108122016000723

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name	ROBINSONS LAND CORP.
Industry Classification	
Company Type	Stock Corporation

Document Information

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File Number

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

(Company's Full Name)

Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

(Company's Address)

397-1888

(Telephone Number)

June 30, 2016

(Quarter Ended)

SEC Form 17-Q

(Form Type)

Amendment Designation (If applicable)

CN 000452R - Listed

(Secondary License Type and File Number)

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SEC Registration Number

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

(Company's Full Name)

Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

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

Cecilia M. Pascual	**397-1888**
(Contact Person)	(Company Telephone Number)

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Month / *Day* (Fiscal Year)	(Form Type)	*Month* / *Day* (Annual Meeting)

(Secondary License Type, If Applicable)

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Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **June 30, 2016**

2. Commission identification number **93269-A**

3. BIR Tax Identification No. **000-361-376-000**

4. Exact name of issuer as specified in its charter

   ROBINSONS LAND CORPORATION

5. Province, country or other jurisdiction of incorporation or organization
   MANILA, PHILIPPINES

6. Industry Classification Code: ____________ (SEC Use Only)

7. Address of issuer's principal office Postal Code

   Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila

8. Issuer's telephone number, including area code

   397-1888

9. Former name, former address and former fiscal year, if changed since last report

   Not applicable

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

Title of each Class	Number of shares of common stock outstanding
Common	**4,093,830,685 shares**
Registered bonds payable	**₱12,000,000,000**

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

Yes [/] No [ ]

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

PHILIPPINE STOCK EXCHANGE **COMMON STOCK**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No [ ]

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

Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial Statements and, if applicable, Pro Forma Financial Statements meeting the requirements of SRC Rule 68, Form and Content of Financial Statements, shall be furnished as specified therein. **See Exhibit II**

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

See Exhibit I

PART II--OTHER INFORMATION

The Company’s retained earnings include accumulated equity in undistributed net earnings of investee companies and affiliates amounting to ₱1,016 million as of June 30, 2016 and ₱977 million as of September 30, 2015. This amount, plus ₱17,000 million of retained earnings appropriated for expansion, are not available for dividend declaration.

SIGNATURES

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

Issuer Signature & Title Date	**LANCE Y. GOKONGWEI** Vice Chairman & Chief Executive Officer 8-12-16
Issuer Signature & Title Date	**FREDERICK D. GO** President & Chief Operating Officer 8-12-16

Issuer Signature & Title Date	**KERWIN MAX S. TAN** Chief Financial Officer 8-12-16	**CECILIA M. PASCUAL** VP - Group Controller 8-12-16

ROBINSONS LAND CORPORATION
3rd Quarter FY 2016 PERFORMANCE

I. Consolidated Operations

Consolidated net income attributable to equity holders of Parent Company for the period ended June 30 amounted to ₱4,870.6 million, up by 11.9%. EBIT and EBITDA rose by 12.4% and 12.7% to ₱6,326.4 million and ₱8,897.0 million, respectively, for the nine months ended June 30, 2016.

Total real estate revenues were up by 12.5% to ₱14,930.8 million against last year's ₱13,257.1 million, while hotel revenues were up by 3.5% to ₱1,360.4 million. Detailed analyses of the various segments are presented in the succeeding paragraphs.

Real estate cost went up by 12.2% to ₱6,604.8 million while hotel expenses were slightly up by 1.4% to ₱990.7 million due to the expenses of the new hotels. General and administrative expenses were up by 12.8% to ₱2,369.2 million because of higher taxes and licenses and salaries and wages, among others.

II. Segment Operations

The Commercial Centers Division contributed 46% or ₱7,449.0 million to the Company's gross revenues, posting a 10.3% growth due to same mall rental revenue growth of 7% and rental revenue contribution of the new malls namely Robinsons Place Las Piñas, Robinsons Place Antique, Robinsons Galleria Cebu, Robinsons General Trias and Robinsons Tagum. Amusement revenue went up by 12.1% to ₱1,291.0 million. The Division's EBIT and EBITDA showed positive variances of 3.1% from ₱2,803.7 million same period last year to ₱ 2,891.5 million this year; and 7.5% from ₱4,524.6 million same period last year to ₱4,862.3 million this year, respectively.

The Residential Division contributed 33% or ₱5,446.3 million to the Company's revenues. EBIT and EBITDA increased by 17.5% to ₱1,637.0 million and 17.2% to ₱1,662.6 million, respectively.

The Office Buildings Division contributed 13% or ₱2,035.4 million to the Company's revenues, up by 31.1% from last year's ₱1,552.2 million. Such growth is largely due to the new office buildings Cyberscape Alpha, Cyberscape Beta and Tera Tower. The eight existing office buildings likewise posted an average of 14.9% rental revenue growth this year. EBIT and EBITDA increased by 30.7% to ₱1,428.3 million and 26.4% to ₱1,877.8 million, respectively.

The Hotels Division contributed 8% or ₱1,360.4 million to the Company's revenues, up by 3.5% versus last year of the same period. The Division posted a system-wide occupancy rate of 68% as of June 30, 2016. The Division's EBIT and EBITDA showed positive variances of 9.7% from last year's ₱337.1 million to ₱369.7 million this year; and 5.8% from ₱467.2 million same period last year to ₱494.3 million this year, respectively, due to the new hotels namely Go Hotels Ortigas, Go Hotels Butuan and Summit Magnolia Hotel.

III. Financial Resources and Liquidity

Cash and Cash Equivalents decreased slightly by 7.0% to ₱1,109.2 million due to capital expenditures. Subdivision Land and Condominium and Residential Units increased by 70.4% to ₱26,365.6 million mainly due to the acquisition of land use right to a property located in Chengdu Province, China. Receivables (current and non-current) were up by 18.2% to ₱9,139.7 million due to higher volume of buyers meeting the equity requirement needed for revenue recognition. Other assets (current and non-current) decreased by 15.8% to ₱6,016.7 million due to the return of bid deposit made for the land use right which is outstanding as of September 30, 2015. Accounts payable and accrued expenses were higher by 24.1% to ₱8,189.9 million due to higher level of expenditures. Deposits and Other Liabilities (current and non-current) increased by 14.3% to ₱9,661.6 million due to additional tenants' deposits. Short-term loans increased by ₱11,310.6 million to ₱14,359.5 million mainly due to availment of additional peso clean loans.

