SEC Number PW 15
File _____

ROXAS HOLDINGS, INC. (formerly CENTRAL AZUCARERA DON PEDRO)

(Company's Full Name)

6/F Cacho Gonzales Bldg., 101 Aguirre St., Legaspi Village, Makati City

---

(Company's Address)

(632) 810-8901 to 06

(Company's Telephone Number)

September 30, 2016

(Fiscal Year Ending)

SEC Form 17-Q

(Form Type)

Amended Designation (If Applicable)

March 31, 2016

Period Ended Date

(Secondary License Type and File Number)

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 quarter ended: **31 March 2016**

2. Commission Identification Number **15A**

3. BIR Tax Identification No. **000-290-538**

4. Exact name of registrant as specified in its charter **ROXAS HOLDINGS, INC. (FORMERLY CENTRAL AZUCARERA DON PEDRO)**

5. Province, country or other jurisdiction of incorporation or organization
   Philippines

6. Industry Classification Code:

7. Address of principal office — Postal Code
   6/F Cacho Gonzales Bldg., 101 Aguirre St., Legaspi Village, Makati City — **1200**

8. Registrant's telephone number, including area code
   (632) 810-8901 to 06

9. Former name, former address and former fiscal year, if changed since last report
   Not Applicable

10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares and Amount of Debt Outstanding
Authorized Capital Stock:	
No. of common shares issued and outstanding	1,153,456,843
No. of preferred shares issued and outstanding	-

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

    Yes [X] No [ ]

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 11 of the Securities Revised Code (SRC) and SRC Rule 11(a)-1 there under 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 [**X**] No [ ]

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

Yes [ ] No [**X**]

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION 1

Item 1. Interim Condensed Consolidated Financial Statements 1

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition 18

Financial Highlights and Key Performance Indicators 18

Company Overview 19

Results of Operations 20

Financial Condition 22

Off-Balance Sheet Arrangements 22

PART II – OTHER INFORMATION 23

SIGNATURES 24

ROXAS HOLDINGS, INC.

ROXAS HOLDINGS, INC. & SUBSIDIARIES

Unaudited Interim Condensed Consolidated Financial Statements
March 31, 2016 (With Comparative Audited Figures as at September 30, 2015)
and for the Three-Month and Six-Month Periods Ended March 31, 2016 and 2015

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31, 2016

(With Comparative Audited Balances as at September 30, 2015)

(Amounts in Thousands)

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
ASSETS		
Current Assets		
Cash and cash in banks (Note 3)	**₱392,299**	₱202,415
Trade and other receivables (Note 4)	**1,955,922**	1,262,012
Inventories (Note 5)	**1,679,859**	1,500,826
Other current assets	**655,604**	625,605
Total Current Assets	**4,683,684**	3,590,858
Noncurrent Assets		
Investment in an associate	**681,489**	674,600
Property, plant and equipment (Note 6):		
At cost	**10,210,498**	10,352,271
At appraised values	**4,221,148**	4,021,148
Investment properties	**311,192**	311,110
Goodwill	**1,236,052**	1,236,052
Retirement assets	**113,932**	113,932
Net deferred tax assets	**203,186**	188,323
Other noncurrent assets	**46,606**	48,466
Total Noncurrent Assets	**17,024,103**	16,945,902
	₱21,707,787	₱20,536,760
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings	**₱5,490,339**	₱3,268,601
Current portion of long-term borrowings	**165,642**	1,244,649
Trade and other payables (Note 7)	**2,083,521**	1,946,675
Income tax payable	**5,232**	15,471
Total Current Liabilities	**7,744,734**	6,475,396
Noncurrent Liabilities		
Long-term borrowings - net of current portion	**4,072,129**	4,235,985
Retirement liabilities	**250,863**	232,908
Net deferred tax liabilities	**1,038,085**	1,037,416
Other noncurrent liabilities	**1,300**	40,150
Total Noncurrent Liabilities	**5,362,377**	5,546,459
Total Liabilities (Carried Forward)	**13,107,111**	12,021,855

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Total Liabilities (Brought Forward)	**₱13,107,111**	₱12,021,855
Equity Attributable to the Equity Holders of the Parent Company (Note 14)		
Capital stock	**1,171,100**	1,169,289
Additional paid-in capital	**1,588,208**	1,573,993
Treasury stock	**(52,290)**	(52,290)
Other equity reserves	**3,148,674**	3,145,022
Retained earnings	**2,583,377**	2,515,315
	8,439,069	8,351,329
Non-controlling Interests	**161,607**	163,576
Total Equity	**8,600,676**	8,514,905
	₱21,707,787	₱20,536,760

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
MARCH 31, 2016 AND 2015
(Amounts in Thousands, except Basic and Diluted Earnings per Share Data)

	Three-Month Period January to March 31 (Unaudited)		Six-Month Period October 1 to March 31 (Unaudited)	
	2016	2015	**2016**	2015
REVENUE	**₱4,707,080**	₱2,287,487	**₱7,412,931**	₱3,466,194
COST OF GOODS SOLD	**(4,178,263)**	(1,844,717)	**(6,771,320)**	(2,842,912)
GROSS INCOME	**528,817**	442,770	**641,611**	623,282
OPERATING EXPENSES	**(240,638)**	(282,648)	**(481,176)**	(418,585)
INTEREST EXPENSE	**(94,556)**	(68,018)	**(199,079)**	(132,416)
SHARE IN NET EARNINGS OF AN ASSOCIATE	**31,406**	21,269	**70,268**	40,884
OTHER INCOME - Net	**28,118**	22,406	**40,301**	31,497
INCOME BEFORE INCOME TAX	**253,147**	135,779	**71,925**	144,662
INCOME TAX BENEFIT (EXPENSE)				
Current	**(18,017)**	(11,816)	**(20,711)**	(22,667)
Deferred	**(44,197)**	4,617	**14,879**	15,469
	(62,214)	(7,199)	**(5,832)**	(7,198)
NET INCOME	**₱190,933**	₱128,580	**₱66,093**	₱137,464
Net income attributable to:				
Equity holders of the Parent Company	**₱189,026**	₱128,580	**₱68,062**	₱137,464
Non-controlling interests	**1,907**	–	**(1,969)**	–
	₱190,933	₱128,580	**₱66,093**	₱137,464
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
Basic	**₱0.16**	₱0.11	**₱0.06**	₱0.12
Diluted	**0.16**	0.11	**0.06**	0.12

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015

(Amounts in Thousands)

