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May 17, 2013

THE PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Metro Manila

Attention : Ms. Janet A. Encarnacion
Head, Disclosure Department

Gentlemen:

In accordance with the Securities Regulation Code, we are submitting herewith a copy of SEC Form 17-Q (Quarterly Report) of **I-Remit, Inc.** as at **March 31, 2013**.

Thank you.

Very truly yours,

HARRIS E. D. JACILDO
President & Chief Operating Officer

I-Remit, Inc.
26/F Discovery Centre, 25 ADB Avenue, Ortigas Center, Pasig City 1605 Philippines
Telephone: (632) 706-9999 and (632) 706-2737
Facsimile: (632) 706-2767

COVER SHEET

A 2 0 0 1 0 1 6 3 1

SEC Registration Number

I - R E M I T ,   I N C .   A N D   S U B S I D I A R I E S

(Company's Full Name)

2 6 / F   D i s c o v e r y   C e n t r e ,   2 5   A D B   A v e
n u e ,   O r t i g a s   C e n t e r ,   P a s i g   C i t y

(Business Address: No. Street City/Town/Province)

Mr. HARRIS EDSEL D. JACILDO

(Contact Person)

(632) 706–9999 Local 100/105/109

(Company Telephone Number)

1 2   3 1

Month   *Day*

(Fiscal Year)

1 7 - Q

(Form Type)

0 7

Month   *Day*

(Annual Meeting)

(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 ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

SEC Number	**A200101631**
PSE Code	
File Number	

I-REMIT, INC.
AND SUBSIDIARIES

(Company's Full Name)

26/F Discovery Centre, 25 ADB Avenue,
Ortigas Center, Pasig City, 1605 Metro Manila

(Company's Address)

(02) 706 – 9999 Local 100 / 105 / 109

(Telephone Number)

December 31

(Fiscal Year Ending)
(Month and Day)

SEC FORM 17-Q

Form Type

Amendment Designation (if applicable)

March 31, 2013

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 quarterly period ended **March 31, 2013**

2. Commission Identification No. **A200101631** 3. BIR Tax Identification No. **210-407-466-000**

4. Exact name of registrant as specified in its charter **I-REMIT, INC.**

5. **Metro Manila, PHILIPPINES**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code

7. **26/F Discovery Centre, 25 ADB Avenue, Ortigas Center, Pasig City, Metro Manila** **1605**
Address of principal office Postal code

8. **(632) 706 – 9999 Local 100 / 105 / 109**
Issuer's telephone number, including area code

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

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	**593,875,800 shares**

11. Are any or all of these securities listed on a Stock Exchange?

Yes [✓] No [ ]

If yes, state the name of such stock exchange and the classes of securities listed therein:
The Philippine Stock Exchange, Inc.

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 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 that the registrant was required to file such reports)

Yes [✓] No [ ]

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

Yes [✓] No [ ]

I-REMIT, INC. AND SUBSIDIARIES
Consolidated Balance Sheets

		Unaudited Mar. 31, 2013		Audited Dec. 31, 2012
ASSETS				
Current Assets				
Cash and cash equivalents	₱	885,837,676	₱	1,062,120,047
Financial assets at fair value through profit or loss		213,260,362		210,180,347
Accounts receivable		1,203,081,499		1,155,880,254
Other receivables		53,517,383		36,479,582
Other current assets		12,514,706		23,901,932
Total Current Assets		**2,368,211,626**		**2,488,562,162**
Noncurrent Assets				
Investments in associates		20,346,718		19,492,351
Property and equipment - net		24,230,132		23,495,462
Goodwill		111,441,191		111,441,191
Deferred tax asset		6,507,883		6,893,941
Software costs - net		1,235,260		1,452,662
Retirement asset		508,327		2,232,135
Other noncurrent assets		30,818,082		31,413,351
Total Noncurrent Assets		**195,087,593**		**196,421,093**
	₱	**2,563,299,219**	₱	**2,684,983,255**
LIABILITIES AND EQUITY				
Current Liabilities				
Beneficiaries and other payables	₱	781,208,590	₱	519,839,277
Income tax payable		1,801,232		1,801,235
Interest-bearing loans		550,000,000		925,000,000
Total Current Liabilities		**1,333,009,822**		**1,446,640,512**
Noncurrent Liabilities				
Retirement liability		0		0
Deferred tax liability		1,212,877		1,217,135
Total Noncurrent Liabilities		**1,212,877**		**1,217,135**
Total Liabilities		**1,334,222,699**		**1,447,857,647**
Equity Attributable to Equity Holders of the Parent Company				
Capital stock		617,725,800		617,725,800
Capital paid-in excess of par value		391,232,478		391,232,478
Retained earnings		336,093,305		334,506,646
Cumulative translation adjustment		(38,864,635)		(37,129,628)
Treasury stock		(77,110,428)		(69,209,688)
		1,229,076,520		**1,237,125,608**
Noncontrolling Interest		**0**		**0**
Total Equity		**1,229,076,520**		**1,237,125,608**
	₱	**2,563,299,219**	₱	**2,684,983,255**

I-REMIT, INC. AND SUBSIDIARIES
Consolidated Statements of Income

		Unaudited **Jan. 1 to** **Mar. 31, 2013**		Unaudited **Jan. 1 to** **Mar. 31, 2012**
REVENUE				
Delivery fees	₱	132,483,467	₱	132,436,858
Realized foreign exchange gains - net		43,076,031		66,835,913
Other fees		245,992		79,104
		175,805,490		**199,351,875**
COSTS OF SERVICES				
Bank charges		56,752,866		47,905,668
Delivery charges		2,669,295		3,194,145
		59,422,161		**51,099,813**
GROSS INCOME		**116,383,329**		**148,252,062**
OTHER OPERATING INCOME (LOSS)				
Net trading gains (loss)		1,869,040		5,829,999
Other income		7,830,982		3,075,304
		9,700,022		**8,905,303**
OPERATING EXPENSES				
Salaries, wages and employee benefits		63,290,691		58,959,274
Rental		14,775,937		14,313,814
Marketing		8,353,188		6,892,916
Professional fees		11,643,406		6,997,497
Transportation and travel		3,059,941		4,523,776
Communication, light and water		6,351,404		6,435,976
Photocopying and supplies		2,397,531		2,776,132
Depreciation and amortization		2,966,924		2,742,410
Entertainment, amusement and recreation		2,461,691		1,609,160
Other operating expenses		5,084,226		6,988,194
		120,384,939		**112,239,149**
TOTAL OPERATING INCOME		**5,698,412**		**44,918,216**
Equity in net earnings of associates		854,366		481,496
Interest income		3,473,341		2,824,172
Interest expense		(7,889,752)		(5,771,869)
INCOME BEFORE TAX FROM CONTINUING OPERATIONS		**2,136,367**		**42,452,015**
PROVISION FOR INCOME TAX		**549,707**		**9,097,372**
INCOME FROM CONTINUING OPERATIONS		**1,586,660**		**33,354,643**
INCOME (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS		**0**		**0**
NET INCOME	₱	**1,586,660**	₱	**33,354,643**
Attributable to:				
Equity holders of the Parent Company	₱	1,586,660	₱	33,354,643
Noncontrolling interest		0		0
	₱	**1,586,660**	₱	**33,354,643**
Basic/Dilutive Earnings Per Share Attributable to Equity Holders of the Parent Company		₱ **0.003**		₱ **0.055**

I-REMIT, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income

		Unaudited **Jan. 1 to Mar. 31, 2013**		Unaudited **Jan. 1 to Mar. 31, 2012**
Net Income	₱	**1,586,660**	₱	**33,354,643**
Other Comprehensive Income (Loss)				
Translation adjustment during the period		0		0
Total Comprehensive Income for the Period	₱	**1,586,660**	₱	**33,354,643**
Total Comprehensive income attributable to:				
Equity holders of the Parent Company	₱	1,586,660	₱	33,354,643
Noncontrolling interest		0		0
	₱	**1,586,660**	₱	**33,354,643**