As of June 30, 2016, total assets of the Company stood at ₱117,000.2 million while total equity amounted to ₱60,189.3 million.

RLC's financial position remains solid, with a debt to equity ratio of 0.61:1 as of June 30, 2016 and 0.44:1 as of September 30, 2015. Cash stood at ₱1,109.2 million and ₱1,193.0 million as of June 30, 2016 and September 30, 2015, respectively. Current ratio stood at 1.41:1 from last year's 1.98:1. Earnings per share for the nine months of this year improved to ₱1.19 per share from last year's ₱1.06 per share. Net book value excluding minority interest in consolidated subsidiary stood at ₱14.67 per share as of June 30, 2016 compared to ₱13.84 per share as of September 30, 2015.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

Unaudited Consolidated Financial Statements
June 30, 2016 and for the Nine months Ended June 30, 2016 and 2015
(With Comparative Audited Consolidated
Statement of Financial Position as of September 30, 2015)

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30, 2016 (Unaudited)	September 30, 2015 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 6)	**₱1,109,233,682**	₱1,192,954,018
Receivables (Note 7)	**5,851,702,026**	5,020,966,811
Subdivision land, condominium and residential units for sale (Note 8)	**26,365,608,571**	15,474,711,341
Other current assets (Note 9)	**4,125,704,522**	3,947,155,835
Total Current Assets	**37,452,248,801**	25,635,788,005
Noncurrent Assets		
Noncurrent receivables (Note 7)	**3,287,998,570**	2,708,934,759
Investment properties (Note 10)	**70,209,142,759**	64,015,563,680
Property and equipment (Note 11)	**4,159,822,269**	3,507,217,416
Other noncurrent assets (Note 12)	**1,890,993,117**	3,200,637,142
Total Noncurrent Assets	**79,547,956,715**	73,432,352,997
	₱117,000,205,516	₱99,068,141,002
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Note 15)	**₱14,359,469,900**	₱3,048,897,460
Accounts payable and accrued expenses (Note 13)	**8,189,865,297**	6,600,169,809
Deposits and other liabilities (Note 14)	**3,948,123,125**	3,310,858,559
Total Current Liabilities	**26,497,458,322**	12,959,925,828
Noncurrent Liabilities		
Loans payable (Note 15)	**21,855,299,901**	21,833,056,539
Deposits and other noncurrent liabilities (Note 16)	**5,713,524,673**	5,144,338,426
Deferred tax liabilities – net	**2,744,649,024**	2,336,240,033
Total Noncurrent Liabilities	**30,313,473,598**	29,313,634,998
Total Liabilities	**56,810,931,920**	42,273,560,826
Equity		
Equity attributable to equity holders of the Parent Company		
Capital stock (Note 17)	**4,111,528,685**	4,111,528,685
Additional paid-in capital	**20,392,532,781**	20,392,532,781
Other equity reserve (Note 1)	**(87,597,873)**	(87,597,873)
Other comprehensive loss	**(76,401,362)**	(76,401,362)
Retained earnings (Note 18)		
Unappropriated	**18,938,836,768**	15,541,979,334
Appropriated	**17,000,000,000**	17,000,000,000
Treasury stock (17,698,000 shares) (Note 17)	**(221,834,657)**	(221,834,657)
	60,057,064,342	56,660,206,908
Non-controlling interest in consolidated subsidiaries	**132,209,254**	134,373,268
	60,189,273,596	56,794,580,176
	₱117,000,205,516	₱99,068,141,002

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Period April to June		For the Period October to June	
	2016	2015	**2016**	2015
REVENUES				
Real Estate Operations				
Rental income	**₱2,599,703,554**	₱2,307,340,725	**₱7,724,537,596**	₱6,774,733,971
Real estate sales	**1,593,871,071**	1,539,266,729	**5,127,684,447**	4,781,018,927
Amusement income	**463,414,250**	426,847,408	**1,290,970,141**	1,151,272,093
Others	**320,549,582**	198,395,077	**787,575,894**	568,052,688
	4,977,538,457	4,471,849,939	**14,930,768,078**	13,275,077,679
Hotel Operations	**434,032,074**	427,505,283	**1,360,386,825**	1,314,180,079
	5,411,570,531	4,899,355,222	**16,291,154,903**	14,589,257,758
COSTS				
Real Estate Operations				
Cost of rental services	**967,502,365**	798,717,606	**2,799,028,884**	2,417,398,087
Cost of real estate sales	**836,739,287**	760,553,608	**2,607,186,298**	2,500,323,092
Cost of amusement services	**210,939,264**	195,158,273	**585,011,858**	523,298,849
Others	**217,656,629**	225,091,205	**613,544,133**	444,967,953
	2,232,837,545	1,979,520,692	**6,604,771,173**	5,885,987,981
Hotel operations	**329,736,333**	332,855,428	**990,733,926**	977,114,609
	2,562,573,878	2,312,376,120	**7,595,505,099**	6,863,102,590
	2,848,996,653	2,586,979,102	**8,695,649,804**	7,726,155,168
GENERAL AND ADMINISTRATIVE EXPENSES	**818,732,148**	640,986,524	**2,369,216,013**	2,099,592,824
OPERATING INCOME	**2,030,264,505**	1,945,992,578	**6,326,433,791**	5,626,562,344
OTHER INCOME (LOSSES)				
Interest income	**(703,296)**	15,104,430	**11,645,968**	32,539,733
Net foreign exchange gain	**42,690,062**	–	**21,172,176**	–
Gain on retirement of investment property	**–**	–	**7,281,855**	–
Gain on insurance claims	**110,034,810**	–	**205,651,072**	–
Interest expense	**(28,508,333)**	(3,595,230)	**(67,606,122)**	(3,595,230)
	123,513,243	11,509,200	**178,144,949**	28,944,503
INCOME BEFORE INCOME TAX	**2,153,777,748**	1,957,501,778	**6,504,578,740**	5,655,506,847
PROVISION FOR INCOME TAX	**484,915,265**	400,678,228	**1,636,106,274**	1,300,766,575
NET INCOME	**1,668,862,483**	1,556,823,550	**4,868,472,466**	4,354,740,272
OTHER COMPREHENSIVE INCOME	**–**	–	**–**	–
TOTAL COMPREHENSIVE INCOME	**₱1,668,862,483**	₱1,556,823,550	**₱4,868,472,466**	₱4,354,740,272
Net Income Attributable to:				
Equity holders of Parent Company	**₱1,670,363,507**	₱1,556,811,527	**₱4,870,636,480**	₱4,353,516,236
Non-controlling interest in consolidated subsidiaries	**(1,501,024)**	12,023	**(2,164,014)**	1,224,036
	₱1,668,862,483	₱1,556,823,550	**₱4,868,472,466**	₱4,354,740,272
Basic/Diluted Earnings Per Share (Note 19)	**₱0.41**	₱0.38	**₱1.19**	₱1.06

