SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☑ Preliminary Information Statement

☐ Definitive Information Statement

2. Name of Registrant as specified in its charter

Robinsons Land Corporation

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

Metro Manila, Philippines

4. SEC Identification Number

93269-A

5. BIR Tax Identification Code

000361376000

6. Address of principal office

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

Postal Code

1100

7. Registrant's telephone number, including area code

(632) 6337631 to 40

8. Date, time and place of the meeting of security holders

March 9, 2016, 5:00 p.m., Ruby Ballroom of Crowne Plaza Manila Galleria

9. Approximate date on which the Information Statement is first to be sent or given to security holders

Feb 16, 2016

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor

N/A

Address and Telephone No.

N/A

11. 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 and Amount of Debt Outstanding
Common	4,093,830,685

13. Are any or all of registrant's securities listed on a Stock Exchange?

☑ Yes ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Robinsons Land Corporation's common stock is listed on the Philippine Stock Exchange.

Robinsons Land Corporation
RLC

PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting
References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules

Date of Stockholders' Meeting	Mar 9, 2016
Type (Annual or Special)	Annual
Time	5:00 p.m.
Venue	Ruby Ballroom, Crowne Plaza Manila Galleria
Record Date	Feb 3, 2016

Inclusive Dates of Closing of Stock Transfer Books

Start Date	N/A
End date	N/A

Other Relevant Information
Please see attached Preliminary Information Statement which we have filed with Securities and Exchange Commission.

Filed on behalf by:

Name	Rosalinda Rivera
Designation	Corporate Secretary

COVER SHEET

9 3 2 6 9 - A

SEC Registration Number

R O B I N S O N S   L A N D   C O R P O R A T I O N

(Company's Full Name)

L E V E L   2 , G A L L E R I A   C O R P O R A T E   C E N T E R
E D S A   C O R N E R   O R T I G A S   A V E N U E ,
Q U E Z O N   C I T Y ,   M E T R O   M A N I L A

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

Atty. Rosalinda F. Rivera
Corporate Secretary

(Contact Person)

633-7631 to 40

(Company Telephone Number)

0 9	3 0
Month	*Day*

(Fiscal Year)

2 0 - I S

(Form Type)

second Wednesday of March

Month *Day*

(Annual Meeting)

Preliminary Information Statement

Issuer of Securities under

SEC-BED Order No.125,Series of 1989; SEC-BED Order No.435, Series of 1989; SEC-BED Order No.523,Series of 1993; SEC-BED Order No.524 Series of 1993;SEC-BED Order No. 572, Series of 1995; SEC-BED Order No. 057, Series of 1997; and SEC-CFD Order No. 128, Series of 2006

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

ROBINSONS LAND
CORPORATION

43/F ROBINSONS EQUITABLE, ADB AVENUE CORNER POVEDA ROAD, ORTIGAS CENTER 1605 PASIG CITY, PHILIPPINES
TELEPHONE NOS.: 395 2500 / 633 7631

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

March 9, 2016

Notice is hereby given that the Annual Meeting of the Stockholders of ROBINSONS LAND CORPORATION will be held on March 9, 2016 at 5:00 p.m. at Ruby Ballroom of Crowne Plaza Manila Galleria, Ortigas Avenue corner Asian Development Bank Avenue, Quezon City, Metro Manila

The Agenda for the meeting is as follows:

1. Proof of notice of the meeting and existence of a quorum.
2. Reading and approval of the minutes of the Annual Meeting of the Stockholders held on April 29, 2015.
3. Presentation of annual report and approval of financial statements for the preceding year.
4. Election of Board of Directors.
5. Election of External Auditor.
6. Ratification of all acts of the Board of Directors and its committees, officers and management since the last annual meeting.
7. Consideration of such other matters as may properly come during the meeting.
8. Adjournment.

A brief explanation of each agenda item which requires stockholders' approval is provided herein. The Information Statement accompanying this notice contains more detail regarding the rationale and explanation for each of such agenda item.

For convenience in registering your attendance, please have available some form of identification, such as driver's license, SSS ID card, TIN card, passport, or company ID.

We are not soliciting proxies. If, however, you would be unable to attend the meeting but would like to be represented thereat, you may accomplish the herein attached proxy form. Pursuant to Section 2, Article VII of the Amended By-Laws of Robinsons Land Corporation, proxies must be received by the Corporate Secretary for inspection and recording not later than five (5) working days before the time set for the meeting, or not later than March 2, 2016. Validation of proxies shall be held on March 4, 2016, 10:00 a.m. at the Office of the Corporate Secretary, 40/F Robinsons Equitable Tower, ADB Avenue corner Poveda St., Ortigas Center, Pasig City.

Registration starts at 4:00 p.m. and will close at exactly 5:15 p.m. Only stockholders of record as of February 3, 2016 shall be entitled to vote.

By Authority of the Chairman:

ROSALINDA F. RIVERA
Corporate Secretary

ROBINSONS LAND CORPORATION
("RLC" or the "Corporation")

ANNUAL MEETING OF STOCKHOLDERS
MARCH 9, 2016

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

Reading and approval of the Minutes of the Annual Meeting of the Stockholders held on April 29, 2015

Copies of the minutes will be distributed to the stockholders before the meeting and will be presented to the stockholders for approval.

Presentation of annual report and approval of financial statements for the preceding year

The annual report and the financial statements for the preceding fiscal year will be presented to the stockholders for approval.

Election of Board of Directors

The incumbent members of the Board of Directors of the Corporation are expected to be nominated for re-election this year. A brief description of the business experience of the incumbent directors is provided in the Information Statement sent to the stockholders.

The members of the Board of Directors of the Corporation shall be elected by plurality vote.

Election of External Auditor

The Corporation's external auditor is SyCip Gorres Velayo & Co. and will be nominated for reappointment for the current fiscal year.

Ratification of all acts of the Board of Directors and its committees, officers and management since the last annual meeting

The acts of the Board of Directors and its committees, officers and management of the Corporation since the last annual stockholders' meeting up to the current stockholders' meeting will be presented to the stockholders for ratification.

Consideration of such other matters as may properly come during the meeting

The Chairman will open the floor for comments and questions by the stockholders. The Chairman will decide whether matters raised by the stockholders may be properly taken up in the meeting or in another proper forum.

P R O X Y

The undersigned stockholder of **ROBINSONS LAND CORPORATION** (the "Corporation"), do hereby appoint

____

as my proxy to represent me and vote all shares registered in my name in the records or books of the Corporation at the Annual Meeting of the Stockholders of the Corporation to be held on March 9, 2016 and adjournments and postponements thereof as fully to all intents and purposes as I might do if present and acting in person, hereby ratifying and confirming all that my said attorney shall lawfully do or cause to be done by virtue of these presents.

IN CASE OF THE NON-ATTENDANCE OF MY PROXY NAMED ABOVE, I AUTHORIZE AND EMPOWER THE CHAIRMAN OF THE MEETING TO FULLY EXERCISE ALL RIGHTS AS MY PROXY AT SUCH MEETING.

This proxy shall continue until such time as the same is withdrawn by me through notice in writing delivered to the Secretary at least three (3) working days before the scheduled meeting on March 9, 2016, but shall not apply in instances where I personally attend the meeting.

____
PRINTED NAME OF STOCKHOLDER

____
DATE

____
SIGNATURE OF STOCKHOLDER / AUTHORIZED SIGNATORY

____
ADDRESS OF STOCKHOLDER

____
CONTACT TELEPHONE NUMBER

A PROXY SUBMITTED BY A CORPORATION SHOULD BE ACCOMPANIED BY A CORPORATE SECRETARY'S CERTIFICATE QUOTING THE BOARD RESOLUTION DESIGNATING A CORPORATE OFFICER TO EXECUTE THE PROXY. PROXIES EXECUTED BY BROKERS MUST BE ACCOMPANIED BY A CERTIFICATION UNDER OATH STATING THAT THE BROKER HAS OBTAINED THE WRITTEN CONSENT OF THE ACCOUNT HOLDER.

ROBINSONS LAND
CORPORATION

43/F ROBINSONS EQUITABLE, ADB AVENUE CORNER POVEDA ROAD, ORTIGAS CENTER 1605 PASIG CITY, PHILIPPINES
TELEPHONE NOS.: 395 2500 / 633 7631

CERTIFICATE

I, ROSALINDA F. RIVERA, of legal age, Filipino, with office address at the 40th Floor, Robinsons Equitable Tower, ADB Avenue corner P. Poveda St., Ortigas Center, Pasig City, Metro Manila, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of Robinsons Land Corporation (the "Corporation") with principal address at Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila.

2. There are no directors, independent directors or officers of the Corporation who are currently appointed in any government agency or is an employee of any government agency.

ROSALINDA F. RIVERA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 19 JAN 2016 at PASIG CITY, affiant exhibiting to me her SSS ID No. 33-2484959-1.

Doc No. 218;
Page No. 44;
Book No. XVII;
Series of 2016.
/lbo

ATTY. ANTONIO B. BETITO
Notary Public – Pasig City
Commission No. 171 (2015-2016)
708 MegaPlaza Condo. ADB Ave. Pasig City
Attorney's Roll No. 27814
IBP # 1018145 - 01.05.16/Rizal
PTR#1387696/01.07.16/Pasig City
MCLE Compliance No. IV-0009940 Dec. 4, 2013

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

   Definitive Information Statement

2.	Name of Registrant as specified in its charter	:	**ROBINSONS LAND CORPORATION (the "Corporation")**
3.	Province, country or other jurisdiction of incorporation or organization	:	**Metro Manila, Philippines**
4.	SEC Identification Number	:	**SEC Registration No. 93269-A**
5.	BIR Tax Identification Code:	:	**TIN No. 000-361-376-000**
6.	Address of principal office	:	**Level 2, Galleria Corporate Center, EDSA corner Ortigas Avenue, Quezon City, Metro Manila**
7.	Registrant's telephone number, including area code	:	**(632) 633-7631 to 40**
8.	Date, time and place of the meeting of security holders	:	**March 9, 2016 5:00 P.M. Ruby Ballroom Crowne Plaza Manila Galleria Ortigas Avenue corner ADB Avenue Quezon City**
9.	Approximate date on which copies of the Information Statement are first to be sent or given to security holders	:	**February 16, 2016**

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 or Amount of Debt Outstanding (as of December 31, 2015)
Common Stock, P 1.00 par value	**4,093,830,685**

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

    Yes ✓ No ____

Robinsons Land Corporation's common stock is listed on the Philippine Stock Exchange.

Date, Time and Place of Meeting of Security Holders

Date Time and Place of Meeting	:	**March 9, 2016** **5:00 P.M.** **Ruby Ballroom** **Crowne Plaza Manila Galleria** **Ortigas Avenue corner ADB Avenue** **Quezon City**
Complete Mailing Address of Principal Office	:	**Level 2, Galleria Corporate Center,** **EDSA corner Ortigas Avenue,** **Quezon City, Metro Manila**
Approximate date on which copies of the Information Statement are first to be sent or given to security holders	:	**February 16, 2016**

Dissenters' Right of Appraisal

Any stockholder of the Corporation may exercise his appraisal right against the proposed actions which qualify as instances giving rise to the exercise of such right pursuant to and subject to and subject to the compliance with the requirements and procedure set forth under Title X of the Corporation Code of the Philippines.

There are no matters to be acted upon by the stockholders at the Annual Meeting of the Stockholders to be held on March 9, 2016 which would require the exercise of the appraisal right.

