COVER SHEET

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S.E.C. Registration Number

F I L I N V E S T L A N D , I N C .

(Company's Full Name)

7 9 E D S A , H I G H W A Y H I L L S ,

M A N D A L U Y O N G C I T Y

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

c/o Atty. Sharon P. Pagaling-Refuerzo

Contact Person

918-8188

Company Telephone Number

Definitive Information Statement

Month Day
Fiscal Year

D I S

FORM TYPE

Month Day
Annual Meeting

Secondary License Type; If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number / Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes

FILINVEST LAND, INC.
79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1688
Fax number: (632) 918-8189
www.filinvestland.com

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Stockholders' Meeting of **FILINVEST LAND, INC.** ("FLI") will be held on **08 May 2015 (Friday) at 9:00 AM** at the **Garden Ballroom, EDSA Shangri-La Manila, Ortigas Center, Mandaluyong City 1650** to discuss the following agenda:

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAR 24 2015
MARKET REGULATION DEPT.
BY: TIME: 2:12

I. Call to Order

II. Proof of Notice of Meeting

III. Certification of Quorum

IV. Approval of the Minutes of the Annual Stockholders' Meeting held on 09 May 2014

V. Presentation of the President's Report

VI. Ratification of the Audited Financial Statements for the year ending 31 December 2014

VII. Ratification of the Acts and Resolutions of the Board of Directors and Management for the year 2014

VIII. Election of the Members of the Board of Directors, including two (2) Independent Directors, to serve for 2015-2016

IX. Appointment of the External Auditor

X. Other Matters

i. The amendment of Article II of the Articles of Incorporation to include in the primary purpose the engagement in the business of construction of real estate of any kind; and
ii. The amendment of Article III of the Articles of Incorporation to change the principal address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila".

XI. Adjournment

The rationale for each of the items in the agenda is discussed in Annex "A" of this Notice of meeting.

Stockholders who will not, are unable to, or do not expect to attend the meeting in person may, at their option, designate their authorized representatives by means of Proxy. The Proxy instrument must be duly notarized and must be submitted to Atty. Elma Christine R. Leogardo, at the Office of the Corporate Secretary, located at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila or Stock Transfer Service, Inc. at 34-D Rufino Pacific Tower, 6784 Ayala Avenue, Makati City before the date set for the meeting.

Only Stockholders of Record as of 5:00 PM of 08 April 2015 shall be entitled to vote at this meeting.

PLEASE NOTE THAT THE CORPORATION IS NOT SOLICITING PROXIES.

The nomination and election of the members of the Board of Directors should be in accordance with the nomination forms, procedures and requirements adopted by the Board of Directors. Any stockholder may obtain the required nomination form from, and must submit their nominations, to the Corporate Secretary at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila not later than 19 March 2015.

All nominations shall be in writing duly signed by the nominating stockholders or their duly authorized (in writing) representatives, with the written acceptance and conformity of their nominee. The nomination must indicate whether the nominees are intended to be independent directors. Further, all nominations should include (i) the curriculum vitae of the nominee, (ii) a statement that the nominee has all the qualifications and none of the disqualifications, (iii) information on the relationship of the nominee to the stockholder submitting the nomination, and (iv) all relevant information about the nominee's qualifications, such as the nominee's age, educational attainment, full disclosure of work and/or business experience and/or affiliations. The Directors and Independent Directors shall be elected from among FLI's stockholders. All nominees for Directors and Independent Directors must possess the minimum requirements/qualifications and none of the disqualifications prescribed by the Securities and Exchange Commission and in FLI's Revised Manual on Corporate Governance.

Please be guided accordingly.

ELMA CHRISTINE R. LEOGARDO
Acting Corporate Secretary

ANNEX "A"

Discussion on the rationale of each item of the Agenda for the Annual Stockholders' Meeting to be held on 08 May 2015

A. Approval of the minutes of the annual meeting of stockholders held on May 9, 2014

The minutes of the annual stockholders' meeting held on May 9, 2014, a copy of which is attached as Annex "E" of the Information Statement, is the record of the matters taken up in the said meeting, including the certification of notice and quorum for the transaction of business.

B. Presentation of the President's Report and Approval of the Audited Financial Statements for the year ended 2014

The audited financial statements refer to the financial operations, balance sheet and income statement of the Company for the period ended December 31, 2014.

C. General Ratification of the Acts of the Board of Directors and the Management from the date of the last annual meeting up to the date of the upcoming meeting

The general ratification of the acts of the Board of Directors, Executive Committee and management from the date of the last annual meeting up to the date of the upcoming meeting refers to the approval by the stockholders of all actions and matters taken up and approved by the Board of Directors, Executive Committee and management during the said period. The list of the resolutions approved and adopted by the Board of Directors and the Executive Committee from the last annual stockholders' meeting to date is attached as Annex "F" of the Information Statement.

D. Approval of the Amendment of Article III of the Articles of Incorporation to Change the Principal Address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila"

During the meeting of the Board of Directors held on January 28, 2015, where all the directors were present and acting throughout, the Board unanimously approved the amendment of Article III of the Articles of Incorporation of the Company to change its principal office address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila".

The proposed amendment of FLI's Articles of Incorporation is in compliance with SEC Memorandum Circular No. 6, Series of 2014, directing existing corporations and partnerships whose articles of incorporation or articles of partnerships still indicate a general address as their

principal office address, such as "Metro Manila", to file an amended articles of incorporation or articles of partnership in order to specify their complete address, such that it has a street number, street name, barangay, city or municipality, and if applicable, the name of the building, the number of the building, and name or number of the room or unit.

E. Approval of the Amendment of Article II of the Articles of Incorporation to include as part of the Primary Purpose the Engagement in the Business of Construction

During the special meeting of the Board of Directors held on March 11, 2015, where all the directors were present and acting throughout, the Board unanimously approved the amendment of Article II of the Articles of Incorporation of the Company to include in its primary purpose the engagement in the business of construction of real estate of any kind.

The amendment of the primary purpose is in line with the Company's plans for diversification and expansion. Furthermore, the amendment of the primary purpose will enable the Company to secure the necessary accreditation from and become a licensed contractor and member of the Philippine Contractors Accreditation Board ("PCAB").

F. Election of the members of the Board of Directors

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 consisting of nine (9) members, including two (2) independent directors, who shall hold office for a term of one (1) year, or until their successors shall have been duly elected and qualified.

There will be an election of the nine (9) members of the Board, including two (2) independent directors, during the annual stockholders' meeting to serve for the year 2015 to 2016.

The nominees for members of the Board of Directors and their qualifications are discussed in Part I of the Information Statement.

G. Re-Appointment of Sycip Gorres Velayo & Co. ("SGV") as External Auditors

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 regarding accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

Sycip, Gorres, Velayo & Co. ("SGV") is being recommended by the Audit Committee of the Company, as well as the Board of Directors, for re-appointment as external auditor for the year 2015.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [x] Definitive Information Statement

2. Name of Registrant as specified in its charter FILINVEST LAND, INC.

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

4. SEC Identification Number 170957

5. BIR Tax Identification Code 000-533-224

6. Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila 1550
   Address of principal office *Postal Code*

7. Registrant's telephone number, including area code (02) 918 8188

8. **May 8, 2015, 9:00 A.M. at the Garden Ballroom, EDSA Shangri-La Manila, Ortigas Center, Mandaluyong City 1650**
   Date, time and place of the meeting of security holders

9. Approximate date on which the Information Statement is first to be sent or given to security holders : **April 16, 2015**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding
Common	24,249,759,506
Preferred	8,000,000,000

11. Are any or all of registrant's securities listed in a Stock Exchange?

Yes __/___ No _____

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange, Common Shares

PART I
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

1. Date, Time And Place Of Meeting

The annual stockholders' meeting of **FILINVEST LAND, INC.** ("FLI") for the year 2015 is scheduled on **May 8, 2015, 9:00 a.m. at the Garden Ballroom, EDSA Shangri-La Manila, Ortigas Center, Mandaluyong City 1650, Metro Manila.**

(a) The complete mailing address of FLI is Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila.

(b) The information statement shall be sent or given to stockholders and/or security holders beginning **April 16, 2015.**

2. Dissenter's Right Of Appraisal

In case of any corporate action that will have the effect of changing or restricting the rights of any stockholder or class of shares or of authorizing preferences in any respect superior to those of outstanding shares of any class, the Corporation Code provides the procedure for the exercise of the appraisal right, to wit:

a. A dissenting stockholder files a written demand within thirty (30) days after the date on which the vote was taken in which he registered a negative vote. Failure to file the demand within the 30-day period constitutes a waiver of the right. Within ten (10) days from demand, the dissenting stockholder shall submit the stock certificates to the corporation for notation that such shares are dissenting shares. From the time of the demand until either the abandonment of the corporate action in question or the purchase of the shares by the corporation, all rights accruing to the shares shall be suspended, except the stockholder's right to receive payment of the fair value thereof.

b. If the corporate action is implemented, the corporation shall pay the stockholder the fair value of his shares upon surrender of the corresponding certificate/s of stock. Fair value is determined by the value of the shares of the corporation on the day prior to the date on which vote is taken on the corporate action, excluding any appreciation or depreciation in value in anticipation of the vote on the corporate action.

c. If the fair value is not determined within sixty (60) days from the date of the vote, it will be determined by three (3) disinterested persons (one chosen by the corporation, another chosen by the stockholder, and the third one chosen jointly by the corporation and the stockholder). The findings of the appraisers will be final, and their award will be paid by the corporation within (30) days following such award. Upon such payment, the

stockholder shall forthwith transfer his shares to the corporation. No payment shall be made to the dissenting stockholder unless the corporation has unrestricted retained earnings.

d. If the stockholder is not paid within thirty (30) days from such award, his voting and dividend rights shall be immediately restored.

There is no matter to be taken up at the annual meeting on May 8, 2015 which would entitle a dissenting stockholder to exercise the right of appraisal.

3. Interest Of Certain Persons In Or Opposition To Matters To Be Acted Upon

No director or executive officer of FLI or nominee for election as such director or officer has any substantial interest, direct or indirect, in any matter to be acted upon at the annual stockholders' meeting, other than election to office. Likewise, none of the directors has informed FLI of his opposition to any matter to be taken up at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

4. Voting Securities and Principal Holders Thereof

(a) As of March 15, 2015, the total number of shares outstanding and entitled to vote in the annual meeting is **24,249,759,506** common shares and **8,000,000,000** preferred shares. Each share is entitled to one vote.

(b) The record date for purposes of determining the stockholders entitled to vote is **April 8, 2015**.

(c) 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 shall equal, 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 stockholder must be a stockholder of record as of April 8, 2015 to be able to exercise cumulative voting rights.

There are no conditions precedent to the exercise of the stockholder's cumulative voting right.

(d) Security Ownership of Certain Beneficial Owners and Management

The names, addresses, citizenship, number of shares held, and percentage to total of persons owning more than five percent (5%) of the outstanding voting shares of FLI as of **March 15, 2015** are as follows:

Title of Class of Securities	Name/ Address of Record Owner and Relationship with FLI	Name of Beneficial Owner/Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Preferred	Filinvest Development Corporation The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila	N.A.	Filipino	8,000,000,000	100%
Common	Filinvest Development Corporation The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila	N.A.	Filipino	14,408,926,735	59.42%
Common	PCD Nominee Corporation (Non-Filipino) G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City	Invesco Hong Kong Limited (more than 5%)	Non-Filipino	7,008,886,902	28.90%
Common	PCD Nominee Corporation (Filipino) G/F, Philippine Stock Exchange Tower Ayala Avenue, Makati City	(No single shareholder beneficially owns at least 5% of the total shares)	Filipino	2,538,706,744	10.47%

Total number of shares of all record and beneficial owners as a group is 8,000,000,000 preferred shares representing 100% of the total outstanding preferred shares, and 24,249,759,506 common shares representing 100% of the total issued and outstanding common shares.

As of **March 15, 2015**, 7,013,663,396 or 28.92% of the outstanding common shares of the Corporation is owned by foreigners.

Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative with authority to vote FDC's shares in stockholders' meetings of FLI.

Security Ownership of Management as of **March 15, 2015** is as follows:

Title of Class of Securities	Name and Residence	Amount and Nature of Ownership	Citizenship	% of Ownership
Common	Andrew L. Gotianun, Sr. 334 Fordham Street, Wack-Wack Subdivision, Mandaluyong City	76 (D)	Filipino	0.00%
Common	Mercedes T. Gotianun 334 Fordham Street, Wack-Wack Subdivision, Mandaluyong City	76 (D)	Filipino	0.00%
Common	Andrew T. Gotianun, Jr. Villa Francesca, Mission Hills Subdivision, No. Colaique, Antipolo	406,571(D)	Filipino	0.0017%
Common	Joseph M. Yap 776 Harvard corner Princeton Streets, Wack-Wack Subdivision, Mandaluyong City	6,444,115(D)	Filipino	0.026%
Common	Lourdes Josephine Gotianun Yap 776 Harvard corner Princeton Streets, Wack-Wack Subdivision, Mandaluyong City	76(D)	Filipino	0.00%
Common	Jonathan T. Gotianun 1296 Gladiola Street, Dasmarinas Village, Makati City	61(D)	Filipino	0.00%
Common	Michael Edward T. Gotianun 127 Mango Drive, Ayala Alabang Village, Muntinlupa City	11,235,913(D)	Filipino	0.05%
Common	Efren C. Gutierrez 113 Avocado Drive, Ayala Alabang Village, Muntinlupa City	13,083(D)	Filipino	0.0001%
Common	Cirilo T. Tolosa 7514 Bagtikan Street corner Chino Roces Avenue, Quezon City	1(D)	Filipino	0.00%
Common	Lamberto U. Ocampo 109 Magallanes Avenue, Magallanes Village, Makati City	1(D)	Filipino	0.00%
Common	Joseph M. Yap and/or Lourdes Josephine Gotianun Yap 776 Harvard corner Princeton Streets, Wack-Wack Subdivision, Mandaluyong City	7,694,843 (D) 30,786,345 (I)	Filipino	0.0317%
Common	Luis L. Fernandez 141 Pinaglabanan, San Juan Metro Manila	4,064,940(D)	Filipino	0.0168%

Not Applicable	Nelson M. Bona 148 Don Rufino Avenue, Tahanan Village, Paranaque City	0	Filipino	Not Applicable
Not Applicable	Venus A. Mejia 146 Stockton Street, Bel-air, sta. Rosa, Laguna	0	Filipino	Not Applicable
Not Applicable	Lian-Ta C. Chien Unit 2013, P. Guevarra Street, San Juan, Metro Manila	0	Filipino	Not Applicable
Not Applicable	Francis V. Ceballos Unit 15 G&H, Grand Hamptons Tower 1, 31st Street, Bonifacio Global City, Taguig City	0	Filipino	Not Applicable
Common	Antonio E. Cenon 19-21 Circe Gail Street, Santos Village, Las Pinas City	81,297 (D)	Filipino	0.0003%
Common	Winnifred H. Lim #71 Amorsolo Street, San Lorenzo Village, Makati City	1,026,563 (I)	Filipino	0.0042%
Not Applicable	Reynaldo A. Ascano 79 EDSA, Mandaluyong City, MM#10 Kaimito Street, Nayong Silangan Subd., Antipolo, Rizal	0	Filipino	Not Applicable
Not Applicable	Tristaneil D. Las Marias #285 A. Mabini Street, Brgy. Sabang, Baliuag, Bulacan	0	Filipino	Not Applicable
Not Applicable	Reynaldo Juanito S. Nieva II Unit 168 Kaimito Street, Kaimitoville, Valle Verde 2, Pasig City	0	Filipino	Not Applicable

Total ownership of all directors and officers as a group as of March 15, 2015 is 0.2547%.

a) No person holds more than 5% of the common stock under a voting trust or similar agreement.

b) There has been no change in control of FLI since the beginning of last year.

5. Directors And Principal Officers

(a)(i) The members of the Board serve for a term of one year and until their successors shall have been duly elected and qualified. The business experience of the directors and officers of FLI named below cover at least the past five (5) years. The following are the current directors and executive officers of FLI:

Andrew L. Gotianun, Sr. *Chairman Emeritus*	Mr. Gotianun, 87, Filipino, is the founder of the Filinvest Group of Companies and is presently serving in various capacities in the member companies of the Filinvest Group. He was first elected as Director of the Company on November 24, 1989. He is Chairman Emeritus and Director of Filinvest Development Corporation ("FDC") and East West Banking Corporation ("EWBC"), both publicly-listed companies, and a Director in FDC Utilities, Inc. ("FDCUI") and its subsidiaries. He is also the Chairman and President of Pacific Sugar Holdings Corporation ("PSHC"). He also worked for the Insular Bank of Asia and America from 1980 to1985 and for Filinvest Credit Corporation from 1970 to 1985. He is a graduate of San Beda College with an Associate Degree in Commercial Science.
Jonathan T. Gotianun *Chairman of the Board*	Mr. Gotianun, 61, Filipino, was first elected as a Director of FLI on June 17, 1994. He also serves as the Chairman of the Board of Directors of FDC and EWBC, both publicly-listed companies. He is also the President of Davao Sugar Central Co., Inc. and Cotabato Sugar Central Co., Inc., and Director and Chairman of the Executive Committee of FDCUI and its subsidiary power companies. He served as Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master's Degree in Business Administration from Northwestern University in 1976.
Lourdes Josephine Gotianun Yap *President and Chief Executive Officer*	Mrs. Yap, 59, Filipino, was first elected as a Director of FLI on November 24, 1989. Mrs. Yap, who was elected as the President and CEO of FLI on October 31, 2012, is also a Director and the President and CEO of FDC, a publicly-listed company, The Palms Country Club, Inc. ("TPCCI"), Timberland Sports and Nature Club, Inc. ("TSNC") and FAI, and a Director in FDCUI and EWBC, a publicly-listed company. She obtained her Master's Degree in Business Administration from the University of Chicago in 1977.
Mercedes T. Gotianun *Director*	Mrs. Gotianun, 86, Filipino, was a Director of FLI from 1991 to 2010 and its Chief Executive Officer from 1997 to 2007. She was first elected as a Director of FLI on November 24, 1989. She serves as a Director of EWBC and FDC, both publicly-listed companies, and also a Director of FAI, PSHC, FDCUI and TPCCI. She was involved in the operations of Family Bank and Trust Co. since its founding in 1970 and was President and Chief Executive Officer of the bank from 1978 to 1984. She obtained her university degree from the University of the Philippines.

Andrew T. Gotianun, Jr.
Co-Vice Chairman

Mr. Gotianun, 63, Filipino, was first elected as a Director of FLI on November 24, 1989. He is also a Director of FDC, a publicly-listed company, and a Director in FAI, FDCUI and TSNC. He served as director of Family Bank and Trust Co. from 1980 to 1984. He has been in the realty business for more than 16 years. He obtained his Bachelor of Science (Major in Accounting) degree from Republican College in 1981.

Joseph M. Yap
Director

Mr. Yap, 64, Filipino, was first elected as a member of FLI's Board on June 4, 1997. He was appointed Chief Executive Officer in 2007 and served as such until October 31, 2012. He served as First Vice President of Family Bank & Trust Co. in charge of credit and collection from 1982 to 1984. Prior to that, he held financial management positions with Nestle with assignments in New York, Switzerland and Manila from 1976 to 1982. He obtained his Master's Degree in Business Administration from Harvard University in 1976. He is not a Director of any other publicly-listed company.

Efren C. Gutierrez
Director

Mr. Gutierrez, 79, Filipino, was a Director of FLI from 1994 to 2001, and was re-elected to FLI's Board in 2006. He was first elected as a Director of FLI on June 17, 1994. He served as the President of FAI from 1999 to 2005. He is a Director of The Palms Country Club, Inc. He is not a Director of any other publicly-listed company. He obtained his Bachelor of Laws degree from the University of the Philippines.

Lamberto U. Ocampo
Independent Director

Mr. Ocampo, 89, Filipino, was an independent director of FLI from 2002 to 2008, having been first elected as an independent director of FLI on May 30, 2002. In 2012, Mr. Ocampo was re-elected as an independent director of FLI. He is a Civil Engineer by profession. He served as director of DCCD Engineering Corporation from 1957 to April 2001, as its Chairman of the Board from 1993 to 1995, and President from 1970 to 1992. He is not a Director of any other publicly-listed company. He obtained his Master's Degree in Engineering from the University of California-Berkeley.

Cirilo T. Tolosa
Independent Director

Mr. Tolosa, 75, Filipino, was first elected as an independent director of FLI on May 25, 2007. He was a partner at Sycip Salazar Hernandez and Gatmaitan, retiring from the said law firm in February 2005. He is at present a partner in the law firm Tolosa Romulo Agabin and Flores. He has been the chairman of the boards of Daystar Commercial Enterprises, Inc., Daystar Development Corporation, Lou-Bel Development Corporation and GMA Lou-Bel Condominium Corporation for at least 10 years, and corporate secretary of De La Salle University System, Inc. and De La Salle Philippines, Inc. since 2003 and 2005, respectively. He received his L.L.B. degree, cum laude and class salutatorian, from Ateneo de Manila University and his L.L.M. degree from the University of Michigan Law School on a De Witt Fellowship Grant. He is not a director in any other publicly-listed

company.

Nelson M. Bona *Chief Financial Officer*	Mr. Bona, 64, Filipino, was appointed as FLI's Chief Financial Officer in January 2007. He was formerly an Executive Vice President of EWBC and Managing Director of Millenia Broadband Communications, Inc. and Filinvest Capital, Inc.
Ana Venus A. Mejia *Treasurer/Deputy Chief Financial Officer*	Ms. Mejia, 49, Filipino, has been with the Filinvest Group for 17 years, joining in January 1996 as Assistant Controller of Filinvest Development Corp and has served the Group in various capacities. She was appointed as Treasurer of FLI on 2012. Prior to joining Filinvest, she worked with Shoemart and Sycip, Gorres, Velayo & Company. She is a Certified Public Accountant and a Magna Cum Laude from Pamantasan ng Lungsod ng Maynila.
Elma Christine R. Leogardo *Acting Corporate Secretary and Acting Compliance Officer*	Atty. Leogardo, 56, Filipino, was appointed by the Board of Directors as Acting Corporate Secretary and Acting Compliance Officer on July 15, 2014. She concurrently serves as a Vice President of the Legal Department of the Company. Prior to joining the Company, she was a senior partner at Villaraza Cruz Marcelo & Angangco. She is a fellow of the Institute of Corporate Directors, a trustee of the Legal Management Council of the Philippines, was former President and current trustee of the Maritime Law Association of the Philippines, and a member of the Integrated Bar of the Philippines and the Philippine Bar Association. She holds a Bachelor of Arts degree, *cum laude*, from the University of the Philippines, and a Bachelor of Laws degree from the same university.

A Certification that none of the above-named directors and officers works in the government is attached herein as Annex "A".

The members of the Nomination Committee of FLI are Andrew L. Gotianun, Sr. (Chair), Mercedes T. Gotianun, Lourdes Josephine Gotianun Yap, Lamberto U. Ocampo (Independent Director) and Rizalangela L. Reyes. Ms. Reyes sits in the committee in an ex-officio capacity as the head of FLI's Human Resources Department.

The Audit Committee of FLI is composed of Cirilo T. Tolosa (Chair/Independent Director), Jonathan T. Gotianun and Efren C. Gutierrez.

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. 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.

(a)(ii) Certain Relationships And Related Transactions

In the normal course of business, FLI and its subsidiaries and affiliates enter into certain related-party transactions principally consisting of advances and inter-company charges. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

FLI's significant transactions with related parties as discussed in Notes 19 of FLI's audited financial statements for the year ended 31 December 2014 are as follows:

a. On January 3, 2012, the Group entered into Receivable Purchase Agreement and Accounts Servicing Agreement with EW. As of December 31, 2013 and 2012, the Parent Company has sold contracts receivable for a total purchase price of ₱266.96 million and ₱849.59 million, respectively, recognizing a gain on sale amounting to ₱58.40 million and ₱113.74 million, respectively, recorded under "Other income" (nil as of and for the year ended December 31, 2014). The Group also maintains cash and cash equivalents with EW.

b. Transactions with the Group's ultimate parent company relates to sharing of common expenses.

c. In 2012, the Group purchased from FDC a parcel of land located in San Juan City for a total purchase price of ₱109.63 million. The Group originally leased this land, together with the building constructed in it, as its head office recognizing rental expense of ₱43.82 million in 2012. The Group has started development on the said land in 2013. The Group also charged FDC certain common expenses paid by the Group in its behalf.

   Further, starting in 2009, Promax was appointed by FDC, as a marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price.

   Loans guaranteed by FDC amounted to ₱225.00 million and ₱675.00 million as of December 31, 2014 and 2013, respectively.

d. In 2013, the Parent Company purchased from FAI a parcel of land located at Alabang, Muntinlupa City for a total purchase price of ₱603.40 million. As of December 31, 2013, the outstanding liability amounted to ₱488.75 million. The Parent Company has substantially completed the development of the first tower on this property as of December 31, 2013.

   In 2011, the Parent Company purchased from FAI a parcel of land located at Filinvest City, Alabang, Muntinlupa City for a total purchase price of ₱429.01 million. The Parent Company has substantially completed the development in 2013 of Tower 1 on the property.

Due from associate includes receivable for the transfer of equipment, furniture and fixtures and inventories to an affiliate for the start-up of operations. It also includes share in the Group's common expenses.

Other transactions with FAI include noninterest bearing cash advances and various charges for rent, management fees, marketing fees, share of expenses and commission charges.

e. In 2007, the Group entered into a development agreement with GCK Realty Corporation (GCK), an affiliate. The agreement provides that the Parent Company shall undertake the construction of a condominium building on the land owned by GCK located in Kamputhaw, Cebu City.

The agreement further provides that the Parent Company shall shoulder all costs and expenses necessary and incidental to the construction of the building. The saleable condominium units forming part of the building as developed shall be allocated between the Group and GCK on a 92% and 8% share, respectively.

GCK shall pay the Group a management fee and the reimbursable commissions paid by the Group to brokers based on a certain percentage of the gross selling price of the units owned by GCK. The Group shall likewise set aside an amount equivalent to a certain percentage of all collections received from the sale of units of GCK for expenses related to the maintenance and upkeep of the building. In 2010, the Group started to remit sales on the sold units belonging to GCK.

f. The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱26.52 million, ₱23.40 million and ₱23.90 million in 2014, 2013 and 2012, respectively. Post-employment benefits of key management personnel amounted to ₱2.86 million and ₱5.50 million in 2013 and 2012, respectively (nil in 2014).

The amounts and the balances arising from the foregoing significant related party transactions are presented below. Outstanding liabilities are unsecured and no impairment loss was recognized on any of the assets.

	2014			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
			(In Thousands)	
a. Bank under common control of the ultimate parent				
Cash and cash equivalents	₱2,693,561	₱2,693,561	0.5% to 4.5%	No impairment
Interest income	9,971			
	₱2,703,532	₱2,693,561		
b. Ultimate Parent	₱401	₱1,097	Non - interest bearing, payable on demand	Unsecured, no impairment
c. Parent	3,746	42,542	Non - interest bearing, payable on demand	Unsecured, no impairment
e. Affiliates	2,802	199,394	Non - interest bearing, payable on demand	Unsecured, no impairment
Due from related parties	₱6,949	₱243,033		

(Forward)

	2014			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
		(In Thousands)		
c. Parent				
Purchase of land	₱–	(₱41,112)	Non - interest bearing, payable on demand	Unsecured, no impairment
Share in Group expenses	37,343	(87,738)	Non - interest bearing, payable on demand	Unsecured, no impairment
Management and marketing income	7,655	–	Non - interest bearing, payable on demand	Unsecured, no impairment
	44,998	(128,850)		
d. Associate				
Rent	111,432	(14,109)	Non - interest bearing, payable on demand	Unsecured, no impairment
Management Fee	2,365	–	Non - interest bearing, payable on demand	Unsecured, no impairment
Marketing Income	(1,272)	–	Non - interest bearing, payable on demand	Unsecured, no impairment
Share in other expenses	54,173	(40,064)	Non - interest bearing, payable on demand	Unsecured, no impairment
	166,698	(54,173)		
e. Affiliates	57,666	(76,671)	Non - interest bearing, payable on demand	Unsecured, no impairment
Due to related parties	₱269,362	(₱259,694)		

	2013			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
		(In Thousands)		
a. Bank under common control of the ultimate parent				
Cash and cash equivalents	₱3,826,198	₱3,826,198	0.5% to 4.5%	No impairment
Interest income	13,284	–		
Sale of receivables	266,961	–		
Gain on sale of receivables	58,404	–		
	₱4,164,847	₱3,826,198		
d. Ultimate Parent	₱334	₱696	Non - interest bearing, payable on demand	Unsecured, no impairment
e. Parent	37,066	8,118	Non - interest bearing, payable on demand	Unsecured, no impairment
f. Associate	10,689	2,219	Non - interest bearing, payable on demand	Unsecured, no impairment
e. Affiliates	2,382	193,505	Non - interest bearing, payable on demand	Unsecured, no impairment
Due from related parties	₱50,471	₱204,538		
b. Ultimate Parent	₱520,000	₱–	Bears 4.0% interest per annum, payable on demand	Unsecured, no impairment
c. Parent				
Purchase of land	–	(61,668)	Non - interest bearing, payable on demand	Unsecured, no impairment
Share in Group expenses	7,946	(31,968)	Non - interest bearing, payable on demand	Unsecured, no impairment
Management and marketing Income	3,109	-	Non - interest bearing, payable on demand	Unsecured, no impairment

	2013			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
d. Associate				
Rent	101,425	(11,655)	Non - interest bearing, payable on demand	Unsecured, no impairment
Management Fee	2,421	–	Non - interest bearing, payable on demand	Unsecured, no impairment
Marketing Income	(5,638)	–	Non - interest bearing, payable on demand	Unsecured, no impairment
Share in other expenses	21,995	(53,419)	Non - interest bearing, payable on demand	Unsecured, no impairment
	120,203	(65,074)		
e. Affiliates	33,618	(50,491)	Non - interest bearing, payable on demand	Unsecured
Due to related parties	₱684,876	(₱209,201)		

There was no transaction during the last two years or any proposed transaction, to which FLI was or is to be a party, in which any director or officer of FLI, any nominee for election as a director, any security holder or any member of the immediate family of any of the persons mentioned in the foregoing, had or is to have a direct or indirect material interest.

(a)(iii) Election of the Members of the Board

There will be an election of the members of the Board during the annual stockholders' meeting. The stockholders of FLI may nominate individuals to be members of the Board of Directors. The deadline for submission of nominees is on March 19, 2015.

All nominations for directors, including the independent directors, shall be addressed to and received by:

THE NOMINATION COMMITTEE
c/o THE CORPORATE SECRETARY
FILINVEST LAND, INC.
6th Floor, Filinvest Building, No. 79 EDSA, Highway Hills
Mandaluyong City 1550, Metro Manila

and signed by the nominating stockholders together with the acceptance and conformity by the nominees on or before March 19, 2015 at 5:00 p.m. All nominations should include (i) the curriculum vitae of the nominee, (ii) a statement that the nominee has all the qualifications and none of the disqualifications, (iii) information on the relationship of the nominee to the stockholder submitting the nomination, and (iv) all relevant information about the nominee's qualifications.

The Nomination Committee created under FLI's Revised Manual on Corporate Governance endorsed the nominees of FDC to the Board of Directors, as well as the nominees for independent directors, of Mr. Luis L. Fernandez, a stockholder, for election at the upcoming annual

stockholders' meeting, in accordance with the qualifications and disqualifications set forth in the Manual, as follows:

Qualifications

(1) He is a holder of at least one (1) share of stock of FLI;

(2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;

(3) He shall be at least twenty one (21) years old;

(4) He shall have proven to possess integrity and probity; and

(5) He shall be assiduous.

Disqualifications

(1) Any person finally convicted judicially of an offense involving moral turpitude or fraudulent acts or transgressions;

(2) Any person finally found by the Securities and Exchange Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Securities and Exchange Commission or Bangko Sentral ng Pilipinas;

(3) Any person judicially declared to be insolvent;

(4) Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;

(5) Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment; and

(6) All other grounds for disqualification under the Articles of Incorporation, By-Laws and Revised Manual on Corporate Governance of FLI.

Temporary Disqualifications

(1) Refusal to fully disclose the extent of his business interests as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;

(2) Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency, or any twelve (12)-month period during said incumbency. This disqualification applies for purposes of the succeeding election;

(3) Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;

(4) Being under preventive suspension by the company;

(5) If the independent director becomes an officer or employee of FLI, he shall be automatically disqualified from being an independent director;

(6) Conviction that has not yet become final referred to in the grounds for the disqualification of directors.

Recommended Directors For 2015-2016

The Nomination Committee of the Board of Directors of FLI has determined that the following possess all the qualifications and none of the disqualifications for directorship set out in FLI's Revised Manual on Corporate Governance, duly adopted by the Board pursuant to SRC Rule 38.1 and SEC Memorandum Circular No. 16, Series of 2002. Below is the list of candidates prepared by the Nomination Committee:

Andrew L. Gotianun, Sr.	Mercedes T. Gotianun
Andrew T. Gotianun, Jr.	Jonathan T. Gotianun
Lourdes Josephine Gotianun Yap	Michael Edward T. Gotianun
Efren C. Gutierrez	Lamberto U. Ocampo (Independent Director)
Val Antonio B. Suarez (Independent Director)	

Following are the qualifications of the nominees for the Board of Directors:

Andrew L. Gotianun, Sr. Mr. Gotianun, 87, Filipino, is the founder of the Filinvest Group of Companies and is presently serving in various capacities in the member companies of the Filinvest Group. He was first elected as Director of the Company on November 24, 1989. He is Chairman Emeritus and Director of Filinvest Development Corporation ("FDC") and East West Banking Corporation ("EWBC"), both publicly-listed companies, and a Director in FDC Utilities, Inc. ("FDCUI") and its subsidiaries. He is also the Chairman and President of Pacific Sugar Holdings Corporation ("PSHC"). He also worked for the Insular Bank of Asia and America from 1980 to1985 and for Filinvest Credit Corporation from 1970 to 1985. He is a graduate of San Beda College with an Associate Degree in Commercial Science.

Jonathan T. Gotianun Mr. Gotianun, 61, Filipino, was first elected as a Director of FLI on June 17, 1994. He also serves as the Chairman of the Board of Directors of FDC and EWBC, both publicly-listed companies. He is also the President of Davao Sugar Central Co., Inc. and Cotabato Sugar Central Co., Inc., and Director and Chairman of the Executive Committee of FDCUI and its subsidiary power companies. He served as Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master's Degree in Business Administration from Northwestern University in 1976.

Lourdes Josephine Gotianun Yap Mrs. Yap, 59, Filipino, was first elected as a Director of FLI on November 24, 1989. Mrs. Yap, who was elected as the President and CEO of FLI on October 31, 2012, is also a Director and the President and CEO of FDC, a publicly-listed company, The Palms Country Club, Inc. ("TPCCI"), Timberland Sports and Nature Club, Inc. ("TSNC") and FAI, and a Director in FDCUI and EWBC, also a publicly-listed company. She obtained her Master's Degree in Business Administration from the University of Chicago in 1977.

Mercedes T. Gotianun Mrs. Gotianun, 86, Filipino, was a Director of FLI from 1991 to 2010 and its Chief Executive Officer from 1997 to 2007, having been first elected as a Director of FLI on November 24, 1989. She serves as a Director of EWBC and FDC, both publicly-listed companies, and also a director in FAI, PSHC, FDCUI and TPCCI. She was involved in the operations of Family Bank and Trust Co. since its founding in 1970 and was President and Chief Executive Officer of the bank from 1978 to 1984. She obtained her university degree from the University of the Philippines.

Andrew T. Gotianun, Jr. Mr. Gotianun, 63, Filipino, was first elected as a Director of FLI on November 24, 1989. He is also a Director of FDC, a publicly-listed company, and FAI, FDCUI and TSNC. He served as director of Family Bank and Trust Co. from 1980 to 1984. He has been in the realty business for more than 16 years. He obtained his Bachelor of Science (Major in Accounting) degree from Republican College in 1981.

Michael Edward T. Gotianun Mr. Gotianun, 57, Filipino, is a Director of FAI and Festival Supermall, Inc. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor's Degree in Business Management from the University of San Francisco in 1979. He has been serving the Company as Vice President for more than five (5) years. He is not a Director in any publicly-listed company.

Efren C. Gutierrez Mr. Gutierrez, 79 Filipino, was a Director of FLI from 1994 to 2001, and was re-elected to FLI's Board in 2006. He was first elected as a Director of FLI on June 17, 1994. He served as the President of FAI from 1999 to 2005. He is a Director of The Palms Country Club, Inc. He obtained his

Bachelor of Laws degree from the University of the Philippines. He is not a Director in any other publicly-listed company.

Lamberto U. Ocampo (Independent Director) — Mr. Ocampo, 89, Filipino, was an independent director of FLI from 2002 to 2008, having been first elected as a Director of FLI on May 30, 2002. In 2012, Mr. Ocampo was re-elected as an independent director of FLI. He also serves as an independent director of FDC, a publicly-listed company. He is a Civil Engineer by profession. He served as director of DCCD Engineering Corporation from 1957 to April 2001, as its Chairman of the Board from 1993 to 1995, and President from 1970 to 1992. He obtained his Master's Degree in Engineering from the University of California-Berkeley.

Val Antonio B. Suarez (Independent Director) — Mr. Suarez, 56, Filipino, is also an independent director of FDC, a publicly-listed company, having been first elected in May 30, 2014. He is the Managing Partner of the Suarez & Reyes Law Offices and was the former President and Chief Executive Officer of The Philippine Stock Exchange. Mr. Suarez is also an independent director of Lepanto Consolidated Mining Company and a member of the Integrated Bar of the Philippines (Makati Chapter) and New York Bar. He obtained his Bachelor of Laws Degree from the Ateneo De Manila University Law School and a Master of Laws from Georgetown University Law Center.

Independent Directors

The Nomination Committee, upon nomination by Mr. Luis L. Fernandez and following the guidelines provided under FLI's Revised Manual on Corporate Governance and pursuant to SEC Memorandum Circular No. 09, Series of 2011, named Lamberto U. Ocampo and Val Antonio B. Suarez as nominees for election as independent directors for this year's annual meeting. Mr. Fernandez is not related, whether by affinity or consanguinity, to any of these nominees. The Nomination Committee has determined that these nominees for independent directors possess all the qualifications and have none of the disqualifications for independent directors as set forth in the Revised Manual on Corporate Governance and SEC Memorandum Circular No. 09, Series of 2011.

A copy of the Certification on the Qualifications of the Nominees for Independent Directors is attached herein as Annex "B".

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 judgment in carrying out his responsibilities as a 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 shareholder 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 any executive capacity by FLI, any of its related companies or by any of its substantial shareholders within the last two (2) years;

v. Is not retained as professional adviser by FLI, 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 with any of its related companies or with 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 item (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 the 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 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.

The Nomination Committee receives nominations for independent directors as may be submitted by the stockholders. 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 Revised Manual on Corporate Governance. In 2009, 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 of 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 held 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)(iv) Other Significant Employees

FLI considers all its employees as significant to the growth of the Company.

(a)(v) Family Relationships

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

Other than the foregoing, there are no other family relationships known to FLI.

(a)(vi) Involvement in Certain Legal Proceedings

Except for (a) criminal cases filed in 2007 before the DOJ in I.S. Nos. 2007-001 and 2007-011 and which were dismissed by the DOJ on March 26, 2009 and April 7, 2009, respectively; (b) criminal complaints in Prosecutor's Office (filed against Mr. Joseph M. Yap and other FLI officers) arising from alleged unlawful collection and application of subdivision dues and other charges being collected by a homeowners' association which was dismissed on January 23, 2012, none of the members of FLI's Board nor its executive officers are involved in any criminal, bankruptcy or insolvency investigations or proceedings for the past five years and up to March 15, 2015, nor have they been found by judgment or decree to have violated securities or commodities law and enjoined from engaging in any business, securities, commodities or banking activities.

6. Compensation Of Directors And Executive Officers

Summary Computation Table

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

Summary Compensation Table

(a) Name and Principal Position	(b) Year	(c) Salary (P)	(d) Bonus (P)	(e) Other Annual Compensation	TOTAL
Lourdes Josephine Gotianun Yap (President/Chief Executive Officer) Steve Chien Liang Ta (Senior Vice President) Nelson M. Bona (Chief Financial Officer/ Senior Vice President) Venus A. Mejia (Deputy Chief Financial Officer/Treasurer/ Senior Vice President) Francis V. Ceballos (Senior Vice President)					
CEO and top four (4) highest compensated officers	2015 – Estimated	23.1M	4.83M	-	27.93M
	2014	21.953M	4.563M	-	26.516M
	2013	19.07M	4.33M	-	23.4M
All officers and directors as a group unnamed	2015 – Estimated	44.78M	7.77M	-	52.55M
	2014	42.648M	7.4M	-	50.048M
	2013	38.02M	7.39M	-	45.41M

Except for a per diem of ₱50,000.00 being paid to each non-executive director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.

There is no action to be taken at the annual meeting of the stockholders on May 8, 2015 with respect to any bonus, profit sharing or other compensation plan, contract or arrangement, and

pension or retirement plan, in which any director, nominee for election as a director, or executive officer of FLI will participate. Neither is there any proposed grant or extension to any such persons of any option, warrant or right to purchase any securities of FLI.

7. Independent Public Accountants

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.

Sycip, Gorres, Velayo & Co. is being recommended by the Audit Committee of FLI, as well as the Board of Directors, for re-election or re-appointment as external auditor for the year 2015. 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.

8. Compensation Plans

No action will be taken at the annual meeting with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Authorization or Issuance of Securities other than for Exchange

No action will be taken at the annual meeting with respect to authorization or issuance of securities other than for exchange.

10. Modification or Exchange of Securities

No action will be taken at the annual meeting that will result in modification or exchange of securities.

11. Financial and Other Information

(a) Information Required

(1) Financial Statements

The audited financial statements of FLI for the year ending 31 December 2014 is attached as Annex "C" to form an integral part hereof.

(2) Management's Discussion and Analysis, and Plan of Operation

The Management's Discussion and Analysis, and Plan of Operation is attached as Annex "D" hereof.

