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S.E.C. Registration Number

EMPERADOR INC.

(Company's Full Name)

7/F 1880 EASTWOOD AVENUE, EASTWOOD CITY CYBERPARK, BAGUMBAYAN, QUEZON CITY

(Business Address: No. StreetCity/ Town/ Province)

DINA D.R. INTING

Contact Person

709-2038 to 41

Company Telephone Number

12	**31**	**17-Q**	**05**	**3rd Monday**
Month	Day	FORM TYPE	Month	Day
Fiscal Year		(**QUARTERLY REPORT FOR SEPTEMBER 30, 2014**)	Annual Meeting	

Registration of Securities

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

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..........**September 30, 2014**

2. Commission identification number….**A200117595**

3. BIR Tax Identification No......................**214-815-715-000**

4. Exact name of issuer as specified in its charter.....**EMPERADOR INC.**

5. **METRO MANILA, PHILIPPINES**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez Jr. Ave., Bagumbayan, Quezon City** **1110**
   Address of issuer's principal office Postal Code

8. Issuer's telephone number, including area code……**632-709-20-38 to -41**

9. **10th Floor, Liberty Center, 104 H.V. dela Costa Street, Salcedo Village, Makati City**
   Former address, if changed since last report

10. Securities registered pursuant to Sections 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
COMMON	**15,000,000,000**

11. Are any or all of the securities listed on a Stock Exchange? If yes, state the name of such Stock Exchange and the class/es of securities listed therein.

    Yes [✔] No [ ] **PHILIPPINE STOCK EXCHANGE, INC.** **Common Shares**

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of 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 [✔] No [ ]

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

    Yes [✔] No [ ]

PART I - FINANCIAL INFORMATION

1. Financial Statements

The following interim financial statements, notes and schedules are submitted as part of this report:

- Consolidated Statements of Financial Position
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Equity
- Consolidated Statements of Cash Flows
- Notes to Interim Consolidated Financial Statements
- Schedule of Financial Soundness Indicators
- Aging of Trade and Other Receivables

In 2013, Emperador Inc. ('EMP' or 'the Company') transformed into a holding company. It disposed all its net assets related to its information-technology (IT) business. On August 28, 2013, the Company acquired a wholly-owned subsidiary, Emperador Distillers, Inc. ('EDI'), the Philippines' largest liquor company and the world's largest brandy producer, from Alliance Global Group, Inc. ('AGI' or Ultimate Parent). This is in connection with AGI's entry as the new controlling stockholder, which concurrently acquired 90% interest in the Company on this date. AGI presently owns 87.55%, after it offered and sold a portion of its shares in September 2013 to increase EMP's public float. (See Notes 1.2 and 19.1)

The Company's acquisition of EDI is accounted for as a reverse acquisition under Philippine Financial Reporting Standards (PFRS) 3, *Business Combinations.* In a reverse acquisition under the PFRS, EDI was deemed to be the acquirer and EMP to be the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary, i.e. EDI, is determined to be the entity that gained control over the legal parent, i.e. EMP. Thus, the consolidated financial statements prior to the acquisition date have been prepared as a continuation of the consolidated financial statements of EDI and its subsidiaries (collectively referred to as the 'EDI Group'), except for the capital structure which represent that of the Company. The difference between the capital structures of EDI and the Company was shown under the Equity Reserves account in the statements of changes in equity prior to the acquisition date.

The interim consolidated financial statements (ICFS) have been prepared in accordance with PFRSs and Philippine Accounting Standard 34, *Interim Financial Reporting.* The accounting policies and methods of computations used are consistent with those applied in the audited consolidated financial statements of the Group as at and for the year ended December 31, 2013. The ICFS have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expenses.

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

Results of Operations – First Nine Months

The Group's net profit for the third quarter this year amounted to P1.51 billion, 15% higher than the P1.32 billion reported in the same period last year and 12% higher than second quarter of this year. Year-to-date net profit amounted to P4.57 billion this year as compared to P4.49 billion a year ago, with slightly better net profit rate of 23% this year versus 22% a year ago.

Gross profits for the third quarter and nine-month periods were respectively better by 13% and 7% year-on-year, because of about 5% improvement in cost of goods sold brought about by favorable cost efficiencies. Sales of goods were at about the same level as last year.

While cost of sales improved this year, other operating expenses expanded by 11% due to outside services, freight, salary increases and business taxes.

EBITDA, which is computed as profit before tax, depreciation and amortization, amounted to P6.17 billion and P6.28 billion for the nine months ended September 30, 2014 and 2013, respectively, representing 31% and 30% of revenues of respective periods.

Financial Condition

Total assets grew by 6% to P37.3 billion as of September 30, 2014 from P35.2 billion as of December 31, 2013. The Group is strongly liquid with current assets exceeding current liabilities by 6.7 times by the end of the period. Working capital or liquidity was sourced internally from operations. Current assets amounted to P27.8 billion while current liabilities amounted to P4.1 billion at end-September 2014. The Group has no long-term debt.

Cash and cash equivalents were reduced by 29% or P6.9 billion over the nine-month period, primarily due to the investment in Bodega Las Copas in Spain and the payment of cash dividend to stockholders on September 9, 2014 (Note 19.2). The Group ended with P17.1 billion in its coffers. (See Note 6)

Trade and other receivables grew by 76% or 2.3 billion, primarily due to higher sales in the third quarter and due to increase in advances to suppliers/contractors relating to the new distillery plant being built in Batangas. (See Note 7)

Financial assets at fair value through profit or loss represent investment in marketable securities which are valued at market price at end of the period. The fair value gain on these assets is included under Revenues. (See Note 8)

Inventories went up by 12% or P436 million, due to the higher level of finished products and raw materials in preparation for the Christmastime. With the expansion in warehousing facilities, finished goods cover increased this year. (See Note 9)

Prepayments and other current assets grew by 37% or P72.5 million, primarily due to prepaid media advertising costs of about P70 million.

Investment in a jointly-controlled entity refers to the amount paid for the acquisition of 50% equity in Bodega Las Copas in Spain in first half of the year. (No additional payment was made in third quarter.)

Property, plant and equipment went up by 30% or P1.1 billion due primarily to the ongoing construction of a new distillery plant in Batangas. (See Note 10)

Other non-current assets increased by 90% or P291 million, due to additional deferred input vat on fixed assets and deferred costs (see Note 12).

Trade and other payables went down by 1% or P19.2 million, due to reduced trade payables, output vat payable and settlement of year-end accrued expenses (see Note 13).

Accumulated translation adjustments refer to the resulting difference in the translation of the foreign subsidiary's financial statements to Philippine pesos. Monetary assets and liabilities are translated at the closing rate, non-monetary ones at historical cost, and income and expenses at average exchange rates.

With P17.1billion cash and cash equivalents in its coffers, the Group embarked on its expansion and investment program. On October 27, EIL obtained a £210 million short-term loan from two foreign banks. On October 31, 2014, a wholly-owned subsidiary, Emperador UK Limited, has completed the acquisition of 100% stake in Whyte & Mackay Group Limited and its subsidiaries ("Whyte & Mackay") of UK for an enterprise value of £430 million. The acquisition will put the Group to two fastest growing spirits segments in the world, the brandy and whisky. The principal activities of Whyte and Mackay and its subsidiaries are the production, marketing and distribution of its Scotch whisky and other alcoholic drinks in over 50 countries. On November 7, 2014, Singapore's sovereign wealth fund, GIC, through its private equity arm, entered into a definitive purchase agreement with EMP to invest P17.6 billion in new EMP shares and equity-linked securities at P11 per share. It also has the option to invest an additional P4.4 billion over a 13-month period. (See Note 26)

A cash dividend of P0.16 per share was declared by the Board of Directors on August 6, 2014 to all stockholders of record as of August 22, and was paid on September 9, 2014.