	Three-Month Period January to March 31 (Unaudited)		Six-Month Period October 1 to March 31 (Unaudited)	
	2016	2015	**2016**	2015
NET INCOME	**₱190,933**	₱128,580	**₱66,093**	₱137,464
OTHER COMPREHENSIVE INCOME				
Remeasurement gain on retirement liabilities, net of tax	**3,652**	447	**3,652**	–
TOTAL COMPREHENSIVE INCOME	**₱194,585**	₱129,027	**₱69,745**	₱137,464
Total comprehensive income attributable to:				
Equity holders of the Parent Company	**₱192,447**	₱129,027	**₱71,482**	₱137,464
Non-controlling interests	**2,137**	–	**(1,737)**	–
	₱194,585	₱129,027	**₱69,745**	₱137,464

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
MARCH 31, 2016 AND 2015
(Amounts in Thousands)

	Three-Month Period January to March 31 (Unaudited)		Six-Month Period October 1 to March 31 (Unaudited)	
	2016	2015	**2016**	2015
CAPITAL STOCK				
Beginning balance	**₱1,169,289**	₱1,168,976	**₱1,169,289**	₱1,168,976
Exercise of stock option	**1,811**	312	**1,811**	312
Ending balance	**1,171,100**	1,169,288	**1,171,100**	1,169,288
ADDITIONAL PAID-IN CAPITAL				
Beginning balance	**1,580,105**	574,913	**1,573,993**	574,913
Employee stock option	**5,948**	–	**14,215**	–
Exercise of stock option	**2,155**	465	**–**	465
Issuances of treasury stock, net of stock transaction costs	**–**	963,561	**–**	963,561
Ending balance	**1,588,208**	1,538,939	**1,588,208**	1,538,939
TREASURY STOCK				
Beginning balance	**(52,290)**	(768,860)	**(52,290)**	(768,860)
Issuances of treasury stock, net of stock transaction costs	**–**	716,590	**–**	716,590
	(52,290)	(52,270)	**(52,290)**	(52,270)
OTHER EQUITY RESERVES				
Beginning balance	**3,145,022**	3,161,852	**3,145,022**	3,162,299
Remeasurement gain on retirement liabilities net of tax	**3,652**	447	**3,652**	–
	3,148,674	3,162,299	**3,148,674**	3,162,299
RETAINED EARNINGS				
Beginning balance	**2,394,351**	2,760,711	**2,515,315**	2,751,827
Net income	**189,026**	128,580	**68,062**	137,464
	2,583,377	2,889,291	**2,583,377**	2,889,291
NON-CONTROLLING INTERESTS				
Beginning balance	**159,700**	35,287	**163,576**	35,287
Loss attributable to non-controlling interests	**1,907**	–	**(1,969)**	–
	161,607	35,287	**161,607**	35,287
TOTAL EQUITY	**₱8,600,676**	₱8,742,834	**₱8,600,676**	₱8,742,834

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED
MARCH 31, 2016 AND 2015
(Amounts in Thousands)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES	**₱71,925**	₱144,662
Income before income tax		
Adjustments for:		
Depreciation and amortization	**443,277**	360,147
Interest expense	**199,079**	132,416
Share in net earnings of associate	**(70,268)**	(40,884)
Interest income	**(79)**	(190)
Operating income before changes in working capital	**677,995**	596,151
Increase in:		
Trade and other receivables	**(694,359)**	(121,297)
Inventories	**(179,033)**	(1,961,200)
Other current assets	**(30,017)**	(165,504)
Increase in trade and other payables	**130,712**	1,196,321
Net cash used in operations	**(94,702)**	(455,529)
Income taxes paid	**(20,439)**	(64,998)
Interest received	**79**	190
Net cash flows used in operating activities	**(115,141)**	(520,337)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property, plant and equipment	**(501,036)**	(300,974)
Investment properties	**(200,000)**	–
Redemption of preferred stock of a subsidiary	**(38,850)**	–
Proceeds from dividends received	**24,517**	40,255
Decrease (increase) in other noncurrent assets	**1,860**	(10,549)
Net cash flows used in investing activities	**(713,509)**	(271,268)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net availments (payments) of short-term borrowings	**2,221,738**	(339,100)
Payments of:		
Long-term borrowings	**(1,242,863)**	(110,920)
Interest	**(199,079)**	(132,416)
Dividends	**–**	(108,213)
Proceeds from issuance of treasury stock	**–**	1,680,909
Net cash flows provided by financing activities	**779,875**	990,260
NET INCREASE IN CASH AND CASH IN BANKS	**189,884**	198,897
CASH AND CASH IN BANKS AT BEGINNING OF PERIOD	**202,415**	106,400
CASH AND CASH IN BANKS AT END OF PERIOD	**₱392,299**	₱305,297

1. Corporate Information

Roxas Holdings, Inc. (RHI or the Parent Company), doing business under the name and style of CADP Group, was organized in the Philippines and registered with the Securities and Exchange Commission (SEC) on October 30, 1930 for the purpose of holding and investing in corporations engaged in the business of manufacturing sugar and allied products. The corporate life of the Parent Company has been extended for another 50 years until November 1, 2030.

In July 1996, the Parent Company offered its shares to the public through an initial public offering. On August 8, 1996, the shares of stock of the Parent Company were listed in the Philippine Stock Exchange (PSE).

As at September 30, 2013, the Parent Company is 66% owned by Roxas and Company, Inc. (RCI), a publicly-listed company incorporated and domiciled in the Philippines. On November 29, 2013, RCI sold its 27% equity interest in the Parent Company to First Pacific Natural Resources Limited (FPNRL), a subsidiary of First Pacific Company, Ltd. (First Pacific), a Hong Kong-based company. RCI remains the major shareholder of the Parent Company with 35% equity.

On February 28, 2015, First Agri Holdings Corporation, a Philippine affiliate of FPNRL, acquired 241,780,709 treasury shares of the Company amounting to ₱1,692.5 million representing 24% interest in the Company. As a result, equity interest of RCI in the Parent Company was further diluted from 35% to 28%.

The corporate office of the Parent Company is located at the 6th Floor, Cacho-Gonzales Building, 101 Aguirre Street, Legaspi Village, Makati City, while the manufacturing plants of its operating subsidiaries are in Barrio Lumbangan, Nasugbu, Batangas and Barrio Consuelo, La Carlota City, Negros Occidental, San Carlos Ecozone, San Carlos City, Negros Occidental.

The interim condensed consolidated financial statements of the Parent Company and its subsidiaries (collectively, the Group) for the six months period ended June 30, 2016 were authorized for issue in accordance with a resolution of the Board of Directors on May 11, 2016.