(3) Legal Proceedings

FLI is subject to lawsuits and legal actions in the ordinary course of its real estate development and other allied activities. However, it does not believe that the lawsuits or legal actions to which it is a party will have a significant impact on its financial position or result of operations. Following are the cases involving certain properties of FLI that impact on its financial position, but which it believes will be eventually resolved in its favor:

(a) *FLI vs. Abdul Backy, et. al.*
G.R. No. 174715
Supreme Court

This is a civil action for the declaration of nullity of deeds of conditional and absolute sales of certain real properties located in Tambler, General Santos City covered by free patents and executed between FLI and the plaintiff's patriarch, Hadji Gulam Ngilay. The Regional Trial Court ("RTC") of Las Piñas City (Br. 253) decided the case in favor of FLI and upheld the sale of the properties. On appeal, the Court of Appeals rendered a decision partly favorable to FLI but nullified the sale of some properties involved. FLI filed a petition for review on *certiorari* to question that portion of the decision declaring as void the deeds of sale of properties covered by patents issued in 1991. The Supreme Court affirmed the decision of the Court of Appeals but declared with finality that FLI's purchase of sales patents issued in 1991 was void and ordered the Ngilays to return ₱14,000,000.00 to FLI. A motion for execution is still pending resolution before the Regional Trial Court.

(b) *Emelita Alvarez, et. al. vs. FDC*
DARAB Case No. IV-RI-010-95
Adjudication Board, Department of Agrarian Reform

On or about March 15, 1995 certain persons claiming to be beneficiaries under the Comprehensive Agrarian Reform Program (CARP) of the National Government filed an action for annulment/cancellation of sale and transfer of titles, maintenance of peaceful possession, enforcement of rights under CARP plus damages before the Regional Agrarian Reform Adjudicator, Adjudication Board, Department of Agrarian Reform. The property involved, located in San Mateo, Rizal, was purchased by FDC from the Estate of Alfonso Doronilla. A motion to dismiss is still pending resolution.

(c) *Republic of the Philippines vs. Rolando Pascual, et. al.*
Civil Case No. 7059
Regional Trial Court

The National Government through the Office of the Solicitor General filed suit against Rolando Pascual, Rogelio Pascual, and FLI for cancellation of title and reversion in favor of the Government of properties subject of a joint venture agreement between the said individuals and FLI. The Government claims that the subject properties covering about 73.33 hectares are not alienable and disposable being forest land. The case was dismissed by the RTC of General Santos City (Br. 36) on November 16, 2007 for lack of merit. The Office of the Solicitor General has appealed the dismissal to the Court of Appeals, where it is still pending.

(d) *FLI vs. Eduardo Adia, et al.*
G.R. 192929
Supreme Court

Various CLOA holders based in Brgy. Hugo Perez, Trece Martirez City filed a complaint with the RTC of Trece Martirez against FLI for recovery of possession with damages, claiming that in 1995 they surrendered possession of their lands to FLI so that the same can be developed pursuant to a joint venture arrangement allegedly entered into with FLI. They now seek to recover possession of said lands pending the development thereof by FLI. The RTC rendered a decision ordering FLI to vacate the subject property. FLI appealed the decision to the Court of Appeals which affirmed the RTC decision with modification. FLI filed a petition for review on *certiorari* before the Supreme Court. On January 10, 2011, the Supreme Court granted FLI's motion to admit a supplemental petition and required respondent to comment on the supplemental petition within 10 days from notice. The case is pending resolution at the Supreme Court.

(e) *Antonio E. Cenon and Filinvest Land, Inc. vs. San Mateo Landfill, Mayor Rafael Diaz, Brgy. Pintong Bukawe, Director Julian Amador and the Secretary, Department of Environment and Natural Resources*
Civil Case No. 2273-09

On February 9, 2009, FLI filed an action for injunction and damages against the respondents to stop and enjoin the construction of a 19-hectare landfill in a barangay in close proximity to Timberland Heights in San Mateo, Rizal. FLI sought preliminary and permanent injunctive reliefs and damages and is seeking the complete and permanent closure of the dump site. Trial for this case is ongoing.

FLI is not aware of any other information as to any other legal proceedings known to be contemplated by government authorities or any other entity.

12. No Action to be Taken on Mergers, Consolidations, Acquisitions and Similar Matters

No action will be taken at the annual stockholders' meeting with respect to any merger or consolidation involving FLI, the acquisition by FLI of another entity, going business or of all of the assets thereof, the sale or other transfer of all or any substantial part of the assets of FLI, or the liquidation or dissolution of FLI.

13. No Action to be Taken on Acquisition or Disposition of Property

No action will be taken at the annual meeting with respect to any acquisition or disposition of property by FLI requiring the approval of the stockholders.

14. No Action to be Taken on Restatement of Accounts

No action will be taken at the annual meeting with respect to any restatement of any asset, capital or surplus account of FLI.

Part III, Paragraph (B) of Annex "C", Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

(1) There has been no change during the two most recent fiscal years or any subsequent interim period in independent accountant who was previously engaged as principal accountant to audit FLI's financial statements.

(2) There has been no disagreement with FLI's independent accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

Information on Independent Accountant

(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 ₱2,255,000.00 and ₱2,465,000.00 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 of the Management/Audit Committee for Independent Accountant's Services**

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. Thereafter, the Audit Committee makes the appropriate recommendation to the Board of Directors of the Company.

Information on the General Nature and Scope of the Business of FL and its Subsidiaries

FLI is one of the Philippines' leading real estate developers, providing a wide range of real estate products to customers, namely: socialized, affordable, middle-income and high-end residential lots and housing units, medium-rise and high rise residential buildings, condotel, industrial parks, leisure development such as farm estates, a residential resort development and a private membership club. Historically, FLI's business has focused on the development and sale of socialized, affordable and middle-income residential lots and housing units to lower and middle-income markets. In recent years, FLI has begun to develop and sell residential subdivisions and housing units across all income segments in the Philippines. FLI has also begun to develop themed residential projects with a leisure component, such as farm estates and developments anchored by sports and resorts clubs. In 2006, FLI acquired three (3) strategic investment properties, Festival Supermall and a 60% ownership interest in each of Filinvest Asia Corporation (FAC) and Cyberzone Properties, Inc. (CPI). In 2010, FLI was able to increase its ownership in CPI to 100% after acquiring the remaining 40% from Africa-Israel Investments (Phil.), Inc. (AIPPI). CPI thus became a wholly-owned subsidiary of FLI.

FLI has eight (8) principal subsidiaries. These subsidiaries are as follows:

1.*Property Maximizer Professional Corporation*, incorporated on October 3, 1997, is engaged in the business of real estate marketing. It markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group.

2.*Home Pro Realty Marketing, Inc.*, incorporated on March 25, 1997, is engaged in real estate marketing. It markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group.

3.*Property Specialists Resources, Inc.*, incorporated on June 10, 2002, is engaged in the business of real estate marketing. It markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group. In addition, it also operates Quest Hotel which is owned by FLI.

4.*Filinvest Asia Corporation*, incorporated on January 22, 1997, is engaged in real property development. It owns jointly with the Philippine Bank of Communications the PBCom Tower, the tallest office building in the Philippines located at the corner of Ayala Avenue and V.A. Rufino Street, Legaspi Village, Makati City. FAC leases out to interested third parties the office spaces found in 26 of the PBCom Tower's 52 floors.

5.*Cyberzone Properties, Inc.*, incorporated on January 14, 2002, is engaged in real property development. It owns and manages IT-based buildings on certain parcels of land forming part of the Northgate Cyberzone, the Special Economic Zone of Filinvest Corporate City, in Alabang, Muntinlupa City.

6.*Filinvest AII Philippines Inc.*, incorporated on September 25, 2006, is engaged in real property development. It is developing residential and leisure projects in certain parts of the township community in San Mateo, Rizal known as Timberland Heights.

7. *Leisurepro, Inc.*, incorporated on April 21, 2004, is engaged in the business of real estate marketing. It markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group.

8. *Filinvest Cyberparks, Inc.,* incorporated on February 4, 2014, is engaged in real property development.

D. OTHER MATTERS

15. Action With Respect To Reports

The following are the matters to be taken up during the annual meeting:

a. Approval of the minutes of the annual meeting of stockholders held on May 9, 2014;
b. Presentation of the President's Report and approval of the Audited Financial Statements for the year ended 2014;
c. General ratification of the acts of the Board of Directors and the management from the date of the last annual meeting up to the date of the upcoming meeting;

d.Approval of the Amendment of Article III of the Articles of Incorporation to change the principal address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, 1550 Metro Manila"
e.Approval of the Amendment of Article II of the Articles of Incorporation to include as part of the primary purpose the engagement in the business of construction
f. Election of the members of the Board of Directors; and
g. Re-Appointment of Sycip Gorres Velayo & Co. ("SGV") as External Auditors.

ALL the above items are part of the agenda of the annual meeting of FLI to be held on May 8, 2015 and are subject to the approval by the stockholders.

A. Approval of the minutes of the annual meeting of stockholders held on May 9, 2014

The minutes of the annual stockholders' meeting held on May 9, 2014, copy of which is attached herein as Annex "E", is the record of the matters taken up in the said meeting, including the certification of notice and quorum for the transaction of business.

B. Presentation of the President's Report and approval of the Audited Financial Statements for the year ended 2014

The audited financial statements refer to financial operations, balance sheet and income statement of FLI for the period ended December 31, 2014.

C. General ratification of the acts of the Board of Directors and the management from the date of the last annual meeting up to the date of the upcoming meeting

The general ratification of the acts of the Board of Directors, Executive Committee and management from the date of the last annual meeting up to the date of the upcoming meeting refers to the approval by the stockholders of all actions and matters taken up and approved by the Board of Directors, Executive Committee and management during the said period. The list of the resolutions approved and adopted by the Board of Directors and the Executive Committee from the last annual stockholders' meeting to date is attached hereto as Annex "F".

D. Approval of the Amendment of Article III of the Articles of Incorporation to change the principal address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila"

During the meeting of the Board of Directors held on January 28, 2015, where all directors were present and acting throughout, the Board unanimously approved the amendment of Article III of the Articles of Incorporation of the Company to change its principal office address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, 1550 Metro Manila".

The amendment of FLI's Articles of Incorporation is in compliance with SEC Memorandum Circular No. 6, Series of 2014, directing existing corporations and partnerships whose articles of incorporation or articles of partnerships still indicate a general address as their principal office

address, such as "Metro Manila", to file an amended articles of incorporation or articles of partnership in order to specify their complete address, such that it has a street number, street name, barangay, city or municipality, and if applicable, the name of the building, the number of the building, and name or number of the room or unit.

E. Approval of the Amendment of Article II of the Articles of Incorporation to include as part of the primary purpose the engagement in the business of construction

During the special meeting of the Board of Directors held on March 11, 2015, where all directors were present and acting throughout, the Board unanimously approved the amendment of Article II of the Articles of Incorporation of the Company to include in the primary purpose the engagement in the business of construction of real estate of any kind.

The amendment of the primary purpose is in line with the Company's plans for diversification and expansion. Furthermore, the amendment of the primary purpose will enable the Company to secure the necessary accreditation from and become a licensed contractor and member of the Philippine Contractors Accreditation Board ("PCAB").

The amendment of the Corporation's Articles of Incorporation, particularly Articles II and III, is explained in Item 17 below.

F. Election of the members of the Board of Directors

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.

There will be an election of the members of the Board during the annual stockholders' meeting to serve for the year 2015 to 2016.

The nominees and their qualifications are discussed in Part I of this Information Statement.

G. Re-Appointment of Sycip Gorres Velayo & Co. ("SGV") as External Auditors

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.

Sycip, Gorres, Velayo & Co. ("SGV") is being recommended by the Audit Committee of FLI, as well as the Board of Directors, for re-appointment as external auditor for the year 2015.

16. Matters Not Required To Be Submitted

Only matters which require stockholders' approval will be taken up during the annual meeting. No action will be taken with respect to any matter which is not required to be submitted to a vote of security holders.

17. Amendment of Charter, By-laws or Other Documents

a) Amendment of Article II of the Articles of Incorporation – Primary Purpose

During the special meeting of the Board of Directors held on March 11, 2015, where all directors were present and acting throughout, the Board unanimously approved the amendment of Article II of the Articles of Incorporation of the Company to include in the primary purpose the engagement in the business of construction of real estate of any kind.

The amendment of the primary purpose is in line with the Company's plans for diversification and expansion. Furthermore, the amendment of the primary purpose will enable the Company to secure the necessary accreditation from and become a licensed contractor and member of the Philippine Contractors Accreditation Board ("PCAB").

b) Amendment of Article III of the Articles of Incorporation – Principal Office Address

During the meeting of the Board of Directors held on January 28, 2015, where all directors were present and acting throughout, the Board unanimously approved the amendment of Article III of the Articles of Incorporation of the Company to change its principal office address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila".

The amendment of FLI's Articles of Incorporation is in compliance with SEC Memorandum Circular No. 6, Series of 2014, directing existing corporations and partnerships whose articles of incorporation or articles of partnerships still indicate a general address as their principal office address, such as "Metro Manila", to file an amended articles of incorporation or articles of partnership in order to specify their complete address, such that it has a street number, street name, barangay, city or municipality, and if applicable, the name of the building, the number of the building, and name or number of the room or unit.

Pursuant to the provisions of the Corporation Code, the said amendments shall be submitted for stockholders' approval during their annual meeting on May 8, 2015.

18. Other Proposed Action

There is no action to be taken with respect to any matter not specifically referred to above.

19. Voting Procedures

(a) *Vote required for approval.*

The approval of the minutes of the annual stockholders' meeting held on May 9, 2014 and the audited financial statements for the year ended 2014, the ratification of corporate acts, and the appointment of external auditors for 2015, shall be decided by the majority vote of the stockholders present in person or by proxy and entitled to vote thereat, a quorum being present.

The approval of the amendment of Article III of the Corporation's Articles of Incorporation changing the principal office address from "Metro Manila" to "Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila" and Article II of the Corporation's Articles of Incorporation to include in the primary purpose the engagement in the business of construction of real estate of any kind shall be decided by 2/3 of the stockholders present in person or by proxy and entitled to vote thereat.

The voting procedure shall be as follows:

1. The chairperson announces that the particular item is subject to motion for approval by the stockholders.
2. A stockholder moves for the approval of the item.
3. Another stockholder seconds the motion.
4. The chairperson of the meeting states that the motion is carried in case no objection on the floor is raised.
5. Should there be an objection, the approval or denial of the motion shall be decided by the required vote of stockholders as stated above, a quorum being present.

(b) *Method by which votes will be counted.* The vote on any item for consideration need not be by ballot, unless demanded by a stockholder or his proxy. On a vote by ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by the stockholder or proxy concerned. The ballots shall then be counted by the Corporate Secretary, with the assistance of representatives of the Company's external auditor, Sycip Gorres Velayo (SGV) & Co. which is an independent party. The results of the voting shall be announced after the counting.

20. Market for Issuer's Common Equity and Related Stockholder Matters

The shares were listed on the Philippine Stock Exchange (PSE) in 1993. The following table shows, for the periods indicated, the high, low and period end closing prices of the shares as reported in the PSE:

		Period		
		High	**Low**	**End**
2015	March 16, 2015	1.81	1.76	1.76

2014	4th Quarter	1.65	1.42	1.53
	3rd Quarter	1.67	1.45	1.58
	2nd Quarter	1.70	1.44	1.63
	1st Quarter	1.55	1.23	1.44
2013	4th Quarter	1.75	1.18	1.41
	3rd Quarter	1.93	1.37	1.60
	2nd Quarter	2.27	1.51	1.70
	1st Quarter	2.07	1.49	1.98
2012	4th Quarter	1.66	1.34	1.49
	3rd Quarter	1.37	1.24	1.36
	2nd Quarter	1.44	1.17	1.28
	1st Quarter	1.34	1.00	1.29
2011	4th Quarter	1.19	0.98	0.99
	3rd Quarter	1.33	1.02	1.10
	2nd Quarter	1.35	1.14	1.17
	1st Quarter	1.41	1.01	1.15
2010	4th Quarter	1.45	1.26	1.31
	3rd Quarter	1.50	0.91	1.32
	2nd Quarter	1.04	0.88	0.96
	1st Quarter	0.95	0.74	0.89
2009	4th Quarter	1.02	0.88	0.90
	3rd Quarter	1.08	0.69	0.94
	2nd Quarter	0.87	0.36	0.69
	1st Quarter	0.47	0.28	0.36

On March 16, 2015, FLI's shares closed at the price of P1.76 per share. The number of shareholders of record as of said date was 5,801. Common shares outstanding as of March 15, 2015 is 24,249,759,506.

Top 20 Stockholders (common shares) as of March 15, 2015:

NAME	NO. OF SHARES	% OF TOTAL
1. Filinvest Development Corporation	14,408,926,735	59.42%
2. PCD Nominee Corporation (Non-Filipino)	7,008,886,902	28.90%
3. PCD Nominee Corporation (Filipino)	2,538,706,744	10.47%
4. Phil. International Life Insurance	50,000,000	00.20%
5. Michael Gotianun	11,235,913	00.05%
6. Lucio W. Yan &/or Clara Y. Yan	10,687,500	00.04%
7. Joseph M. Yap &/or Josephine G. Yap	7,694,843	00.03%
8. Berck Y. Cheng	7,000,000	00.03%

9. Joseph M. Yap	6,444,115	00.03%
10. R Magdalena Bosch	4,877,928	00.02%
11. Luis L. Fernandez	4,064,940	00.02%
12. Luis L. Fernandez Or Veronica P. Fernandez ITF Marco	4,064,940	00.02%
13. Luis Rodrigo P. Fernandez	4,064,940	00.02%
14. Luis L. Fernandez Or Veronica P. Fernandez ITF Carlo	4,064,940	00.02%
15. Enrique P. Fernandez	4,064,940	00.02%
16. Veronica P. Fernandez	4,064,940	00.02%
17. Emily Benedicto	3,468,750	00.01%
18.Alberto Mendoza &/or Jeanie C. Mendoza	3.349,871	00.01%
19. Filinvest Capital, Inc.	2,890,625	00.01%
20. Lucio Yan	2,890,625	00.01%

No securities were sold within the past three years which were not registered under the Revised Securities Act and/or the Securities Regulation Code.
The holder of 8,000,000,000 of preferred shares is Filinvest Development Corporation.

Recent Sale of Unregistered Securities

No securities were sold by FLI in the past three (3) years which were not registered under the Code.

Declaration of Dividends

In 2014, FLI declared cash dividends to all stockholders of record as of June 26, 2014 in the amount of P0.050 per share. In 2013, FLI declared cash dividend to stockholders of record as of June 7, 2013 amounting to P.048 per share. In 2012, cash dividend amounting to P0.0475 per share was declared.

The declaration of dividends is contingent upon FLI's earnings, cash flow, financial condition, capital investment requirements and other factors (including certain restrictions on dividend declaration imposed by the terms of agreements to which FLI is a party).

Compliance with Leading Practices on Corporate Governance

FLI is in substantial compliance with its Manual for Corporate Governance as demonstrated by the following: (a) the election of two (2) independent directors to the Board; (b) the appointment of 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

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; and (f) the observance of applicable accounting standards by FLI.

In order to keep itself abreast with the leading practices on corporate governance, FLI requires the members of top level management and the Board to attend and participate in seminars on corporate governance initiated by accredited institutions.

FLI welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors, to improve corporate governance.

There is no known material deviation from FLI's Revised Manual on Corporate Governance.

UNDERTAKING: FLI will provide without charge its Annual Report on SEC Form 17-A to its stockholders upon receipt of a written request addressed to Atty. Elma Christine R. Leogardo, Acting Corporate Secretary, at the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila.

PART II

INFORMATION REQUIRED IN A PROXY FORM

FLI is not soliciting proxies and the stockholders are not required to send proxies.

PART III

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Mandaluyong on the 24th day of March 2015.

FILINVEST LAND, INC.

By:

ELMA CHRISTINE R. LEOGARDO
Acting Corporate Secretary

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1688
Fax number: (632) 918-8189
www.filinvestland.com

ANNEX "A"

SECRETARY'S CERTIFICATE

I, **ELMA CHRISTINE R. LEOGARDO**, Filipino, of legal age, and with office address at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila, after having been duly sworn in accordance with law, hereby certify:

1. I am the Acting Corporate Secretary of **FILINVEST LAND, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila.

2. Based on the records of the Corporation, none of its incumbent directors and executive officers named in the Corporation's Information Statement (SEC Form 20-IS) for the Annual Stockholders' Meeting to be held on 08 May 2015 is connected and/or working in the government.

3. This Certification is being issued as an annex to the Information Statement (SEC Form 20-IS) of the Corporation in connection with its Annual Stockholders' Meeting for the year 2015.

IN WITNESS WHEREOF, I have hereunto set my hand this MAR 24 2015 day of March 2015 in Mandaluyong City, Metro Manila.

ELMA CHRISTINE R. LEOGARDO
Acting Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAR 24 2015 of March 2015 in Mandaluyong City, Metro Manila, affiant exhibiting to me her SSS ID No. 03-8092619-2, bearing her photograph and signature, issued by the Social Security System.

Doc. No. 9;
Page No. 3;
Book No. 20;
Series of 2015.

JOVEN G. SEVILLANO
NOTARY PUBLIC
COMMISSION NO. 0285-15 UNTIL DECEMBER 31, 2016
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 2277151 ; 1-5-15; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014990 23 APRIL 2013
METRO MART COMPLEX, MANDALUYONG CITY

File No. 1.4.3
FLI_Certification_2015 IS/SPR

FILINVEST LAND, INC.

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Mandaluyong City, Metro Manila
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ANNEX "B"

SECRETARY'S CERTIFICATE

I, **ELMA CHRISTINE R. LEOGARDO**, Filipino, of legal age, and with office address at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila, after having been duly sworn in accordance with law, hereby certify:

1. I am the Acting Corporate Secretary of **FILINVEST LAND, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila.

2. As Acting Corporate Secretary of the Corporation, I also take the minutes of the meetings of the committees of the Corporation, including the Nominations Committee.

3. Based on the records of the Corporation, the nominees for independent directors of the Corporation for the year 2015 to 2016, Mr. Lamberto U. Ocampo and Mr. Val Antonio B. Suarez, possess all the qualifications and have none of the disqualifications for independent directors as set forth in the Revised Manual for Corporate Governance and SEC Memorandum Circular No. 09, Series of 2011. The said nominees for independent directors have no relationship/affiliation with the Corporation.

4. This Certification is being issued as an annex to the Information Statement (SEC Form 20-IS) of the Corporation in connection with its Annual Stockholders' Meeting for the year 2015.

IN WITNESS WHEREOF, I have hereunto set my hand this MAR 2 4 2015 day of March 2015 in Mandaluyong City, Metro Manila.

ELMA CHRISTINE R. LEOGARDO
Acting Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAR 2 4 2015 day of March 2015 in Mandaluyong City, Metro Manila, affiant exhibiting to me her SSS ID No. 03-8092619-2, bearing her photograph and signature, issued by the Social Security System.

Doc. No. 10;
Page No. 3;
Book No. 20;
Series of 2015.

JOVEN G. SEVILLANO
NOTARY PUBLIC
COMMISSION NO. 0285-15 UNTIL DECEMBER 31, 2016
ROLL NO. 53970
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PTR NO. 2277151 ; 1-5-15; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014990 23 APRIL 2013
METRO MART COMPLEX, MANDALUYONG CITY

File No. 143
FLI_Certification_2015 IS/SPR

ANNEX "C"

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	7	0	9	5	7					

Company Name

FILINVEST LAND, INC. AND SUBSIDIARIES

Principal Office (No./Street/Barangay/City/Town/Province)

79 EDSA, Brgy. Highway Hills, Mandaluyong City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AACFS		

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
	918-8188	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
		12/31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Venus A. Mejia	venus.mejia@filinvestgroup.com	918-8188	

Contact Person's Address

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Filinvest Land, Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended **December 31, 2014 and 2013,** including the additional components attached therein, in accordance with Philippine Financial Reporting Standards. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the consolidated financial statements and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditors, appointed by the stockholders has examined the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

JONATHAN T. GOTIANUN
Chairman of the Board

JOSEPHINE G. YAP
President / CEO

NELSON M. BONA
Chief Financial Officer

Signed this 13th day of March, 2015

SUBSCRIBED AND SWORN TO BEFORE ME in the City of Mandaluyong this MAR 2 1 2015 day of _____ 20__, affiant exhibiting to me his/her _____ as competent evidence of identity.

Doc. No. 469;
Page No. 95;
Book No. 10;
Series of 2015

JOVEN G. SEVILLANO
NOTARY PUBLIC
COMMISSION NO. 0285-15 UNTIL DECEMBER 31, 2016
ROLL NO. 53970
IBP LIFETIME NO. 011302 RIZAL
PTR NO. 2277151 ; 1-5-15; MANDALUYONG
MCLE COMPLIANCE NO. IV - 0014990 23 APRIL 2013
METRO MART COMPLEX, MANDALUYONG CITY

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 891 0307
Fax: (632) 819 0872
ey.com/ph

BOA/PRC Reg. No. 0001,
December 28, 2012, valid until December 31, 2015
SEC Accreditation No. 0012-FR-3 (Group A),
November 15, 2012, valid until November 16, 2015

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Filinvest Land, Inc.
79 EDSA, Brgy. Highway Hills
Mandaluyong City

We have audited the accompanying consolidated financial statements of Filinvest Land, Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2014 and 2013, and the consolidated statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Filinvest Land, Inc. and its subsidiaries as at December 31, 2014 and 2013, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2014 in accordance with Philippine Financial Reporting Standards.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
SEC Accreditation No. 1196-A (Group A),
March 8, 2012, valid until March 31, 2015
Tax Identification No. 201-959-816
BIR Accreditation No. 08-001998-98-2015,
January 5, 2015, valid until January 5, 2018
PTR No. 4751326, January 5, 2015, Makati City

March 11, 2015

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 (Notes 7, 19 and 30)	₱4,245,687	₱6,390,732
Contracts receivable (Notes 8 and 30)	16,972,347	13,083,775
Due from related parties (Notes 19 and 30)	243,033	204,538
Other receivables (Notes 9 and 30)	3,500,956	3,136,739
Financial assets at fair value through other comprehensive income (Notes 11 and 30)	23,852	17,852
Real estate inventories (Notes 3 and 10)	24,238,988	24,426,958
Land and land development (Notes 3 and 10)	17,388,474	18,794,686
Investment in an associate (Notes 3 and 12)	3,974,854	4,018,058
Investment properties (Notes 3 and 13)	26,311,332	19,592,830
Property and equipment (Notes 3 and 14)	1,323,190	1,150,822
Deferred income tax assets - net (Notes 3 and 28)	24,264	12,320
Goodwill (Notes 3 and 4)	4,567,242	4,567,242
Other assets (Notes 3 and 15)	3,593,361	2,700,494
	₱106,407,580	₱98,097,046
LIABILITIES AND EQUITY		
Liabilities		
Accounts payable and accrued expenses (Notes 8, 16 and 30)	₱10,844,998	₱10,441,412
Income tax payable (Note 28)	120,431	17,235
Loans payable (Notes 17, 26 and 30)	16,519,797	14,751,209
Bonds payable (Notes 18, 26 and 30)	23,786,796	21,318,016
Due to related parties (Notes 19 and 30)	259,694	209,201
Retirement liabilities (Notes 3 and 24)	236,322	186,817
Deferred income tax liabilities - net (Note 28)	2,557,968	2,187,244
Total Liabilities	54,326,006	49,111,134
Equity		
Common stock (Note 26)	24,470,708	24,470,708
Preferred stock (Note 26)	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock (Note 26)	(221,041)	(221,041)
Retained earnings (Note 26)	21,758,564	18,437,398
Revaluation reserve on financial assets at fair value through other comprehensive income (Note 11)	(2,619)	(2,619)
Remeasurement losses on retirement plan - net of tax (Note 24)	(112,884)	(105,686)
Share in other components of equity of an associate (Note 12)	361,794	361,794
Equity attributable to equity holders of the parent	51,946,843	48,632,875
Noncontrolling interest (Note 6)	134,731	353,037
Total Equity	52,081,574	48,985,912
TOTAL LIABILITIES AND EQUITY	₱106,407,580	₱98,097,046

See accompanying Notes to Consolidated Financial Statements.

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 (Note 3)	**₱13,204,443**	₱10,478,477	₱8,798,358
Rental services (Notes 13 and 25)	**2,263,551**	2,034,078	1,887,094
EQUITY IN NET EARNINGS OF AN ASSOCIATE (Note 12)	**52,796**	186,366	187,295
OTHER INCOME			
Interest income (Notes 7, 8 and 22)	**751,696**	549,398	516,541
Others - net (Notes 19 and 23)	**627,433**	568,765	529,525
	16,899,919	13,817,084	11,918,813
COSTS			
Real estate sales (Note 10)	**7,726,164**	6,036,080	4,927,456
Rental services (Note 13)	**511,982**	491,398	473,619
OPERATING EXPENSES			
General and administrative expenses (Note 20)	**1,282,328**	1,178,588	1,096,902
Selling and marketing expenses (Note 21)	**1,054,056**	892,482	872,245
INTEREST AND OTHER FINANCE CHARGES (Notes 17, 18 and 22)	**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 (Note 28)			
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 (Note 6)	**70,323**	57,730	58,109
	₱4,603,977	₱3,975,945	₱3,489,544
Basic/Diluted Earnings Per Share (Note 27)	**₱0.19**	₱0.16	₱0.14

See accompanying Notes to Consolidated Financial Statements.

FILINVEST LAND, INC. AND SUBSIDIARIES

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 (Notes 24 and 28)	**(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

See accompanying Notes to Consolidated Financial Statements.

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

	Attributable to Equity Holders of the Parent										
	Common Stock (Note 26)	Preferred Stock (Note 26)	Additional Paid-in Capital	Treasury Stock (Note 26)	Retained Earnings (Note 26)	Revaluation Reserve on Financial Assets at FVTOCI (Note 11)	Remeasurement Losses on Retirement Plan (Note 24)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 6)	Total Equity
					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 (Notes 24 and 28)	–	–	–	–	–	–	(7,198)	–	(7,198)	–	(7,198)
Total comprehensive income	–	–	–	–	4,533,654	–	(7,198)	–	4,526,456	70,323	4,596,779
Dividends declared (Note 26)	–	–	–	–	(1,212,488)	–	–	–	(1,212,488)	–	(1,212,488)
Dividend distribution to noncontrolling interest (Note 6)	–	–	–	–	–	–	–	–	–	(100,000)	(100,000)
Redemption of shares attributable to noncontrolling interest (Note 6)	–	–	–	–	–	–	–	–	–	(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 (Note 26)	–	–	–	–	(1,163,987)	–	–	–	(1,163,987)	–	(1,163,987)
Dividend distribution to noncontrolling interest (Note 6)	–	–	–	–	–	–	–	–	–	(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										
	Common Stock (Note 26)	Preferred Stock (Note 26)	Additional Paid-in Capital	Treasury Stock (Note 26)	Retained Earnings (Note 26)	Revaluation Reserve on Financial Assets at FVTOCI (Note 11)	Remeasurement Losses on Retirement Plan (Note 24)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 6)	Total Equity
	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 (Note 26)	–	–	–	–	(1,151,864)	–	–	–	(1,151,864)	–	(1,151,864)
Dividend distribution to noncontrolling interest (Note 6)	–	–	–	–	–	–	–	–	–	(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

See accompanying Notes to Consolidated Financial Statements.

FILINVEST LAND, INC. AND SUBSIDIARIES
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 (Note 22)	**(751,696)**	(549,398)	(516,541)
Interest expense (Note 22)	**571,169**	384,491	348,108
Depreciation and amortization (Notes 13 and 14)	**396,959**	365,384	322,727
Equity in net earnings of an associate (Note 12)	**(52,796)**	(186,366)	(187,294)
Dividend income	**–**	(3,757)	(3)
Net pension expense (contribution) (Note 24)	**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 (Note 10)	**(2,712,937)**	(2,901,861)	(2,488,561)
Acquisitions of investment properties and property and equipment (Notes 13 and 14)	**(3,408,854)**	(2,971,951)	(1,457,348)
Dividends received from associate (Note 12)	**96,000**	80,400	75,000
Subscription of shares of stock (Note 11)	**(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 (Note 18)	**7,000,000**	7,000,000	7,000,000
Payments of:			
Loans payable	**(7,745,000)**	(3,669,167)	(2,504,750)
Bonds payable (Note 18)	**(4,500,000)**	–	(500,000)
Cash dividend (Note 26)	**(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 (Note 6)	**(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 (Note 7)	₱4,245,687	₱6,390,732	₱2,165,456

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Filinvest Land, Inc. (the "Parent Company" or "FLI") is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and is domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989 and later changed to its present name on July 12, 1993. The Parent Company and its subsidiaries (collectively referred to as "the Group") offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club, condotels, and condominium buildings. The Group also leases out commercial and office spaces in Alabang, Muntinlupa City and Makati City, its major locations for leasing.

The Group's parent company is Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALG) is the Group's ultimate parent company.

On February 4, 2014, Filinvest Cyberparks, Inc. (FCI), a wholly-owned subsidiary of the Parent Company was incorporated. Its primary purpose is to acquire by purchase, lease, donate and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, hold for investment and deal with real estate of all kinds. FCI has started its commercial operations in April 2014.

On May 18, 2012, Countrywide Water Services, Inc. (CWSI), then a wholly-owned subsidiary of the Parent Company was incorporated and started commercial operations on June 6, 2012. CWSI has the technical expertise and skills in the operation, management, maintenance, and rehabilitation of waterworks and sewerage system. On August 2, 2012, the Parent Company has engaged the services of CWSI in order to maintain and further improve the billing, collection and customer relation services in the waterworks and sewerage system of its residential projects. On September 29, 2014, FDC subscribed to the remaining unissued shares of CWSI for a total consideration at par of ₱7.5 million, giving FDC 75% ownership over CWSI. Furthermore, the Parent Company agreed to sell its investment in CWSI on October 31, 2014 for a total consideration of ₱2.5 million. The sale resulted to FDC having 100% equity interest in CWSI. No gain or loss was recognized from the transaction.

The Parent Company's registered business address is at 79 E. Delos Santos Ave. (EDSA), Brgy. Highway Hills, Mandaluyong City.

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors (BOD) on March 11, 2015.

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVTOCI) that are measured at fair value.

The Group's consolidated financial statements are presented in Philippine Peso (Peso), which is also the functional currency of the Parent Company and its subsidiaries, and an associate.

Amounts are in thousand Pesos except as otherwise indicated.

Statement of Compliance
The accompanying consolidated financial statements of the Group have been presented in compliance with Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation
The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as at December 31, 2014, 2013 and 2012 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

Subsidiaries	Nature of Business	**2014**	2013	2012
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	**100%**	100%	100%
Cyberzone Properties, Inc. (CPI)	Leasing	**100%**	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Marketing	**100%**	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing	**100%**	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	**100%**	100%	100%
Leisurepro, Inc. (Leisurepro)	Marketing	**100%**	100%	100%
Filinvest Asia Corporation (FAC)	Leasing	**60%**	60%	60%
Countrywide Water Services, Inc. (CWSI)*	Waterworks and sewerage system	–	100%	100%
Filinvest Cyberparks, Inc. (FCI)	Leasing	**100%**	–	–

**As discussed in Note 1, in 2014, FDC subscribed to the remaining unissued shares of and acquired the Parent Company's interest in CWSI, resulting to FDC having 100% interest in CWSI as of December 31, 2014.*

All of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has: (a) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee); (b) exposure, or rights, to variable returns from its involvement with the investee, and, (c) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: (a) the contractual arrangement with the other vote holders of the investee; (b) rights arising from other contractual arrangements; and, (c) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus of deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Noncontrolling Interest

Noncontrolling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Group.

Noncontrolling interests are presented separately in the consolidated statement of income, consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position, separately from parent shareholder's equity. Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's financial statements are consistent with those of the previous financial years except for the adoption of the following amended standard which became effective beginning January 1, 2014.

The nature and the impact of each new standard and amendment are described below:

- *Investment Entities (Amendments to PFRS 10, Consolidated Financial Statements, PFRS 12, Disclosure of Interests in Other Entities, and PAS 27, Separate Financial Statements)*, amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under PFRS 10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The amendments must be applied retrospectively, subject to certain transition relief. These amendments have no impact to the Group since it has no investment which will qualify as an investment entity under PFRS 10.

- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities (Amendments)*, clarifies the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and are applied retrospectively. These amendments have no impact on the Group, since none of the entities in the Group has any offsetting arrangements.

- PAS 39, *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendments)*, provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria and retrospective application is required. These amendments have no impact on the Group as the Group has not entered into any hedging arrangement.

- PAS 36, *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets (Amendments)*, remove the unintended consequences of PFRS 13, *Fair Value Measurement,* on the disclosures required under PAS 36. In addition, these amendments require disclosure of the recoverable amounts for assets or cash-generating units (CGUs) for which impairment loss has been recognized or reversed during the period. The application of these amendments has no material impact on the disclosure in the Group's financial statements.

- Philippine Interpretation IFRIC 21, *Levies (IFRIC 21)*, clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Retrospective application is required for IFRIC 21. This interpretation has no impact on the Group as it has applied the recognition principles under PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, consistent with the requirements of IFRIC 21 in prior years.

Annual Improvements to PFRSs (2010-2012 cycle)
In the 2010 - 2012 annual improvements cycle, seven amendments to six standards were issued, which included an amendment to PFRS 13, *Fair Value Measurement.* The amendment to PFRS 13 is effective immediately and it clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment has no impact on the Group.

Annual Improvements to PFRSs (2011-2013 cycle)
In the 2011 - 2013 annual improvements cycle, four amendments to four standards were issued, which included an amendment to PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards–First-time Adoption of PFRS.* The amendment to PFRS 1 is effective immediately. It clarifies that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first PFRS financial statements. This amendment has no impact on the Group as it is not a first time PFRS adopter.

Future Changes in Accounting Policies

The Group will adopt the following relevant standards and interpretations when these become effective. Except as otherwise stated, the Group does not expect the adoption of the following relevent standards and interpretations to have a significant impact on its financial statements.

- PFRS 9, *Financial Instruments - Classification and Measurement (2010 version)*, reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39, *Financial Instruments: Recognition and Measurement*. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through other comprehensive income (OCI) or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will potentially have no impact on the classification and measurement of financial liabilities.

  PFRS 9 (2010 version) is effective for annual periods beginning on or after January 1, 2015. This mandatory adoption date was moved to January 1, 2018 when the final version of PFRS 9 was adopted by the Philippine Financial Reporting Standards Council (FRSC). Such adoption, however, is still for approval by the Board of Accountancy (BOA). The Group had early adopted the first phase of PFRS 9 effective January 1, 2011.

Effective 2015

- PAS 19, *Employee Benefits - Defined Benefit Plans: Employee Contributions (Amendments)*, requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after January 1, 2015. It is not expected that this amendment would be relevant to the Group, since none of the entities within the Group has defined benefit plans with contributions from employees or third parties.

Annual Improvements to PFRSs (2010-2012 cycle)

The Annual Improvements to PFRSs (2010-2012 cycle) are effective for annual periods beginning on or after January 1, 2015 and are not expected to have a material impact on the Group.

- PFRS 2, *Share-based Payment - Definition of Vesting Condition*, applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions.

- PFRS 3, *Business Combinations - Accounting for Contingent Consideration in a Business Combination*, applied prospectively for business combinations for which the acquisition date is on or after July 1, 2014. It clarifies that a contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PAS 39, *Financial Instruments: Recognition and Measurement*. The Group shall consider this amendment for future business combinations.

- PFRS 8, *Operating Segments - Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets*, applied retrospectively and clarifies that: (a) an entity must disclose the judgments made by management in applying the aggregation criteria in the standard including a brief description of operating segments that have been aggregated and the economic characteristics (e.g. sales and and gross margins) used to assess whether the segments are "similar"; and, (b) reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

- PAS 16, *Property, Plant and Equipment, and PAS 38, Intangible Assets - Revaluation Method - Proportionate Restatement of Accumulated Depreciation and Amortization*, amendment is applied retrospectively and clarifies in PAS 16 and PAS 38 that the asset may be revalued by reference to the observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset.

- PAS 24, *Related Party Disclosures - Key Management Personnel*, applied retrospectively and clarifies that a management entity, which is an entity that provides key management personnel services, is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management.

Annual Improvements to PFRSs (2011-2013 cycle)
The Annual Improvements to PFRSs (2011-2013 cycle) are effective for annual periods beginning on or after January 1, 2015 and are not expected to have a material impact on the Group.

- *PFRS 3, Business Combinations - Scope Exceptions for Joint Arrangements*, applied prospectively and clarifies that (a) the joint arrangements, not just joint ventures, are outside the scope of PFRS 3; and, (b) this scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

- PFRS 13, *Fair Value Measurement - Portfolio Exception*, applied prospectively and clarifies that the portfolio exception in PFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of PFRS 9.

- PAS 40, *Investment Property*, applied prospectively and clarifies that PFRS 3, and not the description of ancillary services in PAS 40, is used to determine if the transaction is the purchase of an asset or business combination. The description of ancillary services in PAS 40 only differentiates between investment property and owner-occupied property (i.e., property, plant and equipment).

Effective 2016

- PAS 16, *Property, Plant and Equipment, and PAS 38, Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortization* (Amendments), clarifies the principle in PAS 16 and PAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

- PAS 16, *Property, Plant and Equipment*, and PAS 41, *Agriculture - Bearer Plants* (Amendments), change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of PAS 41. Instead, PAS 16 will apply. After initial recognition, bearer plants will be measured under PAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of PAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, PAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, will apply. The amendments are retrospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group as the Group does not have any bearer plants.

- PAS 27, *Separate Financial Statements - Equity Method in Separate Financial Statements* (Amendments), will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying PFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of PFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to PFRS. The amendments are effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments will not have any impact on the Group's financial statements.

  PFRS 10, *Consolidated Financial Statements* and PAS 28, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, address an acknowledged inconsistency between the requirements in PFRS 10 and those in PAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. These amendments are effective from annual periods beginning on or after 1 January 2016.

- PFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations* (Amendments), require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant PFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition

of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to PFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. The Group shall consider this amendment in future acquisition of interest in joint operation.

- PFRS 14, *Regulatory Deferral Accounts*, an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of PFRS. PFRS 14 is effective for annual periods beginning on or after January 1, 2016. Since the Group is an existing PFRS preparer, this standard would not apply.

Annual Improvements to PFRSs (2012-2014 cycle)
The Annual Improvements to PFRSs (2012-2014 cycle) are effective for annual periods beginning on or after January 1, 2016 and are not expected to have a material impact on the Group.

- PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations - Changes in Methods of Disposal (Amendment)*, is applied prospectively and clarifies that changing from a disposal through sale to a disposal through distribution to owners and vice-versa should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in PFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification.

