

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, 2007**
2. Commission identification number: **4429** 3. BIR Tax Identification No.: **000-164-442**
4. Exact name of issuer as specified in its charter:

MANILA MINING CORPORATION

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

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office:

**20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City, Philippines**

8. Issuer's telephone number, including area code:

(632) – 815-9447

9. Former name, former address and former fiscal year, if changed since last report: **N/A**

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:
Class "A"	107,433,136,003
Class "B"	71,571,185,202

Amount of Debt Outstanding: **Please refer to the attached Balance Sheet (Annex "B")**

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

Yes []

No []

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

Philippine Stock Exchange

Classes "A" and "B"

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 1- FINANCIAL INFORMATION


- Item 1. Financial Statements:**
- Income Statement* - **Annex "A"**
 - Balance Sheet* - **Annex "B"**
 - Statement of Cash Flow* - **Annex "C"**
 - Stockholders' Equity* - **Annex "D"**
 - Notes to Financial Statements* - **Annex "E"**
 - Aging of Accounts Receivable-Trade* - **Annex "F"**
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations** - **Annex "G"**

PART II- OTHER INFORMATION (None)

SIGNATURES

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

Issuer : **Manila Mining Corporation**

Signature : 
MARIO L. LAVENTE

Title : Controller

Date : November 13, 2007

Signature : 
ODETTE A. JAVIER

Title : Assistant Corporate Secretary

Date : November 13, 2007

MANILA MINING CORPORATION
BALANCE SHEET
September 30, 2007
(With Comparative Figures for December 31, 2006)

A S S E T S				LIABILITIES AND STOCKHOLDERS' EQUITY					
	**	September	*	December		**	September	*	DECEMBER
		2007		2006			2007		2006
CURRENT ASSETS					CURRENT LIABILITIES				
Cash	P	3,307,659	P	8,350,302	Accounts payable and accruals	P	194,316,508	P	278,593,422
Short-term investments		296,627,887		110,000,000	Contract Payable		337,556,610		
Receivables					Dividends payable		573,097		573,097
Trade		-		-			532,446,215		279,166,519
Non-trade (net)		7,646,312		6,021,808	NON-CURRENT LIABILITIES:				
Subscription Receivables		-		-	Non-trade payables		300,940,489		315,966,685
Inventories					Deferred Tax Liability		151,509,780		151,509,780
Bullion		-		-	Pension Liability		4,161,588		4,161,588
Copper concentrate		-		-			456,611,857		471,638,053
Gold in process - CIP		-		-	STOCKHOLDERS' EQUITY				
Ore		-		-	Capital Stock				
Materials and supplies (net)		40,289,498		40,374,355	Authorized - 180,000,000,000 shares divided into 108,000,000,000 shares of Class "A" and 72,000,000,000 shares of Class "B" at P0.01 par value each - P1,800,000,000				
Prepayments		60,737,244		41,098,751	Issued and outstanding-178,955,851,998shs (Sep. 2007 - 178,099,175,589shs)		1,789,558,520		1,780,991,756
		408,608,600		205,845,217	Subscribed capital stock - 48,469,207 shs (Sep. 2007 - 905,145,616shs), net of subscriptions receivable		298,979		8,946,746
NON-CURRENT ASSETS:					Share Premium		296,730,871		296,768,818
Property, Plant and Equipment (net)		1,478,961,360		1,454,749,270	Retained earnings, beginning		(1,117,644,057)		(1,004,946,309)
Other Assets (net)		6,818,929		6,641,102	Add: Net income (loss) for the period		(10,981,249)		(112,697,748)
Deferred Income Tax assets		45,132,246		45,132,246	Retained earnings, end		(1,128,625,306)		(1,117,644,057)
Available For Sale Financial Assets		7,875,000		7,875,000	Net stockholders' equity		957,963,064		969,063,263
		1,538,787,535		1,514,397,618	Fair Value Reserve		375,000		375,000
TOTAL ASSETS	P	1,947,396,136	P	1,720,242,835	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P	1,947,396,136	P	1,720,242,835

* Audited

** Unaudited

MANILA MINING CORPORATION

STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007

(WITH COMPARATIVE FIGURES FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2006)