2. Basis of Preparation and Basis of Consolidation

Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for land and investment properties that are measured at fair value. The consolidated financial statements have been presented in Philippine Peso, which is the functional currency of the Group. All amounts are rounded to the nearest thousands, except for number of shares and unless otherwise indicated.

The unaudited interim condensed financial statements do not include all the information and disclosures required in the annual audited financial statements and should be read in conjunction with the Company's annual audited financial statements as at and for the year ended September 30, 2015.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, which it controls as at September 30 of each year. The Parent Company has control over the investee when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Following is the list of the subsidiaries:

	Percentage of Ownership				
	2016	2015	2014	Nature of Business	Principal Place of Business
Central Azucarera Don Pedro, Inc. (CADPI)[1]	**100.00%**	100.00%	100.00%	Production and selling of raw and refined sugar, molasses and related products	Makati City and Nasugbu, Batangas
Central Azucarera de la Carlota, Inc. (CACI)	**100.00%**	100.00%	100.00%	Production and selling of raw sugar and molasses	Makati City and Negros Occidental
CADP Insurance Agency, Inc. (CIAI)	**100.00%**	100.00%	100.00%	Insurance agency	Makati City
Roxol Bioenergy Corp. (RBC)[1]	**100.00%**	100.00%	100.00%	Production and selling of bioethanol fuel and trading of goods such as sugar and related products	Negros Occidental
CADP Port Services, Inc. (CPSI)	**100.00%**	100.00%	100.00%	Providing ancillary services	Makati City
RHI Agri-Business Development Corporation (RABDC)[2]	**100.00%**	100.00%	–	Agricultural business	Batangas City
Roxas Pacific Bioenergy Corporation (RPBC)[2]	**100.00%**	100.00%	–	Holding company for bioethanol investments	Negros Occidental
RHI Pacific Commercial Corp. (RHIPCC)[2]	**100.00%**	100.00%	–	Selling arm of RHI Group	Makati City
San Carlos Bioenergy, Inc. (SCBI)[3]	**93.68%**	93.68%	–	Production and selling of bioethanol fuel	Negros Occidental
Najalin Agri Ventures, Inc. (NAVI)	**77.38%**	77.38%	77.38%	Agricultural and industrial development	Negros Occidental
Roxas Power Corporation (RPC)	**50.00%**	50.00%	50.00%	Sale of electricity	Nasugbu, Batangas
Jade Orient Management Services, Inc. (JOMSI)	–	–	–	Managing and operating agricultural land and planting and cultivation of sugar cane and other farm products	Makati City

(1) *Direct ownership of 20.53% and indirect ownership through CADPI of 79.47%*
(2) *Newly incorporated wholly owned subsidiaries in 2015. As at September 30, RABDC and RHIPCC have not yet started commercial operations*
(3) *Acquired in April 2015 through RPBC*

Non-controlling interests represent the portion of profit or loss and net assets of NAVI, RPC and SCBI not held by the Group, directly or indirectly, and are presented separately in the consolidated statements of comprehensive income and within the equity section of the consolidated statements of financial position and consolidated statements of changes in equity, separately from the Parent Company's equity. Total comprehensive income is attributed to the portion held by the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit.

3. Cash and Cash in Banks

This account consists of:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Cash on hand	**₱16,517**	₱3,138
Cash in banks	**375,782**	199,277
	₱392,299	₱202,415

Cash in banks earn interest at the respective bank deposit rates.

4. Trade and Other Receivables

This account consists of:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Trade	**₱1,707,314**	₱1,059,717
Due from:		
Planters and cane haulers	**73,353**	110,103
Employees	**62,386**	54,638
Related parties	**48,518**	32,382
Unbilled services	**48,509**	–
Advances to suppliers	**7,994**	21,960
Others	**88,527**	63,891
	2,036,601	1,342,691
Allowance for impairment losses	**(80,679)**	(80,679)
	₱1,955,922	₱1,262,012

5. Inventories

This account consists of:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
At NRV:		
Materials and supplies	**₱495,534**	₱572,861
Molasses	**801,020**	161,533
Alcohol	**81,631**	138,845
At cost:		
Refined sugar	**121,146**	319,745
Raw sugar	**180,528**	304,778
Others	**–**	3,064
	₱1,679,859	₱1,500,826

Cost of inventories valued at NRV is shown below:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Materials and supplies	**₱524,945**	₱595,611
Molasses	**805,902**	162,860
Alcohol	**88,857**	138,899
	₱1,419,704	₱897,370

6. Property, Plant and Equipment

Acquisitions and disposals
During the six months ended March 31, 2016, the Group acquired assets amounting to ₱183,651 excluding property under construction.

The Group also started several capital expenditures. The projects with carrying amount of ₱321,969 are expected to be completed within a year.

7. Trade and Other Payables

This account consists of:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Trade	**₱1,029,022**	₱813,338
Customers' deposits	**88,889**	397,322
Accrued expenses:		
Off-season costs	**260,211**	–
Interest	**98,328**	35,741
Payroll and other employee benefits	**1,985**	10,836
Others	**151,022**	124,362
Due to:		
Related parties	**106,024**	110,449
Planters	**37,391**	51,330
Deferred interest	**–**	68,407
Payable to government agencies for taxes and statutory contributions	**99,857**	66,249
Provision for probable losses	**16,227**	16,227
Others	**194,565**	252,414
	₱2,083,521	₱1,946,675

8. Equity

Details of capital stock and treasury stock follow:

	March 31, 2016 (Unaudited)		September 30, 2015 (Audited)	
	Number of Shares	**Amount** *(in Thousands)*	Number of Shares	Amount *(in Thousands)*
Authorized – common shares "Class A" at ₱1.0 par value	**1,500,000,000**	**₱1,500,000**	1,500,000,000	₱1,500,000
Issued:				
Balance at beginning of year	**1,169,288,884**	**₱1,169,289**	1,168,976,425	₱1,168,976
Issuances	**1,811,439**	**1,811**	312,459	313
Balance at end of year	**1,171,100,323**	**1,171,100**	1,169,288,884	1,169,289
Treasury stock				
Balance at beginning of year	**(17,643,480)**	**(52,290)**	(259,424,189)	(768,860)
Issuances	**–**	**–**	241,780,709	716,570
Balance at end of year	**(17,643,480)**	**(52,290)**	(17,643,480)	(52,290)
Issued and outstanding	**1,153,456,843**	**₱1,118,810**	1,151,645,404	₱1,116,999

9. Related Party Transactions and Balances

In the normal course of business, the Group has transactions with related parties as follows:

a. The Group made advances to RHIRFI, CADPIRFI and CACIRFI for a portion of the retirement payments made to the Group's qualified retired employees under defined benefit plan. Advances to RHIRFI, CADPRFI and CACIRFI are included in "Trade and other receivables" account.

b. Due to related parties, which are presented as part of "Trade and other payables" account, represents noninterest-bearing payable arising from advances and rent of office space from CADPRFI.

c. RCBC, a creditor of CADPI and CACI, owns 34.5 million shares or 2.99% and 3.79% interest in RHI as at March 31, 2016 and September 30, 2015.