I-REMIT, INC. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity

		Unaudited **Jan. 1 to** **Mar. 31, 2013**		Unaudited **Jan. 1 to** **Mar. 31, 2012**
CAPITAL FUNDS, BEGINNING	₱	**1,237,125,608**	₱	**1,361,321,915**
Net Income for the Period		1,586,660		33,354,643
Translation Adjustment for the Period		0		0
Total Comprehensive Income for the Period		1,586,660		33,354,643
Cash Dividends		0		0
Acquisition of Minority Interest		0		0
Purchase of Own Stock		(7,900,740)		(132,740)
Other Equity Adjustment		(1,735,008)		(7,046,944)
CAPITAL FUNDS, ENDING	₱	**1,229,076,520**	₱	**1,387,496,874**

I-REMIT, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows

		Unaudited **Jan. 1 to Mar. 31, 2013**		Unaudited **Jan. 1 to Mar. 31, 2012**
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax from continuing operations	₱	2,136,367	₱	42,452,015
Income (loss) before tax from discontinued operations		0		0
Income before tax		2,136,367		42,452,015
Adjustments for:				
Interest expense		7,889,752		5,771,869
Unrealized market valuation (gain) loss on financial instruments at fair value through profit or loss		(1,869,040)		(16,593,655)
Depreciation and amortization		2,966,923		2,742,410
Interest income		(3,473,341)		(2,824,171)
Equity in net earnings of associates		(854,366)		(481,496)
Unrealized foreign exchange gain - net		(1,839,589)		(3,064,563)
Post-Employment Benefits		1,723,808		0
Changes in Operating Assets and Liabilities:				
Decrease (Increase) in the amounts of:				
Financial Assets at FV through PL		(1,210,975)		32,802,160
Accounts receivables		(41,261,365)		154,820,150
Other receivables		(16,054,769)		30,538,108
Other current assets		11,387,226		13,750,897
Increase (Decrease) in the amounts of:				
Beneficiaries and other payables		257,880,444		63,305,693
Retirement liability		0		92,099
Net cash used in operations		217,421,075		323,311,516
Income taxes paid		(167,910)		(1,447,058)
Interest received		2,490,309		3,932,861
Interest paid		(8,501,174)		(5,771,869)
Net cash provided by (used in) operating activities		**211,242,300**		**320,025,450**
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of:				
Property and equipment		(7,900,740)		(6,503,429)
Software cost		(4,057,196)		(418,397)
Decrease (increase) in other noncurrent assets		595,269		(1,849,896)
Proceeds from disposals of property and equipment		88,546		11,719
Dividends received from associate		0		4,896,570
Net cash used in investing activities		**(11,274,120)**		**(3,863,433)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of:				
Short-term loans payable		(925,000,000)		(666,000,000)
Buy-back of shares		0		(132,740)
Proceeds from short-term loans payable		550,000,000		618,000,000
Net cash provided by (used in) financing activities		**(375,000,000)**		**(48,132,740)**
EFFECT OF CHANGE IN FOREIGN EXCHANGE RATE TO CASH AND CASH EQUIVALENTS		**(1,250,551)**		**(7,474,186)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT		**(176,282,371)**		**260,555,091**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,062,120,047**		**891,235,623**
CASH AND CASH EQUIVALENTS AT END OF YEAR	₱	**885,837,676**	₱	**1,151,790,714**

I-REMIT, INC. AND SUBSIDIARIES
Aging of Consolidated Receivables
Unaudited
March 31, 2013

	Total	Current	2-30 Days	31-60 Days	Over 60 Days
Agents	₱ 1,189,991,858	₱ 1,189,991,858	₱ -	₱ -	₱ -
Couriers	19,129,626	-	19,129,626	-	-
Related Parties	19,167,575	-	-	-	19,167,575
Others	28,309,822	-	-	-	28,309,822
	₱ 1,256,598,882	₱ 1,189,991,858	₱ 19,129,626	₱ -	₱ 47,477,398

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The following financial statements are submitted as part of this report:

a. Consolidated Balance Sheets as of March 31, 2013 (unaudited) and December 31, 2012 (audited);

b. Unaudited Comparative Consolidated Statements of Income for the three (3) months ended March 31, 2013 and March 31, 2012;

c. Unaudited Comparative Consolidated Statements of Comprehensive Income for the three (3) months ended March 31, 2013 and March 31, 2012;

d. Unaudited Comparative Consolidated Statements of Changes in Equity for the three (3) months ended March 31, 2013 and March 31, 2012;

e. Unaudited Comparative Consolidated Statements of Cash Flows for the three (3) months ended March 31, 2013 and March 31, 2012;

f. Unaudited Aging of Consolidated Receivables as of March 31, 2013.

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

March 31, 2013 vs. December 31, 2012

The total assets of the Company decreased by PHP 121.7 million or -4.5% to PHP 2,563.3 million as of March 31, 2013 against PHP 2,685.0 million as of December 31, 2012.

Cash and cash equivalents decreased by PHP 176.3 million or -16.6% from PHP 1,062.1 million as of December 31, 2012 to PHP 885.8 million as of March 31, 2013. Cash and cash equivalents as of March 31, 2013 and December 31, 2012 are 34.6% and 39.6% of the total assets as of March 31, 2013 and December 31, 2012, respectively. Financial assets at FVPL, which consist of investments in private debt securities (listed overseas) held for trading, increased by PHP 3.1 million or 1.5% from PHP 210.2 million as of December 31, 2012 to PHP 213.3 million as of March 31, 2013 mainly due to the increase in stock investments of Power Star Asia Group Limited. Financial assets at FVPL as of March 31, 2013 and December 31, 2012 are 8.3% and 7.8% of the total assets as of March 31, 2013 and December 31, 2012, respectively. Accounts receivable increased by PHP 47.2 million or 4.1% from PHP 1,155.9 million as of December 31, 2012 to PHP 1,203.1 million as of March 31, 2013. Accounts receivable as of March 31, 2013 and December 31, 2012 are 46.9% and 43.0% of the total assets as of March 31, 2013 and December 31, 2012, respectively. Other receivables increased by PHP 17.0 million or 46.7% from PHP 36.5 million as of December 31, 2012 to PHP 53.5 million as of March 31, 2013 mainly due to the account reclassification for the IPO Tax refund filed with the BIR, presented previously as other current assets. Other receivables as of March 31, 2013 and December 31, 2012 are 2.1% and 1.4% of the total assets as of March 31, 2013 and December 31, 2012, respectively. Other current assets decreased by PHP 11.4 million or -47.6% from PHP 23.9 million as of December 31, 2012 to PHP 12.5 million as of March 31, 2013 mainly due to the account reclassification to other receivables of the IPO Tax refund filed with the BIR.

Investments in associates increased by PHP 0.9 million or 4.4% from PHP 19.5 million as of December 31, 2012 to PHP 20.3 million as of March 31, 2013. Property and equipment-net increased by PHP 0.7 million or 3.1% from PHP 23.5 million as of December 31, 2012 to PHP 24.2 million as of March 31, 2013. Goodwill stood at PHP 111.4 million same as the level as of December 31, 2012. Deferred tax asset decreased by PHP 0.4 million or -5.6% from PHP 6.9 million as of December 31, 2012 to PHP 6.5 million as of March 31, 2013 mainly due to partial application by the Parent Company for its income tax due as of the quarter ending March 31, 2013. Software costs–net decreased by PHP 0.2 million or -15.0% from PHP 1.4 million as of December 31, 2012 to PHP 1.2 million as of March 31, 2013 due to additional amortization. Retirement asset decreased by PHP 1.7 million or -77.2% from PHP 2.2 million as of December 31, 2012 to PHP 0.5 million as of March 31, 2013 due to accrual of retirement expense for the First Quarter 2013. Other noncurrent assets decreased by PHP 0.6 million or -1.9% from PHP 31.4 million as of December 31, 2012 to PHP 30.8 million as of March 31, 2013.

Total liabilities decreased by PHP 113.6 million or -7.8% from PHP 1,447.9 million as of December 31, 2012 to PHP 1,334.2 million as of March 31, 2013. Total liabilities as of March 31, 2013 and December 31, 2012 are 52.0% and 53.9% of the total liabilities and equity as of March 31, 2013 and December 31, 2012, respectively.