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2016 AND 2015

	Attributable to Equity Holders of the Parent Company							Attributable to Non-controlling Interest in Consolidated Subsidiaries	
	Capital Stock	Additional Paid-in Capital	Treasury Stock (Note 17)	Other Equity Reserve (Note 1)	Other Comprehensive Loss (Note 3)	Unappropriated Retained Earnings (Note 18)	Appropriated Retained Earnings		Total Equity
As of October 1, 2015	**₱4,111,528,685**	**₱20,392,532,781**	**(₱221,834,657)**	**(₱87,597,873)**	**(₱76,401,362)**	**₱15,541,979,334**	**₱17,000,000,000**	**₱134,373,268**	**₱56,794,580,176**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**4,870,636,480**	**–**	**(2,164,014)**	**4,868,472,466**
Cash dividends (Note 18)	**–**	**–**	**–**	**–**	**–**	**(1,473,779,046)**	**–**	**–**	**(1,473,779,046)**
Balances as of June 30, 2016	**₱4,111,528,685**	**₱20,392,532,781**	**(₱221,834,657)**	**(₱87,597,873)**	**(₱76,401,362)**	**₱18,938,836,768**	**₱17,000,000,000**	**₱132,209,254**	**₱60,189,273,596**
As of October 1, 2014	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱73,626,667)	₱11,316,048,848	₱17,000,000,000	₱133,049,972	₱52,570,101,089
Total comprehensive income for the period	–	–	–	–	–	4,353,516,236	–	1,224,036	4,354,740,272
Cash dividends (Note 18)	–	–	–	–	–	(1,473,779,046)	–	–	(1,473,779,046)
Balances as of June 30, 2015	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱73,626,667)	₱14,195,786,038	₱17,000,000,000	₱134,274,008	₱55,451,062,315

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED JUNE 30

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱6,504,578,740**	₱5,655,506,847
Adjustments for:		
Depreciation and amortization	**2,570,524,628**	2,269,335,803
Provision for impairment losses	**1,634,383**	50,000
Interest income	**(11,645,968)**	(32,539,733)
Net foreign exchange loss	**(21,172,176)**	–
Gain on retirement of investment property	**(7,281,855)**	–
Gain on insurance claims	**(205,651,072)**	–
Interest expense on loans payable	**67,606,122**	3,595,230
Operating income before working capital changes	**8,898,592,802**	7,895,948,147
Decrease (increase) in:		
Receivables – trade	**(1,587,130,288)**	(797,807,796)
Subdivision land, condominium and residential units for sale	**(10,787,422,111)**	(796,707,328)
Prepaid expenses and value-added input tax	**(104,262,968)**	(283,298,135)
Other current assets	**(74,335,255)**	20,963,483
Increase in:		
Accounts payable and accrued expenses and other noncurrent liabilities	**2,189,404,956**	967,375,058
Customers' deposits	**1,150,015,150**	674,582,971
Cash generated from operations	**(315,137,714)**	7,681,056,400
Income tax paid	**(1,922,720,734)**	(764,260,067)
Net cash flows provided by operating activities	**(2,237,858,448)**	6,916,796,333
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**11,759,801**	32,481,860
Proceeds from insurance claims	**377,747,014**	–
Proceeds from retirement of investment property	**33,610,500**	–
Decrease (increase) in:		
Advances to lot owners	**168,165,702**	125,411,750
Advances to suppliers and contractors	**(279,744,420)**	(1,130,477,647)
Receivables from affiliated companies	**3,487,104**	(740,667)
Other noncurrent assets	**1,344,948,299**	(66,390,811)
Acquisitions of:		
Investment properties (inclusive of capitalized borrowing cost)	**(8,623,840,787)**	(8,448,306,778)
Property and equipment	**(824,104,195)**	(561,169,696)
Net cash flows used in investing activities	**(7,787,970,982)**	(10,049,191,989)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of short-term loans	**14,359,469,900**	697,900,000
Availment of loans payable	**–**	12,000,000,000
Payment of short-term loans	**(3,027,725,284)**	(8,101,450,000)
Payment of debt issue cost	**–**	(111,724,327)
Interest paid and expensed out	**89,431,289**	210,523,284
Payments of cash dividends	**(1,472,627,311)**	(1,472,518,532)
Increase in payable to affiliated companies and other liabilities	**(6,439,500)**	93,160,722
Net cash flows provided by financing activities	**9,942,109,094**	3,315,891,147
NET INCREASE IN CASH AND CASH EQUIVALENTS	**(83,720,336)**	183,495,491
CASH AND CASH EQUIVALENTS AT OCTOBER 1	**1,192,954,018**	1,054,955,189
CASH AND CASH EQUIVALENTS AT JUNE 30	**₱1,109,233,682**	₱1,238,450,680

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Robinsons Land Corporation (the Parent Company) is a stock corporation organized under the laws of the Philippines. The Parent Company and its subsidiaries will collectively be referred herein as “the Group”.

The Group is engaged in the business of selling, acquiring, developing, operating, leasing and disposing of real properties such as land, buildings, shopping malls, commercial centers and housing projects, hotels and other variants and mixed-used property projects. The Group is 60.97% owned by JG Summit Holdings, Inc. (JGSHI or the Ultimate Parent Company). JGSHI is one of the country’s largest conglomerates, with diverse interests in branded consumer foods, agro-industrial and commodity food products, petrochemicals, air transportation and financial services.

