

FILINVEST
LAND, INCORPORATED

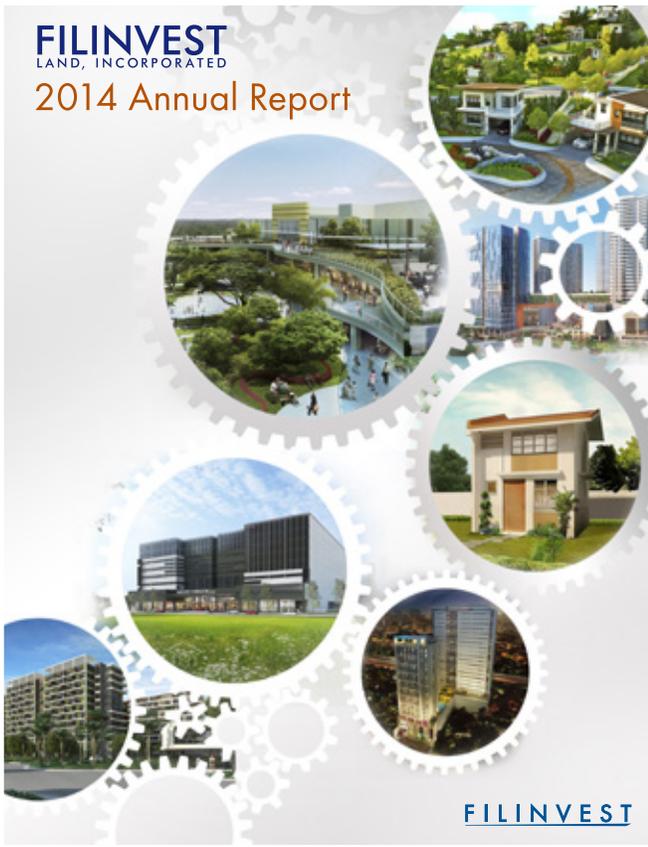
2014 Annual Report



FILINVEST

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Gearing Up for Growth

Amidst a revitalized economy and a booming real estate sector, Filinvest Land, Inc. (FLI) is ready to expand and diversify in 2015. Innovative and dynamic, FLI advances like a well-oiled machine, powered by a growing portfolio of projects covering the entire spectrum of development. The company will remain at the forefront of the property sector as long as there are Filipino dreams to fulfill.

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MISSION

The mission of Filinvest Land, Inc. is to fulfill every Filipino's dream of having his own home. The primary responsibility of Filinvest is to the people that inhabit the cities, communities and homes it has created. Filinvest will continually contribute to the economic development of society and will always be a good corporate citizen.

SHARED VALUES

In the delivery of service to its clients, high quality will be the one and only standard. A singularity of interest exists between the company and its employees. Providing good working conditions, compensation based on performance, opportunity for growth, and employment security are musts. The core values of integrity, customer service, professionalism, teamwork, innovation and cost-effectiveness are highly valued. The highest standards of business and moral ethics shall be exercised.

The long-term strategic health of Filinvest will always be paramount over short-term financial gains.

OBJECTIVES

Filinvest shall provide its customers with universally competitive products that are valued not only for quality but in terms of affordability for all income levels. Only through research and development, innovation and the use of appropriate technology can high-quality services be provided.

Affordable housing shall always be a high priority in company endeavors. Coupled with safeguarding and maximum utilization of company assets, this long-term view (one of holding permanent the strategic health of Filinvest) should lead to better and sounder returns for stockholders.

The continuous pursuit of this mission can only result in industry leadership.

Financial Highlights

	2014	2013	2012	2011	2010
OPERATING RESULTS					
Revenues*	16,899,919	13,817,084	11,918,813	9,785,361	8,791,151
Net Income*	4,603,977	3,975,945	3,489,544	3,001,577	2,984,611
Net income attributable to equity holders of the parent	4,533,654	3,918,215	3,431,435	2,942,086	2,952,359
Return on Assets (Average)	4.50%	4.40%	4.61%	4.56%	4.88%
Return on Equity (Average)	9.11%	8.35%	7.73%	6.97%	7.30%
FINANCIAL POSITION					
Total Assets	106,407,580	98,097,046	82,629,980	68,920,972	62,626,522
Total Long-Term Debt	40,306,593	36,069,225	25,599,775	16,774,683	12,150,408
Stockholders' Equity	52,081,574	48,985,912	46,245,954	44,018,454	42,132,266
No. of Shares Issued and Outstanding (000's)	24,249,759	24,249,759	24,249,759	24,249,759	24,249,759
Debt to Equity**	77.39%	73.63%	55.36%	38.11%	28.84%
Net Debt to Equity***	69.24%	60.59%	50.67%	35.39%	24.58%
PER SHARE DATA					
Primary/Fully Diluted Earnings	Php 0.19	Php 0.16	Php 0.14	Php 0.12	Php 0.12

* includes equity in net earnings of an associate

** computed as long-term debt divided by stockholders' equity

*** computed as long-term debt less cash and cash equivalents divided by stockholders' equity



MESSAGE OF THE CHAIRMAN

JONATHAN T. GOTIANUN

Chairman of the Board



The year 2014 was an outstanding year for our country. The Philippines was the fastest growing economy in the Association of South East Asian Nations (ASEAN), ahead of Vietnam, Indonesia and Singapore, expanding by 6.1%. This is the third year that the Philippine economy has grown more than 6%.

The real estate sector experienced robust growth, in line with the Philippine economy. Filinvest Land, Inc. (FLI) has anticipated this growth and over the years, has built up its assets to be in the best position to address the needs of a flourishing economy.

FLI ended the year with a net income of PHP4.6 billion, 16% higher than in 2013, driven by strong revenues from its residential sales as well as the rental business. Revenues grew 22% driven by the strong residential sales growth of 26%. Rental revenues likewise grew 41%.

The Filipino dream is still to own a home and this continues to be on the top of a family's priorities. Improving levels of employment and income will provide the opportunity for more families to buy their own homes. The real estate sector was also supported by other favorable economic conditions. Demand for residential housing was spurred by the low lending rates which encouraged families to finally take the big step of purchasing their own home. Inflation also remained low resulting to a strong purchasing power by consumers.

FLI's core market continues to be first-time homebuyers and ultimate end-users in the affordable and middle income markets. FLI believes that its strength lies in these segments. In the last five years, we have evolved to becoming a multiple-product-line company addressing the different lifestyles of our core market. For the traditional family, we continue to roll out our affordable Futura Homes landed housing products nationwide. The hurried urban lifestyle of younger families has created a large demand for our medium-rise buildings. The Oasis brand for the mid-income market and the more affordable Spatial brand have become favorites for those who want convenient locations but still want to experience a low-density resort setting. FLI continues to have a stronger focus on house-and-lots and mid-rise buildings (MRB) but has selective high-rise products to address the urban professional.

We have built houses for more than 40 years and we are a leader in building MRBs since we introduced these seven years ago. This is our core competence.

On the recurring income business, FLI continues to build and develop more office buildings in anticipation of the projected growth in the BPO sector as global companies continue to choose the Philippines as their preferred location of support service centers. FLI is one of the pioneers of providing office space to BPOs since 1998 when it launched Northgate Cyberzone at Filinvest City in Alabang. Over the years, FLI has proven its ability to address the needs of these companies as they continue to lease space from us as they expand. In addition, our client list has also grown significantly across different types of outsourced services, ranging from voice call services to knowledge-based services such as accounting, architectural and engineering services.

At the beginning of 2014, we disclosed our plans of tripling our recurring income gross leasable area for office and retail space within five years. We are proud to report that FLI is on track with this plan. The land required is on our books and we expect turnover of 153,000 square meters in 2015, with 243,000 square meters under construction and another 227,000 square meters in the planning stage in preparation for construction this year and next.

This two-pronged strategy of expanding the residential sales and the recurring income businesses will provide growth opportunities and a more balanced mix of income for our shareholders. Last year, we declared cash dividends amounting to Php0.05 per share equivalent to 30% payout ratio and a dividend yield at the time of declaration of 3%, the highest among the Philippine property companies. Our aim is to maximize shareholder value.

Corporate Governance

In carrying out our business plans and strategies, it has always been the commitment of FLI's Board of Directors, Management, and its employees that the highest standards of business and moral ethics be exercised. Good corporate governance is very important to us, and we continue to strive to meet the strict standards of corporate governance, following not

only the best practices in the industry, but consistent with ASEAN standards.

In preparation for the ASEAN Integration, our Annual Corporate Governance Report (ACGR) now follows the ASEAN Corporate Governance Scorecard, showing that our corporate governance practices are aligned with ASEAN standards. In 2014, the members of the Board of Directors and key officers of FLI participated in the program on corporate governance conducted by the Filinvest Group, in partnership with the Institute of Corporate Directors.

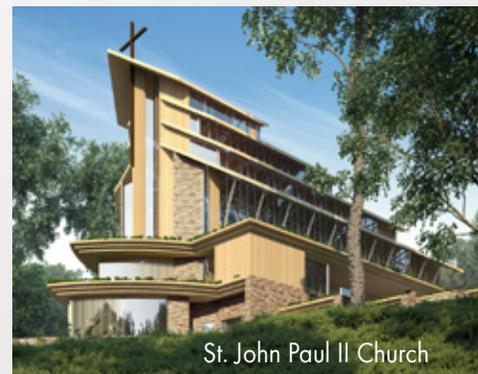
We have also enhanced our company website to provide our shareholders and stakeholders with a reference on our corporate governance practices.

Corporate Social Responsibility

Because we are in the business of building communities, we see the value of taking care of these communities. We continue to implement programs that ensure environmental preservation such as our year round tree-planting activities. We also have several programs that support communities' educational, health and spiritual needs.

To support our communities' religious and spiritual needs, we donated a parcel of land in Timberland Heights that will be the site of St. John Paul II Church, the religious center of the township. In addition, we have signed a MOA with the Roman Catholic Bishop of Antipolo for the donation of a parcel of land in Bgy. Colaique, Antipolo, a pilgrimage site where the image of Our Lady of Peace and Good Voyage is brought to every February and where mass is celebrated. A shrine will be built on this site.

We would like to thank our shareholders, employees, business partners and our customers who have supported us through the good years as well as the challenging years. Our success would not have been possible without them.



St. John Paul II Church

MESSAGE OF THE PRESIDENT & CEO

JOSEPHINE GOTIANUN YAP

President & CEO



Financial Performance

The year 2014 was an exceptional year for Filinvest Land, Inc. (FLI). Net income reached Php4.60 billion, 16% higher than in 2013, driven by strong revenues from its residential sales as well as the rental business.

Consolidated revenues surged 22% to a record Php16.90 billion.

FLI recorded real estate revenues of Php13.20 billion, 26% more than the Php10.48 billion posted in 2013. The growth in real estate sales revenues is attributable to the sustained sales take-up levels as well as the completion of high-rise and mid-rise residential buildings in 2014. Revenues from rental assets, on the other hand, rose to Php2.26 Billion, an 11% increase from the Php2.03 Billion generated in 2013.

Programmed Launches: Guarded Optimism

In 2014, your company launched residential projects worth Php12.5 billion, exceeding 2013 launches by as much as 67% but within annual sales take-up rates. FLI decided to ramp up and aggressively launch several residential offerings because of the confidence in the sustainability of the Philippine economic growth story. In addition, we believe that market risks are mitigated by the diversity of our launches in terms of both geographic footprint as well as product offerings.

Filinvest Land beefed up its core business of affordable housing by launching new horizontal development projects in Tarlac, Rizal, Laguna, Batangas and Palawan. In addition, among the projects launched during the year was 100 West, an iconic

mixed-use development comprising of a high-rise residential tower, 15,637 square meters of BPO office space and three floors of convenient shopping space, strategically located at the corner of Sen. Gil Puyat Avenue and Washington Street in Makati.