Current liabilities decreased by PHP 113.6 million or -7.9% from PHP 1,446.6 million as of December 31, 2012 to PHP 1,333.0 million as of March 31, 2013 mainly due to the decrease in Interest-bearing loans by PHP 375.0 million or -40.5% from PHP 925.0 million as of December 31, 2012 to PHP 550.0 million as of March 31, 2013 as the Parent Company paid off all its maturing loans for the First Quarter 2013. Interest-bearing loans consist of unsecured, short-term peso-denominated loans from various local financial institutions with interest rates ranging from 5% to 7.25% per annum in First Quarter 2013 and 5.0% to 7.125% in full year 2012. Beneficiaries and other payables increased by PHP 261.4 million or 50.3% from PHP 519.8 million as of December 31, 2012 to PHP 781.2 million as of March 31, 2013 as remittance fulfillments were temporarily suspended during the Holy Week non-working holidays in the last week of March 2013. Beneficiaries and other payables comprised mainly of payables to beneficiaries of PHP 699.7 million, payables to agents, couriers and trading clients of PHP 27.2 million, accrued expenses of PHP 40.4 million, income tax payable of PHP 1.8 million, payables to related parties of PHP 1.6 million, withholding taxes of PHP 2.2 million, payable to government agencies of PHP 1.8 million, and payables to suppliers of PHP 1.8 million. Total current liabilities as of March 31, 2013 and December 31, 2012 are 52.0% and 53.9% of the total liabilities and equity as of March 31, 2013 and December 31, 2012, respectively.

Noncurrent liability amounting to PHP 1.2 million as of March 31, 2013 consists of deferred tax liability.

The Company's stockholders' equity as of March 31, 2013 stood at PHP 1,229.1 million, lower by PHP 8.0 million or -0.7% against the year-end 2012 level of PHP 1,237.1 million mainly due to additional buy-back of 2,734,000 shares from the stock market and higher negative cumulative translation adjustment, partly offset by the higher net income. Total stockholders' equity as of March 31, 2013 and December 31, 2012 are 47.9% and 46.1% of the total liabilities and equity as of March 31, 2013 and December 31, 2012, respectively.

On January 28, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Megaworld Corporation (“Megaworld”) that seeks to improve the collection efficiency of the latter by authorizing and appointing the Company to act as real estate payment collection and remittance agent for Megaworld for their clients worldwide, i.e., Filipino workers, immigrants and other nationalities abroad. Neither party has an obligation to market, promote or endorse the other party’s products and services.

On January 29, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Eight Under Par (Pawnshop Operator), Inc., more commonly known as Palawan Pawnshop, which allows a tie-up of the two (2) companies in effectively and efficiently distributing remittances originating from foreign sources, i.e., Filipino workers, immigrants and other nationalities abroad, to designated beneficiaries in the Philippines. Palawan Pawnshop embarked on the money remittance business in 2003. It is registered with and is subject to the regulatory and supervisory powers of the *Bangko Sentral ng Pilipinas* as a pawnshop, foreign exchange dealer/money changer and remittance agent. It has a network of over 800 branches in 45 provinces nationwide.

On February 21, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Century Properties Group, Inc. (“Century Properties”) that seeks to improve the collection efficiency of the latter by authorizing and appointing the Company to act as a real estate payment collection and remittance agent for Century Properties for the latter’s clients abroad, i.e., Filipino workers, immigrants, and other nationalities. Neither party has an obligation to market, promote, or endorse the other party’s products and services.

On April 24, 2013, the Company‘s Board of Directors approved the cancellation of the engagement of SyCip Gorres Velayo & Co. (“SGV”) as the Company’s external auditor. The cancellation resulted from divergent opinions on the scope of work of the audit process, particularly the extent of the reports to be submitted by the Company’s foreign offices. Considering the different regulatory environments in the countries where the Company has foreign offices, the completion of the reports required by SGV posed a significant challenge to the timely submission of the Company’s audited financial statements. Since the delayed submission of the Company’s audited financial statements opens the Company to reprimand or penalties from regulatory bodies that may also reflect poorly on its corporate governance practices, the Company was constrained to cancel the engagement of SGV and engage a different auditing firm. Further, the Company‘s Board of Directors approved the engagement of the firm of R.S. Bernaldo & Associates to prepare the Company’s audited financial statements for the period ending December 31, 2012.

The *Bangko Sentral ng Pilipinas* (BSP) recently reported that the remittances of overseas Filipinos posted a 3.7% year-on-year growth to reach USD 1.9 billion in March 2013. This brought the cumulative remittances for the first quarter of 2013 to USD 5.6 billion, higher by 6.2% than the level registered in the same period in 2012. The steady increase in personal remittances during the quarter was driven by robust remittance flows from both land-based workers with work contracts of one year or more (USD 4.2 billion), as well as sea-based workers and land-based workers with short-term contracts (USD 1.3 billion). Remittances remained strong partly on account of sustained demand for skilled Filipino workers overseas. The BSP expects remittances to grow by 5% in 2013 against last year.

The most recent report from the Philippine Overseas Employment Administration (POEA) indicated that approved job orders totaled 292,483 in January-April 2013, of which about 27% consisted of processed job orders mainly for services, production, and professional, technical and related workers. These processed job orders were largely intended for the manpower requirements of Saudi Arabia, United Arab Emirates, Qatar, Hong Kong, and Kuwait. Oman is expected to hire more than 3,000 doctors and nurses from other countries in response to a projected shortage of these medical professionals in the said country. The Philippine Government and the Kingdom of Saudi Arabia have finalized the draft agreement on Domestic Worker Recruitment last March 17. The proposed agreement aims to enhance Philippine-Saudi cooperation on the recruitment of Filipino domestic workers, and seeks to protect the rights of both the worker and the employer and regulate the contractual relations between them. The POEA also lifted the ban on deployment of OFWs to Iraq and Yemen that will now allow Filipinos to work in these countries. The POEA also announced that some 200,000 job opportunities are available in the Middle East this year alone. The Department of Labor and Employment (DOLE) also reported that the POEA and the German Federal Employment Agency have entered into a bilateral labor agreement in March 2013 regarding the placement of Filipino health care professionals for employment in Germany. The agreement provides, among other things, for favorable working conditions for Filipino health care professionals, similar with those granted to comparable German professionals. In January 2013, the Hong Kong government also announced the abolition of the levy on foreign domestic helpers. The DOLE also said that job opportunities will be open this year for migrant workers in Hong Kong's infrastructure industry. Meanwhile, in March, Hong Kong’s highest court issued a landmark decision that ruled against granting residency to two Filipino maids, dashing the hopes of several hundred thousand other domestic helpers from ever gaining permanent residency in the region. The controversial legal battle had over the past few years split the city over whether 286,000 of the domestic helpers, largely from the Philippines and Indonesia, but also other countries like Nepal, India and Pakistan should be entitled to residency at par with other foreigners. In February 2013, the Japanese government decided to extend for one year the period of stay of the second, third and fourth batches of nurse and caregiver candidates who entered Japan from 2010 to 2012 under the Japan-Philippine Economic Partnership Agreement (JPEPA). The Japanese government has made a series of improvements with regard to the acceptance of nurses and caregivers under the JPEPA. In March, the United Kingdom government also announced changes to its Immigration Rules for the benefit of entrepreneurs, international students, and highly skilled migrants.

Meanwhile, the Singaporean government decided to strictly implement a policy in July which will limit the number of foreign workers in that country. Although the policy has been in place for more than a year already, a detailed regulation was released in February which may worsen the situation for foreign workers. In April, the Canadian government announced tighter rules to prevent employers from using its temporary foreign worker program to squeeze Canadians out of jobs, acting after two high-profile cases tarnished the program's reputation. The new rules will prevent employers from paying foreign workers less than Canadians, and will ensure that employers who rely on temporary foreign workers have a "firm plan" in place to transition to a Canadian labor force. This week, Taiwan froze the hiring of Philippine workers and recalled its envoy to Manila in protest over the killing of a fisherman by the Philippine coast guard.