On March 6, 2013, the Parent Company acquired the remaining 20% non-controlling interest in ASNC, increasing its ownership interest from 80% to 100%. Cash consideration of ₱198 million was paid to the non-controlling shareholders. The total carrying value of the net assets of ASNC at the date of acquisition was ₱578 million, and the 20% equivalent of the carrying value of the remaining non-controlling interest acquired was ₱111 million. The difference of ₱87 million between the consideration and the carrying value of the interest acquired was booked in “Other equity reserve” account within equity.

The Parent Company’s shares of stock are listed and currently traded at the Philippine Stock Exchange (PSE).

The Parent Company’s principal executive office is located at Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila.

2. Basis of Preparation

The interim condensed consolidated financial statements as at June 30, 2016 and September 30, 2015 and for the nine months ended June 30, 2016 and 2015 have been prepared in compliance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as of September 30, 2015.

The interim condensed consolidated financial statements have been prepared under the historical cost convention method and are presented in Philippine Pesos (₱), the Group’s functional currency. All amounts are rounded to the nearest peso unless otherwise indicated.

Basis of Consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group (see Note 1) as at June 30, 2016 and September 30, 2015 and for the nine months ended June 30, 2016 and 2015.

All intercompany balances, transactions, income and expense and profit and loss are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date such control ceases.

Non-controlling interests (NCI) pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. NCI represent the portion of profit or loss and net assets in subsidiaries not owned by the Group and are presented separately in consolidated statement of income, consolidated statement of comprehensive income and consolidated statement of changes in equity and within equity in the consolidated statement of financial position, separately from equity holders' of the Parent Company.

3. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except for the following new and amended PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations which became effective on October 1, 2014. Except as otherwise indicated, the adoption of these new accounting standards and amendments have no material impact on the Group's consolidated financial statements.

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*)
  These 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.

- PAS 19, *Employee Benefits - Defined Benefit Plans: Employee Contributions* (Amendments)
  PAS 19 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 July 1, 2014. It is not expected that this amendment would be relevant to the Group, since the Group has no defined benefit plans with contributions from employees or third parties.

- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (Amendments)
  These amendments clarify 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.

- PAS 39, *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting* (Amendments)
  These 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.

- PAS 36, *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets* (Amendments)
  These 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.

- Philippine Interpretation IFRIC 21, *Levies* (IFRIC 21)
  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. The adoption of this interpretation did not impact the Group because it has been applying the same principle contained in this interpretation in current and past transactions.

Annual Improvements to PFRSs (2010-2012 cycle)
The Annual Improvements to PFRSs (2010-2012 cycle) are effective for annual periods beginning on or after July 1, 2014 and are not expected to have a material impact on the Group. They include:

- PFRS 2, *Share-based Payment - Definition of Vesting Condition*
  This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:
  - A performance condition must contain a service condition
  - A performance target must be met while the counterparty is rendering service
  - A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
  - A performance condition may be a market or non-market condition
  - If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

- PFRS 3, *Business Combinations - Accounting for Contingent Consideration in a Business Combination*
  The amendment is 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*
  The amendments are applied retrospectively and clarify that:
  - 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 gross margins) used to assess whether the segments are 'similar'.
  - The 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*
  The 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*
  The amendment is 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 services.

Annual Improvements to PFRSs (2011-2013 cycle)
The Annual Improvements to PFRSs (2011-2013 cycle) are effective for annual periods beginning on or after July 1, 2014 and are not expected to have a material impact on the Group. They include:

- PFRS 3, *Business Combinations - Scope Exceptions for Joint Arrangements*
  The amendment is applied prospectively and clarifies the following regarding the scope exceptions within PFRS 3:
  - Joint arrangements, not just joint ventures, are outside the scope of PFRS 3.
  - This scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

- PFRS 13, *Fair Value Measurement - Portfolio Exception*
  The amendment is 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 PAS 39.

- PAS 40, *Investment Property*
  The amendment is 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).

New standards and interpretations issued but not yet effective
The Group will adopt the following standards and interpretations when these become effective. Except as otherwise indicated, the Group does not expect the adoption of these new and amended PFRS and Philippine Interpretations to have significant impact on its financial statements.

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*
  This interpretation 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 Financial Reporting Standards Council (FRSC) have deferred the effectivity of this interpretation until the final Revenue standard is issued by the International Accounting Standards Board (IASB) and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed.

  The adoption of this interpretation may significantly affect the determination of the Group's revenue from real estate sales and the corresponding costs, and the related trade receivables, deferred tax liabilities and retained earnings account.

Effective January 1, 2016

- PAS 1, *Presentation of Financial Statements - Disclosure Initiatives*
  The amendments clarify, rather than significantly change, existing PAS 1 requirements. The amendments clarify:
  - The materiality requirements in PAS 1
  - That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated

- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and OCI. These amendments are effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact on the Group.

- PAS 16, *Property, Plant and Equipment*, and PAS 38, *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortization* (Amendments)
The amendments clarify 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)
The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the agricultural 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)
The 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 consolidated financial statements.

- PFRS 10, 12 and PAS 28, *Investment Entities - Applying the Consolidation Exception*
The amendments address issues that have arisen in applying the investment entities exception under PFRS 10. The amendments to PFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

  Furthermore, the amendments to PFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to PAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

These amendments must be applied retrospectively and are effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact on the Group.

- PFRS 11, *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations* (Amendments)
  The amendments to PFRS 11 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. These amendments are not expected to have any impact to the Group.

- PFRS 14, *Regulatory Deferral Accounts*
  PFRS 14 is 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. Entities that adopt PFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. 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.

<u>Annual Improvements to PFRSs (2012-2014 cycle)</u>
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. They include:

- PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations - Changes in Methods of Disposal*
  The 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*
  PFRS 7 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*
  This 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*
  This 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'*
  The 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 January 1, 2018

- PFRS 9, *Financial Instruments* (2014 or final version)
  In July 2014, the IASB issued the final version of PFRS 9, *Financial Instruments* that replaces PAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of PFRS 9. PFRS 9 brings together all three aspects of the accounting for financial instruments project: 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. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. The adoption of PFRS 9 is not expected to have any significant impact on the Group's financial statements.