Recurring Income: Positioned for Long Term Growth

The growth in rental income was driven by an increase in rental rates and the completion of two office buildings with gross leasable areas (GLA) of 34,500 square meters: Filinvest One, completed in 2013 and Plaz@E, completed in the first quarter of 2014, both located at the Northgate Cyberzone. Both buildings were fully leased out by the third quarter of 2014. Filinvest Land, through its subsidiaries Cyberzone Properties Inc. and Filinvest Asia Corporation, currently operates 14 buildings in Northgate Cyberzone, one building in Makati and another in Ortigas. We are currently completing construction of three more office buildings, Filinvest Two and Filinvest Three at Northgate Cyberzone, and Filinvest Cyberzone Cebu Tower 1 in Cebu, which will increase our office portfolio by 33% to 275,000 square meters by the end of 2015.

Financial Prudence: Overriding Guide

For the year 2014, costs and expenses grew at a modest rate.

This resulted to exceptional EBITDA margins for the rental business and satisfactory gross profit margins for the residential sales business.

Total assets of the company increased by 8%, reaching Php106.41 billion. Total equity amounted to Php52.08 billion or a 6% increase. Our debt ratios remain healthy as we continue to tap the debt markets for our financing needs.

FLI successfully raised Php7 billion through the issuance of retail bonds. The Philippine Rating Services Corporation (Philratings) assigned the highest rating of PRS Aaa to these bonds. The successful fund-raising activity resulted in a lower cost of debt for the company. FLI currently has no foreign exchange debt exposure and minimal interest



Filinvest Cyberzone Cebu

Filinvest Two, Filinvest Three and Filinvest Cyberzone Cebu will increase our office portfolio by 33% to 275,000 square meters by the end of 2015.



FLI lists Php7 billion bonds due 2021 and 2024 on PDEx

rate risk with 90% of its debt in fixed-rate instruments.

FLI's remarkable financial performance in 2014 was the result of strong revenues, consistent implementation of measures to maintain high gross margins and the reduction of the cost of debt. Our return on equity improved

significantly to 9.1%. We would like to assure our shareholders that we are continuously striving to increase our ROE, targeting ROE to be at 10% by the end of 2015.

Focused Vision: Sustainable Growth

Over the last few years, FLI has been laying the foundation to ensure sustainable growth. Our existing land bank will allow us to continuously roll out residential developments for up to ten years. On a selective basis, we still acquire land in areas where we are not yet present in or where our existing land bank is not adequate to satisfy demand in that specific area.

We are also aggressively growing our investment properties to provide stable revenue streams that would balance risks associated with the residential sales business. We are targeting to increase our GLA by over 600,000 square meters from the current 343,000 level or triple our rental portfolio by 2019.

Our medium-term strategy for Cyberzone Properties Inc. is to maximize our stronghold in Southern Metro Manila within Northgate Cyberzone and have a significant presence in the Visayas, specifically Cebu which is the largest Visayan city and the second largest in the Philippines. Construction has started for Vector Three and the Megablock which are both located in Northgate Cyberzone.

On a selective basis, thru our new subsidiary Filinvest Cyberparks

Inc., FLI will establish retail and office components in master-planned mixed-use buildings that are strategically located near transportation hubs of Metro Manila. Construction has already started for Filinvest Cyberzone Pasay which is located in Bay City.

Over the years, we have diversified



our company's businesses to three main lines: residential sales, office space rental and retail space rental. Now, we are in the best position to achieve synergies as we build and develop townships and mixed-use buildings where all three businesses can complement each other in one location.

For retail space, Festival Supermall retains its position as the largest shopping mall in Southern Metro Manila. We have been selective and deliberate in our developmental plans for the retail space. For many years, our retail presence was limited to Festival Supermall in Filinvest City in Alabang. However, we are slowly expanding outside of Filinvest City according to our expansion strategy. Our expansion strategy for retail is to complement our residential, office and township developments with retail components to maximize the value of our projects. Among these retail projects are: Fora, a mixed-used development in

Tagaytay City which will have a residential component and 32,000 square meters of mall space, and Center Square Community Mall in Molino, Cavite which is part of our Princeton residential development and will add 20,000 square meters in new retail space. City di Mare, our township development at the South Road Properties in Cebu with

Il Corso seaside lifestyle mall in Cebu

two existing MRB complexes, will be the site of our seaside lifestyle mall – the 36,000-square meter Il Corso Mall which is expected to be fully operational by the end of 2015 .

Appreciation: Recognizing Support

I would like to thank our business partners and the hardworking management team and employees for their support in achieving the Company's goals. And of course our shareholders, for giving us their trust.

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Operational Highlights

Filinvest Land, Inc. launched residential projects worth Php12.5 billion in 2014, strengthening its commitment to build the Filipino dream, be it a first home for the family, a legacy for future generations, or a premium lifestyle befitting one's success. Through its core brands, FLI reaches across all markets, expanding geographically and innovating product lines to build homes and lifestyles that are consonant with that of the modern Filipino.



Making it possible for every hardworking Juan to own a home.

In 2014, FLI continued to expand its Pabahay Dream Homes line of socialized housing developments with the launch of Valle Alegre at Pueblo Solana in August 2014, which offers townhouses of quality and value to meet the housing demand in the Calamba market. The community's clubhouse was completed during the year, along with the Andrea house model cluster of homes with lofts.

FLI also opened the fourth phase of Belvedere Towne located in General Trias, Cavite.

10.6
hectares

1,613
homes

VALLE ALEGRE Phase 1 Calamba, Laguna



Belvedere Towne, Gen. Trias, Cavite

FUTURA HOMES

VALUE HOMES OF FILINVEST

Ideal for newlyweds and start-up families, Futura Homes offers quality homes and proven durability at an affordable price to ensure that you get excellent value for your hard-earned money.



Futura Homes San Pedro, Laguna

FLI's affordable housing developments under the Futura Homes brand made strides in Cavite. In 2014, the Company broke ground for Meridian Place and started land development for Savannah Fields, both located in General Trias.

To further strengthen its hold on the mass-housing market in Cavite, Pineview, a quiet and nature friendly community in Tanza, is set to launch a new phase this year. Castillon Homes, also in Tanza, is slated to launch a new house model for 2015 – the Modified Danessa which offers more space in a single-attached home with a loft.



Modified Danessa House Model

In Calamba, Laguna, the Spanish-inspired Valle Dulce's main amenity area was completed in September 2014. The neighborhood is part of the 67-hectare Pueblo Solana community. Further south, Sandia Homes in Tanauan, Batangas, is slated to start offering units by September 2015.

Futura Homes further expands its geographic footprint with the launch of Futura Homes Mactan in May 2015.



A seal of quality that ensures that Futura Homes are sound investments that can stand the test of time.

Secure Environments
Accessible Locations
Well-Planned Communities



VALLE DULCE
Calamba, Laguna

12
hectares

1,150
homes



SPATIAL COMMUNITIES

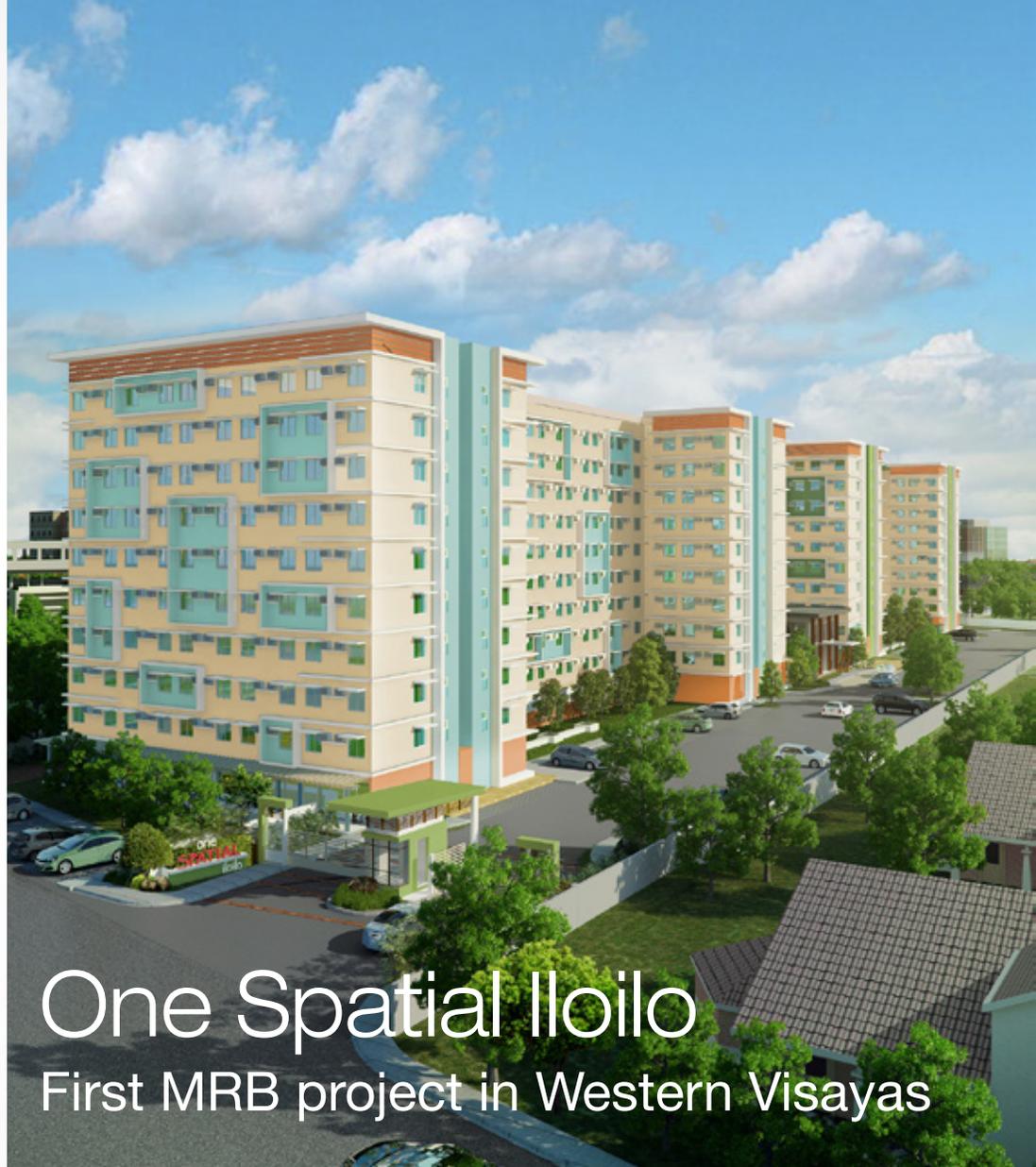
More space, more savings in condo living.

Under the Futura Homes brand, FLI continues to build up its Spatial series of affordable medium-rise building (MRB) communities. Its flagship development, One Spatial Pasig, started turning over units to buyers in 2014.

At the start of 2015, FLI launched its first MRB project in Western Visayas, One Spatial Iloilo. It is strategically located right across the Iloilo One Esplanade, a 1.2-kilometer riverside development, which is the premiere Ilonggo destination for leisure.

Bringing the Spatial brand to Mindanao, FLI recently held groundbreaking rites and opened the showroom of 8 Spatial Davao, located in Maa, Davao City.

A new Spatial development is also on the horizon with plans in progress for a nine-hectare property along Felix Avenue in Cainta.



One Spatial Iloilo First MRB project in Western Visayas



8 Spatial Davao

FILINVEST

The Filinvest brand values the efforts of upwardly mobile families and professionals. House and lots, high-rise condos and mid-rise enclaves make for a rewarding investment and a legacy you can pass on.