Outstanding balances of transactions with related parties are unsecured and settlements are made in cash. The Company did not recognize any provision for impairment for the six month period ended March 31, 2016 and 2015. This assessment is undertaken each reporting period by reviewing the financial position of the related party and the market in which the related party operates.

10. Financial Instruments

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash in banks, trade and other receivables, and trade and other payables, which arise directly from its operations, and short and long-term borrowings. The Group has other financial instruments such as restricted cash and dividends payable.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Group monitors the market price risk arising from all financial instruments. The Group's operations are also exposed to commodity price risk, particularly from sugar prices. Risk management is carried out by senior management under the guidance and direction of the BOD of the Parent Company.

Liquidity risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet maturing obligations.

The Group's objective is to maintain sufficient cash and cash in banks and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business, the Group aims to maintain flexibility in funding by keeping track of daily cash flows and maintaining committed credit lines available.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and the related financial assets used for liquidity management.

	March 31, 2016 (Unaudited)						
	On Demand	Less than One Year	Over One to Two Years	Over Two to Four Years	Over Four to Five Years	Over Five Years	Total
Short-term borrowings*	₱–	₱5,498,824	₱–	₱–	₱–	₱–	₱5,498,824
Trade and other payables**	249,402	1,718,035	–	–	–	–	1,967,437
Long-term borrowings*	–	395,241	676,451	1,416,260	669,191	2,001,004	5,158,147
	₱249,402	₱7,612,100	₱676,451	₱1,416,260	₱669,191	₱2,001,004	₱12,624,408
Cash in banks and cash in banks	₱375,782	₱–	₱–	₱–	₱–	₱–	₱375,782
Trade receivables***	–	1,668,068	–	–	–	–	1,668,068
Due from planters and cane haulers***	–	56,925	–	–	–	–	56,925
Due from employees***	–	61,653	–	–	–	–	61,653
Due from related parties	48,518	–	–	–	–	–	48,518
Other receivables***	–	64,255	–	–	–	–	64,255
	₱424,300	₱1,850,901	₱–	₱–	₱–	₱–	₱2,275,201

**Including expected future interest payments for short-term and long-term borrowings amounting to ₱8.5 million and ₱3.6 million, respectively.*
*** Excludes payables to government agencies amounting to ₱99.9 million and provision for losses amounting to ₱16.2 million.*
****Net of related allowances for impairment losses totaling ₱80.7 million.*

	September 30, 2015 (Audited)						
	On Demand	Less than One Year	Over One to Two Years	Over Two to Four Years	Over Four to Five Years	Over Five Years	Total
Short-term borrowings*	₱2,219,976	₱1,052,526	₱–	₱–	₱–	₱–	₱3,272,502
Trade and other payables**	1,405,594	458,605	–	–	–	–	1,864,199
Current portion of long-term borrowings*	–	1,195,274	–	–	–	–	1,195,274
Noncurrent portion of long-term borrowings*	–	114,454	272,849	821,386	1,061,257	1,098,414	3,368,360
	₱3,625,570	₱2,820,859	₱272,849	₱821,386	₱1,061,257	₱1,098,414	₱9,700,335
Cash in banks and cash in banks	₱199,277	₱–	₱–	₱–	₱–	₱–	₱199,277
Trade receivables***	536,547	483,924	–	–	–	–	1,020,471
Due from planters and cane haulers***	54,632	39,043	–	–	–	–	93,675
Due from employees***	8,339	7,779	37,787	–	–	–	53,905
Due from related parties	32,382	–	–	–	–	–	32,382
Other receivables***	11,031	11,172	12,110	–	–	–	34,313
	₱842,208	₱541,918	₱49,897	₱–	₱–	₱–	₱1,434,023

**Includes expected future interest payments for short-term and long-term borrowings amounting to ₱3.9 million and ₱917.0 million, respectively.*
*** Excludes payables to government agencies amounting to ₱66.2 million and provision for losses amounting to ₱16.2 million.*
****Net of related allowances for impairment losses totaling ₱80.7 million.*

Credit risk

Credit risk is the risk that the Group will incur financial loss through default by counterparties in performing their obligations.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different geographic areas. It has policies in place to ensure that sales of goods are made to customers with an appropriate credit history.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty credit limits are established by the use of a credit risk classification system, which assigns each counterparty a qualitative risk rating. Risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

The table below shows the maximum exposure to credit risk of the Group shown at gross before the effect of mitigation through collateral agreements.

	March 31, 2016 (Unaudited)	September 30, 2015 (Audited)
Cash in banks	**₱375,782**	₱199,277
Trade receivables*	**1,668,068**	1,020,471
Due from planters and cane haulers	**56,925**	93,675
Due from employees*	**61,653**	53,905
Due from related parties	**48,518**	32,382
Other receivables*	**64,255**	34,313
	₱2,275,201	₱1,434,023

** Net of allowance for impairment losses totaling ₱80.7 million as at March 31, 2016 and September 30, 2015, respectively.*

Collaterals and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters. As at March 31, 2016 and September 30, 2015, the Group did not hold collateral from any counterparty.

Credit quality per class of financial assets

The credit quality of receivables is managed by the Group through its Marketing Department. High grade accounts are those receivables from counterparties with whom collections are made without much collection effort. Standard grade accounts consist of receivables from its distributors, related parties and employees with good financial condition and with relatively low defaults. Substandard grade accounts, on the other hand, are receivables from other counterparties with history of defaulted payments.

The tables below show the credit quality of financial assets which are neither past due nor impaired and an aging analysis of past due but not impaired accounts.