The following new standard issued by the IASB has not yet been adopted by FRSC, BOA and PRC

- IFRS 15, *Revenue from Contracts with Customers*
  IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under PFRS 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 January 1, 2018 with early adoption permitted. The Group is engaged in selling activities of real estate projects while construction is still in progress or even before it has started. The standard is expected to impact the revenue recognition of on these pre-completed real estate sales whether revenue will be recognized at a point-in-time or over time. If there will be a change in revenue recognition, this will also impact the corresponding costs, and the related trade receivables, deferred tax liabilities and retained earnings account.

4. Significant Accounting Judgments and Estimates

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5. Operating Segment

In 2009, the Group adopted PFRS 8, *Operating Segment* which replaces PAS 14, *Segment Reporting,* which adopted a management approach to segment reporting. Under this approach, the information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments.

The Group evaluates performance based on net income, Operating income (net income after adding provisions for income tax and deducting/adding other income/losses) and EBITDA (net income after adding provisions for income tax, deducting/adding other income/losses and adding depreciation and amortization).

The Group derives its revenue from the following reportable units:

Commercial Centers Division - develops, leases and manages shopping malls/commercial centers all over the Philippines.

Residential Division - develops and sells residential condominium spaces, as well as horizontal residential projects.

Office Buildings Division - develops and leases office spaces.

Hotel Division - owns and operates a chain of hotels in various locations in the Philippines.

The financial information about the operations of these business segments is summarized as follows:

Nine months ended June 30, 2016 (Unaudited)

	Commercial Centers Division	Residential Division	Office Buildings Division	Hotels Division	Total
Revenue	**₱7,449,032,324**	**₱5,446,295,636**	**₱2,035,440,118**	**₱1,360,386,825**	**₱16,291,154,903**
Costs and expenses	**2,586,757,023**	**3,783,731,501**	**157,649,433**	**866,058,527**	**7,394,196,484**
Earnings before interest, income tax and depreciation and amortization	**4,862,275,301**	**1,662,564,135**	**1,877,790,685**	**494,328,298**	**8,896,958,419**
Depreciation and amortization	**1,970,727,830**	**25,589,088**	**449,532,311**	**124,675,399**	**2,570,524,628**
Operating income	**₱2,891,547,471**	**₱1,636,975,047**	**₱1,428,258,374**	**₱369,652,899**	**₱6,326,433,791**
Total segment assets	**₱58,865,631,100**	**₱42,791,636,889**	**₱11,747,710,292**	**₱3,595,227,235**	**₱117,000,205,516**
Total segment liabilities	**₱47,346,940,696**	**₱6,657,858,803**	**₱1,983,492,122**	**₱822,640,299**	**₱56,810,931,920**

Nine months ended June 30, 2015 (Unaudited)

	Commercial Centers Division	Residential Division	Office Buildings Division	Hotels Division	Total
Revenue	₱6,752,704,228	₱4,970,207,634	₱1,552,165,817	₱1,314,180,079	₱14,589,257,758
Costs and expenses	2,228,146,679	3,551,721,733	66,534,388	846,956,811	6,693,359,611
Earnings before interest, income tax and depreciation and amortization	4,524,557,549	1,418,485,901	1,485,631,429	467,223,268	7,895,898,147
Depreciation and amortization	1,720,903,012	25,252,593	393,022,400	130,157,798	2,269,335,803
Operating income	₱2,803,654,537	₱1,393,233,308	₱1,092,609,029	₱337,065,470	₱5,626,562,344
Total segment assets	₱52,987,796,522	₱28,863,829,944	₱10,305,989,725	₱3,081,835,515	₱95,239,451,706
Total segment liabilities	₱30,496,052,954	₱6,673,487,986	₱1,716,127,745	₱902,720,706	₱39,788,389,391

The Group generally accounts for inter-segment sales and transfers as if the sales and transfers were to third parties at current market prices.

Segment information of the Group does not include geographical segments since its operations are concentrated in the Philippines.

The revenue of the Group consists mainly of sales to external customers. Inter-segment revenue arising from lease arrangements are eliminated on consolidation.

6. Cash and Cash Equivalents

This account consists of:

	June 30, 2016	September 30, 2015
Cash on hand and in banks	**₱495,399,967**	₱597,003,967
Short-term investments	**613,833,715**	595,950,051
	₱1,109,233,682	₱1,192,954,018

7. Receivables

This account consists of

	June 30, 2016	September 30, 2015
Trade	**₱8,950,803,151**	₱7,361,572,502
Affiliated companies	**18,990,900**	22,478,004
Others	**217,583,145**	391,893,281
	9,187,377,196	7,775,943,787
Less allowance for impairment losses	**47,676,600**	46,042,217
	9,139,700,596	7,729,901,570
Less noncurrent portion	**3,287,998,570**	2,708,934,759
	₱5,851,702,026	₱5,020,966,811

Others amounting to ₱217.6 million and ₱391.9 million as of June 30, 2016 and September 30, 2015, respectively, pertain to advances to officers and employees, accrued interest receivable and advances to various third parties.

8. Subdivision Land, Condominium and Residential Units for Sale

This account consists of:

	June 30, 2016	September 30, 2015
Land, land use right, and condominium units	**₱20,636,588,568**	₱9,925,209,029
Residential units and subdivision land development costs	**5,729,020,003**	5,549,502,312
	₱26,365,608,571	₱15,474,711,341

On October 27, 2015, the Group won the bidding for the acquisition of land use right to a 8.5-hectare property located in Chengdu Province, China for a total purchase price, including transaction costs, of approximately ₱10,588 million (RMB 1,494 million). The total price was booked in "Land, land use right, and condominium units" account as of June 30, 2016.