Five Key Performance Indicators

	Jan-Sept 2014	**Jan-Sept 2013**	**3rd Qtr 2014**	**3rd Qtr 2013**	**2nd Qtr 2014**	**2nd Qtr 2013**	**1st Qtr 2014**	**1st Qtr 2013**
Revenues	20,034	20,594	6,788	6,605	5,552	7,386	7,694	6,603
Net profit	4,566	4,489	1,509	1,316	1,341	1,732	1,717	1,442
Revenue growth	-2.7%		2.8%		-24.8%		16.5%	
Net profit growth	1.7%		14.6%		-22.6%		19.1%	
Net profit rate	22.8%	21.8%	22.2%	19.9%	24.2%	23.5%	22.3%	21.8%
Return on assets	12.2%	13.4%					4.4%	10.1%
	Sept 30, 2014	**Sept 30, 2013**		**Jun 30, 2014**	**Jun 30, 2013**	**Mar 31, 2014**	**Mar 31, 2013**	**Dec 31, 2013**
Current ratio	6.71x	7.49x		8.57x	2.95x	4.98x	2.53x	7.24x
Quick ratio	5.69x	6.28x		7.25x	1.98x	4.24x	1.67x	6.37x

- Revenue growth – measures the percentage change in revenues over a designated period of time.
- Net profit growth – measures the percentage change in net profit over a designated period of time.
- Net profit rate– computed as percentage of net profit to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs
- Return on assets – the ratio of net profit to total assets - measures the degree of efficiency in the use of resources to generate net income
- Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities.

Financial Soundness Indicators

Please see submitted schedule.

Other Required Disclosures

As of September 30, 2014, except for what has been noted, there were no other known items –such as trends, demands, commitments, events or uncertainties- affecting assets, liabilities, equity, sales, revenues, net income or cash flows that were unusual because of their nature, size, or incidents, and that will result in or that are reasonably likely to result in the liquidity increasing or decreasing in any material way, or that would have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There were no other known material events subsequent to the end of the interim period that would have a material impact in the interim period.

There are no other known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Group's liquidity increasing or decreasing in any material way. The Group does not have nor anticipate having any cash flow or liquidity problems within the year. The Group is not in default or breach of any note, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no other known events that will trigger direct or contingent financial obligation that is currently considered material to the Group, including any default or acceleration of an obligation. There are no other material off-balance sheet transactions, arrangements, obligations, and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. There are also no known events that will cause material change in the relationship between costs and revenues.

There are no other significant elements of income or loss that did not arise from continuing operations.

There were no other material issuances, repurchases or repayments of debt and equity securities.

The business has no seasonal aspects that had a material effect on the financial condition and results of operations of the Group.

EMPERADOR INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
SEPTEMBER 30, 2014

	9/30/2014	12/31/2013
Current ratio	6.71 : 1.00	7.24 : 1.00
Quick ratio	5.69 : 1.00	6.37 : 1.00
Liabilities-to-equity ratio	0.13 : 1.00	0.14 : 1.00
Asset -to-equity ratio	1.13 : 1.00	1.14 : 1.00
		9/30/2013
Solvency ratio	115.94%	119.59%
Net profit margin	22.79%	21.80%
Return on assets	12.24%	13.41%
Return on equity/investment	13.80%	15.23%

LIQUIDITY RATIOS measure the business' ability to pay short-term debt.
Current ratio - computed as current assets divided by current liabilities
Quick ratio - computed a cash, marketable securities, accounts receivable divided by current liabilities.

SOLVENCY RATIOS measure the business' ability to pay all debts, particularly long-term debt.
Solvency ratio - computed as net profit, plus non-cash depreciation and amortization, divided by total liabilities.
Liabilities-to-equity ratio - computed as total liabilities divided by stockholders'equity.

ASSET-TO-EQUITY RATIOS measure financial leverage and long-term solvency. It shows how much of the assets are owned by the company. It is computed as total assets divided by stockholders'equity.

PROFITABILITY RATIOS measure the business' ability to generate earnings.
Net margin - computed as net profit divided by revenues
Return on assets - net profit divided by total assets
Return on equity investment - net profit divided by total stockholders' equity

EMPERADOR INC. AND SUBSIDIARIES
(A Subsidiary of Alliance Global Group, Inc.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2014 AND DECEMBER 31, 2013
(Amounts in Philippine Pesos)

	Notes	September 30, 2014 Unaudited	December 31, 2013 Audited
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalents	6	**P 17,111,966,280**	P 24,040,194,994
Trade and other receivables - net	7	**5,328,073,138**	3,025,554,060
Financial assets at fair value through profit or loss	8	**1,147,264,997**	-
Inventories	9	**3,962,872,273**	3,526,529,441
Prepayments and other current assets		**267,525,331**	195,019,245
Total Current Assets		**27,817,702,019**	30,787,297,740
NON-CURRENT ASSETS			
Investment in a jointly-controlled entity		**3,703,721,965**	-
Property, plant and equipment - net	10	**4,879,590,260**	3,751,319,910
Trademarks - net	11	**251,903,862**	329,058,362
Deferred tax assets		**32,235,360**	32,235,360
Other non-current assets - net	12	**616,881,343**	325,450,808
Total Non-current Assets		**9,484,332,790**	4,438,064,440
TOTAL ASSETS		**P 37,302,034,809**	P 35,225,362,180
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	13	**P 3,652,649,587**	P 3,671,850,463
Income tax payable		**490,195,633**	538,586,438
Financial liability at fair value through profit or loss	8	**-**	38,631,143
Total Current Liabilities		**4,142,845,220**	4,249,068,044
NON-CURRENT LIABILITY			
Retirement benefit obligation		**76,529,358**	87,780,322
Total Liabilities		**4,219,374,578**	4,336,848,366
EQUITY			
Capital stock	19.1	**15,000,000,000**	15,000,000,000
Additional paid-in capital		**11,155,461,023**	11,155,461,023
Accumulated translation adjustments		**162,148,814**	134,457,168
Revaluation reserves		**(26,249,891)**	(26,249,891)
Retained earnings		**6,791,300,285**	4,624,845,514
Total Equity		**33,082,660,231**	30,888,513,814
TOTAL LIABILITIES AND EQUITY		**P 37,302,034,809**	P 35,225,362,180

See Notes to Consolidated Financial Statements.

EMPERADOR INC. AND SUBSIDIARIES
(A Subsidiary of Alliance Global Group, Inc.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED SEPTEMBER 30, 2014 AND 2013
(Amounts in Philippine Pesos)

	Notes	2014		2013	
		Year-to-Date	Quarter	Year-to-Date	Quarter
REVENUES	14	**P 20,034,492,534**	**P 6,788,409,177**	P 20,594,434,921	P 6,605,037,467
COSTS AND EXPENSES					
Costs of goods sold	15	**12,485,774,018**	**4,069,562,774**	13,104,316,991	4,260,512,840
Selling and distribution expenses	16	**1,590,753,496**	**589,747,267**	1,452,778,004	509,572,777
General and administrative expenses	16	**90,159,493**	**37,438,406**	58,701,186	36,963,527
Other charges		**28,457,667**	**16,922,273**	17,075,486	17,075,486
		14,195,144,674	**4,713,670,720**	14,632,871,667	4,824,124,630
PROFIT BEFORE TAX		**5,839,347,860**	**2,074,738,457**	5,961,563,254	1,780,912,837
TAX EXPENSE	17	**1,272,893,089**	**566,143,496**	1,472,064,974	465,035,956
NET PROFIT		**4,566,454,771**	**1,508,594,961**	4,489,498,280	1,315,876,881
OTHER COMPREHENSIVE INCOME (LOSS)					
Item that will be reclassified subsequently to profit or loss					
Translation gain (loss)		**27,691,646**	**48,384,599**	75,713,390	(10,703,779)
TOTAL COMPREHENSIVE INCOME		**P 4,594,146,417**	**P 1,556,979,560**	P 4,565,211,670	P 1,305,173,102
Earnings per share	20	**P 0.30**	**P 0.10**	P 0.47	P 0.14

See Notes to Consolidated Financial Statements.