	March 31, 2016 (Unaudited)							
	Neither past due nor impaired			Past due but not impaired				
	High Grade	Standard Grade	Substandard Grade	Over 30 Days	Over 90 Days	Over 180 Days	Impaired	Total
Cash in banks	₱375,782	₱–	₱–	₱–	₱–	₱–	₱–	₱375,782
Trade receivables	238,930	68,199	466,068	711,720	76,244	106,906	39,246	1,707,313
Due from planters and cane haulers	–	–	–	5,267	12,208	39,450	16,428	73,353
Due from employees	19	45,194	416	738	3,523	11,763	733	62,386
Due from related parties	–	48,518	–	–	–	–	–	48,518
Other receivables	37,493	–	–	4,054	6,161	16,547	24,272	88,527
Total	₱652,224	₱161,911	₱466,484	₱721,779	₱98,136	₱174,666	₱80,679	₱2,355,879

	September 30, 2015 (Audited)							
	Neither past due nor impaired			Past due but not impaired				
	High Grade	Standard Grade	Substandard Grade	Over 30 Days	Over 90 Days	Over 180 Days	Impaired	Total
Cash in banks	₱199,277	₱–	₱–	₱–	₱–	₱–	₱–	₱199,277
Trade receivables	123,056	237,630	–	181,257	321,718	156,810	39,246	1,059,717
Due from planters and cane haulers	–	56,728	–	22,257	14,690	–	16,428	110,103
Due from employees	–	14,915	–	21	7,758	31,211	733	54,638
Due from related parties	–	32,382	–	–	–	–	–	32,382
Other receivables	–	17,330	–	–	666	16,317	24,272	58,585
Total	₱322,333	₱358,985	₱–	₱203,535	₱344,832	₱204,338	₱80,679	₱1,514,702

Impairment assessment

The main consideration for impairment assessment includes whether there are known difficulties in the cash flow of the counterparties. The Group assesses impairment in two ways: individually and collectively.

First, the Group determines allowance for each significant receivable on an individual basis. Among the items that the Group considers in assessing impairment is the inability to collect from the counterparty based on the contractual terms of the receivables. Receivables included in the specific assessment are the accounts that have been endorsed to the legal department, non-moving accounts receivable and other accounts of defaulted counterparties.

For collective assessment, allowances are assessed for receivables that are not individually significant and for individually significant receivables where there is no objective evidence of individual impairment. Impairment losses are estimated by taking into consideration the age of the receivables, past collection experience and other factors that may affect their collectibility.

Commodity price risk

The Group is exposed to commodity price risk from conventional physical sales and purchase of sugar managed through volume, timing and relationship strategies. The Group does not enter into commodity derivatives.

The Group's sales commitments are contracted at fixed prices, and thus have no impact on the consolidated cash flows in the next 12 months.

Interest rate risk

The primary source of the Group's interest rate risk relates to interest-bearing financial liabilities. The interest rates on these liabilities.

Interest on financial liabilities with fixed interest rate is fixed until the maturity of the instrument.

The other financial instruments of the Group are noninterest-bearing and are therefore not subject to interest rate risk.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains strong credit and healthy capital ratios in order to support its business and maximize shareholder value.

The Group's dividend declaration is dependent on availability of earnings and operating requirements. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for the years ended September 30, 2015 and 2014.

Management considers the total consolidated equity reflected in the consolidated statement of financial position as its capital. The Group monitors its use of capital using leverage ratios, specifically, debt-to-equity ratio. It also monitors its DSCR to ensure that there would be sufficient amount of cash flow available to meet annual interest and principal payments on debt.

The Group is required to maintain a maximum debt-to-equity ratio of 2.33:1 and minimum DSCR of 1.25:1 by its creditor banks. The Group has the following debt-to-equity ratio:

	March 31, 2016 (Unaudited)	September 31, 2015 (Audited)
Total liabilities	**₱13,107,111**	₱12,021,855
Total equity	**8,600,676**	8,514,905
Total liabilities and equity	**₱21,707,787**	₱20,536,760
Debt-to-equity ratio	**1.52:1.00**	1.41:1.00

Fair Values

The following is a comparison by category of carrying amounts and fair values of the Group's financial instruments that are reflected in the consolidated financial statements:

	March 31, 2016 (Unaudited)		September 30, 2015 (Audited)	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial Assets				
Cash on hand	**₱16,517**	**₱16,517**	₱3,138	₱3,138
Loans and receivables:				
Cash in banks	**375,782**	**375,782**	199,277	199,277
Trade receivables*	**1,668,068**	**1,668,068**	1,020,471	1,020,471
Due from planters and cane haulers*	**56,925**	**56,925**	93,675	93,675
Due from employees*	**61,653**	**61,653**	53,905	53,905
Due from related parties	**48,518**	**48,518**	32,382	32,382
Others receivables*	**64,255**	**64,255**	34,313	34,313
	₱2,291,718	**₱2,291,718**	₱1,437,161	₱1,437,161
Financial Liabilities				
Other financial liabilities:				
Short-term borrowings	**₱5,490,339**	**₱5,490,339**	₱3,268,601	₱3,268,601
Trade and other payables**	**1,967,437**	**1,967,437**	1,864,199	1,864,199
Long-term borrowings	**4,237,771**	**4,461,277**	5,515,392	5,429,478
	₱11,695,547	**₱11,919,053**	₱10,648,192	₱10,562,278

**Net of related allowance for impairment losses totaling ₱80.7 million as at March 31, 2016 and September 30, 2015.*
***Excludes payables to government agencies amounting to ₱99.9 million and ₱66.2 million as at March 31, 2016 and September 30, 2015, respectively and provision for losses amounting to ₱16.2 million.*

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

Cash and cash equivalents, trade receivables, due from planters and cane haulers, due to and from related parties, due from employees, dividends receivable, other receivables, trade and other payables, short-term borrowings, current portion of long-term borrowings and dividends payable. The carrying amounts of these instruments approximate fair values due to their short-term maturities.

Long-term borrowings. Fair values of long-term borrowings as at March 31, 2016 and September 30, 2015 were determined based on Level 2 in which the inputs are based on the discounted interest rate of the prevailing comparable instrument in the market.