Below are the comparative key performance and financial soundness indicators of the Company and its subsidiaries:

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income* over average stockholders' equity during the period	0.1%	2%
Return on Assets (ROA)	Net income* over average total assets during the period	0.1%	1%
Earnings per Share (EPS)	Net income* over average number of outstanding shares	PHP 0.003	PHP 0.051
Sales Growth	Total transaction value in USD in present period over the previous year	6%	22%
Gross Income	Revenue less total cost of services (PHP millions)	116.4	561.7
Current ratio	Total current assets over total current liabilities	1.78	1.72
Solvency ratio	Net income plus depreciation over total liabilities	0.003	0.030
Solvency ratio	Total assets over total liabilities	1.92	1.85
Solvency ratio	Total stockholders' equity over total liabilities	0.92	0.85
Debt-to equity ratio	Total liabilities over total stockholders' equity	1.09	1.17
Asset-to-equity ratio	Total assets over total stockholders' equity	2.09	2.17
Interest rate coverage ratio	Earnings before interest and taxes over interest expense	1.27	2.17

* Net Income attributable to equity holders of the Parent Company and Minority Interest. EPS computed using Net Income attributable to equity holders of the Parent Company for the period ended March 31, 2013 and for the year ended December 31, 2012 are PHP 0.003 and PHP 0.051, respectively.

Below are the comparative key performance indicators of the Company's subsidiaries:

International Remittance (Canada) Ltd.

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-7%	-2%
Return on Assets (ROA)	Net income over average total assets during the period	-2%	-1%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 5.78)	(PHP 2.30)
Sales Growth	Total transaction value in USD in present period over the previous year	13%	6%
Gross Income	Revenue less total cost of services (PHP millions)	23.3	96.8

Lucky Star Management Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-52%	-103%
Return on Assets (ROA)	Net income over average total assets during the period	-7%	-27%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 5.66)	(PHP 31.22)
Sales Growth	Total transaction value in USD in present period over the previous year	16%	-5%
Gross Income	Revenue less total cost of services (PHP millions)	2.1	9.9

IRemit Global Remittance Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-144%	968%
Return on Assets (ROA)	Net income over average total assets during the period	-2%	-13%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 8.08)	(PHP 50.71)
Sales Growth	Total transaction value in USD in present period over the previous year	-2%	43%
Gross Income	Revenue less total cost of services (PHP millions)	18.2	72.8

I-Remit Australia Pty Ltd

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	0.04%	0.4%
Return on Assets (ROA)	Net income over average total assets during the period	0.02%	0.2%
Earnings per Share (EPS)	Net income over average number of outstanding shares	PHP 727.50	PHP 8,210.03
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	0.04	0.2

Worldwide Exchange Pty Ltd

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-39%	12%
Return on Assets (ROA)	Net income over average total assets during the period	-4%	1%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 17.17)	PHP 6.01
Sales Growth	Total transaction value in USD in present period over the previous year	-2%	22%
Gross Income	Revenue less total cost of services (PHP millions)	8.8	38.0

I-Remit New Zealand Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	11%	26%
Return on Assets (ROA)	Net income over average total assets during the period	-11%	-22%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 1,328.65)	(PHP 2,690.78)
Sales Growth	Total transaction value in USD in present period over the previous year	18%	30%
Gross Income	Revenue less total cost of services (PHP millions)	0.9	3.8

IREMIT Remittance Consulting GmbH

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	25%	-1,831%
Return on Assets (ROA)	Net income over average total assets during the period	-21%	-47%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 39.42)	(PHP 304.77)
Sales Growth	Total transaction value in USD in present period over the previous year	518%	-78%
Gross Income	Revenue less total cost of services (PHP millions)	0.4	1.3

Power Star Asia Group Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	2%	25%
Return on Assets (ROA)	Net income over average total assets during the period	2%	25%
Earnings per Share (EPS)	Net income over average number of outstanding shares	PHP 5.04	PHP 72.72
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	0.3	52.6

K. K. I-Remit Japan

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Dec. 31, 2012 (Full Year)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	24%	342%
Return on Assets (ROA)	Net income over average total assets during the period	-17%	-141%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 29,809.44)	(PHP 153,538.62)
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	1.3	1.5

March 31, 2013 vs. March 31, 2012

I-Remit realized a consolidated net income of PHP 1.6 million in First Quarter 2013, PHP 31.8 million lower -95.2% than the consolidated net income of PHP 33.4 million in First Quarter 2012. The consolidated net income in First Quarter 2013 and First Quarter 2012 are 0.9% and 16.7% of the First Quarter 2013 and First Quarter 2012 revenue, respectively.

Revenues decreased by PHP 23.5 million or -11.8% to PHP 175.8 million in First Quarter 2013 from PHP 199.4 million in First Quarter 2012 mainly due to significant net realized foreign exchange loss as the Philippine peso continued to appreciate against the U.S. dollar. From an average foreign exchange rate of 0.13 in First Quarter 2012, margin applied on foreign currency traded in the First Quarter 2013 was significantly low at 0.06. Other fees increased by PHP 0.167 million or 211.0% from PHP 0.079 million in First Quarter 2012 to PHP 0.246 million in First Quarter 2013 due to higher volume of amendments and retrieval of remittance transactions. Cost of services increased by PHP 8.3 million or 16.3% from PHP 51.1 million in First Quarter 2012 to PHP 59.4 million in First Quarter 2013 mainly due to higher bank charges which increased by PHP 8.8 million or 18.5% from PHP 47.9 million in First Quarter 2012 to PHP 56.8 million in First Quarter 2013. The increased in bank charges was brought about by higher volume of transactions. Delivery charges decreased by PHP 0.5 million or -16.4% from PHP 3.2 million in First Quarter 2012 to PHP 2.7 million in First Quarter 2013 as door-to-door delivery transactions went down due to the shift to other delivery services modes such as bank-to-bank, notify-to-pay, and Visa cards. Accordingly, the Company's gross income decreased by PHP 31.9 million or -21.5% from PHP 148.2 million in First Quarter 2012 to PHP 116.4 million in First Quarter 2013. The gross income in First Quarter 2013 and First Quarter 2012 are 66.2% and 74.4% of the First Quarter 2013 and First Quarter 2012 revenue, respectively.

Transaction count increased by 6.0% from 728,465 in First Quarter 2012 to 772,213 in First Quarter 2013. USD remittance volume increased by 6.5% from USD 374.4 million in First Quarter 2012 to USD 398.6 million in First Quarter 2013. Of the total transaction count in First Quarter 2013, the percentage contributions per region are as follows: Asia-Pacific, 43%; Middle East, 30%; North America, 13%; and Europe, 12%. In terms of USD remittance volume, the regional contributions are as follows: Asia-Pacific, 37%; Middle East, 20%; North America, 13%; and Europe, 10%.

Other operating income increased by PHP 0.8 million or 8.9% from PHP 8.9 million in First Quarter 2012 to PHP 9.7 million in First Quarter 2013. Net trading gains decreased by PHP 4.0 million or -67.9% from PHP 5.8 million in First Quarter 2012 to PHP 1.9 million in First Quarter 2013 mainly due to the continued appreciation of the Philippine peso against the U.S. dollar. Further, Power Star Asia Group Limited recognized higher gain realized from the sale of its security bonds in the First Quarter 2012 at HKD 416,318 as compared with the gain realized on sold debt securities at HKD 36,044 in First Quarter 2013. It also recognized unrealized holding gain for securities in First Quarter 2012 higher at HKD 625,286 compared with HKD 319,969 accrued in First Quarter 2013. Other income increased by PHP 4.8 million or 154.6% from PHP 3.1 million in First Quarter 2012 to PHP 7.8 million in First Quarter 2013.

