035)
Amortization of intangible assets	**(44,515)**	(51,382)	**(101,619)**	(97,315)
	(433,749)	(228,449)	**(856,734)**	(646,813)
INCOME (LOSS) BEFORE INCOME TAX	**(200,064)**	(86,446)	**(510,611)**	(912,097)
BENEFIT FROM (PROVISION FOR) INCOME TAX				
Current	**(12,649)**	9,708	**(23,529)**	(22,185)
Deferred	**22,430**	102,922	**209,002**	323,393
NET INCOME (LOSS)	**(190,282)**	26,184	**(325,139)**	(610,889)
Net income (loss) attributable to:				
Equity holders of the parent	**(190,282)**	26,184	**(325,139)**	(610,889)
Minority interests	**-**	-	**-**	-
	(190,282)	26,184	**(325,139)**	(610,889)
DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO PARENT COMPANY			**(0.14)**	(0.27)
* Based on weighted average number of common shares outstanding			**2,345,916**	**2,274,811**

Annex B

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016 and 2015
(Pesos in Thousands)

	Capital Stock	Additional Paid -in Capital	Revaluation Increment in Property	Net Unrealized Gains on AFS Investments	Remeasurement	Cumulative Translation Adjustments	Retained Earnings (Deficit)	Shares Held by a Subsidiary	Total
Balance at January 1, 2015	16,696,262	28,886	218,559	6,081	(182,522)	-	19,654,791	(23,267)	36,398,790
Net Loss							(610,889)		(610,889)
Balance at June 30, 2015	**16,696,262**	**28,886**	**218,559**	**6,081**	**(182,522)**	**-**	**19,043,902**	**(23,267)**	**35,787,901**
Balance at January 1, 2016	16,696,262	77,733	298,869	4,861	128,681	456,736	18,840,352	(23,267)	36,480,227
Net Loss							(325,139)		(325,139)
Remeasurement loss on retirement					(8,182)				(8,182)
Cumulative translation adjustment						651,652	(792,769)		(141,118)
Net unrealized gains on AFS investment				815					815
Issuance of Shares	52,608								52,608
Change in APIC		118,683							118,683
Balance at June 30, 2016	**16,748,870**	**196,416**	**298,869**	**5,675**	**120,499**	**1,108,388**	**17,722,444**	**(23,267)**	**36,177,894**

Annex C

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2016 and 2015
(Pesos in Thousands)

	For the Three Months Ended		For the Six Months Ended	
	30 June 2016	30 June 2015	**June 2016**	June 2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	(200,064)	(86,446)	(510,611)	(912,097)
Adjustments for:				
Interest expense	801,483	376,125	862,085	705,035
Depreciation and depletion	629,731	539,027	1,371,142	1,161,142
Realized mark-to-market gain (loss) on derivative assets (liabilities) - net	-	-	-	-
Unrealized foreign exchange losses (gains) - net	505,105	179,176	(26,806)	199,050
Unrealized losses (gains) on AFS	21	(4,706)	21	(4,706)
Provision on asset imapairment	(125)	-	(125)	-
Provision for mine rehabilitation	1,627	522	1,081	1,044
Retirement benefit cost	(10,786)	2,001	(129)	13,306
(Gain) loss on early extinguishment of debt	-		-	-
Settlement of liability	-		-	-
Condonation of liabilities	-		-	-
Bond issuance	-		-	-
Interest income	(23,717)	(9,029)	(24,517)	(19,400)
Dividend Income	-		-	-
Prior period adjustments	-		-	-
Gain on loss of control of subsidiaries	-		-	-
Loss of control of subsidiaries	-		-	-
Share in net income from associates	(77,543)	(183,446)	(58,699)	(182,302)
Operating income before working capital changes	1,625,733	813,224	1,613,441	961,073
Decrease (increase) in:				
Short-term investments	738,617	(203,370)	(72,482)	(274,740)
Receivable - net	1,046,385	775,595	322,250	175,634
Inventories - net	(183,253)	(487,705)	191,213	(535,872)
Prepayments and other current assets	(17,486)	177,262	13,241	145,775
Increase (decrease) in:				
Accounts payable and accrued liabilities	838,263	56,419	(925)	885,451
Derivative liabilities	(3)	(52,936)	(3)	(212,888)
Deferred tax liabilities	(210,108)	87,507	4,223	294,199
Retirement benefits payable	(44,017)	-	(38,932)	-
Income tax payable	(12,649)	9,686	(23,529)	(22,185)
Cash from operations	3,781,483	1,175,682	2,008,496	1,416,447
Interest received	23,717	9,029	24,517	19,400
Dividends Declared	-	-	-	-
Interest paid	(801,483)	(376,125)	(862,085)	(705,035)
Income taxes paid	12,873	(240)	12,905	(240)
Retirement benefits paid	-	-	-	-
Net cash provided by (used in) operating activities	**3,016,589**	**808,346**	**1,183,833**	**730,571**
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Other noncurrent assets	(5,157,400)	(99,839)	(4,958,581)	(351,424)
Deferred Development Costs	-	-	-	-
(Gain) loss on sale of AFS	7	-	7	-
Additions to property, plant and equipment	(401,332)	(1,190,709)	(1,292,915)	(2,747,700)
Net cash used in investing activities	**(5,558,726)**	**(1,290,548)**	**(6,251,490)**	**(3,099,124)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of shares of stock	1,881,183	-	1,881,183	-
Equity conversion option	(48,847)	-	-	-
Dividend declaration	-	-	-	-
Loans proceeds (payment)	(428,452)	1,429,912	3,281,737	2,875,189
Net changes in amounts owed to related parties	(494,387)	(62)	(494,387)	-
Net cash provided by financing activities	**909,497**	**1,429,850**	**4,668,533**	**2,875,189**
EFFECT OF EXCHANGE RATE CHANGES	811,481	27,438	811,481	20,967
NET INCREASE (DECREASE) IN CASH	(821,158)	975,086	412,357	527,603
CASH AT JANUARY 1			512,037	951,358
CASH AT JUNE 30			**924,394**	**1,478,961**

Annex D

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES

UNAUDITED CONSOLIDATED AGING SCHEDULE OF ACCOUNTS RECEIVABLE
FOR THE PERIOD ENDED 30 JUNE 2016
(Pesos in Thousands)

Type of Accounts Receivable	Total	Current	31 - 90 Days	91 - 180 Days	181 - 365 Days	Over 1 yr	Accounts in Litigation
Trade Receivable							
Various trade receivable	384,789	132,419	234,753	17,617	-	-	-
Non-Trade Receivables							
Deposits and advances							
Scrap	5,142	81	709	4,046	306	-	-
With court cases	13,254	-	-	-	-	-	13,254
Others	56,614	7,205	9,115	30,267	833	9,194	-
Allowance for Doubtful Accounts	(29,359)	(29,359)					
Accounts Receivable - Net	**430,441**	**110,346**	**244,577**	**51,930**	**1,139**	**9,194**	**13,254**

Type of Receivable	Nature/Description of Receivable	Collection Period
Various trade receivable	Sale of copper concentrates, gold, magnetite, and nickel	
Deposits & Advances	Deposits on rentals	
Scrap	Sale of excess and scrap materials	
With Court Cases	Various claims	
Others	Non-trade receivables, advances to employees and others	
Normal Operating Cycle	Calendar year	