11. Segment Reporting

The following tables present information about the Group's operating segments:

	Six Month Period Ended Oct 1 – March 31, 2016 (Unaudited)							
	RHI	CADPI	CACI	RBC	SCBI	Others	Eliminations and Adjustments	Consolidated
Revenue								
External customers:								
Refined sugar	₱–	₱1,957,983	₱96,216	₱157,144	₱–	₱–	₱–	₱2,211,343
Alcohol	–	–	–	901,063	1,067,788	–	–	1,968,851
Raw sugar	–	78,769	2,905,120	–	–	–	–	2,983,889
Molasses	–	144,892	77	–	–	–	–	144,969
Tolling fees	–	88,755	–	–	–	–	–	88,755
Others	–	–	–	–	15,124	–	–	15,124
	–	2,270,399	3,001,414	1,058,207	1,082,912	–	–	7,412,931
Inter-segment	–	–	865,255	–	31,306	–	(896,561)	–
	–	2,270,399	3,001,414	1,058,207	1,114,218	–	(896,561)	7,412,931
Costs and expenses	(7,685)	(2,180,426)	(3,796,683)	(1,042,017)	(1,111,177)	(9,968)	895,460	(7,252,496)
Interest expense	(17,891)	(88,382)	(47,820)	1,921	(38,397)	(24,980)	16,470	(199,079)
Others	63,832	10,620	10,979	3,228	5,998	25,494	(79,850)	40,301
Income (loss) before income tax	38,256	12,211	33,145	21,339	(29,358)	(9,454)	(64,481)	1,657
Income tax benefit (expense)	6,850	(3,725)	(9,993)	–	(1,794)	2,830	–	(5,832)
Segment profit (loss)	45,106	8,486	23,152	21,339	(31,152)	(6,623)	(64,481)	(4,175)
Equity in net earnings of an associate	70,268	–	–	–	–	–	–	70,268
Consolidated net income (loss)	₱115,374	₱8,486	₱23,152	₱21,339	(₱31,152)	(₱6,623)	(₱64,481)	₱66,093
	As at March 31, 2016 (Unaudited)							
Assets and Liabilities								
Current assets	₱1,964,681	₱3,677,415	₱2,104,540	₱817,164	₱650,146	₱1,226,600	(₱5,756,862)	₱4,683,684
Noncurrent assets	7,807,311	4,593,497	3,787,154	1,637,485	2,635,470	2,093,282	(5,530,096)	17,024,103
Total assets	₱9,771,992	₱8,270,912	₱5,891,694	₱2,454,649	₱3,285,616	₱3,319,882	(₱11,286,958)	₱21,707,787
Current liabilities	₱542,820	₱3,640,572	₱2,539,283	₱990,706	₱2,843,673	₱2,918,201	(₱5,730,521)	₱7,744,734
Noncurrent liabilities	1,524,144	2,496,148	1,401,180	24,990	428,199	179,891	(692,175)	5,362,377
Total liabilities	₱2,066,964	₱6,136,720	₱3,940,463	₱1,015,696	₱3,271,872	₱3,098,092	(₱6,422,696)	₱13,107,111

	Six Month Period Ended Oct 1 – March 31, 2015							
	RHI	CADPI	CACI	RBC	SCBI	Others	Eliminations and Adjustments	Consolidated
Revenue								
External customers:								
Refined sugar	₱–	₱605,332	₱–	₱3,040	₱–	₱–	₱–	₱608,372
Alcohol	–	–	–	988,681	–	–	–	988,681
Raw sugar	–	289,000	1,418,203	–	–	–	–	1,707,203
Molasses	–	106,364	–	–	–	–	–	106,364
Tolling fees	–	55,574	–	–	–	–	–	55,574
Liquid sugar	–	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–	–
	–	1,056,270	1,418,203	991,721	–	–	–	3,466,194
Inter-segment	–	61,962	548,146	–	–	–	(610,108)	–
	–	1,118,232	1,966,349	991,721	–	–	(610,108)	3,466,194
Costs and expenses	(6,119)	(1,024,838)	(1,944,847)	(913,613)	–	(760)	628,680	(3,261,497)
Interest expense	(14,095)	(71,771)	(45,546)	(1,004)	–	–	–	(132,416)
Others	40,405	19,490	15,619	8,901		5,908	(58,826)	31,497
Income (loss) before income tax	20,191	41,113	(8,425)	86,005	–	5,148	(40,254)	103,778
Income tax benefit (expense)	5,819	(13,327)	1,931	(4)	–	(1,617)	–	(7,198)
Segment profit (loss)	26,010	27,786	(6,494)	86,001	–	3,531	(40,254)	96,580
Equity in net earnings of an associate	40,884	–	–	–	–	–	–	40,884
Consolidated net income (loss)	₱66,894	₱27,786	(₱6,494)	₱86,001	₱–	₱3,531	₱629	₱137,464
	As at September 30, 2015 (Audited)							
Assets and Liabilities								
Current assets	₱1,942,197	₱2,022,178	₱1,064,707	₱795,228	₱282,632	₱618,415	(₱3,134,499)	₱3,590,858
Noncurrent assets	7,783,498	4,531,290	3,744,281	1,592,176	2,569,525	2,088,333	(5,363,201)	16,945,902
Total assets	₱9,725,695	₱6,553,468	₱4,808,988	₱2,387,404	₱2,852,157	₱2,706,748	(₱8,497,700)	₱20,536,760
Current liabilities	527,919	1,992,700	1,462,358	970,486	1,940,646	2,298,367	(2,717,080)	6,475,396
Noncurrent liabilities	1,543,282	2,444,369	1,419,025	70	489,153	179,892	(529,332)	5,546,459
Total liabilities	₱2,071,201	₱4,437,069	₱2,881,383	₱970,556	₱2,429,799	₱2,478,259	(₱3,246,412)	₱12,021,855

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following Management Discussion and Analysis should be read in connection with the submitted Unaudited Condensed Interim Consolidated Financial Statements as at and for six months ended March 31, 2016 and 2015.

Financial Highlights and Key Performance Indicators

Amounts in Millions except Shares	**March 31, 2016 (Unaudited)**	September 30, 2015 (Audited)	Increase (Decrease) Amount	%
Balance Sheet				
Fixed assets	**₱14,743**	₱14,373	₱370	3%
Goodwill	**1,236**	1,236	–	–
Total assets	**21,708**	20,537	1,171	6%
Shareholders' equity	**8,601**	8,515	86	1%
Net debt	**9,336**	8,547	789	9%
Equity ratio	**40%**	41%	–	–
Net debt as % of equity	**1.09x**	1.00x	–	–
Shares				
Market capitalization	**5,525**	6,181	(656)	(11%)
Total shares issued	**1,153**	1,151	2	–
Closing price	**4.80**	5.37	(0.57)	(11%)