- PFRS 7, *Financial Instruments: Disclosures - Servicing Contracts*, requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognized in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance in PFRS 7 in order to assess whether the disclosures are required. The amendment is to be applied such that the assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative disclosures are not required to be provided for any period beginning before the annual period in which the entity first applies the amendments.

- PFRS 7, *Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements (Amendment)*, is applied retrospectively and clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report.

- PAS 19, *Employee Benefits - regional market issue regarding discount rate (Amendment)*, is applied prospectively and clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

- PAS 34, *Interim Financial Reporting - disclosure of information 'elsewhere in the interim financial report' (Amendment)* is applied retrospectively and clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

Effective 2018

- PFRS 9, *Financial Instruments - Hedge Accounting* and amendments to PFRS 9, PFRS 7 and PAS 39 (2013 version), already includes the third phase of the project to replace PAS 39 which pertains to hedge accounting. This version of PFRS 9 replaces the rules-based hedge accounting model of PAS 39 with a more principles-based approach. PFRS 9 also requires more extensive disclosures for hedge accounting. PFRS 9 (2013 version) has no mandatory effective date. The mandatory effective date of January 1, 2018 was eventually set when the final version of PFRS 9 was adopted by the FRSC. The adoption of the final version of PFRS 9, however, is still for approval by BOA.

  The adoption of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets but will have no impact on the classification and measurement of the Group's financial liabilities. The adoption will also have an effect on the Group's application of hedge accounting. The Group is currently assessing the impact of adopting this standard.

- PFRS 9, *Financial Instruments* (2014 or final version) was issued. PFRS 9 reflects all phases of the financial instruments project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. PFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of PFRS 9 is permitted if the date of initial application is before February 1, 2015.

  The adoption of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets and impairment methodology for financial assets, but will have no impact on the classification and measurement of the Group's financial liabilities. The adoption will also have an effect on the Group's application of hedge accounting. The Group is currently assessing the impact of adopting this standard.

Effectivity to be determined

- IFRS 15, *Revenue from Contracts with Customers*, issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

  The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Group is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date once adopted locally.

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*, covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion.

  The SEC and the FRSC have deferred the effectivity of this interpretation until the final Revenue standard is issued by the IASB and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed. The Group is currently assessing the impact of this interpretation on its financial statements.

Cash and Cash Equivalents
Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of placement and are subject to an insignificant risk of change in value.

Financial Instruments
Date of recognition
Financial assets and liabilities are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery or assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Initial recognition of financial instruments
Financial assets and liabilities are recognized initially at fair value. The fair value of financial instruments that are actively traded in organized financial markets are determined by reference to quoted market bid prices at the close of the business at the reporting date.

Determination of fair value
The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market prices at the close of business on the reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's-length market transactions, reference to the current market value of another instrument which is substantially the same, and discounted cash flow analysis or other valuation models. In the absence of a reliable basis of determining fair value, investments in unquoted equity securities are carried at cost net of impairment, if any.

'Day 1' difference
Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a 'Day 1' difference) in the consolidated statement of income. In cases where transaction price used is made of data which is not observable, the difference between the transaction price and model value is only recognized in the consolidated statement of income when the inputs become observable or when the instrument is derecognized.

For each transaction, the Group determines the appropriate method of recognizing the 'Day 1' difference amount.

Classification, Reclassification and Measurement of Financial Assets and Financial Liabilities
For purposes of classifying financial assets, an instrument is an 'equity instrument' if it is a nonderivative and meets the definition of 'equity' for the issuer (under PAS 32), except for certain non-derivative puttable instruments presented as equity by the issuer. All other non-derivative financial instruments are 'debt instruments'.

Financial assets at amortized cost
Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Group's business model whose objective is to hold assets in order to collect contractual cash flows; and,
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest method less any impairment in value, with the interest calculated recognized as interest income in the consolidated statement of income. The Group classified cash and cash equivalents, contracts receivable, due from related parties, other receivables and deposits (included in other assets) as financial assets at amortized cost (see Note 29).

The Group may irrevocably elect, at initial recognition, to classify a financial asset that meets the amortized cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortized cost. As of December 31, 2014 and 2013, the Group has not made such designation.

Financial assets at FVTOCI
At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Equity investments as at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for sale or disposal costs. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in "Revaluation reserve on financial assets at FVTOCI" in the consolidated statement of financial position. Where the asset is disposed of, the cumulative gain or loss previously recognized in "Revaluation reserve on financial assets at FVTOCI" is not reclassified to profit or loss, but is reclassified to Retained earnings.

Included under this category are the Group's investments in quoted and unquoted shares of stocks (see Notes 11 and 29).

Dividends earned on holding these equity instruments are recognized in the consolidated statement of income when the Group's right to receive the dividends is established in accordance with PAS 18, *Revenue*, unless the dividends clearly represent recovery of a part of the cost of the investment.

Financial assets at FVTPL
Debt instruments that do not meet the amortized cost criteria, or that meet the criteria but the Group has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Equity investments are classified as at FVTPL, unless the Group designates an investment that is not held for trading as at FVTOCI at initial recognition.

The Group has no financial assets at FVTPL as of December 31, 2014 and 2013.

Reclassification of financial assets
The Group can reclassify financial assets if the objective of its business model for managing those financial assets changes. The Group is required to reclassify the following financial assets:

- from amortized cost to FVTPL if the objective of the business model changes so that the amortized cost criteria are no longer met; and
- from FVTPL to amortized cost if the objective of the business model changes so that the amortized cost criteria start to be met and the instrument's contractual cash flows meet the amortized cost criteria.

Reclassification of financial assets designated as at FVTPL at initial recognition is not permitted.

A change in the objective of the Group's business model must be effected before the reclassification date. The reclassification date is the beginning of the next reporting period following the change in the business model.

Financial liabilities
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Management may designate a financial liability at FVTPL upon initial recognition when the following criteria are met, and designation is determined on an instrument by instrument basis:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognizing gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or

- The financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis, that it would not be separately recorded.

As of December 31, 2014 and 2013, the Group has no financial liability at FVTPL.

Financial liabilities at amortized cost
Financial liabilities are measured at amortized cost using the effective interest method, except for:

a. financial liabilities at fair value through profit or loss which are measured at fair value; and
b. financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

Financial liabilities at amortized cost consist primarily of accounts payable and accrued expenses, loans payable, bonds payable and due to related parties (see Notes 16, 17, 18 and 19).

Impairment of Financial Assets
The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Assets Carried at Amortized Cost
If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original EIR (i.e. the EIR computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the consolidated statement of income.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in the Group financial assets with similar credit risk characteristics. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the consolidated statement of income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Derecognition of Financial Assets and Financial Liabilities

Financial Assets

A financial asset is derecognized when:

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

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

Financial Liabilities

A financial liability is derecognized when the obligation under the liability expires, is discharged or cancelled.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income.

Offsetting Financial Instruments
Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and the Group intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, where the related assets and liabilities are presented at gross in the consolidated statement of financial position.

Real Estate Inventories
Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory and is measured at the lower of cost and net realizable value (NRV). It also includes investments in club shares accounted as inventory when the Group acts as the developer and its intent is to sell the developed property.

Cost includes:

- Land acquisition costs and expenses directly related to acquisition
- Amounts paid to contractors for development and construction
- Borrowing costs, planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale.

Land and Land Development
Land and land development consists of properties for future development that are carried at the lower of cost or NRV. The cost of land and land development include the following: (a) land acquisition costs, (b) costs incurred relative to acquisition and transfer of land title in the name of the Group such as transfer taxes and registration fees (c) costs incurred on initial development of the raw land in preparation for future projects, and (d) borrowing costs. They are transferred to subdivision lots and housing units for sale under "real estate inventories" when the project plans, development and construction estimates are completed and the necessary permits are secured.

Investment in an Associate
The Group's investment in an associate is accounted for under the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in an associate is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. After application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group's net investment in the associate. The consolidated statement of income reflects the share of the results of operations of the associate.

The Group recognizes its share of the losses of the associate until its share of losses equals or exceeds its interest in the associate, at which point the Group discontinues recognizing its share of further losses.

Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity.

The reporting dates of the associate and the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on investment in an associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in the associate and its carrying value and recognize the amount in the consolidated income statement.

Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses, if any.

Depreciation of investment properties is computed using the straight-line method over the useful lives of these assets as follows:

	Years
Buildings and improvement	20-50
Machinery and equipment	5

The useful life and the depreciation method is reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefit from items of investment properties.

Investment property is derecognized when it is either disposed of or permanently withdrawn from use and there is no future economic benefit expected from its disposal or retirement. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sell.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and accumulated impairment losses, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use including borrowing cost.

Construction-in-progress, is stated at cost. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time as the relevant assets are completed and ready for operational use.

Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, as follows:

	Years
Buildings	20-50
Machinery and equipment	5
Transportation equipment	5
Furniture and fixtures	3-5

Leasehold improvements are amortized over the estimated useful lives of the improvements or the lease term, whichever is shorter.

The useful life and the depreciation and amortization method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When an item of property and equipment is derecognized, the cost of the related accumulated depreciation and amortization and accumulated impairment losses, if any, is removed from the account. Any gain or loss arising from derecognition of the asset is included in the consolidated statement of income in the year the asset is derecognized.

Goodwill
Goodwill acquired in a business combination is initially measured at cost being the excess of the consideration transferred over the net fair value of the acquiree's identifiable assets, liabilities and any contingent liabilities. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Other Assets
Other assets pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group.

Value-added Tax (VAT)
Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of expense item.

The net amount of VAT recoverable and payable from the taxation authority is included as part of "Other assets" and "Accounts payable and accrued expenses" in the consolidated statement of financial position, respectively.

Impairment of Nonfinancial Assets
The carrying values of investment in an associate, property and equipment, investment properties and other assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying

values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statement of income.

For nonfinancial assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually or more frequent if events or changes of circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating unit) is less than their carrying amount of cash-generating unit (or group of cash-generating unit) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statement of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods.

Revenue and Income Recognition

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group and the amount can be reliably measured. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. In arrangements where the Group is acting as principal to its customers, revenue is recognized on a gross basis. However, if the Group is acting as an agent to its customers, only the amount of net commission retained is recognized as revenue.

The following specific recognition criteria must also be met before revenue is recognized:

Real Estate Sales

Revenue from sales of substantially completed projects where collectability of sales price is reasonably assured is accounted for using the full accrual method. The percentage-of-completion method is used to recognize revenue from sales of projects where the Group has material obligations under the sales contract to complete the project after the property is sold.
Under this method, revenue is recognized as the related obligations are fulfilled, measured principally on the basis of the estimated completion of a physical proportion of the contract work.

Any excess of collections over the recognized receivables are included in the "Accounts payable and accrued expenses" account in the liabilities section of the consolidated statement of financial position.

Collections from accounts which are not yet qualified for revenue recognition are treated as customer deposits included in the "Accounts payable and accrued expenses" account in the consolidated statement of financial position.

Sale of Club Shares
Sale of club shares is recognized when the risk and rewards of ownership of the shares have passed to the buyer and the amount of revenue can be reliably measured. Sale of club shares is included in "Real estate sales" account in the consolidated statement of income.

Rental Income
Rental income arising from investment properties are recognized in the consolidated statement of income either on a straight-line basis over the lease term or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Leases under contingent rents are recognized as income in the period in which they are earned.

Interest Income
Interest is recognized as it accrues taking into account the effective yield on the underlying asset.

Income from Forfeited Reservations and Collections
Income from forfeited reservation and collections is recognized when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act,* upon prescription of the period for the payment of required amortizations from defaulting buyers.

Other Income
Other income is recognized when services are rendered and when goods are delivered.

Cost and Expense Recognition
Costs and expenses are recognized in the consolidated statement of income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in the consolidated statement of income:

- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or,
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Cost of Real Estate Sales
Cost of real estate sales is recognized consistent with the revenue recognition method applied. Cost of subdivision lots and housing units and condominium units sold before the completion of the development is determined on the basis of the acquisition cost of the land plus its full development costs, which include estimated costs for future development works, as determined by the Group's in-house technical staff.

The cost of inventory recognized in profit or loss on sale is determined with reference to the specific costs incurred on the property, allocated to saleable area based on relative size and takes into account the percentage of completion used for revenue recognition purposes.

Expenses
"General and administrative expenses" and "Selling and marketing expenses" are expenses that are incurred in the course of the ordinary operations of the Group. These usually take the form of an outflow or depletion of assets such as cash and cash equivalents, property and equipment and investment properties. Selling and marketing expenses are costs incurred to sell real estate inventories, which include commissions, advertising and promotions, among others. General and administrative expenses constitute costs of administering the business.

Expenses are recognized in the consolidated statement of income as incurred.

Commission Expense
Commissions paid to sales or marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Selling and marketing expenses" account in the consolidated statement of income.

Retirement Costs
The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:
- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets an any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods. All remeasurements recognized in other comprehensive income account "Remeasurement on retirement plan" are not reclassified to another equity account in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information.

When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefit
Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement
Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Borrowing Costs
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. They are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. Interest and other financing costs incurred during the construction period on borrowings used to finance property development are capitalized as part of development costs in the consolidated statement of financial position. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended sale are completed. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

All other borrowing costs are expensed as incurred.

Foreign Currency-Denominated Transactions
The functional and presentation currency of the Parent Company and its subsidiaries and associate is the Philippine Peso. Transactions denominated in foreign currencies are recorded in Philippine Peso based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated to Philippine Peso at exchange rates prevailing at the reporting date. Foreign exchange differentials between rate at transaction date and rate at settlement date or reporting date of foreign currency denominated monetary assets or liabilities are credited to or charged against current operations.

Equity
Common and Preferred Stock
The Group records common and preferred stocks at par value and additional paid-in capital as the excess of the total contributions received over the aggregate par values of the equity shares. The Group considers the underlying substance and economic reality of its own equity instrument and not merely its legal form in determining its proper classification. When any member of the Group purchases the Parent Company's capital stock (treasury shares), the consideration paid, including any attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects is included in consolidated equity.

Treasury Stock
Own equity instruments which are reacquired are carried at cost and are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid in capital when the shares were issued and to retained earnings for the remaining balance.

Retained Earnings
Retained earnings represent accumulated earnings of the Group, and any other adjustments to it as required by other standards, less dividends declared. The individual accumulated earnings of the subsidiaries and accumulated equity earnings from an associate included in the consolidated retained earnings are available for dividend declaration when these are declared as dividends by the subsidiaries and associate as approved by their respective Board of Directors.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of common shares held in treasury.

Dividends on common and preferred shares are deducted from retained earnings when declared and approved by the BOD of the Parent Company. Dividends payable are recorded as liability until paid. Dividends for the year that are declared and approved after reporting date, if any, are dealt with as an event after reporting date and disclosed accordingly.

Earnings Per Share (EPS)
Basic EPS is computed by dividing net income applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

Where the effect of the assumed conversion of the preferred shares and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

Income Tax

Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred Income Tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except; (a) where deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefit of the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward of MCIT and unused NOLCO can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognized directly in other comprehensive income is recognized in consolidated statement of comprehensive income and not in the consolidated statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Operating Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

a. there is a change in contractual terms, other than a renewal or extension of the arrangement;
b. a renewal option is exercised or extension granted, unless that term of the renewal or extension was initially included in the lease term;
c. there is a change in the determination of whether fulfillment is dependent on a specified asset; or,
d. there is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) above, and at the date of renewal or extension period for scenario (b).

Group as Lessor

Leases where the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Group as Lessee

Operating lease payments are recognized as an expense on a straight line basis over the lease term, except for contingent rental payments which are expensed when they arise.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 5 to the consolidated financial statements.

Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. When the Group expects part or all of provision to be reimbursed or recovered, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Events after the Reporting Date
Any post year-end event up to the date of the auditor's report that provides additional information about the Group's position at reporting date (adjusting event) is reflected in the consolidated financial statements. Any post year-end event that is not an adjusting event is disclosed, when material, in notes to the consolidated financial statements.

3. Significant Accounting Judgments and Estimates

The preparation of the accompanying consolidated financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be reflected in the consolidated financial statements as they become reasonably determinable. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Determination of the Group's functional currency
Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of each entity within the Group has been determined to be the Peso. It is the currency that mainly influences the Group's operations.

Classification of Financial Instruments
The Group classifies financial instruments, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and the definition of the instruments. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial position. The Group determines the classification at initial recognition and re-evaluates this designation at every reporting date.

Real Estate Revenue Recognition
Selecting an appropriate revenue recognition method for a real estate sale transaction requires certain judgments based on, among others:

- Buyer's commitment on sale which may be ascertained through the significance of the buyer's initial payments in relation to the total contract price; and,
- Stage of completion of the project development.

Operating Lease Commitments - The Group as Lessor
The Group has entered into various property leases on its investment property portfolio. The Group has determined that it retains all significant risks and rewards of ownership on these properties hence classified as operating leases.

Operating Lease Commitments - The Group as Lessee
The Group has entered into various leases for its occupied offices. The Group has determined that all significant risks and rewards of ownership are retained by the respective lessors and therefore account for these leases as operating lease.

Determining Classification of Investment in Club Project
Being a real estate developer, the Group determines how investment in club project shall be accounted for. In determining whether this shall be accounted for as inventories or as financial instruments, the Group considers its role in the development of the Club and its intent for holding the related club shares.

The Group classifies such shares as inventories when the Group acts as the developer and its intent is to sell the developed property, together with the related club shares.

Determining control over FAC
The Group determined that it has control over FAC as the Group has the power to direct the relevant activities of FAC despite the existence of a contractual arrangement which grants the other investor rights over certain activities of FAC. Management assessed that the rights held by the investor through contractual arrangement are only designed to protect the other investor's interest and are merely held to prohibit fundamental changes in the activities of FAC rather than bestow the power to direct the relevant activities over FAC. Accordingly, the Group accounted for its investment in FAC as an investment in subsidiary.

Determining significant influence over FAI
The Group determined that it has significant influence over Filinvest Alabang, Inc. (FAI). Management assessed that it has the power to participate in the financial and operating policy decisions of the investee, but does not have control or joint control over those policies. Accordingly, FAI is considered an associate.

Contingencies
In the normal course of business, the Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Group currently does not believe these proceedings will have material effect on the Group's financial position. It is possible, however, that future results of operations could be materially affected by changes in the assessment of probability and estimates of potential outflow or in the effectiveness of the strategies relating to these proceedings (see Note 31).

Management's Use of Estimates
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimate on When the Buyer's Investment is Qualified for Revenue Recognition on Real Estate Sales
The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of the estimated completion of a physical proportion of the contract work, and by reference to the actual costs incurred to date over the estimated total costs of the project.

Revenue and cost recognized based on percentage of completion are as follows:

	2014	2013	2012
		(In Thousands)	
Real estate sales	**₱8,187,763**	₱6,560,947	₱5,861,298
Cost of real estate	**4,946,913**	4,062,544	3,220,847

Evaluation of Impairment of Financial Assets at Amortized Cost
The Group reviews financial assets at amortized cost, other than cash and cash equivalents, at each reporting date to assess whether an allowance for impairment should be recorded in the consolidated statements of income. If there is objective evidence that an impairment loss on financial assets at amortized cost, other than cash and cash equivalents, has been incurred, the carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the consolidated statement of income.

The Group maintains allowance for doubtful accounts based on the result of the individual and collective assessment. Under the individual assessment, impairment loss is determined as the difference between the receivables carrying balance and recoverable amount. Factors considered in individual assessment include payment history, account status and term. The collective assessment would require the Group to classify its receivables based on the credit risk characteristics (customer type, payment history, account status and term) of the customers. Impairment loss is then determined based on historical loss experience of the receivables grouped per credit risk profile adjusted on the basis of current observable data to reflect the effects of current conditions.

The methodology and assumptions used for the individual and collective assessments are based on management's judgment and estimate. Therefore, the amount and timing of recorded expense for any period would differ, depending on the judgments and estimates made for the period. Based on the Group's experience, its financial assets at amortized cost are highly collectible or collectible on demand.

The contracts receivables are collateralized by the corresponding real estate properties sold. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market prices.

The carrying values of financial assets at amortized cost, other than cash and cash equivalent, in 2014 and 2013 amounted to ₱17.99 billion and ₱14.13 billion, respectively (see Note 30). The Group has an outstanding allowance for impairment loss on its other receivables amounting to ₱109.83 million and ₱98.64 million as of December 31, 2014 and 2013, respectively (see Note 9).

Estimating Useful Lives of Investment Properties and Property and Equipment
The Group estimates the useful lives of its depreciable investment properties and property and equipment based on the years over which these assets are expected to be available for use. The estimated useful lives of depreciable investment properties and property and equipment are reviewed at least annually; and, are updated if expectations differ from previous estimates due to physical wear and tear, as well as technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above.

The carrying value of depreciable investment properties amounted to ₱15.19 billion and ₱12.21 billion as of December 31, 2014 and 2013, respectively (see Note 13). The carrying value of property and equipment amounted to ₱1.22 billion and ₱1.06 billion as of December 31, 2014 and 2013, respectively (see Note 14).

Estimating NRV of real estate inventories
The Company adjusts the cost of its real estate inventories to NRV based on its assessment of the recoverability of the inventories. In determining the recoverability of the inventories, management considers whether those inventories are damaged or if their selling prices have significantly declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

As of December 31, 2014 and 2013, the carrying amount of real estate inventories amounted to ₱24.24 billion and ₱24.43 billion, respectively and land and land development amounted to ₱17.39 billion and ₱18.79 billion, respectively (see Note 10).

Evaluation of Impairment on Nonfinancial Assets
The Group reviews its investment in an associate, property and equipment, investment properties and other assets (excluding short-term deposits) for impairment of value. This includes consideration of certain indicators of impairment such as significant change in asset usage, significant decline in asset's market value, obsolescence or physical damage of an asset, plans of discontinuing the real estate projects, and significant negative industry or economic trends. If such indicators are present, and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to recoverable amount. The recoverable amount is the asset's fair value less cost to sell, except for investment in an associate, which have recoverable value determined using value-in-use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's-length transaction while value-in-use is the present value of estimated future cash flows expected to arise from the investment in an associate. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

As at December 31, 2014 and 2013, the Group did not record impairment on any of its nonfinancial assets. The carrying values of the Group's nonfinancial assets (excluding goodwill) as of December 31 follow:

	2014	2013
	(In Thousands)	
Investment in an associate (Note 12)	**₱3,974,854**	₱4,018,058
Investment properties (Note 13)	**26,311,332**	19,592,830
Property and equipment (Note 14)	**1,323,190**	1,150,822
Other assets - net of short-term deposits (Note 15)	**3,574,599**	2,557,112

Evaluation of Impairment on Goodwill
Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill on acquisition of CPI and Festival Supermall structure is based on value-in-use calculations that uses a discounted cash flow model. For the Group's impairment test for goodwill on acquisition of FAC, the Group availed of the services of an independent appraiser to compute the value-in-use using income capitalization approach. The cash flows are derived from budget period of ten (10) years and do not include restructuring activities that the Group is not yet committed to nor significant future investments that will enhance the asset base of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as the expected future cash-inflows and the growth rates used. The pre-tax discount rates used in 2014 and 2013 was 10% and 12%, respectively. The growth rates used beyond the forecast period for different cash-generating units ranges from 5% to 10%.

As of December 31, 2014 and 2013, the Group has determined that its goodwill is not impaired. The carrying value of goodwill amounted to ₱4.57 billion as of December 31, 2014 and 2013 (see Note 4).

Estimating Retirement Liabilities
The determination of the Group's obligation and cost for retirement is dependent on selection of certain assumptions used by the actuary in calculating such amounts.

Those assumptions used are described in Note 24 and include among others, discount rates and rates of salary increase. While the Group believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions may materially affect the retirement obligations.

Retirement liabilities amounted to ₱236.32 million and ₱186.82 million as at December 31, 2014 and 2013, respectively. Retirement costs included under "General and administrative expenses" account amounted to ₱39.22 million, ₱28.94 million and ₱24.88 million in 2014, 2013 and 2012, respectively (see Notes 20 and 24).

Recognition of Deferred Income Tax Assets
The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of its deferred income tax assets to be utilized.

The Group's recognized deferred tax assets amounted to ₱121.43 million and ₱103.49 million as of December 31, 2014 and 2013, respectively (see Note 28). The tax effect of the Group's carryforward benefits of NOLCO and MCIT, for which no deferred income tax assets were recognized amounted to ₱2.14 million and ₱0.77 million as of December 31, 2014 and 2013, respectively (see Note 28).

Fair Values of Financial Instruments
The preparation of consolidated financial statements in compliance with PFRS requires certain financial assets and financial liabilities to be carried at fair value, the determination of which requires the use of extensive accounting estimates and judgments. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., interest rate), the amount of changes in fair value would differ due to usage of different valuation methodology. Any changes in fair value of these financial assets and financial liabilities would affect directly the Group's consolidated net income and other comprehensive income (see Note 29).

4. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of December 31, 2014 and 2013 consists of (amounts in thousands):

Festival Supermall structure	₱3,745,945
FAC	494,744
CPI	326,553
	₱4,567,242

In September 2006, the Group entered into a series of transactions pursuant to which it acquired: (1) 60% ownership interest in FAC from FDC; (2) 60% ownership interest in CPI from FAI; and (3) Festival Supermall structure from FAI. In exchange for acquiring these assets, the Group issued a total of about 5.64 billion common shares to FDC and FAI and assumed ₱2.50 billion outstanding debts of FDC and FAI. The business combinations resulted in the recognition of goodwill amounting to ₱4.24 billion, which comprises the fair value of expected synergies arising from the acquisitions.

Subsequently in February 2010, the Parent Company acquired the remaining 40% interests in CPI from Africa-Israel Properties (Phils.), Inc. to obtain full control of the then joint venture. The acquisition resulted in CPI becoming wholly-owned subsidiary of the Parent Company. The acquisition of the joint venture partner's interests was accounted for as business combination and resulted to recognition of goodwill amounting to ₱326.55 million.

5. Segment Reporting

For management purposes, the Group is organized into the following business units:

Real Estate
This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings.

Leasing
This involves the operations of Festival Supermall (the "Mall") and the leasing of office spaces in Makati City and Alabang, Muntinlupa City.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, which in certain respects, are measured similarly as net income in the consolidated financial statements.

The chief operating decision-maker has been identified as the Executive Committee. This committee reviews the Group's internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Group does not report its results based on geographical segments because the Group operates only in the Philippines.

No operating segments have been aggregated to form the above reportable segments.

Transfer prices between segments are on an arm's length basis and have the terms equivalent to transactions entered into with third parties.

The financial information about the financial position and result of operations of these business segments for the years ended December 31, 2014, 2013 and 2012 are summarized below (amounts in thousands).

	2014				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of an associate:					
External	₱15,005,751	₱2,252,014	₱17,257,765	(₱410,642)	₱16,847,123
Inter-segment	132,230	–	132,230	(132,230)	–
	15,137,981	2,252,014	17,389,995	(542,872)	16,847,123
Equity in net earnings of an associate	52,796	–	52,796	–	52,796
	₱15,190,777	₱2,252,014	₱17,442,791	(542,872)	₱16,899,919
Net income	₱3,711,936	₱1,304,058	₱5,015,994	(₱412,017)	₱4,603,977
Adjusted EBITDA	₱5,307,929	₱1,808,684	₱7,116,613	(₱447,061)	₱6,669,552
Segment assets	₱73,776,744	₱31,491,689	₱105,268,433	₱1,139,147	₱106,407,580
Less deferred tax assets	478	23,786	24,264	–	24,264
Net segment assets	₱73,776,266	₱31,467,903	₱105,244,169	₱1,139,147	₱106,383,316
Segment liabilities	₱46,304,859	₱7,854,514	₱54,159,373	₱166,633	₱54,326,006
Less deferred tax liabilities	2,386,976	27,047	2,414,023	143,945	2,557,968
Net segment liabilities	₱43,917,883	₱7,827,467	₱51,745,350	₱22,688	₱51,768,038
Cash flows from (used in):					
Operating activities	₱2,252,262	₱1,866,622	₱4,118,884	(₱821,535)	₱3,297,349
Investing activities	(4,117,238)	(1,914,553)	(6,031,791)	–	(6,031,791)
Financing activities	(1,588,753)	2,148,539	559,796	29,611	589,397

	2013				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of an associate:					
External	₱11,960,456	₱2,042,443	₱14,002,899	(₱372,181)	₱13,630,718
Inter-segment	103,563	–	103,563	(103,563)	–
	12,064,019	2,042,443	14,106,462	(475,744)	13,630,718
Equity in net earnings of an associate	438,074	–	438,074	(251,708)	186,366
	₱12,502,093	₱2,042,443	₱14,544,536	(₱727,452)	₱13,817,084
Net income	₱3,133,458	₱1,069,064	₱4,202,522	(₱226,577)	₱3,975,945
Adjusted EBITDA	₱4,254,031	₱1,529,092	₱5,783,123	(₱385,569)	₱5,397,554
Segment assets	₱73,083,324	₱24,406,563	₱97,489,887	₱607,159	₱98,097,046
Less deferred tax assets	–	12,320	12,320	–	12,320
Net segment assets	₱73,083,324	₱24,394,243	₱97,477,567	₱607,159	₱98,084,726
Segment liabilities	₱44,164,786	₱5,127,761	₱49,292,547	(₱181,413)	₱49,111,134
Less deferred tax liabilities	2,030,724	–	2,030,724	156,520	2,187,244
Net segment liabilities	₱42,134,062	₱5,127,761	₱47,261,823	(₱337,933)	₱46,923,890
Cash flows from (used in):					
Operating activities	₱1,539,970	₱1,692,111	₱3,232,081	(₱757,349)	₱2,474,732
Investing activities	(3,738,835)	(2,047,803)	(5,786,638)	–	(5,786,638)
Financing activities	6,562,623	1,004,295	7,566,918	(29,736)	7,537,182

	2012				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of an associate:					
External	₱10,118,138	₱1,908,543	₱12,026,681	(₱295,163)	₱11,731,518
Inter-segment	93,681	–	93,681	(93,681)	–
	10,211,819	1,908,543	12,120,362	(388,844)	11,731,518
Equity in net earnings of an associate	187,295	–	187,295	–	187,295
	₱10,399,114	₱1,908,543	₱12,307,657	(₱388,844)	₱11,918,813
Net income	₱2,565,329	₱1,067,965	₱3,633,294	(₱143,750)	₱3,489,544
Adjusted EBITDA	₱3,507,500	₱1,478,921	₱4,986,421	(₱302,398)	₱4,684,023
Segment assets	₱61,067,526	₱20,658,502	₱81,726,028	₱903,952	₱82,629,980
Less deferred tax assets	–	22,427	22,427	–	22,427
Net segment assets	₱61,067,526	₱20,636,075	₱81,703,601	₱903,952	₱82,607,553
Segment liabilities	₱32,624,587	₱3,723,807	₱36,348,394	₱35,632	₱36,384,026
Less deferred tax liabilities	1,752,427	–	1,752,427	153,155	1,905,582
Net segment liabilities	₱30,872,160	₱3,723,807	₱34,595,967	(₱117,523)	₱34,478,444
Cash flows from (used in):					
Operating activities	(₱2,239,914)	₱1,105,867	(₱1,134,047)	(₱450,837)	(₱1,584,884)
Investing activities	(2,454,566)	(1,416,343)	(3,870,909)	–	(3,870,909)
Financing activities	8,345,841	(2,047,127)	6,298,714	126,388	6,425,102

The following table shows a reconciliation of the adjusted earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA) to income before income tax in the consolidated statements of income:

	2014	2013	2012
		(In Thousands)	
Adjusted EBITDA	**₱6,669,552**	₱5,397,554	₱4,684,023
Depreciation and amortization (Notes 13 and 14)	**(396,959)**	(365,384)	(322,727)
Operating profit	**6,272,593**	5,032,170	4,361,296
Interest and other finance charges (Note 22)	**(647,617)**	(474,446)	(412,961)
Equity in net earnings of an associate (Note 12)	**52,796**	186,366	187,295
Income before income tax	**₱5,677,772**	₱4,744,090	₱4,135,630

6. Noncontrolling Interest in FAC

As of December 31, 2014 and 2013, noncontrolling interest amounting to ₱134.73 million and ₱353.04 million, respectively, represents 40% equity interest in FAC.

On July 17, 2014, FAC redeemed all the outstanding preferred shares proportionately from the Parent Company and from noncontrolling interest amounting to ₱282.94 million and ₱188.63 million, respectively.

The summarized financial information of FAC is provided below. This information is based on amounts after consolidation but before intercompany elimination.

Summarized statements of financial position as of December 31:

	2014	2013
	(In Thousands)	
Assets:		
Cash and cash equivalents	**₱171,421**	₱133,689
Other current assets	**138,391**	179,389
Other noncurrent assets excluding goodwill	**1,387,355**	1,452,090
Goodwill	**494,744**	494,744
Liabilities:		
Current liabilities	**(₱388,361)**	(₱274,985)
Noncurrent liabilities	**(971,978)**	(607,592)
Total Equity	**₱831,572**	₱1,377,335
Attributable to:		
Equity holders of the Parent	**₱696,841**	₱1,024,298
Noncontrolling interest	**134,731**	353,037

Summarized statements of comprehensive income for the years ended December 31:

	2014	2013	2012
		(In Thousands)	
Revenue	**₱355,094**	₱315,521	₱296,024
Costs	**(95,747)**	(95,211)	(80,618)
Interest and other finance charges	**(33,075)**	(31,523)	(32,280)
Income before income tax	**226,272**	188,787	183,126
Provision for income tax	**(50,465)**	(44,462)	(37,853)
Net income/Total comprehensive income	**₱175,807**	₱144,325	₱145,273
Attributable to noncontrolling interest	**₱70,323**	₱57,730	₱58,109
Dividends paid to noncontrolling interest	**100,000**	72,000	53,858

Summarized statements of cash flows information for the years ended December 31:

	2014	2013	2012
		(In Thousands)	
Operating	**₱333,376**	₱205,094	₱290,773
Investing	**(15,910)**	(8,795)	–
Financing	**(279,734)**	(210,121)	(250,363)
	₱37,732	(₱13,822)	₱40,410

7. Cash and Cash Equivalents

This account consists of:

	2014	2013
	(In Thousands)	
Cash on hand and in banks	₱3,121,211	₱2,890,059
Short-term deposits	1,124,476	3,500,673
	₱4,245,687	₱6,390,732

Cash in bank earns interest at the prevailing bank deposit rates. Short-term deposits are made for varying periods up to three (3) months and earn interest at the respective short-term deposit rates. Interest income earned on the Group's cash and cash equivalents amounted to ₱13.36 million, ₱37.24 million and ₱54.56 million in 2014, 2013 and 2012, respectively (see Note 22).

There is no cash restriction on the Group's cash and cash equivalents as at December 31, 2014 and 2013.

8. Contracts Receivable

This account consists of:

	2014	2013
	(In Thousands)	
Contracts receivable	₱16,457,256	₱12,602,877
Receivables from government and financial institutions	515,091	480,898
	₱16,972,347	₱13,083,775

Contracts receivable are collectible over varying periods within two to 10 years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold.

Receivables from government and financial institutions pertain to government and bank financed real estate sales. Receivables from government and financial institutions are collectible within one year.

The following table presents the breakdown of contracts receivable by maturity dates:

	2014			2013		
	Due Within One Year	Due After One Year	Total	Due Within One Year	Due After One Year	Total
			(In Thousands)			
Contracts receivable	₱4,061,378	₱12,395,878	₱16,457,256	₱3,983,705	₱8,619,172	₱12,602,877
Receivables from government and financial institutions	515,091	–	515,091	480,898	–	480,898
	₱4,576,469	₱12,395,878	₱16,972,347	₱4,464,603	₱8,619,172	₱13,083,775

Interest income recognized on contracts receivable amounted to ₱672.37 million, ₱465.22 million and ₱420.37 million in 2014, 2013 and 2012, respectively (see Note 22). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these years.

The Group entered into various agreements with financial institutions whereby the Group rediscounted its contracts receivable with a provision that the Group should buy back these receivables when certain conditions happen such as receivables becoming overdue for two to three consecutive months, when the contract to sell has been cancelled, when the accounts remain outstanding after the lapse of five (5)-year holding period, when property covering the receivables becomes subject to complaint or legal action and the account's interest rate becomes lower than the bank's interest rate. These receivables are therefore retained in the books. The proceeds from the sale were used to fund development and construction of various projects. The Group's related liability for receivables discounted included under "Accounts payable and accrued expenses" account amounted to ₱8.50 million and ₱37.24 million as of December 31, 2014 and 2013, respectively (see Note 16).

The Group has a mortgage insurance contract with Home Guaranty Corporation (HGC), a government insurance company for a retail guaranty line. As of December 31, 2014 and 2013, the contracts covered by the guaranty line amounted to ₱0.23 billion and ₱0.58 billion, respectively, including receivables sold with buy back provisions. As of December 31, 2014 and 2013, the remaining unutilized guaranty line amounts to ₱4.63 billion.

On January 3, 2012, the Group entered into a Receivable Purchase Agreement with East West Banking Corporation (EW), an entity under common control of the ultimate parent. The Group agreed to sell, assign, transfer and convey to EW all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EW will be serviced by the Group under an Accounts Servicing Agreement. Under this agreement, the Group shall be responsible for the monitoring and collection of contracts receivables sold to EW, including safekeeping of the collections in trust until these are remitted to EW, 10 days after the beginning of each month.

For the performance of the said services, the Group will charge EW a service fee equivalent to a certain percentage of amounts actually received and collected. Although the Group retains the contractual rights to receive cash flows from the contracts receivables sold to EW, this will be subsequently distributed to EW under a "pass-through arrangement".

In the above transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Group has no liability to EW for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements.

In 2013 and 2012, the Parent Company has sold contracts receivable amounting to ₱266.96 million and ₱849.59 million, recognizing a gain on sale of contracts receivable amounting to ₱58.4 million and ₱113.74 million, respectively. There were no contracts receivable sold to EW in 2014 (see Notes 19 and 23).

9. Other Receivables

This account consists of:

	2014	2013
	(In Thousands)	
Advances to contractors and suppliers	**₱2,180,422**	₱1,280,253
Advances to joint venture partners	**397,986**	1,035,469
Receivables from tenants	**339,705**	295,593
Receivables from homeowners' associations	**228,811**	246,581
Receivables from buyers	**239,141**	179,045
Advances to employees	**169,328**	118,403
Others	**55,388**	80,038
	3,610,781	3,235,382
Less: Allowance for doubtful accounts	**109,825**	98,643
	₱3,500,956	₱3,136,739

"Advances to contractors and suppliers" pertain to down payment made by the Group which are applied against future billings for development and construction contracts.

"Advances to joint venture partners" are advances (e.g., property taxes and permits) which are normally applied against the share of the joint venture partners from sale of the joint venture properties.

"Receivables from tenants" represent charges to tenants for rentals and utilities normally collectible within a year. Allowance for doubtful accounts related to these receivables amounted to ₱23.81 million and ₱20.63 million as of December 31, 2014 and 2013, respectively.

Provision for doubtful accounts recorded in 2014 and 2012 amounted to ₱3.18 million and ₱6.39 million, respectively, while reversal of provision for doubtful accounts recorded in 2013 amounted to ₱4.54 million.

"Receivables from homeowners' associations" represent claims from the homeowners' association of the Group's projects for the payment of the expenses on behalf of the association. Allowance for doubtful accounts related to these receivables amounted to ₱86.01 million and ₱78.01 million as of December 31, 2014 and 2013. Provision for doubtful accounts amounting to ₱8.00 million, ₱30.00 million and ₱12.00 million were recognized in 2014, 2013 and 2012, respectively

"Receivables from buyers" include receivables relating to insurance and registration of properties advanced by the Group.

"Advances to employees" represent advances for project costs, marketing activities, travel and other expenses arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

"Others" represents advances for selling, marketing, and administrative expenses of international sales offices, arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

As of December 31, 2014 and 2013, all other receivables, except for a portion in advances to joint venture partners and contractors amounting to ₱397.99 million and ₱1.04 billion, respectively, are due within one year.

Below is the movement of the allowance for doubtful accounts:

	2014	2013
	(In Thousands)	
Balance at beginning of year	**₱98,643**	₱73,180
Provisions - net of reversals (Note 20)	**11,182**	25,463
Balance at end of year	**₱109,825**	₱98,643

10. Real Estate Inventories and Land and Land Development

This account consists of:

	2014	2013
	(In Thousands)	
Subdivision lots and housing units for sale	**₱23,449,876**	₱23,657,594
Investment in club project	**789,112**	769,364
Real estate inventories	**₱24,238,988**	₱24,426,958
Land and land development	**₱17,388,474**	₱18,794,686

In February 2009, the Parent Company signed an agreement with the Cebu City Government to develop 50.6 hectares of the South Road Properties, a 300-hectare reclaimed land project located in Cebu City (see Note 31). The agreement involves:

(a) purchase by the Group of 10.6 hectares of the property to be developed into a modern urban center consisting of residential, office, commercial, hotel and leisure buildings and a public promenade which is a one kilometer long waterfront lifestyle strip that will offer a range of seaside leisure activities. Payments made to the Cebu City Government in 2014 and 2013 amounted to ₱224.4 million and ₱234.8 million, respectively, with the remaining balance of the total purchase price payable in 2015.

As of December 31, 2014, the Group plans to complete the first two phases of the waterfront lifestyle strip covering seven hectares in 2015.

(b) development of the remaining 40 hectares of the property under a profit-sharing arrangement with the Cebu City Government. The profit sharing of the Parent Company and the Cebu City Government is 90% and 10%, respectively. The 40 hectares will be developed in four (4) phases over a 20-year period, with the Group contributing the development costs, as well as the marketing and management services. The Group plans to develop the 40 hectares mainly into a residential resort town composed of Italian-inspired residential communities.

A summary of the movement in subdivision lots and housing units for sale is set out below:

	2014	2013
	(In Thousands)	
Balance at beginning of year	**₱23,657,594**	₱22,985,107
Land costs transferred from land and land development	**637,550**	289,704
Construction/development costs incurred	**6,399,351**	5,773,075
Capitalized borrowing costs	**476,420**	645,537
Cost of real estate sales	**(7,721,039)**	(6,035,829)
	₱23,449,876	₱23,657,594

Capitalization rate for the capitalized borrowing costs is 2%, 3% and 5% in 2014, 2013 and 2012, respectively.