9. Other Current Assets

	June 30, 2016	September 30, 2015
Advances to suppliers and contractors	**₱2,018,808,471**	₱1,801,913,691
Value-added input tax – net	**1,310,992,713**	1,200,051,270
Advances to lot owners	**434,696,912**	602,862,614
Restricted cash – escrow	**90,105,169**	124,905,880
Supplies	**68,739,611**	69,463,359
Prepaid expenses	**46,356,536**	52,313,625
Utility deposits	**5,833,638**	5,386,072
Others	**150,171,472**	90,259,324
	₱4,125,704,522	₱3,947,155,835

10. Investment Properties

	June 30, 2016	September 30, 2015
Land	**₱28,077,703,336**	₱26,956,289,573
Land improvements – net	**117,187,458**	111,760,363
Building and improvements – net	**35,831,412,762**	30,950,139,971
Construction in Progress	**6,182,839,203**	5,997,373,773
	₱70,209,142,759	₱64,015,563,680

Investment properties consisted mainly of land held for appreciation, shopping malls /commercial centers and office buildings that are held to earn rentals.

11. Property and Equipment

This account consists of:

	June 30, 2016	September 30, 2015
Land improvements - net	**₱3,861,456**	₱4,379,441
Building and improvements - net	**2,722,210,985**	2,308,258,001
Other equipments - net	**1,433,749,828**	1,194,579,974
	₱4,159,822,269	₱3,507,217,416

12. Other Noncurrent Assets

This account consists of:

	June 30, 2016	September 30, 2015
Advances to suppliers and contractors	**₱584,990,502**	₱522,140,862
Utility deposits	**544,486,338**	502,712,451
Prepaid expenses	**435,144,558**	462,689,924
Advances to lot owners	**190,078,577**	190,078,577
Bid deposit	**–**	1,441,097,460
Others	**136,293,142**	81,917,868
	₱1,890,993,117	₱3,200,637,142

As of September 30, 2015, bid deposit relates to the acquisition of land use rights (see Note 8).

13. Accounts Payable and Accrued Expenses

	June 30, 2016	September 30, 2015
Accounts payable	**₱3,898,399,003**	₱3,301,667,947
Accrued taxes and licenses and other liabilities	**3,779,959,350**	2,882,192,374
Accrued rent expense	**496,206,160**	402,160,439
Dividends payable	**15,300,784**	14,149,049
	₱8,189,865,297	₱6,600,169,809

Accrued taxes and licenses and other liabilities include the unpaid portion of the total purchase price of the land use right discussed in Note 8 amounting to ₱931.7 million (RMB 131.5 million).

14. Deposits and Other Liabilities

	June 30, 2016	September 30, 2015
Customers' deposits	**₱3,652,676,260**	₱3,010,424,102
Payables to affiliated companies	**295,446,865**	300,434,457
	₱3,948,123,125	₱3,310,858,559

15. Loans Payable

Short-term loans

	Principal Amount	June 30, 2016	September 30, 2015
Short-term loan obtained from a local bank that will mature in April 2016. Interest rate is at 1.70% per annum.	**₱5,717,158,900**	**₱5,717,158,900**	₱–
Short-term loan obtained from a local bank that will mature in May 2016. Interest rate is at 2.50% per annum.	**4,093,030,000**	**4,093,030,000**	–
Short-term loan obtained from a local bank that will mature in May 2016. Interest rate is at 2.50% per annum.	**2,939,776,000**	**2,939,776,000**	–
Short-term loan obtained from a local bank that will mature in April 2016. Interest rate is at 1.70% per annum.	**1,609,505,000**	**1,609,505,000**	–
Short-term loan obtained from a local bank that matured in January 2016. Interest rate is at 1.75% per annum.	**1,441,097,460**	**–**	1,441,097,460
Short-term loan obtained from a local bank that will mature in January 2016. Interest rate is at 2.50% per annum.	**1,341,000,000**	**–**	1,341,000,000
Short-term loan obtained from a local bank that will mature in January 2016. Interest rate is at 2.50% per annum.	**266,800,000**	**–**	266,800,000
	₱17,408,367,360	**₱14,359,469,900**	₱3,048,897,460

Long-term loans

	Principal Amount	June 30, 2016	September 30, 2015
Five-year term loan from BDO Unibank, Inc. maturing on July 14, 2019. Principal payable in full upon maturity, with interest fixed rate at 5.0438%, payable quarterly.	**₱9,000,000,000**	**₱9,000,000,000**	₱9,000,000,000
Five-year term loan from BDO Leasing & Finance, Inc. maturing on July 14, 2019. Principal payable in full upon maturity, with interest fixed rate at 5.0438%, payable quarterly	**1,000,000,000**	**1,000,000,000**	1,000,000,000
Seven-year bonds from BDO, HSBC, SB Capital, Standard Chartered, DBP, and East West maturing on February 23, 2022. Principal payable upon maturity, with fixed rate at 4.8%, interest payable semi-annually in arrears.	**10,635,500,000**	**10,635,500,000**	10,635,500,000
Ten-year bonds from BDO and Standard Chartered maturing on February 23, 2025. Principal payable upon maturity, with fixed rate at 4.9344%, interest payable semi-annually in arrears.	**1,364,500,000**	**1,364,500,000**	1,364,500,000
	22,000,000,000	**22,000,000,000**	22,000,000,000
Less current portion	**–**	**–**	–
Long-term portion	**22,000,000,000**	**22,000,000,000**	22,000,000,000
Less debt issue costs	**193,764,327**	**144,700,099**	166,943,461
Long-term portion net of debt issue costs	**₱21,806,235,673**	**₱21,855,299,901**	₱21,833,056,539

16. Deposits and Other Noncurrent Liabilities

	June 30, 2016	September 30, 2015
Customers' deposits	**₱2,887,796,952**	₱2,380,033,960
Accrued rent expense	**1,445,148,519**	1,445,148,519
Pension liabilities	**252,289,831**	252,763,973
Advances and others	**1,128,289,371**	1,066,391,974
	₱5,713,524,673	₱5,144,338,426

17. Capital Stock

The details of the number of common shares and the movements thereon follow:

	June 30, 2016	September 30, 2015
Authorized - at ₱1 par value	**8,200,000,000**	8,200,000,000
Exclusive of treasury shares:		
At beginning of the period	**4,093,830,685**	4,093,830,685
Additional subscription	**–**	
Issued, fully paid and outstanding	**4,093,830,685**	4,093,830,685

Treasury Shares

On October 22, 2009, the Parent Company's BOD approved the creation and implementation of a share buy-back program allotting up to ₱1,000 million to reacquire a portion of the Parent Company's issued and outstanding common shares, representing approximately 3.1% of current market capitalization.