Amounts in Millions except Operational Data	**Six Months Ended March 31 2016**	2015	Increase (Decrease) Amount	%
Revenues and Earnings				
Revenues	**₱7,413**	₱3,466	₱3,947	114%
Gross profit	**642**	623	19	3%
Depreciation	**443**	360	83	23%
Operating expenses	**481**	419	62	15%
Interest	**199**	132	67	51%
Net income	**66**	137	(71)	(52%)
EBITDA	**714**	687	27	4%
EBITDA margin [1]	**9.6%**	19.8%	–	–
Return on equity	**1%**	2%	–	–
Earnings per share	**0.06**	0.12	(0.06)	(50%)
Cash Flow and Investments				
Cash flow from operations	**(115)**	(520)	405	78%
Investment in fixed assets	**501**	301	200	66%
Operational Data *(volume in thousands)*				
Tons cane milled	**2,444**	2,267	177	8%
Production:				
Raw sugar (Lkg)	**4,324**	4,378	(54)	(0%)
Refined sugar (Lkg)	**1,432**	1,076	356	33%
Ethanol (liters)	**33,427**	19,819	13,608	69%

(1) EBITDA margin for the period is measured as EBITDA divided by service revenues.
(2) Net debt is derived by deducting cash and cash equivalents from total debt (short-term borrowings and long-term debt, including current portion)

The Company's financial performance is determined to a large extent by the following key results:

1. Raw sugar production – a principal determinant of consolidated revenues and computed as the gross amount of raw sugar output of CADPI and CACI as consolidated subsidiaries. It pertains to production capacity, ability to source sugar canes, efficiencies and the productivity of manufacturing facilities.

2. Refined sugar production – the most important determinant of revenues and computed as the gross volume of refined sugar produced by the CADPI refinery both as direct sales to industrial customers and traders or as tolling manufacturing service, limited by production capacity and by the ability of the Group to market its services to both types of customers.

3. Ethanol production – a measure of ethanol production yield compared to unit and cost of input and is computed as ethanol produced (in liters) from each ton of molasses undergoing distillation and dehydration processes.

4. Earnings before interest, taxes, depreciation and amortization (EBITDA) – the measure for cash income from operations and computed as the difference between revenues and cost of sales and operating and other expenses, but excluding finance charges from loans, income taxes and adding back allowances for depreciation and other non-cash amortization.

5. Return on Equity – denotes the capability of the Group to generate returns on the shareholders' fund computed as a percentage of net income to total equity.

Company Overview

Roxas Holdings, Inc. (RHI), a sugar and energy company, is the largest integrated sugar business and the biggest ethanol producer in the Philippines. The Company started operating as a sugar milling company in Nasugbu, Batangas in 1927 and was then known as Central Azucarera Don Pedro. The Company's subsidiaries include the following:

- Central Azucarera Don Pedro, Inc. (CADPI), located in Batangas, provides the refined sugar requirements of traders and industrial customers such as multinational food and beverage and pharmaceutical companies in Luzon.

- Central Azucarera de La Carlota, Inc. (CACI), based in La Carlota City, Negros Occidental where there is substantial sugar activity and also near the port for export, meets the raw sugar requirements of customers in the Visayas.

- Roxol Bioenergy Corporation (RBC), also based in La Carlota City, Negros Occidental, is the bioethanol unit of RHI. It operates as a standalone ethanol production facility

- San Carlos Bioenergy, Inc., located at San Carlos Ecozone, Barangay Palampas and Punao, San Carlos City, Negros Occidental, operates integrated sugar mill and bioethanol distillery complex.

- Najalin Ventures, Inc. (NAVI), based in Negros Occidental, an agricultural and industrial development.

- RHI Agri-Business Development Corporation (RHIADC), located in Batangas City, will manage and operate agricultural land and planting and cultivation of sugar cane and other farm products, has not yet started commercial operations as at March 31, 2016.

RHI also holds 45% stake in affiliate Hawaiian-Philippine Company in Silay, Negros Occidental.

Results of Operations

Revenues

	Six Months Ended March 31		Increase (Decrease)	
	2016	2015	Amount	%
Raw sugar	**₱2,984**	₱1,707	₱1,277	75%
Refined sugar	**2,211**	608	1,603	264%
Molasses	**145**	106	39	37%
	5,340	2,421	2,919	120%
Alcohol	**1,969**	989	980	99%
Tolling fees	**89**	56	33	59%
Others	**15**	–	15	–
	₱7,413	₱3,466	₱3,947	114%

Consolidated revenues for the six months ended March 31, 2016 amounted to ₱7,413 million, ₱3,947 million or 114% higher than the ₱3,466 consolidated revenue reported in the same period in 2015, primarily due to higher sales volume and prices of sugar and alcohol and additional revenues of SCBI amounting to ₱1,114 million.

Sugar - Revenues from sugar operations for the six months ended March 31, 2016 amounted to ₱5,340 million, ₱2,919 million or 120% higher than the ₱2,421 million posted in the same period in 2015. The increase in revenue is driven primarily by higher sales volume, increase in average selling price of raw and refined sugar in 2016 at ₱1,792 and ₱2,063, respectively, from ₱1,477 and ₱1,691, respectively in 2015.

Alcohol - Revenues from alcohol for the six months ended March 31, 2016 amounted to ₱1,969 million, of which ₱1,114 million was contributed by SCBI, a subsidiary acquired in May 2015, while ₱901 million was contributed by RBC. The 9% or ₱88 million increase in RBC's revenue for the six months ended March 31, 2016 is due to higher average selling price of alcohol at ₱57/liter in 2016 from ₱50/liter in 2015.

Other income - Other revenues pertains to sale of power and Co2 of SCBI.

Gross Profit

The Company's gross profit for the six months ended March 31, 2016 amounted to ₱642 million, ₱19 million or 3% higher than the ₱623 million in 2015 due to the combined effect of the following (i) higher sales volume and increase in average selling price, and (ii) higher manufacturing cost resulting from provision of higher milling incentives to farmers due to competition on cane supply.

Sugar - The sugar operation's gross profit amounted to ₱558 million, up by ₱53 million or 10% from ₱507 million reported in the same period in 2015. Despite the impact of El Nino which decreased Philippines sugar cane production and the challenge in sourcing sugar cane, the Company's total canes milled increased in 2016 to 2,444 metric tons, 8% higher from 2,267 metric tons in 2015. CADPI recorded 0.957 millions TCM for the six months ended March 31, 2016 from 0.823 million TCM for the same period last year. The TCM of CACI reached 1.487 million TCM for the period, 2.69% higher than the 1.448 million TCM for the same period last year. CACI was able to maintain its TCM amid the El Nino crisis while other mills experience significant drop in the TCMs.