Total operating expenses was higher by PHP 8.1 million or 7.3% from PHP 112.2 million in First Quarter 2012 to PHP 120.4 million in First Quarter 2013 mainly on account of higher professional fees, salaries, wages and employee benefits, and marketing expenses, partly offset by lower transportation and travel and other operating expenses. Professional fees in First Quarter 2013 were higher due to higher call center agents' costs. Salaries, wages and employee benefits in First Quarter 2012 were lower due to the annual salary increase that took effect in April 2012. Marketing expenses in First Quarter 2013 were higher mainly due to marketing subsidies provided for the new foreign office in Japan (K.K. I-Remit Japan) which started operations in May 2012. Entertainment, amusement and recreation expenses in First Quarter 2013 were higher mainly due to business development. Transportation and travel is lower in First Quarter 2013 mainly due to lesser number of business trips. Photocopying and supplies were lower in First Quarter 2013 mainly due to continuous cost-cutting measures observed by the Parent Company and all its foreign subsidiaries. Other operating expenses were higher in First Quarter 2013 mainly due to the new foreign office in Japan (K.K. I-Remit Japan) which started operations in May 2012. Total operating expenses in First Quarter 2013 and First Quarter 2012 are 68.5% and 56.3% of the First Quarter 2013 and First Quarter 2012 revenue, respectively.

Equity in net earnings of associates increased by PHP 0.4 million or 77.44% from PHP 0.5 million in First Quarter 2012 to PHP 0.9 million in First Quarter 2013 mainly due to the increased share on income of associates from PHP 258,297 to PHP 651,441 for IRemit Singapore Pte Ltd and from PHP 223,199 to PHP 202,925 for Hwa Kung Hong & Co., Ltd. Interest income was higher in First Quarter 2013 by PHP 0.6 million from PHP 2.8 million in First Quarter 2012 to PHP 3.5 million in First Quarter 2013. Interest expense was higher by PHP 2.1 million from PHP 5.8 million in First Quarter 2012 to PHP 7.9 million in First Quarter 2013 mainly due to higher interest rates ranging from 5% to 7.25% per annum in First Quarter 2013 and 5.0% to 7.125% per annum in First Quarter 2012.

The total assets of the Company increased by PHP 237.9 million or 10.2% to PHP 2,563.3 million as of March 31, 2013 against PHP 2,325.4 million as of March 31, 2012. Cash and cash equivalents decreased by PHP 266.0 million or -23.1% from PHP 1,151.8 million as of March 31, 2012 to PHP 885.8 million as of March 31, 2013. Cash and cash equivalents as of March 31, 2013 and March 31, 2012 are 34.6% and 49.5% of the total assets as of March 31, 2013 and March 31, 2012, respectively. Financial assets at FVPL, which consist of investments in private debt securities (listed overseas) held for trading, stood at PHP 213.3 million as of March 31, 2013, an increase of PHP 104.2 million or 95.6% against PHP 109.00 million as of March 31, 2012 mainly due to the increase in bonds and stock investments of Power Star Asia Group Limited. Financial assets at FVPL as of March 31, 2013 and March 31, 2012 are 8.3% and 4.7% of the total assets as of March 31, 2013 and March 31, 2012, respectively. Accounts receivable increased by PHP 421.3 million or 53.9% from PHP 781.8 million as of March 31, 2012 to PHP 1,203.1 million as of March 31, 2013 mainly due to higher volume of transactions. Accounts receivable as of March 31, 2013 and March 31, 2012 are 46.9% and 33.6% of the total assets as of March 31, 2013 and March 31, 2012, respectively. Other receivables decreased by PHP 29.3 million or -35.4% from PHP 82.8 million as of March 31, 2012 to PHP 53.5 million as of March 31, 2013. Other receivables as of March 31, 2013 and March 31, 2012 are 2.1% and 3.6% of the total assets as of March 31, 2013 and March 31, 2012, respectively. Other current assets decreased by PHP 2.7 million or -17.5% from PHP 15.2 million as of March 31, 2012 to PHP 12.5 million as of March 31, 2013.

Investments in associates increased by PHP 1.7 million or 9.1% from PHP 18.6 million as of March 31, 2012 to PHP 20.3 million as of March 31, 2013. Property and equipment-net increased by PHP 0.9 million or 3.8% from PHP 23.3 million as of March 31, 2012 to PHP 24.2 million as of March 31, 2013. Goodwill increased by PHP 18.5 million or 19.9% from PHP 93.0 million as of March 31, 2012 to PHP 111.4 million as of March 31, 2013 due to foreign exchange adjustment. Deferred tax asset decreased by PHP 0.7 million or -9.4% from PHP 7.2 million as of March 31, 2012 to PHP 6.5 million as of March 31, 2013 mainly due to partial application by the Parent Company for its income tax due as of the quarter ending March 31, 2013. Software costs–net decreased by PHP 0.4 million or -22.4% from PHP 1.6 million as of March 31, 2012 to PHP 1.2 million as of March 31, 2013 due to additional amortization. Other noncurrent assets decreased by PHP 9.9 million or -24.3% from PHP 40.8 million as of March 31, 2012 to PHP 30.8 million as of March 31, 2013.

Total liabilities increased by PHP 396.3 million or 42.2% from PHP 937.9 million as of March 31, 2012 to PHP 1,334.2 million as of March 31, 2013. Total liabilities as of March 31, 2013 and March 31, 2012 are 52.0% and 40.3% of the total liabilities and equity as of March 31, 2013 and March 31, 2012, respectively.

Current liabilities increased by PHP 395.2 million or 42.1% from PHP 937.8 million as of March 31, 2012 to PHP 1,333.0 million as of March 31, 2013 mainly due to the increase in beneficiaries and other payables by PHP 477.8 million or 157.5% from PHP 303.4 million as of March 31, 2012 to PHP 781.2 million as of March 31, 2013 as remittance fulfillments were temporarily suspended during the Holy Week non-working holidays in the last week of March 2013. Beneficiaries and other payables comprised mainly of payables to beneficiaries of PHP 699.7 million, payables to agents, couriers and trading clients of PHP 27.2 million, accrued expenses of PHP 40.4 million, income tax payable of PHP 1.8 million, payables to related parties of PHP 1.6 million, withholding taxes of PHP 2.2 million, payable to government agencies of PHP 1.8 million, and payables to suppliers of PHP 1.8 million. Interest-bearing loans decreased by PHP 68.0 million or -11.0% from PHP 618.0 million as of March 31, 2012 to PHP 550.0 million as of March 31, 2013 as the Parent Company paid off all its maturing loans for the First Quarter 2013. Interest-bearing loans consist of unsecured, short-term peso-denominated loans from various local financial institutions with interest rates ranging from 5% to 7.25% per annum in First Quarter 2013 and 5.0% to 7.125% in First Quarter 2012. Income tax payable decreased by PHP 14.6 million or -89.0% from PHP 16.4 million as of March 31, 2012 to PHP 1.8 million as of March 31, 2013. Total current liabilities as of March 31, 2013 and March 31, 2012 are 52.0% and 40.3% of the total liabilities and equity as of March 31, 2013 and March 31, 2012, respectively.

Noncurrent liability amounting to PHP 1.2 million as of March 31, 2013 consists of deferred tax liability.

The Company's stockholders' equity as of March 31, 2013 stood at PHP 1,229.1 million, lower by PHP 158.4 million or -11.4% against the March 31, 2012 level of PHP 1,387.5 million mainly due to lower net income and additional buy-back of shares from the stock market, partly offset by lower negative cumulative translation adjustment. Total stockholders' equity as of March 31, 2013 and March 31, 2012 are 47.9% and 59.7% of the total liabilities and equity as of March 31, 2013 and March 31, 2012, respectively.

On January 28, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Megaworld Corporation ("Megaworld") that seeks to improve the collection efficiency of the latter by authorizing and appointing the Company to act as real estate payment collection and remittance agent for Megaworld for their clients worldwide, i.e., Filipino workers, immigrants and other nationalities abroad. Neither party has an obligation to market, promote or endorse the other party's products and services.

On January 29, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Eight Under Par (Pawnshop Operator), Inc., more commonly known as Palawan Pawnshop, which allows a tie-up of the two (2) companies in effectively and efficiently distributing remittances originating from foreign sources, i.e., Filipino workers, immigrants and other nationalities abroad, to designated beneficiaries in the Philippines. Palawan Pawnshop embarked on the money remittance business in 2003. It is registered with and is subject to the regulatory and supervisory powers of the *Bangko Sentral ng Pilipinas* as a pawnshop, foreign exchange dealer/money changer and remittance agent. It has a network of over 800 branches in 45 provinces nationwide.