Interest of Certain Persons in or Opposition to Matters to be acted upon

None of the following persons have any substantial interest, direct or indirect, in any matter to be acted upon other than election to office:

1. **Directors or officers of the Corporation at any time since the beginning of the last fiscal year;**

2. **Nominees for election as directors of the Corporation;**

3. **Associate of any of the foregoing persons.**

Voting Securities and Principal Holders Thereof

(a) The Corporation has 4,093,830,685 outstanding shares as of December 31, 2015. Every stockholder shall be entitled to one vote for each share of stock held as of the established record date.

(b) All stockholders of record as of February 3, 2016 are entitled to notice and to vote at the Corporation's Annual Meeting of the Stockholders.

(c) Article VII, Section 8 of the By-Laws of the Corporation states that for purposes of determining the stockholders entitled to notice of, or to vote or be voted at any meeting of stockholders or any adjournments thereof, or entitled to receive payment of any dividends or other distribution or allotment of any rights, or for the purpose of any other lawful action, or for making any other proper determination of stockholders, the Board of Directors may provide that the stock and transfer books be closed for a stated period, which shall not be more than sixty (60) days nor less than thirty (30) days before the date of such meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders. A determination of stockholders of record entitled to notice of or to vote or be voted at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Election of Directors

Article II, Section 1 (a) of the By-Laws provides that the directors of the Corporation shall be elected by plurality vote at the annual meeting of the stockholders for the year at which a quorum is present. At each election for directors, every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or by distributing such votes as the same principle among any number of candidates.

The report attached to this SEC Form 20-IS captioned "2015 Annual Report" is the management report to stockholders required under SRC Rule 20 to accompany the SEC Form 20-IS and is hereinafter referred to as the "Management Report".

Security Ownership of Certain Record and Beneficial Owners and Management

Security Ownership of Certain Record and Beneficial Owners of more than 5% of the Corporation's voting securities as of December 31, 2015

Title of Class	Names and addresses of record owners and relationship with the Corporation	Names of beneficial owner and relationship with record owner	Citizenship	No. of shares held	% to total outstanding
Common	JG Summit Holdings, Inc. 43/F Robinsons Equitable Tower, ADB Avenue corner Poveda Road, Pasig City (stockholder)	same as record owner (see note 1)	Filipino	2,496,114,787	60.97%
Common	PCD Nominee Corporation (Non-Filipino) 37/F The Enterprise Center Tower 1 Cor. Paseo de Roxas, Ayala Avenue Makati City (stockholder)	PCD Participants and their clients (see note 2)	Non-Filipino	1,100,716,600	26.89%
Common	PCD Nominee Corporation (Filipino) 37/F The Enterprise Center Tower 1 Cor. Paseo de Roxas, Ayala Avenue Makati City (stockholder)	PCD Participants and their clients (see note 2)	Filipino	462,842,409	11.31%

Notes:

[1] The Chairman and the President of JG Summit Holdings Inc., (JGSHI) are both empowered under its by-laws to vote any and all shares owned by JGSHI, except as otherwise directed by its board of directors. The incumbent Chairman and Chief Executive Officer and President and Chief Operating Officer of JGSHI are Mr. James L. Go and Mr. Lance Y. Gokongwei, respectively.

[2] PCD Nominee Corporation is the registered owner of the shares in the books of the Corporation's transfer agent. PCD Nominee Corporation is a corporation wholly owned by the Philippine Depository and Trust Corporation, Inc. (formerly the Philippine Central Depository) ("PDTC"), whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged in the PDTC. PDTC is a private corporation organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. Under the current PDTC system, only participants (brokers and custodians) will be recognized by PDTC as the beneficial owners of the lodged shares. Each beneficial owner of shares through his participant will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. Out of the PCD Nominee Corporation (Non-Filipino) account, "Deutsche Bank Manila-Clients Account" and "The Hongkong and Shanghai Banking Corp. Ltd. – Clients' Acct." holds for various trust accounts the following shares of the Corporation as of December 31, 2015:

	No. of shares held	% to total outstanding
Deutsche Bank Manila – Clients Acct.	504,707,657	12.33%
The Hongkong and Shanghai Banking Corp. Ltd. – Clients' Acct.	408,764,631	9.98%

The securities are voted by the trustee's designated officers who are not known to the Corporation.

Security Ownership of Management as of December 31, 2015

Title of Class	Name of beneficial owner	Position	Amount & nature of beneficial ownership (Direct)	Citizenship	% to Total Outstanding
A. Executive Officers [1]					
Common	1. John L. Gokongwei, Jr.	Director, Chairman Emeritus	14,119,081[2]	Filipino	0.35%
	2. James L. Go	Director, Chairman	1,685,994	Filipino	0.04%
	3. Lance Y. Gokongwei	Director, Vice Chairman and Chief Executive Officer	804,001	Filipino	0.02%
Common	4. Frederick D. Go	Director, President and Chief Operating Officer	500,001	Filipino	0.01%
Common	5. Arlene G. Magtibay	General Manager	0	Filipino	*
	Sub-Total		17,109,077		0.42%
B. Other directors, executive officers and nominees					
Common	6. Patrick Henry C. Go	Director	10,000	Filipino	*
Common	7. Robina Y. Gokongwei-Pe	Director	540,000	Filipino	0.01%
Common	8. Johnson Robert G. Go, Jr.	Director	1	Filipino	*
Common	9. Artemio V. Panganiban	Director (Independent)	50,001	Filipino	*
Common	10. Roberto F. de Ocampo	Director (Independent)	1	Filipino	*
Common	11. Emmanuel C. Rojas, Jr.	Director (Independent)	901	Filipino	*
	12. Omar Byron T. Mier	Director (Independent)	1	Filipino	*
	Sub-Total		600,905		0.1%
C. All directors and executive officers & nominees as a group unnamed					
			17,709,982		0.43%

Notes:

[1] As defined under Part IV (B)(1)(b) of SRC Rule 12, the "named executive officers" to be listed refer to the Chief Executive Officer and those that are the four (4) most highly compensated executive officers as of December 31, 2015.

[2] Sum of shares in the name of "John Gokongwei, Jr." for 8,124,721, "John L. Gokongwei, Jr." for 300,000 and "Elizabeth Y. Gokongwei and/or John Gokongwei" for 988,000 and shares equivalent to 4,706,360 which were subscribed and paid for under the rights offering of the Corporation and are currently lodged under PDTC.

* less than 0.01%

Voting Trust Holder of 5% or more - as of December 31, 2015

There are no persons holding more than 5% of a class under a voting trust or similar agreement.

Changes in Control

There has been no change in the control of the Corporation since the beginning of its last fiscal year.

The information as of December 31, 2015 on "Security Ownership of Certain Beneficial Owners and Management" are found on Item 13, pages 38 to 39 of the Management Report.

<u>Directors and Executive Officers</u>

Information required hereunder is incorporated by reference to the section entitled "Directors and Executive Officers of the Registrant" on Item 14, pages 40 to 45 of the Management Report.

The incumbent members of the Board of Directors are still the nominees for the forthcoming election of directors.

The incumbent directors of the Corporation are expected to be nominated by management for re-election this year.

The members of the Nomination Committee of the Corporation are the following:

1) John L. Gokongwei, Jr.
2) James L. Go – Chairman
3) Lance Y. Gokongwei
4) Johnson Robert G. Go, Jr.
5) Roberto F. de Ocampo (Independent Director)

Information required by the SEC under SRC Rule 38 on the nomination and election of Independent Directors.

The following criteria and guidelines shall be observed in the pre-screening, short listing, and nomination of Independent Directors**:**

A. Definition

1. An independent director is 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 the corporation and includes, among others, any person who:

1.1 Is not a director or officer or substantial stockholder of the corporation or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;

1.2 Does not own more than two percent (2%) of the shares of the corporation and/or its related companies or any of its substantial shareholders;

1.3 Is not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;

1.4 Is not acting as a nominee or representative of any director or substantial shareholder of the corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;

1.5 Has not been employed in any executive capacity by the corporation, any of its related companies and/or by any of its substantial shareholders within the last two (2) years;

1.6 Is not retained, either personally or through his firm or any similar entity, as professional adviser, by the corporation, any of its related companies and/or any of its substantial shareholders, within the last two (2) years; or

1.7 Has not engaged and does not engage in any transaction with the corporation and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial.

2. No person convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of this Code, committed within five (5) years prior to the date of his election, shall qualify as an independent director. This is without prejudice to other disqualifications which the Corporation's Manual on Corporate Governance provides.

3. Any controversy or issue arising from the selection, nomination or election of independent directors shall be resolved by the Commission by appointing independent directors from the list of nominees submitted by the stockholders.

4. When used in relation to a company subject to the requirements above:

4.1 Related company means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and

4.2 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.

B. Qualifications and Disqualifications of Independent Directors

1. An independent director shall have the following qualifications:

   1.1 He shall have at least one (1) share of stock of the corporation;

   1.2 He shall be at least a college graduate or he has sufficient management experience to substitute for such formal education or he shall have been engaged or exposed to the business of the corporation for at least five (5) years;

   1.3 He shall be twenty one (21) years old up to seventy (70) years old, however, due consideration shall be given to qualified independent directors up to the age of eighty (80);

   1.4 He shall have been proven to possess integrity and probity; and

   1.5 He shall be assiduous.

2. No person enumerated under Section II (5) of the Code of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:

   2.1 He becomes an officer or employee of the corporation where he is such member of the board of directors/trustees, or becomes any of the persons enumerated under letter (A) hereof;

   2.2 His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the corporation where he is such director;

   2.3 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;

   2.4 Such other disqualifications that the Corporate Governance Manual provides.

C. Number of Independent Directors

All companies are encouraged to have independent directors. However, issuers of registered securities and public companies are required to have at least two (2) independent directors or at least twenty percent (20%) of its board size, whichever is the lesser.

D. Nomination and Election of Independent Directors

1. The Nomination Committee (the “Committee”) shall have at least three (3) members, one of whom is an independent director. It shall promulgate the guidelines or criteria to govern the conduct of the nomination. The same shall be properly disclosed in the corporation’s information or proxy statement or such other reports required to be submitted to the Commission.

2. Nomination of independent director/s shall be conducted by the Committee prior to a stockholders’ meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

3. The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.

4. After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C) of Annex "C" of SRC Rule 12, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

5. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent director/s. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained nor allowed on the floor during the actual annual stockholders' meeting.

6. Election of Independent Director/s

6.1 Except as those required under this Rule and subject to pertinent existing laws, rules and regulations of the Commission, the conduct of the election of independent director/s shall be made in accordance with the standard election procedures of the company or its by-laws.

6.2 It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent director/s. He shall ensure that an independent director/s are elected during the stockholders' meeting.

6.3 Specific slot/s for independent directors shall not be filled-up by unqualified nominees.

6.4 In case of failure of election for independent director/s, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

E. Termination/Cessation of Independent Directorship

In case of resignation, disqualification or cessation of independent directorship and only after notice has been made with the Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Committee otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office.

Presented below is the Final List of Candidates for Independent Directors:

1. ***Artemio V. Panganiban,*** 79**,** was elected as an independent director of RLC on May 14, 2008. He is concurrently an adviser, consultant and/or independent director of several business, civic, non-government and religious groups. He also writes a regular column in the Philippine Daily Inquirer. He was formerly the Chief Justice of the Philippines and concurrently Chairperson of the Presidential Electoral Tribunal, the Judicial and Bar Council and the Philippine Judicial Academy. Prior to becoming Chief Justice, he was Justice of the Supreme Court of the Philippines (1995-2005), Chairperson of the Third Division of the Supreme Court (2004-2005), Chairperson of the House of Representatives Electoral Tribunal (2004-2005), Consultant of the Judicial and Bar Council (2004-2005) and Chairperson of eight Supreme Court Committees (1998-2005). He authored over ten (10) books. Retired Chief Justice Panganiban obtained his Bachelor of Laws degree, cum laude, from the Far Eastern University and placed 6th in the 1960 bar examination. He was conferred the title Doctor of Laws (Honoris Causa) by the University of Iloilo in 1997, the Far Eastern University in 2002, the University of Cebu in 2006, the Angeles University in 2006, and the Bulacan State University in 2006.