	THIRD QUARTER		NINE MONTHS ENDED SEPTEMBER 30	
	2007	2006	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income/(loss) for the period	(3,219,036)	(23,689,700)	(10,981,249)	(69,088,583)
Add/(deduct) year-to-date adjustments				
	<u>(3,219,036)</u>	<u>(23,689,700)</u>	<u>(10,981,249)</u>	<u>(69,088,583)</u>
Adjustment to reconcile net income to net cash provided by operating activities:				
Depreciation	2,490,946	8,225,006	7,472,839	24,671,501
Depletion & amortization of pre-stripping costs		5,377,481		16,132,442
	<u>2,490,946</u>	<u>13,602,486</u>	<u>7,472,839</u>	<u>40,803,943</u>
Changes in assets and liabilities				
(Increase) decrease in receivables	(739,325)	(44,757)	(1,624,504)	(102,237)
(Increase) decrease in inventories	2,988,745	1,969	84,857	504,292
(Increase) decrease in prepayments/marketable securities	(8,723,606)	(69,027)	(19,638,492)	(294,070)
Increase (decrease) in accounts payable & accruals	(8,454,685)	(174,799,161)	(84,276,914)	(156,347,749)
Increase (decrease) in notes payable		(101,791,828)		(101,791,910)
Net cash provided by operating activities	<u>(14,928,871)</u>	<u>(276,702,804)</u>	<u>(105,455,054)</u>	<u>(258,031,675)</u>
CASH USED IN INVESTING ACTIVITIES:				
(Increase) decrease of property, plant and eqpt	(13,111,265)	(227,728)	(31,684,930)	(531,324)
(Increase) decrease in other assets	(56,607)	9,983	(177,827)	86,268
Net cash used in investing activities	<u>(13,167,872)</u>	<u>(217,745)</u>	<u>(31,862,756)</u>	<u>(445,057)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase (decrease) in borrowings (contract payable)			337,556,610	
Increase (decrease) in capital stock			8,566,764	
Increase (decrease) in subscribed capital stock		100,043,144	(8,647,767)	100,043,144
Increase (decrease) in share premium		200,086,288	(37,946)	200,086,288
Increase (decrease) payable to related parties	2,670,440		(15,026,196)	
Net cash provided by (used in) financing activities	<u>2,670,440</u>	<u>300,129,431</u>	<u>322,411,465</u>	<u>300,129,431</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	<u>(26,154,392)</u>	<u>13,121,668</u>	<u>181,585,244</u>	<u>13,368,059</u>
CASH				
Beginning of the period	<u>326,089,939</u>	<u>709,483</u>	<u>118,350,302</u>	<u>463,092</u>
End of the period	<u>299,935,547</u>	<u>13,831,151</u>	<u>299,935,546</u>	<u>13,831,151</u>

MANILA MINING CORPORATION
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2007 AND 2006

	SEPTEMBER 30	
	2007	2006
STOCKHOLDERS' EQUITY		
Capital Stock		
Authorized - 180B shares @ P.01 par value each (P 1,800,000,000)		
Issued and outstanding	1,789,558,520	1,193,160,189
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Subscribed capital stock (net of subscriptions receivable)	298,979	400,374,527
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Share premium - for application		200,086,288
Share premium	296,730,871	4,230,174
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Retained earnings		
Operations		
Beginning balance	(1,117,644,057)	(936,543,157)
Net income (loss) for the period	(10,981,249)	(69,088,583)
Forex loss		
	(1,128,625,306)	(1,005,631,740)
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TOTAL STOCKHOLDERS' EQUITY	P 957,963,064	P 792,219,438

MANILA MINING CORPORATION
NOTES TO FINANCIAL STATEMENTS

Note 1 - Operations; registration with the Board of Investments (BOI)

Manila Mining Corporation (the “Company”) had a total of 552 regular employees both as of December 31, 2006 and September 30, 2007, but 521 have been on forced leave due to the temporary shutdown.

Due to the temporary cessation of operations since July 2001, the BOI certificates of registration of the Company have been cancelled.

Note 2 – Compliance with generally accepted accounting principles and basis of financial statement presentation

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS), International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) Interpretations.

The policies set out below have been consistently applied to all the months presented. The Company’s financial statements were prepared in accordance with generally accepted accounting principles in the Philippines (GAAP) and in conformity with PFRS

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company’s accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed properly.

Adoption of new accounting standards

The ASC approved the issuance of new and revised accounting standards which are based on revised International Accounting Standards (IAS) and new International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) which are effective for annual periods beginning on or after January 1, 2005.