As of June 30, 2016, the Parent Company has repurchased a total of 17,698,000 shares for a total purchase price of ₱221,834,657 at an average price of ₱12.53 per share.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to these ratios in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital structure or issue capital securities. No changes have been made in the objective, policies and processes as they have been applied in previous years.

The Group monitors its use of capital structure using a debt-to-capital ratio which is gross debt divided by total equity. The Group includes within gross debt all interest-bearing loans and borrowings, while capital represents total equity. Following is a computation of the Group's debt-to-capital ratio as of June 30, 2016 and September 30, 2015.

	June 30, 2016	September 30, 2015
(a) Loans payable (Note 15)	**₱36,359,469,900**	₱25,048,897,460
(b) Equity	**₱60,057,064,342**	₱56,660,206,908
(c) Debt-to-capital ratio (a/b)	**0.61:1**	0.44:1

The Group's policy is to have a debt-to-capital ratio of not exceeding 2:1 level. This policy is consistent with the requirements under the Group's debt covenants with lenders.

18. Retained Earnings

Restriction

A portion of the unappropriated retained earnings representing the undistributed net earnings of subsidiaries amounting to ₱1,016 million as of June 30, 2016 and ₱977 million as of September 30, 2015 are not available for dividend declaration until received in the form of dividends. Also ₱17,000 million of retained earnings appropriated for future and ongoing expansions are also not available for dividends.

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

Dividends declared

The BOD declared cash dividends in favor of all its stockholders as follows:

	2016	2015
Date of declaration	**March 9, 2016**	April 29, 2015
Date of payment	**April 22, 2016**	June 9, 2015
Ex-dividend rate	**March 29, 2016**	May 14, 2015
Dividend per share	**₱0.36**	₱0.36
Total dividends	**₱1,473,779,046**	₱1,473,779,046

Appropriation

On September 10, 2015, the BOD approved the reversal of the retained earnings it has appropriated in 2014 amounting to ₱17,000 million as the related projects to which the retained earnings were earmarked were completed already. The amount was originally earmarked for the continuing capital expenditures of the Group for subdivision land, condominium and residential units for sale, investment properties and property and equipment.

On the same date, the BOD also approved the appropriation of ₱17,000 million, out of the unappropriated retained earnings, to support the capital expenditure requirements of the Group for various projects approved by the Executive Committee during meetings held in September 2015. These projects and acquisitions are expected to be completed in various dates in FY 2016 to FY 2018.

19. Earnings Per Share

Earnings per share amounts as of June 30 were computed as follows:

		2016	2015
a.	Net income attributable to equity holders of Parent Company	**₱4,870,636,480**	₱4,353,516,236
b.	Weighted average number of common shares outstanding adjusted	**4,093,830,685**	4,093,830,685
c.	Earnings per share (a/b)	**₱1.19**	₱1.06

There were no potential dilutive shares in 2016 and 2015.

20. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, other than derivatives, comprise of loans payable, receivables from affiliated companies, payables to affiliated companies, receivables and cash and cash equivalents. The main purpose of these financial instruments is to raise fund for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from its operations.

The main risks currently arising from the Group's financial instruments are foreign currency market risk, liquidity risk, interest rate risk and credit risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below, together with the related risk management structure.

<u>Risk Management Structure</u>
The Group's risk management structure is closely aligned with that of the Parent Company. The BOD of the Parent Company and the respective BODs of each subsidiary are ultimately responsible for the oversight of the Group's risk management processes that involve identifying, measuring, analyzing, monitoring and controlling risks.

The risk management framework encompasses environmental scanning, the identification and assessment of business risks, development of risk management strategies, design and implementation of risk management capabilities and appropriate responses, monitoring risks and risk management performance, and identification of areas and opportunities for improvement in the risk management process.

Each BOD has created the board-level Audit Committee (AC) to spearhead the managing and monitoring of risks.

Audit Committee
The AC shall assist the Group's BOD in its fiduciary responsibility for the over-all effectiveness of risk management systems, and both the internal and external audit functions of the Group. Furthermore, it is also the AC's purpose to lead in the general evaluation and to provide assistance in the continuous improvements of risk management, control and governance processes.

The AC also aims to ensure that:

a. financial reports comply with established internal policies and procedures, pertinent accounting and audit standards and other regulatory requirements;
b. risks are properly identified, evaluated and managed, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks, and crisis management;

c. audit activities of internal and external auditors are done based on plan, and deviations are explained through the performance of direct interface functions with the internal and external auditors; and
d. the Group's BOD is properly assisted in the development of policies that would enhance the risk management and control systems.

Enterprise Risk Management Group (ERMG)
To systematize the risk management within the Group, the ERMG was created to be primarily responsible for the execution of the enterprise risk management framework. The ERMG's main concerns include:

a. recommending risk policies, strategies, principles, framework and limits;
b. managing fundamental risk issues and monitoring of relevant risk decisions;
c. providing support to management in implementing the risk policies and strategies; and
d. developing a risk awareness program.

Support groups have likewise been created to explicitly manage on a day-to-day basis specific types of risks like trade receivables, supplier management, etc.

Compliance with the principles of good corporate governance is also one of the objectives of the BOD. To assist the BOD in achieving this purpose, the BOD has designated a Compliance Officer who shall be responsible for monitoring the actual compliance with the provisions and requirements of the Corporate Governance Manual and other requirements on good corporate governance, identifying and monitoring control compliance risks, determining violations, and recommending penalties on such infringements for further review and approval of the BOD, among others.

Risk Management Policies
The main risks arising from the use of financial instruments are foreign currency risk, liquidity risk, interest rate risk, credit risk and equity price risk. The Group's policies for managing the aforementioned risks are summarized below.

Market risk
Foreign Currency Risk
Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises from financial instruments that are denominated in United States Dollar (USD) which result primarily from movement of the Philippine Peso (PHP) against the USD.

The Group does not have any foreign currency hedging arrangements.

Liquidity risk
Liquidity risk is the risk arising from the shortage of funds due to unexpected events or transactions. The Group manages its liquidity profile to be able to finance the capital expenditures and service the maturing debts. To cover the financing requirements, the Group intends to use internally generated funds and proceeds from debt and equity offerings.