2. ***Roberto F. de Ocampo,*** 69, was elected as an independent director of RLC on May 28, 2003. He is the former President of the Asian Institute of Management (AIM), one of Asia's leading international business management graduate schools based in the Philippines. He is among others, currently the Chairman of the Philippine Veterans Bank, and is Chairman of the Board of Advisors of the RFO Center for Public Finance and Regional Economic Cooperation (an ADB Regional Knowledge Hub), and Chairman, Board of Advisors of the AIM Conference Center. He served as Secretary of Finance of the Republic of the Philippines from 1994-1998 during the presidency of Fidel V. Ramos and was named Finance Minister of the year in 1995, 1996, and 1997. He was previously Chairman and Chief Executive Officer of the Development Bank of the Philippines during the presidency of Cory Aquino. Dr. de Ocampo graduated from De La Salle College and Ateneo University in Manila, received an MBA from the University of Michigan, holds a post-graduate diploma from the London School of Economics, and has four doctorate degrees (Honoris Causa) by the De La Salle University in Business Administration, by the University of Angeles City in Public Administration, by the Philippine Women's University in Laws, and by the San Beda College in Humane Letters. Dr. de Ocampo was a member of the Board Governors of the World Bank, IMF, and ADB and was Chairman of the APEC and ASEAN Finance Ministers in 1997-98. He was awarded by Queen Elizabeth the Order of the British Empire (OBE) and by France as a Chevalier (Knight) of the Legion d'Honneur. He is the recipient of many international awards including Honorary Officer of the Most Excellent Order of the British Empire, Finance Minister of the Year, Philippine Legion of Honor, ADFIAP Man of the Year, Chevalier of the Legion of Honor of France, Ten Outstanding Young Men Award, several Who's Who Awards and the 2006 Asian HRD Award for Outstanding Contribution to Society. He is also a member /Advisory Board Member of a number of important global institutions including The Conference Board, the Trilateral Commission, the BOAO Forum for Asia and the Emerging Markets Forum.

4. **Emmanuel C. Rojas, Jr.**, 79, was elected as a director of RLC on September 28, 2005 and is presently an independent director of the Company. He had been a Consultant and Corporate Secretary of RLC until May 27, 2003. Mr. Rojas is presently an independent director of Unicon Insurance Brokers Corporation. He also served as independent director of Robinsons Bank Corporation and Legaspi Savings Bank, Inc. where he attended the Advance Bank Management Program (ABMP). He was also a Consultant and Corporate Secretary of JG Summit Holdings, Inc., Universal Robina Corporation, CFC Corporation, and JG Summit Petrochemical Corporation. Mr. Rojas retired from his position as First Vice President for Tax Administration under the compulsory retirement policy of the Company upon reaching the age of 60. He also served in various other head positions in administration, audit, controllership and treasurership for the various companies in the Group. A Certified Public Accountant, Mr. Rojas practiced with Fleming and Williamson and SGV & Co. prior to joining the Group in 1962.

5. **Omar Byron T. Mier,** 70, was appointed as an Indpendent Director of RLC on August 13, 2015. He is also a Director of Robinsons Bank Corporation and Legaspi Savings Bank. Prior to joining RLC, he was the President and CEO of Philippine National Bank from 2005-2010 then from 2012 to 2014. He also worked at Deutsche Bank Manila as Deputy General Manager and Head of the Corporate Banking Group. He also worked for Citibank Manila in various positions such as Head of the Multinational Corporations Group, Head of the Local Corporate Group, Head of the Risk Management Group, Headed the Remedial Management Group, and Senior Credit Officer. He was also a Senior Credit Officer at Citibank Malaysia (for both Kuala Lumpur and Penang branch). He is a lecturer for credit and corporate finance at the Citibank Training Center in Singapore, and Risk Asset and Credit Reviewer for various branches in Malaysia, South Korea, Indonesia, Thailand, and Hongkong. He obtained his degrees in Bachelor of Science in Business Administration, Major in Accounting, Bachelor of Arts in Economics, and Master of Arts in Economics from the University of the Philippines. He is a Certified Public Accountant.

The Certification of Independent Directors executed by the above-mentioned independent directors are attached hereto as Annex “A”, Annex “B”, Annex “C”, and Annex “D” respectively.

The name of the person who recommended the nomination of the foregoing candidates for Independent Directors is as follows:

JG Summit Holdings, Inc. - controlling shareholder of the Corporation owning 60.97% of the Corporation’s total outstanding capital stock.

None of the candidates for independent directors of the Corporation are related to JG Summit Holdings, Inc.

Significant Employees

There are no persons who are not executive officers of the Corporation who are expected by the Corporation to make a significant contribution to the business.

Family Relationships

James L. Go is the brother of John Gokongwei, Jr.
Lance Y. Gokongwei is the son of John Gokongwei, Jr.
Robina Y. Gokongwei-Pe is the daughter of John Gokongwei, Jr.
Johnson Robert G. Go, Jr. is the nephew of John Gokongwei, Jr.
Frederick D. Go is the nephew of John Gokongwei, Jr.
Patrick Henry C. Go is the nephew of John Gokongwei, Jr.

Involvement in Certain Legal Proceedings of directors and executive officers

To the best of the Corporation's knowledge and belief and after due inquiry, and except as otherwise disclosed, none of the Corporation's directors, nominees for election as director or executive officer in the past five (5) years up to the date of this report:

1. have had any petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within a two year period of that time;

2. have been convicted by final judgment in a criminal proceeding, domestic or foreign, or have been subjected to a pending judicial proceeding of a criminal nature, domestic or foreign, excluding traffic violations and other minor offenses;

3. have been subjected to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities; or

4. been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

Certain Relationships and Related Party Transactions

The Corporation, in the regular conduct of its business, had engaged in transactions with its major stockholder, JG Summit Holdings, Inc. and its subsidiaries. (See Note 20 of the Audited Consolidated Financial Statements as of September 30, 2015 attached to the Management Report)

Information on the parent of the Corporation, the basis of control, and the percentage of voting securities owned as of December 31, 2015:

Parent Company	Number of Shares Held	% Held
JG Summit Holdings, Inc.	2,496,114,787	60.97%

Compensation of directors and executive officers

Summary Compensation Table

The following tables identify the Corporation's Chief Executive Officer and the four most highly compensated executive officers and summarize their aggregate compensation for the two most recent fiscal years and the ensuing year.

		Fiscal Year 2015			
		Salary	*Bonus*	*Others*	*Total*
A. CEO and four most highly compensated executive officers		P 33,226,450	P 2,000,000	P 307,500	P 35,533,950
Name	*Position*				
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D. Go	Director, President & Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and directors as a group unnamed		P 69,479,474	P 3,000,000	P 405,000	P 72,884,474

		Fiscal Year 2014			
		Salary	*Bonus*	*Others*	*Total*
A. CEO and four most highly compensated executive officers		P 31,206,832	P 1,200,000	P 205,000	P 32,611,832
Name	*Position*				
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D. Go	Director, President & Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and directors as a group unnamed		P 62,974,985	P 1,800,000	P 265,000	P 65,039,985

		Estimated FY 2016				
		Salary	*Bonus*	*Others*	*Total*	
A. CEO and four (4) most highly compensated executive officers		P 35,403,924	P 2,000,000	P 307,500	P 37,711,424	
Name	*Position*					
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer					
2. James L. Go	Director, Chairman					
3. Frederick D.Go	Director, President & Chief Operating Officer					
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus					
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)					
B. All other officers and directors as a group unnamed		P 73,104,246	P 3,000,000	P 405,000	P 76,509,246	**

Standard Arrangements

Other than payment of reasonable per diem, there are no standard arrangements pursuant to which directors of the Corporation are compensated, or are to be compensated, directly or indirectly, for any services provided as a director for the last completed fiscal year and the ensuing year.

Other Arrangements

There are no other arrangements pursuant to which any director of the Corporation was compensated, or is to be compensated, directly or indirectly, during the Corporation's last completed fiscal year, and the ensuing year, for any service provided as a director.

Employment Contracts and Termination of Employment and Change-in-Control Arrangement

There are no special employment contracts between the Corporation and the named executive officers.

There are no compensatory plan or arrangement with respect to a named executive officer.

Warrants and Options Outstanding

There are no outstanding warrants or options held by the Corporation's CEO, the named executive officers, and all officers and directors as a group.

Appointment of Independent Public Accountants

The Corporation's independent public accountant is the accounting firm of SyCip, Gorres, Velayo & Co. (SGV & Co.) The same accounting firm is tabled for reappointment for the current year at the annual meeting of stockholders. The representatives of the principal accountant have always been present at prior years' meetings and are expected to be present at the current year's annual meeting of stockholders. They may also make a statement and respond to appropriate questions with respect to matters for which their services were engaged.

The current handling partner of SGV & Co. has been engaged by the Corporation as of the fiscal year 2015 and is expected to be rotated every five (5) years in accordance with SRC Rule 68, as amended.

The members of the Audit Committee of the Corporation are the following:

1) John L. Gokongwei, Jr.
2) James L. Go
3) Lance Y. Gokongwei
4) Johnson Robert G. Go, Jr.
5) Emmanuel C. Rojas, Jr. (Independent Director) – Chairman
6) Roberto F. de Ocampo (Independent Director)

<u>Action with respect to reports</u>

The following are included in the agenda of the Annual Meeting of the Stockholders for the approval of the stockholders:

1. **Reading and approval of the Minutes of the Annual Meeting of the Stockholders held on April 29, 2015.**

2. **Presentation of Annual Report and approval of Financial Statements for the preceding year.**

3. **Election of Board of Directors.**

4. **Election of External Auditor.**

5. **Ratification of all acts of the Board of Directors and its committees, officers and management since the last annual meeting.**

A summary of the matters approved and recorded in the Annual Meeting of the Stockholders last April 29, 2015 is as follows: a) reading and approval of the minutes of the annual meeting of the stockholders held on May 12, 2014; b) presentation of annual report and approval of financial statements for the preceding year; c) election of Board of Directors of the Corporation; e) election of external auditor; and f) ratification of all acts of the Board of Directors and Management since the last annual meeting.

Brief description of material matters approved by the Board of Directors and Management and disclosed to the SEC and PSE since the last Annual Meeting of the Stockholders held on April 29, 2015 for ratification by the stockholder

Date of Board Approval	Description
April 29, 2015	**Results of the Organizational Meeting of the Board of Directors.**
May 22, 2015	**Approval of the revisions made to the Corporate Governance Manual of the Corporation in accordance with SEC Memorandum Circular No. 9, Series of 2014 as well as the Round Table Discussion initiated by the Securities and Exchange Commission which discussed the Corporate Governance Guidelines for Companies Listed in the Philippine Stock Exchange and the ASEAN Corporate Governance Guidelines.**
August 13, 2015	**Election of an Independent Director**
November 23, 2015	**Approval of the amendment of the By-Laws of the Corporation to change the date of the annual meeting of the stockholders of the Corporation.**
January 15, 2016	**1. Appointment of Mr. Kerwin Max Tan as Chief Financial Officer of the Corporation.** **2. Setting February 3, 2016 as the record date for the annual meeting of the stockholders of the Corporation to be held on March 9, 2016.**

Voting Procedures

The vote required for approval or election:

Pursuant to Article VII, Section 3 of the By-Laws of the Corporation, no stockholders' meeting shall be competent to decide any matter or transact any business, unless a majority of the outstanding capital stock is presented or represented thereat, except in those cases in which the Corporation law requires the affirmative vote of a greater proportion.
As provided under Article VII, Section 7 paragraph 2 of the By-Laws of the Corporation, a quorum at any meeting of the stockholders shall consist of a majority of the subscribed capital stock of the Corporation represented in person or by proxy, and a majority of such quorum shall decide any question that may come before the meeting, save and except in those several matters in which the laws of the Philippines require the affirmative vote of a greater proportion.