A summary of the movement in investment in club project is set out below:

	2014	2013
	(In Thousands)	
Balance at beginning of year	**₱769,364**	₱692,349
Cost of sale of club shares	**(5,125)**	(251)
Site development and incidental costs	**24,873**	77,266
	₱789,112	₱769,364

A summary of the movement in land and land development is set out below:

	2014	2013
	(In Thousands)	
Balance at beginning of year	**₱18,794,686**	₱15,368,369
Land acquisitions	**1,808,824**	3,654,647
Land costs transferred to real estate inventories	**(637,550)**	(289,704)
Transfers to investment property (Note 13)	**(3,022,900)**	(1,051,602)
Site development and incidental costs	**445,414**	1,112,976
	₱17,388,474	₱18,794,686

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is ongoing, amounted to ₱272.66 million and ₱366.43 million for the years ended December 31, 2014 and 2013, respectively. Capitalization rate is 1.36% and 2.20% for the years ended December 31, 2014 and 2013, respectively.

As of December 31, 2014 and 2013, the Group is committed to pay land acquisition costs amounting to ₱141.80 million and ₱791.77 million as of December 31, 2014 and 2013, respectively. There are no other purchase commitments as of December 31, 2014 and 2013.

11. Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income account as of December 31, 2014 and 2013 consist of:

	2014	2013
	(In Thousands)	
Investment in shares of stock		
Quoted	**₱9,321**	₱3,321
Unquoted	**14,531**	14,531
	₱23,852	₱17,852

Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects. These investments are carried at cost less accumulated impairment, if any.

In 2013, the Group's unquoted shares of stock amounting to ₱6.77 million were redeemed. There was no redemption in 2014 and 2012.

12. Investment in an Associate

This account consists of:

	2014	2013
	(In Thousands)	
At equity:		
Acquisition cost	**₱800,000**	₱800,000
Accumulated equity in net earnings:		
Balance at the beginning of year	**979,842**	873,876
Dividends received	**(96,000)**	(80,400)
Equity in net earnings for the year	**52,796**	186,366
Balance at end of year	**936,638**	979,842
	1,736,638	1,779,842
Share in revaluation increment on land at deemed cost	**1,876,422**	1,876,422
Share in other components of equity	**361,794**	361,794
	₱3,974,854	₱4,018,058

The Parent Company has a 20% interest in FAI which is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate, marketing, managing mall and theater operations in the Philippines.

On December 10, 2014, FAI declared and distributed from its unappropriated retained earnings cash dividend of ₱0.08 per share or a total of ₱480.0 million to all shareholders of record as of December 31, 2013. The Group received its 20% share in the dividends amounting to ₱96.00 million.

On September 6, 2013, FAI declared and distributed from its unappropriated retained earnings cash dividend of ₱0.067 per share or a total of ₱402.00 million for all shareholders of record as of September 6, 2013. The Group received its 20% share in the dividends amounting to ₱80.40 million.

On November 28, 2012, FAI declared and distributed from its unappropriated retained earnings cash dividend of ₱0.0625 per share or a total of ₱375.00 million for all shareholders of record as of December 14, 2012. The Group received its 20% share in the dividends amounting to ₱75.00 million.

The Group does not restrict profit distribution of its associate. The associate has no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2014 and 2013.

Summarized financial information and reconciliation of investment in FAI is as follows:

	2014	2013
	(In Thousands)	
Assets		
Cash and cash equivalents	**₱741,320**	₱1,317,114
Receivables	**1,780,624**	1,809,896
Real estate inventories	**10,177,214**	9,032,472
Investment properties	**18,554,794**	18,542,472
Property and equipment	**1,995,574**	1,988,598
Other assets	**431,043**	303,322
Total assets	**33,680,569**	32,993,874
Liabilities		
Accounts payable and accrued expenses	**3,828,179**	2,714,729
Loans payable	**2,306,667**	2,339,159
Retirement liability	**102,245**	84,050
Income tax payable	**3,959**	182,353
Deferred tax liabilities	**4,584,570**	4,602,614
Total liabilities	**10,825,620**	9,922,905
Equity	**₱22,854,949**	₱23,070,969
Proportion of the Group's ownership	**20%**	20%
Equity in net assets of associate	**₱4,570,990**	₱4,614,194
Less upstream sales	**596,136**	596,136
Carrying amount of the investment	**₱3,974,854**	₱4,018,058

	2014	2013
	(In Thousands)	
Sales and other revenue	**₱1,750,706**	₱3,291,086
Cost and other expenses	**(1,110,828)**	(1,394,201)
Depreciation	**(179,962)**	(151,633)
Interest expense	**(67,157)**	(56,169)
Interest income	**5,873**	7,580
Income before tax	**398,632**	1,696,663
Income tax expense	**134,654**	513,127
Net income for the year	**263,978**	1,183,536
Less upstream sales (Note 19)	**–**	251,708
Net income after elimination of upstream sales	**₱263,978**	₱931,828
Group's equity in net earnings of associate	**₱52,796**	₱186,366

13. Investment Properties

The rollforward analysis of this account as of December 31 follows:

	2014			
	Land	Buildings and Improvements	Machinery and Equipment	Total
	(In Thousands)			
Cost				
Balances at beginning of year	₱7,383,967	₱14,685,228	₱67,691	₱22,136,886
Additions and transfers (Note 10)	3,739,096	3,357,584	3,262	7,099,942
Balances at end of year	11,123,063	18,042,812	70,953	29,236,828
Accumulated Depreciation				
Balances at beginning of year	–	2,502,589	41,467	2,544,056
Depreciation and transfers (Note 20)	–	374,621	6,819	381,440
Balances at end of year	–	2,877,210	48,286	2,925,496
Net Book Value	₱11,123,063	₱15,165,602	₱22,667	₱26,311,332

	2013			
	Land	Buildings and Improvements (Note 14)	Machinery and Equipment	Total
	(In Thousands)			
Cost				
Balances at beginning of year	₱5,985,751	₱12,241,008	₱63,338	₱18,290,097
Additions and transfers (Note 10)	1,398,216	2,444,220	4,353	3,846,789
Balances at end of year	7,383,967	14,685,228	67,691	22,136,886
Accumulated Depreciation				
Balances at beginning of year	–	2,280,266	31,320	2,311,586
Depreciation and transfers (Note 20)	–	222,323	10,147	232,470
Balances at end of year	–	2,502,589	41,467	2,544,056
Net Book Value	₱7,383,967	₱12,182,639	₱26,224	₱19,592,830

Investment properties consist mainly of the commercial mall and buildings acquired as part of the exchange transaction in September 2006 (see Note 4).

Borrowing costs capitalized as part of investment properties amounted to ₱856.07 million and ₱380.66 million in 2014 and 2013, respectively. Capitalization rate used ranges from 2.0% to 5.10% in 2014, 2.1% to 3.1% in 2013 and 2.4% to 6.0% in 2012.

The aggregate fair value of the Group's investment properties amounted to ₱40.86 billion and ₱28.11 billion as of December 31, 2014 and 2013, respectively, based on the market data approach for land and income approach using discounted cash flow analysis for buildings. The values used by the Group are based on a third party appraisal performed in 2010 and were updated using December 31, 2014 and 2013 year-end values and assumptions.

In the market data approach, the value of investment properties is based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires establishing comparable property by reducing reasonable comparative sales and listing to a common denominator. This is done by adjusting the difference between the subject properties and those actual sales and listing regarded as comparable. The properties used as basis of comparison are situated within the immediate vicinity of the subject properties. While in the income approach, all expected cash flows from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations.

Rental income from investment properties amounted to ₱2.26 billion, ₱2.03 billion and ₱1.89 billion in 2014, 2013 and 2012, respectively. Operating expenses from investment properties amounted to ₱511.98 million, ₱491.40 million and ₱473.62 million in 2014, 2013 and 2012, respectively.

14. Property and Equipment

The rollforward analysis of this account as of December 31 follows:

	2014						
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
	(In Thousands)						
Cost							
Balances at beginning of year	₱1,106,749	₱202,712	₱91,061	₱71,899	₱34,399	₱30,735	₱1,537,555
Additions and transfers	31,762	137,557	5,909	21,631	959	19,078	216,896
Balances at end of year	1,138,511	340,269	96,970	93,530	35,358	49,813	1,754,451
Accumulated Depreciation and Amortization							
Balances at beginning of year	70,277	175,677	65,479	47,898	27,402	–	386,733
Depreciation and amortization - net of transfers (Note 20)	20,205	12,838	7,897	1,926	1,662	–	44,528
Balances at end of year	90,482	188,515	73,376	49,824	29,064	–	431,261
Net Book Value	₱1,048,029	₱151,754	₱23,594	₱43,706	₱6,294	₱49,813	₱1,323,190

	2013						
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress (Note 13)	Total
	(In Thousands)						
Cost							
Balances at beginning of year	₱464,440	₱188,668	₱78,741	₱50,199	₱32,614	₱845,147	₱1,659,809
Additions and transfers (Note 12)	642,309	14,044	12,320	21,700	1,785	(814,412)	(122,254)
Balances at end of year	1,106,749	202,712	91,061	71,899	34,399	30,735	1,537,555
Accumulated Depreciation and Amortization							
Balances at beginning of year	27,743	169,920	62,912	46,218	25,073	–	331,866
Depreciation and amortization - net of transfers (Note 20)	42,534	5,757	2,567	1,680	2,329	–	54,867
Balances at end of year	70,277	175,677	65,479	47,898	27,402	–	386,733
Net Book Value	₱1,036,472	₱27,035	₱25,582	₱24,001	₱6,997	₱30,735	₱1,150,822

As of December 31, 2014 and 2013, cost of fully depreciated property and equipment still used in operations amounted to ₱12.38 million and ₱6.98 million, respectively.

15. Other Assets

This account consists of:

	2014	2013
	(In Thousands)	
Input taxes	**₱1,316,635**	₱1,012,981
Prepaid expenses	**445,997**	599,935
Deposits	**389,325**	179,159
Creditable withholding taxes	**107,410**	320,776

(Forward)

	2014	2013
	(In Thousands)	
Construction materials and supplies	**₱65,493**	₱56,639
Short-term deposits (Note 30)	**18,762**	143,382
Other noncurrent assets	**1,249,739**	387,622
	₱3,593,361	₱2,700,494

"Input taxes" represent the VAT due or paid on purchases of goods and services subjected to VAT that the Group can claim against any output VAT on sale of goods and services.

"Prepaid expenses" include commissions paid to brokers relating to the sales of real estate inventories which do not qualify yet for revenue recognition. Such amount will be recognized as expense when the qualification for recognition has been met for the related revenue.

"Deposits" include advances to sellers for the purchase of raw land prior to issuance of Contract to Sell. These also include utility and security deposits.

"Creditable withholding taxes" are the taxes withheld by the withholding agents from payments to the sellers which is creditable against the income tax payable.

"Other noncurrent assets" pertain to the cost related to the Build Transfer and Operate (BTO) agreement with The Province of Cebu (Cebu Province) entered into on March 26, 2012. The BTO project relates to the development, construction and operation of Business Process Outsourcing (BPO) Complex by the Group at the land properties owned by Cebu Province located at Salinas, Lahug Cebu City (see Note 31).

16. Accounts Payable and Accrued Expenses

This account consists of:

	2014			2013		
	Due Within One Year	Due After One Year	Total	Due Within One Year	Due After One Year	Total
			(In Thousands)			
Accounts payable	**₱5,043,378**	96,668	**₱5,140,046**	₱5,761,215	₱165,756	₱5,926,971
Deposits for registration and insurance	**189,855**	1,359,327	**1,549,182**	138,167	989,253	1,127,420
Advances and deposits from customers	**1,410,239**	–	**1,410,239**	1,247,252	–	1,247,252
Retention fees payable	**813,933**	490,687	**1,304,620**	596,338	359,508	955,846
Deposits from tenants	**495,596**	164,462	**660,058**	230,246	292,494	522,740
Accrued expenses	**322,975**	–	**322,975**	267,193	–	267,193
Accrued interest on bonds and loans (Notes 17 and 18)	**254,278**	–	**254,278**	215,193	–	215,193
Liabilities on receivables sold to banks (Note 8)	**5,585**	2,919	**8,504**	23,325	13,915	37,240
Other payables	**195,096**	–	**195,096**	141,557	–	141,557
	₱8,730,935	₱2,114,063	**₱10,844,998**	₱8,620,486	₱1,820,926	₱10,441,412

"Accounts payable" includes the outstanding balance of the costs of raw land acquired by the Group and is payable on scheduled due dates or upon completion of certain requirements (see Note 10). This account also includes amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Group.

"Deposits for registration and insurance" pertain to amounts collected from buyers for payment of registration and insurance of real estate properties.

"Advances and deposits from customers" include collections from accounts which do not qualify yet for revenue recognition as real estate sales and any excess of collections over the recognized receivables on sale of real estate inventories.

"Deposits from tenants" are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

"Retention fees payable" pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

"Accrued expenses" pertain to various operating expenses incurred by the Group in the course of business such as salaries and wages, professional fees and utilities expense, among others.

"Other payables" pertain mainly to withholding taxes and output VAT payables.

17. Loans Payable

This account consists of:

	2014	2013
	(In Thousands)	
Term loans from a financial institution (Note 19)	**₱225,000**	₱675,000
Developmental loans from local banks	**16,294,797**	14,076,209
	16,519,797	14,751,209
Less current portion of loans	**2,284,109**	1,541,914
Long term portion of loans payable	**₱14,235,688**	₱13,209,295

a. *Term Loans from a Financial Institution*
On June 17, 2005, the Group entered into a Local Currency Loan Agreement with a foreign financial institution whereby the Group was granted a credit line facility amounting to ₱2.25 billion. In October 2005, the Group availed of ₱1.13 billion or half of the total amount granted. The loan is payable in 10 semi-annual installments commencing December 2010 and ending June 2015. This loan carries a fixed interest rate of 7.72% per annum.

In July 2007, the Group availed of the remaining balance of the facility amounting to ₱1.12 billion. The loan is also payable in 10 semi-annual installments commencing December 2010 and ending June 2015. This loan has a fixed annual interest rate of 7.90%.

Both loans were guaranteed by FDC (see Note 19). Principal payments made in 2014 and 2013 amounted to ₱450.00 million in each year. Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱42.22 million and ₱78.73 million in 2014 and 2013, respectively.

b. *Developmental Loans from Local Banks*

Below are the details of the loans presented at gross of unamortized deferred charges amounting to ₱25.45 million and ₱39.04 million, as of December 31, 2014 and 2013, respectively. These are recorded under "Loans payable".

	2014	2013
	(In Thousands)	
Unsecured loan obtained in July 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 5.07% per annum, payable quarterly in arrears. The principal is payable at maturity on July 2018.	**₱1,500,000**	₱1,500,000
Unsecured loan obtained in June 2013 with a fixed interest rate of 4.98% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting September 2015 up to June 2018.	**1,148,500**	1,148,500
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum GRT 5 years (fixed rate) 4.28% per annum, payable quarterly in arrears. The 50% balance is payable in twenty (20) equal quarterly installments starting August 2015 up to May 2020 and the remaining 50% balance is payable in August 2020.	**1,000,000**	1,000,000
Unsecured loan obtained in November 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 5.50% per annum, payable quarterly in arrears. The principal is payable at maturity on November 2017.	**1,000,000**	1,000,000
Unsecured loan obtained in January 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum GRT 5 years (fixed rate) 6.39% per annum, payable quarterly in arrears. The principal is payable at maturity on January 2017.	**1,000,000**	1,000,000
Unsecured loan obtained in April 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 6.12% per annum, payable quarterly in arrears. The principal is payable at maturity on January 2017.	**1,000,000**	1,000,000
Unsecured loan obtained in September 2014 with interest at prevailing market rate 3.00%, payable quarterly in arrears. The principal is payable at maturity on August 2015.	**1,000,000**	–
Unsecured loan obtained in February 2013 with interest at prevailing market rate plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	**750,000**	750,000
Unsecured loan obtained in December 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate of 4.62% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on March 2016 and 50% payable at maturity on December 2020.	**700,000**	700,000
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.30% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on October 2016 and 50% payable at maturity on July 2021.	**700,000**	–
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 5.52% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on October 2016 and 50% payable at maturity on July 2021.	**600,000**	–

(Forward)

	2014	2013
	(In Thousands)	
Unsecured loans obtained in August 15, 2012 with interest of 5.79% per annum (inclusive of GRT), subject to repricing and payable quarterly in arrears. The loan has a term of 7 years, inclusive of 2 year grace period on principal repayment, 50% principal balance is payable in 20 equal quarterly installments to commence on November 2014 and 50% payable at maturity on August 2019.	**₱585,000**	₱600,000
Unsecured loan obtained in October 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate of 4.21% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on January 2016 and 50% payable at maturity on October 2020.	**550,000**	550,000
Unsecured loan obtained in March 2011 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum, payable quarterly in arrears. The 50% of principal payable in 12 equal quarterly amortization to commence on June 2013 and 50% payable at maturity on March 2016.	**531,250**	656,250
Unsecured loan obtained in December 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 5.29% per annum, payable quarterly in arrears. The principal is payable at maturity on December 2017.	**500,000**	500,000
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 4.28% per annum, payable quarterly in arrears. The 50% balance is payable in twenty (20) equal quarterly installments starting August 2015 up to May 2020 and the remaining 50% balance is paid in August 2020.	**500,000**	500,000
Unsecured loan obtained in March 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.27% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on November 2015 and 50% payable at maturity on August 2020.	**500,000**	–
Unsecured loan obtained in November 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.80% per annum, payable quarterly in arrears. The principal is payable upon maturity in November 2019.	**500,000**	–
Unsecured loan obtained in June 2011 with interest rate equal to 91-day PDST-F rate plus a spread of 1% per annum, payable quarterly in arrears. The 50% balance is paid in July 2011 and the remaining 50% balance is payable in twelve (12) equal quarterly installments starting September 2013 up to June 2016.	**375,000**	625,000
Unsecured loan obtained in October 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate of 6.03% per annum), payable quarterly in arrears. The principal is payable at maturity on October 2017.	**300,000**	300,000
Unsecured loan obtained in May 2013 with interest rate equal to BSP overnight reverse repurchase agreement plus 1% per annum plus GRT (Fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	**300,000**	300,000
Unsecured loan obtained in May 17, 2012 with interest at prevailing market rate, subject to repricing and payable quarterly in arrears. The loan has a term of 7 years, inclusive of 2 year grace period on principal repayment, 50% principal balance is payable in 20 equal quarterly installments to commence on August 2014.	**285,000**	300,000

(Forward)

	2014	2013
	(In Thousands)	
Unsecured loan obtained in May 2013 with interest rate equal to BSP overnight reverse repurchased agreement plus 1% per annum plus GRT (fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	**₱250,000**	₱250,000
Unsecured loan obtained in December 2011 with interest at prevailing market rate 4.2% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting March 2014 to December 2016.	**233,333**	350,000
Unsecured loan granted in November 10, 2011 with a term of 7 years with 2 years grace period on principal repayment. Interest is based on prevailing market rate, subject to quarterly repricing and payable quarterly in arrears. 50% of principal is payable in 12 quarterly amortization commencing on February 10, 2014 and 50% is payable on maturity.	**180,000**	200,000
Unsecured loan granted in December 2012 with a term of five years with 50% of principal payable in 20 equal quarterly amortization to commence on March 2013 and 50% payable at maturity on December 2017. The loan carries interest at prevailing market rate.	**120,000**	135,000
Unsecured loan granted in May 2010 with a term of five years with 50% of principal payable in 12 equal quarterly amortization to commence on August 2012 and 50% payable at maturity in May 2015. The loan carries interest at prevailing market rate payable quarterly in arrears.	**116,667**	150,000
Unsecured loan granted in May 2012 payable over 7-year period inclusive of 2 year grace period; 50% of principal is payable in 20 equal quarterly amortizations to commence on August 2014 and 50% payable at maturity on May 2019. The loan carries interest at prevailing market rate.	**95,000**	100,000
Unsecured loan obtained in February 2013 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	**500**	500
Unsecured loan obtained in March 2013 with interest rate of 4.32% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable at maturity on March 2014.	–	500,000
Total	**₱16,320,250**	₱14,115,250

The Group's loans payable are unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned loans require maintaining certain financial ratios including maximum debt-to-equity ratio of 1.0x; minimum debt service coverage ratio of 1.5x; minimum interest coverage ratio of 2.0x; and limit in single mortgage, unhedged foreign currency open position, and loans to related parties of 1%, 10% and 15% of shareholders' equity, respectively.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; incurrence or assumption of indebtedness outside the normal course of business; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted as of December 31, 2014 and 2013.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱773.84 million and ₱617.04 million in 2014 and 2013, respectively.

18. Bonds Payable

On November 19, 2009, the Parent Company issued fixed rate bonds (the "Bonds") with aggregate principal amount of ₱5.00 billion, comprised of three (3)-year fixed rate bonds due in 2012 and five (5)-year fixed rate bonds due in 2014. The three-year bonds have a fixed interest rate of 7.53% per annum. Interest is payable quarterly in arrears starting on February 19, 2010. The five (5)-year bonds have a fixed interest rate of 8.46% per annum. Interest is payable quarterly in arrears starting on February 20, 2010. The ₱0.50 billion and ₱4.50 billion three (3)-year fixed rate bond was paid by the Parent Company on November 16, 2012 and November 19, 2014, respectively.

On July 7, 2011, the Parent Company issued fixed rate bonds with principal amount of ₱3.00 billion, to finance its capital requirements in 2011 and 2012. The term of the bonds is five (5) years from the issue date with fixed interest rate of 6.2% per annum, payable quarterly in arrears starting on October 7, 2011.

Unamortized debt issuance cost on 2011 fixed rate bonds amounted to ₱18.55 million and ₱28.10 million as of December 31, 2014 and 2013, respectively. Accretion in 2014, 2013 and 2012 included as part of 'Interest and other finance charges' amounted to ₱9.55 million, ₱8.94 million and ₱8.39 million, respectively (see Note 22).

On June 8, 2012, the Parent Company issued another fixed rate bonds with aggregate principal amount of ₱7.00 billion and term of seven (7) years from the issue date. The fixed interest rate is 6.27% per annum, payable quarterly in arrears starting on September 8, 2012.

Unamortized debt issuance cost on bonds payable amounted to ₱48.73 million and ₱61.90 million as of December 31, 2014 and 2013, respectively. Accretion in 2014, 2013 and 2012 included as part of 'Interest and other finance charges' amounted to ₱13.02 million, ₱13.87 million and ₱10.91 million, respectively (see Note 22).

On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion seven (7)-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion ten (10)-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014.

Unamortized debt issuance cost on bonds payable amounted to ₱68.77 million and ₱81.07 million as of December 31, 2014 and 2013, respectively. Accretion in 2014 and 2013 included as part of 'Interest and other finance charges' amounted to ₱12.30 million and ₱1.84 million, respectively (see Note 22).

On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion seven (7)-year fixed rate bonds due in 2021 and ₱1.70 billion ten (10)-year fixed rate bonds due in 2024. The seven-year bonds carry a fixed rate of 5.4% per annum, while the ten (10)-year bonds have a fixed interest rate of 5.64% per annum.

Unamortized debt issuance cost on bonds payable amounted to ₱76.95 million as of December 31, 2014. Accretion in 2014 included as part of "Interest and other finance charges" amounted to ₱0.93 million (see Note 22).

These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio of 2.0x; minimum current ratio of 2.0x; and minimum debt service coverage ratio of 1.0x. As of December 31, 2014 and 2013, the Group is not in breach of any of these debt covenants.

Interest incurred on bonds (gross of related capitalized borrowing costs) amounted to ₱1.36 billion and ₱1.08 billion in 2014 and 2013, respectively.

19. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

Significant transactions with related parties are as follows:

a. On January 3, 2012, the Group entered into Receivable Purchase Agreement and Accounts Servicing Agreement with EW. As of December 31, 2013 and 2012, the Parent Company has sold contracts receivable for a total purchase price of ₱266.96 million and ₱849.59 million, respectively, recognizing a gain on sale amounting to ₱58.40 million and ₱113.74 million, respectively, recorded under "Other income" (nil as of and for the year ended December 31, 2014; see Notes 8 and 23). The Group also maintains cash and cash equivalents with EW.

b. Transactions with the Group's ultimate parent company relates to sharing of common expenses.

c. In 2012, the Group purchased from FDC a parcel of land located in San Juan City for total purchase price of ₱109.63 million. The Group originally leased this land, together with the building constructed in it, as its head office, recognizing rental expense of ₱43.82 million in 2012. The Group has started development on the said land in 2013. The Group also charged FDC certain common expenses paid by the Group in its behalf.

   Further, starting in 2009, Promax was appointed by FDC, as a marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price (see Note 23).

   Loans guaranteed by FDC amounted to ₱225.00 million and ₱675.00 million as of December 31, 2014 and 2013, respectively (see Note 17).

d. In 2013, the Parent Company purchased from FAI a parcel of land located at Alabang, Muntinlupa City for a total purchase price of ₱603.40 million. As of December 31, 2013, outstanding liability amounted to ₱488.75 million. The Parent Company has substantially completed the development project of the first tower on this property as of December 31, 2013.

   Due from associate include receivable for the transfer of equipment, furniture and fixtures and inventories to an affiliate for the start-up of operations. It also includes share in Group's common expenses.

Other transactions with FAI include noninterest-bearing cash advances and various charges for rent, management fees, marketing fees, share of expenses and commission charges.

e. In 2007, the Group entered into a development agreement with GCK Realty Corporation (GCK), an affiliate. The agreement provides that the Parent Company shall undertake the construction of a condominium building on the land owned by GCK located in Kamputhaw, Cebu City.

The agreement further provides that the Parent Company shall shoulder all costs and expenses necessary and incidental to the construction of the building. The saleable condominium units forming part of the building as developed shall be allocated between the Group and GCK on a 92% and 8% share, respectively.

GCK shall pay the Group management fee and the reimbursable commissions paid by the Group to the brokers based on certain percentage of the gross selling price of the units owned by GCK. The Group shall likewise set aside an amount equivalent to a certain percentage of all collections received from the sale of units of GCK for expenses related to maintenance and upkeep of the building. In 2010, the Group started to remit sales on the sold units belonging to GCK.

f. The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱26.52 million, ₱23.40 million and ₱23.90 million in 2014, 2013 and 2012, respectively. Post-employment benefits of key management personnel amounted to ₱2.86 million and ₱5.50 million in 2013 and 2012, respectively (nil in 2014).

The amounts and the balances arising from the foregoing significant related party transactions are presented below. Outstanding liabilities are unsecured and no impairment loss was recognized on any of the assets.

	2014			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
	(In Thousands)			
a. Bank under common control of the ultimate parent				
Cash and cash equivalents	₱2,693,561	₱2,693,561	0.5% to 4.5%	No impairment
Interest income	9,971	–		
	₱2,703,532	₱2,693,561		
b. Ultimate Parent	₱401	₱1,097	Non - interest bearing, payable on demand	Unsecured, no impairment
c. Parent	3,746	42,542	Non - interest bearing, payable on demand	Unsecured, no impairment
e. Affiliates	2,802	199,394	Non - interest bearing, payable on demand	Unsecured, no impairment
Due from related parties	₱6,949	₱243,033		
c. Parent				
Purchase of land	₱–	(₱41,112)	Non - interest bearing, payable on demand	Unsecured
Share in Group expenses	37,343	(87,738)	Non - interest bearing, payable on demand	Unsecured
Management and marketing income	7,655	–	Non - interest bearing, payable on demand	Unsecured
	44,998	(128,850)		

(Forward)

	2014			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
		(In Thousands)		
d. Associate				
Rent	₱111,432	(₱14,109)	Non - interest bearing, payable on demand	Unsecured
Management Fee	2,365	–	Non - interest bearing, payable on demand	Unsecured
Marketing Income	(1,272)	–	Non - interest bearing, payable on demand	Unsecured
Share in other expenses	54,173	(40,064)	Non - interest bearing, payable on demand	Unsecured
	166,698	(54,173)		
e. Affiliates	57,914	(76,671)	Non - interest bearing, payable on demand	Unsecured
Due to related parties	₱269,610	(₱259,694)		

	2013			
	Amount/ Volume	Due from / (Due to)	Terms	Conditions
		(In Thousands)		
a. Bank under common control of the ultimate parent				
Cash and cash equivalents	₱3,826,198	₱3,826,198	0.5% to 4.5%	No impairment
Interest income	13,284	–		
Sale of receivables	266,961	–		
Gain on sale of receivables	58,404	–		
	₱4,164,847	₱3,826,198		
d. Ultimate Parent	₱334	₱696	Non - interest bearing, payable on demand	Unsecured, no impairment
e. Parent	37,066	8,118	Non - interest bearing, payable on demand	Unsecured, no impairment
f. Associate	10,689	2,219	Non - interest bearing, payable on demand	Unsecured, no impairment
c. Affiliates	2,382	193,505	Non - interest bearing, payable on demand	Unsecured, no impairment
Due from related parties	₱50,471	₱204,538		
b. Ultimate Parent	₱520,000	₱–	Bears 4.0% interest per annum, payable on demand	Unsecured
c. Parent				
Purchase of land	–	(61,668)	Non - interest bearing, payable on demand	Unsecured
Share in Group expenses	7,946	(31,968)	Non - interest bearing, payable on demand	Unsecured
Management and marketing income	3,109	–	Non - interest bearing, payable on demand	Unsecured
	11,055	(93,636)		
d. Associate				
Rent	101,425	(11,655)	Non - interest bearing, payable on demand	Unsecured
Management Fee	2,421	–	Non - interest bearing, payable on demand	Unsecured
Marketing Income	(5,638)	–	Non - interest bearing, payable on demand	Unsecured
Share in other expenses	21,995	(53,419)	Non - interest bearing, payable on demand	Unsecured
	120,203	(65,074)		
e. Affiliates	59,123	(50,491)	Non - interest bearing, payable on demand	Unsecured
Due to related parties	₱710,381	(₱209,201)		

20. General and Administrative Expenses

The account consists of:

	2014	2013	2012
		(In Thousands)	
Salaries, wages and employee benefits	**₱411,296**	₱356,910	₱329,970
Taxes and licenses	**140,858**	127,055	129,400
Depreciation and amortization (Notes 13 and 14)	**113,228**	96,991	79,057
Repairs and maintenance	**99,642**	92,560	50,343
Insurance	**90,025**	97,687	57,414
Transportation and travel	**77,372**	74,775	78,833
Outside services	**67,611**	65,474	71,436
Entertainment, amusement and recreation	**59,560**	54,348	46,088
Rent (Note 19)	**37,381**	35,350	78,049
Electronic data processing charges	**34,553**	28,501	30,294
Communications, light and water	**28,686**	29,440	56,444
Retirement costs (Note 24)	**39,222**	28,944	24,877
Dues and subscriptions	**11,938**	11,874	13,236
Office supplies	**11,326**	12,279	15,679
Provision for doubtful accounts - net (Note 9)	**11,182**	25,463	18,387
Others	**48,448**	40,937	17,395
	₱1,282,328	₱1,178,588	₱1,096,902

21. Selling and Marketing Expenses

The account consists of:

	2014	2013	2012
		(In Thousands)	
Brokers' commissions	**₱510,159**	₱322,209	₱292,748
Selling, advertising and promotions	**324,188**	255,351	256,172
Service fees	**108,699**	126,776	159,085
Sales office direct costs	**101,247**	145,734	73,662
Corporate advertisements	**4,584**	22,657	57,492
Salaries and wages	**1,314**	2,416	20,061
Others	**3,865**	17,339	13,025
	₱1,054,056	₱892,482	₱872,245

22. Interest and Other Finance Charges

The following table shows the component of interest income, interest expense and other financing charges recognized in the consolidated statements of income:

	2014	2013	2012
		(In Thousands)	
Interest income on:			
Contracts receivable (Note 8)	**₱672,372**	₱465,222	₱420,368
Cash and cash equivalents (Note 7)	**13,363**	37,242	54,555
Others	**65,961**	46,934	41,618
	₱751,696	₱549,398	₱516,541
Interest and other finance charges:			
Interest expense on loans and bonds payable, net of interest capitalized (Notes 17 and 18)	**₱571,169**	₱384,491	₱348,108
Amortization of transaction costs of loans and bonds (Notes 17 and 18)	**60,105**	60,383	41,410
Other finance charges	**16,343**	29,572	23,443
	₱647,617	₱474,446	₱412,961

23. Other Income

The account consists of:

	2014	2013	2012
		(In Thousands)	
Forfeited reservations and collections	**₱277,081**	₱202,047	₱210,820
Income from amusement centers, parking and other lease-related activities	**156,256**	140,450	131,222
Processing fees	**124,271**	139,890	64,006
Gain on sale of contracts receivables (Note 8)	**–**	58,404	113,739
Service fees	**40,052**	11,190	5,778
Foreign currency exchange gain (loss) - net	**5,757**	(399)	2,585
Others (Note 19)	**24,016**	17,183	1,375
	₱627,433	₱568,765	₱529,525

24. Retirement Costs

The Group has a funded, noncontributory defined benefit retirement plan (the "Plan") covering substantially all of its officers and regular employees. Under the Plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements. The retirement plan provides retirement benefits equivalent to 70% to 125% of the final monthly salary for every year of service.

The funds are administered by the Group's Treasurer under the supervision of the Board of Trustees of the Plan and are responsible for investment strategy of the Plan.

Republic Act 7641 requires a provision for retirement pay to qualified private sector employees provided that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan. The Group updates the actuarial valuation every year by hiring the services of a third party professionally qualified actuary.

The following tables summarize the components of retirement expense recognized in the consolidated statements of income and pension liability recognized in the consolidated statements of financial position for the existing retirement plan.

	2014		
	Present value of defined benefit obligation	Fair value of plan asset	Net defined benefit liabilities
Balance as at January 1, 2014	₱272,513	₱85,696	₱186,817
Net benefit costs in profit or loss			
Current service cost	28,298	–	28,298
Net interest	15,980	5,056	10,924
	44,278	5,056	39,222
Remeasurements in other comprehensive income			
Return on plan assets (excluding amount included in net interest)	–	27,747	(27,747)
Actuarial changes arising from changes in demographic assumptions	(12,962)	–	(12,962)
Actuarial changes arising from changes in financial assumptions	50,992	–	50,992
	38,030	27,747	10,283
	₱354,821	₱118,499	₱236,322

	2013		
	Present value of defined benefit obligation	Fair value of plan asset	Net defined benefit liabilities
Balance as at January 1, 2013	₱240,601	₱80,845	₱159,756
Net benefit costs in profit or loss			
Current service cost	19,359	–	19,359
Net interest	14,436	4,851	9,585
	33,795	4,851	28,944
Benefits paid	(1,883)	(1,883)	–
Contribution	–	1,883	(1,883)
	₱272,513	₱85,696	₱186,817

The Group's plan assets comprise of cash equivalents with original maturities of three months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2014 and 2013, these placements are with EW.

As of December 31, 2014 and 2013, the carrying amount of the plan assets approximates its fair value.

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The assumptions used in determining pension obligation for the defined benefit plan are as follows:

	2014	2013	2012
Discount rate	**4.60% - 4.70%**	5.90% - 6.30%	5.90% - 6.30%
Future salary increases	**8.00%**	8.00%	8.00%

The sensitivity analysis that follows has been determined based on reasonably possible changes of the assumption occurring as of the end of the reporting period, assuming if all other assumptions were held constant. Management believes that as of the reporting date, it is only the decline in discount rate that could significantly affect the pension obligation. Management believes that pension obligation will not be sensitive to the salary rate increases because it is expected to be at the same level throughout the remaining life of the obligation. If the discount rate would be 100 basis points lower, the defined benefit obligation would increase by ₱52.34 million in 2014, and if discount rate would be 50 basis points lower, the defined benefit obligation would increase by ₱16.38 million in 2013.

The Group does not expect to contribute to its plan assets in the next 12 months.

The management performs an Asset-Liability Matching (ALM) Study. The principal technique of the Group's ALM is to ensure the expected return on assets to be sufficient to support the desired level of funding arising from the defined benefit plans, as well as the liquidity of the plan assets. The Group's current investment strategy consists of 100% short-term deposit placements.

25. Operating Leases

As lessor, future minimum rental receivables under renewable operating leases as of December 31, 2014 and 2013 are as follows:

	2014	2013
	(In Thousands)	
Within one year	**₱1,880,032**	₱1,563,130
After one year but not more than five years	**2,552,974**	2,953,973
After five years	**719,358**	38,738
	₱5,152,364	₱4,555,841

The Group entered into lease agreements with third parties covering real estate properties. These leases generally provide for either (a) fixed monthly rent (b) minimum rent or a certain percentage of gross revenue, whichever is higher. Most lease terms on commercial malls are renewable within one year, except for anchor tenants.

Rental income recognized based on a percentage of the gross revenue of mall tenants included in "Rental services" account in the consolidated statements of income amounted to ₱276.60 million, ₱322.42 million and ₱223.91 million in 2014, 2013 and 2012, respectively.

As lessee, future minimum rental payables under operating leases as of December 31, 2014 and 2013 are as follows:

	2014	2013
	(In Thousands)	
Within one year	**₱129,773**	₱164,350
After one year but not more than five years	**630,843**	407,789
After five years	**630,631**	976,575
	₱1,391,247	₱1,548,714

The Group leases from FDC, parcel of land and building located in San Juan City for its then head office for a fixed monthly rental. The lease term ended in October 2012 (see Note 19).

26. Equity

The details of the Parent Company's common and preferred shares as of December 31, 2014 and 2013 follow:

	Common Shares	Preferred Shares
	(In Thousands, except par value figures)	
Authorized shares	33,000,000	8,000,000
Par value per share	₱1	₱0.01
Issued and outstanding shares	24,470,708	8,000,000
Treasury shares	220,949	–

In 2014, 2013 and 2012, there was no issuance of additional common shares.

Preferred Shares
The preferred shares may be issued from time to time in one or more series as the BOD may determine, and authority is hereby expressly granted to the BOD to establish and designate each particular series of preferred shares, to fix the number of shares to be included in each of such series, and to determine the dividend rate and the issue price and other terms and conditions for each such shares. Dividends shall be cumulative from and after the date of issue of the preferred shares and no dividend shall be declared or paid on the common shares unless the full accumulated dividends on all preferred shares for all past dividend periods and for the current dividend period shall have been declared and paid by the Group. Preferred shares of each and any sub-series shall not be entitled to any participation or share in the retained earnings remaining after dividend payments shall have been made on the preferred shares. To the extent not set forth in the Articles of Incorporation, the specific terms and restrictions of each series of preferred shares shall be specified in such resolutions as may be adopted by the BOD prior to the issuance of each of such series (the "Enabling Resolutions"), which resolutions shall thereupon be deemed a part of the Amended Articles of Incorporation.

Preferred shares of each and any sub-series may be convertible to common shares as may be determined by the BOD and set forth in the Enabling Resolutions, in such manner and within such period as may be fixed in the Enabling Resolutions. As of December 31, 2014 and 2013, there is no Enabling Resolution by the BOD making the preferred shares convertible to common shares.

As the dividend rate is yet to be determined by the BOD, there were no dividends in arrears on preferred shares as of December 31, 2014 and 2013.

Treasury Shares
On December 20, 2007, the Parent Company's BOD approved the buy-back of some of the issued shares of stock of the Parent Company over a period of twelve (12) months up to an aggregate amount of ₱1.5 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. There were no additional acquisitions in 2014, 2013 and 2012. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

Dividend Declaration
On May 9, 2014, the BOD approved the declaration of cash dividend of ₱0.050 per share or a total of ₱1.21 billion for all shareholders of records as of June 6, 2014.

On May 10, 2013, the BOD approved the declaration from of cash dividend of ₱0.048 per share or a total of ₱1.16 billion for all shareholders of records as of June 7, 2013.

On April 27, 2012 the BOD approved the declaration and payment of cash dividend of ₱0.0475 per share or a total of ₱1.15 billion for all shareholders of record as of May 25, 2012.

Retained Earnings
Retained earnings include undistributed earnings amounting to ₱5.89 billion and ₱5.42 billion as of December 31, 2014 and 2013, respectively, representing accumulated equity in net earnings of subsidiaries and associates, which are not available for dividend declaration until declared as dividends by the subsidiaries and associates. Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized as of December 31, 2014 and 2013.

The Parent Company's retained earnings available for dividend declaration as of December 31, 2014 and 2013 amounted to ₱16.08 billion and ₱13.19 billion, respectively.

Capital Management

The Group prudently monitors its capital and cash positions and cautiously manages its expenditures and disbursements. Furthermore, the Group may also, from time to time seek other sources of funding, which may include debt or equity issues depending on its financing needs and market conditions.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. No changes were made in capital management objectives, policies or processes for the years ended December 31, 2014 and 2013.

The Group monitors capital using debt-to-equity ratio, which is the long-term debt (loans payable and bonds payable) divided by total equity. The Group's policy is to keep the debt-to-equity ratio not to exceed 2:1. The following table shows how the Group computes for its debt-to-equity ratio:

	2014	2013
	(In Thousands)	
Loans payable	**₱16,519,797**	₱14,751,209
Bonds payable	**23,786,796**	21,318,016
Total long-term debt	**40,306,593**	36,069,225
Total equity	**52,081,574**	48,985,912
Debt-to-equity ratio	**0.77:1.00**	0.74:1.00

On August 12, 1993, SEC approved the registration of 2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, SEC approved the registration of 3.7 billion common shares with issue price of ₱1.60 per share.

Below is the summary of the outstanding number of shares and holders of security as of December 31, 2014 (amount in thousands):

Year	Number of Shares Registered	Number of Holders of Securities as of Year End
January 1, 2013	24,249,759	5,946
Add/(Deduct) Movement	–	(72)
December 31, 2013	24,249,759	5,874
Add/(Deduct) Movement	–	(57)
December 31, 2014	**24,249,759**	**5,817**

Note: Exclusive of 220,949 treasury shares.

27. Earnings Per Share

	2014	2013	2012
	(In Thousands, Except EPS Figures)		
a. Net income attributable to the equity holder of the parent	**₱4,533,654**	₱3,918,215	₱3,431,435
b. Weighted average number of outstanding common shares (after considering treasury shares)	**24,249,759**	24,249,759	24,249,759
Basic/Diluted EPS (a/b)	**₱0.19**	₱0.16	₱0.14

There were no potential dilutive shares in 2014, 2013 and 2012.