The Group seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations. 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. Fund-raising activities may include bank loans and capital market issues both onshore and offshore.

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's long-term debt obligation with a floating interest rate.

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 from cash and cash equivalents and receivables).

The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. Receivables are collateralized with the subject real estate property; in such a way that title of the real estate property only passes to the buyer once the receivable is fully paid. The value of the collateral is impracticable to be quantified but the unpaid balances from buyers are generally lower than the value of the collateral. These measures result in the Group's exposure to impairment loss as not significant.

With respect to credit risk arising from the Group's financial assets, which comprise of cash and cash equivalents and receivables, 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.

21. Financial Instruments

The carrying amount of cash and cash equivalents, trade receivables (except installment contract receivables), other receivables, receivable and payable to affiliated companies, utility deposits and accounts payable and accrued expenses are approximately equal to their fair value due to the short-term nature of the transaction.

Set out below is a comparison of carrying amounts and fair values of installment contracts receivables, deposits from lessees and loans payable.

	June 30, 2016		September 30, 2015	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Installment contracts receivables	**₱7,865,471,484**	**₱7,526,077,937**	₱6,197,079,304	₱5,929,676,551
Deposits from lessees	**4,331,879,608**	**4,030,093,366**	3,570,202,736	3,321,479,742
Loans payable	**36,214,769,801**	**52,408,970,454**	24,881,953,999	36,008,446,254

The fair values of installment contracts receivables, deposits from lessees and loans payable are based on the discounted value of future cash flows using the applicable rates for similar types of loans and receivables as of reporting date and is classified under Level 3 based on the fair value hierarchy below.

<u>Fair Value Hierarchy</u>
The Group uses the following hierarchy for determining the fair value of financial instruments:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There has been no reclassification from Level 1 to Level 2 or 3 category.

22. Commitments and Contingencies

Under the contract to sell covering the sale of subdivision land and houses, residential condominium units, office building units, the Group is obligated to complete and deliver the sold units on agreed delivery dates. Moreover, estimated costs to complete sold units amounted to ₱1,470.7 million and ₱1,292 as of June 30, 2016 and September 30, 2015, respectively.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

AGING OF RECEIVABLES AND PAYABLES
As of June 30, 2016

	Total	Due within Six months	Due over Six months
Receivables - net	₱9,139,700,596	₱1,462,925,506	₱7,676,775,090
Accounts Payable and Accrued Expenses	₱8,189,865,297	₱2,047,466,324	₱6,142,398,973

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

FINANCIAL SOUNDNESS INDICATOR

		June 30, 2016	September 30, 2015
Current ratio	Total Current Assets / Total Current Liabilities	1.41	1.98
Debt-to-Equity ratio	Total Loans Payable / Total Equity	0.61	0.44
Net book value per share	Equity attributable to equity holders of the Parent Company / Outstanding shares	14.67	13.84
Asset to equity ratio	Total Assets / Total Equity	1.94	1.74

		June 30, 2016	June 30, 2015
Earnings per share	Net income attributable to equity holders of Parent Company / Weighted average number of common shares outstanding	1.19	1.06
Interest coverage ratio	EBIT / Interest expense	6.34	8.47
Operating margin ratio	Operating Income (EBIT) / Revenue	0.39	0.39

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

PART 1- FINANCIAL INFORMATION

	Item 1. Financial Statements required under SRC Rule 68.1	**Remarks**
7.	**The following information, as a minimum, should be disclosed in the notes to financial statements, if material and if not disclosed elsewhere in the interim financial report.**	
h.	Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period;	not applicable
i.	The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations;	not applicable
j.	Changes in contingent liabilities or contingent assets since the last annual balance sheet date.	not applicable
k.	Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period.	Note 22
	Item 2. Management's Discussion and Analysis (MDA) of Financial Condition and Results of Operations ((Part 111, par. (A) (2) (b))	
2.	Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:	
(a)(i)	Any known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing liquidity.	not applicable
(a)(ii)	Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;	not applicable
(a)(iii)	All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.	not applicable
(a)(iv)	Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.	not applicable
(a)(v)	Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.	not applicable
(a)(vi)	Any significant elements of income or loss that did not arise from the issuer's continuing operations.	not applicable
(a)(viii)	Any seasonal aspects that had a material effect on the financial condition or result of operations.	not applicable
	PART 11 - OTHER INFORMATION	
1.	Disclosure not made under SEC Form 17-C	not applicable

SEC FORM 17-Q		
CHECKLIST OF REQUIRED DISCLOSURES		
REGISTRANT: ROBINSONS LAND CORPORATION		
For the Quarter Ended:		
SUMMARY OF COMMENTS	Page No.	Remarks
General Instruction: If any of the following is not applicable, please state/explain in a separate covering letter.		
PART I - FINANCIAL INFORMATION		
Item 2. Management's Discussion and Analysis (MDA) of Financial Condition and Results of Operations [Part III, Par. (A)(2)(b)].		
FINANCIAL RISK DISCLOSURE		
b. Evaluate whether the company could provide clearer and more transparent disclosure regarding its financial instruments including but not limited to the following information:		
1. A description of the financial instruments of the company and the classification and measurements applied for each. If material in amount, provide detailed explanation on complex securities particularly on derivatives and their impact on the financial condition of the company;		
2. The amount and description of the company's investments in foreign securities;		
3. The significant judgments made in classifying a particular financial instrument in the fair value hierarchy;		Note 21
4. An explanation of how risk is incorporated and considered in the valuation of assets or liabilities;		
5. A comparison of the fair values as of date of the recent interim financial report and as of date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods; and		Note 21
6. The criteria used to determine whether the market for a financial instrument is active or inactive, as defined under PAS 39-Financial Instruments.		
c. If any one of the foregoing disclosure is not applicable to the company, so state in the report and provide a brief explanation.		
ADDITIONAL REQUIREMENTS (SRC Rule 68, as amended October 2011)		
A schedule showing financial soundness indicators in two comparative period as follows: 1) current/ liquidity ratios; 2) solvency ratios, debt-to-equity ratio; 3) asset-to-equity ratio; 4)interest rate coverage ratio; 5) profitability ratio and 6)other relevant ratio as the Commission may prescribe		Page 29