The method by which votes will be counted:

Article VII, Section 4 of the By-Laws provides that "voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capital".

Article VII, Section 2 of the By-Laws, also provides that stockholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy duly given in writing and duly presented to and received by the Corporate Secretary for inspection and recording not later than five (5) working days before the time set for the meeting, except such period shall be reduced to one (1) working day for meetings that are adjourned due to lack of the necessary quorum. No proxy bearing a signature which is not legally acknowledged by the Corporate Secretary shall be honored at the meetings. Proxies shall be valid and effective for five (5) years, unless the proxy provides for a shorter period, and shall be suspended for any meeting wherein the stockholder appears in person.

Pursuant to Article II, Section 1 of the By-Laws, the directors of the Corporation shall be elected by plurality vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors, every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principle among any number of candidates.

The Secretary shall record all the votes and proceedings of the stockholders and of the Directors in a book kept for that purpose.

Additional Information Required by the SEC Pursuant to paragraph (4) of SRC Rule 20 (Disclosures to stockholders prior to meeting)

Changes in and Disagreements with Accountants

None.

Market Price for the Corporation's Common Equity and Related Stockholder Matters

The information on market prices, holders, dividends and other related stockholder matters as of December 31, 2015 are incorporated by reference to page 30 of the Management Report.

Restriction that Limits the Payment of Dividends on Common Shares

None.

Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

The Corporation is not aware of any recent sales unregistered or exempt securities, including any recent issuance of securities constituting an exempt transaction.

Additional information as of December 31, 2015 are as follows:

1. Market Price

Fiscal Year 2016	**High**	**Low**
First Quarter (Oct. to Dec. 2015)	**P27.50**	**P26.70**

The market price of the Corporation's common equity as of January 15, 2016 is P25.00.

2. The number of shareholders of record as of December 31, 2015 was 1,097.

Common shares outstanding as of December 31, 2015 were 4,093,830,685 shares with a par value of P1.00 per share.

3. List of the Top 20 Stockholders of the Corporation as of December 31, 2015:

Name	No. of Shares Held	% of Ownership
1. JG Summit Holdings, Inc.	2,496,114,787	60.97%
2. PCD Nominee Corporation (Non-Filipino)	1,100,716,600	26.89%
3. PCD Nominee Corporation (Filipino)	462,842,409	11.31%
4. Elizabeth Yu	8,737,200	0.21%
5. John Gokongwei, Jr.	8,124,721	0.20%
6. Cebu Liberty Lumber	2,203,200	0.05%
7. James L. Go	1,685,994	0.04%
8. Elizabeth Y. Gokongwei &/or John Gokongwei, Jr.	988,000	0.02%
9. Quality Investments &Sec Corp.	904,200	0.02%
10. Alberto Mendoza and/or Jeanie Mendoza	532,800	0.01%
11. Frederick Dy Go	500,001	0.01%
12. Elizabeth Yu Gokongwei	499,500	0.01%
13. Robina Yu Gokongwei	360,000	0.01%
14. Samuel C. Uy	324,000	0.01%
15. John L. Gokongwei, Jr.	300,000	0.01%
16. Ong Tiong	204,996	0.01%
17. Lisa Yu Gokongwei	180,000	0.00%
18.FEBTC#103-00507	156,240	0.00%
19.Francisco L. Benedicto	150,000	0.00%
19. Ching Tiong Keng and/or Cynthia D. Ching	150,000	0.00%
20. Arthur C. Uy	144,000	0.00%
21. Others	8,012,037	0.20%
Total	**4,093,830,685**	**100%**

Discussion on compliance with leading practices on corporate governance

The Corporation adheres to the principles and practices of good corporate governance, as embodied in its Corporate Governance Manual, Code of Business Conduct and related SEC Circulars.

On March 8, 2010, the Board of Directors approved the adoption of a revised Corporate Governance Manual, in accordance with SEC Memorandum Circular No.6 (Series of 2009) dated June 22, 2009. On June 10, 2014 and May 22, 2015, the Board of Directors approved the revisions made to the Corporate Governance Manual of the Corporation in accordance with SEC Memorandum Circular No.9, Series of 2014 as well as the round table discussion initiated by the Securities and Exchange Commission which discussed the Corporate Governance Guidelines for Companies Listed in the Philippine Stock Exchange and the ASEAN Corporate Governance Guidelines. Continuous improvement and monitoring of governance and management policies have been undertaken to ensure that the Corporation observes good governance and management practices. This is to assure the shareholders that the Corporation conducts its business with the highest level of integrity, transparency and accountability.

SEC Memorandum Circular No.5, Series of 2013 mandates all listed companies to submit an Annual Corporate Governance Report (ACGR). On July 30, 2013, the Corporation submitted its ACGR for the year 2012 to the SEC. Beginning January 30, 2011 in accordance with SEC Memorandum Circular No. 9, Series of 2014, the Corporation submits every year a Corporate Governance Disclosure Report to the PSE.

The Corporation likewise consistently strives to raise its financial reporting standards by adopting and implementing prescribed Philippine Financial Reporting Standards.

ROBINSONS LAND CORPORATION, AS REGISTRANT, WILL PROVIDE WITHOUT CHARGE, UPON WRITTEN REQUEST, A COPY OF THE REGISTRANT'S ANNUAL REPORT ON SEC FORM 17-A. SUCH WRITTEN REQUESTS SHOULD BE DIRECTED TO THE CORPORATE SECRETARY, 40/F ROBINSONS EQUITABLE TOWER, ADB AVENUE CORNER POVEDA ST., ORTIGAS CENTER, PASIG CITY, METRO MANILA, PHILIPPINES.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge, I certify that the information set out in this report is true, complete and correct. This report is signed in the City of Pasig on January 19, 2016.

ROBINSONS LAND CORPORATION

ROSALINDA F. RIVERA
CORPORATE SECRETARY

ANNEX "A"

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Artemio V. Panganiban**, Filipino, of legal age and a resident of 1203 Acacia St., Dasmariñas Village, Makati City, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am an independent director of Robinsons Land Corporation.

2. I am affiliated with the following listed companies or organizations:

Company/ Organization	Position/ Relationship	Period of Service
GMA Network, Inc.	Independent Director	2007 - present
First Philippine Holdings Corp.	Independent Director	2007 - present
Metro Pacific Investments Corp.	Independent Director	2007 - present
Manila Electric Company	Independent Director	2008 - present
GMA Holdings, Inc.	Independent Director	2009 – present
Petron Corporation	Independent Director	2010 – present
Bank of the Philippine Islands	Independent Director	2010 – present
Asian Terminals	Independent Director	2010 - present
Philippine Long Distance Tel.Co.	Independent Director	2013 – present
Jollibee Foods Corp.	Non-executive Director	2012 - present
Metropolitan Bank and Trust Corp.	Senior Adviser	2007 – present
Double Dragon Properties Corp.	Adviser	2014 - present
(For my full bio-data, log to my personal website: cjpanganiban.com)		

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Robinsons Land Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.

5. I shall inform the corporate secretary of Robinsons Land Corporation of any changes in the above-mentioned information within five days from its occurrence.

Done, this 19 JAN 2016, at PASIG CITY.

ARTEMIO V. PANGANIBAN
Affiant

SUBSCRIBED AND SWORN to before me this 19 JAN 2016 at PASIG CITY, affiant personally appeared before me and exhibited to me his Tax Identification No. 106-197-693.

Doc No. 220;
Page No. 44;
Book No. XVII;
Series of 2016.
/lbo

ATTY. ANTONIO B. BETITO
Notary Public – Pasig City
Commission No. 171 (2015-2016)
709 MegaPlaza Condo. ADB Ave. Pasig City
Attorney's Roll No. 27614
IBP # 1018145 - 01.05.16/Rizal
PTR#1387696/01.07.16/Pasig City
MCLE Compliance No. IV-0009940 Dec. 4, 2013

Annex "B"

(To follow)

ANNEX "C"

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Emmanuel C. Rojas, Jr.**, Filipino, of legal age and a resident of 18 Encarnacion Street, B.F. Homes, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am an independent director of Robinsons Land Corporation.

2. I am affiliated with the following companies or organizations:

Company/ Organization	Position/ Relationship	Period of Service
Unicon Insurance Brokers Corporation	Independent Director	2008 to present

3. To the best of my knowledge, I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Robinsons Land Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.

5. I shall inform the corporate secretary of Robinsons Land Corporation of any changes in the above-mentioned information within five days from its occurrence.

Done, this 19 JAN 2016, at PASIG CITY.

EMMANUEL C. ROJAS, JR.
Affiant

SUBSCRIBED AND SWORN to before me this 19 JAN 2016 at PASIG CITY, affiant personally appeared before me and exhibited to me his Tax Identification No.194-294-275.

Doc No. 219;
Page No. 44;
Book No. XVII;
Series of 2016.
/lbo

ATTY. ANTONIO B. BETITO
Notary Public – Pasig City
Commission No. 171 (2015-2016)
709 MegaPlaza Condo. ADB Ave. Pasig City
Attorney's Roll No. 27614
IBP # 1018145 - 01.05.16/Rizal
PTR#1387696/01.07.16/Pasig City
MCLE Compliance No. IV-0009940 Dec. 4, 2013

Annex "D"

(To follow)

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

a) Overview

Robinsons Land Corporation (the Parent Company) is a stock corporation organized under the laws of the Philippines and has five wholly-owned consolidated subsidiaries and two 51%-owned companies.

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

The Group has 1,898 and 1,818 employees as of September 30, 2015 and 2014, respectively.

RLC is one of the Philippines' leading real estate developers in terms of revenues, number of projects and total project size. It is engaged in the development and operation of shopping malls and hotels, and the development of mixed-use properties, office and residential buildings, as well as land and residential housing developments, including socialized housing projects located in key cities and other urban areas nationwide. RLC adopts a diversified business model, with both an "investment" component, in which the Company develops, owns and operates commercial real estate projects (principally shopping malls, office buildings and hotels) and a "development" component, in which RLC develops residential real estate projects for sale (principally residential condominiums, upper-middle to high-end residential developments and low-and-middle-cost lots and houses in its subdivision developments).

RLC's operations are divided into its four business divisions:

- The Commercial Centers Division develops, leases and manages shopping malls throughout the Philippines. As of September 30, 2015, RLC operated 40 shopping malls, comprising nine malls in Metro Manila and 31 malls in other urban areas throughout the Philippines, and had another eight new malls and three expansion projects in the planning and development stage for completion in the next two years.

- The Residential Division develops and sells residential developments for sale/pre-sale. As of September 30, 2015, RLC's Residential Division had completed 75 residential condominium buildings/towers/housing projects, 24 ongoing, of which three projects are awaiting the receipt of License to Sell (LS). It currently has several projects in various stages for future development that are scheduled for completion in the next one to five years.

- The Office Buildings Division develops office buildings for lease. As of September 30, 2015, this division has completed ten (10) office buildings, located in Metro Manila and Cebu City. These offices projects are primarily developed as investment properties, to be leased to tenants by the Company.