28. Income Tax

The components of the Group's deferred income tax assets follow:

	2014	2013
	(In Thousands)	
Deferred income tax assets on:		
Advance rentals	**₱22,599**	₱18,235
Provisions and accruals	**913**	4,590
Accrued retirement benefits	**729**	642
Others	**23**	22
	24,264	23,489
Deferred income tax liability on:		
Capitalization of borrowing costs	**–**	(11,169)
	₱24,264	₱12,320

The components of the Group's net deferred income tax liabilities follow:

	2014	2013
	(In Thousands)	
Deferred income tax liabilities on:		
Capitalized of borrowing costs	**₱2,511,190**	₱2,123,973
Excess of fair value over cost of net assets acquired in business combination	**143,945**	143,273
	2,655,135	2,267,246
Deferred income tax assets on:		
Accrued retirement benefits	**(70,168)**	(55,404)
Provision for doubtful accounts	**(25,804)**	(23,404)
Others	**(1,195)**	(1,194)
	(97,167)	(80,002)
	₱2,557,968	₱2,187,244

Provision for deferred income tax charged directly to other comprehensive income in 2014 amounted to ₱3.08 million (nil in 2013).

The Group did not recognize deferred income tax assets on the following NOLCO and MCIT of the subsidiaries since management believes that their carryforward benefits may not be realized before they expire.

	2014	2013
	(In Thousands)	
NOLCO	**₱7,117**	₱2,244
MCIT	–	100

The carryforward benefits of the NOLCO, which can be claimed by the Group as credits against the RCIT, are as follows (in thousands):

Year Incurred		Expiry Date
2014	₱6,678	December 31, 2017
2013	44	December 31, 2016
2012	395	December 31, 2015
	₱7,117	

The following are the movements in NOLCO and MCIT:

	NOLCO		MCIT	
	2014	2013	**2014**	2013
		(In Thousands)		
At January 1	**₱2,244**	₱2,200	**₱100**	₱281
Addition	**6,678**	44	**–**	–
Applied/expired	**(1,805)**	–	**(100)**	(181)
At December 31	**₱7,117**	₱2,244	**₱–**	₱100

The reconciliation of the provision for income tax at statutory tax rate to the actual provision for income tax follows:

	2014	2013	2012
		(In Thousands)	
Income tax at statutory tax rate	**₱1,703,332**	₱1,423,227	₱1,240,689
Adjustments for:			
Tax-free net income on sales of BOI-registered projects (Note 33)	**(371,960)**	(383,841)	(303,958)
Income covered by PEZA (Note 32)	**(200,695)**	(146,121)	(114,930)
Interest on HGC-enrolled contracts receivables	**(10,862)**	(28,036)	(63,950)
Equity in net earnings of an associate	**(15,839)**	(55,910)	(56,188)
Tax-free realized net income on socialized housing units	**(20,485)**	(41,143)	(25,637)
Change in unrecognized deferred tax	**1,951**	(192)	(10,162)

(Forward)

	2014	2013	2012
		(In Thousands)	
Income subjected to final tax	**(₱2,634)**	(₱3,563)	(₱10,948)
Deductible expense - Optional Standard Deduction	**(17,137)**	(11,947)	(14,000)
Nondeductible interest expense	**1,567**	1,176	4,652
Income subjected to capital gains tax	**(1,350)**	(90)	(801)
Other nondeductible expenses	**7,907**	14,585	1,319
	₱1,073,795	₱768,145	₱646,086

29. Fair Value Measurement

The following table sets forth the carrying values of financial assets and liabilities recognized as of December 31, 2014 and 2013.

	2014				
		Fair Value			
	Carrying Value	Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			(In Thousands)		
Assets measured at fair value					
Financial assets at FVTOCI					
Quoted	₱9,321	₱9,321	₱9,321	₱–	₱–
Unquoted	14,531	14,531	–	–	14,531
	23,852	23,852	9,321	–	14,531
Assets for which fair values are disclosed					
Financial assets at amortized cost					
Contracts receivable	16,457,256	16,764,468	–	–	16,764,468
Non-financial assets					
Investment properties	26,311,332	40,864,300	–	–	40,864,300
Total assets	₱42,792,440	₱57,652,620	₱9,321	₱–	₱57,643,299
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts Payable and Accrued Expenses					
Accounts payable	₱5,140,046	₱4,920,275	₱–	₱–	₱4,920,275
Deposits for registration and insurance	1,549,182	1,482,945	–	–	1,482,945
Retention fee payable	1,304,620	1,248,840	–	–	1,248,840
Liabilities on receivables sold to bank	8,504	7,928	–	–	7,928
	8,002,352	7,659,988	–	–	7,659,988
Loans payable	16,519,797	16,833,971	–	–	16,833,971
Bonds payable	23,786,796	21,808,202	–	–	21,808,202
	₱48,308,945	₱46,302,161	₱–	₱–	₱46,302,161

	2013				
			Fair Value		
	Carrying Value	Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			(In Thousands)		
Assets measured at fair value					
Financial assets at FVTOCI					
Quoted	₱3,321	₱3,321	₱3,321	₱–	₱–
Unquoted	14,531	14,531	–	–	14,531
	17,852	17,852	3,321	–	14,531
Assets for which fair values are disclosed					
Financial assets at amortized cost					
Contracts receivable	12,602,877	12,838,138	–	–	12,838,138
Non-financial assets					
Investment properties	19,592,830	28,110,773	–	–	28,110,773
Total assets	₱32,213,559	₱40,966,763	₱3,321	₱–	₱40,963,442
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts Payable and Accrued Expenses					
Accounts payable	₱5,926,971	₱5,673,554	₱–	₱–	₱5,673,554
Deposits for registration and insurance	1,127,420	1,079,215	–	–	1,079,215
Retention fee payable	955,846	914,977	–	–	914,977
Liabilities on receivables sold to bank	37,240	34,716	–	–	34,716
	8,047,477	7,702,462	–	–	7,702,462
Loans payable	14,751,209	14,428,301	–	–	14,428,301
Bonds payable	21,318,016	19,368,087	–	–	19,368,087
	₱44,116,702	₱41,498,850	₱–	₱–	₱41,498,850

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other assets*: Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.

- *Contracts receivable*: Estimated fair value of contracts receivable is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rate used is 19% in 2014 and 2013. Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.

- *Financial assets at FVTOCI*: Fair values were determined using quoted market prices at reporting date. Financial assets at FVTOCI not quoted in an active market are recorded at cost.

- *Accounts payable and accrued expenses*: On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rates used is 4.28% in 2014 and 2013.

- *Long-term debt:* Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used range from 5.0% to 7.7% as of December 31, 2014 and 2013.

During the years ended December 31, 2014 and 2013, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

30. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVTOCI, accounts payable and accrued expenses, due to related parties and long-term debt. The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and,
- To provide a degree of certainty about costs.

The Group's finance and treasury functions operate as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Group. The Group's BOD reviews and approves the policies for managing each of these risks.

The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Group's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Group also monitors the foreign currency risk arising from all financial instruments.

Liquidity Risk
Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Group uses a combination of internally generated funds and available long-term and short-term credit facilities.

As of December 31, 2014 and 2013, the Group has ₱4.5 billion and ₱3.8 billion, respectively, in undrawn short-term credit lines, and, ₱14.3 billion and ₱10.52 billion, respectively, in undrawn long-term credit facilities.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2014 and 2013 based on contractual undiscounted payments.

	2014						
	On demand	Less than 3 months	3 months to 1 year	1 to 3 Years	3 to 5 years	Over 5 years	Total
				(In Thousands)			
Financial Liabilities at Amortized Cost							
Accounts Payable and Accrued Expenses							
Accounts payable	₱3,997,631	₱675,878	₱369,869	₱96,668	₱–	₱–	₱5,140,046
Deposits for registration and insurance	–	459	189,396	693,476	264,871	400,980	1,549,182
Retention fees payable	367,564	367,353	79,016	6,401	308,659	175,627	1,304,620
Accrued expenses	322,975	–	–	–	–	–	322,975
Accrued interest on bonds and loans	254,278	–	–	–	–	–	254,278
Liabilities on receivables sold to banks	–	–	5,585	2,919	–	–	8,504
Other payables	195,096	–	–	–	–	–	195,096
	5,137,544	1,043,690	643,866	799,464	573,530	576,607	8,774,701
Due to Related Parties	259,694	–	–	–	–	–	259,694
Loans Payable	–	–	2,476,542	9,846,559	4,222,149	–	16,545,250
Bonds Payable	–	–	–	3,000,000	7,000,000	14,000,000	24,000,000
Interest on loans and bonds payable	–	–	2,023,497	4,995,653	2,420,485	589,318	10,028,953
	₱5,397,238	₱1,043,690	₱5,143,905	₱18,641,676	₱14,216,164	₱15,165,925	₱59,608,598

	2013						
	On demand	Less than 3 months	3 months to 1 year	1 to 3 Years	3 to 5 years	Over 5 years	Total
				(In Thousands)			
Financial Liabilities at Amortized Cost							
Accounts Payable and Accrued Expenses							
Accounts payable	₱4,783,619	₱785,058	₱192,538	₱165,756	₱–	₱–	₱5,926,971
Deposits for registration and insurance	–	334	137,833	504,679	192,760	291,814	1,127,420
Retention fees payable	269,300	269,146	57,892	4,690	226,143	128,675	955,846
Accrued expenses	267,193	–	–	–	–	–	267,193
Accrued interest on bonds and loans	–	91,397	123,796	–	–	–	215,193
Financial Liabilities at Amortized Cost							
Liabilities on receivables sold to banks	₱–	₱–	₱23,325	₱13,915	₱–	₱–	₱37,240
Other payables	141,557	–	–	–	–	–	141,557
	5,461,669	1,145,935	535,384	689,040	418,903	420,489	8,671,420
Due to Related Parties	209,201	–	–	–	–	–	209,201
Loans Payable	–	640,000	905,000	3,353,686	7,447,748	2,443,816	14,790,250
Bonds Payable	–	–	4,500,000	3,000,000	–	14,000,000	21,500,000
Interest on Loans and Bonds Payable	–	482,477	1,399,133	2,903,423	2,040,781	1,275,479	8,101,293
	₱5,670,870	₱2,268,412	₱7,339,517	₱9,946,149	₱9,907,432	₱18,139,784	₱53,272,164

The tables below summarize the maturity profile of the Group's financial assets held to manage liquidity as of December 31, 2014 and 2013:

	2014						
	On demand	Less than 3 months	3 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
				(In Thousands)			
Financial Assets at Amortized Cost							
Cash and cash equivalents							
Cash on hand and in banks	₱3,121,211	₱–	₱–	₱–	₱–	₱–	₱3,121,211
Short-term deposits	–	1,124,476	–	–	–	–	1,124,476
Contracts receivable							
Contracts receivable	378,871	1,603,041	2,079,466	2,058,548	1,424,876	8,912,454	16,457,256
Receivables from government and financial institutions	–	–	515,091	–	–	–	515,091
Due from related parties	243,033	–	–	–	–	–	243,033
Other receivables							
Receivable from tenants-net	315,894	–	–	–	–	–	315,894
Receivable from homeowners' associations-net	142,797	–	–	–	–	–	142,797
Receivable from buyers	239,141	–	–	–	–	–	239,141
Others	55,388	–	–	–	–	–	55,388
Other assets							
Short-term deposits	18,762	–	–	–			18,762
	4,515,097	2,727,517	2,594,557	2,058,548	1,424,876	8,912,454	22,233,049
Financial Assets at FVTOCI							
Investments in shares of stocks:							
Quoted	–	9,321	–	–	–	–	9,321
Unquoted	–	14,531	–	–	–	–	14,531
	–	23,852	–	–	–	–	23,852
	₱4,515,097	₱2,751,369	₱2,594,557	₱2,058,548	₱1,424,876	₱8,912,454	₱22,256,901

	2013						
	On demand	Less than 3 months	3 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
				(In Thousands)			
Financial Assets at Amortized Cost							
Cash and cash equivalents							
Cash on hand and in banks	₱2,890,059	₱–	₱–	₱–	₱–	₱–	₱2,890,059
Short-term deposits	–	3,500,673	–	–	–	–	3,500,673
Contracts receivable							
Contracts receivable	283,224	1,968,071	1,732,410	1,954,195	1,420,002	5,244,975	12,602,877
Receivables from government and financial institutions	–	–	480,898	–	–	–	480,898
Due from related parties	204,538	–	–	–	–	–	204,538
Other receivables							
Receivable from tenants-net	274,964	–	–	–	–	–	274,964
Receivable from homeowners' associations-net	168,567	–	–	–	–	–	168,567
Receivable from buyers	179,045	–	–	–	–	–	179,045
Others	80,038	–	–	–	–	–	80,038
Other assets							
Short-term deposits	143,382	–	–	–	–	–	143,382
	4,223,817	5,468,744	2,213,308	1,954,195	1,420,002	5,244,975	20,525,041
Financial Assets at FVTOCI							
Investments in shares of stocks:							
Quoted	₱–	₱–	₱3,321	₱–	₱–	₱–	₱3,321
Unquoted	–	–	14,531	–	–	–	14,531
	–	–	17,852	–	–	–	17,852
	₱4,223,817	₱5,468,744	₱2,231,160	₱1,954,195	₱1,420,002	₱5,244,975	₱20,542,893

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

Credit risk is managed since the titles of the properties sold are retained by the Group until installment receivables are fully collected and the fair values of these properties held as collateral are sufficient to cover the carrying values of the installment contract receivable.

It is the Group's policy that buyers who wish to avail the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 8, the Group has a mortgage insurance contract with Home Guaranty Corporation for a retail guaranty line.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVTOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group entered into various purchase agreements with financial institutions whereby the Group sold its contracts receivable with a provision that the Group should buy back these receivables in case these become overdue for two to three consecutive months or when the contract to sell has been cancelled.

Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

The following tables show the credit quality by class of asset as of December 31, 2014 and 2013. The Group's high-grade receivables pertain to receivables from related parties and third parties which, based on experience, are highly collectible or collectible on demand, and of which exposure to bad debt is not significant. Receivables assessed to be of standard grade are those which had passed a certain set of credit criteria, and of which the Group has not noted any extraordinary exposure which calls for a substandard grade classification.

	December 31, 2014				
	Neither past due nor impaired				
	High grade	Standard Grade	Past due but not impaired	Impaired	Total
			(In Thousands)		
Cash and cash equivalents	₱4,245,687	₱–	₱–	₱–	₱4,245,687
Contracts receivable					
Contracts receivable	–	16,078,385	378,871		16,457,256
Receivables from government and financial institutions	515,091	–	–	–	515,091
Due from related parties	243,033	–	–	–	243,033
Other receivables					
Receivables from tenants	–	315,894	–	23,811	339,705
Receivables from homeowners' association	–	142,797		86,014	228,811
Receivable from buyers	–	239,141	–	–	239,141
Others	–	55,388	–		55,388
Other assets					
Short-term deposits	18,762	–	–	–	18,762
Investment in shares of stock					
Quoted	9,321	–	–	–	9,321
Unquoted	14,531	–	–	–	14,531
	₱5,046,425	₱16,831,605	₱488,696	₱109,825	₱22,366,726

	December 31, 2013				
	Neither past due nor impaired				
	High grade	Standard Grade	Past due but not impaired	Impaired	Total
			(In Thousands)		
Cash and cash equivalents	₱6,390,732	₱–	₱–	₱–	₱6,390,732
Contracts receivable					
Contracts receivable	–	12,319,653	283,224	–	12,602,877
Receivables from government and financial institutions	480,898	–	–	–	480,898
Due from related parties	204,538	–	–	–	204,538
Other receivables					
Receivables from tenants	–	274,964	–	20,629	295,593
Receivables from homeowners' association	–	168,567	–	78,014	246,581
Receivable from buyers	–	179,045	–	–	179,045
Others	–	80,038	–	–	80,038
Other assets					
Short-term deposits	143,382	–	–	–	143,382
Investment in shares of stock					
Quoted	3,321	–	–	–	3,321
Unquoted	14,531	–	–	–	14,531
	₱7,237,402	₱13,022,267	₱283,224	₱98,643	₱20,641,536

As at December 31, 2014 and 2013, the analysis of contracts receivable that were past due but not impaired is as follows:

	Neither past due nor impaired	Past due but not impaired					
		Less than 30 days	30 to 60 days	60 to 90 days	90 to 120 days	Over 120 days	Total
				(In Thousands)			
2014	**₱16,078,386**	**₱44,435**	**₱21,394**	**₱13,166**	**₱11,520**	**₱288,355**	**₱16,457,256**
2013	12,319,653	27,664	13,978	8,075	6,355	227,152	12,602,877

There is no concentration risk on the Group's financial assets as of December 31, 2014 and 2013.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's financial instruments affected by market risk include loans payable and cash and cash equivalents.

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's loans from various financial institutions. To manage interest rate risk, the Group renegotiates the interest rates for certain long term debts to convert them from fixed-rate debt to floating-rate debt as the Group believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Group's other comprehensive income other than those already affecting the profit and loss.

	Increase (decrease) in basis points	Effect on income before income tax (In Thousands)
2014	**+200**	**₱82,724**
	-200	**(82,724)**
2013	+200	₱86,134
	-200	(86,134)

The sensitivity analysis shown above is based on the assumption that interest rate movement will most likely be limited to a two hundred basis point upward or downward fluctuation. The Group, used as basis of these assumptions, the annual percentage change of three-month PDST-F rate for the past five years as obtained from Philippine Dealing and Exchange Corp. (PDEx). Effect on the Group's income before tax is computed on the carrying amount of the Group's floating rate loans payable as of December 31, 2014 and 2013.

The following tables set out the carrying amount, by maturity, of the Group's long-term debt that are exposed to interest rate risk (amounts in thousands):

	91-day Treasury bill plus 1% to 2% margin					
Variable interest rate	Below 1 Year	1-2 Years	2-3 Years	3-4 Years	Over 4 Years	Total
As of December 31, 2014	**₱1,858,722**	**₱1,019,111**	**₱260,161**	**₱394,844**	**₱603,350**	**₱4,136,188**
As of December 31, 2013	1,061,919	838,647	999,544	727,341	679,269	4,306,720

31. Contingencies and Commitments

The Group is involved in various legal actions, claims and contingencies incidental to the ordinary course of the business. Management believes that any amount the Group may have to pay in connection with any of these matters would not have a material adverse effect on the consolidated financial position or operating results.

In connection with the joint venture agreement entered into by the Parent Company with Cebu City Government, the Parent Company is committed to (a) purchase 10.6 hectares of the property payable in six (6) years, to be developed into a modern urban center and (b) develop 40 hectares of the property in four (4) phases, mainly mid-rise residential buildings, over a 20-year period (see Note 10).

In connection with the BTO Agreement with the Cebu Province, the Group is committed to develop and construct a BPO Complex the properties owned by Cebu Province located at Salinas, Lahug, Cebu City and transfer the ownership of the BPO Complex to the Cebu Province upon completion in exchange of the right to operate and manage the BPO Complex for the entire term of the agreement and its renewal (see Note 15).

The other information usually required by PAS 37 is not disclosed as it may prejudice the outcome of the ongoing proceedings.

32. Registration with PEZA

On February 13, 2002, the Parent Company, FAC and CPI were registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of the Republic Act (RA) No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (Ecozone) to be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone as opposed to the regular income tax rate.

On June 11, 2001, FAC was registered with PEZA as the developer/operator of PBCom Tower and as such it will not be entitled to any incentives, however, IT enterprises which shall locate in PBCom Tower shall be entitled to tax incentives pursuant to RA No. 7916.

On June 6, 2000, CPI was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, it is also entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

The Group is also entitled to zero percent (0%) value-added tax for sales made to ECOZONE enterprises.

33. Registration with the Board of Investments (BOI)

The Group has registered the following New Developer of Low-Cost Mass Housing Projects with the BOI under the Omnibus Investments Code of 1987 (Executive Order No. 226) as of December 31, 2014:

Name	Reg. No.	Date Registered
One Oasis - Ortigas (F to M)	2011-120	6/15/2011
La Brisa Townhomes	2011-117	6/09/2011
The Linear	2011-121	6/15/2011
Bali Oasis 3 & 4	2011-134	6/27/2011
Ocean Cove	2011-133	6/27/2011
Villa Montserrat - Expansion	2011-132	6/27/2011
Escala @ Corona del Mar	2011-167	7/29/2011
Filinvest Homes Tagum Phase 1	2011-171	8/02/2011
Filinvest Homes Tagum Phase 2	2011-214	9/26/2011
One Oasis Davao 1, 2, 3	2011-194	9/02/2011
Villa Mercedita	2011-154	7/19/2011
Villa San Ignacio	2011-148	7/14/2011
Tierra Vista	2011-191	8/31/2011
Tamara Lane	2011-215	9/26/2011
Austine Homes	2011-252	11/25/2011
The Glens Phase 2	2011-216	9/26/2011
The Glens Phase 4	2011-218	9/26/2011
Somerset Lane	2011-273	12/21/2011
Aldea del Sol Phases 5 & 6	2011-276	12/22/2011
Capri Oasis: Bldg Albero, Brezza, Solare, Cielo, Fiori, Vento	2012-036	3/5/2012
Studio City Tower 1	2012-044	3/19/2012
Anila Park 1	2012-052	3/26/2012
San Remo Oasis - Bldgs. 1-8	2012-069	5/14/2012
One Oasis Cebu- Bldgs. 1-3	2012-082	5/28/2012
Filinvest Homes-Butuan	2012-094	6/7/2012
Sorrento Oasis- Bldgs. A- H2	2012-095	6/7/2012
Maui Oasis- Bldgs. 2 & 3	2012-096	6/7/2012

(Forward)

Name	Reg. No.	Date Registered
One Oasis Davao - Bldg. 4	2012-093	6/7/2012
Amare Homes	2013-014	1/18/2013
Castillon Homes - The Residences	2013-064	3/11/2013
Woodville Phase 2	2013-065	3/11/2013
Maui Oasis - Bldg.4	2014-143	8/29/2014
One Spatial(Fairmont and Greenwich)	2014-141	8/29/2014
Sorrento Oasis - Bldg. K,L,N	2014-142	8/29/2014
Valle Dulce Phase 1	2014-140	8/29/2014
Sorrento Oasis - Bldg. M1 & M2	2014-204	11/12/2014
Vinia Residences	2014-205	11/12/2014
One Oasis CDO - Bldg. 1	2014-212	12/4/2014

As a registered enterprise, the Group is entitled to certain tax and nontax incentives, subject to certain conditions.

SGV
Building a better working world

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BOA/PRC Reg. No. 0001,
December 28, 2012, valid until December 31, 2015
SEC Accreditation No. 0012-FR-3 (Group A),
November 15, 2012, valid until November 16, 2015

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULES

Filinvest Land, Inc.
79 EDSA, Brgy. Highway Hills
Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. and its subsidiaries (the Group) as at December 31, 2014 and 2013 and for each of the three years in the period ended December 31, 2014 included in this Form 17-A and have issued our report thereon dated March 11, 2015. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Securities Regulation Code Rule 68, as Amended (2011), and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state in all material respects, the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Dhonabee B. Señeres

Dhonabee B. Señeres
Partner
CPA Certificate No. 97133
SEC Accreditation No. 1196-A (Group A),
March 8, 2012, valid until March 31, 2015
Tax Identification No. 201-959-816
BIR Accreditation No. 08-001998-98-2015,
January 5, 2015, valid until January 5, 2018
PTR No. 4751326, January 5, 2015, Makati City

March 11, 2015

FILINVEST LAND, INC. AND SUBSIDIARIES
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AND SUPPLEMENTARY SCHEDULES

SUPPLEMENTARY SCHEDULES

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FILINVEST LAND, INC.AND SUBSIDIARIES

GROUP SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED ON SRC RULE 68 AND 68.1 AS AMENDED

DECEMBER 31, 2014

Philippine Securities and Exchange Commission (SEC) issued the amended Securities Regulation Code Rule SRC Rule 68 and 68.1 which consolidates the two separate rules and labeled in the amendment as "Part I" and "Part II", respectively. It also prescribes the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by SRC Rule 68 and 68.1 as amended that are relevant to the Group. This information is presented for purposes of filing with the SEC and is not required part of the basic financial statements.

Schedule A. Financial Assets in Equity Securities

Below is the detailed schedule of the Group's financial assets in equity securities as of December 31, 2014:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
		(In Thousands Except Number of Shares)		
Financial assets at FVTOCI				
Quoted:				
The Palms Country Club	1,000	₱3,060	₱3,060	₱–
Philippine Long Distance Telephone Company	26,100	261	261	–
Cebu Country Club	1	6,000	6,000	–
		9,321	9,321	–
Unquoted:				
Manila Electric Company (MERALCO)	1,153,694	11,537	11,537	–
Timberland Sports and Nature Club	3,000	2,994	2,994	–
		14,531	14,531	–
		₱23,852	₱23,852	₱–

The Group investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties)

Below is the schedule of advances to employees of the Group with balances above ₱100,000 as of December 31, 2014:

Name	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
		(In Thousands)		
Marie Angeline C. Joven	₱113	₱42	₱–	₱155
Antonio E. Cenon	93	12	–	105
Elsa N. Marquez	114	6	38	82
	₱320	₱60	₱38	₱342

Related Party Transactions

Due from related parties

Below is the list of outstanding receivables from related parties of the Group presented in the consolidated statements of financial position as of December 31, 2014 (amount in thousands):

	Relationship	Nature	Balance as of December 31, 2014
Timberland Sports and Nature Club.	Affiliate	A	₱191,731
Filinvest Development Corporation	Parent Company	A, C	42,542
Davao Sugar Central Corp.	Affiliate	A	6,612
AL Gotianun	Ultimate Parent	A	1,097
Filinvest Information Technology, Inc.	Affiliate	A	875
The Palms Country Club	Affiliate	A	154
GCK Realty	Affiliate	A	20
FSM Cinemas, Inc.	Affiliate	A	2
			₱243,033

Nature of intercompany transactions

The nature of the intercompany transactions with the related parties is described below:

a. Expenses - these pertain to the share of the Group of related parties in various common selling and marketing and general and administrative expenses.
b. Advances - these pertain to temporary advances to/from related parties for working capital requirements
c. Management and marketing fee
d. Reimbursable commission expense
e. Rentals
f. Dividends

Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements

Below is the schedule of receivables (payables) with related parties, which are eliminated in the consolidated financial statements as of December 31, 2014 (amounts in thousands):

	Volume of Transactions		Receivable	Terms
Filinvest AII Philippines, Inc.	Share in expenses	₱24,317	₱–	Non-interest bearing and to be settled within the year
Property Maximizer Professional Corporation	Marketing fee expense	223,061		Non-interest bearing and to be settled within the year
	Share in expenses	67,875	(501)	
Cyberzone Properties, Inc.	Share in expenses	139,741		Non-interest bearing and to be settled within the year
	Rental income	104,003	12,760	
Property Specialist Resources, Inc.	Share in expenses	1,760	11,281	Non-interest bearing and to be settled within the year
Leisurepro, Inc.	Share in expenses	46	6,181	Non-interest bearing and to be settled within the year
Homepro Realty Marketing, Inc.	Share in expenses	47	4,398	Non-interest bearing and to be settled within the year
			₱34,119	

The table below shows the movement of the receivables from related parties.

Name	Balance at beginning of year	Additions	Collections	Balance as of December 31, 2014
Filinvest AII Philippines, Inc.	₱185,901	₱24,317	(₱210,218)	₱–
Property Maximizer Professional Corporation	24,453	198,107	(223,061)	(501)
Cyberzone Properties, Inc. (CPI)	40,987	132,230	(160,457)	12,760
Property Specialist Resources, Inc.	8,470	2,811	–	11,281
Leisurepro, Inc	6,134	47	–	6,181
Homepro Realty Marketing, Inc	4,351	47	–	4,398
	₱270,296	₱357,559	(₱593,736)	₱34,119

The intercompany transactions between FLI and the subsidiaries pertain to share in expenses, rental charges, marketing fee and management fee. There were no amounts written off during the year and all amounts are expected to be settled within the year.

Schedule D. Intangible Asset

As of December 31, 2014, the Company's intangible assets consist of Goodwill. Goodwill in the Company's consolidated statements of financial position arose from the acquisition of two major assets consisting of (in thousands):

Festival Supermall structure	₱3,745,945
Filinvest Asia Corporation	494,744
CPI	326,553
	₱4,567,242

Schedule E. Long term debt

Below is the schedule of long-term debt of the Group:

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Term loans			
Guaranteed loan amounting to ₱1.13 billion and ₱1.12 billion obtained in October 2005 and July 2007, respectively. Both loan principal is payable in 10 semi-annual installments commencing December 2010 and ending June 2015. The loans carry a fixed interest rate of 7.72% and 7.90% per annum, respectively.	₱225,000	₱225,000	₱–
Developmental loans			
Unsecured loan obtained in July 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 5.07% per annum, payable quarterly in arrears. The principal is payable at maturity on July 2018.	1,494,950	–	1,494,950
Unsecured loan obtained in June 2013 with a fixed interest rate of 4.98% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting September 2015 up to June 2018.	1,145,095	189,908	955,187
Unsecured loan obtained in September 2014 with interest at prevailing market rate 3.00%, payable quarterly in arrears. The principal is payable at maturity on August 2015.	1,000,000	1,000,000	–
Unsecured loan obtained in January 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum GRT 5 years (fixed rate) 6.39% per annum, payable quarterly in arrears. The principal is payable at maturity on January 2017.	998,064	–	998,064
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus GRT (Fixed rate) 4.28%, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on August 2015 up to May 2020 and 50% payable at maturity on August 2020.	997,926	49,145	948,781
Unsecured loan obtained in April 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus GRT (Fixed rate) 6.12%, payable quarterly in arrears. The principal is payable at maturity on January 2017.	997,840	–	997,840
Unsecured loan obtained in November 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus GRT (Fixed rate) 5.50%, payable quarterly in arrears. The principal is payable at maturity on November 2017.	997,000	–	997,000
Unsecured loan obtained in February 2013 with interest at prevailing market rate plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	748,134	186,545	561,589
Unsecured loan obtained in December 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus GRT (Fixed rate of 4.62% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on March 2016 and 50% payable at maturity on December 2020.	700,000	–	700,000
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.30% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on October 2016 and 50% payable at maturity on July 2021.	700,000	–	700,000

(Forward)

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 5.52% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on October 2016 and 50% payable at maturity on July 2021.	₱600,000	₱–	₱600,000
Unsecured loans obtained in August 15, 2012 with interest of 5.79% per annum (inclusive of GRT), subject to repricing and payable quarterly in arrears. The loan has a fixed term of 7 years, inclusive of 2 year grace period on principal repayment, 50% principal balance is payable in 20 equal quarterly installments to commence on November 2014 and 50% payable at maturity on August 2019.	585,000	60,000	525,000
Unsecured loan obtained in October 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate of 4.21% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on January 2016 and 50% payable at maturity on October 2020.	547,876	–	547,876
Unsecured loan obtained in March 2011 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum, payable quarterly in arrears. The 50% of principal payable in 12 equal quarterly amortization to commence on June 2013 and 50% payable at maturity on March 2016.	530,691	124,526	406,165
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (Fixed rate) 4.28%, payable quarterly in arrears. The 50% balance is payable in twenty (20) equal quarterly installments starting August 2015 up to May 2020 and the remaining 50% balance is paid in August 2020.	500,000	25,000	475,000
Unsecured loan obtained in March 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.27% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence on November 2015 and 50% payable at maturity on August 2020.	500,000	–	500,000
Unsecured loan obtained in November 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate) 4.80% per annum, payable quarterly in arrears. The principal is payable upon maturity in November 2019.	500,000	–	500,000
Unsecured loan obtained in December 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (Fixed rate) 5.29% per annum, payable quarterly in arrears. The principal is payable at maturity on December 2017.	498,437	–	498,437
Unsecured loan obtained in June 2011 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of 1% per annum, payable quarterly in arrears. The 50% balance is paid in July 2011 and the remaining 50% balance is payable in twelve (12) equal quarterly installments starting September 2013 up to June 2016.	374,255	249,360	124,895
Unsecured loan obtained in October 2012 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (Fixed rate of 6.03% per annum), payable quarterly in arrears. The principal is payable at maturity on October 2017.	300,000	–	300,000
Unsecured loan obtained in May 2013 with interest rate equal to BSP overnight reverse repurchase agreement plus 1% per annum plus GRT (Fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	300,000	50,000	250,000

(Forward)

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Unsecured loan obtained in May 17, 2012 with interest at prevailing market rate, subject to repricing and payable quarterly in arrears. The loan has a fixed term of 7 years, inclusive of 2 year grace period on principal repayment, 50% principal balance is payable in 20 equal quarterly installments to commence on August 2014.	₱285,000	₱30,000	₱255,000
Unsecured loan obtained in May 2013 with a interest rate equal to BSP overnight reverse repurchased agreement plus 1% per annum plus GRT (fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	249,295	41,333	207,962
Unsecured loan obtained in December 2011 with interest at prevailing market rate 4.2% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting March 2014 to December 2016.	233,067	116,500	116,567
Unsecured loan granted in November 10, 2011 with a term of 7 years with 2 years grace period on principal repayment. Interest is based on prevailing market rate, subject to quarterly repricing and payable quarterly in arrears. 50% of principal is payable in 12 quarterly amortization commencing on February 10, 2014 and 50% is payable on maturity.	180,000	20,000	160,000
Unsecured loan granted in December 2012 with a term of five years with 50% of principal payable in 20 equal quarterly amortization to commence on March 2013 and 50% payable at maturity on December 2017. The loan carries interest at prevailing market rate.	120,000	15,000	105,000
Unsecured loan granted in May 2010 with a term of five years with 50% of principal payable in 12 equal quarterly amortization to commence on August 2012 and 50% payable at maturity in May 2015. The loan carries interest at prevailing market rate payable quarterly in arrears	116,667	116,667	–
Unsecured loan granted in May 2012 payable over 7-year period inclusive of 2 year grace period; 50% of principal is payable in 20 equal quarterly amortizations to commence on August 2014 and 50% payable at maturity on May 2019. The loan carries interest at prevailing market rate.	95,000	10,000	85,000
Unsecured loan obtained in February 2013 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	500	125	375
	16,294,797	2,284,109	14,010,688

(Forward)

Type of Obligation	Amount	Current	Noncurrent
		(In Thousands)	
Bonds			
Fixed rate bonds with aggregate principal amount of 7.00 billion issued by the Parent Company on June 8, 2012. The bonds have a term of 7 years from the issue date, with a fixed interest rate of 6.2731% per annum. Interest is payable quarterly in arrears starting on September 10, 2012.	₱6,951,093	₱–	₱6,951,093
Fixed rate bonds with principal amount of 3.00 billion and term of five (5) years from the issue date was issued by the Parent Company on July 7, 2011. The fixed interest rate is 6.20% per annum, payable quarterly in arrears starting on October 19, 2011.	2,981,454	–	2,981,454
Fixed rate bonds with aggregate principal amount of 7.00 billion issued by the Parent Company on November 8, 2013. This comprised of P4.3 billion seven (7) year fixed rate bonds due in 2020 with a fixed interest rate of 4.8562% per annum, and P 2.7 billion ten (10) year fixed rate bonds due in 2023 with a fixed interest rate of 5.4300% per annum.	6,931,229	–	6,931,229
Fixed rate bonds with aggregate principal amount of 7.00 billion issued by the Parent Company on November 8, 2013. This comprised of P4.3 billion seven (7) year fixed rate bonds due in 2020 with a fixed interest rate of 4.8562% per annum, and P 2.7 billion ten (10) year fixed rate bonds due in 2023 with a fixed interest rate of 5.4300% per annum.	6,923,020	–	6,923,020
	23,786,796	–	23,786,796
	₱40,306,593	₱2,509,109	₱37,797,484

Each loan balance is presented net of unamortized deferred costs The agreements covering the abovementioned loans require maintaining certain financial ratios including maximum debt-to-equity ratio of 1.0x; minimum debt service coverage ratio of 1.5x; minimum interest coverage ratio of 2.0x; and limit in single mortgage, unhedged foreign currency open position, and loans to related parties of 1%, 10% and 15% of shareholders' equity, respectively. The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; incurrence or assumption of indebtedness outside the normal course of business; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the year ended December 31, 2014.

Schedule F. Indebtedness to Related Parties

Below is the list of outstanding payables to related parties of the Group presented in the Group statements of financial position as of December 31, 2014:

	Relationship	Nature	Balance at beginning of period	Balance at end of period
			(In Thousands)	
Filinvest Development Corp.	Parent Company	A, C, E	₱93,636	₱128,850
Filinvest Alabang, Inc	Associate	A, C	65,074	54,173
East West Banking Corporation	Affiliate	A, B	17,322	45,906
Pacific Sugar Holdings, Corp.	Affiliate	A	27,009	27,009
Festival Supermall, Inc. – Management	Affiliate	A	6,151	3,624
Filarchipelago Hospitality Inc.	Affiliate	A	–	66
Seascape Resorts, Inc.	Affiliate	A	5	62
Quest Restaurants Inc.	Affiliate	A	4	4
			₱209,201	₱259,694

Nature of intercompany transactions
The nature of the intercompany transactions with the related parties is described below:

a. Expenses - these pertain to the share of the Group of related parties in various common selling and marketing and general and administrative expenses.
b. Advances - these pertain to temporary advances to/from related parties for working capital requirements
c. Management and marketing fee
d. Reimbursable commission expense
e. Rentals

Schedule G. Guarantees of Securities of Other Issuers
The Company does not have guarantees of securities of other issuers as of December 31, 2014.

