Financial HIGHLIGHTS

	2008	2007	2006	2005	2004
FOR THE FISCAL YEARS ENDED SEPTEMBER 30					
(in Million Pesos)					
Gross Revenues	11,182.05	8,888.58	6,883.45	5,373.77	4,748.68
Cost and Expenses	7,418.66	5,472.89	4,459.53	3,771.29	3,418.24
Income Before Income Tax	3,763.39	3,415.69	2,423.92	1,602.48	1,330.44
Net Income	3,152.74	2,447.04	1,725.00	1,231.90	917.14
FOR THE FISCAL YEARS ENDED SEPTEMBER 30					
(in Million Pesos)					
Total Assets	40,310.56	36,785.78	28,611.77	23,218.98	20,452.43
Total Liabilities	17,323.59	15,495.68	13,986.01	9,583.20	7,640.38
Minority Interest in a					
Consolidated Subsidiary	118.08	115.38	109.68	103.65	103.00
Stockholders' Equity	22,986.97	21,290.10	14,625.76	13,635.78	12,812.00







STOCKHOLDERS' EQUITY



RLC I



James L. Go Chairman and CEO Lance Y. Gokongwei Director, Vice Chairman and Deputy CEO

To Our Shareholders, Customers, Partners, and Employees:

he year 2008 was a favorable but challenging year for your company, Robinsons Land Corporation (RLC). While the global financial markets and the developed economies faltered, the Philippine economy fared relatively better with a Gross Domestic Product (GDP) growth of 4.6%. The resiliency of our economy was due to the continuous flow of remittances from overseas Filipino workers, the growth of the business process outsourcing industries, and the relatively healthier state of domestic banking and financial institutions. We continued to see growth in consumption as evidenced by our healthy same-mall sales growth. However, we experienced a moderation of residential condominium and subdivision housing sales, primarily those to overseas clients, as problems in the international property market worsened. While we continue to enjoy good occupancy in our office properties, the increase of office space supply is putting downward pressure on rental rates. Against this backdrop, your company managed to successfully launch several projects in 2008 and acquired strategic land assets for future development.

Robinsons Land Corporation's audited consolidated net income by the end of the fiscal year 2008 (October 2007 to Sept 2008) amounted to Php3.15 billion, up 29% from the same period last year. This growth in net income came on the back of a 26% increase in revenues to Php11.18 billion this year, from Php8.89 billion last year. The strong 35% growth in RLC rental and sales, was tempered by the relatively flat performance of our hotels business and the decrease in interest income from the IPO proceeds in FY07 and lower financing income. RLC showed good NIBT growth of 10% year on year to P3.76 billion, due to controlled general and administrative expenses. Also, for FY08, our net income included an extraordinary adjustment which reduced our provisions for deferred income tax amounting to about Php300 million. The adjustment was brought about by the reduction of the legislated corporate income tax rate starting January 2009 from 35% to 30%.

The company's balance sheet remains robust. Financial debt to equity ratio is at 0.26:1 as of September 30, 2008 from 0.21:1 in the same period last year. Net book value per share excluding minority share stood at Php8.33 in the period compared to Php7.71 as of September 30, 2007.

Our balanced mix of investment and development businesses ensures RLC of stable recurring revenue even during down cycles in the property industry. For 2008, investment and development properties contributed 51% and 49% to total revenues, respectively. Moreover, the higher margins from the investment properties resulted in a 63%:37% NIBT split, in favor of the investment assets.

Investment projects with stable and sustainable value

RLC's Commercial Centers division accounted for 33% of total revenues. It posted revenues of Php3.70 billion for the period, up 4% from last year due to the higher rental contributions of Robinsons Galleria, Robinsons Metro East, and Robinsons Place Ermita in Manila. We ended fiscal year 2008 with 21 shopping malls, 1.3 million square meters in gross floor area, and 690,000 square meters in gross leasable area, with an average occupancy rate of 94%. NIBT improved by 9% to Php1.58 billion on better cost control and tenant mix. In fiscal year 2008, we have already opened The Midtown, an expansion of the highly popular Robinsons Place Manila, Robinsons Place Otis beside our highly successful Otis 888 Residences, and Robinsons Place Cabanatuan. These projects combined increased our gross leasable area by approximately 52,000 square meters or by 8%.

The Office Buildings Division reported revenues of Php883 million, a 24% growth year on year due to higher rents and new office space available for lease. Our six office properties are leased mostly to captive and third party business process outsourcing operations. This division accounts for 8% of total company revenues. Today, we are a leading provider of space to voice based and non-

voice based service providers in the Philippines. We have about 160,000 square meters of leasable office space, including our recently launched Robinsons Cybergate Tower 3. We also have about 50,000 square meters of commercial center space taken up by BPO companies. Net income before tax increased to Php616 million, a growth of 24% over the same period last year.