On February 21, 2013, the Company disclosed that it has signed a Memorandum of Agreement with Century Properties Group, Inc. (“Century Properties”) that seeks to improve the collection efficiency of the latter by authorizing and appointing the Company to act as a real estate payment collection and remittance agent for Century Properties for the latter’s clients abroad, i.e., Filipino workers, immigrants, and other nationalities. Neither party has an obligation to market, promote, or endorse the other party’s products and services.

On April 24, 2013, the Company‘s Board of Directors approved the cancellation of the engagement of SyCip Gorres Velayo & Co. (“SGV”) as the Company’s external auditor. The cancellation resulted from divergent opinions on the scope of work of the audit process, particularly the extent of the reports to be submitted by the Company’s foreign offices. Considering the different regulatory environments in the countries where the Company has foreign offices, the completion of the reports required by SGV posed a significant challenge to the timely submission of the Company’s audited financial statements. Since the delayed submission of the Company’s audited financial statements opens the Company to reprimand or penalties from regulatory bodies that may also reflect poorly on its corporate governance practices, the Company was constrained to cancel the engagement of SGV and engage a different auditing firm. Further, the Company‘s Board of Directors approved the engagement of the firm of R.S. Bernaldo & Associates to prepare the Company’s audited financial statements for the period ending December 31, 2012.

The *Bangko Sentral ng Pilipinas* (BSP) recently reported that the remittances of overseas Filipinos posted a 3.7% year-on-year growth to reach USD 1.9 billion in March 2013. This brought the cumulative remittances for the first quarter of 2013 to USD 5.6 billion, higher by 6.2% than the level registered in the same period in 2012. The steady increase in personal remittances during the quarter was driven by robust remittance flows from both land-based workers with work contracts of one year or more (USD 4.2 billion), as well as sea-based workers and land-based workers with short-term contracts (USD 1.3 billion). Remittances remained strong partly on account of sustained demand for skilled Filipino workers overseas. The BSP expects remittances to grow by 5% in 2013 against last year.

The most recent report from the Philippine Overseas Employment Administration (POEA) indicated that approved job orders totaled 292,483 in January-April 2013, of which about 27% consisted of processed job orders mainly for services, production, and professional, technical and related workers. These processed job orders were largely intended for the manpower requirements of Saudi Arabia, United Arab Emirates, Qatar, Hong Kong, and Kuwait. Oman is expected to hire more than 3,000 doctors and nurses from other countries in response to a projected shortage of these medical professionals in the said country. The Philippine Government and the Kingdom of Saudi Arabia have finalized the draft agreement on Domestic Worker Recruitment last March 17. The proposed agreement aims to enhance Philippine-Saudi cooperation on the recruitment of Filipino domestic workers, and seeks to protect the rights of both the worker and the employer and regulate the contractual relations between them. The POEA also lifted the ban on deployment of OFWs to Iraq and Yemen that will now allow Filipinos to work in these countries. The POEA also announced that some 200,000 job opportunities are available in the Middle East this year alone. The Department of Labor and Employment (DOLE) also reported that the POEA and the German Federal Employment Agency have entered into a bilateral labor agreement in March 2013 regarding the placement of Filipino health care professionals for employment in Germany. The agreement provides, among other things, for favorable working conditions for Filipino health care professionals, similar with those granted to comparable German professionals. In January 2013, the Hong Kong government also announced the abolition of the levy on foreign domestic helpers. The DOLE also said that job opportunities will be open this year for migrant workers in Hong Kong's infrastructure industry. Meanwhile, in March, Hong Kong’s highest court issued a landmark decision that ruled against granting residency to two Filipino maids, dashing the hopes of several hundred thousand other domestic helpers from ever gaining permanent residency in the region. The controversial legal battle had over the past few years split the city over whether 286,000 of the domestic helpers, largely from the Philippines and Indonesia, but also other countries like Nepal, India and Pakistan should be entitled to residency at par with other foreigners. In February 2013, the Japanese government decided to extend for one year the period of stay of the second, third and fourth batches of nurse and caregiver candidates who entered Japan from 2010 to 2012 under the Japan-Philippine Economic Partnership Agreement (JPEPA). The Japanese government has made a series of improvements with regard to the acceptance of nurses and caregivers under the JPEPA. In March, the United Kingdom government also announced changes to its Immigration Rules for the benefit of entrepreneurs, international students, and highly skilled migrants.

Meanwhile, the Singaporean government decided to strictly implement a policy in July which will limit the number of foreign workers in that country. Although the policy has been in place for more than a year already, a detailed regulation was released in February which may worsen the situation for foreign workers. In April, the Canadian government announced tighter rules to prevent employers from using its temporary foreign worker program to squeeze Canadians out of jobs, acting after two high-profile cases tarnished the program's reputation. The new rules will prevent employers from paying foreign workers less than Canadians, and will ensure that employers who rely on temporary foreign workers have a "firm plan" in place to transition to a Canadian labor force. This week, Taiwan froze the hiring of Philippine workers and recalled its envoy to Manila in protest over the killing of a fisherman by the Philippine coast guard.

Below are the comparative key performance and financial soundness indicators of the Company and its subsidiaries:

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income* over average stockholders’ equity during the period	0.1%	2%
Return on Assets (ROA)	Net income* over average total assets during the period	0.1%	1%
Earnings per Share (EPS)	Net income* over average number of outstanding shares	PHP 0.003	PHP 0.055
Sales Growth	Total transaction value in USD in present period over the same period in the previous year	6%	17%
Gross Income	Revenue less total cost of services (PHP millions)	116.4	148.3
Current ratio	Total current assets over total current liabilities	1.78	2.28
Solvency ratio	Net income plus depreciation over total liabilities	0.003	0.04
Solvency ratio	Total assets over total liabilities	1.92	2.48
Solvency ratio	Total stockholders' equity over total liabilities	0.92	1.48
Debt-to equity ratio	Total liabilities over total stockholders’ equity	1.09	0.68
Asset-to-equity ratio	Total assets over total stockholders’ equity	2.09	1.68
Interest rate coverage ratio	Earnings before interest and taxes over interest expense	1.27	8.36

* Net Income attributable to equity holders of the Parent Company and Minority Interest. EPS computed using Net Income attributable to equity holders of the Parent Company for the periods ended March 31, 2013 and March 31, 2012 are P 0.003 and P 0.055, respectively.

Below are the comparative key performance indicators of the Company's subsidiaries:

International Remittance (Canada) Ltd.

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-7%	0.5%
Return on Assets (ROA)	Net income over average total assets during the period	-2%	0.2%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 5.78)	PHP 0.46
Sales Growth	Total transaction value in USD in present period over the previous year	13%	-5%
Gross Income	Revenue less total cost of services (PHP millions)	23.3	21.9

Lucky Star Management Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-52%	-7%
Return on Assets (ROA)	Net income over average total assets during the period	-7%	-2%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 5.66)	PHP -3.08
Sales Growth	Total transaction value in USD in present period over the previous year	16%	-14%
Gross Income	Revenue less total cost of services (PHP millions)	2.1	3.5

IRemit Global Remittance Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-144%	-96%
Return on Assets (ROA)	Net income over average total assets during the period	-2%	-3%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 8.08)	PHP -20,881.96
Sales Growth	Total transaction value in USD in present period over the previous year	-2%	61%
Gross Income	Revenue less total cost of services (PHP millions)	18.2	18.4

I-Remit Australia Pty Ltd

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	0.04%	0.1%
Return on Assets (ROA)	Net income over average total assets during the period	0.02%	0.04%
Earnings per Share (EPS)	Net income over average number of outstanding shares	PHP 727.50	PHP 2,225.00
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	0.04	0.05

Worldwide Exchange Pty Ltd

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	-39%	0.3%
Return on Assets (ROA)	Net income over average total assets during the period	-4%	0.04%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 17.17)	PHP 0.13
Sales Growth	Total transaction value in USD in present period over the previous year	-2%	32%
Gross Income	Revenue less total cost of services (PHP millions)	8.8	9.2