- The Hotels Division owns and operates hotels in Metro Manila and other urban areas throughout the Philippines. RLC's Hotels Division currently has a portfolio of fourteen (14) hotel properties under the three brand segments, namely Crowne Plaza Manila Galleria and Holiday Inn Manila Galleria both managed by the InterContinental Hotels Group, Summit Circle Cebu (formerly Cebu Midtown Hotel), Summit Ridge Tagaytay and Summit Hotel Magnolia which are under the Summit brand, and a network of nine Go Hotels all over the Philippines. Go Hotels is present in in Mandaluyong-Manila, Tacloban, Dumaguete, Bacolod, Puerto Princesa, Otis-Manila, Iloilo, Ortigas Center-Manila and Butuan

RLC was incorporated on June 4, 1980 as the real estate investment arm of JG Summit Holdings Inc. ("JG Summit"), and its shares were offered to the public in an intital public offfering and were subsequently listed in the Manila Stock Exchange and Makati Stock Exchange (predecessors of the Philippine Stock Exchange) on October 16, 1989. The Company had succesful follow-on offering of primary and secondary shares in October 2006 where a total of 932.8 million shares were offered to domestic and international investors, generating USD 223 million or ₱10.87 billion in proceeds. Of this amount, approximately ₱5.3 billion was raised from the primary portion, intended to be used to fund its capital expenditure programs for fiscal year 2007. The additional shares were listed on October 4, 2006. JG Summit, RLC's controlling shareholder, owned approximately 60.97% of RLC's outstanding shares as of fiscal year 2014.

On November 19, 2010, the Board of Directors approved the increase in the authorized capital stock of RLC from 3,000,000,000 common shares into 8,200,000,000 commons shares, with a par value of one peso (₱1) per share.

In line with the foregoing, the Board of Directors also approved on February 16, 2011 a 1:2 stock rights offering to stockholders of record as of March 30, 2011 (ex - date March 25, 2011). Accordingly, the Company received subscriptions for 1,364,610,228 shares at an offer price of ₱10 per share on April 11-15, 2011. The subscription receivables were fully collected in October 2011.

The SEC approved the increase in capital stock on May 17, 2011.

b) Business

RLC has four business divisions – Commercial Centers, Residential, Office Buildings, and Hotels.

i. Commercial Centers Division

RLC's Commercial Centers Division develops, leases and manages shopping malls throughout the Philippines. The Commercial Centers Division accounted for ₱9.12 billion or 46% of RLC's revenues and ₱6.15 billion or 57% of RLC's EBITDA in fiscal year 2015 and ₱8.10 billion or 48% of RLC's revenues and
₱5.51 billion or 61% of RLC's EBITDA in fiscal year 2014. As of September 30, 2015, the Company's Commercial Centers Division had assets, valued on a historical cost less depreciation basis, of ₱53.81 billion.

During fiscal year 2015, the Commercial Centers Division opened two new malls and expanded one mall, increasing its gross floor area by 4.1%. It currently operates 40 shopping malls, comprising nine malls in Metro Manila and thirty one (31) malls in other urban areas throughout the Philippines, with a gross floor area of approximately 2.039 million square meters.

As of September 30, 2015, RLC had a portfolio of 40 shopping malls:

Name, Location		Fiscal Year opened	Approximate gross floor area
			(in '000 sq.m.)
Metro Manila			
Robinsons Galleria	EDSA corner Ortigas Avenue, Quezon City	1991	221
Robinsons Place Manila	M. Adriatico Street, Ermita, Manila	1998	241
Robinsons Nova Market	Quirino Highway, Novaliches, Quezon City	2001	66
Robinsons Metro East	Marcos Highway, Brgy. Dela Paz, Pasig City	2002	119
Forum Robinsons	EDSA Corner Pioneer Road, Mandaluyong City	2005	55

Robinsons Otis	P.M. Guanzon St., Paco, Manila	2008	32
Robinsons Magnolia	Aurora Blvd. corner Doña Hemady St., Quezon City	2012	107
Robinsons Town Mall Malabon	Gov. Pascual Ave. cor. Crispin St., Tinajeros, Malabon	2014	17
Robinsons Place Las Piñas	Alabang-Zapote Road, Brgy. Talon, Las Piñas City	2015	59
Outside Metro Manila			
Robinsons Place Bacolod	Lacson Street, Mandalagan, Bacolod City	1997	54
Robinsons Place Imus	Aguinaldo Highway, Tanzang Luma V, Imus, Cavite	1999	65
Robinsons Place Cebu	Fuente Osmena, Bo. Capitol, Cebu City	2000	17
Robinsons Town Mall Los Baños	Lopez Avenue, Batong Malaki, Los Baños, Laguna	2000	10
Robinsons Place Iloilo	Quezon-Ledesma Street, Rojas Village, Iloilo City	2002	79
Robinsons Star Mills Pampanga	San Jose, San Fernando, Pampanga	2002	62
Robinsons Santa Rosa Market	Old Nat'l Hi-way, Brgy Tagapo, Sta Rosa, Laguna	2003	37
Robinsons Place Dasmariñas	Pala-Pala, Dasmarinas, Cavite	2003	96
Robinsons Cagayan de Oro	Limketkai Complex, Lapasan, Cagayan De Oro City	2003	18
Robinsons Place Lipa	Mataas Na Lupa, Lipa City, Batangas	2004	59
Robinsons Place Cainta	Ortigas Avenue Extension, Junction, Cainta, Rizal	2004	31
Robinsons Place Angeles	McArthur Highway, Balibago, Angeles City, Pampanga	2004	31
Robinsons Cybergate Bacolod	Barrio Tangub, National Road, Bacolod City	2005	18
Robinsons Luisita	McArthur Highway, Brgy. San Miguel, Tarlac City	2007	17
Robinsons Cabanatuan	Km. 3, Maharlika Highway, Cabanatuan City	2008	18
Robinsons Pulilan	Trinidad Highway, Brgy. Cutcot, Pulilan, Bulacan	2009	12
Summit Ridge Tagaytay	Km. 58, Tagaytay-Nasugbu Road, Tagaytay City	2009	14
Robinsons Cybergate Davao	J. P. Laurel Avenue, Davao City	2009	14
Robinsons Place Tacloban	National Highway, Marasbaras, Tacloban City	2009	40
Robinsons Place General Santos	Jose Catolico Sr. Ave., Lagao, General Santos City	2009	33
Robinsons Place Dumaguete	Calindagan Business Park, Dumaguete City	2010	38
Robinsons Ilocos Norte	Brgy. 1 San Francisco, San Nicolas, Ilocos Norte	2010	20
Robinsons Cybergate Cebu	Don Gil Garcia St., Capitol, Cebu City	2010	20
Robinsons Place Pangasinan	McArthur Highway, Brgy. San Miguel, Calasiao Pangasinan	2012	33
Robinsons Place Palawan	National Highway, Brgy. San Miguel, Puerto Princesa City	2012	45
Robinsons Place Butuan	J.C. Aquino Avenue, Brgy Libertad, Butuan City	2014	42
Robinsons Place Malolos	MacArthur Highway, Brgy. Sumapang Matanda, Malolos City, Bulacan	2014	68
Robinsons Place Roxas	Immaculate Heart of Mary Avenue, Pueblo de Panay, Brgy. Lawa-an, Roxas City, Capiz	2014	37
Robinsons Place Santiago	Maharlika Highway, Brgy Mabini, Santiago City, Isabela	2014	40
Robinsons Place Antipolo	Sumulong Highway, cor. Circumferential Road, Antipolo City	2014	43
Robinsons Place Antique	Brgy. Maybato, San Jose, Antique	2015	10
Total			2,039

The Commercial Centers Division's main revenue stream is derived from the lease of commercial spaces. Revenues from the Commercial Centers Division, which represent recurring lease rentals, comprise significant part of RLC's revenues. Historically, revenues from lease rentals have been a steady source of operating cash flows for the Company. RLC expects that the revenues and operating cash flows generated by the commercial centers business shall continue to be the driver for the Company's growth in the future.

As of fiscal year 2015, the Company had eight new shopping malls and three expansion projects in the planning and development stage for completion in the next 2 years. The Company's business plan for the Commercial Centers Division over the next five years, subject to market conditions, is to sustain its growth momentum via development of new shopping malls and expansion of existing ones.

The Group also leases commercial properties to affiliated companies. Rental income arising from the lease of commercial properties to affiliated companies amounted to about ₱1,877 million, ₱1,630 million, and ₱ 1,472 million in 2015, 2014 and 2013, respectively.

ii. Residential Division

The Residential Division focuses on the construction of residential condominium and subdivision projects. The Division accounted for ₱6.62 billion or 34% of RLC's revenues and ₱1.83 billion or 17% of RLC's EBITDA in fiscal year 2015, and ₱5.87 billion or 34% of RLC's revenues and ₱1.46 billion or 16% of RLC's EBITDA in fiscal year 2014. As of September 30, 2015, the Company's Residential Division had assets, valued on a historical cost less depreciation basis, of ₱30.86 billion.

Percentage of realized revenues from foreign sales to total revenues for fiscal years 2015, 2014 and 2013 are 0.59%, 0.63% and 0.66%, respectively. While percentage of realized revenues from foreign sales to net income for fiscal years 2015, 2014 and 2013 are 2.04%, 2.26% and 2.35%, respectively.

The Residential Division is categorized into four brands. The different brands differ in terms of target market, location, type of development and price ranges to allow clear differentiation among markets. These four brands are:

- Robinsons Luxuria
- Robinsons Residences
- Robinsons Communities
- Robinsons Homes

1) ROBINSONS LUXURIA

Robinsons Luxuria builds its brand on providing a seamless pampered experience via its generous living spaces, distinctive style infrastructure, iconic locations and attention to service and detail. It provides uniquely luxurious living spaces through its projects located in iconic locations such as Cebu, Ortigas Center and Makati. Currently, there are eight residential condominium buildings/towers under the Luxuria portfolio, of which six have been completed and two projects are under various stages of development.

Key details of the Company's Luxuria residential projects are set forth in the table below:

Name	Storeys	Number of Units
Current projects		
Signa Designer Residences Tower 2	28	351

Completed Projects

Galleria Regency (1) (2)	13	107
AmiSa Private Residences Tower A (1)	14	134
AmiSa Private Residences Tower B (1)	18	155
AmiSa Private Residences Tower C (1)	18	189
Signa Designer Residences Tower 1	29	306
Sonata Private Residences – Building 1 (1)	29	270
Sonata Private Residences – Building 2 (1)	30	271

The Robinsons Luxuria projects are detailed as follows:

1. ***Galleria Regency*** is part of the Galleria mixed-use development which includes the Robinsons Galleria mall, two office buildings (Galleria Corporate Center and Robinsons - Equitable Tower) and two hotels (the Crowne Plaza Manila Galleria and the Holiday Inn Manila Galleria).

2. ***AmiSa Private Residences Towers A, B and C*** are the first 3 of six mid-rise residential condominiums within a mixed-use resort development in Mactan, Cebu.

3. ***Sonata Private Residences – Buildings 1 and 2*** are part of a mixed-use community in Ortigas Center that has been masterplanned to consist of three residential condominiums, and one hotel.

4. ***Signa Designer Residences Tower 1 and 2*** is part of a two-tower development in Makati City. It is a joint venture project between Robinsons Land Corporation and Security Land Corporation.

The Company's Business Plan for its Luxuria Brand is to continue to acquire and launch properties in key central and strategic locations within Metro Manila ideal for low density vertical or horizontal developments. It sees potential to differentiate by combining prestigious addresses with distinctive features and amenities.