The Tropics 3, Cainta, Rizal

For the mid-income market, FLI successfully launched The Tropics 3 in Cainta, Rizal in 2014. Very soon, families can enjoy its signature nature-inspired lifestyle.

In Tarlac, Somerset Lane broke ground for its showcase area in April 2014. This will give a glimpse of the homes that this Late-Colonial American-inspired community will offer. In Cavite, the thriving Princeton Heights community is slated to launch its third phase by the third quarter of 2015.

In 2014, FLI added to its developments in Palawan with the soft launch of East Bay in Puerto Princesa City, offering convenience in an exclusive residential setting.

In Visayas and Mindanao, FLI achieved significant developments in its mid-income communities. Amenity areas and new house models were constructed in Escala and Aldea del Sol in Cebu, Filinvest Homes Butuan, Filinvest Homes Tagum, Villa Mercedita in Davao, and Villa San Ignacio in Zamboanga.



Filinvest Homes Tagum

Filinvest Verticals

With the high demand for high-rise condos in urban settings, FLI has been steadily increasing its portfolio with ventures in key areas.

In 2014, the Company launched 100 West along Sen. Gil Puyat Ave., Buendia in Makati. Its dynamic location and mixed-use features allow for the ultimate live-play-work environment. Realizing that the development appeals to foreign investors, FLI partnered with SG Huttons Group, a Singapore-based broker, to market 100 West in Singapore. The partnership led to a 100 West-exclusive SG Huttons Sales Gallery in Singapore.

This 2015, FLI will launch more high-rise buildings (HRBs) to meet the increasing market demand. Topping the list is Studio 7, located along EDSA near the GMA- Kamuning MRT Station. Featuring a residential tower and a BPO office tower in one mixed-use development, Studio 7 will offer 459 residential units, 40,000 sqm of office space and 4,000 sqm of retail space.

100 WEST, Makati

LIVE

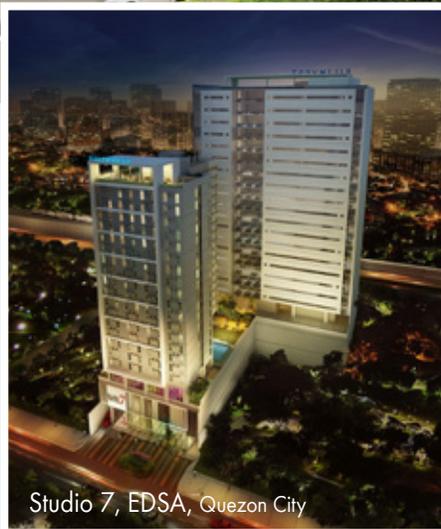
898 residential units

WORK

15,637 sqm
of BPO offices

PLAY

7,295-sqm
lifestyle mall



Studio 7, EDSA, Quezon City

The FLI High-Rise Scene

A round-up of the latest developments

Studio A, Quezon City

- Under construction with podium levels completed in just 2 months



The Levels, Alabang

- Turned over Anaheim Tower



Studio City, Alabang

- Tower 1 turned over in 2014
- Recently topped off Tower 2 and launched Tower 3



Studio Zen, Pasay

- Turnover in progress



Vinia Residences + Versaflats, Quezon City

- Construction in full swing
- Completed podium parking levels



The Linear, Makati

- Started turnover of first building
- Second building near completion



Oasis Resort-style Communities

FLI spreads the lush lifestyle with milestones in Oasis Communities nationwide.

In 2014, FLI continued to build on its Oasis communities – resort-inspired mid-rise developments that are havens at the heart of the city.

A total of seven buildings were turned over in various Oasis projects in Metro Manila. FLI also made progress with its Oasis projects in other regions.



Sorrento Oasis, Pasig

- Completed and turned over three buildings, marking 13 of its 19 MRBs



Capri Oasis, Pasig

- Last building (Vento) turned over to residents in August 2014



One Oasis, Cebu

- Launched Building 5 and turned over Building 4



Asiana Oasis, Parañaque

- First building (Ananda) completed with turnover in progress



Maui Oasis, Sta. Mesa

- Construction of its 4th MRB, Kapalua Building, in full-swing



Bali Oasis 2, Pasig

- Full-blast construction of Banjar Building



Sanremo Oasis, Cebu

- Blessed and turned over two of its eight residential MRBs in February 2014



One Oasis, Cagayan de Oro

- Construction of first building in full swing

A New Oasis Rising Soon

To be launched in 2015 is **Panglao Oasis in Taguig**, marking the maiden offering under the second generation Oasis developments. This new Oasis line will employ new building layouts and features, more open spaces and revamped amenities.





Kembali, Samal Island, Davao

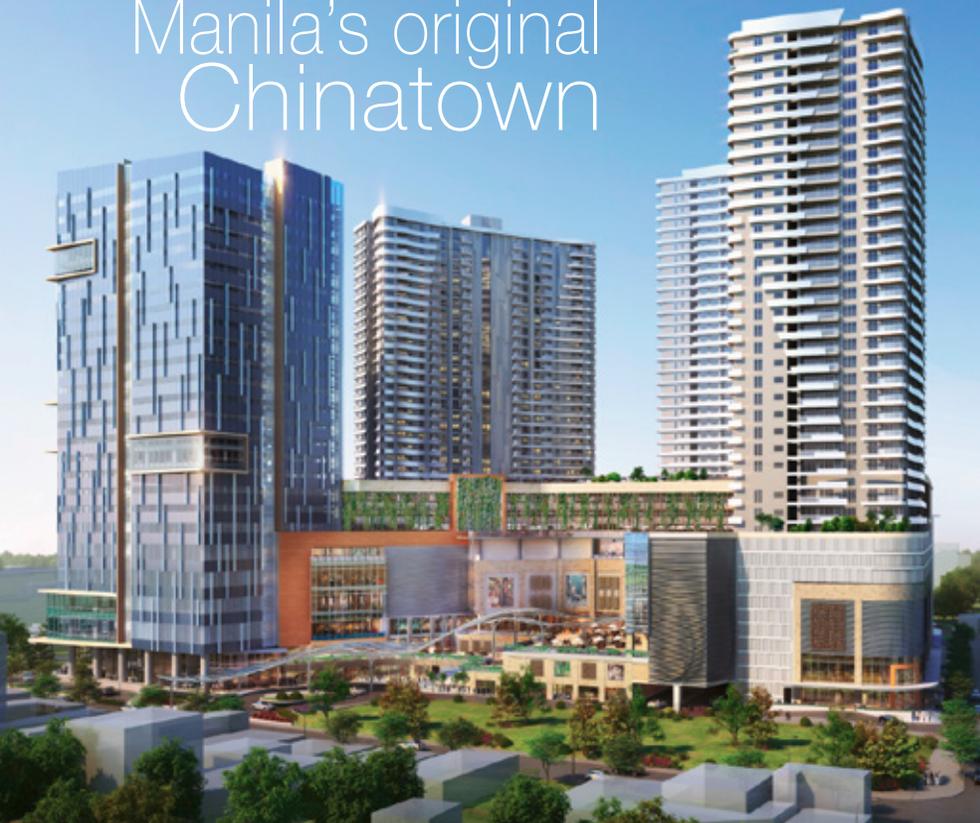
One of Filinvest Premiere's luxury residential enclaves moved closer to fulfilling its promise in 2014. Kembali, which offers exclusive island living in Samal Island, has prime residential lots by the sea so owners are free to create their dream vacation homes. Within this 50-hectare upscale island retreat is The Veranda Resort Condos, a Balinese-inspired mid-rise condominium cluster set to launch in July 2015.

Amalfi, another luxurious mid-rise enclave, offers a relaxing coastal lifestyle in Cebu. Located within the townscape of City di Mare in Cebu, Amalfi inaugurated its showroom in September 2014. The enjoyment of the full Amalfi lifestyle is at hand with the opening of its amenity area in June 2015.



Fortune Hill, San Juan, Metro Manila

One Binondo Revitalizing Manila's original Chinatown



Tapping The Fil-Chi Market

Filinvest Premiere's foray into the Filipino-Chinese market furthered in 2014 with the progress of its first two developments, Fortune Hill and The Signature.

Fortune Hill, a premiere mid-rise development in San Juan, boasts of a rich history. Its site was the former location of Filinvest's headquarters where the Company spent decades building its fortune. The first tower is targeted for turnover before the end of 2016.

Meanwhile, The Signature, a mid-rise enclave at A. Bonifacio Avenue in Quezon City, is constructing its first tower. Residential units are expected to be turned over to residents by the last quarter of 2016.

Rounding up the developments for the Fil-Chi market is the upcoming One Binondo. This mixed-use community will offer opulent spaces with a distinct Chinese touch in one of the oldest Fil-Chi communities in the country. The launch of its first residential tower scheduled for 2015.

Innovation and Diversification

Applying a holistic approach to its vision of building the Filipino dream,

Filinvest continues to expand its property portfolio to include office, retail, and townscape developments, with product lines designed to meet the needs of specific markets.

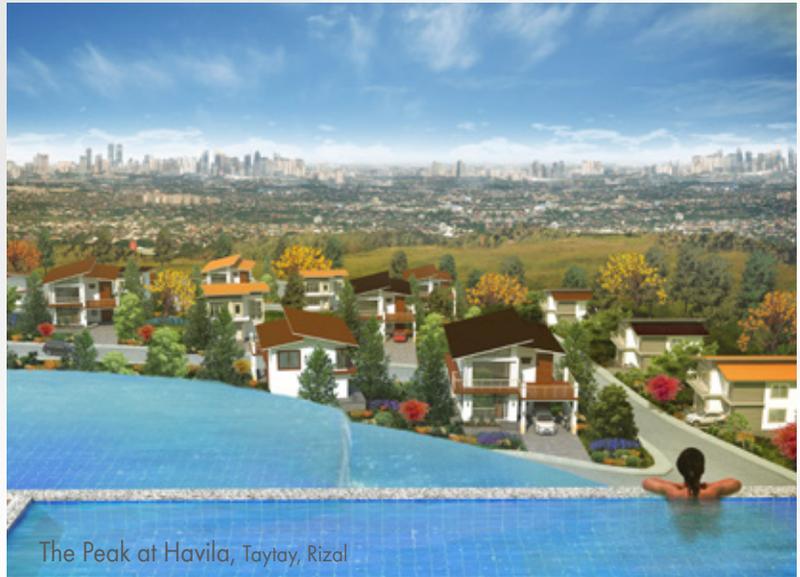
An inspiring place to worship

The agreement between FLI and the Diocese of Antipolo to build the St. John Paul II Church on Timberland Heights' grounds was formalized in September 2014. The church will serve as the spiritual center of the townscape.

Inspiring Townscapes and Cityscapes

More than homes and residences, FLI creates townscapes and cityscapes where work, leisure and homes converge. These mixed-use projects are master-planned developments where

The Leaf, a condotel that covers over 4,718 sqm of Timberland Heights' terrain, opened its model units in March 2014. Construction is almost done on four condotel buildings. Upon completion, it will



The Peak at Havila, Taytay, Rizal

residents enjoy full, convenient lifestyles.

2014 marked several highlights for Timberland Heights, FLI's nature-inspired townscape that sprawls over 677 hectares of prime real estate in the Quezon City environs.

feature 96 condominium units to be operated as hotel rooms by Timberland Sports and Nature Club, the townscape's exclusive country club.

In October 2014, Timberland Heights also soft-launched Adventure Farm, which aims to be an agri-tourism farm model with sustainable and eco-friendly farming concepts.

Meanwhile, Havila, an expansive 300-hectare townscape that spans Taytay, Antipolo and Angono in Rizal, saw the groundbreaking of The Peak, a 7.9-hectare enclave. Located on one of the highest points of the property, it offers prime residential lots overlooking the city skyline and Laguna Bay.

Additionally, Havila broke ground for its latest residential neighborhood, Amarilyo Crest, the only Asian-inspired residence in the townscape.