EMPERADOR INC. AND SUBSIDIARIES
(A Subsidiary of Alliance Global Group, Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(Amounts in Philippine Pesos)

	Note	September 30, 2014 (Unaudited)	September 30, 2013 (Unaudited)
CAPITAL STOCK	19.1		
Balance at beginning of year		P 15,000,000,000	P 61,750,005
Subscriptions during the year		-	14,938,249,995
Balance at end of period		15,000,000,000	15,000,000,000
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of year		11,155,461,023	99,789,060
Subscriptions during the year		-	11,055,671,963
Balance at end of period		11,155,461,023	11,155,461,023
ACCUMULATED TRANSLATION ADJUSTMENTS			
Balance at beginning of year		134,457,168	(3,531,605)
Currency translation adjustments during the period		27,691,646	75,713,390
Balance at end of period		162,148,814	72,181,785
REVALUATION RESERVES			
Balance at beginning of year			
As previously stated		(26,249,891)	
Effect of adoption of PAS 19 (Revised)		-	(9,471,957)
Balance at end of year		(26,249,891)	(9,471,957)
RETAINED EARNINGS			
Balance at beginning of year		4,624,845,514	2,495,610,946
Dividends declared and paid	19.2	(2,400,000,000)	(3,702,134,051)
Net profit for the period		4,566,454,771	4,489,498,280
Loss from discontinued operations		-	(25,115,172)
Balance at end of the period		6,791,300,285	3,257,860,003
TOTAL EQUITY		P 33,082,660,231	P 29,476,030,854

See Notes to Interim Consolidated Financial Statements.

EMPERADOR INC. AND SUBSIDIARIES
(A Subsidiary of Alliance Global Group, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED SEPTEMBER 30, 2014 AND 2013
(Amounts in Philippine Pesos)

	Notes	2014 Unaudited	2013 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		P 5,839,347,860	P 5,961,563,254
Adjustments for:			
Depreciation and amortization	10	248,505,971	229,229,717
Amortization of trademarks	11,16	77,154,500	76,616,037
Impairment losses	7	629,805	-
Fair value (gain) loss on financial assets at fair value through profit or loss	8	(101,253,483)	221,535,353
Interest income	6,14	(323,136,738)	(53,263,173)
Gain on sale of property and equipment	10	(2,446,463)	(1,534,684)
Loss from discontinued operations		-	(25,115,172)
Operating profit before working capital changes		5,738,801,452	6,409,031,332
Increase in trade and other receivables	7	(2,304,884,956)	(1,386,307,267)
Increase in financial assets at fair value through profit or loss	8	(1,084,697,211)	(2,459,777)
Increase in inventories	9	(436,342,832)	(1,268,569,174)
Increase in prepayments and other current assets		(123,796,742)	(94,183,991)
Increase in other non-current assets	12	(291,430,535)	(199,432,139)
Increase (decrease) in trade and other payables	13	10,281,397	(296,818,242)
Increase in retirement benefit obligation		(11,250,964)	-
Cash generated from operations		1,496,679,608	3,161,260,742
Cash paid for income taxes		(1,269,993,238)	(1,414,220,282)
Net Cash From Operating Activities		226,686,371	1,747,040,460
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in a jointly-controlled entity		(3,703,721,965)	-
Acquisitions of property, plant and equipment	10	(1,377,625,237)	(1,338,392,250)
Interest received		323,136,738	53,263,173
Acquisition of trademark	11	-	(16,153,915)
Proceeds from sale of property and equipment	10	3,295,379	3,063,295
Acquisition of a subsidiary	18	-	(13,500,000,000)
Net Cash Used in Investing Activities		(4,754,915,085)	(14,798,219,697)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	19.2	(2,400,000,000)	(3,702,134,051)
Proceeds from additional capital subscriptions	19.1	-	33,655,461,023
Net Cash From Financing Activities		(2,400,000,000)	29,953,326,972
NET INCREASE IN CASH AND CASH EQUIVALENTS		(6,928,228,714)	16,902,147,735
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		24,040,194,994	4,656,449,593
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		P 17,111,966,280	P 21,558,597,328

See Notes to Interim Consolidated Financial Statements.

EMPERADOR INC. AND SUBSIDIARIES
AGING SCHEDULE OF TRADE AND OTHER RECEIVABLES
SEPTEMBER 30, 2014
(Amounts in Thousand Philippine Pesos)

Trade Receivables	
Current	1,719,982
1 to 30 days	1,739,863
31 to 60 days	440,130
Over 60 days	396,131
Total	4,296,106
Other receivables	1,031,967
Balance at September 30, 2014	**5,328,073**

EMPERADOR INC. AND SUBSIDIARIES
(A Subsidiary of Alliance Global Group, Inc.)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2014
(With Comparative Figures for December 31, 2013)
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1 Primary Purpose and Capitalization

Emperador Inc. (EMP or the Parent Company or the Company) had corporate transformation in 2013. From an information technology service provider, it became a holding company and expanded its authorized capital base.

On March 1, April 10 and July 31, 2013, the BOD, stockholders and SEC, respectively, approved the change in the primary purpose of the Parent Company to become a holding company. Consequently, the Parent Company disposed of its information technology-related net assets in April 2013. On June 19, August 27 and September 5, 2013, the BOD, stockholders and SEC, respectively, approved the increase in authorized capital stock to 20 billion shares from 100 million shares (see Note 19.1).

On August 28, 2013, Alliance Global Group, Inc. (AGI or the Ultimate Parent Company) obtained a controlling interest in EMP through AGI's subscription to EMP's new capital stock. As part of this transaction, AGI transferred to EMP all the issued and outstanding shares of Emperador Distillers, Inc. (EDI) that it owned. (See Notes 1.2 and 19.1)

AGI is a domestic holding company with diversified investments in real estate, food and beverage manufacturing, quick service restaurants and tourism-oriented businesses.

The common shares of the Company and AGI were first listed in the Philippine Stock Exchange (PSE) on December 19, 2011 and April 19, 1999, respectively.

The registered principal office address of EMP and of AGI are located at 7th Floor, 1880 Eastwood Avenue, Eastwood CityCyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City, Philippines.

1.2 Acquisition of EDI by the Parent Company and its Financial Reporting

On August 28, 2013, the Parent Company acquired 100% ownership interest in EDI from AGI, as a condition to AGI's subscription to EMP shares (see Note 1.1).This acquisition was effectively an acquisition of a group of assets because the Parent Company does not constitute a business as defined under Philippine Financial Reporting Standard (PFRS) 3, *Business Combinations*. The consolidated financial statements of the Parent Company and EDI and its subsidiaries (collectively referred to as the "Group") represent the continuation of the consolidated financial statements of EDI and its subsidiaries (collectively referred to as the "EDI Group"). The comparative information presented in these consolidated financial statements is that of the EDI Group and not that originally presented in the previous consolidated financial statements of the Parent Company. The comparative information is also adjusted retroactively to reflect the legal capital of the Parent Company.

EDI was incorporated in the Philippines on June 6, 2003 to primarily engage in the manufacturing and trading of brandy, wine or other similar alcoholic beverage products. EDI's registered office which is also its principal place of business is located at the 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City.

EDI currently has two principal brands, namely, Emperador brandy (in three variants, namely Brandy, Light brandy and Deluxe) and The BaR flavored alcoholic beverage (in gin, vodka and tequila). EDI and its subsidiaries (collectively referred to as the "EDI Group") are all engaged in businesses related to the main business of EDI. The liquor production business was acquired in 2007 from the Andrew Tan family who started it in 1979. EDI's subsidiaries are as follows:

		Percentage of Ownership	
Name of Subsidiaries	Explanatory Notes	**2014**	**2013**
Anglo Watsons Glass, Inc. (AWGI)	(a)	100%	100%
The Bar Beverage, Inc. (The Bar)	(b)	100%	100%
Emperador International, Ltd. (EIL)	(c)	100%	100%

Explanatory Notes:

(a) AWGI is a domestic corporation presently engaged in flint glass container manufacturing and primarily supplies EDI's bottle requirements.