The Hotels division posted revenues of Php1.14 billion, up 3% from the Php1.11 billion it posted in the same period last year. Revenue grew by 3% but excluding shuttered hotels, the growth was 8%. The division accounted for 10% of total revenues. The increase was principally due to the growth in revenues of Crowne Plaza Hotel. Our hotel properties reported good occupancy rates in FY08—Holiday Inn at 80% and Crowne Plaza at 77%. Net income before tax grew by 3% to Php192 million.

Growth with innovative and brand-enhancing projects

The Residential Buildings Division is now the largest contributor to the company's top line, accounting for 43% of total revenues. Revenues grew by 69% to Php4.76 billion, brought about by higher realized sales of condominium units in East of Galleria in Ortigas, Gateway Garden Ridge and Gateway Garden Heights in Pioneer, Mandaluyong and Otis 888 Residences in Manila. In FY2008, we launched four condominium projects including Amisa Tower 2 in the 6.8-hectare Amisa leisure development in Mactan, Cebu, Sonata Residences Tower 1 in Ortigas Center, the sixth tower in Woodsville, Paranaque, and Gateway Regency in the Pioneer Cybergate complex. Net income before tax for this division rose by 8% to Php1.12 billion for the period.

The Housing and Land development division posted realized sales of Php704 million for the period, basically flat due to slower construction completion. This division has a portfolio of 32 projects having launched 6 projects in FY2008. The division posted a net income before tax of Php259 million, a 2% increase from last year because of sales mix and accounted for 7% of total revenues.

Plans for fiscal year 2009

We are preparing for more challenges in the ensuing fiscal year 2009. We have moderated our projected capital expenditures to about Php8 billion. At the same time, we will continue to be on the look out for the opportunities to pick up good value assets that might become available in the midst of these challenging times.

Frederick D. Go Director, President and COO We will continue to expand and enhance our shopping malls, with plans to open five malls in 2009. At the start of the new fiscal year, we have already completed and opened two new malls—Pulilan and Tagaytay—and the first phase of the redevelopment of our Luisita mall. The new malls in

Davao, Tacloban, and General Santos will follow within the fiscal year. These projects combined will increase our gross leasable area by 71,000 square meters or by 10%. We will continue to take advantage of the resilient demand for office space by allotting leasable area for BPOs as needed in our new malls.

Our office buildings will continue to be a stable source of recurring revenue. While demand is still strong, we expect rental rates to be under pressure this year with the increase in office space supply. However, we are confident that our office buildings will maintain high occupancy because of their better locations, geographic spread, and the fact that they are anchored in our mixed-use developments. We have started construction of Robinsons Cybergate Plaza which will have 20,000 square meters of net leasable office area.

We are completing the 108-room Summit Ridge Hotel Complex in Tagaytay in June 2009. We have also commenced the construction of our budget hotel chain—the "GO Hotels", with its pilot site in Robinsons Pioneer Cybergate complex for completion in the next fiscal year. This will be complemented by our mall business and our affiliate company, Cebu Pacific Air. The global slowdown has already affected the tourism and travel sector, especially the upper end segment. As of December 2008, we have already observed the softening in our occupancy rates in both Crowne Plaza and Holiday Inn.

We have a pipeline of over 30 residential buildings planned for the mid term. We aim to launch at least three buildings per year. While our international sales have softened, we still see resilient domestic sales, which remain buoyant. For this fiscal year, we intend to launch five buildings, namely: the second residential tower of Sonata Private Residences, the second tower of Trion Towers, the first tower of a twin tower project in Makati, additional buildings in Woodsville, and the first tower of our recently acquired "Magnolia" property.

In our land and housing division, we will launch three new projects per year. Our business model remains the same—searching for joint venture partners in provincial areas that will allow us to expand into new localities with less upfront capital tied up to land acquisition. The lower price points of our products in this division should give us more traction in a property downturn.

Acknowledgement

Your company remains to be one of the country's leading property developers by consistently enhancing its core strengths:

- Growing our strong recurring revenue base through our Commercial Centers and Office businesses;
- Pre-selling and developing quality residential buildings located in prime areas of Metro Manila;
- Pre-selling subdivision and housing projects outside Metro Manila, by establishing joint ventures with landowners; and
- Maintaining a solid financial position with low gearing and healthy cash flows.

We would like to thank you, our shareholders and the members of our Board for your unwavering confidence and support. Our sincerest gratitude also goes to our dedicated workforce, our customers, suppliers, and business partners. The level of trust and dedication you've shown for RLC, its products and services, inspire and give us assurance that we can achieve even more in the coming year, and weather any challenge that may come our way.



Lance Y. Gokongwei Director, Vice Chairman and Deputy CEO

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Frederick D. Go Director, President and COO