In December 2014, FLI launched City di Mare, a 50-hectare master-planned townscape located at the South Road Properties in Cebu. A joint-venture with the Cebu City Government, it is envisioned to be Cebu's new lifestyle capital – a complete, modern, and urban townscape with 60 percent of its area dedicated to open spaces.



Ciudad de Calamba, a 350-hectare Modern Filipino-Hispanic townscape in Calamba, Laguna, is being master-planned by AECOM, a US-based architecture, landscape and planning firm. Plans are expected to be completed by June 2015.

In FLI's near future is a new townscape development at the rotunda in Tagaytay called Fora. Covering 5.2 hectares, the development will merge retail hubs and residential enclaves in one of the country's best-known travel spots.

Also in the pipeline is a 1.9-hectare mixed-use development, set to rise along Dumaguete City's vibrant Rizal Boulevard, just walking distance from the prestigious Siliman University. Featuring a commercial strip, hotel and a residential enclave, it is expected to become an exciting waterfront destination for tourists and locals alike.

FORA, Tagaytay Rotunda

Changing the landscape of Tagaytay

4.7 hectares mall area

3,600-sqm events venue

2 residential buildings

2 condotel buildings



Filinvest Cyberzones

FLI continues to strengthen Northgate Cyberzone's foothold as southern Metro Manila's multinational BPO-destination. With 100% occupancy, it remained a stable source of recurring income for FLI with more than 21,000 square meters of new leases signed and closed in 2014. Last year, it opened its 13th PEZA-certified building, Plaz@ E, which was 100% leased out barely five months after completion.

Brighter prospects are ahead with four more developments on Northgate Cyberzone's horizon. Filinvest Two and Filinvest Three buildings will provide an additional combined gross leasable area (GLA) of more than 47,500 square meters. Both towers are scheduled for completion and turnover by early 2015.

Meanwhile, the 22-storey Vector Three will provide an additional 39,800 sqm of GLA by the fourth quarter of 2016. It is the first building inside Northgate seeking LEED Certification.



In response to the continued demand for IT-BPO offices, Filinvest has programmed **480,000 square meters** of GLA to open nationwide in the next five years.



Pegged as the future icon of Northgate Cyberzone, the fourth development is called Megablock – a four-tower development that will add a GLA of more than 155,200 sqm. It is set to be completed by the second quarter of 2017 and is applying for LEED Gold Certification.



Spurred by the success of Northgate Cyberzone, FLI has brought the same advantages to other prime areas. In September 2014, FLI broke ground for Filinvest Cyberzone Pasay, its first LEED-certified project outside Northgate Cyberzone. Rising nine stories within the Bay Reclamation Area in Pasay City, it will provide a total of 80,000 sqm of office space with street-level retail facilities.

In November 2014, FLI launched Filinvest Cyberzone Cebu, a joint venture with the Cebu Provincial Government. Its first tower is eyed for completion by the first half of 2015.



Megablock at Northgate Cyberzone, Filinvest City, Alabang

Creating Retail Hubs

Driven by robust consumer spending, growing middle-income population and sustained growth in overseas Filipino remittances, retail businesses are seen to experience considerable growth. In response, FLI is set to roll out 227,000 square meters of retail GLA in the next five years.

Festival Supermall, the premier regional shopping mall in Southern Metro Manila, is undergoing expansion and rebranding to maintain its advantage over the competition. Upon completion by end-2015, it will have an additional GLA of more than 46,000 square meters – taking advantage of the 10% increase in foot traffic that the mall saw last year.

Festival Supermall Expansion:

Additional GLA
of more than
46,000 sqm



The River Park: A new dimension in leisure

In addition to more spaces to accommodate high-end fashion brands and dining choices, Festival Supermall features the newly-opened River Park. This adds a whole new dimension to the mall experience by connecting shoppers with nature while offering an amphitheater and jogging trails.



In February 2015, the Company opened Il Corso in the coastal townscape of City di Mare in Cebu. The mall's main entrance, dubbed as The Central Piazza, is already welcoming guests as it showcases Cebuano-artisan food concepts. Along with its central area, Il Corso has also opened its amphitheater. Upon

Center Square, Bacoor, Cavite



completion, the retail mall will add a total of 36,000 square meters of GLA across 11 inter-connected buildings.

Likewise, The Village Front – an upscale retail center in the exclusive Brentville neighborhood – was unveiled. Located right along the Mamplasan Road, The Village Front is accessible to Brentville residents while being conveniently close to the progressive residential and commercial areas of Biñan and Sta. Rosa in Laguna.

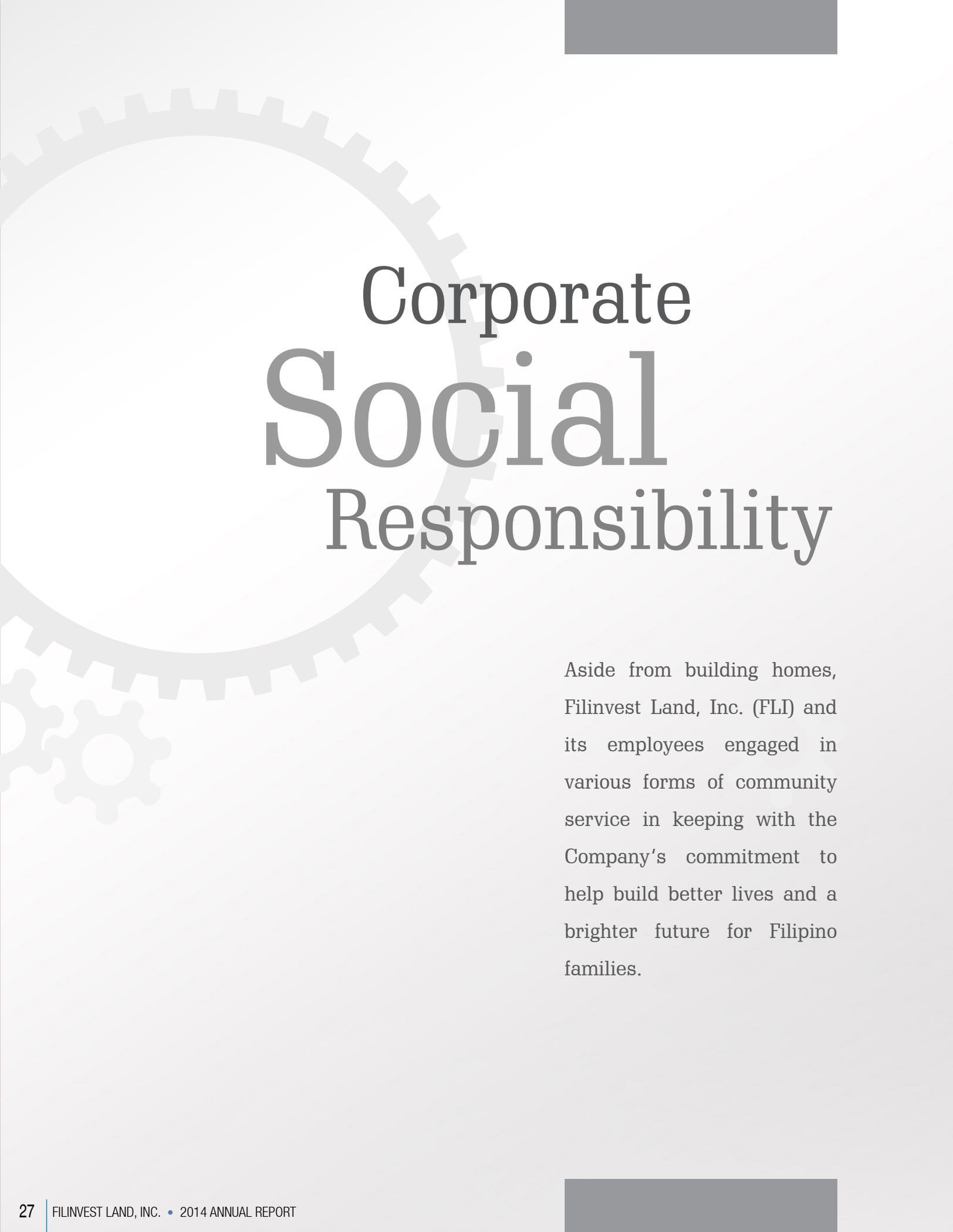
In the pipeline is Center Square in Molino, a community shopping center in Cavite with a target opening in May 2016. It will add 48,000 square meters to FLI's leasing portfolio. Expanding further, FLI has plans to open a regional mall in the Tagaytay townscape of Fora, adding another 34,000 square meters of GLA.

Future plans of FLI include major retail destinations in Binondo, Makati and Cubao. These developments are in line with the Company's goal to achieve a retail space inventory of more than 364,000 square meters within the next five years.



The Village Front at Brentville

ON TARGET:
To achieve a retail
space inventory
of over 364,000
square meters
within the next
five years.



Corporate Social Responsibility

Aside from building homes, Filinvest Land, Inc. (FLI) and its employees engaged in various forms of community service in keeping with the Company's commitment to help build better lives and a brighter future for Filipino families.



Tree planting with Ms. Earth Philippines



Homeowners of Villa San Ignacio in Zamboanga

Concern for the Environment

Continuing with FLI's drive for a more sustainable future, the Company continued its "Keep it Green" tree-planting initiative. 2014's edition sought to increase the number of native Philippine trees in the Company's projects.

The second annual tree-planting activity saw the simultaneous planting of native tree seedlings in various FLI project sites in June 2014. In the event's Arista leg in Laeuna de Taal, in Tanauan, Batangas, seedlings of Kamagong were planted, with proceeds being donated to the Kanlungan ni Maria Home for the Aged.

In Timberland Heights, FLI employees participated in the event, which was graced by reigning Ms. Earth Philippines 2014, Jamie Herrell. Similar events were held in FLI sites in Palawan and in Villa San Ignacio in Zamboanga, both eagerly participated in and attended by employees and even homeowners.

Aside from this simultaneous tree-planting event, similar activities were held in different FLI sites before and after the second edition of Keep it Green.

Amare Homes and Palmridge, both in Batangas, held tree planting events in January and May 2014, respectively. Both activities were eagerly attended by FLI employees and homeowners of the developments, with the former planting 100 seedlings.

Continuing FLI's campaign for a greener environment, two more tree planting activities took place in September. Ciudad de Calamba planted trees as part of its Clean and Green Program, while 363 seedlings were planted in Valle Dulce's event.



Greening Laeuna de Taal in Batangas



The Futura Homes group in Valle Dulce, Calamba, Laguna



Joining forces in Palawan



Keeping it Green in Havila, Rizal

Outreach and Religious Activities

As a real estate developer, FLI traces its roots to Cebu. To give back to the community, the Company gave a cash donation to Brgy. Apas Camp Lapu-lapu Elementary School in Cebu. This was made in May as part of the 2014 Brigada Skwela. Providing more comfort to students of Apas National High School, FLI donated an air-conditioning unit and repaired its restrooms in October 2014.

Before 2014 closed, members of the FLI family shared the joy of the holidays with less fortunate members of the society through its company-wide donation and fund-raising drive, "Makabuluhang Paghahandog Ngayong Pasko Para sa Masayang Salo-Salo".

In the drive, FLI Good Samaritans donated cash and other valuables in the spirit of gift-giving. Aside from these, employees also bought Christmas cards, each



representing one Noche Buena package, which they used to send their messages of warmth and support.

The program was able to raise Php 254,200, brightening the Christmases of those touched by the drive. More than monetary gifts, November saw FLI employees sharing their time with the lolos and lolas in Kanlungan ni Maria Home for the Aged in Antipolo. In support of their activities, half the raised amount was donated to the shelter.