AWGI's registered office is located in 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City. AWGI's glass manufacturing plant is located in Canlubang Industrial Estates, Canlubang, Laguna.

(b) Incorporated to carry out a general and commercial business of manufacturing, making, processing, importing, exporting, buying, and selling any and all kinds of alcohol, wine or liquor products.

The Bar's registered office is located in 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City.

(c) A foreign entity incorporated in the British Virgin Islands primarily to handle the international sales, marketing and merchandising of EDI's products. EIL is presently operating as an investment holding entity for offshore.

EIL's registered office and principal place of business is at the offices of Portcullis TrustNet (BVI) Limited, which is currently located at PorctcullisTrustNet Chambers, 4thFloor Skeleton Building, 3076 Drake's Highway, Road Town, Tortola, British Virgin Islands.

1.3 Approval of the Interim Consolidated Financial Statements

The interim consolidated financial statements of the Group as of and for the periods ended September 30, 2014(including the comparatives for the periods ended September 30, 2013) were authorized for issue by the BOD on November 10, 2014.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

These interim consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with PFRS, and should be read in conjunction with the Group's audited consolidated financial statements as of and for the year ended December 31, 2013.

The significant accounting policies and methods of computations used in the preparation of these interim consolidated financial statements are consistent with those applied in the most recent annual consolidated financial statements as of and for the year ended December 31, 2013, except for the application of adopted standards that became effective on January 1, 2014, as discussed in Note 3.

These interim consolidated financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

3. CHANGES AND UPDATES IN THE GROUP'S ACCOUNTING POLICIES

The following accounting policies become applicable from January 1, 2014 and were used in the preparation of the Group's interim consolidated financial statements:

(i) PAS 19 (Amendment), *Employee Benefits– Defined Benefit Plans – Employee Contributions* (effective from January 1, 2014). The amendment clarifies that if the amount of the contributions from employees or third parties is dependent on the number of years of service, an entity shall attribute the contributions to periods of service using the same attribution method (i.e., either using the plan's contribution formula or on a straight-line basis) for the gross benefit. Management has determined that this amendment will have no impact on the Group's financial statements.

(ii) PAS 32 (Amendment), *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* (effective from January 1, 2014). The amendment provides guidance to address inconsistencies in applying the criteria for offsetting financial assets and financial liabilities. It clarifies that a right of set-off is required to be legally enforceable, in the normal course of business; in the event of default; and in the event of insolvency or bankruptcy of the entity and all of the counterparties. The amendment also clarifies the principle behind net settlement and provided characteristics of a gross settlement system that would satisfy the criterion for net settlement. The Group does not expect this amendment to have a significant impact on its financial statements.

(iii) PAS 36 (Amendment), *Impairment of Assets – Recoverable Amount Disclosures for Non-financial Assets* (effective from January 1, 2014). The amendment clarifies that the requirements for the disclosure of information about the recoverable amount of assets or cash-generating units is limited only to the recoverable amount of impaired assets that is based on fair value less cost of disposal. It also introduces an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount based on fair value less cost of disposal is determined using a present value technique. There is no impact from this amendment in the interim financial statements.

(iv) PFRS 9, *Financial Instruments: Classification and Measurement*. This is the first part of a new standard on financial instruments that will replace PAS 39, *Financial Instruments: Recognition and Measurement*, in its entirety. The first phase of the standard was issued in November 2009 and October 2010 and contains new requirements and guidance for the classification, measurement and recognition of financial assets and financial liabilities. It requires financial assets to be classified into two measurement categories: amortized cost or fair value. Debt instruments that are held within a business model whose objective is to collect the contractual cash flows that represent solely payments of principal and interest on the principal outstanding are generally measured at amortized cost. All other debt instruments and equity instruments are measured at fair value. In addition, PFRS 9 allows entities to make an irrevocable election to present subsequent changes in the fair value of an equity instrument that is not held for trading in other comprehensive income.

The accounting for embedded derivatives in host contracts that are financial assets is simplified by removing the requirement to consider whether or not they are closely related, and, in most arrangements, does not require separation from the host contract.

For liabilities, the standard retains most of the PAS 39 requirements which include amortized cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in case where the fair value option is taken for financial liabilities, the part of a fair value change due to the liability's credit risk is recognized in other comprehensive income rather than in profit or loss, unless this creates an accounting mismatch.

In November 2013, the IASB has published amendments to International Financial Reporting Standard (IFRS) 9 that contain new chapter and model on hedge accounting that provides significant improvements principally by aligning hedge accounting more closely with the risk management activities undertaken by entities when hedging their financial and non-financial risk exposures. The amendment also now requires changes in the fair value of an entity's own debt instruments caused by changes in its own credit quality to be recognized in other comprehensive income rather in profit or loss. It also includes the removal of the January 1, 2015 mandatory effective date of IFRS 9.

To date, the remaining chapter of IFRS/PFRS 9 dealing with impairment methodology is still being completed. Further, the IASB is currently discussing some limited modifications to address certain application issues regarding classification of financial assets and to provide other considerations in determining business model.

The Group does not expect to implement and adopt PFRS 9 until its effective date. In addition, management is currently assessing the impact of PFRS 9 on the financial statements of the Group and it will conduct a comprehensive study of the potential impact of this standard prior to its mandatory adoption date to assess the impact of all changes.

PFRS 10, 12 and PAS 27 (Amendments) - *Investment Entities* (effective from January 1, 2014). The amendments define the term "investment entities," provide supporting guidance, and require investment entities to measure investments in the form of controlling interest in another entity, at fair value through profit or loss. This amendment does not have a material impact on the Group's financial statements.

(v) Annual Improvements to PFRS. Annual improvements to PFRS (2010-2012 Cycle) and PFRS (2011-2013 Cycle) made minor amendments to a number of PFRS, which are effective for annual period beginning on or after July 1, 2014. Among those improvements, the following amendments are relevant to the Group but have no material impact on the Group's financial statements:

Annual Improvements to PFRS (2010-2012 Cycle)

(a) PAS 16 (Amendment), *Property, Plant and Equipment* and PAS 38 (Amendment), *Intangible Assets.* The amendments clarify that when an item of property, plant and equipment, and intangible assets is revalued, the gross carrying amount is adjusted in a manner that is consistent with a revaluation of the carrying amount of the asset.

(b) PAS 24 (Amendment), *Related Party Disclosures.* The amendment clarifies that an entity providing key management services to a reporting entity is deemed to be a related party of the latter. It also requires and clarifies that the information required to be disclosed in the financial statements are the amounts incurred by the reporting entity for key management personnel services that are provided by a separate management entity should and not the amounts of compensation paid or payable by the key management entity to its employees or directors.

(c) PFRS 3 (Amendment), *Business Combinations* (effective July 1, 2014). Requires contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date.

(d) PFRS 13 (Amendment), *Fair Value Measurement.* The amendment, through a revision only in the basis of conclusion of PFRS 13, clarifies that issuing PFRS 13 and amending certain provisions of PFRS 9 and PAS 39 related to discounting of financial instruments, did not remove the ability to measure short-term receivables and payables with no stated interest rate on an undiscounted basis, when the effect of not discounting is immaterial.

Annual Improvements to PFRS (2011-2013 Cycle)

(a) PFRS 3 (Amendment), *Business Combination*s (effective July 1, 2014). Clarifies that PFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

(b) PFRS 13 (Amendment), *Fair Value Measurement*. The amendment clarifies that the scope of the exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis (the portfolio exception) applies to all contracts within the scope of, and accounted for in accordance with, PAS 39 or PFRS 9, regardless of whether they meet the definition of financial assets or financial liabilities as defined in PAS 32.