The following table sets forth RLC's existing land bank allocations for the development of new projects in the Luxuria segment as of September 30, 2015:

Location	**Acquisition Date**	**Approximate gross land area (3)**
		(in hectares)
Mandaluyong City	2007	0.5
Fort Bonifacio, Taguig City	March 2007 (4)	1.0
Total		1.5

2) ROBINSONS RESIDENCES

Robinsons Residences offers the perfect urban home for professionals and urbanites, combining prime locations with contemporary designs, comfortably spacious units, stress-busting amenities and lifestyle perks and privileges.

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[1] Part of a mixed-used development
[2] Located in a 33-storey building, 20 floors of which are occupied by the Crowne Plaza Hotel
[3] "Gross Land Area" means the total area of land acquired by the Company
[4] This indicates the date the purchase agreement was executed between RLC and the landowner

As of September 30, 2015, Robinsons Residences segment had a portfolio of 27 residential condominium buildings/towers, of which nineteen (19) had been completed and eight are under various stages of development.

Key details of Company's residential projects under the Robinsons Residences brand are as follows:

Name	Storeys	Number of Units
Current projects		
The Trion Towers – Building 2 ………………………………..	50	727
The Trion Towers – Building 3 ………………………………..	50	626
The Magnolia Residences Tower A [1]	36	386
The Magnolia Residences Tower C [1]	38	433
The Sapphire Bloc North Tower	38	412
The Sapphire Bloc West Tower	38	416
Azalea Place Cebu	25	408
The Radiance Manila Bay...	36	532
Completed Projects		
Robinsons Place Residences 1 [1]	38	388
Robinsons Place Residences 2 [1]	38	388
One Gateway Place [1]..	28	414
Gateway Garden Heights [1]..	32	549
One Adriatico Place [1]..	38	557
Two Adriatico Place [1]..	38	546
Three Adriatico Place [1]	38	537
Fifth Avenue Place	38	611
Otis 888 Residences [1]	3	196
McKinley Park Residences...	44	391
East of Galleria...	44	679
The Fort Residences	31	242
Vimana Verde Residences Tower A	6	20
Vimana Verde Residences Tower B	6	20
Vimana Verde Residences Tower C	7	45
The Trion Towers - Building 1	49	736
Gateway Regency [1]	31	463
The Magnolia Residences Tower B [1]	38	419
Woodsville Residences...	2	185

[1] *Part of a mixed-use development*

The Robinsons Residences projects are detailed as follows:

1. ***One Gateway Place, Gateway Garden Heights and Gateway Regency*** are part of the mixed-use development located on the corner of EDSA and Pioneer Street, which includes Gateway Garden Ridge, the Robinsons Forum mall, four office buildings (Robinsons Cybergate Center Tower 1, Robinsons Cybergate Center Tower 2, Robinsons Cybergate Center Tower 3 and Robinsons Cybergate Plaza) and Go Hotels Mandaluyong;

2. ***One Adriatico Place, Two Adriatico Place, Three Adriatico Place and Robinsons Place Residences 1 and 2*** are part of the Ermita mixed-use development, which includes the Robinsons Place Manila mall.

3. ***Otis 888 Residences*** is part of a mixed-used development in Paco, Manila, which includes Robinsons Otis mall and Go Hotels Otis;

4. ***The Magnolia Residences Towers A, B and C*** are part of a mixed-use development on what was the former Magnolia Ice Cream Plant in New Manila, Quezon City. It has been masterplanned to include Robinsons Magnolia mall and four residential buildings.

5. ***Fifth Avenue Place*** is a 38-storey development in Fort Bonifacio Global City. Composed of 611 units, it is the first completed project of RLC in the area.

6. ***McKinley Park Residences*** is a 44-storey development in Fort Bonifacio Global City. It is composed of 391 units.

7. ***The Fort Residences*** is a 31-storey development in Fort Bonifacio Global City. It is composed of 242 units—flat and loft type.

8. ***The Trion Towers 1, 2 and 3*** compose the three-tower development in Fort Bonifacio Global City. It is the fourth project of RLC in the area.

9. ***East of Galleria*** is a one tower development located along Topaz Street, Ortigas Center. It is conveniently located near RLC's Robinsons Galleria mall.

10. ***Woodsville Residences*** is the townhouse development under the Robinsons Residences portfolio. It is strategically located in Merville, Paranaque.

11. ***The Sapphire Bloc North and West Towers*** are part of a four-tower development that features a lifestyle retail podium. It is located on a property bounded by Sapphire, Onyx and Garnet Streets, at the Ortigas Center, conveniently near RLC's Robinsons Galleria mixed-use complex.

12. ***Vimana Verde Residences Towers A, B and C*** is a three mid-rise building development located in St. Martin Street, Valle Verde, Pasig City.

13. ***Azalea Place Cebu*** is a 25-storey development located along Gorordo Avenue, Cebu City. It is composed of 408 units.

14. ***The Radiance Manila Bay*** is a two-tower development that features a lifestyle retail block. It is located along Roxas Boulevard in Pasay City.

The Company's Business Plan for its Robinsons Residences is to cater to urban professionals with projects geared towards a live-work-play lifestyle that this market values. It capitalizes on the company's expertise in delivering mixed-use mid- to high-rise developments located within business districts and emerging cities.

The following table sets forth RLC's existing land bank allocations for the development of new projects in the residential condominiums division as of September 30, 2015:

Location	Acquisition Date	Approximate gross land area [1]
		(in hectares)
Maxilom Avenue, Cebu City	September 2008	1.0
Merville, Paranaque City	March 2006	3.2
E. Rodriguez Jr. Ave., Quezon City..................	2011	1.0
Davao City	September 2012	1.2
Ortigas Center, Pasig City……………………….	September 2015	0.3
Total		6.7

3) ROBINSONS COMMUNITIES

Robinsons Communities is the residential brand of RLC which caters to the needs of early nesters, young mobile achievers and families coming from the B to BB segment who wish to live independently and comfortably close to their workplace, schools and leisure centers. Robinsons Communities provides convenient community living through its affordable quality condominiums that offer open spaces, fun and functional amenities and complementing commercial spaces. Most of Robinsons Communities' projects are strategically located near major gateways, highly developed cities and central business districts to provide easy access to schools, work places and vital institutions.

As of September 30, 2015, Robinsons Communities had completed 22 residential condominium buildings/towers and two subdivision projects. It has five on-going projects in different stages that are scheduled for completion over the next five years.

Robinsons Communities is currently focusing on the development of both Mid-rise and High-rise residential condominium projects that primarily offer compact units with an average price levels below ₱ 3.0 million. Its condominium projects are located in Metro Manila and Tagaytay City while the subdivisions are in Quezon City.

Key details of Company's residential projects under Robinsons Communities are set forth in the table below:

PROJECT NAME	NUMBER OF RESIDENTIAL FLOORS	NUMBER OF RESIDENTIAL UNITS
Current Projects		
The Pearl Place - Tower B	34	640
Acacia Escalades - Building A.........................	11	383
Axis Residences - Tower A.............................	37	913
Chimes Greenhills....................................	24	372
Escalades East Tower..............................	11	269
Completed Projects		
Escalades at 20th Avenue - Tower 1	10	120
Escalades at 20th Avenue - Tower 2	10	120

[1] *"Gross Land Area" means the total area of land acquired by the Company*

Escalades at 20th Avenue - Tower 3	10	120
Escalades at 20th Avenue - Tower 4	10	120
Escalades at 20th Avenue - Tower 5	10	120
Escalades at 20th Avenue - Tower 6	10	120
Escalades South Metro - Tower A	9	176
Escalades South Metro - Tower B	9	176
The Pearl Place - Tower A	33	653
Wellington Courtyard - Bldg A	5	34
Wellington Courtyard - Bldg B	5	34
Wellington Courtyard - Bldg C	5	45
Wellington Courtyard - Bldg D	5	41
Wellington Courtyard - Bldg E	5	38
Gateway Garden Ridge	15	373
Woodsville Viverde Mansions - Bldg 1	8	72
Woodsville Viverde Mansions - Bldg 2	8	96
Woodsville Viverde Mansions - Bldg 3	10	90
Woodsville Viverde Mansions - Bldg 4	12	108
Woodsville Viverde Mansions - Bldg 5	8	72
Woodsville Viverde Mansions - Bldg 8	8	72
Woodsville Viverde Mansions - Bldg 6	8	64
Bloomfields Novaliches		461
Centennial Place..		50

The Robinsons Communities projects are detailed as follows:

1. ***Woodsville Viverde Mansions Buildings 1 to 6 and 8*** is a mixed-use development located in Paranaque. It includes a village mall and a cluster of residential mid-rise buildings.

2. ***Escalades at 20th Avenue Buildings 1 to 6*** - A mid-rise residential building complex featuring a Tropical-inspired central garden, strategically located along 20th Avenue and nearby Aurora Boulevard. A total of 720 units, 120 per building; Building 1 consists of twelve (12) storeys composed of ten (10) residential floors, ground amenity floor and basement parking. While Building 2 to 6 are composed of ten (10) residential floors and a ground parking area.

3. ***The Wellington Courtyard Buildings A to E*** - Country-style in design, another vacation condominium in Tagaytay City within the 1-hectare property of OMICO Corporation. This project of residential Low-Rise Buildings (LRBs) covers two Phases, Phase I (2 LRBs) and Phase II (3 LRBs). These LRBs, with approximately 192 units, feature cozy one-to-two bedroom units with average floor area of 29 to 83 square meters.

4. ***Gateway Garden Ridge*** is part of the Pioneer mixed-use development in Mandaluyong which includes Robinsons Forum mall, four office buildings, Go Hotels Mandaluyong and several other residential buildings.

5. ***Escalades South Metro*** is a residential development located in Sucat, Muntinlupa. Comprising of six mid-rise residential buildings, it also boasts of generous open spaces allocated to amenities and facilities. Project amenities include a central clubhouse, swimming pool, and adequate play spaces for the kids.

6. ***The Pearl Place*** is a two-tower high-rise residential development located at the heart of Ortigas Center, Pasig City. Primarily intended for start-up families, inventors, retirees and young/urban professionals, The Pearl Place boasts of affordable compact residential units in a modern setting. The development contains amenities at the 6^{th} floor and retail spaces at the ground floor.

7. ***Axis Residences*** is a high-rise residential development located in Pioneer St., Mandaluyong City. The project is a joint venture project between Federal Land Inc. and Robinsons Land Corporation. It boasts of compact units that primarily caters to the housing needs of young urban professionals, investors and start up families.

8. ***Acacia Escalades*** is a mid-rise residential development located at the corner of Calle Industria and Amang Rodriguez, Brgy. Manggahan, Pasig City. The project comprise two mid-rise buildings and is envisioned to have a commercial component within the community.

9. ***Bloomfields Novaliches*** is a horizontal residential development situated behind the Robinsons Place Novaliches mall.

10. ***Centennial Place*** - This is a 0.5-hectare townhouse development located in Bgy. Horseshoe, C. Benitez Street, Quezon City. It consists of fifty (50) 200 square-meter townhouses, with lots ranging from 65 to 70 square meters.

11. ***Chimes Greenhills*** is a 40-storey development that incorporates a hotel component with 24 floors of residential floors, located at Annapolis St., Greenhills San Juan.

12. ***Escalades East Tower*** is a 14-storey residential development located along 20th Ave., Cubao, QC and is part of the Escalades at 20th Ave. complex.

The Company's Business Plan for its Robinsons Communities brand is to develop new projects in response to actual and anticipated market demand. The Company recognizes that there is significant potential for growth in the affordable to middle-cost condominium developments. It plans to acquire additional properties through purchase or joint venture.