I-Remit New Zealand Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	11%	19%
Return on Assets (ROA)	Net income over average total assets during the period	-11%	-14%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 1,328.65)	PHP -1,908.51
Sales Growth	Total transaction value in USD in present period over the previous year	18%	39%
Gross Income	Revenue less total cost of services (PHP millions)	0.9	-0.7

IREMIT Remittance Consulting GmbH

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	25%	-22%
Return on Assets (ROA)	Net income over average total assets during the period	-21%	-4%
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 39.42)	PHP -35.28
Sales Growth	Total transaction value in USD in present period over the previous year	518%	-99%
Gross Income	Revenue less total cost of services (PHP millions)	0.4	0.03

Power Star Asia Group Limited

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	2%	8%
Return on Assets (ROA)	Net income over average total assets during the period	2%	8%
Earnings per Share (EPS)	Net income over average number of outstanding shares	PHP 5.04	PHP 22.46
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	0.3	17.2

K. K. I-Remit Japan

Performance Indicator	Definition	Mar. 31, 2013 (Three Months)	Mar. 31, 2012 (Three Months)
Return on Equity (ROE)	Net income over average stockholders' equity during the period	24%	-
Return on Assets (ROA)	Net income over average total assets during the period	-17%	-
Earnings per Share (EPS)	Net income over average number of outstanding shares	(PHP 29,809.44)	-
Sales Growth	Total transaction value in USD in present period over the previous year	-	-
Gross Income	Revenue less total cost of services (PHP millions)	1.3	-

The Company is not aware of any known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity. The Company has not defaulted in paying its currently maturing obligations. In addition, obligations of the Company are guaranteed up to a certain extent by the Company's majority stockholders.

The Company is not aware of any events that will trigger a direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

The Company has no material commitments for capital expenditures.

Except as discussed above, the Company is not aware of any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on sales, revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the financial condition or results of operations.

The Company does not expect any purchase of significant equipment in the next twelve (12) months.

The Company does not expect any significant changes in the number of employees in the next twelve (12) months.

I-REMIT, INC.
COMPLIANCE WITH SEC LETTER
DATED OCTOBER 29, 2008

The information required by SEC letter dated October 29, 2008 can be found in the following pages:

a. Financial risk exposures of I-Remit, Inc. ("Company")

   Please refer to pages 31 to 32.

b. Disclosure on the financial instrument of the Company

   (1) Description of the financial instruments of the Company and the classification and measurements applied for each.

   Please refer to pages 26 to 30.

   (2) Amount of Company's investments in foreign securities.

   Not applicable as the Company has no investments in foreign securities.

   (3) Significant judgments made in classifying a particular financial instrument in the fair value hierarchy.

   Please refer to page 30.

   (4) Explanation of how risk is incorporated and considered in the valuation of assets or liabilities.

   Please refer to pages 30 to 31.

   (5) Comparison of the fair values as of date of the recent interim financial report and as of date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods.

   Not applicable.

   (6) Criteria used to determine whether the market for a financial instrument is active or inactive as defined under PAS 39-Financial Instruments.

   Please refer to pages 30 to 31.

Summary of Significant Accounting Policies

Financial Instruments - Initial Recognition and Subsequent Measurement

Initial Recognition

Financial instruments within the scope of PAS 39 are classified as financial assets at FVPL, loans and receivables, held-to-maturity (HTM) investments, available-for-sale (AFS) investments, financial liabilities at FVPL and other financial liabilities. The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial assets and financial liabilities are recognized initially at fair value plus any directly attributable cost of acquisition or issue, except in the case of financial assets and financial liabilities at FVPL. Management determines the classification of its instruments at initial recognition and, where allowed and appropriate, re-evaluates such designation at every balance sheet date.

Financial instruments are recognized in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument. In the case of regular way of purchase or sale of financial assets, recognition and derecognition, as applicable, are done using settlement date accounting. Settlement date accounting refers to (a) recognition of an asset on the day it is received by the Group, and (b) the derecognition of an asset and recognition of any gain or loss on disposal on the day that it is delivered by the Group.

The subsequent measurement bases for financial instruments depend on its classification.

As of March 31, 2013 and December 31, 2012, the Group has no AFS investments, HTM investments and financial liabilities at FVPL.

Subsequent Measurement

Financial assets at FVPL

Financial assets at FVPL includes financial assets held for trading (HFT) and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as HFT if they are acquired for the purpose of selling and repurchasing in the near term. Included in this classification are debt securities which have been acquired principally for trading purposes.

The Group evaluates its HFT investments to determine whether the intention to sell them in the near term is still appropriate. When in rare circumstances the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets. The reclassification to loans and receivables, AFS or HTM depends on the nature of the asset. This evaluation does not affect any financial assets designated at FVPL using the fair value option at designation, these instruments cannot be reclassified after initial recognition.

HFT investments are recorded in the consolidated balance sheet at fair value. Changes in fair value are recognized as 'Net trading gains' in the consolidated statement of income. Interest earned is recognized as interest income included under 'Other income' in the consolidated statement of income. Quoted market prices, when available, are used to determine the fair value of these financial instruments. If quoted market prices are not available, their fair values are estimated based on inputs that are observable in the market.

Classified under this category are the Group's HFT investments in debt and equity securities.

Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, receivables are carried at amortized cost using the effective interest method less any allowance for credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate (EIR). Gains and losses are recognized in the consolidated statement of income when the receivables are derecognized or impaired, as well as through the amortization process. Receivables are classified as current assets when the Group expects to realize or collect the asset within twelve months from the balance sheet date. Otherwise, these are classified as non-current assets.

Classified under this category are the Group's 'Cash and cash equivalents', 'Accounts receivable', 'Other receivables' and refundable deposits included under 'Other noncurrent assets'.

Other financial liabilities
Issued financial instruments or their components, which are not designated as at FVPL, are classified as other financial liability, where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity shares. These include liabilities arising from operations or borrowings. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the EIR method.

Other financial liabilities are classified as current liabilities when the Group expects to settle the liability within twelve months from the balance sheet date. Otherwise, these are classified as noncurrent liabilities.

Other financial liabilities include 'Beneficiaries and other payables' and 'Interest-bearing loans'.

Determination of fair value
The fair value for financial instruments traded in active markets at the balance sheet date is based on their quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. When current bid and ask prices are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of the transaction.

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation methodologies. Valuation methodologies include net present value techniques, comparison to similar instruments for which market observable prices exist, option pricing models, and other relevant valuation models.

Day 1 difference
Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from an observable market, the Group recognizes the difference between the transaction price and fair value (a Day 1 difference) in the consolidated statement of income unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized in the consolidated statement of income when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the Day 1 difference amount.

<u>Derecognition of Financial Assets and Liabilities</u>
Financial asset
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third part under a 'pass through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liability
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income.

<u>Offsetting Financial Instruments</u>
Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment of Financial Assets

The Group assesses at each balance sheet date whether there is an objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where there are observable data that indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is charged to the consolidated statement of income. Interest income continues to be recognized based on the original EIR of the asset. Receivables, together with the associated allowance accounts, are written off when there is no realistic prospect of future recovery and all collateral has been realized. If subsequently, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reduced by adjusting the allowance account. If a future write-off is later recovered, any amounts formerly charged are credited to profit or loss.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses for impairment. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment for impairment.

The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR, adjusted for the original credit risk premium.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of such credit risk characteristics as geographical classification. Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group.

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows reflect, and are directionally consistent with changes in related observable data from period to period (such as changes in payment status, or other factors that are indicative of incurred losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

Significant Accounting Judgments and Estimates

The preparation of the financial statements in compliance with PFRS requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

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.

Fair Value Measurement

The following methods and assumptions were used to estimate the fair value of the financial instruments:

Cash and cash equivalents, Account receivables, Other receivables, Beneficiaries and other payables and Interest-bearing loans - carrying amounts approximate fair values due to the relatively short-term maturities of these instruments.