The Group has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's interim consolidated financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the interim consolidated financial information and related explanatory notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from those estimates.

The judgments, estimates and assumptions applied in the interim consolidated financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's consolidated financial statements for the year ended December 31, 2013.

4.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(a) Distinction Between Operating and Finance Leases

The Group has entered into various lease agreements as a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

(b) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies.

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the consolidated financial statements. Similarly, possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the consolidated financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

4.2 Key Sources of Estimation and Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Impairment of Trade and Other Receivables

Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Group evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectibility of the accounts, including, but not limited to, the length of the Group's relationship with the customers, the customers' current credit status, average age of accounts, collection experience and historical loss experience.

The allowance account is presented under Note 7.

(b) Determining Net Realizable Values of Inventories

In determining the net realizable values of inventories, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to changes in market factors that directly affect the demand for alcoholic beverages such as purchasing power of consumers, degree of competition, and other market-related factors. Future realization of inventories is affected by price changes in the costs incurred necessary to make a sale. These aspects are considered as key sources of estimation uncertainty and may cause significant adjustments to the Group's inventories within the next financial year. No allowance for inventory decline was recognized in 2014 and 2013 as the carrying amounts of the inventories are lower than their net realizable values (see Note 9).

(c) Estimating Useful Lives of Property, Plant and Equipment and Trademarks

The Group estimates the useful lives of property, plant and equipment, and trademarks based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment, and trademarks are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property, plant and equipment and trademarks are presented in Notes 10 and 11, respectively.

(d) Determining Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets will be fully utilized in the coming years.

(e) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

No impairment losses were recognized on non-financial assets in March 2014 and 2013 based on management's assessment.

(f) Valuation of Post-employment Defined Benefit

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates, salary rate increase, and employee turnover rate. In accordance with PFRS, actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the expense and the carrying amount of post-employment obligation in such future periods.

5. SEGMENT INFORMATION

Presently, the Group's only significant operating segment is related to its manufacturing and trading of alcoholic beverage products. This is being monitored and strategic decisions are made on the basis of operating results. Furthermore, the Group's operations are presently concentrated in one location; hence, it has no geographical segment classification. The Group, however, continues to acquire properties for future development in different locations. Sales to any of the Group's major customers did not exceed 10% of the Group's revenues in the periods presented.

Since the Group has only one significant operating segment, the items presented in the interim consolidated financial statements corresponding to assets and liabilities represent virtually the entire segment assets and liabilities.

6. CASH AND CASH EQUIVALENTS

This account includes the following components:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Cash on hand and in banks	**P 1,176,341,303**	P 1,948,055,704
Short-term placements	**15,935,624,977**	22,092,139,290
	P 17,111,966,280	P 24,040,194,994

Cash in banks generally earn interest at rates based on daily bank deposit rates. Short-term placements have an average maturity of 30 days and earn effective annual interest rates ranging from 1.2% to 1.7% and 1.0% to 3.1%% for the nine months ended September 30, 2014 and 2013, respectively. Interest earned amounted to P164.1 million and P53.2 million for the nine months ended September 30, 2014 and 2013, respectively, and is presented as part of Other Revenues under Revenues account in the consolidated statements of comprehensive income(see Note 14).

7. TRADE AND OTHER RECEIVABLES

Details of this account are as follows:

	Note	**September 30, 2014 (Unaudited)**	December 31, 2013 (Audited)
Trade receivables	18.4	**P 4,315,524,228**	P 2,824,069,959
Allowance for impairment		**(19,418,016)**	(18,788,211)
		P 4,296,106,212	P 2,805,281,748
Advances to suppliers	22.2	**1,007,451,346**	176,940,600
Advances to officers and employees	18.5	**16,235,165**	14,463,297
Accrued interest receivable			14,111,033
Other receivables – net of allowance for impairment amounting to P882,669		**8,280,415**	14,757,382
		P 5,328,073,138	P 3,025,554,060

Trade receivables are usually due within 30 days and do not bear any interest. All trade receivables are subject to credit risk exposure.

All of the Group's trade and other receivables have been reviewed for indications of impairment and adequate amounts of allowance for impairment have been recognized.

A reconciliation of the allowance for impairment is shown below.

		September 30, 2014 (Unaudited)		December 31, 2013 (Audited)
Balance at beginning of period	**P**	**19,670,880**	P	13,511,661
Impairment losses		**629,806**		6,159,219
Balance at end of period	**P**	**20,300,686**	P	19,670,880

The carrying amounts of these financial assets are a reasonable approximation of their fair values due to their short-term duration.

8. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account pertains to marketable securities and derivative assets or liabilities arising from foreign exchange margins trading spot and forward contracts. The term of these forward contracts is usually one month.

As of September 30, 2014, this account consists of marketable securities of P1.1 billion and derivative liability of P38.6 million as of December 31, 2013.

The net changes in fair values of these financial assets are presented in the interim consolidated statements of comprehensive income as part of Other Revenues under the Revenues account. The Group recognized marked-to-market gains of P101.2 million for nine months ended September 30, 2014 and fair value loss of P221.5 million for the nine months ended September 30, 2013.

9. INVENTORIES

Inventories as of September 30, 2014 and December 31, 2013 are all stated at cost, which is lower than their net realizable values. The details of inventories are shown as follows:

	Notes		September 30, 2014 (Unaudited)		December 31, 2013 (Audited)
Finished goods	15, 18.1	**P**	**1,379,023,075**	P	1,036,441,587
Raw materials	15, 18.1		**2,264,746,424**		2,185,068,609
Work-in-process	15		**11,769,069**		3,035,664
Packaging materials	15		**183,707,070**		192,687,386
Machinery spare parts, consumables and factory supplies			**123,626,635**		109,296,195
		P	**3,962,872,273**	P	3,526,529,441

10. PROPERTY, PLANT AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property, plant and equipment as of September 30, 2014 and December 31, 2013 are shown below.

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Cost	**P 6,176,164,637**	P 4,799,842,824
Accumulated depreciation and amortization	**(1,296,574,377)**	(1,048,522,914)
Net carrying amount	**P 4,879,590,260**	P 3,751.319,910

A reconciliation of the carrying amounts of property, plant and equipment is shown below.

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Balance at beginning of period, net of accumulated depreciation and amortization	**P 3,751,319,910**	P 2,013,925,725
Additions during the period	**1,377,625,237**	2,051,683,004
Disposals during the period	**(848,916)**	(1,528,611)
Depreciation and amortization charges for the period	**(248,505,971)**	(312,760,208)
Balance at the end of the period , net of accumulated depreciation and amortization	**P 4,879,590,260**	P 3,751.319,910

The EDI Group acquired the distilling facility of Consolidated Distillers of the Far East, Inc. (Condis), a related party under common ownership, located in Lumbangan, Nasugbu, Batangas, in 2013 (see Note 18.7); and vineyards in Spain. Construction of another distillery plant started in 2013 and still in progress in 2014.