Schedule H. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
		(In Thousands)				
Common Shares	33,000,000	24,249,759	–	14,017,206	30,096	None
Preferred Shares	8,000,000	8,000,000	–	8,000,000	–	None

Standards adopted by the Group

Below is the list of all effective Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) as of December 31, 2014:

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		√		
PFRSs Practice Statement Management Commentary		√		
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First time Adoption of Philippine Financial Reporting Standards	√		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate			√
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			√
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First–time Adopters			√
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First time Adopters			√
	Amendments to PFRS 1: Government Loans			√
PFRS 2	Share-based Payment			√
	Amendments to PFRS 2: Vesting Conditions and Cancellations	Not Early Adopted		
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			√
PFRS 3 (Revised)	Business Combinations	√		
PFRS 4	Insurance Contracts			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			√
PFRS 6	Exploration for and Evaluation of Mineral Resources			√
PFRS 7	Financial Instruments: Disclosures	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	√		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	√		
	Amendments to PFRS 7: Disclosures – Transfers of Financial Assets	√		
	Amendments to PFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	√		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
PFRS 7 (cont.)	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	Not Early Adopted		
PFRS 8	Operating Segments	√		
PFRS 9	Financial Instruments	√		
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures	Not Early Adopted		
	Financial Instruments (2013 version)	Not Early Adopted		
	Financial Instruments (2014 version)	Not Early Adopted		
PFRS 10	Consolidated Financial Statements	√		
	Amendments to PFRS 10, PFRS 12 and PAS 27: Investment Entities			√
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not Early Adopted		
PFRS 11 (Amended)	Joint Arrangements	√		
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations	Not Early Adopted		
PFRS 12	Disclosure of Interests in Other Entities	√		
	Amendments to PFRS 10, PFRS12 and PAS27: Investment Entities			√
PFRS 13	Fair Value Measurement	√		
PFRS 14	Regulatory Deferral Accounts	Not Early Adopted		
PFRS 15	Revenue from Contracts with Customers	Not Early Adopted		
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	√		
	Amendment to PAS 1: Capital Disclosures	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	√		
PAS 2	Inventories	√		
PAS 7	Statement of Cash Flows	√		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	√		
PAS 10	Events after the Reporting Date	√		
PAS 11	Construction Contracts	√		
PAS 12	Income Taxes	√		
	Amendment to PAS 12 – Deferred Tax: Recovery of Underlying Assets	√		
PAS 16	Property, Plant and Equipment	√		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
PAS 16 (cont.)	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	Not Early Adopted		
	Amendments to PAS 16 and PAS 41: Bearer Plants	Not Early Adopted		
PAS 17	Leases	√		
PAS 18	Revenue	√		
PAS 19 (Amended)	Employee Benefits	√		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	√		
	Amendments to PAS 19: Defined Benefit Plans: Employee Contributions	Not Early Adopted		
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			√
PAS 21	The Effects of Changes in Foreign Exchange Rates	√		
	Amendment: Net Investment in a Foreign Operation			√
PAS 23 (Revised)	Borrowing Costs	√		
PAS 24 (Revised)	Related Party Disclosures	√		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			√
PAS 27	Consolidated and Separate Financial Statements	√		
PAS 27 (Amended)	Separate Financial Statements	√		
	Amendments to PFRS 10, PFRS12 and PAS27: Investment Entities			√
	Amendments to PAS 27: Equity Method in Separate Financial Statements	Not Early Adopted		
PAS 28	Investments in Associates	√		
PAS 28 (Amended)	Investments in Associates and Joint Ventures	√		
PAS 29	Financial Reporting in Hyperinflationary Economies			√
PAS 31	Interests in Joint Ventures	√		
PAS 32	Financial Instruments: Disclosure and Presentation	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendment to PAS 32: Classification of Rights Issues			√
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	√		
PAS 33	Earnings per Share	√		
PAS 34	Interim Financial Reporting	√		
	Amendment to PAS 34: Interim Financial Reporting and Segment Information for Total Assets and Liabilities	Not Early Adopted		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
PAS 36	Impairment of Assets	√		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets	√		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	√		
PAS 38	Intangible Assets	√		
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	√		
PAS 39	Financial Instruments: Recognition and Measurement	√		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities			√
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			√
	Amendments to PAS 39: The Fair Value Option			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets			√
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition			√
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives			√
	Amendment to PAS 39: Eligible Hedged Items			√
	Amendment to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting			√
PAS 40	Investment Property	√		
	Amendment to PAS 40: Investment Property	√		
PAS 41	Agriculture			√

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			√
IFRIC 2	Members' Share in Co–operative Entities and Similar Instruments			√
IFRIC 4	Determining Whether an Arrangement Contains a Lease	√		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			√
IFRIC 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment			√
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			√
IFRIC 8	Scope of PFRS 2			√
IFRIC 9	Reassessment of Embedded Derivatives			√
	Amendments to Philippine Interpretation IFRIC–9 and PAS 39: Embedded Derivatives			√
IFRIC 10	Interim Financial Reporting and Impairment			√
IFRIC 11	PFRS 2 - Group and Treasury Share Transactions			√
IFRIC 12	Service Concession Arrangements			√
IFRIC 13	Customer Loyalty Programmes			√
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			√
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			√
IFRIC 15	Agreements for the Construction of Real Estate	Not Early Adopted		
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			√
IFRIC 17	Distributions of Non–cash Assets to Owners			√
IFRIC 18	Transfers of Assets from Customers			√
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			√
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			√
IFRIC 21	Levies			√
SIC–10	Government Assistance - No Specific Relation to Operating Activities			√
SIC–12	Consolidation – Special Purpose Entities			√
	Amendment to SIC - 12: Scope of SIC 12			√
SIC–13	Jointly Controlled Entities – Non–Monetary Contributions by Venturers			√
SIC–15	Operating Leases - Incentives	√		
SIC–21	Income Taxes - Recovery of Revalued Non–Depreciable Assets			√
SIC–25	Income Taxes - Changes in the Tax Status of an Entity or its			√

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2014		Adopted	Not Adopted	Not Applicable
	Shareholders			
SIC–27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease			√
SIC–29	Service Concession Arrangements: Disclosures.			√
SIC–31	Revenue - Barter Transactions Involving Advertising Services			√
SIC–32	Intangible Assets - Web Site Costs			√

Schedule of Bond Issuances – Securities Offered to the Public

	2009 ₱5 Billion Bond	2011 ₱3 Billion Bond	2012 ₱7 Billion Bond	2013 ₱7 Billion Bond	2014 ₱7 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus					
Gross Proceeds	₱5,000,000,000	₱3,000,000,000	₱7,000,000,000	₱7,000,000,000	₱7,000,000,000
Less: Expenses	63,850,625	34,290,625	97,225,625	67,594,379	82,327,087
Net Proceeds	₱4,936,149,375	₱2,965,709,375	₱6,902,774,375	₱6,932,405,621	₱6,917,672,913
Actual gross and net proceeds					
Gross Proceeds	₱5,000,000,000	₱3,000,000,000	₱7,000,000,000	₱7,000,000,000	₱7,000,000,000
Less: Expenses	65,936,000	21,165,000	84,023,040	82,906,997	77,906,937
Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱6,922,093,063
Expenditure items where the proceeds were used					
Land Acquisition	₱2,960,438,400	₱417,036,900	₱249,938,096	₱2,965,648,318	₱–
Project development	1,973,625,600	2,561,798,100	6,666,038,864	1,185,554,209	253,702,451
Investment property	–	–	–	2,765,890,476	–
Debt refinancing	–	–	–	–	4,500,000,000
Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱4,753,702,451
Balance of the proceeds as of December 31, 2014					
Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱6,922,093,063
Capital expenses	4,934,064,000	2,978,835,000	6,915,976,960	6,917,093,003	253,702,451
Debt refinancing	–	–	–	–	4,500,000,000
Net Proceeds	₱–	₱–	₱–	₱–	₱2,168,390,612

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Group for the year ended December 31, 2014 and 2013:

Financial ratios		December 2014	December 2013
Current ratio [1]	Current assets / Current liabilities	**3.13**	2.53
Long-term debt-to-equity ratio	Long-term debt / Equity	**0.77**	0.74
Debt ratio	Total liabilities / Total assets	**0.51**	0.50
EBITDA to total interest paid	EBITDA / Total interest paid	**3.01**	3.03
Price Earnings Ratio	Closing price [2] / Earnings per share	**8.05**	8.81
Quick asset ratio	Current assets - Inventories / Current Liabilities	**1.05**	1.40
Solvency ratio	Net income + Depreciation / Total Liabilities	**0.09**	0.09
Interest coverage ratio	EBIT / Interest Expense	**9.77**	10.99
Net profit margin	Net Income / Revenue	**0.29**	0.21
Return on equity	Net Income / Shareholder's Equity	**0.09**	0.08

(1) In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, due from related parties, other receivables and real estate inventories and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable, loans payable and bonds payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

(2) Closing price at December 27, 2014 and 2013

FILINVEST LAND, INC. AND SUBSIDIARIES

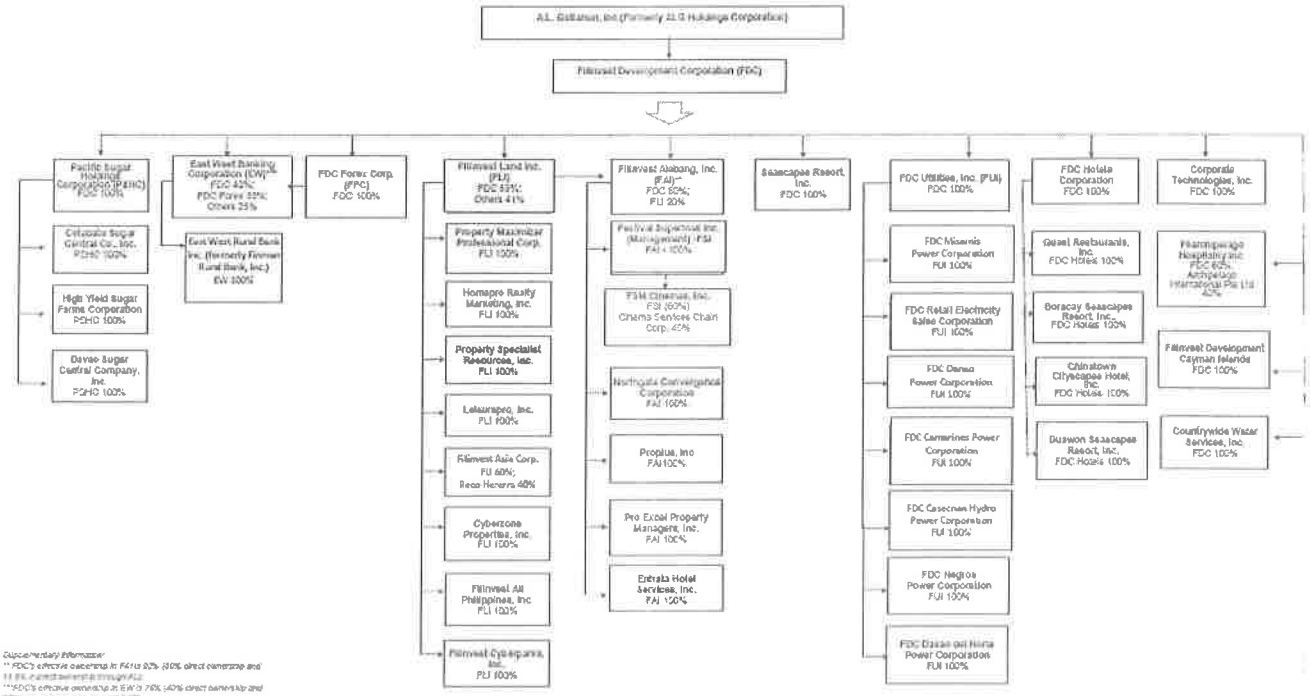
CONSOLIDATED UNAPPROPRIATED RETAINED EARNINGS AVAILABLE FOR DIVIDEND DISTRIBUTION

(Amounts in Thousands of Pesos)

Retained Earnings, January 1, 2014		₱18,437,398
Adjustments:		
Equity in net earnings of subsidiaries and an associate		(5,440,542)
Prior-year adjustments		192,793
Unappropriated Retained Earnings, as adjusted, January 1, 2014		13,189,649
Net income based on the face of audited financial statements	4,533,654	
Less: Non-actual/unrealized income net of tax		
Equity in net income of subsidiaries and an associate	(446,334)	
Unrealized foreign exchange gain - net	–	
Unrealized actuarial gain	–	
Fair value adjustment (marked-to-market gains)	–	
Fair value adjustment of Investment Property resulting to gain	–	
Adjustment due to deviation from PFRS/GAAP gain	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	–	
Add: Non-actual/unrealized losses net of tax		
Depreciation on revaluation increment	–	
Adjustment due to deviation from PFRS/GAAP loss	–	
Loss on fair value adjustment of Investment Property	–	
Movement in deferred tax assets	(17,839)	
Net income actual/realized		4,069,481
Less: Dividend declarations during the year		(1,212,488)
Unappropriated Retained Earnings, as adjusted, December 31, 2014		₱16,046,642

Group Structure

Below is a map showing the relationship between and among the Group and its ultimate Group, subsidiaries, and associates as of December 31, 2014:



Supplementary Information:

** FDC's effective ownership in FAI is 82% (62% direct ownership and 11.5% indirect ownership through ALI)

*** FDC's effective ownership in EW is 75% (42% direct ownership and 33% indirect ownership through FFC)

ANNEX "D"

MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

Plan of Operations for 2015

FLI's business strategy has placed emphasis on the development and sale of affordable and middle-market residential lots and housing units to lower and middle-income markets throughout the Philippines.

FLI expects to remain focused on core residential real estate development business which now includes other new developments such as medium-rise buildings and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market. The Parent Company is also expanding its retail and BPO office-building portfolio to generate recurring revenues.

In 2015, FLI intends to retain its dominant position as the leader in mid-rise building (MRB) projects by launching five (5) new projects nationwide (excluding condotel), with an estimated sales value of ₱2.33 billion. This will bring the Parent Company's total MRB projects to 21. FLI also plans to launch three (3) additional buildings of its existing projects with estimated sales value of ₱1.88 billion.

These new MRB projects are part of the total ₱16.19 billion of new projects slated for launch by FLI in 2015. Aside from the MRB's, FLI has initially pipelined 10 horizontal residential projects with an estimated revenue of about ₱7.34 billion, 1 condotel (MRB) with an estimated sales value of ₱0.56 billion, 2 high-rise buildings (mixed-use) with an estimated sales value of ₱4.08 billion.

As part of FLI's strategic goal of tripling the GLA of its BPO office buildings by 2019, FLI is about to complete the first of four BPO office buildings at Filinvest Cebu Cyberzone, a 1.2 hectare joint venture project with the Provincial Government of Cebu. The first building will have a GLA of over 19,937 square meters. When completed, the project will have a total of 4 buildings with a GLA of almost 100,000 square meters.

For its retail portfolio, FLI is expanding the Festival Supermall at Filinvest City by another 46,705 square meters to its gross leasable area, maintaining its position as the biggest mall in South Metro Manila. Land development is ongoing at City di Mare for the Il Corso lifestyle strip, a retail project in South Road Properties in Cebu which will contribute a GLA of around 35,000 sq.m. when fully completed. FLI will also start constructing two (2) malls, one in Tagaytay City, and another at its Princeton Heights residential project located in Cavite.

FLI is targeting to spend ₱24 billion for capital expenditures in 2015. Around ₱7.4 billion is earmarked for residential project development costs, ₱13.2 billion for the construction of office buildings and malls, and ₱2.9 billion for land banking acquisitions.

Results of Operations for 2014

Year ended December 31, 2014 compared to year ended December 31, 2013

For the year ended December 31, 2014, FLI's operating regular net income registered a year on year growth of 15.80% or ₱628.03 million from ₱3,975.95 million in 2013 to ₱4,603.98 million in 2014.

Revenues and other income

Total consolidated revenues went up by 23.62% to ₱15,647.99 million in 2014 from ₱12,512.56 million in 2013. The increase resulted from the continued robust real estate sales that reached ₱13,204.44 million (up by ₱2,725.97 million or by 26.01%) and rental revenue of ₱2,263.55 million (higher by P229.47 million or 11.28%). Real estate sales booked during the current period broken down by product type are as follows: Middle Income 79% (inclusive of Medium-Rise Buildings and High-Rise Buildings); Affordable 10%; High-End 3%; Farm Estate 2%; Socialized and others 6%. Major contributors to the good sales performance during the period included the launching of new MRB's and House and Lot projects in diverse new locations, intensive marketing activities and attractive pricing. The increase in rental revenues from the mall and office spaces was brought about mainly by higher rental revenues generated by CPI from Northgate Cyberzone buildings resulting from higher take up rate of "Filinvest One" and "Plaza E" in 2014. FLI currently operates 14 buildings and is completing construction of three more office buildings, "Filinvest Two" and "Filinvest Three" at Northgate Cyberzone and Filinvest Cebu Cyberzone Tower 1, which will increase its office portfolio to 274,971 sq.m.

Interest income increased by ₱202.30 million or by 36.82% in 2014 from ₱549.40 million in 2013 to ₱751.70 million in 2014. The increase was due to higher interest income derived from cash and cash equivalents and from contract receivables. Other income increased by 10.31% or by ₱ 58.67 million from ₱568.77 million in 2013 to ₱627.43 million in 2014 due to higher income from amusement centers, parking and other lease-related activities, and processing fees.

Costs and Expenses

Cost of real estate sales increased by ₱1,690.08 million or by 28.00% from ₱6,036.08 million in 2013 to ₱7,726.16 million in 2014. The increase was mainly due to higher amount of sales booked during the current period as well as the increased share of sales of MRBs and HRBs which historically had carried relatively lower profit margins. Revenues from MRBs and HRBs significantly grew by ₱1,413.32 million or by 20.86% from ₱6,774.44 in 2013 to ₱8,187.76 million in 2014. Cost of rental services likewise increased by 4.19% from ₱491.40 million in 2013 to ₱511.98 million in 2014.

Total operating expenses increased to ₱2,336.38 million in 2014 from ₱2,071.07 million in 2013.

General and administrative expenses increased by ₱103.74 million or by 8.80% to ₱1,282.33 million in 2014 from ₱1,178.59 million in 2013. The increase was due to higher repairs and maintenance, business taxes and licenses, salaries and wages, recreation and other representation expenses, retirement, rental, transportation and outside services; offset by decrease in communications, light and water, insurance, provision for doubtful accounts, and office supplies recorded for the current period.

Selling and marketing expenses increased by 18.10% to ₱1,054.06 million in 2014 from ₱892.48 million in 2013 mainly due to increases in broker's commission, services fees, sales office direct cost and other sales generation expenses as a result of increasing sales volume and activities.

Interest and other financial charges increased by 36.50% to ₱647.62 million in 2014 from ₱474.45 million in 2013. This was due to increase in loan availment and issuance of ₱7 billion bonds during the year.

Provision for Income Tax

Provision for income tax increased by 47.74% from ₱768.15 million in 2013 to ₱1,073.80 million in 2014. Provision for current income tax increased to ₱712.08 million in 2014 from ₱481.99 million in

2013 or an increase of ₱230.09 million or by 47.74% due to higher taxable income brought about by higher revenues.

Provision for deferred income tax increased by ₱75.56 million or by 26.41% from ₱286.15 million in 2013 to ₱361.72 million in 2014 due to higher capitalization of interest expense.

Financial Condition

As of December 31, 2014, FLI's total consolidated assets stood at ₱109.66 million, higher by 11.78% or by ₱11,560.42 million than the ₱98,097.05 million total consolidated assets as of December 31, 2013. The following are the material changes in account balances:

33.56% Decrease in Cash and cash equivalents
Funds were used for the development of existing and new projects and for the construction and acquisitions of investment properties and raw land for future developments.

29.72% Increase in Contracts receivable
Contracts receivable increased due to additional sales booked during the period. Several attractive financing schemes are being offered by the Group to its real estate buyers to further increase sales.

18.82% Increase in Due from related parties
The increase was due to temporary advances made to affiliates in the regular course of business. These advances are expected to be collected within the following year.

11.61% Increase in other receivables
This account increased due to the additions in advances to joint venture partners and contractors.

33.61% Increase in Financial assets at fair value through other comprehensive income
This account increased due to acquisition of shares from a country club in Cebu.

7.48% Decrease in Land and land development
Decrease in the account is mainly due to transfer of some rawland to real estate inventories, offset by newly acquired raw land for land banking.

34.29% Increase in Investment property
The increase was mainly due to the additional construction costs of Plaza A-E, Vector buildings, Filinvest One, Two & Three buildings, Megablock, and FLI EDSA Transcom building. Also, additional costs were incurred for the expansion of Festival Supermall.

14.98% Increase in Property & equipment
The increase was mainly due to the Company's additional waterworks and equipment used in water services to subdivision projects.

96.95% Increase in Deferred income tax assets
The increase in this account was mainly due to increase in advance rentals for the period.

33.06% Increase in Other assets
The increase in this account was mainly due to creditable withholding tax, input vat, various rental deposits and construction costs of the non-current assets acquired in relation to BTO agreement with the Government of Cebu.

568.76% Increase in Income tax payable
The increase in income tax payable is due to higher current income tax expense in excess of the creditable withholding taxes.

24.14% Increase in Due to related parties
The increase was due to temporary advances from affiliates which were all in the regular course of business. These advances are expected to be paid or liquidated within the first quarter of the following year.

11.99% Increase in Loans payable
The increase was due to additional borrowings made to finance the various projects of the Group.

11.58% Increase in Bonds payable
The increase was due to the issuance of fixed-rate bonds by the Parent Company with an aggregate principal amount of ₱7 billion in November 2014 to finance the various projects of the Parent Company, offset by full payment of ₱4.5 billion bonds issued in 2009.

26.50% Increase in Retirement Liabilities
The increase was due to the accrual of the liability to the retirement fund for the year, net of cash contributions to the fund.

17.23% Increase in Deferred Income Tax Liabilities
The increase was mainly due to the additional capitalized borrowing cost on long-term loans.

Performance Indicators

Financial Ratios	***Particulars***	**2014**	**2013**
Earnings per Share	*Basic*[1]	0.19	0.16
Earnings per Share	*Diluted*[2]	0.19	0.16
Debt to Equity Ratio	*Notes Payable & Long-term Debt* / *Total Stockholder's Equity*	0.77	0.74
Debt Ratio	*Total Liabilities* / *Total Assets*	0.51	0.50
EBITDA to Total Interest Expense	*EBITDA* / *Total Interest Expense*	3.12	3.07
Price Earnings Ratio	*Closing Price of Share* / *Earnings Per share*	8.05	8.60

[1]*Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.*

[2]*Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.*

Other Disclosures

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from the Parent Company's continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

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

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor does it have borrowings wherein properties were mortgaged to secure a loan.

Results of Operations for 2013

Year ended December 31, 2013 compared to year ended December 31, 2012

For the year ended December 31, 2013, FLI's operating regular net income registered a year on year growth of 13.94% or ₱486.40 million from ₱ 3,489.54 million in 2012 to ₱3,975.95 million in 2013.

Revenues and other income

FLI recorded real estate sales of ₱ 10,478.48 million in 2013, higher by 19.10% than the real estate sales in 2012 of ₱ 8,798.36 million. Recorded sales in 2013 consisted mostly of sales of medium-rise buildings and condominium projects, which are accounted for based on the stage of completion, along with sales of affordable and middle-income lots and housing units.

In 2013, FLI launched a total of 17 new housing and land development projects including additional phases of existing projects as well as new MRBs. FLI is also considering other regions for land acquisitions and development or joint venture arrangements. As of December 31, 2013, FLI had signed joint venture agreements for the development of several properties on a total of approximately 324.44 hectares of raw land with landowners in Metro Manila and selected provinces in the Philippines.

Revenue from rental services increased by ₱ 146.98 million or by 7.79% to ₱ 2,034.08 million in 2013 from ₱ 1,887.09 million in 2012. This increase was brought about by higher rental revenues generated by CPI from Northgate Cyberzone buildings resulting from higher take up rate of "Filinvest One" in 2013.

Other sources of revenue from rental services include the ready-built-factories in Filinvest Technology Park in Calamba, Laguna, and commercial and office spaces in Alabang, Muntinlupa City and Makati City.

Interest income increased by ₱ 32.86 million or by 6.36% in 2013 from ₱ 516.54 million in 2012 to ₱ 549.40 million in 2013. The increase was due to higher interest income derived from cash and cash equivalents and from contract receivables. The Group recorded a foreign exchange loss of ₱ 0.40 million in 2013 compared to a foreign exchange gain of ₱ 2.59 million in 2012 due to the recent strength of the Japanese yen against our local currency in the foreign exchange markets. Other income increased by 8.01% or by ₱ 42.22 million from ₱526.94 million in 2012 to ₱569.16 million in 2013 due to higher income from amusement centers, parking and other lease-related activities, and processing fees.

Costs and Expenses

With the higher sales, the corresponding cost of real estate sales increased by 22.50% from ₱ 4,927.46 million in 2012 to ₱ 6,036.08 million in 2013. Cost of rental services likewise increased by 3.75% from ₱ 473.62 million in 2012 to ₱ 491.40 million in 2013.

Total operating expenses increased to ₱ 2,071.07 million in 2013 from ₱ 1,969.15 million in 2012.

General and administrative expenses increased by ₱ 81.69 million or by 7.45% to ₱ 1,178.59 million in 2013 from ₱ 1,096.90 million in 2012. The increase was due to higher repairs and maintenance, insurance expenses, salaries and wages, recreation and other representation expenses; offset by decrease in rental, taxes and licenses, communications, light and water, transportation and outside services recorded for the current period.

Selling and marketing expenses increased by 2.32% to ₱ 892.48 million in 2013 from ₱ 872.24 million in 2012 mainly due to the increase in broker's commission, sales office direct cost and other sales generation expenses as a result of increasing sales volume and activities.

Interest and other financial charges increased by 14.89% to ₱ 474.45 million in 2013 from ₱ 412.96 million in 2012. This was due to increase in loan availment and issuance of ₱ 7 billion bonds during the year.

Provision for Income Tax

Provision for income tax increased by 18.89% from ₱ 646.09 million in 2012 to ₱ 768.15 million in 2013. Provision for current income tax increased to ₱ 481.99 million in 2013 from ₱ 353.48 million in 2012 or an increase of ₱ 128.52 million or by 36.36% due to higher taxable income brought about by higher revenues.

Provision for deferred income tax decreased by ₱ 6.50 million or by 2.21% from ₱ 292.61 million in 2012 to ₱ 286.15 million in 2013 due to higher realized gross profit on capitalized interest through cost of sales.

Financial Condition

As of December 31, 2013, FLI's total consolidated assets stood at ₱98,097.05 million, higher by 18.72% or by ₱15,467.07 million than the ₱82,629.98 million total consolidated assets as of December 31, 2012. The following are the material changes in account balances:

195.12% Increase in Cash and Cash Equivalents
The increase in this account was mainly due to improved cash generation from operations and proceeds from the Parent Company's issuance of fixed rate retail bonds amounting to P7.0 billion in November 2013. Funds will be used to finance the development of existing and new projects of the Parent Company lined up for the following year.

23.46% Increase in Contracts Receivable
Contracts receivable increased due to additional sales booked during the period. Several attractive financing schemes are being offered by the Group to its real estate buyers to further increase sales.

5.30% Increase in Due from related parties
The increase was due to temporary advances made to affiliates in the regular course of business. These advances are expected to be collected within the following year.

27.51% Decrease in Financial assets at fair value through other comprehensive income
This account decreased due to return of investments received from certain shares from an electric power distributor.

22. 29% Increase in Land and Land Development
The increase in this account was mainly due to acquisition of parcels of land in Cavite, and in the cities of Pasig, Quezon, Taguig, and Valenzuela, and Manila.

22.62% Increase in Investment property
The increase was mainly due to the additional construction costs of Plaza E, Vector buildings, Filinvest One, Two & Three buildings, Megablock, and FLI EDSA Transcom building. Also, project costs were increased for the expansion of Festival Supermall. The Company also purchased a lot located in Pasay City which it aims to develop as a BPO center. An additional parcel of land located in SRP, Cebu City was also paid during the year.

13.34% Decrease in Property & equipment
The decrease was mainly due to depreciation during the current period and the reclassification of building into investment properties account.

45.07% Decrease in Deferred income tax assets
The decrease in this account was mainly due to decrease in advance rentals as majority were realized as income for the period.

59.47% Increase in Other assets
The increase in this account was mainly due to creditable withholding tax, input vat, various rental deposits and other non-current assets acquired in relation to BTO agreement with the Government of Cebu.

22.68% Increase in Accounts payable and accrued expenses
The increase is mainly due to acquisitions of raw land and to the increases in deposits from tenants and buyers, retention from billings of contractors, and accrual of interests on loans and bonds.

28.61% Decrease in Income tax payable
The decrease in income tax payable was due to application of creditable withholding taxes on the tax due for the year.

14.02% Increase in Due to related parties
The increase was due to temporary advances from affiliates which were all in the regular course of business. These advances are expected to be paid or liquidated within the first quarter of the following year.

31.30% Increase in Loans payable
The increase was due to additional borrowings made to finance the various projects of the Group.

48.40% Increase in Bonds payable
The increase was due to the issuance of fixed-rate bonds by the Parent Company with an aggregate principal amount of ₱7 billion in November 2013 to finance the various projects of the Parent Company.

16.94% Increase in Retirement Liabilities
The increase was due to the accrual of the liability to the retirement fund for the year, net of cash contributions to the fund, and adoption to PAS 19, *Employee Benefits* (Revised).

14.78% Increase in Deferred Income Tax Liabilities
The increase was mainly due to the additional capitalized borrowing cost on long-term loans.

Performance Indicators

Financial Ratios	***Particulars***	**2013**	**2012**
Earnings per Share	*Basic*[1]	0.16	0.14
Earnings per Share	*Diluted*[2]	0.16	0.14
Debt to Equity Ratio	*Notes Payable & Long-term Debt* / *Total Stockholder's Equity*	0.74	0.55
Debt Ratio	*Total Liabilities* / *Total Assets*	0.50	0.44
EBITDA to Total Interest Expense	*EBITDA* / *Total Interest Expense*	3.07	3.59
Price Earnings Ratio	*Closing Price of Share* / *Earnings Per share*	8.60	10.64

[1]*Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.*

[2]*Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.*

Other Disclosures

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from the Parent Company's continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

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

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor it has borrowings wherein properties were mortgaged to secure a loan.

Results of Operations for 2012

Year ended December 31, 2012 compared to year ended December 31, 2011

For the year ended December 31, 2012, FLI's operating regular net income registered a year on year growth of 16.26% or ₱487.97 million from ₱ 3,001.58 million in 2011 to ₱3,489.54 million in 2012.

Revenues and other income

FLI recorded real estate sales of ₱ 8,798.36 million in 2012, higher by 26.53% than the real estate sales in 2011 of ₱ 6,953.47 million. Recorded sales in 2012 consisted mostly of sales of affordable and middle-income lots and housing units including the medium-rise buildings and condominium projects, which are accounted for based on the stage of completion.

In 2012, FLI launched a total of 20 new housing and land development projects including additional phases of existing projects as well as new MRBs. FLI is also considering other regions for land acquisitions and development or joint venture arrangements. As of December 31, 2012, FLI had signed joint venture agreements for the development of several properties on a total of approximately 379.2 hectares of raw land with landowners in Metro Manila and selected provinces in the Philippines.

Revenue from rental services increased by ₱ 249.76 million or by 15.25% to ₱ 1,887.09 million in 2012 from ₱ 1,637.34 million in 2011. This increase was brought about by higher rental revenues generated by CPI from Northgate Cyberzone buildings resulting from higher take up rate of Vector 1 in 2012. Other

sources of revenue from rental services include the ready-built-factories in Filinvest Technology Park in Calamba, Laguna.

Equity in net earnings from an associate also increased to ₱ 187.30 million in 2012 from ₱ 63.41 million in 2011 or by 195.38% due to higher earnings of Filinvest Alabang, Inc. (FAI) where FLI is a 20% equity holder.

Interest income went down by ₱ 26.68 million in 2012 from ₱ 543.23 million in 2011 or by 4.91% to ₱ 516.54 million in 2012. The decrease was due to lower interest income derived from cash and cash equivalents and from contract receivables brought about by the sale of certain contract receivables to a banking institution. The Group recorded a foreign exchange gain of ₱ 2.59 million in 2012 compared to a foreign exchange gain of ₱ 1.30 million in 2011 due to higher foreign currency deposits in 2012. Other income decreased by 10.17% or by ₱ 59.68 million from ₱586.62 million in 2011 to ₱526.94 million in 2012 due to lower amusement and other sales of the mall and service fees.

Costs and Expenses

With the higher sales, the corresponding cost of real estate sales increased by 36.41% from ₱ 3,612.28 million in 2011 to ₱ 4,927.46 million in 2012. Cost of rental services likewise increased by 3.78% from ₱ 456.37 million in 2011 to ₱ 473.62 million in 2012.

Total operating expenses increased to ₱ 1,969.15 million in 2012 from ₱ 1,676.13 million in 2011.

General and administrative expenses increased by ₱ 185.59 million or by 20.36% to ₱ 1,096.90 million in 2012 from ₱ 911.32 million in 2011.

The following are the significant movements in the general and administrative expense accounts which resulted primarily from the increased volume of business and higher revenues in 2012:

65.67% increase in rent expense
60.08% increase in repairs and maintenance
30.86% increase in taxes and licenses
32.88% increase in dues and subscription
22.81% increase in outside services
25.15% increase in retirement cost, from ₱ 19.88 million in 2011 to ₱ 24.88 million in 2012.
113.78% increase in insurance expenses, from ₱ 26.86 million in 2011 to ₱ 57.41 million in 2012.

Selling and marketing expenses increased by 14.05% to ₱ 872.25 million in 2012 from ₱ 764.81 million in 2011 mainly due to the increase in broker's commission, advertising, promotion and sales generation expenses as a result of increasing sales volume and activities.

Interest and other financial charges decreased by 13.75% to ₱ 412.96 million in 2012 from ₱ 478.82 million in 2011. This was due to higher capitalization of borrowing costs in 2012, and brought about by payment of loans and fixed-rate retail bonds amounting to ₱ 2,504.75 million and ₱ 500.00 million, respectively.

Provision for Income Tax

Provision for income tax increased by 15.34% from ₱ 560.18 million in 2011 to ₱ 646.09 million in 2012. Provision for current income tax decreased to ₱ 353.48 million in 2012 from ₱ 505.42 million in 2011 or a decrease of ₱ 151.94 million or by 30.06% due to higher revenues generated from tax-exempt projects and other projects with income tax holiday.

Provision for deferred income tax increased by ₱ 237.85 million or by 434.30% from ₱ 54.77 million in 2011 to ₱ 292.61 million in 2012 due to higher capitalized borrowing costs.

Financial Condition

As of December 31, 2012, FLI's total consolidated assets stood at ₱ 82.63 billion, higher by 19.89% than the ₱ 68.92 billion as at the previous year-end.

81.04% Increase in Cash and cash equivalents

The increase represents mainly proceeds from the Parent Company's issuance of fixed rate retail bonds amounting to ₱7.0 billion in June 2012. Funds will be used to finance the development of existing and new projects of the Parent Company lined up for the following year.

25.38% Increase in Contracts receivable
Contracts receivable increased due to additional sales booked during the current period.

21.28% Decrease in Due from related parties
The decrease was due to collections of temporary advances made to affiliates in the regular course of business.

24.23% Increase in Other receivables
This account increased due to down payments made to contractors which are to be applied against their billings and ordinary advances to joint venture partners which will be offset against the proceeds from sales of the joint venture inventories.

24.20% Increase in Real estate inventories
The upward movement of this account mainly comprised of development and construction costs set up for projects during the year and additional phases of existing projects.

9.06% Increase in Land and land development
The increase in this account was mainly due to acquisition of new properties in various parts of the country which are intended for development of housing projects and payment made to Cebu City Government for the purchase of part of the 10.6 hectare SRP property.

2.96% Increase in Investment in an associate
The increase in this account represents the equity share of the Group in the current net earnings of FAI.

24.47% Increase in Investment properties
The increase was mainly due to the transfer of a building under construction to Investment properties account upon completion of its construction.

2.95% Increase in Property and equipment
The increase in this account was mainly due to the new corporate headquarters of the Parent Company located in Mandaluyong City and leasehold improvements and acquisition of additional equipment.

5.43% Decrease in Deferred tax assets
The decrease was mainly due to decrease of advance rentals from Northgate Cyberzone buildings and from PBCom Tower in Makati City.

103.69% Increase in Other assets
The increase in this account was mainly due to higher creditable withholding tax and input vat for the year.

36.61% Increase in Accounts payable and accrued expenses
The increase is mainly due to increase in deposits from tenants and buyers, retention from billings of contractors, and accrual of interests on loans and bonds.

63.96% Decrease in Income tax payable
The decrease in income tax payable was due to application of creditable withholding taxes on the tax due for the year.

276.39% Increase in Due to related parties
The increase was due to temporary advances from affiliates which were all in the regular course of business. These advances are expected to be paid or liquidated within the first quarter of the following year.

27.70% Increase in Loans payable
The increase was due to additional borrowings made to finance the various projects of the Parent Company.

80.08% Increase in Bonds payable
The increase was due to the issuance of fixed-rate retail bonds by the Parent Company with an aggregate principal amount of ₱7 billion in June 2012 to finance the various projects of the Parent Company.

66.89% Increase in Retirement liabilities
The increase was due to the accrual of the liability to the retirement fund for the year, net of cash contributions to the fund, and due to early adoption by the Parent Company of revised PAS 19, *Employee Benefits.*

13.03% Increase in Deferred income tax liabilities
The increase in this account was mainly due to the capitalization of part of interests on long-term loans.

17.01% Increase in Retained earnings
This was brought about by the Parent Company's net income of ₱ 3.43 billion for the year net of cash dividends paid in 2012.

Performance Indicators

Financial Ratios	***Particulars***	**2012**	**2011**
Earnings per Share	*Basic*[1]	0.14	0.12
Earnings per Share	*Diluted*[2]	0.14	0.12
Debt to Equity Ratio	*Notes Payable & Long-term Debt* / *Total Stockholder's Equity*	0.55	0.38
Debt Ratio	*Total Liabilities* / *Total Assets*	0.44	0.36
EBITDA to Total	*EBITDA*		

Interest Expense	*Total Interest Expense*	3.59	5.20
Price Earnings Ratio	*Closing Price of Share* / *Earnings Per share*	10.64	8.25

[1] *Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.*

[2] *Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.*

Other Disclosures

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from the Parent Company's continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

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

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor does it have borrowings wherein properties were mortgaged to secure a loan.

ANNEX "E"

FILINVEST LAND, INC.

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS

held at Ballrooms 1 & 2
Mandarin Oriental Manila,
Makati Avenue, Makati City
on May 9, 2014 at 9:00 a.m.

I. ATTENDANCE

STOCKHOLDERS PRESENT:

	No. of Shares	Percentage
Present by Proxies	24,645,610,883	76.42%
Present In Person	31,023,448	00.10%
Total Attendance	24,676,634,331	76.52%

ALSO PRESENT:
Board of Directors
Mr. Andrew L. Gotianun, Sr. (Chairman Emeritus)
Mrs. Mercedes T. Gotianun
Mr. Jonathan T. Gotianun (Chairman)
Mrs. Lourdes Josephine Gotianun Yap (President & CEO)
Mr. Andrew T. Gotianun, Jr.
Mr. Joseph M. Yap
Atty. Efren C. Gutierrez
Mr. Lamberto U. Ocampo (Independent Director)
Atty. Cirilo T. Tolosa (Independent Director / Chairman – Audit Committee)

External Auditor: Sycip Gorres Velayo & Co.
Ms. Dhonabee B. Seneres (Partner-In-Charge)

II. PRESIDING OFFICER AND SECRETARY

Mr. Jonathan T. Gotianun acted as Chairman and presided over the meeting, while the Assistant Corporate Secretary, Atty. Sharon P. Pagaling-Refuerzo, recorded the minutes thereof.

III. 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.

IV. APPROVAL OF THE MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS 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.

V. PRESENTATION OF THE PRESIDENT'S REPORT AND APPROVAL OF THE AUDITED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED DECEMBER 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 ₱0.050 per share, broken down as follows:

a. Regular Cash Dividend of ₱0.032 per share
b. Special Cash Dividend of ₱0.018 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.

VI. 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.

VII. 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 nominees 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)	

VIII. APPOINTMENT OF EXTERNAL AUDITORS

On motion made and duly seconded, and in the absence of any objection, the stockholders 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.

IX. ADJOURNMENT

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

CERTIFIED CORRECT:

SHARON P. PACALING-REFUERZO
Assistant Corporate Secretary

ATTESTED BY:

JONATHAN T. GOTIANUN
Chairman of the Meeting

File No. I.4.3
Minutes ASM-FLI/SPR

ANNEX "F"

SUMMARY OF THE RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE FROM THE LAST ANNUAL STOCKHOLDERS' MEETING TO DATE

(1)

"**RESOLVED**, that the Board of Directors hereby confirms and ratifies the authority of the Corporation to participate in the seven (7)-day property exhibit on May 2 to 8, 2014 at SM City Pampanga entitled "2014 Home Deals at Pampanga" sponsored by Banco de Oro."

"**RESOLVED, FURTHER**, to authorize the Corporation to tie up with Banco de Oro's BDO Home Loan under the "2014 Home Deals at Pampanga" promotion;

"**RESOLVED, FINALLY,** that the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ** is hereby authorized to sign, execute and deliver, for and on behalf of the Corporation, the agreement with Banco de Oro for the "2014 Home Deals at Pampanga" promotion, and such other documents or agreements as may be necessary to carry out the transaction contemplated herein."

(2)

"**RESOLVED**, to authorize the Corporation to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive Order No. 226 with the Board of Investments for its project "Sorrento Oasis- Bldg. M1 and M2 " located in C. Raymundo Ave., Brgy. Rosario, Pasig City, Metro Manila as expansion of its Mass Housing Project under the 2012 Investments Priorities Plan;

"**RESOLVED, FURTHER**, to authorize the Corporation's First Vice President, **Mr. Luis L. Fernandez** and/or Assistant Vice President, **Ms. Mary Averose D. Valderrama**, and/or Senior Vice-President/Chief Financial Officer, **Mr. Nelson M. Bona** to transact, execute, sign and deliver whether acting singly or jointly all documents as may be necessary or required to implement the foregoing resolution".

(3)

"**RESOLVED**, that the Corporation be authorized, as it is hereby authorized, to appoint **EAST WEST BANK CORPORATION – TRUST DEPARTMENT** (the "Bank") as its escrow agent to establish an Escrow Account with the Bank in connection with the Corporation's mid-rise building project, **SORRENTO OASIS – Building J.**"

"**RESOLVED, FURTHER**, to authorize the Corporation to enter into an Escrow Agreement with the Housing and Land Use Regulatory Board ("HLURB") and the Bank in connection with **SORRENTO OASIS – Building J.**"

"**RESOLVED, FINALLY**, to authorize the Corporation's Senior Vice President and Metro Manila Cluster Head, **LIANG-TA C. CHIEN**, to sign the Escrow Agreement for and on behalf of the Corporation, and such other documents as may be necessary to implement the foregoing transaction."

(4)

"**RESOLVED**, to authorize the Corporation to apply with Manila Electric Company (MERALCO) for the installation of permanent electrical power connection for its project, **The Village Front** within the Brentville International Community located at Mamplasan, Binan, Laguna."

"**RESOLVED FURTHER,** that the Corporation's First Vice President, **LUIS L. FERNANDEZ** be authorized as he is hereby authorized to sign, execute and deliver, for and on behalf of the Corporation, the proper application for permanent electrical power connection and other required forms or documents to support the said application with MERALCO."

(5)

"**WHEREAS**, the Corporation has an existing Current Account No. 36-02-00733-1 (the "Account") with East West Bank Banking Corporation (hereinafter "EWBC") for its project, Levels Studio City."

"**WHEREAS**, the following officers of the Corporation are the authorized signatories for the above-mentioned Account, and their signing authorities are as follows:

Category "A"	Category "B"
Josephine G. Yap	Michael T. Gotianun
Joseph M. Yap	Luis L. Fernandez
Andrew T. Gotianun, Jr.	Ana Venus A. Mejia
Efren M. Reyes	
Nelson M. Bona	

a) For payment not exceeding P100,000.00, any two (2) of the Category "A" or any two (2) of Category "B" signatories or any one (1) of "A" signatories with any one (1) of "B" signatories, and

b) For payment exceeding P100,000.00, any two (2) of "A" signatories or any one (1) of the "A" signatories with any one (1) of the "B" signatories."

"**RESOLVED**, as it is hereby resolved that the signatories of the Corporation's Current Account No. 36-02-00733-1 with EWBC be revised as follows with the same limits of authority as mentioned above:

Category "A"	Category "B"
L. Josephine G. Yap	Michael Edward T. Gotianun
Joseph M. Yap	Luis L. Fernandez
Nelson M. Bona	
Efren M. Reyes	
Ana Venus A. Mejia	
Catherine A. Ilagan (Note: NEW)	

"**RESOLVED, FURTHER**, that any and all resolutions previously issued pertaining to the Corporation's Current Account No. 36-02-00733-1 with EWBC are hereby revoked."

(6)

"**RESOLVED**, that **EAST WEST BANKING CORPORATION** (hereinafter called "EWBC") be, and is hereby, designated a depository of the funds/monies of the Corporation and that the Corporation be, and is hereby, authorized to open savings, time, current, and/or trust accounts with EWBC head office and/or any of its branches, for the Corporation's **ILMojito project** located in Cebu."

"**RESOLVED, FURTHER**, to confirm that **any two (2)** of the following officers are hereby authorized to (i) sign, execute, and/or deliver any and all documents in connection with the opening of any account(s) with or investment of any funds through EWBC; (ii) to withdraw or transfer the funds/monies of the Corporation by checks, receipts, drafts, bills of exchange, withdrawal slips, or orders of payment; and (iii) to sign, endorse, draw, and accept, make, execute, and/or deliver, for negotiation, payment, deposit or collection, checks, receipts, drafts, bills of exchange, orders for payment and/or other similar instrument in connection with the account(s), including the authority to avail Corporate Suite Services (such as Payroll, Check Prepare, Bills Payment, E-Settle Check Depot and other services) for the **ILMojito project**:

Name	**Specimen Signature**
L. Josephine G. Yap	_____
Joseph M. Yap	_____
Nelson M. Bona	_____
Efren M. Reyes	_____
Ana Venus A. Mejia	_____
Catherine A. Ilagan	_____
Michael Edward T. Gotianun	_____

"**RESOLVED, FURTHER**, that EWBC, its directors, officers, employees, agents or authorized representatives are each entitled and authorized to rely on these instructions as valid, binding, and effective upon the Corporation and that EWBC, its directors, officers, employees, agents or authorized representatives shall not be liable for any act done or suffered by them in reliance of the above instructions, it being understood that any and all risks and costs arising from the above instructions shall be for the Corporation's sole and exclusive account."

"**RESOLVED, FINALLY**, that all things/acts done and documents executed and entered into by the aforementioned signatories pursuant to and in accordance with the foregoing authorities are hereby confirmed, affirmed and ratified."

(7)

"**RESOLVED**, to authorize the Corporation to file, prosecute and defend all civil, criminal and administrative actions with respect to any claim or dispute for or against the Corporation arising from or related to transactions involving the Corporation's subdivision projects or any lot or unit therein, including actions for specific performance, recovery of sum of money, damages, injunction, forcible entry or ejectment."