Financial assets at FVPL - fair values are based on quoted market prices.
Refundable deposits - fair values are based on the present value of future cash flows discounted using prevailing interest rates.

Fair Value Hierarchy
The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

As of March 31, 2013 and December 31, 2012, the financial instruments carried at fair value only pertains to the Group's financial assets at FVPL, which consist of investments in debt and equity securities. The fair values of these debt and equity securities are based on quoted prices (Level 1). There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurement in 2013 and 2012.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments mainly comprise of short-term loans from banks. The main purpose of these financial instruments is to raise funds for the Group's fulfillment or delivery of remittance transactions to beneficiaries. The Group also has various other financial assets and liabilities such as cash and cash equivalents, accounts receivables, and accounts payable to beneficiaries, which arise directly from its remittance operations.

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk, cash flow interest rate risk, fair value interest rate risk and liquidity risk. The BOD reviews and approves policies for managing each of these risks and these are summarized below:

<u>Credit Risk</u>
Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to perform its obligations during the life of the transaction. This includes risk of non-payment by borrowers or issuers, failed settlement of transactions and default on contracts.

The nature of its business exposes the Group to potential risk from difficulties in recovering transaction money from foreign partners. Receivables from agents arise as a result of its remittance operations in various regions of the globe. In order to address this, the Group has maintained the following credit policies: (a) implement a contract that incorporates a bond and advance payment cover such that the full amount of the transaction will be credited to the Group prior to their delivery to the beneficiaries, which applies generally to all new agents of the Group and in certain cases to old agents; (b) all foreign offices and agents must settle their accounts within the agreed credit terms, otherwise, the fulfillment or delivery of their remittance transactions will be put on hold; (c) evaluation of individual potential partners and preferred associates' creditworthiness, as well as a close look into the other pertinent aspects of their partners' businesses which assures the Group of the financial soundness of their partner firms; and (d) receivable balances are monitored daily by the regional managers with the result that the Group's exposure to bad debts is not significant.

Receivables from agents and couriers are highly collectible and have a turnover ranging from 1 to 5 days and 30 to 60 days, respectively. Other receivables, which include advances to related parties, are also highly collectible and are due in less than one year.

There are no past due receivables as of March 31, 2013 and December 31, 2012.
The Group classifies its neither past due nor impaired receivables as high grade. High grade financial assets includes instruments with credit ratings of excellent, strong, good, or satisfactory, wherein the borrower has a low probability of default and could withstand the normal business cycle. Financial assets at FVPL are also assessed as high grade since these are issued by reputable companies.

Foreign Currency Risk
Foreign currency risk is the risk to earnings or capital arising from changes in foreign exchange rates. It is the Group's policy that all daily foreign currencies, which arise as a result of its remittance transactions, must be traded daily with bank partners only at prevailing foreign exchange rates in the market. The daily closing foreign exchange rates shall be the guiding rate in providing wholesale rates and retail rates to foreign offices and agents, respectively. The trading proceeds will be used to pay out bank loans and other obligations of the Group.

Cash Flow Interest Rate Risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows of financial instruments.

As of March 31, 2013 and December 31, 2012, the Group's exposure to cash flow interest rate risk is minimal. The Group's policy is to manage its interest cost by entering only into fixed rate short-term loans from banks.

Fair Value Interest Rate Risk
Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group accounts for its debt investments at fair value. Thus, changes in the benchmark interest rate will cause changes in the fair value of quoted debt instruments.

There is no impact on the Group's equity other than those already affecting the profit or loss.

Equity Price Risk
Equity price risk is the risk to earnings or capital arising from changes in stock exchange indices relating to its quoted equity securities. The Group's exposure to equity price risk relates primarily to its investments in equity securities.

The Group's policy is to maintain the risk to an acceptable level. Movement of share price is monitored regularly to determine impact on its consolidated balance sheet.

Liquidity Risk
Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term debts. In addition, the Group maintains credit facilities with local banks.

I-REMIT, INC.
COMPLIANCE WITH THE REVISED GUIDELINES ON THE IMPLEMENTATION OF PFRS 9 (FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT) PER SEC MEMORANDUM CIRCULAR NUMBER 3, DATED MAY 28, 2012

The information that is required to be disclosed by SEC Memorandum Circular Number 3, dated May 28, 2012 follows:

A. After consideration of the result of its impact evaluation, the Company has decided not to early adopt PFRS 9 for its 2013 annual financial reporting and therefore, the interim financial statements do not reflect the impact of the said standard;

B. The Company shall conduct every second quarter of the fiscal year up to June 30, 2014 another impact evaluations using the outstanding balances of financial statements as of the most recently-completed fiscal year;

C. The following is a brief discussion of the accounts that are to be affected in case of early adoption:

   The Company classifies and measures its financial assets and liabilities on the basis of its business model for managing. Cash and cash equivalents, Accounts Receivables, Other Receivables, Beneficiaries and Other Payables and Interest-bearing Loans are less likely to be affected in case of early adoption of PFRS 9 as these assets and liabilities are currently being valued approximate to fair values.

I-REMIT, INC.
COMPLIANCE WITH THE TRANSITION TO NEW AND AMENDED PHILIPPINE FINANCIAL REPORTING STANDARDS EFFECTIVE STARTING JANUARY 01, 2013 PER SEC MEMORANDUM CIRCULAR NUMBER 6, DATED APRIL 23, 2013

The Commission *En Banc* in its meeting on April 22, 2013, resolved to allow covered corporations to present the prescribed information and to recognize the impact of the following standards in their interim financial statements starting with the period ended June 30, 2013:

Title	Subject
PAS 27 (Amended)	Separate Financial Statements
PAS 28 (Amended)	Investments in Associates and Joint Ventures
Amendments to PFRS 1	Government Loans
Amendments to PFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
PFRS 10	Consolidated Financial Statements
PFRS 11	Joint Arrangements
PFRS 12	Disclosure of Interests in Other Entities
PFRS 13	Fair Value Measurement

The information that is required to be disclosed by SEC Memorandum Circular Number 6, dated April 23, 2013 follows:

(a) Whether or not the above standards are applicable to the Company.
(b) If applicable, whether or not the Company is currently evaluating the impact based on audited figures as of December 31, 2012.

The Company finds all of the standards below applicable and is currently evaluating the impact of these standards based on audited figures as of December 31, 2012. The Company believes that the adoption of these standards will not have significant impact on its financial statements:

Title	Subject
PAS 27 (Amended)	Separate Financial Statements
PAS 28 (Amended)	Investments in Associates and Joint Ventures
Amendments to PFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
PFRS 10	Consolidated Financial Statements
PFRS 11	Joint Arrangements
PFRS 12	Disclosure of Interests in Other Entities
PFRS 13	Fair Value Measurement

The Company is not a first-time adopter of PFRS and finds the standard below not applicable:

Title	Subject
Amendments to PFRS 1	Government Loans

PART II – OTHER INFORMATION

Other Required Disclosures

A. Accounting Policies and Methods of Computation.
The attached interim financial reports were prepared in accordance with the Philippine Accounting Standards. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2012.

B. Unusual Items Affecting Assets, Liabilities, equity, net Income or Cash Flow.
Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

C. Changes in Estimates of Amounts Reported.
There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.

D. Issuances, Repurchases and Repayments of Debt and Equity Securities.
Except as disclosed in the MD&A, there were no other issuances, repurchases and repayments of debt and equity securities.

E. Material Events Subsequent to the End of the Interim Period Not Reflected in the Financial Statements.
There were no material events that happened subsequent to March 31, 2013 up to the date of this report that needs disclosure herein.

F. Changes in Composition of the Issuer During the Interim Period.
There were no changes in the composition of the Company during the interim period such as business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations except as disclosed in the MD&A.

G. Changes in Contingent Liabilities or Contingent Assets.
There were no changes in contingent liabilities or contingent assets since December 31, 2012.

H. Material Contingencies and Any Other Events or Transactions.
There exist no material contingencies and other material events or transactions affecting the current interim period except as disclosed in the MD&A.

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, in the City of Pasig on May 17, 2013.

By:

HARRIS EDSEL D. JACILDO
President & Chief Operating Officer