The amount of depreciation and amortization is allocated as follows:

		For the Nine Months Ended	
	Notes	**September 30, 2014**	September 30, 2013
Cost of goods sold	15	**P 224,377,213**	P 199,430,392
Selling and distribution expenses	16	**23,013,549**	28,408,050
Administrative expenses	16	**1,115,209**	1,391,275
		P 248,505,971	P 229,229,717

11. TRADEMARKS

The remaining useful lives of the trademarks are as follows:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Emperador Brandy	**2.25 years**	3 years
Generoso Brandy	**2.25 years**	3 years
The Bar	**3.75 years**	4.5 years
The Bar	**8.75 years**	9.5 years

Management believes that the trademarks are not impaired as of September 30, 2014 and December 31, 2013 as the Group's products that carry such brands and trademarks are still selling fast. The net carrying amount of trademarks is as follows:

	Note	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Balance at beginning of period		**P 329,058,362**	P 415,238,652
Addition during the period		-	16,153,914
Amortization during the period	16	**(77,154,500)**	(102,334,204)
Balance at end of period		**P 251,903,862**	P 329,058,362

12. OTHER NON-CURRENT ASSETS

This account is composed of the following:

	Note	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Deferred input VAT		**P 302,678,361**	P 193,375,169
Refundable security deposits - net	18.3	**38,498,350**	34,755,535
Others assets		**275,704,632**	97,320,104
		P 616,881,343	P 325,450,808

13. TRADE AND OTHER PAYABLES

The breakdown of this account is as follows:

	Notes	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Trade payables	18.1, 18.2, 18.3	**P 1,806,757,647**	P 2,107,970,814
Advances from related parties	18.6	**1,494,550,649**	903,742,657
Accrued expenses		**104,353,498**	321,910,614
Output VAT payable		**186,796,235**	254,809,111
Others		**60,191,558**	83,417,267
		P 3,652,649,587	P 3,671,850,463

Management considers the carrying amounts of trade and other payables to be a reasonable approximation of their fair values due to their short duration.

14. REVENUES

The details of revenues are shown below:

	Notes	For the Nine Months Ended September 30, 2014 (Unaudited)	September 30, 2013 (Audited)
Sale of goods		P 19,561,441,267	P 19,771,600,422
Other Revenues – net	6, 8	473,051,267	822,834,499
		P 20,034,492,534	P 20,594,434,921

15. COST OF GOODS SOLD

The details of cost of goods sold are shown below:

	Notes	For the Nine Months Ended September 30, 2014 (Unaudited)	September 30, 2013 (Unaudited)
Finished goods at beginning	9	P 1,036,441,587	P 424,547,140
Finished goods purchased	18.1	559,283,778	552,886,521
Cost of goods manufactured			
Raw and packaging materials			
At beginning of period	9	2,377,755,995	2,811,441,883
Net purchases	18.1	11,066,542,335	12,691,285,815
At end of period	9	(2,448,453,494)	(2,722,161,446)
Used during the period		10,995,844,836	12,780,566,252
Work-in-process at beginning	9	3,035,664	7,793,883
Manufacturing overhead:			
Fuel and oil		337,599,038	287,325,972
Depreciation and amortization	10	224,377,213	199,430,392
Outside services		156,199,323	100,456,691
Communication, light and water		150,023,260	139,047,010
Rentals	18.3	93,315,720	94,742,361
Labor		79,054,892	88,500,877
Repairs and maintenance		71,481,909	63,696,839
Consumables and supplies		66,269,151	70,254,799
Taxes and licenses		30,732,624	25,183,550
Waste disposal		23,124,721	16,820,330
Insurance expense		14,702,973	5,657,762
Travel and transportation		12,209,824	8,210,519
Gasoline and oil		10,170,544	7,706,291
Meals		4,924,929	8,280,726
Miscellaneous		7,774,176	3,526,310
Work-in-process at end period	9	(11,769,069)	(6,896,746)
		12,269,071,728	13,900,303,818
Finished goods at end of period	9	(1,379,023,075)	(1,773,420,488)
		P 12,485,774,018	P 13,104,316,991

16. OTHER OPERATING EXPENSES

The details of other operating expenses are shown below.

	Notes	For the Nine Months Ended September 30, 2014 (Unaudited)	September 30, 2013 (Unaudited)
Freight out		**P 595,871,468**	P 575,210,033
Advertising		**300,905,100**	298,448,075
Outside services		**177,169,802**	70,135,826
Salaries and employee benefits		**136,525,772**	125,925,176
Amortization of trademarks	11	**77,154,500**	76,616,037
Representation		**76,912,631**	82,676,348
Taxes and licenses		**61,747,378**	43,401,532
Fuel and oil		**52,462,748**	47,461,770
Travel and transportation		**44,462,849**	39,840,498
Rentals	18.3	**43,268,062**	38,042,069
Meals		**27,829,858**	27,554,705
Depreciation and amortization	10	**24,128,758**	29,799,325
Repairs and maintenance		**19,156,659**	22,742,779
Utilities		**10,070,843**	8,659,626
Consumables and supplies		**6,571,943**	4,464,469
Insurance		**5,069,630**	4,770,268
Miscellaneous		**21,604,988**	15,730,654
		P 1,680,912,989	P 1,511,479,190

These expenses are classified in profit or loss in the consolidated statements of comprehensive income as follows:

	For the Nine Months Ended September 30, 2014 (Unaudited)	September 30, 2013 (Unaudited)
Selling and distribution	**P 1,590,753,496**	P 1,452,778,004
General and administrative	**90,159,493**	58,701,186
	P 1,680,912,989	P 1,511,479,190

17. TAXES

In 2014 and 2013, the Group opted to claim optional standard deduction in computing its regular corporate income tax except for EDI which used itemized deduction in 2013.

18. RELATED PARTY TRANSACTIONS

The Group's related parties include the ultimate parent company, stockholders, officers and employees, and other related parties under common ownership.

The summary of the Group's transactions with its related parties for the nine-month periods ended September 30, 2014 and 2013 and the related outstanding balances as of September 30, 2014 and December 31, 2013 are as follows:

	Notes	Amount of Transaction For the Nine months Ended		Outstanding Balance as of	
		September 30, 2014	September 30, 2013	**September 30, 2014**	December 31, 2013
Ultimate Parent Company:					
Advances obtained (payment made)	18.6		P (13,751,812)		
Lease of properties	18.3	**6,000,000**	6,000,000	**11,385,576**	P 8,965,576
Related Parties Under Common Ownership:					
Purchase of raw materials	18.1	**37,362,922**	381,646,174	**399,043,066**	451,648,340
Purchase of imported goods	18.1	**2,162,415**	140,094,060	**284,842**	35,270,647
Lease and related management	18.3	**59,231,115**	76,393,468	**72,678,500**	48,130,000
Advances obtained (payment made)	18.6	**590,807,992**	(337,715,963)	**1,491,479,934**	900,671,942
Acquisition of machineries and equipment	18.2		-	**191,584,700**	191,584,700
Acquisition of distilling facility	10,18.7	**-**	897,569,335	**-**	-
Sale of goods	18.4	**3,534,142**	29,128,105	**2,919,271**	5,032,459
Stockholder -					
Advances obtained	18.6		-	**3,070,715**	3,070,715
Officers and Employees -					
Advances granted (payment)	18.5	**1,771,868**	8,383,871	**16,235,165**	14,463,297

The Group's outstanding receivables from and payables to related parties arising from the above transactions are unsecured, generally noninterest-bearing and payable on demand, unless otherwise stated. No impairment loss was recognized for the nine months ended September 30, 2014 and 2013 for related party receivables.

Transactions with related parties are also discussed below.

18.1 Purchase of Goods

Prior to its acquisition of the distillery plant in 2013 (see Note 18.7), the Group sourced its alcohol requirements from Condis. The Group imports raw materials such as alcohol, flavorings and other items through Andresons Global, Inc. (AGL). There are also finished goods purchased through AGL. These transactions are payable within 30 days. The outstanding balances as of September 30, 2014 and December 31, 2013 are shown as part of Trade Payables under the Trade and Other Payables account in the consolidated statements of financial position (see Note 13).

18.2 Acquisitions of Machinery and Equipment

In 2010, the Group purchased certain machinery and equipment from TEI for P285.4 million. Of the total purchase price, P191.6 million remained unpaid as of September 30, 2014 and December 31, 2013 and is shown as part of Trade Payables under the Trade and Other Payables account in the consolidated statements of financial position (see Note 13).