These new Standards have been renamed PASs to correspond to adopted IASs while the PFRSs correspond to adopted IFRSs. The Company adopted the applicable PASs and PFRSs effective January 1, 2005:

PAS

- PAS 1, 2, 8, 10, 16, 17, 19, 21, 24, 32, 33, 36, 37, 38 & 39

PFRS

- PFRS 1 & 2

Note 1 – Receivables

This consists of Prepaid royalties and Other receivables.

Note 2 – Pre-payments and Deposits

This account represents Prepaid income tax & Miscellaneous deposit in relation to drilling contract

Note 3 – Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depletion, depreciation and amortization and impairment in value, if any.

Note 4 – Other Assets

This account consists mainly of Deposit receivable / Advances to supplier and Idle equipment.

Note 5 – Accounts Payable and Accrual

This represents payables to suppliers.

Note 6 – Non-trade payables

This account represents payable to affiliates.

Note 7– Contract Payable and Loans payable

The amount of P337.6 million in September 2007 represents the equivalent peso value of deposit received from Anglo while the amount of P91.648 million in September 2006 represents the unpaid bank loans.

Note 8-Pension Liability

Pension cost and obligation are computed in accordance with Republic Act No. 7641, Retirement Pay Law, which is similar to that computed under a defined benefit pension plan. As defined, benefit plan is a retirement plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on certain factors such as age, years of credited service and salary.

The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with any adjustments for unrecognized gains or losses and past service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity which approximates the terms of the related pension liability. The defined benefit obligation is calculated on a regular periodic basis by an independent actuary using the “Projected Unit Credit Cost” method.

Note 9 - Earnings (loss) per share

Following are the basis for the computation of earnings (loss) per share:

	3 rd qtr 2007	3 rd qtr 2006
Numerator:		
Net (loss) income for The quarter	P (3,219,036)	P (23,689,700)
Denominator:		
Weighted average Total shares subscribed, issued and outstanding	179,004,321,205	179,004,321,205

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of September 30, 2007

NONE

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Management's Discussion and Analysis of Financial Condition and Results of Operations As of 30 September 2007

The Company's Exploration program continued; there were no mining operations.

Earned other income for the first nine months this year increased to P1.15 million compared with P5,834.00 of the last year due to the interest earned on the deposit received from Anglo-American Investments BV in relation to the joint venture in the Kalayaan Project. Total expenses for the first nine months was P12.13 million, consisting mainly of administrative expenses and depreciation. Last year's expenses totaled P69.09 million, which included administrative expenses, depreciation and amortization of the tailings dam. The tailings dam was fully amortized as of last year, thus the big drop in this year's expenses. The impairment in value of some idle equipment resulted in lower depreciation cost, contributing to the reduction in expenses. Net loss for the period was P10.98 million as against P69.09 million last year.

An interest income of P98,940.41 was earned during the third quarter this year compared with P1,642.00 last year, also on account of the Anglo deposit. Total expenses for the third quarter was P3.31 million consisting mainly of administrative expenses and depreciation as against last year of P23.69 million consisting of administrative expenses, depreciation and amortization of tailings dam. Net loss from operations for the period was P3.21 million as against P23.69 million of 2006. The decrease of 49% of the total cost and expenses for the third quarter this year compared to the same period last year was on account mainly of the zero amortization of tailings dam. An increase of P3.23 million in administrative expenses was recorded during the third quarter versus the same quarter last year which represents professional fees (audit & legal) and the PSE filing fees.

There were 31 active employees as at the end of the quarter compared with 32 active employees last year.

During the nine months period this year compared to end of 2006, Cash & Cash Equivalents decreased by P5.042 million due to payments made to suppliers. Short Term Investments increased by P186 million due to investments made from the deposits received from Anglo-American Investments BV. Receivables increased from P6.021 million to P7.6 million on account of the advances payments made to claim owners. Prepayments increased by P19.6 million due to deposits made in relation to a drilling contract. Property, Plant & Equipment decreased by P24.21 million due to allowance for impairment and depreciation expense.

Accounts payable and accruals and Non-trade payables decreased by P84.27 million and P15.02 million due to settlement of accounts. Contract Payable of P337.56 million was from the deposits received from Anglo-American Investments BV.

Retained earnings as of the third quarter decreased by P10.98 million due to net loss during the period.