In December, the remaining amount was donated to the



families of Pintong Bukawe near Timberland Heights in San Mateo Rizal. These families surely felt the Christmas spirit come alive as they received the Noche Buena packages – simple feasts they were able to share with their families.

The Company also spread the Christmas joy to the kids at Cebu's Children's Joy Foundation, Inc. in December 2014. Through gift-giving, a magic show and cash donations, the children of the shelter celebrated a memorable yuletide.

Aside from giving material donations, the FLI family extended its help to those in need of a different kind of assistance. Through a bloodletting drive, done in partnership with the Philippine Red Cross Rizal Chapter, FLI employees donate blood in October 2014. Held at the FLI Main Office in EDSA, the day-long drive was able to garner 38 blood bags – precious gifts that will go a long way in extending lives.

Recognizing that faith and religion are vital components of a strong community, the Company donated a parcel of land in Timberland Heights to the Roman Catholic diocese of Antipolo. This endowment will be the site of St. John Paul II Church, which will form the religious center of the township. The donation was formalized in September 2014, with land development for the church scheduled in the near future.

In line with this, relics of St. John Paul II were displayed at TSNC, dubbed as the Totus Tuus Tour, before the year closed.

Showing high regard for religion even before the St. John Paul II Church was agreed upon, Timberland Heights had its Stations of the Cross blessed in an event that lasted from Holy Wednesday to Easter Sunday of 2014.

Personnel Development



Filinvest's Got Talent Grand Champion



FLI Sportsfest

Always investing in its employees, FLI recognizes that its employees are its most valued resource. Training programs to improve skills, increase productivity and tap the potential leaders in every employee were implemented.

2014 saw the continuation of seminars organized by the Human Resource Department (HRAD) such as Work, Attitude and Value Enhancement (WAVE), 5S, I Love My Job, Effective Business Writing, Personality Development, Basic Financial Planning, Open Office Training and more.

Aside from these trainings, learning programs for technical employees were also facilitated by HRAD like Project Engineers Training on Online Management System (PETOMS) and Countrywide Water Services, Inc. (CWSI) Cadetship Program.

FLI recognized employees who displayed outstanding internal and external customer service with its Service Idol 2 campaign.

To promote unity and camaraderie in the workplace, FLI held its annual sportsfest with volleyball, basketball and bowling tourneys, among others. Keeping things interesting all year-long, fun programs and seasonal contests were held monthly. Among these were February's Cupid Express, Single's Day in July, Filinvest's Got Talent Eliminations and Grand Finals for August and September and a Halloween decorating contest and Christmas tree-making competition in the last quarter of the year.



Management Training Program



5S Orientation



Halloween Decor Contest



FLI Goes Around the World Christmas Party



Corporate Governance Report

Your Company has always been a firm believer in good Corporate Governance and has always abided by the core values of its founder, Mr. Andrew L. Gotianun, of integrity, fairness and financial responsibility. These principles have been incorporated in the Company's Code of Ethics as well as in its Corporate Governance Manual. Today, Filinvest Land, Inc. (FLI) continues to operate guided by its corporate core values of Integrity, Team Work, Professionalism, Innovation, Customer Service and Cost Effectiveness.

COMPLIANCE WITH BEST PRACTICES ON CORPORATE GOVERNANCE

For the year 2014, FLI fully complied with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) regulatory requirements. It is also in compliance with its Revised Manual for Corporate Governance.

In particular, your Company wishes to highlight the following: (a) the election of two (2) independent directors to the Board; (b) the appointment of the members of the audit, nomination and compensation committees; (c) the conduct of regular quarterly board meetings and special meetings, the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the timely and accurate submission to the SEC of reports and disclosures required under the Securities Regulation Code; (e) FLI's adherence to national and local laws pertaining to its operations; (f) the observance of applicable accounting standards by FLI; (g) the adoption of the ASEAN Corporate Governance Report (ACGR) in Corporate Governance Reporting; and (h) the enhancement of FLI's website to provide our shareholders and stakeholders with a quicker reference to our corporate governance practices.

On July 31, 2014, your Company filed a Revised Manual on Corporate Governance in compliance with the directive of the SEC, and also to reflect current best practices.

In order to keep abreast of best practices in Corporate Governance, the members of the Board and key officers have participated in the program on corporate governance conducted by the Filinvest Group, in partnership with the Institute of Corporate Directors.

FLI, through its Board of Directors and in coordination with the Management, constantly reviews its Corporate Governance practices annually and welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors.

BOARD OF DIRECTORS

Leading the practice of good Corporate Governance is the Board of Directors. Your Board of Directors is firmly committed to the adoption of and compliance with the best practices in Corporate Governance as well as the observance of all relevant laws, regulations and ethical business practices.

Nominations And Voting For The Board Of Directors

The members of the Board are elected during the annual stockholders' meeting. The stockholders of FLI may nominate individuals to be members of the Board of Directors.

The Nomination Committee receives nominations for independent directors as may be submitted by the stockholders. After the deadline for the submission thereof, the Nomination Committee meets to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in FLI's Revised Manual on Corporate Governance and the Securities Regulation Code. All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Nomination Committee shall then prepare a Final List of Candidates enumerating the nominees who passed the screening. The name of the person or group of persons who recommends nominees as independent directors shall be disclosed along with his or their relationship with such nominees.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the annual meeting.

The conduct of the election of independent directors shall be in accordance with FLI's Manual on Corporate Governance. In 2008, FLI filed with the SEC its application for the amendment of the by-laws to include the procedure that will govern the nomination and election of independent directors. This procedure is consistent with FLI's Revised Manual on Corporate Governance and Rule 38 of the Securities Regulation Code. The approval by the Commission on said application was issued on April 8, 2009. The power of the Board to amend the By-Laws has been delegated by the stockholders representing two-thirds (2/3) of FLI's outstanding capital stock in an annual meeting of said stockholders on May 27, 1994.

It shall be the responsibility of the Chairman of the annual meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the annual meeting. Specific slots for independent directors shall not be filled up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the whole number of directors to be elected.

The directors of FLI are elected at the annual stockholders' meeting, to hold office until their respective successors have been duly appointed or elected and qualified. Vacancies in the Board occurring mid-term are filled as provided in the Corporation Code and FLI's Revised Manual on Corporate Governance. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

Independent Directors

Before the annual meeting, a stockholder of FLI may nominate individuals to be independent directors, taking into account the following guidelines:

- A. "Independent director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:
 - i. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
 - ii. Is not a relative of any director, officer or substantial stockholder of FLI, any of its related companies or any of its substantial shareholders. For this purpose, "relative" includes spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
 - iii. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;
 - iv. Has not been employed in an executive capacity by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years;
 - v. Is not related as a professional adviser by FLI, any of its any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm;

- vi. Has not engaged and does not engage in any transaction with FLI or any of its related companies or any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.
- B. When used in relation to FLI subject to the requirements above:
- i. "Related company" means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
 - ii. "Substantial shareholder" means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.
- C. An independent director of FLI shall have the following qualifications:
- i. He shall have at least one (1) share of stock of FLI;
 - ii. He shall be at least a college graduate or he shall have been engaged in or exposed to the business of FLI for at least five (5) years;
 - iii. He shall possess integrity/probity; and
 - iv. He shall be assiduous.
- D. No person enumerated under Section II (5) of the Revised Manual of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:
- i. He becomes an officer or employee of FLI, or becomes any of the persons enumerated under items (A) hereof;
 - ii. His beneficial security ownership exceeds 10% of the outstanding capital stock of FLI;
 - iii. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member;
 - iv. If he becomes disqualified under any of the grounds stated in FLI's Revised Manual on Corporate Governance.
- E. Pursuant to SEC Memorandum Circular No. 09, Series of 2011, which took effect on January 2, 2012, the following additional guidelines shall be observed in the qualification of individuals to serve as independent directors:
- i. There shall be no limit in the number of covered companies that a person may be elected as independent director, except in business conglomerates where an independent director can be elected to only five (5) companies of its conglomerate, i.e., parent company, subsidiary or affiliate;
 - ii. Independent directors can serve as such for five (5) consecutive years, provided that service for a period of at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the independent director position was relinquished or terminated;
 - iii. After completion of the five-year service period, an independent director shall be ineligible for election as such in the same company unless the independent director has undergone a "cooling off" period of two (2) years, provided, that during such period, the independent director concerned has not engaged in any activity that under existing rules disqualifies a person from being elected as independent director in the same company;
 - iv. An independent director re-elected as such in the same company after the "cooling off" period can serve for another five (5) consecutive years under the conditions mentioned in paragraph (ii) above;
 - v. After serving as independent director for ten (10) years, the independent director shall be perpetually barred from being elected as such in the same company, without prejudice to being elected as an independent director in other companies outside the business conglomerate;
 - vi. All previous terms served by existing independent directors shall not be included in the application of the term limits.

Members of the Board of Directors, Attendance and Committee Memberships

The following table lists down the members of the Board of Directors and their attendance in Board Meetings in 2014.:

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman Emeritus	Andrew L. Gotianun, Sr.	May 9, 2014	9	8	89%
Chairman	Jonathan T. Gotianun	May 9, 2014	9	9	100%
Member	Josephine G. Yap	May 9, 2014	9	8	89%
Member	Mercedes T. Gotianun	May 9, 2014	9	7	78%
Member	Andrew T. Gotianun, Jr.	May 9, 2014	9	7	78%
Member	Joseph M. Yap	May 9, 2014	9	7	78%
Member	Efren C. Gutierrez	May 9, 2014	9	9	100%
Independent	Lamberto u. Ocampo	May 9, 2014	9	9	100%
Independent	Cirilo T. Tolosa	May 9, 2014	9	8	89%

The following table lists down the attendance of the Board of Directors during the May 9, 2014 Annual Stockholders' Meeting and their memberships in the different Committees:

Name of Director	Attended May 9, 2014 Annual Stockholders' Meeting	Member of the Following Committees
Andrew L. Gotianun, Sr.	Yes	Nomination Committee (Chair)
Mercedes T. Gotianun	Yes	Executive Committee, Compensation Committee (Chair), Nomination Committee
Andrew T. Gotianun, Jr.	Yes	Executive Committee
Joseph M. Yap	Yes	Executive Committee, Technical Committee (Chair)
Lourdes Josephine G. Yap	Yes	Executive Committee (Chair), Compensation Committee, Nomination Committee
Jonathan T. Gotianun	Yes	Executive Committee, Audit Committee, Compensation Committee
Efren C. Gutierrez	Yes	Audit Committee
Cirilo T. Tolosa (<i>Independent Director</i>)	Yes	Audit Committee (Chair)
Lamberto U. Ocampo (<i>Independent Director</i>)	Yes	Compensation Committee, Nomination Committee, Technical Committee

Duties and Responsibilities of the Different Board Committees

EXECUTIVE COMMITTEE

The functions, duties and responsibilities of the Board of Directors may be delegated, to the fullest extent permitted by law, to an Executive Committee to be established by the Board of Directors. The Executive Committee shall consist of five (5) members, and at least three (3) of whom shall be members of the Board of Directors. All members of the Executive Committee shall be appointed by and under the control of the Board of Directors.

The Executive Committee may act on such specific matters within the competence of the Board of Directors as may be delegated to it by a majority vote of the Board of Directors, except with respect to: (i) approval of any action for which shareholders' approval is also required; (ii) the filing of vacancies in the Board of Directors; (iii) the amendment or repeal of these By-Laws or the adoption of new by-laws; (iv) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; and (v) the distribution of cash dividends to shareholders.

The act of the Executive Committee on any matter within its competence shall be valid if (i) it is approved by the majority vote of all its members in attendance at a meeting duly called where a quorum is present and acting throughout, or (ii) it bears the written approval or conformity of all its incumbent members without necessity for a formal meeting.