18.3 Lease Agreements

The Group has a renewable lease agreement with TEI as the lessor, covering its main manufacturing plant facilities, which is being renewed annually unless mutually terminated by both parties. Total rental and management expenses arising from this lease amounted to P81.9 million and P63.0 million for the nine months ended September 30, 2014 and 2013, respectively, and presented as part of Rentals and Outside Services accounts under Cost of Goods Sold in the consolidated statements of comprehensive income (see Note 15). As of September 30, 2014 and December 31, 2013, unpaid rental relating to this lease agreement amounted to P72.7 million and P48.1 million, respectively, and is presented as part of Trade Payables under Trade and Other Payables account in the consolidated statements of financial position (see Note 13).

The Group has renewed its five-year lease contract with Megaworld Corporation, a related party under common ownership, as the lessor, for the head office space, which will mature in 2019. Total rental expense from this contract for the nine months ended September 30, 2014 and 2013 amounted to P15.6 million and P13.4 million, respectively, and presented as part of Rentals under the Selling and Distribution Expenses and Cost of Goods Sold accounts in the consolidated statements of comprehensive income (see Notes 16 and 15). There are no unpaid rentals regarding this lease agreement as of September 30, 2014 and December 31, 2013.

In relation to the above lease agreements, the Group paid the lessors refundable security deposits shown as part of Other Non-current Assets in the consolidated statements of financial position with carrying amounts of P21.7million and P24.1 million as of September 30, 2014 and December 31, 2013, respectively (see Note 12).

Meanwhile, AWGI leases the glass manufacturing plant located in Laguna from AGI. The amount of rental is mutually agreed between AGI and AWGI. Rentals amounting to P6.0 million for the nine months ended September 30, 2014 and 2013 were charged to operations under Cost of Goods Sold in the consolidated statements of comprehensive income (see Note 15). The outstanding liability from this transaction is shown as Trade payables under the Trade and Other Payables account in the consolidated statements of financial position (see Note 13).

18.4 Sale of Goods

The Group sold finished goods to some of its related parties. Goods are sold on the basis of the price lists in force and terms that would be available to non-related parties. The outstanding receivables from these transactions are generally noninterest-bearing, unsecured and settled through cash. These receivables are presented as part of Trade Receivables under Trade and Other Receivables account in the consolidated statements of financial position (see Note 7).

18.5 Advances to Officers and Employees

In the normal course of business, the Group grants noninterest-bearing, unsecured, and payable on demand cash advances to certain officers and employees. The outstanding balance arising from these transactions as of September 30, 2014 and December 31,2013 are presented as Advances to Officers and Employees under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 7).

The movements in the balance of Advances to Officers and Employees are as follows:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Balance at beginning of period	**P 14,463,4297**	P 10,408,070
Additions during the period, net	**1,771,868**	4,055,227
Balance at end of period	**P 16,235,165**	P 14,463,297

18.6 Advances from Related Parties

Certain entities within the AGI Group and other related parties grant cash advances to the EDI Group for its working capital, investment and inventory purchases requirements. These advances are generally unsecured, non-interest bearing and repayable upon demand in cash. These are presented as Advances from Related Parties under the Trade and Other Payables account in the consolidated statements of financial position (see Note 13).

The movements in the balance of Advances from Related Parties are as follows:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Balance at beginning of period	**P 903,742,657**	P 1,264,150,739
Additions during the period	**590,807,992**	
Repayments during the period		(360,408,082)
Balance at end of period	**P 1,494,550,649**	P 903,742,657

18.7 Acquisition of Distilling Facilities

In 2013, the Group acquired the distillery facilities of Condis, which include the following assets:

	Note	
Property, plant and equipment	10	P 756,990,993
Inventories	9	140,578,342
		P 897,569,335

19. EQUITY

19.1 Capital Stock

Capital stock consists of:

	Shares		Amount at P1 Par	
	September 30, 2014 (Unaudited)	December 30, 2013 (Unaudited)	**September 30, 2014 (Unaudited)**	December 30, 2013 (Unaudited))
Common stock – P1 par value				
Authorized no. of shares	**20,000,000,000**	20,000,000,000	**P 20,000,000,000**	P 20,000,000,000
Issued:				
Balance at beginning of period	**15,000,000,000**	61,750,005	**15,000,000,000**	61,750,005
Issued during the period	**-**	14,938,249,995	**-**	14,938,249,995
Balance at end of period	**15,000,000,000**	15,000,000,000	**P 15,000,000,000**	P 15,000,000,000

On June 19, 2013 and August 27, 2013, the Company's BOD and stockholders, respectively, approved the increase in authorized capital stock of the Company from P100.0 million divided into 100.0 million shares to P20.0 billion divided into 20.0 billion shares with par value of P1.00per share. On September 5, 2013, the Company's application for the increase in authorized common stock was approved by the SEC. (See Notes 1.1)

On July 4, 2013, the Company's BOD approved the issuance of 6.5 million shares at par value to two foreign investors.

On August 28, 2013, AGI and other investors subscribed to an aggregate of14.9 billion shares. Under the terms of AGI's subscription, the Company acquired all of EDI shares held by AGI. (See Notes 1.1 and 1.2)

On September 17, 2013, AGI launched an offering of 1.8 billion shares of the Company's shares, which is approximately 12% of the total issued shares. The said offering was priced at P8.98 per share and crossed on September 20, 2013. On September 25, the settlement date, the amount of P11.2 billion out of the net proceeds was directly remitted to the Company as an additional subscription price under the terms of AGI's amended subscription; such amount is recorded as Additional Paid-In Capital (APIC). Costs related to the issuances were deducted from APIC.

On September 25, 2013, AGI beneficially acquired two of the Company's minority corporate shareholders which held a combined 9.55% of the total issued shares. Thus, AGI beneficially owns 87.55% of EMP as of September 30, 2014.

19.2. Declaration of Dividends

In 2013, the BOD of EDI approved cash dividends of P3.7 billion, payable to stockholders of record as of July 16, 2013. The dividends were fully paid as of August 22, 2013.

On August 6, 2014, EMP declared cash dividends of 16 centavos per share, for a total of P2.4 billion, and paid such on September 9, 2014 to stockholders on record as of August 22, 2014.

20. EARNINGS PER SHARE

Earnings per share were computed as follows:

	For the Nine Months Ended	
	September 30, 2014 (Unaudited)	September 30, 2013 (Unaudited)
Net profit	**P 4,566,454,771**	P 4,489,498,280
Divided by the weighted average number of outstanding common shares	**15,000,000,000**	9,494,065,934
	0.30	0.47

The Group has no potentially dilutive instruments; thus, basic and dilutive earnings per share are the same.

21. COMMITMENTS AND CONTINGENCIES

The Group entered into non-cancellable leases covering certain manufacturing plant facilities, storage tanks and office spaces. The leases are for a period of one and five years, respectively, which are renewable thereafter upon mutual agreement of both parties. Several warehouse lease agreements with different lessors were likewise executed in 2014 and 2013 with lease period ranging from one to three years, which are renewable thereafter upon mutual agreement between the parties. The future minimum rentals payable under these operating leases as of September 30, 2014 and December 31, 2013 are as follows:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Within one year	**P 25,867,664**	P 56,923,846
After one year but not more than five years	**7,491,020**	12,572,691
	P 33,358,684	P 69,496,537

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these commitments and contingencies will not have material effects on the Group's interim consolidated financial statements.

22. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from its operating activities. The Group's risk management is coordinated with AGI, in close cooperation with the BOD appointed by AGI, and focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets.

There have been no significant changes in the Group's financial risk management objectives and policies during the period.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described in the succeeding paragraphs.

22.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

(a) Foreign Currency Risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Group's foreign currency-denominated transactions, which are primarily denominated in U.S. dollars (USD).