Alcohol - The alcohol gross profit for the six months ended March 31, 2016 amounted to ₱85 million, 30% down from ₱118 million in 2015. Ethanol production of RBC for the six months ended March 31, 2016 of 14.5 million liters is 5.3 million liters or 27% lower than 19.8 million liters production last year. On the other hand, production at San Carlos Bioenergy, Inc. (SCBI) for the period was 10.8 million liters. Both ethanol plants instituted facility upgrades to increase its production capacity which decreased both manufacturing output and yield from molasses during the upgrade period. The facility upgrade is expected to be completed in the next quarters.

Operating Expenses

	Six Months Ended March 31		Increase (Decrease)	
	2016	2015	Amount	%
Salaries, wages and other employee benefits	**₱171**	₱124	₱47	38%
Outside services	**62**	48	14	29%
Taxes and licenses	**48**	57	(9)	(16%)
Depreciation	**26**	18	8	44%
Insurance	**22**	15	7	47%
Selling expenses	**21**	50	(29)	(58%)
Materials and consumables	**20**	17	3	18%
Transportation and travel	**12**	10	2	20%
Communication, light and water	**11**	4	7	175%
Rent	**9**	8	1	13%
Repairs and maintenance	**9**	6	3	50%
Corporate social responsibility	**5**	7	(2)	(29%)
Others	**65**	55	10	18%
	₱481	₱419	₱62	15%

Consolidated operating expenses for the six months ended March 31, 2016 increased by ₱62 million or 15% due to SCBI expenses amounting to ₱31 million and increase in salaries and wages, outside services, depreciation and insurance.

Interest

Interest expense amounted to ₱199 million for the six months ended March 31, 2016, 50% or ₱67 million higher than the ₱132 million reported in 2015, due to short term loans availed in 2016.

Share in Net Earnings of an Associate

Share in net earnings of an associate amounted to ₱70 million for the six months ended March 31, 2016, ₱29 million or 70% higher than ₱41 million reported in 2015, due to better margins of Hawaiian-Philippine Company.

Net Income

Consolidated net income for six months ended March 31, 2016 amounted to ₱66 million, ₱71 million or 52% lower than the ₱137 million reported in the same period in 2015. The decrease is due to the combined effects of the following (i) increased cost of cane relating to higher milling incentives provided to planters due to cane supply competition (ii) extended facility upgrade schedule of ethanol plants, and (iii) increase in interest expense. Earnings per share was ₱0.06 for six months ended March 31, 2016, 50% lower than ₱0.12 earnings per share in 2015.

EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) amounted to ₱714 million for the six months ended March 31, 2016, ₱77 million or 12% higher than ₱637 million reported in the same period in 2015.

Financial Condition

Consolidated total assets as at March 31, 2016 amounted to ₱21,708 million, ₱1,171 million or 6% higher than the ₱20,537 billion as at September 30, 2015, due to higher receivables and increase in inventories. Current assets went up by 30% or ₱1,093 million from ₱3,591 million as at March 31, 2015 to ₱4,683 billion as at March 31, 2016. Receivables increased by ₱694 million due to the change in customer demographics from traders to institutional accounts. Inventories likewise increased by ₱179 million in 2016 due to purchases of molasses in anticipation of completion of plant upgrade of ethanol plants.

During the six months ended March 31, 2016, the Company availed of ₱2,222 million short-term loans and repaid a total of ₱1,243 million in long-term borrowings.

Trade and other payables amounted to ₱2,083 million, ₱137 million or 7% higher than ₱1,947 million as at September 30, 2015 due to accrual of offseason costs amounting to ₱260 million and payables of SCBI amounting to ₱391 million.

The Company has a total of ₱7,200 million unsecured short-term credit lines with various banks for its working capital requirements. Unused lines as at March 31, 2016 amounted to ₱1,710 million. Various assets under a mortgaged trust indenture (MTI) and real estate mortgaged (REM) have secured the total outstanding term-debt as at March 31, 2016 of ₱4,253 million. Total unpledged MTI assets available as security for future term debts amount to ₱3,564 billion.

Book value per share slightly increased to ₱7.46 as at March 31, 2016 from ₱7.40 per share as at September 30, 2015.

Off-Balance Sheet Arrangements

The Company is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

Other Information

Pursuant to the Board of Directors (the "Board") Resolution on February 10, 2016, the Company is offering for subscription a total of 266,753,974 common shares of the capital stock of RHI, with par value of ₱1.00 each, on a pre-emptive basis to holders of common shares of the capital stock of RHI as of May 4, 2016 (the "Record Date") at an offer price of ₱4.19 per Rights Share (the "Offer Price").

OTHER INFORMATION

1. New projects or investments in another project, line of business or corporation; **None for the period.**

2. Composition of Board of Directors;

Name	Position
PEDRO E. ROXAS	**Chairman**
MANUEL V. PANGILINAN	**Vice Chairman**
HUBERT D. TUBIO	**President and CEO**
CHRISTOPHER H. YOUNG	**Director**
RAY C. ESPINOSA	**Director**
ALEX ERLITO S. FIDER	**Director**
SANTIAGO R. ELIZALDE	**Director**
OSCAR J. HILADO	**Independent Director**
DAVID L. BALANGUE	**Independent Director**

3. Performance of the corporation or result or progress of operations;

   See interim condensed consolidated financial statements and management's discussion and analysis of results of operations and financial conditions

4. Suspension of operations; **None for the period**

5. Declaration of dividends; **None for the period**

6. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements; **None for the period**

7. Financing through loans; **None for the period**

8. Offering of rights, granting of Stock Options and corresponding plans therefore;

   Pursuant to the Board of Directors (the "Board") Resolution on February 10, 2016, the Company is offering for subscription a total of 266,753,974 common shares of the capital stock of RHI, with par value of ₱1.00 each, on a pre-emptive basis to holders of common shares of the capital stock of RHI as of May 4, 2016 (the "Record Date") at an offer price of ₱4.19 per Rights Share (the "Offer Price").

9. Acquisition of other capital assets or patents, formula or real estates; **None for the period**

10. Any other information, event or happening that may affect the market price of the company's shares; **None for the period**

11. Transferring of assets, except in the normal course of business; **None for the period**

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant

ROXAS HOLDINGS, INC.
(formerly CENTRAL AZUCARERA DON PEDRO)

Signature and Title:

MARIE LYN P. CASEM
Deputy Head, Legal
Deputy Compliance Officer and
Asst. Corporate Secretary

CELSO T. DIMARUCUT
EVP - Chief Financial Officer

May 12, 2016