The Executive Committee shall hold its regular meeting at least once a month or as often as it may determine, in the principal office of the Corporation or at such other place as may be designated in the notice. Any member of the Executive Committee may, likewise, call a meeting of the Executive Committee at any time. Notice of any meeting of the Executive Committee shall be given at least seven (7) business days prior to the meeting or such shorter notice period as may be mutually agreed. The notice shall be accompanied by (i) a proposed agenda or statement of purpose and (ii) where possible, copies of all documents, agreements and information to be considered at such meeting.

The following table lists down the members of the Executive Committee and their attendance in the meetings of the Executive Committee in 2014:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%
Chairman	Josephine G. Yap	May 9, 2014	7	7	100%
Member (Non-Executive Directors)	Jonathan T. Gotianun	May 9, 2014	7	7	100%
	Andrew T. Gotianun, Jr.	May 9, 2014	7	5	71%
	Joseph M. Yap	May 9, 2014	7	6	86%
	Mercedes T. Gotianun	May 9, 2014	7	5	71%
Member	Michael Edward T. Gotianun	May 9, 2014	7	7	100%

AUDIT COMMITTEE

The Board shall constitute an Audit Committee to be composed of at least three (3) Director-members, with accounting and financial background, one of which shall be an independent director and another should have related audit experience.

The Chairman of this Committee should be an independent director. He should be responsible for inculcating in the minds of the Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

Duties and Responsibilities:

- Provide oversight financial management functions specifically in areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;
- Provide oversight of the Corporation's internal and external auditors;
- Review and approve audit scope and frequency, and the annual internal audit plan;
- Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one (1) audit firm is involved;
- Set up an internal audit department and consider the appointment of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
- Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
- Receive and review reports of internal and external auditors and regulatory agencies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner, in addressing control and compliance functions with regulatory agencies;
- Review the quarterly, half-year and annual financial statements before submission to the Board with particular focus on the following matters:
 - Any change/s in accounting policies and practices

- Major judgmental areas
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- Coordinate, monitor and facilitate compliance with existing laws, rules and regulations;
 - Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report.
 - Establish and identify the reporting line of the chief audit executive so that the reporting level allows the internal audit activity to fulfill its responsibilities. The chief audit executive shall report directly to the Audit Committee functionally. The Audit Committee shall ensure that the internal auditors shall have free and full access to the Corporation's records, properties and personnel relevant to the internal audit activity, and that the internal audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit Committee to review and approve the annual internal audit plan.
 - The following table lists down the members of the Audit Committee and their attendance in the meetings of the Executive Committee in 2014:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%
Chairman (Independent Director)	Cirilo T. Tolosa	May 9, 2014	2	2	100%
Member (Non-Executive Directors)	Jonathan T. Gotianun	May 9, 2014	2	2	100%
	Efren C. Gutierrez	May 9, 2014	2	2	100%

COMPENSATION COMMITTEE

The Board may constitute a Compensation Committee composed of at least three (3) Director-members, one of whom shall be an independent director.

Duties and Responsibilities:

- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.
- Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully.
- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers.
- Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which, among others, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.

- Disallow any director to decide his or her own remuneration.
- Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and ensuing year.
- Review the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

The following table lists down the members of the Compensation Committee and their attendance in the meetings of the Compensation Committee in 2014:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%
Chairman	Mercedes T. Gotianun	May 9, 2014	1	1	100%
Member (Executive Director)	Josephine G. Yap	May 9, 2014	1	1	100%
Member (Non-Executive Director)	Jonathan T. Gotianun	May 9, 2014	1	1	100%
Member (Independent Director)	Lamberto U. Ocampo	May 9, 2014	1	1	100%

NOMINATION COMMITTEE

The Board may constitute a Nomination Committee consisting of at least three (3) Director-members, one of whom shall be an independent director. The Head of the Human Resources Department shall be a non-voting ex-officio member.

The Nomination Committee may review and evaluate the qualifications of all persons nominated to the Board, as well as those nominated to other positions requiring appointment by the Board, and provide assessment on the Board's effectiveness in directing the process of renewing and replacing the Board's members.

The Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board:

- The nature of the business of the Corporations in which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Nomination Committee may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the qualifications and the grounds for disqualifications as set forth in FLI's Manual of Corporate Governance and the Securities Regulation Code.

The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of the nomination for members of the Board of Directors. The same shall be properly disclosed in the Company's information or proxy statement or such other reports required to be submitted to the Securities and Exchange Commission (SEC).

The Nomination of independent directors shall be conducted by the Committee before the stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors as set forth in the Company's Manual on Corporate Governance.

After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, which shall be made available to the SEC and all stockholders through the filing and distribution of the Information Statement, or in such reports the Company is required to submit to the SEC. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

The following table lists down the members of the Nomination Committee and their attendance in the meetings of the Nomination Committee in 2014:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%
Chairman	Andrew L. Gotianun, Sr.	May 9, 2014	1	1	100%
Member (Executive Director)	Josephine G. Yap	May 9, 2014	1	1	100%
Member (Non-Executive Director)	Mercedes T. Gotianun	May 9, 2014	1	1	100%
Member (Independent Director)	Lamberto U. Ocampo	May 9, 2014	1	1	100%
Member	Rizalangela L. Reyes	May 9, 2014	1	1	100%

Compensation of the Board of Directors and Officers:

Except for per diem of Php50,000 being paid to non-executive directors of the Filinvest Group for every meeting attended, there are no other arrangements to which directors are compensated, for any services provided as director, including any amounts payable for committee participation or special assignments.

The aggregate compensation paid or incurred during the last two fiscal years and the estimate for this year are as follows:

Name & Principal Position	Estimate 2015			2014			2013		
	Salaries	Bonus	Total	Salaries	Bonus	Total	Salaries	Bonus	Total
L. Josephine G. Yap <i>President/Chief Exec. Officer</i>									
Steve Chien Liang Ta <i>Senior Vice President</i>									
Nelson M. Bona <i>CFO/Senior Vice President</i>									
Venus A. Mejia <i>Senior Vice President</i>									
Francis V. Ceballos <i>Senior Vice President</i>									
Total for the Chief Exec. and the four highest paid officials	P23.4M	P4.83M	P27.93M	P21.953M	P4.563M	P25.516M	P19.07M	P4.33M	P23.4M
Total of all Officers & Directors as a group	P44.78M	P7.77M	P52.55M	P42.648M	P 7.40M	P50.048M	P38.02M	P7.39M	P45.41M

Family Relationships

Mr. Andrew L. Gotianun, Sr. is the spouse of Mercedes T. Gotianun and the father of Mr. Andrew T. Gotianun Jr., Mr. Jonathan T. Gotianun, Mr. Michael Edward T. Gotianun and Ms. Lourdes Josephine G. Yap. Ms. Yap is married to Mr. Joseph M. Yap.

External Auditor

The auditing firm of Sycip, Gorres, Velayo & Co. ("SGV") is the current independent auditor of FLI. There have been no disagreements with SGV on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

FLI, in compliance with SRC Rule 68(3)(b)(iv) relative to the five-year rotation requirement of its external auditors, has designated Ms. Dhonabee B. Seneres as its engagement partner starting CY 2013. Thus, Ms. Seneres is qualified to act as such until year 2018. The representatives of SGV shall be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

A. Audit and Audit-Related Fees

In consideration for the following professional services rendered by SGV as the independent auditor of FLI:

1. The audit of FLI's annual financial statements and such services normally provided by an external auditor in connection with statutory and regulatory filings or engagements for those fiscal years;
2. Other assurance and related services by SGV that are reasonably related to the performance of the audit or review of FLI's financial statements.

SGV billed FLI for fees totaling P2,255,000.00 and P2,465,000.00 for the years 2013 and 2014, respectively

B. Tax Fees

For each of the last two fiscal years, SGV did not render services for tax accounting, compliance, advice and planning for which it billed FLI the corresponding professional fees.

C. All Other Fees

For each of the last two years, SGV did not render services in addition to the services described above for which it billed FLI the corresponding professional fees.

D. Approval Policies and Procedures for Independent Accountant's Services of Management/Audit Committee

In giving its stamp of approval to the audit services rendered by the independent accountant and the rate of the professional fees to be paid, the Audit Committee, with inputs from the management of FLI, makes a prior independent assessment of the quality of audit services previously rendered by the accountant, the complexity of the transactions subject of the audit, and the consistency of the work output with generally accepted accounting standards.

SHAREHOLDERS' RIGHTS

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore the following provisions are issued for the guidance of all internal and external parties concerned, as governance covenant between the Corporation and all its investors:

The Board shall be committed to respect the following rights of the stockholders:

A. Voting Right

1. Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
2. Cumulative voting is mandatory in the election of directors.

3. A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

B. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code, during business hours and upon prior written notice to the Corporation and for good reason.

All Shareholders shall be furnished with annual reports, including financial statements, without cost or restrictions.

C. Right to Information

1. The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
2. The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
3. The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

D. Right to Dividends

1. Shareholders shall have the right to receive dividends subject to the discretion of the Board.
2. The Commission may direct the Corporation to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: i) when justified by definite corporate expansion projects or programs approved by the Board; or ii) when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

E. Appraisal Right

The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under the Corporation Code of the Philippines, under any of the following circumstances:

- In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence.
- In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- In case of merger or consolidation.

- F. The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the corporation. The shareholders should be encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.

- G. It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

DIVIDEND POLICY AND DIVIDENDS PAID

On January 8, 2007, the Board of Directors approved an annual cash dividend payment ratio for the Company's issued shares of twenty percent (20%) of its consolidated net income from the preceding fiscal year, subject to the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends, include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board may, at any time, modify such dividend pay-out ratio depending upon the results of operations and future projects and plans of the Company.

On June 30, 2008, FLI paid cash dividends of Php0.02 per share or a total of Php485.72 million to all shareholders on record as of June 15, 2008. This equivalent to 28.5% of the Php1.704 billion in net income generated in 2007.

On June 9, 2009, FLI paid a cash dividend of Php0.033 per share or a total of Php800.24 million to all shareholders on record as of May 14, 2009. This is equivalent to 42.9% of the Php1.867 billion net income reported in 2008.

On June 9, 2010, FLI paid a regular cash dividend of Php0.017 and special cash dividend of Php0.016 per share or a total of Php800.24 million to all shareholders on record as of May 18, 2010. This is equivalent to 39.7% of 2009's Php2.018 billion net income.

On June 7 2011, FLI paid a regular cash dividend of Php0.0196 and a special cash dividend of Php0.0196 per share or a total of Php950.59 million to all shareholders on record as of May 13, 2011. This is equivalent to 39.2% of 2010's Php2.46 billion core net income.

On June 21 2012, FLI paid a regular cash dividend of Php0.0237 and a special cash dividend of Php0.0237 per share, or a total of Php0.0475 per share. This was equivalent to Php1,151.86 million, and paid to all shareholders on record as of May 25, 2012. This is equivalent to 39.2% of 2011's Php2.940 billion net income.

On July 3, 2013, FLI paid a regular cash dividend of Php0.0280 and a special cash dividend of Php0.020 per share, or a total of Php0.0480 per share. This was equivalent to Php 1,163.99 million, and paid to all shareholders on record as of June 7, 2013. This is equivalent to 33.9% of 2012's Php3.431 billion net income.

On July 2, 2014, FLI paid regular cash dividends of Php 0.032 and a special cash dividend of Php0.018 per share, or a total of Php0.050. This was equivalent to Php1,212.48 million and paid to all shareholders on record as of June 6, 2014. This is equivalent to 30.9% of 2013's net income.

ANNUAL STOCKHOLDERS' MEETING AND PROCEDURES

Notice of Annual Stockholders' Meeting

Stockholders on record as of April 11, 2014 were entitled to attend and vote at the May 9, 2014 Annual Stockholders' Meeting.