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

Foreign currency denominated financial assets and liabilities (all denominated in USD), translated into Philippine pesos at the closing rate, are as follows:

		September 30, 2014 (Unaudited)		December 31, 2013 (Audited)
Financial assets	**P**	**8,839,304,269**	P	3,111,066,586
Financial liabilities		**11,390,079,934**		1,738,868,577
Net assets (liabilities)	**P**	**(2,550,775,665)**	P	1,372,198,009

The following table illustrates the sensitivity of the Group's profit before tax with respect to changes in Philippine pesos against USD exchange rates. The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in previous 12 months at a 95% confidence level.

		September 30, 2014		December 31, 2013
Reasonably possible change in rate		**21%**		23%
Effect in profit before tax	**P**	**(526,538,270)**	P	316,106,273

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's foreign currency risk.

(b) *Interest Rate Risk*

As at September 30, 2014 and December 31, 2013, the Group is exposed to changes in market rates through its cash in banks and short-term placements which are subject to 30-day re-pricing intervals (see Note 6). Due to the short duration of short-term placements, management believes that interest rate sensitivity and its effect on the net results and equity are not significant.

22.2 Credit Risk

Generally, the maximum credit risk exposure of financial assets is the total carrying amount of the financial assets as shown in the consolidated statements of financial position, as summarized below.

	Notes		**September 30, 2014 (Unaudited)**		December 31, 2013 (Audited)
Cash and cash equivalents	6	**P**	**17,111,966,280**	P	24,040,194,994
Trade and other receivables – net	7		**4,320,621,792**		2,848,613,460
FVTPL	8		**1,147,264,997**		-
Refundable security deposits	12		**38,498,350**		34,755,535
		P	**22,618,351,419**	P	26,923,563,989

The Group's management considers that all the above financial assets that are not impaired as at the end of reporting period under review are of good credit quality.

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500 thousand for every depositor per banking institution.

(b) Trade and Other Receivables

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure. In determining credit risk, trade and other receivables excludes advances to supplier amounting to P1.0 billion and P176.9 million as of September 30, 2014 and December 31, 2013, respectively (see Note 7).

The age of trade and other receivables that are past due but unimpaired is as follows:

		September 30, 2014 (Unaudited)		December 31, 2013 (Audited)
Not more than 3 months	**P**	**2,387,767,578**	P	1,164,740,755
More than 3 months but not more than six months		**188,356,540**		186,771,704
	P	**2,576,124,118**	P	1,351,512,459

The Group has no trade and other receivables that are past due for more than nine months.

None of the financial assets are secured by collateral or other credit enhancements.

22.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 60-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The contractual maturities of trade and other payables (except for output vat payable, withholding taxes payable and advances from suppliers under others) and derivative liabilities reflect the gross cash flows, which approximates the carrying values of the liabilities at the end of each reporting period. As at September 30, 2014 and December 31, 2013, the Group's financial liabilities, which have contractual maturities of less than 12 months, are presented below.

	September 30, 2014 (Unaudited)		December 31, 2013 (Audited)	
	Within 6 Months	6 to 12 Months	Within 6 Months	6 to 12 Months
Trade and other payables	P 3,454,837,349	-	P 3,366,111,588	-
FVTPL liability	-	-	38,631,143	-
	P 3,454,837,349	-	P 3,404,742,731	-

The Group maintains cash to meet its liquidity requirements for up to seven-day periods. Excess cash funds are invested in time deposits.

23. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

23.1 Carrying Amounts and Fair Values of Financial Assets and Financial Liabilities

The carrying amounts and fair values of the categories of financial assets and liabilities presented in the consolidated statements of financial position are shown below.

	Notes	**September 30, 2014 (Unaudited)**		December 31, 2013 (Audited)	
		Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial Assets					
Loans and receivables:					
Cash and cash equivalents	6	**P 17,111,966,280**	**P 17,111,966,280**	P 24,040,194,994	P 24,040,194,994
Trade and other receivables	7	**4,320,621,792**	**4,320,621,792**	2,848,613,460	2,848,613,460
Refundable security deposits	12	**38,498,350**	**38,498,350**	34,755,535	34,755,535
Financial instrument At FVTPL – Debt Securities		**1,147,264,997**	**1,147,264,997**		
		P 22,618,351,419	**P 22,618,351,419**	P 26,923,563,989	P 26,923,563,989
Financial Liabilities					
Financial liabilities at amortized cost:					
Trade and other payables	13	**P 3,454,837,349**	**3,454,837,349**	P 3,366,111,588	P 3,366,111,588
FVTPL liability	8			38,631,143	38,631,143
		P 3,454,837,349	**P 3,454,837,349**	P 3,404,742,731	P 3,404,742,731

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 22.

24. FAIR VALUE MEASUREMENT AND DISCLOSURES

24.1 Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

24.2 Financial Instruments Measured at Fair Value

The table below shows the fair value hierarchy of the Company's classes of financial assets and financial liabilities measured at fair value in the statements of financial position on a recurring basis as of September 30, 2014 and December 31, 2013:

	September 30, 2014 (Unaudited)			
	Level 1	Level 2	Level 3	Total
Financial assets –				
FVTPL financial asset	P 1,147,264,997	P -	P -	P 1,147,264,997

	December 31, 2013 (Audited)			
	Level 1	Level 2	Level 3	Total
Financial liability –				
FVTPL financial liability	P 38,631,143	P -	P -	P 38,631,143

There were neither transfers between Levels 1 and 2 nor changes in Level 3 instruments in both years.

As of September 30, 2014 and December 31, 2013, the financial instruments included in Level 1comprise of foreign exchange spots and forward contracts classified as financial instruments at FVTPL (see Note 8).

24.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The table below summarizes the fair value hierarchy of the Group's financial assets and financial liabilities which are not measured at fair value in the September 30, 2014 consolidated statement of financial position but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and cash equivalents	P 17,111,966,280	P		P 17,111,966,280
Trade and other receivables			P 4,320,621,792	4,320,621,792
Refundable security deposits	-	-	38,498,350	38,498,350
	P 17,111,966,280	P -	P 4,359,120,142	P 21,471,086,422
Financial liabilities –				
Trade and other payables	P -	P -	P 3,454,837,349	P 3,454,837,349

For financial assets and financial liabilities with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments approximate their fair values.

25. CAPITAL MANAGEMENT OBJECTIVES POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented in the face of the consolidated statements of financial position. Capital at the end of each reporting period is summarized as follows:

	September 30, 2014 (Unaudited)	December 31, 2013 (Audited)
Total liabilities	**P 4,219,374,578**	P 4,336,848,366
Total equity	**33,082,660,231**	30,888,513,814
Debt-to-equity ratio	**0.13: 1**	0.14: 1

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

26. SUBSEQUENT EVENTS

On November 7, 2014, GIC, Singapore's sovereign wealth fund, through its private equity arm, entered into a definitive purchase agreement with the Company to invest P17.6 billion in new EMP shares and equity-linked securities (ELS) at P11.00 per share. The ELS has a tenure of up to 7 years and convertible into 480 million EMP shares under preset terms at the option of both EMP and GIC. GIC has also an option to invest additional P4.4 billion in EMP at the same price under certain conditions over a 13-month period. The agreement is expected to be completed within November 2014.

On October 31, 2014, EMP, through its wholly owned subsidiary, Emperador UK Limited, has completed the acquisition of 100 per cent stake in Whyte & Mackay Group Limited and its subsidiaries ("Whyte & Mackay") for an enterprise value of £430 million (PHP31 billion). The agreement for acquisition was signed on 9 May 2014.

On October 27, 2014, the Group availed £210 million loan from The Hongkong and Shanghai Banking Corporation Limited (Hong Kong Branch) and JP Morgan Chase Bank N.A. (Singapore Branch). The loan has a tenure of one year and bears interest at 1.25% over LIBOR.

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.

Issuer: **EMPERADOR INC.**

By:

DINA D.R. INTING
Corporate Information Officer
& Chief Financial Officer
November 12, 2014