The following table sets forth RLC's existing land bank allocations for the development of new projects for Robinsons Communities as of September 30, 2015:

Location	**Acquisition Date**	**Approximate land area** [1]
		(in hectares)
Cubao, Quezon City	2004	0.3
Sucat, Muntinlupa [2]	2002	1.5
Manggahan, Pasig City	2010	0.4
Las Pinas City	2011	1.9
Total		4.1

4) ROBINSONS HOMES

Robinsons Homes is one of the four residential brands of RLC. It offers choice lots in master planned, gated subdivisions with option for house construction to satisfy every Filipino's dream of owning his own home.

[1] *"Land Area" means the area of land available for project expansion or future project development.*
[2] *This property is part of a mixed-use development of RLC, and represents the unused residential portion only.*

As of September 30, 2015, Robinsons Homes has 35 projects in its portfolio. Ten (10) of these projects are on-going construction, three of which are awating for the receipt of License to Sell (LS) to launch. Among the 35 projects, 25 have been substantially completed and sold. Key details of RLC's projects in Robinsons Homes as of fiscal year 2015 are set forth in the table below:

Name	Location	Started [1]	Approximate Gross Land Area [2]	Number of Lots/Units
			(in hectares)	
Robinsons Homes East	Antipolo City	August 1995	41.0	3,735
Robinsons Vineyard	Cavite	May 1996	71.8	2,899
South Square Village	Cavite	August 1998	26.7	3,896
San Lorenzo Homes.............................	Antipolo City	September 1999	2.8	372
Robinsons Highlands...........................	Davao City	May 1999	46.0	811
Grosvenor Place...................................	Cavite	July 2000	13.9	999
Robinsons Hillsborough Pointe´...........	Cagayan De Oro City	November 2002	20.0	318
Forest Parkhomes	Angeles City	August 2004	8.9	319
San Jose Estates...................................	Antipolo City	May 2005	1.8	80
Robinsons Residenza Milano................	Batangas City	August 2005	7.3	357
Fernwood Parkhomes	Pampanga	November 2005	14.5	654
Rosewood Parkhomes..........................	Angeles City	November 2005	3.0	117
Bloomfields Tagaytay	Tagaytay City	November 2005	4.2	104
Richmond Hills....................................	Cagayan De Oro City	May 2005	8.3	282
Bloomfields Davao	Davao City	June 2006	10.5	316
Mirada Dos..	Pampanga	September 2006	4.5	181
Brighton Parkplace	Laoag City	December 2006	5.0	172
Brighton Parkplace North	Laoag City	April 2007	3.8	90
Montclair Highlands	Davao City	July 2007	15.3	365
Aspen Heights	Consolacion, Cebu	July 2007	25.0	583
Blue Coast Residences.................	Cebu	November 2007	3.2	79
Fresno Parkview	Cagayan de Oro City	February 2008	15.0	501
St. Bernice Estates	Antipolo City	March 2008	3.4	212
Hanalei Heights	Laoag City	March 2011	22.2	558
Forest Parkhomes North	Angeles City	March 2011	7.0	276
Grand Tierra	Tarlac	May 2011	18.3	572
St. Judith Hills	Antipolo City	June 2012	9.6	390
Bloomfields Heights Lipa	Lipa, Batangas	July 2012	12.4	340
Nizanta at Ciudades	Davao City	March 2013	12.9	477
Bloomfields Cagayan De Oro..........	Cagayan De Oro City	March 2013	6.5	144
Brighton Baliwag............................	Baliwag, Bulacan	April 2014	15.7	524
Bloomfields General Santos……….	General Santos City	May 2014	33.0	755
Monte Del Sol……………………….	Misamis Oriental	-	3.3	256

[1] *The Company considers a project "started" when it has obtained permits necessary that allow it to pre-sell lots.*
[2] *"Gross Land Area" means the total area of land acquired by the Company*

Name	Location	Started [1]	Approximate Gross Land Area [2]	Number of Lots/Units
			(in hectares)	
Brighton Bacolod……………………	Negros Island	-	22.4	735
Brighton Puerto Princesa…………..	Palawan	-	13.1	377

The Robinsons Homes portfolio of projects are described as follows:

1. ***Robinsons Homes East.*** A 41-hectare community development located in Brgy. San Jose, Antipolo City, Rizal. The development consists of three enclaves: a.) Robinsons Homes East, a project with about 3,000 mixed houseand-lot packages; b.) San Jose Heights, a subdivision of more than 200 townhouse units and option for lot-only purchase; and finally, c.) Robinsons Commercial Arcade, featuring fourteen (14) shop house units at 190sqm/unit and eight commercial lots with a minimum size of 216 sqm/unit.

2. ***Robinsons Vineyard.*** A 71.8-hectare joint-venture project with Vine Development Corporation located in Dasmariñas, Cavite. It consists of about 2,900 residential lots with an average lot size of approximately 120 square meters each. In addition to the mid-cost residential lots offered in Robinsons Vineyard, Robinsons Homes also offers house and lot packages to prospective clients.

3. ***Southsquare Village.*** This is a 26.7-hectare socialized housing project located in General Trias, Cavite. On the average, each housing unit has a floor area of 20 square meters lying on a minimum 32 square meter lot. The project has almost 4,000 residential units. Southsquare Plaza, a commercial development within the subdivision, offers lots only, with minimum lot area of 100 square meters.

4. ***San Lorenzo Homes.*** This is a 2.8-hectare expansion project of Robinsons Home East. It is a 372-unit neighborhood of 2-storey houses, each with a floor area of 48 square meters, built on lots with a minimum size of 40 square meters. This project has been fully completed.

5. ***Robinsons Highlands.*** This is a 46.0-hectare, middle-cost residential development located in Buhangin, Davao City, and a joint venture with Lopzcom Realty Corporation. This project consists of three enclaves, namely Robinsons Highlands, Highland Crest, and Highlands Peak. This subdivision features over 800 residential lots with an average lot size of 180 square meters.

6. ***Grosvenor Place.*** This is a 13.9-hectare residential/commercial development project located in Tanza, Cavite. This development offers 999 lots with an average lot cut of 120 square meters.

7. ***Robinsons Hillsborough Pointé.*** This subdivision is a 20-hectare joint venture with Pueblo de Oro Development Corporation. The project is situated within the 360-hectare Pueblo de Oro Township project in Cagayan de Oro City. RLC's share in the joint venture is 318 lots in four phases, which have been fully completed. The lots have an average size of 150 square meters.

8. ***Forest Parkhomes.*** An 8.9 hectare mid-cost residential subdivision in Bgy. Pampang, Angeles City, Pampanga, Forest Parkhomes is RLC's first housing development in the North. The project is a joint venture with Don Pepe Henson Enterprises, Inc. It offers 319 units with a minimum lot size of 150 square meters.

9. ***San Jose Estates.*** This is a 2-hectare residential enclave in front of Robinsons Homes East in Antipolo City; the project consists of 80 units. Minimum cuts for residential lots is 120 square meters per unit.

10. ***Robinsons Residenza Milano.*** Set in the rustic village of San Isidro, Batangas City, this 7.3-hectare Italian-inspired residential subdivision primarily caters to OFWs in Italy. Robinsons Homes' first venture in Batangas offers 357 households with a minimum lot cut of 100 square meters per unit.

11. ***Fernwood Parkhomes***. This 14.5-hectare residential subdivision in the town of Mabalacat, Pampanga is strategically located right next to Sta. Ines exit of the NLEX. It is developed in partnership with Mayen Development Corp. and Mayen Paper Inc., this Mediterranean-inspired residential community features 654 households, each with a minimum lot cut of 120 square meters. A commercial development located along its frontage is also offered.

12. ***Rosewood Parkhomes.*** Located along Fil-Am Friendship Highway in Brgy. Cutcut, Angeles City, this 3-hectare contemporary American-inspired joint venture project with Ms. Rosalie Henson-Naguiat offers exclusivity to 116 choice residential lots. The subdivision primarily offers lots-only, with option for housing, with an average-per-unit lot cut of 150 square meters for residential and 195 square meters for commercial.

13. ***Bloomfields Tagaytay.*** Located in the heart of Tagaytay City, this serene contemporary American-inspired enclave features 104 prime residential lots with minimum lot cuts of 240 square meters. This 4.2-hectare haven has ready access to the adjacent commercial center, hotel and sports facilities in addition to its own leisure amenities.

14. ***Richmond Hills.*** Located within an 8.3-hectare property of Dongallo Family, this mid-cost subdivision in Brgy. Camaman-an, Cagayan De Oro City, offers both a scenic view of the city skyline and a serene living experience complemented by a picturesque view. Offering a total of 282 lots with option for housing and with an average lot cut of 150 square meters.

15. ***Bloomfields Davao.*** This exclusive 10.5-hectare residential subdivision in Lanang, Davao City fronts the prestigious Lanang Golf Course and Country Club and is just 15 minutes away from downtown and Davao International Airport. Charmed with the American contemporary theme, this upscale residential development has 316 residential lots that is enveloped with fresh breeze from the mountains and sea.

16. ***Monte del Sol.*** A 3.3-hectare residential subdivision located at El Salvador, Misamis Oriental. Monte del Sol offers 256 lots, with lot areas ranging from 72 to 250 square meters.

17. ***Mirada Dos.*** This Spanish-themed clustered parkhomes in Northern Luzon is situated within the 4.5-hectare property of the Miranda Family. Nestled along MacArthur Highway, Brgy. Sindalan, San Fernando, Pampanga, this mid-cost residential/commercial subdivision offers 181 lots with sizes ranging from 150 to 230 square meters.

18. ***Forest Parkhomes North.*** This is an exclusive 7-hectare residential community located at Brgy. Pampang, Angeles City, Pampanga. This is a mid-cost residential subdivision with approximately 276 lots at an average lot cut of 150 square meters.

19. ***Hanalei Heights.*** A 22.2-hectare prime residential enclave located just a few kilometers away from the Laoag International Airport and the famous Fort Ilocandia Hotel Complex, Hanalei Heights offers 558 lots at an average lot cut of 120 square meters. This project is located at Brgy. Balacad, Laoag City, Ilocos Norte.

20. ***Brighton Parkplace.*** A 5.0-hectare mid-cost residential development is located at Brgy. Araniw, Laoag City, Ilocos Norte. Offering over 170 residential lots with predominant lot cuts ranging from 150 to 200 square meters, Brighton Parkplace also offers easy access to the Laoag International Airport and Robinsons Place Ilocos.

21. ***Brighton Parkplace North.*** This development is aA 3.8-hectare residential development located at Brgy. Cavit, Laoag City, Ilocos Norte. This subdivision offers 90 residential lots with lot sizes that range from 195 to 445 square meters.

22. ***Montclair Highlands.*** A 15.3-hectare residential development offers 365-unit mid-cost residential cum commercial development is located along the Diversion Road in Buhangin, Davao City. Lot cuts range from 192 to 440 square meters.

23. ***Aspen Heights.*** A 25.0-hectare mid-cost residential development, located in Brgy. Tolo-tolo and Brgy. Danglag, Consolacion, Cebu, offers 583 units with predominant lot cut of 120 square meters.

24. ***Blue Coast Residences.*** This 3.2-hectare nature-endowed residential resort community is located in the Mactan Island of Cebu. With 79 units at lot cuts ranging from 96 to 400 square meters, the project is also conveninetly located less than 5 minutes away from the Mactan International Airport and offers a picturesque sea view right from your own home.

25. ***Fresno Parkview***. A 15.0-hectare mid-cost development is located in Brgy. Lumbia, Cagayan de Oro. It offers 501 residential units with predominant lot cut of 150 square meters amidst its rolling terrain and impressive view.