Stockholders were informed that the Annual Stockholders' Meeting for 2014 would be held at 9:00 am at Ballrooms 1 & 2, Mandarin Oriental, Makati Avenue, Makati City, Metro Manila.

On January 30, 2014, FLI disclosed to the Philippine Stock Exchange that its Board of Directors had fixed the date of the Annual Stockholders' Meeting for May 9, 2014 with the record date for those entitled to attend set for April 11, 2014.

On April 14, 2013, FLI disclosed to the Philippine Stock Exchange the Notice of Annual Stockholders' Meeting.

Procedures During the Annual Stockholders' Meeting

The following was the agenda of the Annual Stockholders' Meeting last May 9, 2014:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum

4. Approval of the Minutes of the Annual Stockholders Meeting on May 10, 2013
5. Presentation of President's Report
6. Approval of the Audited Financial Statements for the year ending December 31, 2013
7. Ratification of the Acts and Resolutions of the Board of Directors, Executive Committee and Management for 2013
8. Election of the Members of the Board of Directors including 2 Independent Directors to serve for the year 2014–2015
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

Only stockholders of record as of April 11, 2014 were entitled to attend and vote in the said meeting.

The following are the minutes of the Annual Stockholders' Meeting of FLI held on May 9, 2014:

I. QUORUM AND CALL TO ORDER

At the request of the Chairman, the Corporate Secretary certified that out of the 32,249,759,506 total issued and outstanding shares of the Company as of the record date, 24,676,634,331 shares representing 76.52% of the total issued and outstanding shares of the Company are present in person or by proxy. Thereupon, the Chairman declared the presence of a quorum and called the meeting to order.

II. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF THE STOCK-HOLDERS HELD ON MAY 10, 2013

Upon motion made by a stockholder and duly seconded by another stockholder, and in the absence of any objection, the stockholders representing 76.52% (24,676,634,331 shares) of the total issued and outstanding shares of the Company who are present in person or by proxy, UNANIMOUSLY APPROVED the minutes of the meeting of the stockholders held on May 10, 2013 as presented in the Information Statement which was distributed to all the stockholders of record prior to the annual stockholders' meeting. None of the stockholders dissented or abstained.

III. PRESENTATION OF THE PRESIDENT'S REPORT AND APPROVAL OF THE AUDITED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED DE-CEMBER 31, 2013 / DECLARATION OF CASH DIVIDENDS

The President and Chief Operating Officer of the Company, Mrs. Lourdes Josephine Gotianun Yap, presented her report on the Company's operations for the year ended December 31, 2013, copies of which were distributed to all the stockholders of record prior to the meeting, together with the Company's Audited Financial Statements for the same period. The President's report was supplemented by a powerpoint presentation on the operational and financial highlights of the Company for the year 2013.

The President also announced to the stockholders that the Board of Directors approved during its special meeting held on May 9, 2014 the declaration of cash dividends to all stockholders of record as of June 6, 2014, in the amount of P0.050 per share, broken down as follows:

- a. Regular Cash Dividend of P0.032 per share
- b. Special Cash Dividend of P0.018 per share

The payment date was set on July 2, 2014.

After the presentation, the stockholders were given the opportunity to ask questions and seek clarification on the President's report. The Company's President and the Chairman of the Board of Directors responded to the various queries and clarifications raised by some stockholders who attended the meeting.

Thereafter, and upon motion made by a stockholder and duly seconded by another stockholder, and in the absence of any objection, the stockholders noted the President's report and the stockholders representing 76.52% (24,676,634,331 shares) of the total issued and outstanding shares of the Company who are present in person or by proxy, UNANIMOUSLY APPROVED the Company's audited financial statements for the year ended December 31, 2013. None of the stockholders dissented or abstained.

IV. RATIFICATION OF ALL THE ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND MANAGEMENT UP TO MAY 9, 2014

The next item in the agenda was the ratification of all the acts, resolutions and proceedings of the Board of Directors, Executive Committee and Management from the date of the last annuals stockholders' meeting until May 9, 2014, a summary of which was included as an annex in the Information Statement sent to all the stockholders on record prior to the annual stockholders' meeting.

On motion made by a stockholder and duly seconded by another stockholder, and in the absence of any objection, the stockholders representing 76.52% (24,676,634,331 shares) of the total issued and outstanding shares of the Company who are present in person or by proxy, UNANIMOUSLY RATIFIED AND CONFIRMED all the acts, resolutions and proceedings of the Board of Directors, Executive Committee and Management from the date of the last annual stockholders' meeting until May 9, 2014. None of the stockholders dissented or abstained.

V. ELECTION OF DIRECTORS

The Chairman explained that in accordance with the Company's Revised Manual on Corporate Governance and the By-Laws of the Company, the stockholders must now elect the members of the Board of Directors of the Company, who shall hold office for a term of one (1) year, or until their successors shall have been duly elected and qualified.

The names of the candidates who were pre-screened by the Nominations Committee in accordance with the Company's Revised Manual on Corporate Governance, including the nomi-nees for the Board seats allotted for the independent directors of the Company, were announced. It was confirmed that there were only nine (9) nominees for the nine (9) seats in the Company's Board of Directors and there were no other nominations submitted within the period allowed under the Company's By-Laws and Revised Manual on Corporate Governance. Thereupon, the Chairman of the Board directed the Assistant Corporate Secretary to cast the votes present in person or by proxy in the annual stockholders' meeting in favor of the nominees.

Whereupon, the following were duly elected as members of the Board of Directors:

Andrew L. Gotianun, Sr.	Mercedes T. Gotianun
Andrew T. Gotianun, Jr.	Jonathan T. Gotianun
Lourdes Josephine G. Yap	Joseph M. Yap
Efren C. Gutierrez	
Lamberto U. Ocampo (As Independent Director)	
Cirilo T. Tolosa (As Independent Director)	

VI. APPOINTMENT OF EXTERNAL AUDITORS

On motion made and duly seconded, and in the absence of any objection, the stockholders UNANIMOUSLY approved the re-appointment of Sycip, Gorres, Velayo & Co. as the external auditor of the Company for the year 2014, and whose re-appointment was made upon the recommendation of the Audit Committee of the Company.

VII. ADJOURNMENT

There being no further business to transact, and upon motion made and duly seconded, the meeting was thereupon adjourned.

On the same day, right after the stockholders' meeting, FLI disclosed to the Philippine Stock Exchange the results of the annual stockholders' meeting.

STATUTORY COMPLIANCE

FLI fully complied with the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) regulatory requirements.

Below is the Company's Reportorial Compliance Report:

Type of Report	Number of Filings
Financials	
Annual Report (17-A)	1
Quarterly Report (17-Q)	3
2012 Audited Financial Statements	1
Request for extension in filing 17-A, 17-Q	2
Ownership	
Annual List of Stockholders – for Annual Stockholders' Meeting	1
Foreign Ownership Monitoring Report	12
Public Ownership Report	4
Report on Number of Shareholders and Board Lot	12
Statement of Changes in Beneficial Ownership of Securities (23-B)	28
Top 100 Stockholders' List	4
Notices – Stockholders' Meetings/Briefings/Dividends	
Notice of Annual/Special Stockholders' Meeting	1
Dividend Notice (part of disclosure on Results of Stockholders' Meeting)	1
Notice of Analysts' Briefing	4
Other Disclosures	
Certification – Qualifications of Independent Directors	1
Certification – Attendance of Directors in Board Meetings	1
Certification – Compliance with Manual on Corporate Governance	1
Clarifications of News Articles	12
Definitive Information Statement (20-IS)	1
General Information Sheet	1
Preliminary Information Statement (20-IS)	1
Other Disclosures	17

INVESTOR RELATIONS

FLI's website, www.filinvestland.com, makes available to the public, current information on the Company, including details of its operations.

The Investor Relations section of the website provides information on financial statements, press releases, declaration of dividends, ownership structure and any changes in the ownership of major shareholders and officers, notice of analysts' briefings, other reportorial requirements by the Philippine Stock Exchange.

The contact details of the Investor Relations Department are available in the website.

To meet the requirements of FLI's investors, the Company conducted four (4) Analysts' Briefings in 2014:

1. April 8, 2014 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for Full Year 2012 results
2. On May 20, 2014 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Quarter 2013 results;
3. On August 12, 2014 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Half 2013 results; and
4. On November 11, 2014 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Nine Months of 2013 results

In 2014, FLI also participated in six (6) conferences organized by different stock brokerages in Hong Kong, Singapore and the Philippines.

On March 25, 2015, FLI conducted an analysts' briefing at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for Full Year 2014 results.



Board of Directors

Left to Right

Lamberto U. Ocampo
Independent Director

Andrew T. Gotianun, Jr.
Vice Chairman

Joseph M. Yap
Director

Josephine Gotianun Yap
Director - President & CEO

Andrew L. Gotianun, Sr.
Chairman Emeritus

Mercedes T. Gotianun
Director

Jonathan T. Gotianun
Chairman

Efren C. Gutierrez
Director

Cirilo T. Tolosa
Independent Director

Senior Management



Nelson M. Bona
SVP-Chief Finance Officer



Ana Venus A. Mejia
SVP- Treasurer/Deputy
Chief Finance Officer



Francis V. Ceballos
SVP-North East Cluster



Steve C. Chien
SVP-International &
Special Projects



Antonio E. Cenon
FVP-Permits & Licenses



Luis L. Fernandez
FVP-HOA & Water Systems



Winnifred H. Lim
FVP-Chief Technical
Planning Officer



Reynaldo A. Ascaño
FVP-South West Cluster



Tristaneil D. Las Marias
FVP-VisMin Cluster



Janette B. Cordero
FVP-Project Development



Reynaldo Juanito S. Nieva
FVP-Operations



Michael Edward T. Gotianun
VP-Supply Chain



Rizalangela L. Reyes
VP-HR & Customer Care



Romeo T. Bautista
VP-Bids and Awards
Committee



Jimmy S. Roque
VP-Planning



Harriet C. Ducepec
VP-Chief of Staff



Grace Marie M. Bada
VP-Information Technology



Bernadette M. Ramos
VP-Group Real Estate
Marketing



Gilberto B. Abanto
VP-Security Services



Elma Christine R. Leogardo
VP-Corporate & Tax Advisory,
Legal Dept.



Romeo L. Magtanong
VP-Litigation, Legal Dept.