"**RESOLVED, FURTHER**, to authorize the Corporation's First Vice President / Operations Head, Mr. Reynaldo Juanito S. Nieva II, and/or his representative, whether acting singly or jointly, to represent the Corporation for the purpose of implementing the foregoing authority, to cause the preparation, execution and filing with the proper courts or quasi-judicial bodies, the complaint or petition and other pleadings, to verify and execute affidavit of non-forum shopping, to secure the services of counsel, to make stipulations of fact as may be necessary, and to otherwise do all things necessary and desirable to effect the foregoing resolution on behalf of the Corporation in relation thereto."

(8)

"**RESOLVE**, as it is hereby resolved, to authorize the Corporation's Branch Manager, LOUIE HENRY D. CARANDANG, to sign, execute, and deliver, for and on behalf of the Corporation and under such terms and conditions as may be in the best interest of the Corporation, the following applications, contracts and such related documents in connection with the Corporation's project located in Iloilo:

a. Application with Panay Electric Company (PECO);
b. Telephone applications with telecom providers;
c. Application for renewal of business permits;
d. Rental Agreements for office buildings; and
e. Manpower contracts with agencies."

(9)

"**RESOLVED**, as it is hereby resolved, to authorize the following officers of the Corporation to sign, execute and deliver on behalf of the Corporation contracts, agreements, instruments or documents to carry out the sale, transfer, disposition, encumbrance and such other related transactions the subject matter of which is any of the Corporation's developed inventory in its approved development projects as may be necessary and proper in the ordinary course of the Corporation's day-to-day real estate business as follows:

CLASS A SIGNATORIES

ANA VENUS A. MEJIA _____

FRANCIS V. CEBALLOS _____

NELSON M. BONA _____

REGINALD KIM L. SHIMAMOTO _____

REYNALDO A. ASCAÑO _____

REYNALDO JUANITO S. NIEVA II _____

STEVE C. CHIEN _____

TRISTANEIL L. LAS MARIAS _____

Any ONE of the above **CLASS A SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, instruments or documents in connection with any of the following transactions involving the Corporation's real estate inventory in its development projects:

1. AFFIDAVIT OF CONSOLIDATION OF OWNERSHIP
2. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER'S HDMF LOAN
3. COLLECTION SERVICING AGREEMENT
4. CONTRACT TO SELL
5. DEED OF ABSOLUTE SALE
6. DEED OF ASSIGNMENT OF CERTIFICATE OF TIME DEPOSIT/ESCROW AGREEMENT
7. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
8. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
9. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
10. DEED OF CANCELLATION AND RECONVEYANCE
11. DEED OF EXCHANGE
12. DEED OF REAL ESTATE MORTGAGE
13. DEED OF RESCISSION AND RECONVEYANCE
14. DEED OF RELEASE OF REAL ESTATE MORTGAGE
15. DEED OF SALE OF REAL PROPERTY WITH REAL ESTATE MORTGAGE
16. DEED OF UNDERTAKING
17. DISCLOSURE STATEMENT OF LOAN TRANSACTION
18. IRREVOCABLE DEED OF ASSIGNMENT
19. LETTER OF AGREEMENT/MEMORANDUM OF AGREEMENT
20. LETTER OF GUARANTY
21. NEGOTIATION FOR BUDGET ALLOCATION
22. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS
23. OTHER TRANSACTIONS WITH HDMF
24. PETITION FOR EXTRADUDICIAL FORECLOSURE OF MORTGAGE
25. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF
26. RENTAL POOL AGREEMENT
27. TRUST RECEIPT FOR TRANSFER CERTIFICATE OF TITLES

CLASS B SIGNATORIES

EUFRECINA M. QUILAPIO _____

LORETA M. SANTOS _____

MARIANO LACAMBACAL JR. _____

REMIE C. BARBOSA _____

Any ONE of the above **CLASS B SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, or documents in connection with the following transactions involving the Corporation's real estate inventory:

1. CERTIFICATE OF PURCHASE/FULL PAYMENT
2. CONTRACT TO SELL
3. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
4. LETTER OF AGREEMENT/MEMORANDUM OF AGREEMENT
5. NOTICE OF CANCELLATION
6. RENT TO OWN AGREEMENT

CLASS C SIGNATORIES

MARK B. DE GUZMAN _____

MIGUEL V. SUERTE _____

Any ONE of the above **CLASS C SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, or documents in connection with the following transactions involving the Corporation's real estate inventory:

1. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER'S HDMF LOAN
2. CONTRACT TO SELL
3. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
4. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
5. DEED OF UNDERTAKING
6. DISCLOSURE STATEMENT OF LOAN TRANSACTION
7. IRREVOCABLE DEED OF ASSIGNMENT
8. LETTER OF GUARANTY
9. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS
10. OTHER TRANSACTIONS WITH HDMF
11. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF

CLASS D SIGNATORIES

AUBREY ORTEGA-LASCUÑA _____
(Regional Cebu)
KATHRYN ANN R. LAO-BORBON _____
(Regional Davao)

The above **CLASS D SIGNATORIES** are authorized to sign, execute and deliver on behalf of the Corporation the following documents involving the Corporation's real estate inventory in their respective regional office:

1. AFFIDAVIT OF CONSOLIDATION OF OWNERSHIP
2. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER'S HDMF LOAN
3. CERTIFICATE OF PURCHASE/FULL PAYMENT
4. CONTRACT TO SELL
5. DEED OF ABSOLUTE SALE
6. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
7. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
8. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
9. DEED OF CANCELLATION AND RECONVEYANCE
10. DEED OF EXCHANGE
11. DEED OF REAL ESTATE MORTGAGE
12. DEED OF RESCISSION AND RECONVEYANCE
13. DEED OF RELEASE OF REAL ESTATE MORTGAGE
14. DEED OF SALE OF REAL PROPERTY WITH REAL ESTATE MORTGAGE
15. DEED OF UNDERTAKING
16. DISCLOSURE STATEMENT OF LOAN TRANSACTION
17. IRREVOCABLE DEED OF ASSIGNMENT
18. LETTER OF AGREEMENT/MEMORANDUM OF AGREEMENT
19. LETTER OF GUARANTY
20. NEGOTIATION FOR BUDGET ALLOCATION
21. NOTICE OF CANCELLATION
22. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS

23. OTHER TRANSACTIONS WITH HDMF
24. PETITION FOR EXTRADUDICIAL FORECLOSURE OF MORTGAGE
25. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF
26. RENTAL POOL AGREEMENT

(10)

"RESOLVED, to authorize the Corporation to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive Order No. 226 with the Board of Investments for its project "MAUI OASIS (Bldg. 4 Kapalua)" located in Sta. Mesa, Manila as a new developer of Mass Housing Projects under the 2010 Investments Priorities Plan."

RESOLVED, FURTHER, to authorize the Corporation's First Vice-President, Mr. Luis L. Fernandez, Senior Vice-President, Mr. Nelson M. Bona, and Medium Rise Building Head, Ms. Mary Averose V. Valderrama to transact, execute, sign and deliver whether acting singly or jointly all documents as may be necessary or required to implement the foregoing resolution."

(11)

"RESOLVED, to authorize the Corporation to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive Order No. 226 with the Board of Investments for its project "VINIA RESIDENCES + VERSAFLATS" located in EDSA, Philam Subd., Quezon City, as a new developer of Mass Housing Projects under the 2010 Investments Priorities Plan."

RESOLVED, FURTHER, to authorize the Corporation's First Vice-President Mr. Luis L. Fernandez, Senior Vice President Mr. Lian-Ta C. Chien, Senior Vice-President Mr. Nelson M. Bona, and Assistant Vice President Ms. Mai Yang to transact, execute, sign and deliver whether acting singly or jointly all documents as may be necessary or required to implement the foregoing resolution."

(12)

"RESOLVED, as it is hereby resolved, to authorize Filinvest Land, Inc. (the "Corporation") to enter into an agreement with East West Banking Corporation ("EWBC") for credit-card payment facility wherein EWBC shall provide qualified buyers of the Corporation with a proprietary credit card called the "FLI Dream Card" as an alternative payment channel for the payment of the down payment or a portion of such down payment or such down payment balance of the purchase price of the properties with FLI."

"RESOLVED FURTHER, that the Corporation's President & CEO, L. JOSEPHINE GOTIANUN YAP, be authorized, as she is hereby authorized, to sign, execute and deliver, for and on behalf of the Corporation, the agreement for credit-card payment facility with EWBC and such other agreements or documents as may be necessary to implement the foregoing transaction."

(13)

"RESOLVED, to authorize the Corporation to file, prosecute and defend all civil, criminal and administrative actions filed for or against it by any party with respect to any matter involving the affairs of the corporation including, but not limited to actions for specific performance, recovery of sum of money, damages, injunction, forcible entry or ejectment, estafa, theft and any other civil and criminal suits."

"RESOLVED, FURTHER, to authorize the Corporation's Legal Counsel, FLORES SALCEDO MARASIGAN & PARTNERS (formerly PEREZ & PARTNERS), or any of its lawyers, whether acting singly or jointly, to represent the Corporation for the purpose of implementing the foregoing authorization, to cause the preparation, execution and filing with the proper courts or quasi-judicial bodies, of the complaint or petition and other pleadings, to secure the services of counsel, to make stipulations of facts as may be necessary, to enter into any settlement as may be reasonable under the premises, and to otherwise do all things necessary and desirable to effect the foregoing resolution on behalf of the Corporation in relation thereto."

(14)

"RESOLVED, as it is hereby resolved, to authorize the Corporation to apply for an accreditation or renew its existing accreditation as an importer with the Bureau of Customs;

RESOLVED, FURTHER, to authorize MS. ANA VENUS A MEJIA and/or MS. GINA S. DELLAMAS, acting singly or jointly, for and on behalf of the Corporation, to sign, execute, and deliver all papers and documents necessary to implement the foregoing transaction."

(15)

"RESOLVED, to authorize the Corporation to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive Order No. 226 with the Board of Investments for its project "Sorrento Oasis-Bldg. K, L and N" located in C. Raymundo Ave., Brgy. Rosario,, Pasig City, Metro Manila as a expansion of its Mass Housing Projects under the 2012 Investments Priorities Plan."

RESOLVED, FURTHER, to authorize the Corporation's First Vice-President Mr. Luis L. Fernandez, and/or Assistant Vice President, Ms. Mary Averose Valderrama, and/or Senior Vice-President/Chief Financial Officer, Mr. Nelson M. Bona to transact, execute, sign and deliver whether acting singly or jointly all documents as may be necessary or required to implement the foregoing resolution."

(16)

"RESOLVED, to authorize the Corporation to apply for any and all incidental and necessary permits for the installation of permanent electric lines, meters and facilities by Manila Electric Company (MERALCO) in the Corporation's "THE SIGNATURE" project, located at A. Bonifacio Ave., Brgy. Pag-Ibig sa Nayon, Balintawak, Quezon City.

RESOLVED, FURTHER, to authorize the Corporation's Senior Vice President, LIAN-TA C. CHIEN, and/or his duly authorized representative, to represent the Corporation for the purpose of implementing the foregoing authority and to cause the preparation, execution and filing of the necessary application and permits."

(17)

"RESOLVED, as it is hereby resolved, that the Company apply for water connection with the Maynilad Water Services, Inc. to provide water service for the STUDIO ZEN PRIVATE DORMITEL AND RESIDENCES project, at Brgy. San Isidro, Pasay City under such terms and conditions as may be in the best interests of the Company.

RESOLVED, FURTHER, that the Corporation's First Vice President LUIS L. FERNANDEZ be authorized as he is hereby authorized to sign for, execute and deliver the proper application and other required forms or documents to support the said application for water connection."

(18)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized and empowered to apply for any and all incidental and necessary permits for the installation of electric lines and meters with the Manila Electric Company (MERALCO) for its **Savannah Fields Project,** under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President and Head of General Services, **MR. LUIS L. FERNANDEZ,** be, as he is hereby, authorized and empowered to transact with MERALCO and to sign, execute and deliver, for and on behalf of the Corporation, any and all applications and documents which may be required or necessary to implement the foregoing resolution."

(19)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized and empowered to apply for any and all incidental and necessary permits for the installation of electric lines and meters with the Manila Electric Company (MERALCO) for its **Fora Tagaytay Project,** under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President and Head of General Services, **MR. LUIS L. FERNANDEZ**, be, as he is hereby, authorized and empowered to transact with MERALCO and to sign, execute and deliver, for and on behalf of the Corporation, any and all applications and documents which may be required or necessary to implement the foregoing resolution."

(20)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized and empowered to apply for and subscribe to telephone and internet services of Philippine Long Distance & Telephone Company ("PLDT") as may be required for its "The Linear" Project in Makati City, under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President and Head of General Services, **MR. LUIS L. FERNANDEZ**, be, as he is hereby, authorized and empowered to transact with PLDT and to sign, execute and deliver, for and on behalf of the Corporation, any and all applications and documents which may be required or necessary to implement the foregoing resolution."

(21)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized and empowered to apply for and subscribe to telephone and internet services of Philippine Long Distance & Telephone Company ("PLDT") as may be required for its "Studio Zen" Project in Pasay City, under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President and Head of General Services, **MR. LUIS L. FERNANDEZ**, be, as he is hereby, authorized and empowered to transact with PLDT and to sign, execute and deliver, for and on behalf of the Corporation, any and all applications and documents which may be required or necessary to implement the foregoing resolution."

(21)

"**RESOLVED,** That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Approval Sheet dated 10 September 2014 for "Sorrento Oasis Pasig Buildings M1 and M2" in connection with the Corporation's application for registration under E.O. 226 as Expanding Developer of Low Cost Mass Housing Project on a non-pioneer status;

"**RESOLVED, FURTHER**, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"**RESOLVED, FURTHER,** That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"**RESOLVED, FINALLY,** That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(22)

"**RESOLVED**, That the Corporation is hereby authorized to apply for electric connection and service with the Visayan Electric Company (VECO) for its property identified as Il Corso At City Di Mare located at Cebu City;

"**RESOLVED, FURTHER**, That the Corporation's Senior Vice President, **JOVITA R. POLLOSO**, be, as she is hereby, authorized, for and on behalf of the Corporation to apply for such service and to sign, execute and deliver the proper agreement, contract or deed with Visayan Electric Company (VECO) upon such terms and conditions as may be in the best interest of the Corporation.

(23)

"RESOLVED, as it is hereby resolved, that Asia United Bank ("Bank"), and/or any of its branches, be, as it is hereby, designated depository bank of the Corporation, and its officers, employees and agents are hereby authorized to pay, encash or otherwise honor and charge to the Corporation any and all checks, bills of exchange, orders or other instruments for the payment of money or withdrawal of funds, including those which may cause overdraft, when signed, made, drawn, accepted or indorsed on behalf of or in the name of the Corporation as follows:

(a) for payments not exceeding Php100,000.00, any two (2) of the Group "A" signatories or any two (2) of Group "B" signatories or any one (1) Group "A" signatory with any one (1) Group "B" signatory; and

(b) for payments exceeding Php100,000.00 any two (2) Group "A" signatories, or any one (1) Group "A" signatory with any one (1) Group "B" signatory.

Group "A" Signatories

Name	Position	Specimen Signature
L. Josephine G. Yap	President / Chief Executive Officer	_____
Joseph M. Yap	Director	_____
Andrew T. Gotianun, Jr.	Vice Chairman	_____
Nelson M. Bona	Chief Finance Officer/ Senior Vice President	_____
Efren M. Reyes		_____
Venus A. Mejia	Senior Vice President/ Deputy Chief Finance Officer	_____

Group "B" Signatories

Name	Position	Specimen Signature
Michael Edward T. Gotianun	Senior Advisor	_____
Luis L. Fernandez	First Vice President	_____
Lian-Ta C. Chien	Senior Vice President	_____
Francis V. Ceballos	Senior Vice President	_____
Reynaldo Juanito S. Nieva II	First Vice President	_____

"**RESOLVED, FURTHER**, that the above-named signatories be, as they are hereby, authorized to apply, negotiate for and obtain credit facilities with the Bank in such amounts as the Corporation may deem necessary under such terms and conditions as may be approved by the Bank, including the renewal, extension and/or increases thereof, and to make and deliver notes, drafts, acceptances, waivers (including but not limited to the secrecy of bank deposits), agreements and any other obligation of the Corporation, in the form satisfactory to the Bank, and as security therefor, to assign, mortgage, pledge or otherwise encumber corporate assets, securities, receivables,

deposits, contract rights and equipment now held and belonging to or may in the future be held by the Corporation and acceptable to the Bank;

"**RESOLVED, FURTHER**, that any two (2) of the following officers be, as they are hereby, authorized to apply and assign/approve personnel who will access the Corporation's account/s through the Bank's electronic banking services such as phone banking, internet banking and mobile banking systems in so far as the following transactions are concerned, to wit:

1. Account History Inquiry
2. Account Balance Inquiry

Name	**Position**	**Specimen Signature**
L. Josephine G. Yap	President / Chief Executive Officer	_____
Joseph M. Yap	Director	_____
Nelson M. Bona	Chief Finance Officer / Senior Vice President	_____
Venus A. Mejia	Senior Vice President / Deputy Chief Finance Officer	_____
Luis L. Fernandez	First Vice President	_____

"**RESOLVED, FINALLY,** that all foregoing authorities shall remain in full force and effect unless revoked by a subsequent certification from the Corporate Secretary, duly notarized and actually received by the Bank at its office wherein the account/s of the Corporation is/are then maintained, setting forth a resolution to that effect, certified to have been adopted by the Board of Directors of the Corporation, provided that such subsequent certification shall not be effective with respect to any exercise of any of the foregoing authorities granted herein prior to the receipt thereof, nor with respect to any checks or other instruments for the payment of money or withdrawal of funds dated prior to the date of such certification but presented to the Bank after receipt of the same. Further, the Bank is hereby authorized at all times to rely upon the latest certification received by it when so certified by the Corporate Secretary of the Corporation. The Corporation shall hold the Bank free and harmless from any liability or claim arising from the Bank's reliance on said written notice or certification." (AUB Form)

(24)

"**RESOLVED**, That the Corporation is hereby authorized to apply for electric connection and service with Visayan Electric Company (VECO) for its property, designated as Il Corso At City Di Mare, located at Coastal Road, South Road Properties (SRP), Cebu City;

"**RESOLVED, FURTHER**, That the Corporation's Senior Vice President, **JOVITA R. POLLOSO**, is hereby authorized, for and on behalf of the Corporation, to apply for such service and to sign, execute and deliver the proper agreement, contract or deed with Visayan Electric Company (VECO) upon such terms and conditions as may be in the best interest of the Corporation.

(25)

"**RESOLVED,** That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, for its project designated as "Westwood Mansions Expansion", located in Paradahan I, Tanza, Cavite, as an Expanding Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **Luis L. Fernandez**, and/or First Vice President, **Reynaldo A. Ascaño**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI, for and on behalf of the Corporation,

and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(26)

"**RESOLVED**, That the Corporation's Area General Manager, **ALLAN G. ALFON**, be, as he is hereby, authorized and empowered to sign, execute and deliver, for and on behalf of the Corporation and under such terms and conditions as may be in the best interest of the Corporation, the following applications, contracts and other related documents in connection with the Corporation's projects located in Cebu:

a. Application with Visayan Electric Company (VECO) and Mactan Electric Company (MECO) for power connection;
b. Telephone applications with telecom providers; and
c. Application for renewal of business permits.

(27)

"RESOLVED, That the Corporation be, as it is hereby, authorized and empowered to appoint **EAST WEST BANK CORPORATION – TRUST DEPARTMENT** (the "Bank") as its escrow agent and to establish an Escrow Account with the Bank in connection with the Corporation's project, designated as **STUDIO CITY (TOWER 3)**;

"RESOLVED, FURTHER, That the following officers be, as they are hereby, authorized to (i) sign, execute and/or deliver any and all documents in connection with the opening Of Said Escrow Account With The Bank For Studio City (Tower 3), and (ii) to withdraw funds/monies of the Corporation from the Bank by checks, receipts, drafts, bills of exchange, withdrawal slips, or other orders for payment as follows:

a) For payments not exceeding Pesos: One Hundred Thousand (PhP100,000.00), any two (2) of the Group A signatories, or any two (2) of the Group B signatories, or any one (1) Group A signatory with any one (1) Group B signatory;
b) For payments exceeding Pesos: One Hundred Thousand (PhP100, 000.00), any two (2) of the Group A signatories, or any one (1) Group A signatory with any one (1) Group B signatory;

Group "A" Signatories

Name	Specimen Signature
L. Josephine Gotianun Yap	_____
Joseph M. Yap	_____
Nelson M. Bona	_____
Efren M. Reyes	_____
Ana Venus A. Mejia	_____

Group "B" Signatories

Name	Specimen Signature
Michael Edward T. Gotianun	_____
Luis L. Fernandez	_____

Francis V. Ceballos _____

(28)

"RESOLVED, That the Corporation be, as it is hereby, authorized and empowered to appoint **EAST WEST BANK CORPORATION – TRUST DEPARTMENT** (the "Bank") as its escrow agent and to establish an Escrow Account with the Bank in connection with the Corporation's project, designated as **THE LEVELS (BURBANK TOWER)**;

"RESOLVED, FURTHER, That the following officers be, as they are hereby, authorized to (i) sign, execute and/or deliver any and all documents in connection with the opening of said Escrow Account with the Bank for The Levels (Burbank Tower), and (ii) to withdraw funds/monies of the Corporation from the Bank by checks, receipts, drafts, bills of exchange, withdrawal slips, or other orders for payment as follows:

a) For payments not exceeding Pesos: One Hundred Thousand (PhP100,000.00), any two (2) of the Group A signatories, or any two (2) of the Group B signatories, or any one (1) Group A signatory with any one (1) Group B signatory;
b) For payments exceeding Pesos: One Hundred Thousand (PhP100, 000.00), any two (2) of the Group A signatories, or any one (1) Group A signatory with any one (1) Group B signatory;

Group "A" Signatories

Name	Specimen Signature
L. Josephine Gotianun Yap	_____
Joseph M. Yap	_____
Nelson M. Bona	_____
Efren M. Reyes	_____
Ana Venus A. Mejia	_____

Group "B" Signatories

Name	Specimen Signature
Michael Edward T. Gotianun	_____
Luis L. Fernandez	_____
Francis V. Ceballos	_____

(29)

"RESOLVED, That the Corporation is hereby authorized and empowered to apply for any and all national and local permits, licenses and approvals required, necessary or incidental for its various land development, housing and condominium projects in Visayas and Mindanao.

"RESOLVED, FURTHER, That the Corporation's First Vice President, **TRISTANEIL D. LAS MARIAS** and/or Vice President, **ALLAN G. ALFON** be, as they are, hereby authorized, whether acting singly or jointly, to represent the Corporation for the purpose of implementing the foregoing authority, and to cause the preparation, execution and filing of the necessary applications for the issuance of such permits and licenses."

(30)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized and empowered to appoint **EAST WEST BANKING CORPORATION – TRUST DEPARTMENT** (the "Bank") as its escrow agent and to establish an Escrow Account with the Bank in connection with the Corporation's project, designated as **8 SPATIAL DAVAO (BUILDING 1)**;

"**RESOLVED, FURTHER,** That the Corporation is hereby authorized to enter into an Escrow Agreement with the Housing and Land Use Regulatory Board ("HLURB") and the Bank in connection with the 8 Spatial Davao (Building 1) Project;

"**RESOLVED, FINALLY,** That the Corporation's First Vice President and Visayas/Mindanao Cluster Head, **TRISTANEIL D. LAS MARIAS,** be, as he is hereby, authorized to sign, for and on behalf of the Corporation, the Escrow Agreement and such other documents required or necessary to implement the foregoing transactions."

(31)

"**RESOLVED**, That the Corporation is hereby authorized to file, prosecute and defend all civil, criminal and administrative actions filed for or against it by any party with respect to any matter involving the affairs of the Corporation including, but not limited to actions for specific performance, recovery of sum of money, damages, injunction, forcible entry or ejectment, estafa, theft and any other civil and criminal suits;

"**RESOLVED, FURTHER**, That the Corporation's Legal Counsel, **LEOGARDO & LIM MAGTANONG (formerly FLORES SALCEDO MARASIGAN & PARTNERS)**, or any of its lawyers, whether acting singly or jointly, are hereby authorized and empowered to represent the Corporation for the purpose of implementing the foregoing authorization, to cause the preparation, execution and filing with the proper courts or quasi-judicial bodies, of the complaint, petition, answer and/or any other pleading, to secure the services of counsel, to make stipulations of facts as may be necessary, to enter into any settlement as may be reasonable or advisable under the circumstances, and to otherwise do all things necessary and advisable to effect the foregoing resolution on behalf of the Corporation."

(32)

"**RESOLVED**, to authorize the Corporation, as it is hereby authorized, to acquire ten (10) parcels of land located in Angono Rizal, more particularly identified as follows: (a) Lot 2, Block 5, with an area of 1,043 sq. m., more or less, and covered by Transfer Certificate of Title (TCT) No. 697302; (b) Lot 5, Block 3, with an area of 1,350 sq. m., more or less, and covered by TCT No. 697284; (c) Lot 7, Block 3, with an area of 1,422 sq. m., more or less, and covered by TCT No. 697286; (d) Lot 9, Block 3, with an area of 1,237 sq. m., more or less, and covered by TCT No. 697288, (e) Lot 7, Block 6, with an area of 1,334 sq. m., more or less, and covered by TCT No. 697326, (f) Lot 3, Block 5, with an are of 1,519 sq. m., more or less, and covered by TCT No. 697303, (g) Lot 3, Block 3, with an area of 3,362 sq. m., more or less, and covered by TCT No. 697282, (h) Lot 12, Block 3, with an area of 2,153 sq. m., more or less, and covered by TCT No. 697291, (i) Lot 11, Block 3, with an area of 1,188 sq. m., more or less, and covered by TCT No. 697290, and (j) Lot 10, Block 3, with an area of 1,253 sq. m., more or less, and covered by TCT No. 697289, including all improvements and structures therein, if any, all of the Registry of Deeds for the Province of Rizal (the "Properties"), upon such terms and conditions that are beneficial to the interests of the Corporation;

"**RESOLVED, FURTHER**, that the Corporation's Director, **JOSEPH M. YAP**, be authorized as he is hereby authorized, directed and empowered, for and in the name of the Corporation, to sign, execute and deliver the Contract to Sell and/or Deed of Absolute Sale covering the purchase of the Properties or such other instruments, agreements, contracts, amendments and documents that may be necessary and/or required for the implementation of the foregoing resolution."

(33)

"RESOLVED, That the Corporation is hereby authorized and empowered to apply for the necessary permits for the installation of electric lines and meters with the Manila Electric Company (MERALCO) for its project, designated as Castillon Homes Phase 2, located at General Trias, Cavite under such terms and conditions as may be in the best interests of the Corporation;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** is hereby authorized and empowered to sign, execute, and deliver, for and on behalf of the Corporation, the proper application and other forms or documents to support the said application for the installation of electric lines and meters with the MERALCO."

(34)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, for its project designated as "Sorrento Oasis, Building J", located in C. Raymundo Avenue, Barangay Rosario, Pasig City, as a Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **Luis L. Fernandez**, and/or Assistant Vice President, **Mary Averose V. Valderrama**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(35)

"RESOLVED, That the Corporation be, as it is hereby authorize, to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive order No. 226 with the Board of Investments for its project Sorrento Oasis-Building J, located in C. Raymundo Avenue, Brgy. Rosario, Pasig City, Metro Manila as expansion of its Mass Housing Project under the 2012 Investments Priorities Plan.

"RESOLVED, FURTHER, That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** and/or First Vice President, **MS. MARY AVEROSE V. VALDERAMA**, and/or Senior Vice President/Chief Financial Officer, **MR. NELSON M. BONA,** are hereby authorized, wether acting singly or jointly, for and on behalf of the corporation to execute, sign and deliver any and all documents as may be necessary or required to implement the foregoing resolution."

(36)

"RESOLVED, That the Corporation is hereby authorized and empowered to purchase from Pilipinas Bank ten (10) parcels of land located at Barangay Colaique, Antipolo, Rizal, more particularly identified as follows:

Lot No.	Transfer Certificate of Title No.	Area (sq.m.)
Lot 9 Blk 18	223089	941
Lot 24 Blk 10	223194	1,485
Lot 3 Blk 15	223173	1,126
Lot 23 Blk 4	223232	1,243
Lot 24 Blk 4	223233	995
Lot 2 Blk 5	223234	436
Lot 40 Blk 3	223223	910

Lot 41 Blk 3	223224	702
Lot 18 Blk 11	223145	814
Lot 2 Blk 11	223129	930
	Total:	9,582

all of the Registry of Deeds for Marikina, Metro Manila, including all improvements existing thereon, if any (the "Properties"), upon such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's Director, **JOSEPH M. YAP**, be, as he is hereby, authorized, directed and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, the Deed of Absolute Sale covering the purchase of the Properties and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(37)

"RESOLVED, That the Corporation be, as it is hereby, authorized to appoint East West Banking Corporation – Trust Department (the "Bank") as its escrow agent and to establish an Escrow Account with the Bank in connection with the Corporation's mid-rise building project, Sorrento Oasis – Building O;

"RESOLVED, FURTHER, That the Corporation is hereby authorized to enter into an Escrow Agreement with the Housing and Land Use Regulatory Board ("HLURB") and the Bank in connection with Sorrento Oasis – Building O;

"**RESOLVED, FINALLY**, That the Corporation's Senior Vice President and Metro Manila Cluster Head, **LIANG-TA C. CHIEN,** is hereby authorized to sign, execute and deliver the Escrow Agreement, for and on behalf of the Corporation, and such other documents as may be required or necessary to implement the foregoing transaction."

(38)

"RESOLVED, That the Corporation be, as it is hereby authorize, to apply for registration under the Omnibus Investments Code of 1987, otherwise known as Executive order No. 226 with the Board of Investments for its project Sorrento Oasis-Building J, located in C. Raymundo Avenue, Brgy. Rosario, Pasig City, Metro Manila as expansion of its Mass Housing Project under the 2012 Investments Priorities Plan.

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** and/or Assistant Vice President, **MS. MARY AVEROSE V. VALDERAMA**, and/or Senior Vice President/Chief Financial Officer, **MR. NELSON M. BONA,** are hereby authorized, whether acting singly or jointly, for and on behalf of the corporation to execute, sign and deliver any and all documents as may be necessary or required to implement the foregoing resolution."

(39)

"**RESOLVED**, as it is hereby resolved, to authorize the following officers of the Corporation to sign, execute and deliver on behalf of the Corporation contracts, agreements, instruments or documents to carry out the sale, transfer, disposition, encumbrance and such other related transactions the subject matter of which is any of the Corporation's developed inventory in its approved development projects as may be necessary and proper in the ordinary course of the Corporation's day-to-day real estate business as follows:

CLASS "A" SIGNATORIES

ANA VENUS A. MEJIA
FRANCIS V. CEBALLOS

NELSON M. BONA
REGINALD KIM L. SHIMAMOTO

REYNALDO A. ASCAÑO
REYNALDO JUANITO S. NIEVA II
LIAN-TA C. CHIEN
TRISTANEIL D. LAS MARIAS

Any ONE (1) of the above **CLASS "A" SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, instruments or documents in connection with any of the following transactions involving the Corporation's real estate inventory in its development projects:

1. AFFIDAVIT OF CONSOLIDATION OF OWNERSHIP
2. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER's HDMF LOAN
3. COLLECTION SERVICING AGREEMENT
4. CONTRACT TO SELL
5. DEED OF ABSOLUTE SALE
6. DEED OF ASSIGNMENT OF CERTIFICATE OF TIME DEPOSIT/ESCROW AGREEMENT
7. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
8. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
9. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
10. DEED OF CANCELLATION AND RECONVEYANCE
11. DEED OF EXCHANGE
12. DEED OF REAL STATE MORTGAGE
13. DEED OF RESCISSION AND RECONVEYANCE
14. DEED OF RELEASE OF REAL ESTATE MORTAGE
15. DEED OF SALE OF REAL PROPERTY WITH REAL ETATE MORTGAGE
16. DEED OF UNDERTAKING
17. DISCLOSURE STATEMENT OF LOAN TRANSACTION
18. IRREVOCABLE DEED OF ASSIGNMENT
19. LETTER OF AGREEMENT/MEMORANDUM OF AGREEMENT
20. LETTER OF GUARANTY
21. NEGOTIATION FOR BUDGET ALLOCATION
22. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS
23. OTHER TRANSACTIONS WITH HDMF
24. PETITION FOR EXTRAJUDICIAL FORECLOSURE OF MORTGAGE
25. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF
26. RENTAL POOL AGREEMENT
27. TRUST RECEIPT FOR TRANSFER CERTIFICATE OF TITLES
28. TRI-PARTITE AGREEMENT WITH BUYER AND EAST WEST BANKING CORPORATION

CLASS "B" SIGNATORIES

EUFRECINA M. QUILAPIO
LORETA M. SANTOS
MARIANO LACAMBACAL, JR.
REMIE C. BARBOSA

Any ONE (1) of the above **CLASS "B' SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, or documents in connection with the following transactions involving the Corporation's real estate inventory:

1. CERTIFICATE OF PURCHASE/FULL PAYMENT
2. CONTRACT TO SELL
3. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
4. LETTER OF AGREEMENT/ MEMORANDUM OF AGREEMENT
5. NOTICE OF CANCELLATION
6. RENT TO OWN AGREEMENT
7. TRI-PARTITE AGREEMENT WITH BUYER AND EAST WEST BANKING CORPORATION

CLASS "C" SIGNATORIES

MARK B. DE GUZMAN
MIGUEL V. SUERTE

Any ONE (1) of the above **CLASS "C" SIGNATORIES** is authorized to sign, execute and deliver on behalf of the Corporation the following contracts, agreements, or documents in connection with the following transactions involving the Corporation's real estate inventory:

1. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER'S HDMF LOAN
2. CONTRACT TO SELL
3. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
4. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
5. DEED OF UNDERTAKING
6. DISCLOSURE STATEMENT OF LOAN TRANSACTION
7. IRREVOCABLE DEED OF ASSIGNMENT
8. LETTER OF GUARANTY
9. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS
10. OTHER TRANSACTIONS WITH HDMF
11. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF
12. TRI-PARTITE AGREEMENT WITH BUYER AND EAST WEST BANKING CORPORATION

CLASS "D" SIGNATORIES

AUBREY ORTEGA-LASCUÑA	(Regional Cebu)
KATHRYN ANN R. LAO	(Regional Davao)

Any One (1) of the above **CLASS "D" SIGNATORIES** are authorized to sign, execute and deliver on behalf of the Corporation the following documents involving the Corporation's real estate inventory in their respective regional office:

1. AFFIDAVIT OF CONSOLIDATION OF OWNERSHIP
2. CERTIFICATE OF HOUSE AND LOT ACCEPTANCE IN CONNECTION WITH THE BUYER'S HDMF LOAN
3. CERTIFICATE OF PURCHASE/FULL PAYMENT
4. CONTRACT TO SELL
5. DEED OF ABSOLUTE SALE
6. DEED OF ASSIGNMENT OF HDMF LOAN PROCEEDS TO FLI
7. DEED OF ASSIGNMENT OF RIGHTS FOR LIMITED COMMON AREAS
8. DEED OF ASSIGNMENT WITH SPECIAL POWER OF ATTORNEY
9. DEED OF CANCELLATION AND RECONVEYANCE
10. DEED OF EXCHANGE
11. DEED OF REAL STATE MORTGAGE
12. DEED OF RESCISSION AND RECONVEYANCE
13. DEED OF RELEASE OF REAL ESTATE MORTAGE
14. DEED OF SALE OF REAL PROPERTY WITH REAL ETATE MORTGAGE
15. DEED OF UNDERTAKING
16. DISCLOSURE STATEMENT OF LOAN TRANSACTION
17. IRREVOCABLE DEED OF ASSIGNMENT
18. LETTER OF AGREEMENT/MEMORANDUM OF AGREEMENT
19. LETTER OF GUARANTY
20. NEGOTIATION FOR BUDGET ALLOCATION
21. NOTICE OF CANCELLATION
22. OFFICIAL RECEIPTS FOR TAKE-OUT PROCEEDS
23. OTHER TRANSACTIONS WITH HDMF
24. PETITION FOR EXTRAJUDICIAL FORECLOSURE OF MORTGAGE
25. RECEIPT OF OFFICIAL CORRESPONDENCES FROM HDMF
26. RENTAL POOL AGREEMENT

27. TRI-PARTITE AGREEMENT WITH BUYER AND EAST WEST BANKING CORPORATION

(40)

"RESOLVED, That the Corporation be authorized to offer and issue to the general public an aggregate maximum amount of Php 7,000,000,000.00 worth of fixed rate peso denominated retail bonds at an issue price of 100.00% of face value with maturity periods of up to 7 years and 10 years (the "Bonds"), the amounts in each maturity period and interest rates of which will depend on the results of the book-building process and from discussions between the Corporation and the underwriters;

"RESOLVED, FURTHER, That Management is hereby directed to evaluate all aspects relating to the proposed offering of the Bonds, including the timing thereof;

"RESOLVED, FURTHER, That the Corporation be authorized to file: (a) a Registration Statement and/or an updated Registration Statement if necessary and such other documents before the Securities and Exchange Commission (SEC) in respect of the public distribution and sale of the Bonds prior to the start of the offer period; and (b) a listing application for the Fixed-Rate Peso Retail Bonds with the Philippine Dealing & Exchange Corporation ("PDEx) and such other documents as may be required by PDEx;

"RESOLVED, FURTHER, That the Corporation be authorized to approve the disclosures in the Registration Statement and Offering Prospectus to be filed with the SEC, and assume full responsibility for the information contained therein;

"RESOLVED, FURTHER, That the Corporation be authorized to appoint BDO Capital Corporation, BPI Capital Corporation and First Metro Investment Corporation as Joint Issue Managers and East West Banking Corporation (EWBC) as Selling Agent of the said Bonds with such duties and responsibilities as may be agreed upon;

"RESOLVED, FURTHER, That the Corporation be authorized to appoint Metropolitan Bank and Trust Company-Trust Banking Group (MBTC-TBG) as Trustee and the Philippine Depository & Trust Corporation (PDTC) as Registrar and Paying Agent of the Corporation with such duties and responsibilities as may be agreed upon;

"RESOLVED FINALLY, That the Corporation's President and CEO, Ms. Lourdes Josephine G. Yap, and/or the Corporation's Senior Vice President and Chief Financial Officer, Mr. Nelson M. Bona, and/or the Corporation's Senior Vice President and Deputy Chief Financial Officer, Ms. Ana Venus A. Mejia, be authorized to enter into, execute, sign and deliver, whether acting singly or jointly, the Registration Statement and/or an updated Registration Statement, if necessary, with the SEC, the Underwriting Agreement, the Trust Agreement with the MBTC-TBG, the Selling Agency Agreement with EWBC, the Registry and Paying Agency Agreement with the PDTC, the listing application with the PDEx and such other agreements, documents and instruments; and to perform any and all acts beneficial to the Corporation and reasonably necessary to implement the foregoing resolutions."

(41)

"**RESOLVED**, That the Corporation is hereby authorized and empowered to enter into tri-partite agreements with its buyers and East West Banking Corporation ("EWBC") providing a credit card facility to enable buyers to pay the required downpayment to purchase properties from the Corporation, as part of the Dream Card Program partnership between the Corporation and EWBC;

"RESOLVED, FURTHER, That any one (1) of the following signatories of the Corporation be, as they are hereby, authorized and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, said tri-partite agreements and any and all documents and instruments that may be required or necessary to implement the foregoing resolution, to wit:

ANA VENUS A. MEJIA
FRANCIS V. CEBALLOS
NELSON M. BONA
REGINALD KIM L. SHIMAMOTO

REYNALDO A. ASCAÑO
REYNALDO JUANITO S. NIEVA II
LIAN-TA C. CHIEN
TRISTANEIL D. LAS MARIAS
EUFRECINA M. QUILAPIO
LORETA M. SANTOS
MARIANO LACAMBACAL, JR.
REMIE C. BARBOSA
MARK B. DE GUZMAN
MIGUEL V. SUERTE
AUBREY ORTEGA-LASCUÑA
(Regional Cebu)
KATHRYN ANN R. LAO
(Regional Davao)

(42)

"**WHEREAS**, the Corporation has come up with new house models for its various housing developments;

"**WHEREAS,** for purposes of implementing this new house models in its property development known as "Villa Mercedita" in Talomo, Davao City, there is a need to consolidate specific lots to be later subdivided for the new house models;

"**NOW, THEREFORE,** for and in consideration of the foregoing premises, the Board of Directors of the Corporation hereby approves the following resolution:

"**RESOLVED**, that the Corporation is hereby authorized and empowered to apply for the consolidation and thereafter subdivision of Lot Nos. 24, 25, 26, and 27, Block 13, Pcs-11-004377 at Villa Mercedita;

"**RESOLVED, FINALLY**, the Corporation's First Vice-President – ENGR. ANTONIO E. CENON, be, as he is hereby, authorized and empowered to process the application for the approval of the consolidation of Lot Nos. 24, 25, 26, and 27, Block 13, Pcs-11-004377 at Villa Mercedita and thereafter its subdivision, and to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, the pertinent application documents, plans, and any and all papers and documents which may be required or necessary to secure the approval of the consolidation and simple subdivision of Lot Nos. 24, 25, 26, and 27, Block 13, Pcs-11-004377 at Villa Mercedita."

(43)

"**RESOLVED**, That **LEOGARDO & LIM MAGTANONG,** or its duly authorized representative, **THOMAS L. SALONGA**, be authorized to appear for and represent **FILINVEST LAND, INC.** (the "Corporation") in the mediation proceedings scheduled on August 15, 2014 at 10:00 am and other similar proceedings in the case filed by SM Development Corporation against Filinvest Land, Inc. pending before the Regional Trial Court, National Capital Judicial Region (Branch 80), Quezon City, and to consider, on behalf of the Corporation, the following matters:

a) The possibility of an amicable settlement or of a submission to alternative modes of dispute resolution;
b) The simplification of the issues;
c) The necessity or desirability of amendments to the pleadings;
d) The possibility of obtaining stipulations or admissions of facts and of documents to avoid unnecessary proof;
e) The limitation of the number of witnesses;
f) The advisability of a preliminary reference of issues to a commissioner;
g) The propriety of rendering judgment on the pleadings, or summary judgment, or of dismissing the action should a valid ground therefor be found to exist;
h) The advisability or necessity of suspending the proceedings; and
i) Such other matters as may aid in the prompt disposition of the action."