Allan G. Alfon
VP-Strategic Business
Planning for VisMin
Area General Manager for
Visayas

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Financial Statements

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands of Pesos)

	December 31, 2014	December 31, 2013
ASSETS		
Cash and cash equivalents	₱4,245,687	₱6,390,732
Contracts receivable	16,972,347	13,083,775
Due from related parties	243,033	204,538
Other receivables	3,500,956	3,136,739
Financial assets at fair value through other comprehensive income	23,852	17,852
Real estate inventories	24,238,988	24,426,958
Land and land development	17,388,474	18,794,686
Investment in an associate	3,974,854	4,018,058
Investment properties	26,311,332	19,592,830
Property and equipment	1,323,190	1,150,822
Deferred income tax assets - net	24,264	12,320
Goodwill	4,567,242	4,567,242
Other assets	3,593,361	2,700,494
	₱106,407,580	₱98,097,046
LIABILITIES AND EQUITY		
Liabilities		
Accounts payable and accrued expenses	₱10,844,998	₱10,441,412
Income tax payable	120,431	17,235
Loans payable	16,519,797	14,751,209
Bonds payable	23,786,796	21,318,016
Due to related parties	259,694	209,201
Retirement liabilities	236,322	186,817
Deferred income tax liabilities - net	2,557,968	2,187,244
Total Liabilities	54,326,006	49,111,134
Equity		
Common stock	24,470,708	24,470,708
Preferred stock	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock	(221,041)	(221,041)
Retained earnings	21,758,564	18,437,398
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement losses on retirement plan - net of tax	(112,884)	(105,686)
Share in other components of equity of an associate	361,794	361,794
Equity attributable to equity holders of the parent	51,946,843	48,632,875
Noncontrolling interest	134,731	353,037
Total Equity	52,081,574	48,985,912
TOTAL LIABILITIES AND EQUITY	₱106,407,580	₱98,097,046

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)

	Years Ended December 31		
	2014	2013	2012
REVENUE			
Real estate sales	₱13,204,443	₱10,478,477	₱8,798,358
Rental services	2,263,551	2,034,078	1,887,094
EQUITY IN NET EARNINGS OF AN ASSOCIATE	52,796	186,366	187,295
OTHER INCOME			
Interest income	751,696	549,398	516,541
Others - net	627,433	568,765	529,525
	16,899,919	13,817,084	11,918,813
COSTS			
Real estate sales	7,726,164	6,036,080	4,927,456
Rental services	511,982	491,398	473,619
OPERATING EXPENSES			
General and administrative expenses	1,282,328	1,178,588	1,096,902
Selling and marketing expenses	1,054,056	892,482	872,245
INTEREST AND OTHER FINANCE CHARGES	647,617	474,446	412,961
	11,222,147	9,072,994	7,783,183
INCOME BEFORE INCOME TAX	5,677,772	4,744,090	4,135,630
PROVISION FOR INCOME TAX			
Current	712,083	481,993	397,474
Deferred	361,712	286,152	248,612
	1,073,795	768,145	646,086
NET INCOME	₱4,603,977	₱3,975,945	₱3,489,544
Attributable to:			
Equity holders of the parent	₱4,533,654	₱3,918,215	₱3,431,435
Noncontrolling interest	70,323	57,730	58,109
	₱4,603,977	₱3,975,945	₱3,489,544
Basic/Diluted Earnings Per Share	₱0.19	₱0.16	₱0.14

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2014	2013	2012
NET INCOME	₱4,603,977	₱3,975,945	₱3,489,544
OTHER COMPREHENSIVE LOSS			
Other comprehensive income not to be reclassified to profit or loss			
Remeasurement losses on retirement plan, net of tax	(7,198)	–	(56,322)
TOTAL COMPREHENSIVE INCOME	₱4,596,779	₱3,975,945	₱3,433,222
Attributable to:			
Equity holders of the parent	₱4,526,456	₱3,918,215	₱3,375,113
Noncontrolling interest	70,323	57,730	58,109
	₱4,596,779	₱3,975,945	₱3,433,222

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Amounts in Thousands of Pesos)

	Attributable to Equity Holders of the Parent									Noncontrolling Interest	Total Equity
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Revaluation Reserve on Financial Assets at FVTOCI	Remeasurement Losses on Retirement Plan	Share in Other Components of Equity of an Associate	Total		
For the Year Ended December 31, 2014											
Balances as of December 31, 2013	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱18,437,398	(₱2,619)	(₱105,686)	₱361,794	₱48,632,875	₱353,037	₱48,985,912
Net income	-	-	-	-	4,533,654	-	-	-	4,533,654	70,323	4,603,977
Other comprehensive income	-	-	-	-	-	-	(7,198)	-	(7,198)	-	(7,198)
Total comprehensive income	-	-	-	-	4,533,654	-	(7,198)	-	4,526,456	70,323	4,596,779
Dividends declared	-	-	-	-	(1,212,488)	-	-	-	(1,212,488)	-	(1,212,488)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(100,000)	(100,000)
Redemption of shares attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-	(188,629)	(188,629)
Balances as of December 31, 2014	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱21,758,564	(₱2,619)	(₱112,884)	₱361,794	₱51,946,843	₱134,731	₱52,081,574
For the Year Ended December 31, 2013											
Balances as of December 31, 2012	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱15,683,170	(₱2,619)	(₱105,686)	₱361,794	₱45,878,647	₱367,307	₱46,245,954
Total comprehensive income	-	-	-	-	3,918,215	-	-	-	3,918,215	57,730	3,975,945
Dividends declared	-	-	-	-	(1,163,987)	-	-	-	(1,163,987)	-	(1,163,987)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(72,000)	(72,000)
Balances as of December 31, 2013	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱18,437,398	(₱2,619)	(₱105,686)	₱361,794	₱48,632,875	₱353,037	₱48,985,912

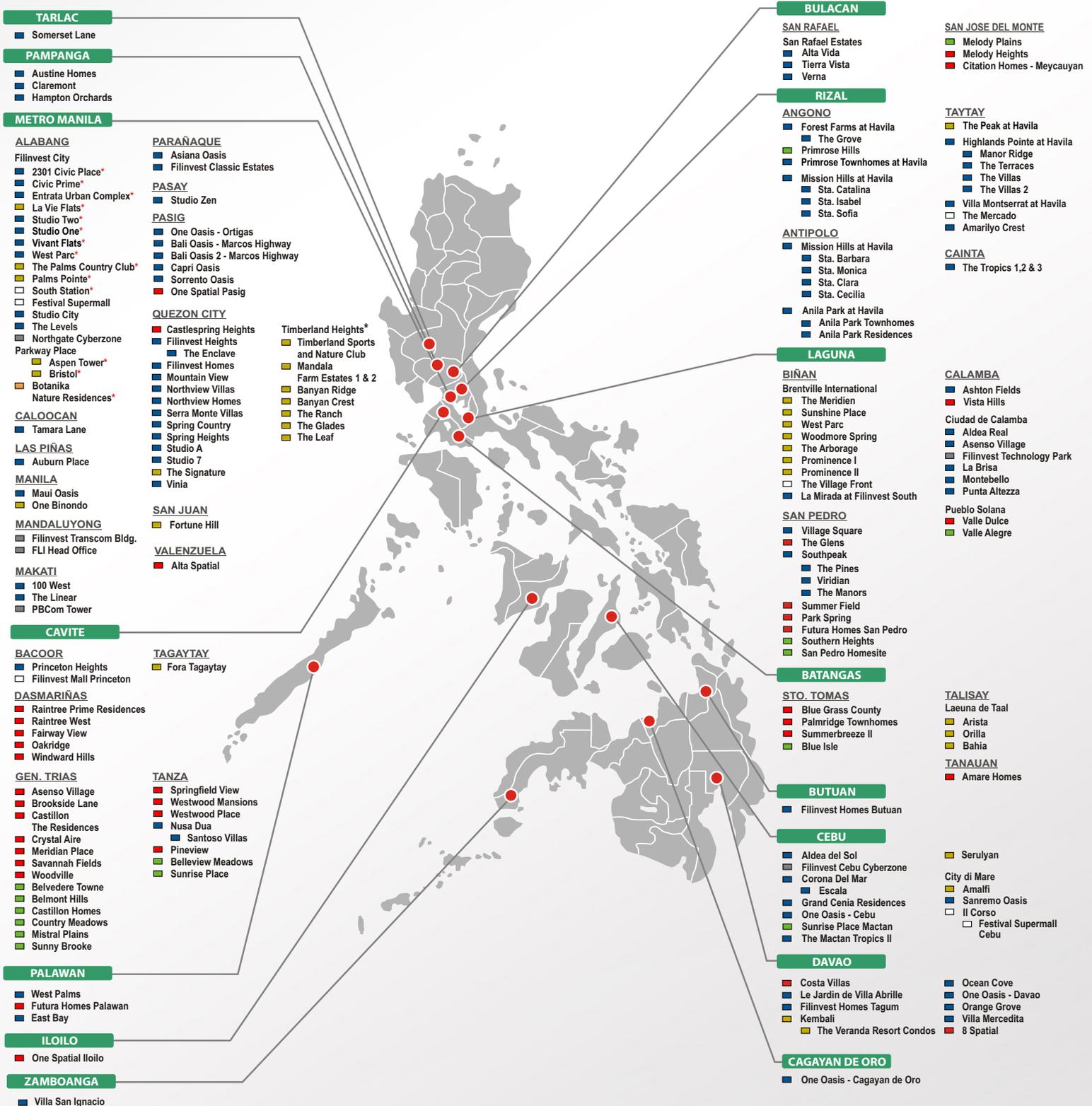
	Attributable to Equity Holders of the Parent									Noncontrolling Interest	Total Equity
	Common Stock	Preferred Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Revaluation Reserve on Financial Assets at FVTOCI	Remeasurement Losses on Retirement Plan	Share in Other Components of Equity of an Associate	Total		
For the Year Ended December 31, 2012											
Balances as of January 1, 2012	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱13,403,599	(₱2,619)	(₱49,364)	₱361,794	₱43,655,398	₱363,056	₱44,018,454
Net income	-	-	-	-	3,431,435	-	-	-	3,431,435	58,109	3,489,544
Other comprehensive income	-	-	-	-	-	-	(56,322)	-	(56,322)	-	(56,322)
Total comprehensive income	-	-	-	-	3,431,435	-	(56,322)	-	3,375,113	58,109	3,433,222
Dividends declared	-	-	-	-	(1,151,864)	-	-	-	(1,151,864)	-	(1,151,864)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(53,858)	(53,858)
Balances as of December 31, 2012, as restated	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱15,683,170	(₱2,619)	(₱105,686)	₱361,794	₱45,878,647	₱367,307	₱46,245,954

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2014	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱5,677,772	₱4,744,090	₱4,135,630
Adjustments for:			
Interest income	(751,696)	(549,398)	(516,541)
Interest expense	571,169	384,491	348,108
Depreciation and amortization	396,959	365,384	322,727
Equity in net earnings of an associate	(52,796)	(186,366)	(187,294)
Dividend income	–	(3,757)	(3)
Net pension expense (contribution)	39,222	27,061	(17,181)
Operating income before changes in operating assets and liabilities	5,880,630	4,781,505	4,085,446
Changes in operating assets and liabilities			
Decrease (increase) in:			
Contracts receivable	(3,888,572)	(2,485,825)	(2,145,042)
Due from related parties	(38,495)	(10,295)	52,514
Other receivables	(364,217)	(36,452)	(604,636)
Real estate inventories	1,301,940	262,579	(3,884,972)
Other assets	(1,106,233)	(967,029)	(781,596)
Increase (decrease) in:			
Accounts payable and accrued expenses	1,155,968	900,463	1,693,292
Net cash generated from (used for) operations	2,941,021	2,444,946	(1,584,994)
Income taxes paid	(395,368)	(523,369)	(516,434)
Interest received	751,696	549,398	516,541
Dividends received	–	3,757	3
Net cash provided by (used in) operating activities	3,297,349	2,474,732	(1,584,884)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of raw land	(2,712,937)	(2,901,861)	(2,488,561)
Acquisitions of investment properties and property and equipment	(3,408,854)	(2,971,951)	(1,457,348)
Dividends received from associate	96,000	80,400	75,000
Subscription of shares of stock	(6,000)	6,774	–
Net cash used in investing activities	(6,031,791)	(5,786,638)	(3,870,909)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of:			
Loans payable	9,500,000	7,199,000	4,950,000
Bonds payable	7,000,000	7,000,000	7,000,000
Payments of:			
Loans payable	(7,745,000)	(3,669,167)	(2,504,750)
Bonds payable	(4,500,000)	–	(500,000)
Cash dividend	(1,212,488)	(1,163,987)	(1,151,864)
Interest and transaction costs	(2,214,979)	(1,782,380)	(1,449,163)
Dividends paid to noncontrolling interest	(100,000)	(72,000)	(53,858)
Increase in amounts due to related parties	50,493	25,716	134,737
Redemption of shares attributable to noncontrolling interest	(188,629)	–	–
Net cash provided by financing activities	589,397	7,537,182	6,425,102
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,145,045)	4,225,276	969,309
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	6,390,732	2,165,456	1,196,147
CASH AND CASH EQUIVALENTS AT END OF YEAR	₱4,245,687	₱6,390,732	₱2,165,456

Map of Projects





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