(44)

"**RESOLVED**, That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Project Approval Sheet dated July 16, 2014 for **SORRENTO OASIS Phase 2-Buildings K, L and N** in connection with the Corporation's application for registration under E.O. 226 as New Developer of Low Cost Mass Housing Project on a non-pioneer status;

"**RESOLVED, FURTHER**, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"**RESOLVED, FURTHER,** That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"**RESOLVED, FINALLY,** That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(45)

"**RESOLVED,** That the Corporation is hereby authorized and empowered to apply for and secure Cash Advance Refunds from Manila Electric Company (MERALCO) for all the property development projects of the Corporation;

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** be, as he is hereby, authorized and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, all the applications, papers and documents which may be required or necessary to claim and secure said Cash Advance Refunds from MERALCO."

(46)

"**RESOLVED,** That the Corporation is hereby authorized to enter into a lease contract with SM Prime Holdings, Inc. for the lease of certain areas in SM Pampanga to be used for selling and marketing activities for the Corporation's projects, under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** is hereby authorized, directed and empowered to execute, sign and deliver, for and on behalf of the Corporation, the lease contract and/or any renewal thereof and such other documents that may be required or necessary to implement the foregoing resolution."

(47)

"**RESOLVED,** That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, for its project designated as "One Oasis Cagayan de Oro, Building 1", located in Rosario-Limketkai Road, Barangay Lapasan, Cagayan de Oro City, as New Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **Luis T. Fernandez**, and/or First Vice President, **Tristaneil D. Las Marias**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"**RESOLVED, FINALLY,** That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

"RESOLVED, That the Corporation is hereby authorized and empowered to apply and negotiate for a Funding Commitment Line (FCL) with the **Home Development Mutual Fund (HDMF) – Cebu City** under the take out Mechanism of the latter's Developer CTS/REM scheme, in the amount of **ONE HUNDRED TWELVE MILLION PESOS ONLY (Php 112,000,000.00)**, subject to such terms and conditions as may be provided by HDMF.

"RESOLVED, FURTHER, that the officers named hereunder are hereby authorized to execute, sign and deliver to the HDMF, for and in behalf of the Corporation, the following agreements, undertakings, papers and documents, as well as to perform such acts as may be required or necessary to implement the foregoing:

DOCUMENTS	AUTHORIZED SIGNATORIES
Negotiate for Budget Allocation	Allan Alfon / Aubrey Ortega Lascuna
Budget Allocation	Allan Alfon / Aubrey Ortega Lascuna
Memorandum of Agreement	L. Josephine G. Yap / Joseph M. Yap
Collection Servicing Agreement	L. Josephine G. Yap / Joseph M. Yap
Contract to Sell	Allan Alfon Aubrey Ortega Lascuna Afrelyn Holganza
Deed of Assignment with Special Power of Attorney	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon Aubrey Ortega Lascuna Afrelyn Holganza
Disclosure Statement of Loan Transaction	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon
Deed of Absolute Sale	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon
Undertakings	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon
Trust Receipt for Transfer Certificates of Title	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon
Official Receipts (Receipts of Take Out Proceeds)	Reynaldo Juanito S. Nieva II Allan Alfon Aubrey Ortega Lascuna
Conformity to Letter of Guaranty	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon

	Aubrey Ortega Lascuna
Deed of Assignment of Certificate of Time Deposit/Escrow Agreement (Retention)	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon
Receipt of Official Correspondence from HDMF	Joseph M. Yap L. Josephine G. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon Aubrey Ortega Lascuna
Other Transactions with HDMF	Joseph M. Yap Luis L. Fernandez Reynaldo Juanito S. Nieva II Allan Alfon Aubrey Ortega Lascuna

"**RESOLVED, FINALLY**, That any and all acts of the above-named officers, performed within the scope of their respective authority, are hereby affirmed, confirmed and ratified by the Corporation for all legal intents and purposes."

(49)

"**RESOLVED**, That the Corporation is hereby authorized and empowered to enter into agreements with utility companies, including but not limited to **Pilipinas Water Resources, Inc. (PWRI), Visayan Electric Company (VECO)** and **Philippine Long Distance Telephone Company (PLDT),** in connection with the construction and development of the Corporation's City di Mare project (including Amalfi Oasis, San Remo Oasis, IL Corso and IL Mojito) at the South Road Properties, Cebu City.

"**RESOLVED, FURTHER**, That the Corporation's Technical Head for the City di Mare project, **ENGR. JOSEFINO L. PADILLA,** is hereby authorized to sign, execute and deliver, for and on behalf of the Corporation, the Memorandum of Agreement or similar contract or agreement with the appropriate utility companies for the provision of utility services at the City di Mare project as may be required or necessary to implement the foregoing resolution."

(50)

"**RESOLVED** That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Project Approval Sheet dated July 16, 2014 for **MAUI OASIS Building 4** in connection with the Corporation's application for registration under E.O. 226 as New Developer of Low Cost Mass Housing Project on a non-pioneer status;

"**RESOLVED, FURTHER**, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"**RESOLVED, FURTHER,** That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"**RESOLVED, FINALLY,** That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(51)

"**WHEREAS**, it is in the best interest of the Corporation to ensure unimpeded access to its property development known as "One Oasis Cebu" along Pres. Magsaysay Street, Barangay Kasambagan, Cebu City;

"**WHEREAS**, a certain portion of the public road known as Pres. Magsaysay Street, particularly that portion covered by Transfer Certificate of Title No. 107-2013000203 issued by the Registry of Deeds for the City of Cebu (the "Subject Lot"), is still owned and registered in the name of private individuals;

"**WHEREAS**, the City Government of Cebu intends to expropriate or acquire the Subject Lot for its continued and unimpeded use as part of the public road;

"**WHEREAS**, as one of the users and beneficiaries of the Subject Lot forming part of the public road, the Corporation is willing to contribute to expedite the acquisition of the Subject Lot by the City of Cebu by shouldering the capital gains tax and documentary stamp tax due on the transfer of title over the Subject Lot in the name of the City of Cebu;

"**NOW, THEREFORE,** for and in consideration of the foregoing premises, the Board of Directors of the Corporation hereby approves the following resolution:

"**RESOLVED**, That the Corporation is hereby authorized and empowered to shoulder the capital gains tax and documentary stamp tax due on the transfer of title over the Subject Lot in the name of the City of Cebu to ensure the full and unimpeded access or the clearance of the access road to and from One Oasis Cebu along Pres. Magsaysay Street, Barangay Kasambagan, Cebu City;

"**RESOLVED, FINALLY**, the Corporation's Vice-President – Strategic Business Planning and General Manager for Visayas, **ALLAN G. ALFON,** be, as he is hereby, authorized and empowered to enter into an agreement with the registered owners of the Subject Lot, and/or the City Government of Cebu, and to sign, execute and deliver, for and on behalf of the Corporation, the pertinent Memorandum of Agreement and any and all papers and documents which may be required or necessary to implement this resolution."

(52)

"**RESOLVED**, That the Corporation is hereby authorized and empowered to purchase two (2) parcels of land located at Tindig na Manga, Daang Hari, Las Piñas City, more particularly identified as Lot No. 8, with an area of 1,329 square meters and covered by TCT No. S-17191, and Lot No. 9, with an area of 28,670 square meters and covered by TCT No. S-17192, both of the Registry of Deeds for Las Pinas City, including all improvements and structures existing thereon, if any (the "Properties"), upon such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation's Director, **JOSEPH M. YAP**, be, as he is hereby, authorized, directed and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, the Contract to Sell and/or Deed of Absolute Sale covering the purchase of the Properties and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(53)

"**RESOLVED,** That the Corporation is hereby authorized and empowered to enter into a Public Relations Services Agreement with Write Connect Communications Services, and billboard contracts, under such terms and conditions as may be in the best interests of the Corporation;

"**RESOLVED, FURTHER,** That the Corporation's Area General Manager – NorthMin, Maria Arabelle B. Solidum, is hereby authorized and empowered to sign, execute, and deliver, for and on behalf of the Corporation, the said Public Relations Services Agreement, billboard contracts, and other related documents required or necessary to implement the foregoing resolution."

(54)

"RESOLVED, That **LEOGARDO & LIM MAGTANONG(formerly FLORES SALCEDO MARASIGAN & PARTNERS),** or its duly authorized representative, **JOCO D. MARTIN**, be authorized to appear for and represent **FILINVEST LAND, INC.** (the "Corporation") in the mediation proceedings scheduled on August 27, 2014 at 10:00 am and other similar proceedings in the case filed by Sps. Richard and Jennifer Gubat against Filinvest Land, Inc. pending before the Housing and Land Use Regulatory Board, Expanded National Capital Region Field Office, Quezon City, and to consider, on behalf of the Corporation, the following matters:

a. The possibility of an amicable settlement or of a submission to alternative modes of dispute resolution;
b. The simplification of the issues;
c. The necessity or desirability of amendments to the pleadings;
d. The possibility of obtaining stipulations or admissions of facts and of documents to avoid unnecessary proof;
e. The limitation of the number of witnesses;
f. The advisability of a preliminary reference of issues to a commissioner;
g. The propriety of rendering judgment on the pleadings, or summary judgment, or of dismissing the action should a valid ground therefor be found to exist;
h. The advisability or necessity of suspending the proceedings; and
i. Such other matters as may aid in the prompt disposition of the action."

(55)

"RESOLVED, as it is hereby resolved, that the Corporation is authorized, as it is hereby authorized, to file, pursue and prosecute trademark application with the Intellectual Property Office (IPO);"

"RESOLVED, FURTHER, That the Corporation's Vice President, ELMA CHRISTINE R. LEOGARDO, be, as she is hereby authorized to sign, execute and deliver, for and on behalf of the Corporation, the various trademark applications of the Corporation, and to represent the Corporation, pursue and prosecute trademark applications and to transact business with the IPO in connection therewith."

(56)

"RESOLVED, That the Corporation is hereby authorized and empowered to apply for the installation of electric lines and meters, as well as power connection, with the Manila Electric Company (MERALCO) for its project, Princeton Heights, located at Molino Bacoor, Cavite, under such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **MR. REYNALDO A. ASCAÑO,** is hereby authorized and empowered to sign, execute, and deliver, for and on behalf of the Corporation, the proper application and other forms or documents to support the said applications for the installation of electric lines and meters, as well as power connection, with MERALCO, and to secure duplicate copies of all billing statements from MERALCO."

(57)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to apply for any and all necessary and required national and local permits, licenses, and clearances for its project, **Studio** 7, located at 807 EDSA, Barangay South Triangle, Quezon City;
"RESOLVED, FURTHER, That the Corporation's First Vice President, **ANTONIO E. CENON**, be, as he is hereby, authorized to represent the Corporation for the purpose of implementing the foregoing authority, and to cause the preparation, execution, and filing of the necessary applications for the issuance of such permits, licenses and clearances."

(58)

"**RESOLVED**, to authorize the Corporation's Senior Vice President **FRANCIS V. CEBALLOS**, to sign the Master Deed with Declaration of Restrictions, including amendments and/or supplements thereto, and other deeds and instruments, pertaining to the Corporation's projects enumerated below, all located at Filinvest Corporate City, Alabang, Muntinlupa City (the "Projects"):

a. Tower 3 at Studio City;
b. Tower 4 at Studio City; and
c. Tower 5 at Studio City

"**RESOLVED, FURTHER**, to authorize the Corporation's Vice President, **VICTOR M. ENRIQUEZ**, to sign the application for the annotation of the Master Deed with Declaration of Restrictions for the Projects, including amendments and/or supplements thereto, with the Registry of Deeds, and to perform such other acts in connection with the annotation of the said Master Deed with Declaration of Restrictions or its amendments;

"**RESOLVED, FINALLY,** that in connection with the Projects, the Corporation's Vice President, **VICTOR M. ENRIQUEZ**, is hereby empowered to: (i) transact, for and on behalf of the Corporation, on all matters pertaining to the Corporation's application for issuance of development permit, certificate of registration, and license to sell for the Projects with the Housing and Land Use Regulatory Board (HLURB); and (ii) sign, execute, deliver, and process all papers and documents necessary or incidental for the aforementioned application, as he may deem to be in the best interest of the Corporation."

(59)

"**RESOLVED**, to authorize the Corporation's President & CEO, **L. JOSEPHINE GOTIANUN YAP**, to sign the Master Deed with Declaration of Restrictions, including amendments and/or supplements thereto, and other deeds and instruments, pertaining to the Corporation's projects enumerated below, all located at Filinvest Corporate City, Alabang, Muntinlupa City (the "Projects"):

a. Tower 1 at Studio City; and
b. Tower 2 at Studio City

"**RESOLVED, FURTHER**, to authorize the Corporation's Vice President, **VICTOR M. ENRIQUEZ**, to sign the application for the annotation of the Master Deed with Declaration of Restrictions for the Projects, including amendments and/or supplements thereto, with the Registry of Deeds, and to perform such other acts in connection with the annotation of the said Master Deed with Declaration of Restrictions or its amendments;

"**RESOLVED, FINALLY,** that in connection with the Projects, the Corporation's Vice President, **VICTOR M. ENRIQUEZ**, is hereby empowered to: (i) transact, for and on behalf of the Corporation, on all matters pertaining to the Corporation's application for issuance of development permit, certificate of registration, and license to sell for the Projects with the Housing and Land Use Regulatory Board (HLURB); and (ii) sign, execute, deliver, and process all papers and documents necessary or incidental for the aforementioned application, as he may deem to be in the best interest of the Corporation."

(60)

"**RESOLVED,** That the Corporation is hereby authorized and empowered to apply for and secure a Credit Line with the Philippine Airlines for the purchase of airline tickets and related services.

"**RESOLVED, FURTHER**, That the following be authorized, as they are each hereby, authorized to book, transact, and purchase airline tickets and related services from Philippine Airlines on behalf of the Corporation:

Name	Specimen Signature
MARCO VICENTE P. FERNANDEZ Purchasing Manager marco.fernandez@filinvestgroup.com	
EVA MARIE M. BERNARDO Purchasing Supervisor eva.bernardo@filinvestland.com	

(61)

"RESOLVED That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Project Approval Sheet dated 8 October 2014 for **ONE OASIS CAGAYAN DE ORO – Bldg. 1** in connection with the Corporation's application for registration under E.O. 226 as New Developer of Low Cost Mass Housing Project on a non-pioneer status;

"RESOLVED, FURTHER, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"RESOLVED, FURTHER, That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"RESOLVED, FINALLY, That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(62)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987", for its project designated as "Villa Montserrat 3C Subdivision", located in Taytay, Rizal, as New Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **Luis L. Fernandez**, and/or Senior Vice President, **Francis V. Ceballos**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI, for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(63)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987", for its project designated as "Villa Montserrat 3B Subdivision", located in Taytay, Rizal, as New Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **Luis L. Fernandez**, and/or Senior Vice President, **Francis V. Ceballos**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI, for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(64)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987", for its project designated as "Villa Montserrat 1D Subdivision", located in Taytay, Rizal, as New Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **Luis L. Fernandez,** and/or Senior Vice President, **Francis V. Ceballos**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI, for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(65)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for registration with the Board of Investments ("BOI") under Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987", for its project designated as "Studio City Tower 2", located in Filinvest City, Alabang, Muntinlupa City, as New Developer of Mass Housing Project under the 2013 Investments Priorities Plan;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **Luis L. Fernandez,** and/or Senior Vice President, **Francis V. Ceballos**, and/or Senior Vice President and Chief Financial Officer, **Nelson M. Bona**, are hereby authorized, whether acting singly or jointly, to transact with the BOI, for and on behalf of the Corporation, and to execute, sign and deliver any and all documents and instruments which may be required or necessary to implement the foregoing resolution;

"RESOLVED, FINALLY, That the BOI be furnished a copy of these resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(66)

"RESOLVED, That the Corporation be, as it is hereby, authorized to avail of the Term Loan Facility approved by the Bank of Commerce ("BOC") up to the maximum aggregate amount of Two Billion Pesos (Php 2,000,000,000.00);

"RESOLVED, FURTHER, That the Corporation's President and Chief Executive Officer, **L. JOSEPHINE GOTIANUN YAP**, be, as she is hereby, authorized to negotiate, enter into, sign, execute and deliver the loan agreements, promissory notes and such other agreements, notices, certificates, contracts, instruments and documents, as well as secure the performance of all obligations as may be required by the BOC, under such terms and conditions as the said officer may deem beneficial to the Corporation;

"RESOLVED, FINALLY, That the BOC be furnished a copy of the foregoing resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolution of the Board of Directors of the Corporation."

(67)

"RESOLVED, as it is hereby resolved, to authorize the Corporation's Branch Manager, LOUIE HENRY D. CARANDANG, to sign, execute, and deliver, for and on behalf of the Corporation, and under such terms and

conditions as may be in the best interest of the Corporation, the following applications, contracts and other related documents in connection with the Corporation's project located in Iloilo:

a. Application with local power and water providers: Panay Electric Company (PECO) and Metro Iloilo Water District (MIWD);
b. Telephone applications with telecom providers;
c. Applications for renewal of business permits;
d. Rental Agreements for office spaces/buildings;
e. Lease agreements for billboard rentals in Iloilo; and
f. Manpower contracts with appropriate agencies.

(68)

"RESOLVED, AS IT IS HEREBY RESOLVED, that FILINVEST LAND, INC. be, and is, authorized to participate in the Bidding Process for the South Integrated Transport System Project ("Project") and to apply for Pre-Qualification as Bidder for the Project;

"RESOLVED FURTHER, that JOSERPH M. YAP and/or WINNIFRED H. LIM be and are hereby appointed as the authorized representative of the Prospective Bidder during the Pre-Qualification, authorized to execute, sign, submit and receive documents for, and otherwise act in the name of, the Prospective Bidder, and to singly or alternately initial any such documents for the Prospective Bidder;

"RESOLVED FURTHER, that JOSEPH M. YAP and/or WINNIFRED H. LIM be and are hereby appointed to jointly sign the Certification of absence of Unsatisfactory Performance (Annex PQD-4) for and on behalf of the Prospective Bidder jointly with its Affiliates and Subcontractors;

"RESOLVED, FINALLY, that and all acts done and/or performed by JOSEPH M. YAP and/or WINNIFRED H. LIM under and by virtue of this resolution be, as they are hereby, confirmed and ratified.

(69)

"RESOLVED, That the Corporation is hereby authorized and empowered to apply for the installation of electric lines and meters, as well as power connection, with the Manila Electric Company (MERALCO) for its project, Villa Montserrat, located at Taytay, Rizal, under such terms and conditions as may be in the best interest of the Corporation;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** is hereby authorized and empowered to sign, execute, and deliver, for and on behalf of the Corporation, the proper application and other forms or documents to support the said applications for the installation of electric lines and meters, as well as power connection, with MERALCO, and to secure duplicate copies of all billing statements from MERALCO."

(70)

"RESOLVED, That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Approval Sheet dated 10 September 2014 for "Sorrento Oasis Pasig Buildings M1 and M2" in connection with the Corporation's application for registration under E.O. 226 as Expanding Developer of Low Cost Mass Housing Project on a non-pioneer status;

"RESOLVED, FURTHER, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"RESOLVED, FURTHER, That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"RESOLVED, FINALLY, That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(71)

"RESOLVED That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Project Approval Sheet dated 8 October 2014 for **VINIA RESIDENCES + VERSAFLATS** in connection with the Corporation's application for registration under E.O. 226 as New Developer of Low Cost Mass Housing Project on a non-pioneer status;

"RESOLVED, FURTHER, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to the Board of Investments ("BOI"), whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"RESOLVED, FURTHER, That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

"RESOLVED, FINALLY, That the Corporation hereby acknowledges and accepts that only revenues arising from the sale of housing units as family home or dwelling shall be covered by the income tax holiday."

(72)

"RESOLVED, That the Corporation is hereby authorized and empowered to apply for, claim and secure Cash Advance Refunds from Manila Electric Company ("Meralco") for the following projects:

Payment Date	Project No.	Project Name/Address	Amount of Payment
November 11, 2011	23202011090249	Lot 19 Block 2 Ezekiel St., Filinvest Heights Ph2, Brgy. Bagong Silangan, Quezon City	P16,680.00
November 14, 2010	23202010080143	Lot 22 Block 20 Spring Heights II, Brgy. Bagong Silangan, Quezon City	P18,264.92
June 17, 2009	23202009020174	Lot 13 Block 20 Spring Heights II, Brgy. Bagong Silangan, Quezon City	P2,695.83
June 17, 2009	23202009020174	Lot 13 Block 20 Spring Heights II, Brgy. Bagong Silangan, Quezon City	P2,402.30
May 16, 2008	23202007120118	Spring Heights II, Spring Country, Brgy. Bagong Silangan, Quezon City	P23,680.26
December 12, 2008	23202008090015	1 Diamond St., Northview 1 Subd. Brgy. Batasan Hills, Quezon City	P41,044.71

December 12, 2008	23202008090015	1 Diamond St., Northview 1 Subd. Brgy. Batasan Hills, Quezon City	P41, 432.35
November 6, 2007	23202007080192	Spring Country 2, Brgy. Bagong Silangan, Quezon City	P482,819.85
November 14, 2007	23202007080094	Block 19 Lot 10 Spring Country 2, Brgy. Bagong Silangan, Quezon City	P8,875.46
November 6, 2007	23202007080192	Spring Country 2, Brgy. Bagong Silangan, Quezon City	P410,214.75

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** be, as he is hereby, authorized and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, all the applications, papers and documents which may be required or necessary to claim and secure said Cash Advance Refunds from MERALCO."

(73)

"**WHEREAS,** The Corporation submitted a P3.0 Million Government Service Insurance System ("GSIS") Bond as bid security for the bidding of the 12,290-sqm Province-owned property located in Salinas Drive, Lahug, Cebu City under a build-transfer-operate (BTO) scheme on January 31, 2012;

"**WHEREAS,** The Corporation complied with all the requirements of the bidding process and has been awarded the BTO Project;

"**WHEREAS,** The Province of Cebu issued a certification dated December 14, 2012 stating that it has no claim whatsoever against the Corporation in connection with the said bidding to allow the release of the Corporation's Bidder's Bond from the GSIS;

"**NOW, THEREFORE,** for and in consideration of the foregoing premises, the Board of Directors of the Corporation hereby approves the following resolution:

"**RESOLVED,** That the Corporation's Director, Mr. Joseph M. Yap, is hereby authorized and empowered to transact with the GSIS for the full refund of the P3.0 Million cash collateral for the GSIS Bond submitted by the Corporation as bid security for the bidding of the 12,290-sqm Province-owned property located in Salinas Drive, Lahug, Cebu City under a build-transfer-operate (BTO) scheme on January 31, 2012, and to sign, execute, claim, receive and receipt, for and on behalf of the Corporation, any and all papers and documents required or necessary to implement this resolution."

(74)

"**RESOLVED,** That the Corporation be, as it is hereby, authorized and empowered to acquire undeveloped or raw land, by purchase or by other contract, or to enter into joint venture or other suitable arrangements with their owners for the development of said properties;

"**RESOLVED, FURTHER,** That the Corporation's Director, Mr. JOSEPH M. YAP, be, as he is hereby, authorized to negotiate for and enter into the said raw land acquisition transactions, for and on behalf of the Corporation, under such terms and conditions as he may deem proper and in the best interest of the Corporation;

"**RESOLVED, FINALLY,** That Mr. JOSEPH M. YAP be likewise authorized, directed and empowered, to execute, sign, deliver, receive and receipt, for and on behalf of the Corporation, any and all contracts to sell, deeds of absolute sale, joint venture agreements or such other instrument, agreement, contract and document that may be required, necessary and/or advisable to implement the foregoing transactions."

(75)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for permanent water supply connection with the Manila Water Company, Inc. for its project, Vinia Residences+Versaflats (the "Project") located along EDSA, Brgy. Philam Subdivision, Quezon City;

"RESOLVED, FURTHER, That the Corporation's First Vice President, **LUIS L. FERNANDEZ**, be, as he is hereby, authorized to sign, execute and deliver, for and on behalf of the Corporation, the application for permanent water supply connection for the Project and such other documents as may be required or necessary to implement the foregoing authority."

(76)

"RESOLVED, That the Corporation be, as it is hereby, authorized to purchase one (1) share of stock of Cebu Country Club, Inc. owned by and registered in the name of Ms. Gladys T. Siao and covered by Stock Certificate No. 1960 (the "Share");

"RESOLVED, FURTHER, That the Corporation's First Vice President, **TRISTAN LAS MARIAS**, be, as he is hereby, authorized to negotiate, enter into, sign, execute and deliver, for and on behalf of the Corporation, the Deed of Absolute Sale covering the purchase of the Share, and to perform such other acts as may be required or necessary to implement the foregoing transaction."

(77)

"WHEREAS, 13 August 2008, the Corporation entered into a Joint Development Agreement (the "Agreement") with Niyog Property Holdings, Inc. ("Niyog") for the subdivision development of several parcels of land belonging to Niyog, and located in Brgy. Bayanan and Mambog 4, Bacoor, Cavite with an aggregate area of 440,750 square meters ("the Properties");

"WHEREAS, in order to secure the necessary permits and licenses to commence the development, the Agreement provides that Niyog should deliver to the Corporation the original owner's duplicate copies of the certificates of the title covering the Properties;

"NOW, THEREFORE, RESOLVED, That the Corporation's Assistant Vice President, **MR. JEFFREY M. NISNISAN** and/or its Project Development Officer, **MR. NOEL CHRISTIAN A. YANEZA**, are hereby authorize and empowered to receive and take custody of, for and on behalf of the Corporation, the following original owner's duplicate certificates of title of Niyog for the development of Phases 2 and 3 of the Properties:

	TCT No.	PhasE
1	T-1202260	3
2	T-1307844	3
3	T-1202303	3
4	T-1202270	2
5	T-1202305	2

6	T-1202268	2
7	T-1202269	2

(78)

"RESOLVED, AS IT IS HEREBY RESOLVED, that FILINVEST LAND, INC. be, and is, authorized to participate in the Bidding for the Southwest Integrated Transport System Project (**"Project"**) and to submit the Qualification Documents and Bid Proposals for the Project;

"RESOLVED FURTHER, that in the event the Bidder is declared as the Winning Bidder, it commits to fulfill all the requirements in Section 12 (Notice of Award, Post-Award Requirements & Execution of Concession Agreement) of the Instructions to Bidders, including the submission and completion of the Post-Award Requirements, the posting of the Construction Performance Security and the signing of the Concession Agreement with the DOTC.

"RESOLVED FURTHER, that JOSEPH M. YAP be and is hereby appointed as the authorized representative of the Bidder during the Bidding Process, authorized to execute, sign, submit and receive documents for, and otherwise act in the name of, the Bidder;

"RESOLVED, FINALLY, that any and all acts done and/or performed by JOSEPH M. YAP under and by virtue of this resolution be, as they are hereby, confirmed and ratified.

(79)

"RESOLVED, That the Corporation is hereby authorized to apply for the approval of survey plans, subdivision plans, technical descriptions and similar or related approvals required, necessary or incidental for its various land development and housing projects;

"**RESOLVED, FURTHER,** That the Corporation's **First Vice President, ENGR. ANTONIO E. CENON**, and/or its Survey Head, **NOEL F. OBLEFIAS**, whether acting singly or jointly, are hereby authorized to represent the Corporation for the purpose of implementing the foregoing authority, and to cause the preparation, execution and filing of the necessary applications for the issuance of such approvals with the Land Management Bureau and the Land Registration Authority."

(80)

"RESOLVED, That the Corporation be, as it is hereby, authorized to apply for permanent water supply connection with the Maynilad Water Services, Inc., for its project designated as "Studio A" (the "Project") located at Xavierville Avenue corner Esteban Abada Street, Loyola Heights, Quezon City;

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **LUIS L. FERNANDEZ,** be, as he is hereby, authorized to sign, execute and deliver, for and behalf of the Corporation, the application for permanent water supply connection for the Project and such other documents as may be required or necessary to implement the foregoing authority."

(81)

"RESOLVED, That the Corporation is hereby authorized to apply for and secure an Accreditation as Importer/Broker, or renew its existing accreditation as importer/broker, with the Bureau of Customs-Acount Management Office (BOC-AMO);

"RESOLVED, FURTHER, That the Corporation's Senior Vice President & Deputy Finance Officer, **ANA VENUS A. MEJIA,** and/or its Corporate Accounting Manager, **GINA S. DELLAMAS**, whose signatures appear hereunder:

ANA VENUS A. MEJIA _____

GINA S. DELLAMAS _____

signing singly or jointly, be, as they are hereby, authorized and empowered to sign, execute and deliver, for and on behalf of the Corporation, the appropriate application for accreditation as importer/broker, Bureau of Customs import entry documents, and all the required supporting documents, and to do all acts and things necessary to secure and maintain the Corporation's accreditation as importer/broker."

(82)

"**WHEREAS,** The Corporation currently manages, operates and maintains the water reticulation system inside Eastville Subdivision located at Filinvest East Homes, Marcos Highway, Cainta, Rizal;

"**WHEREAS,** Filinvest Eastville Homeowners Association, Inc. ("FEHAI"), which is the duly organized homeowners association of Eastville Subdivision, through its Board of Directors, desires to have an interconnection of Eastville Subdivision's water reticulation system with the main water system of Manila Water Company, Inc. ("Manila Water");

"**NOW, THEREFORE,** the Board of Directors of the Corporation hereby approves and adopts the following Resolutions:

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to turn over the management, operation and maintenance of the water reticulation system inside Eastville Subdivision located at Filinvest East Homes, Marcos Highway, Cainta, Rizal to the Manila Water as the concessionaire and agent of the Metropolitan Waterworks and Sewerage System ("MWSS") in the Service Area East;

"**RESOLVED, FURTHER**, That the Corporation be, as it is hereby, authorized to grant Manila Water a perpetual and gratuitous easement of right of way over the roads where the water reticulation is situated for the exclusive purpose of constructing, installing and monitoring of the water reticulation system inside Eastville Subdivision;

"**RESOLVED, FINALLY**, That the Corporation's First Vice President, **LUIS L. FERNANDEZ**, be, as he is hereby, authorized to negotiate, enter into, sign, execute and deliver, for and on behalf of the Corporation, the Memorandum of Agreement by and among Manila Water, the Corporation and FEHAI for the turnover of the management, operation and maintenance of the water reticulation system, the Memorandum of Agreement for the Grant of Easement of Right of Way to Manila Water, and such other agreements as may be required or necessary to implement the foregoing authority."

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** be, as he is hereby, authorized and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, all the applications, papers and documents which may be required or necessary to claim and secure said Cash Advance Refunds from MERALCO."

(83)

"**RESOLVED** That the Board of Directors of the Corporation hereby accepts the Specific and General Terms and Conditions (Items D & E) listed in the Project Approval Sheet dated 17 December 2014 issued by the Board of Investments ("BOI") for **STUDIO CITY TOWER 2** in connection with the Corporation's application for registration under the 2013 IPP as Expanding Developer of Low Cost Mass Housing Project on a non-pioneer status;

"**RESOLVED, FURTHER**, That the Board of Directors hereby adopts and affirms that (a) all representations and commitments made by the Corporation to BOI, whether in the pre and post registration stages, and (b) all the information and data submitted to the BOI in connection with the said application are true and correct;

"**RESOLVED, FURTHER,** That the Corporation hereby confirms that it is not in arrears in the payment of outstanding obligations, including loans to the government or any government instrumentality;

(84)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to issue the appropriate **CONSENT** and **AUTHORITY** to qualified lot buyers of **MACTAN TROPICS**, whose names, respective lot numbers and the corresponding Transfer Certificates of Title still in the name of the Corporation are listed in Annex "A" hereof and updated from time to time, allowing them to construct, remodel and/or repair the houses in their respective lots, as required by the Office of the Building Official of Lapu-Lapu City;

"**RESOLVED, FURTHER**, That the Corporation's Vice President, **MR. ALLAN G. ALFON**, be, as he is hereby, authorized to sign, execute, and deliver on behalf of the Corporation the said **CONSENT** and **AUTHORITY**, and such other documents as may be required or necessary to implement the foregoing resolution."

(85)

"**RESOLVED,** That the Corporation be, as it is hereby, authorized and empowered to apply with Manila Electric Company ("MERALCO") for the installation of electric lines and meters for its project, The Village Front at Brentville International, located in Biñan, Laguna;

"**RESOLVED, FURTHER,** That the Corporation's First Vice President, **MR. LUIS L. FERNANDEZ,** be, as he is hereby, authorized and empowered, to execute, sign, and deliver, for and on behalf of the Corporation, the corresponding Application Form and other pertinent documents as may be required or necessary to execute the foregoing resolution."

(86)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to issue the appropriate **CONSENT** and **AUTHORITY** to qualified lot buyers of **CORONA DEL MAR**, whose names, respective lot numbers and the corresponding Transfer Certificates of Title still in the name of the Corporation are listed in Annex "A" hereof and updated from time to time, allowing them to construct, remodel and/or repair the houses in their respective lots, as required by the Office of the Building Official of Talisay City;

"**RESOLVED, FURTHER**, That the Corporation's Vice President, **MR. ALLAN G. ALFON**, be, as he is hereby, authorized to sign, execute, and deliver on behalf of the Corporation the said **CONSENT** and **AUTHORITY**, and such other documents as may be required or necessary to implement the foregoing resolution."

(87)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to issue the appropriate **CONSENT** and **AUTHORITY** to qualified lot buyers of **ALDEA DEL SOL**, whose names, respective lot numbers and the corresponding Transfer Certificates of Title still in the name of the Corporation are listed in Annex "A" hereof and updated from time to time, allowing them to construct, remodel and/or repair the houses in their respective lots, as required by the Office of the Building Official of Lapu-Lapu City;

"**RESOLVED, FURTHER**, That the Corporation's Vice President, **MR. ALLAN G. ALFON**, be, as he is hereby, authorized to sign, execute, and deliver on behalf of the Corporation the said **CONSENT** and **AUTHORITY**, and such other documents as may be required or necessary to implement the foregoing resolution."

(88)

"**RESOLVED**, That the Board of Directors hereby confirms and ratifies the authority of the Corporation to purchase two (2) parcels of land located at Davao City, more particularly identified as Lot 77-F-1-C, with an area of 1,754 square meters, more or less, and covered by TCT No. T-54924, and Lot 76-A, with an area of 10,744 square meters, more or less, and covered by TCT No. T-54913, both of the Registry of Deeds for the City of Davao, (the "Properties"), upon such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation hereby approves, confirms and ratifies the authority of its Director, **JOSEPH M. YAP**, to sign, execute and deliver for, and on behalf of the Corporation, the Deed of

Absolute Sale covering the purchase of the Properties and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(89)

"**RESOLVED**, That the Board of Directors hereby confirms and ratifies the authority of the Corporation to purchase a parcel of land located at Davao City, more particularly identified as Lot 77-F-1-A of the subdivision plan (LRC) Psd-78316, being a portion of Lot. No. 77-F-1, Psd 15016, L.R.C. Rec. No. 67881, with an area of 877 square meters, more or less, and covered by TCT No. 146-2012006314 issued by the Register of Deeds for Davao City, and Tax Declaration No. 172-01-040-001-003 issued by the Provincial Assessor of Davao City, (the "Property"), upon such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation hereby approves, confirms and ratifies the authority of its Director, **JOSEPH M. YAP**, to sign, execute and deliver for, and on behalf of the Corporation, the Deed of Absolute Sale covering the purchase of the Property and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(90)

"**RESOLVED**, That the Board of Directors hereby confirms and ratifies the authority of the Corporation to purchase a parcel of land located at Davao City, more particularly identified as Lot 77-A of the subdivision plan Psd-14272, being a portion of Lot. No. 77 of the Davao Townsite, GLRO Rec. No., with an area of 3,001 square meters, more or less, and covered by TCT No. T-333191 issued by the Register of Deeds for Davao City, and Tax Declaration No. AE-01040-0036188 issued by the Provincial Assessor of Davao City, (the "Property"), upon such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER**, That the Corporation hereby approves, confirms and ratifies the authority of its Director, **JOSEPH M. YAP**, to sign, execute and deliver for, and on behalf of the Corporation, the Deed of Absolute Sale covering the purchase of the Property and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(91)

"**RESOLVED**, That the Board of Directors hereby confirms and ratifies the authority of the Corporation to purchase a parcel of land located at Davao City, more particularly identified as Lot 77-F-1-B of the subdivision plan (LRC) Psd-78316, being a portion of Lot. No. 77-F-1, Psd 15016, L.R.C. Rec. No. 6788, with an area of 877 square meters, more or less, and covered by TCT No. T-211273 issued by the Register of Deeds for Davao City, and Tax Declaration No. 172-01-040-001-002 issued by the Provincial Assessor of Davao City, (the "Property"), upon such terms and conditions as may be in the best interest of the Corporation;

"**RESOLVED, FURTHER** That the Corporation hereby approves, confirms and ratifies the authority of its Director, **JOSEPH M. YAP**, to sign, execute and deliver for, and on behalf of the Corporation, the Deed of Absolute Sale covering the purchase of the Property and such other instruments and documents that may be required or necessary to carry out the foregoing resolution."

(91)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to apply with **Manila Electric Company ("MERALCO")** for the refund of the following amounts:

Project No. 4140-1110-0031 (Residential General Service Rate)
Project Application (Extension of Electrical Facilities) ₱1,214,330.00
Bill Deposit Block 2 Lot 6 Cypress Prime (Mother Meter) 13,330.00
representing the cash advances paid by the Corporation to MERALCO for its project in Block 2 Lot 6, Princeton Heights Subdivision located at Molino Bacoor, Cavite;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **LUIS L. FERNANDEZ**, be, as he is hereby, authorized to represent the Corporation in its application for refund with MERALCO, and to sign, execute

and deliver, for and on behalf of the Corporation, any and all documents or agreements required or necessary to implement the foregoing authority."

(92)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to apply with **Manila Electric Company ("MERALCO")** for the refund of the following amounts:

Project No. 4140-1110-0048 (Non-Industrial Rate)
Project Application (Extension of Electrical Facilities)
₱840,860.00
Bill Deposit Water Tank (Block 3 Lot 43)
49,040.00

representing the cash advances paid by the Corporation to MERALCO for its project in Block 3 Lot 43, Princeton Heights Subdivision located at Molino Bacoor, Cavite;

"**RESOLVED, FURTHER**, That the Corporation's First Vice President, **LUIS L. FERNANDEZ**, be, as he is hereby, authorized to represent the Corporation in its application for refund with MERALCO, and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents or agreements required or necessary to implement the foregoing authority."

(93)

"**RESOLVED**, that **FILINVEST LAND, INC.** hereby appoints and authorizes **ATTY. OSCAR CARLO F. CAJUCOM,** as the true and lawful attorney-in-fact of the Corporation in the proceedings in the case entitled *Mila C. Buhay vs. Filinvest Land, Inc. represented by Loreta M. Santos and Rubella C. Mendoza,* with Housing and Loan Use Regulatory Board ("HLURB") Case No. 103114-15521 pending before the HLURB, and to have full power to (a) represent the Corporation in any and all proceedings that may be held in the connection with the above mentioned case, including mediation and pre-trial conferences, or any appeal or further legal proceedings; and (b) negotiate, conclude, enter into, and execute a compromise or amicable settlement of the case, under such terms and conditions that the Corporation may deem just and reasonable."

(94)

"**RESOLVED**, That **FILINVEST LAND, INC.** (the "Corporation") be, as it is hereby, authorized to file, prosecute and/or defend, or cause the filing, prosecution, and/or defense with the Court of Appeals and/or the Supreme Court, of and in connection to a civil case entitled "Filinvest Land, Inc. and Engr. Allan G. Alfon vs. Hon. Judge Soliver C. Peras, Cebu Property Ventures Development Corporation and Asiatown I.T. Park Association, Inc". (the "Case"), for the purpose of nullifying the Orders dated October 27, 2014, October 30, 2014 and December 12, 2014 of the Regional Trial Court of Cebu City – Branch 10 in Civil Case CEB-41209;

"**RESOLVED, FURTHER**, That the Corporation hereby appoints and authorizes its Vice-President, **MR. ALLAN G. ALFON,** as the true and lawful attorney-in-fact of the Corporation, and in its name, place, and stead, to file, prosecute and/or defend or cause the filing, prosecution, and/or defense, and to do and perform the following acts, in connection to the Case:

(a) to act as the Corporation's legal representative in instituting and defending any and all actions, whether criminal, civil, administrative, or otherwise, pending before or sought to be filed with the appropriate courts and administrative agencies in the Philippines in connection with the foregoing;

(b) to have full power to represent the Corporation in any and all proceedings that may be held in connection with the abovementioned case, including pre-trial conferences, or any appeal or further legal proceedings;

(c) to have full power on behalf of the Corporation to:

i. sign, execute, and deliver any and all documents and pleadings necessary therefor, including the required verification and certification against forum shopping, in accordance with the form required by law;

ii. negotiate, conclude, enter into, and execute a compromise or amicable settlement of the case, under such terms and conditions that the Corporation may deem just and reasonable;

iii. submit to alternative modes of dispute resolution, including a referral to mediation, conciliation, or trial by commissioners;

iv. agree on the simplification of the issues;

v. amend the pleadings;

vi. obtain and enter into stipulations or admissions of facts and of documents in order to avoid the unnecessary presentation of evidence; and

vii. consider the marking for identification of evidence and waiver of objections to admissibility of evidence."

(95)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to participate in the auction/bidding of one (1) parcel of land covered by TCT No. T-150766 with an area of 22,000 square meters located at Super Block C, Central Business Park Island A (CBP-IA), Pasay City, which auction/bidding is being conducted by the Philippine Amusement and Gaming Corporation ("PAGCOR");

"**RESOLVED, FURTHER**, That the Corporation's Director, **MR. JOSEPH M. YAP**, be, as he is hereby, designated as the Corporation's authorized representative for the auction/bidding, and authorized to sign, execute, deliver and receive, for and on behalf of the Corporation, all documents, papers and effects as may be required or necessary by PAGCOR for the said auction/bidding."

(96)

"**RESOLVED**, That the Corporation be, as it is hereby, authorized to avail of the additional shared term loan facility made available by the Bank of the Philippine Islands (BPI) up to an aggregate amount of Php 5,000,000,000.00;

"**RESOLVED FURTHER**, That the Corporation's President and Chief Executive Officer, **MS. L. JOSEPHINE GOTIANUN YAP,** is hereby authorized to negotiate, enter into, sign, execute and deliver loan agreements, promissory notes, bills purchase forms and such other agreements, contracts, instruments and documents as may be required by BPI, under such terms and conditions as the said officer may deem to be beneficial to the Corporation;

"**RESOLVED, FINALLY**, That BPI be furnished a copy of the foregoing resolutions for its guidance, on whose authority it may continue to rely, unless and except to the extent that the foregoing resolutions shall be revoked or modified by the receipt of any subsequent resolutions of the Board of Directors of the Corporation."