26. ***St. Bernice Estates***. This is an expansion of San Jose Estates, this 3.4-hectare residential project along the Antipolo-Teresa Highway in Bgy. San Jose, Antipolo City, offers 212 residential units with options for lot-only and house-and-lot packages.

27. ***Nizanta at Ciudades***. This 12.9-hectare property is a tropical Asian-inspired development located in Brgy. Mandug, Davao City. Prospective buyers may choose from 477 residential lots with lot cuts that range from 150 to 220 square meters.

28. ***Grand Tierra***. This 18.3-hectare residential development is a Western-inspired community located in Capas, Tarlac. This offers 572 lots with predominant lot cut of 140 square meters.

29. ***Bloomfields Heights Lipa.*** A 12.4-hectare premium residential development located in Brgy. Tibig, Lipa City, Batangas. This masterplanned community showcases a modern tropical theme and offers 340 residential units. With a typical lot area of 192 square meters, this subdivision is also complemented by wide-open spaces and exclusive lifestyle amenities.

30. ***St. Judith Hills.*** A 9.6-hectare mid-cost development located in Brgy. San Jose, Antipolo City. It is mediterranean-inspired with 279 residential lots with predominant lot cuts of 150 square meters for lots only and 111 townhouse units with a lot size of 75 square meters.

31. ***Bloomfields General Santos.*** A 33-hectare residential development located in Brgy. Labangal, General Santos City. This tropical oasis in the heart of the city offers 755 residential and commercial lots with lot cuts ranging from approximately 200 to 600 square meters.

32. ***Bloomfields Cagayan De Oro.*** Enjoy relaxed tropical living at this 6.5-hectare haven where lush greenery over rolling terrain. Overlooking the majestic Cagayan De Oro skyline, this prime residential development features 144 lots with lot cuts averaging 250 square meters in size.

33. ***Brighton Baliwag.*** A 15.7 hectare residential development located in Brgy. Sta. Barbara, Baliwag, Bulacan. This Mediterranean themed subdivision offers 524 residential lots with a predominant lot cut of 180 square meters.

34. ***Brighton Bacolod.*** This 22.4 hectare subdivision in Brgy. Estefania Bacolod City is the first foray of Robinsons Homes in Negros Islands. The mediterranean-themed development has 735 residential lots with a predominant lot cut of 180 square meters.

35. ***Brighton Puerto Princesa.*** This mediterranean-themed subdivision offers 377 residential lots in a 13.1-hectare development catered to locals and tourists. Average lot area is 180 square meters which is complemented by amenities such as clubhouse, multi-purpose court and swimming pool.

Some of these developments include lots zoned for commercial use. For projects undertaken through joint venture arrangements, these commercial lots are allocated equitably between RLC and its joint venture partners.

As of September 30, 2015, RLC was awaiting the receipt of License to Sell (LS) to launch three new projects by Robinsons Homes, namely Brighton Bacolod, Brighton Puerto Princesa and Monte Del Sol.

The Company's Business Plan for Robinsons Homes, subject to market conditions, is to launch at least three new projects per year. To this end, the Company is expanding the geographic region in which it seeks land by pursuing opportunities in select regional areas. As of September 30, 2015, it was in various stages of negotiations for the acquisition of approximately 85 hectares of land in key regional cities throughout the Philippines.

iii. Office Buildings Division

RLC's Office Buildings Division develops office buildings for lease. The Office Buildings Division accounted for ₱2.24 billion or 11% of RLC's revenues and ₱2.11 billion or 20% of RLC's EBITDA in fiscal year 2015, and ₱1.54 billion or 9% of RLC's revenues and ₱1.48 billion or 16% of RLC's EBITDA in fiscal year 2014. As of September 30, 2015, the Company's Office Buildings Division had assets, valued on a historical cost less depreciation basis, of ₱11.17 billion.

RLC engages outside architects and engineers for the design of its office buildings developments. One recent trend affecting the Company's office tower design is the increasing presence of customer call centers and BPOs in the Philippines. The Company has secured a number of major customer call centers and BPOs as long-term tenants in its office building space and has focused on attracting their business, including custom-designing its office space with call center and BPO design requirements in mind. The Company believes, based on its own market research, that it is a leading provider of office space to BPOs in the Philippines.

As of September 30, 2015, the Office Buildings Division has completed ten (10) office buildings, and is developing four additional office building projects. The Company's completed office building projects are located in Metro Manila and Cebu City, and are described below.

Name, Location		Size & Designation
Galleria Corporate Center	Along EDSA corner Ortigas Avenue, Quezon City	30-storey
Robinsons-Equitable Tower	Corner of ADB and Poveda Streets, Pasig City	45-storey
Robinsons Summit Center	Ayala Avenue, Makati City	37-storey
Robinsons Cybergate Center Tower 1	Pioneer Street, Mandaluyong City	18-storey
Robinsons Cybergate Center Tower 2	Pioneer Street, Mandaluyong City	27-storey
Robinsons Cybergate Center Tower 3	Pioneer Street, Mandaluyong City	27-storey
Robinsons Cybergate Plaza	EDSA, Mandaluyong City	12-storey
Robinsons Cybergate Cebu	Fuente Osmena, Bo. Capitol, Cebu City	3-storey
Cyberscape Alpha	Sapphire and Garnet Roads, Pasig City	26-storey
Cyberscape Beta	Ruby and Topaz Roads, Pasig City	37-storey

The Company's completed office buildings are described as follows:

1. ***Galleria Corporate Center***. This is a 30-storey office tower located along EDSA corner Ortigas Avenue in Quezon City which is directly connected to the Robinsons Galleria shopping mall. The office tower has an approximate net floor area (comprising only leasable space) of 25,000 square meters. As of September 30, 2015, approximately 83% of the Galleria Corporate Center had been sold while the remaining areas, which are owned by RLC, had a 48.5% occupancy rate.

2. ***Robinsons-Equitable Tower*.** This is a 45-storey office tower located at the corner of ADB Avenue and Poveda Street in Pasig City. The office tower has an approximate net floor area (comprising only leasable space) of 52,000 square meters. As of September 30, 2015, RLC had sold approximately 76% of the net floor area within Robinsons-Equitable Tower and retains the rest for lease. RLC-owned units within Robinsons-Equitable Tower had a 94.7% occupancy rate as of September 30, 2015.

3. ***Robinsons Summit Center.*** This is a 37-storey office tower located along Ayala Avenue in the Makati central business district. The office tower has an approximate net floor area (comprising only leasable space) of 31,000 square meters. RLC owns and is currently leasing out substantially all of the net floor area of this building. RLC-owned units within Robinsons Summit Center had a 100% occupancy rate as of September 30, 2015.

4. ***Robinsons Cybergate Center Tower 1.*** This is an 18-storey office building complex located at Pioneer St., Mandaluyong. The office building has an an approximate gross leasable area of 27,000 square meters. RLC owns 100% of the net floor area. Robinsons Cybergate Center Tower 1 had a 100% occupancy rate as of September 30, 2015.

5. ***Robinsons Cybergate Center Tower 2*.** This is a 27-storey office building, located in the Pioneer mixed-use complex next to Robinsons Cybergate Center Tower 1. The office building has an approximate gross leasable area of 44,000 square meters. RLC owns 100% of the net floor area. Robinsons Cybergate Center Tower 2 had a 100% occupancy rate as of September 30, 2015.

4. ***Robinsons Cybergate Center Tower 3*.** This is a 27-storey office buildings, located in the Pioneer mixed-use complex. The office building has an approximate gross leasable area of 44,000 square meters. RLC owns 100% of the net floor area. Robinsons Cybergate Center Tower 3 had a 99.6% occupancy rate as of September 30, 2015.

5. ***Robinsons Cybergate Plaza.*** This is a 12-storey building, located within the Pioneer mixed-use complex, along EDSA. The building has 2 hotel floors with an approximate area of 7,000 square meters and small-cut retail spaces at the ground floor. The office floors are located at the 2nd, 7th to 12th floors with an approximate gross leasable area of 25,000 square meters. RLC owns 100% of the net floor area. Robinsons Cybergate Plaza had a 100% occupancy rate as of September 30, 2015.

6. ***Robinsons Cybergate Cebu*.** This is a mixed-use building with a mall and office space located in Fuente Osmena Circle, Cebu City. The office space comprise three floors located on top of the mall with an approximate gross leasable area of 7,000 sqm. As of September 30, 2015, the office floors had an occupancy rate of 100%.

7. ***Cyberscape Alpha.*** This is a 26-storey building, located along Sapphire and Garnet Roads within the Ortigas CBD, only a stone's throw away from Robinsons Galleria. The building has 3 hotel floors with an approximate area of 6,000 square meters and small-cut retail spaces at the ground floor. The office floors are located from the 5th to the 26th levels. The building has a gross leasable area of approximately 38,500 square meters. RLC owns 100% of the gross floor area. Cyberscape Alpha had a 100% occupancy rate as of September 30, 2015.

8. ***Cyberscape Beta.*** This is a 37-storey building, located along Topaz and Ruby Roads within the Ortigas CBD. Retail spaces are located at the Ground and Mezzanine levels. The office floors are located from the 9th to the 37th levels. The building has a gross leasable area of approximately 42,000 square meters. RLC owns 100% of the gross floor area. Cyberscape Beta had a 99.6% occupancy rate as of September 30, 2015.

iv. Hotels

RLC's hotels division owns and operates hotels within Metro Manila and other urban areas throughout the Philippines. For this fiscal year, RLC opened its first Go Hotels in the Mindanao region at Butuan City and its first Summit Hotel in Metro Manila at the Magnolia complex in Quezon City. RLC's hotels division currently has a portfolio of fourteen (14) hotel properties. As of September 30, 2015, the Company's Hotels Division had assets, valued on a historical cost less depreciation basis, of ₱3.22 billion.

The hotels division accounted for ₱1.74 billion or 9% of RLC's revenues and ₱618.9 million or 6% of RLC's EBITDA in fiscal year 2015, and ₱1.53 billion or 9% of RLC's revenues and ₱526.3 million or 6% of RLC's EBITDA in fiscal year 2014.

Although the hotels division is an important part of RLC's business, the Company considers its primary value to be as a complement to its other developments. Over the next years, we will see more Go Hotels and Summit Hotels in major cities of the country.

Serving over 1.4 million guests to date, Go Hotels has steadily increased its presence in the Philippines with nine operational branches, offering a total of almost 1,300 rooms, in strategic cities across the country. To continue serving its guests in key cities, Go Hotels will soon be in Davao. Its thrust is to build in locations with high market demand. Thus, prior to the decision to expand, the Company cautiously studies the location as market characteristics differ. To support expansion of the brand, Go Hotels has also opened its business to franchising.

The table below sets out certain key details of RLC's hotel portfolio as of September 30, 2015:

HOTEL	LOCATION	CLASSIFICATION	NUMBER OF ROOMS
Crowne Plaza Manila Galleria ….	Ortigas Avenue, Cor ADB Avenue, Quezon City	De Luxe	263
Holiday Inn Manila Galleria…………………………....	One ADB Avenue, Ortigas Center, Pasig City	De Luxe	285
Summit Circle Cebu (formerly Cebu Midtown Hotel) ……………	Fuente Osmena, Bo. Capitol, Cebu City	Standard	210
Summit Ridge Tagaytay ………..	Aguinaldo Highway, Tagaytay City	De Luxe	108
Summit Hotel Magnolia…………	Dona Hemady cor. Aurora Boulevard, Quezon City	-	82
Go Hotel …………………………..	EDSA, Mandaluyong City	Economy	223
Go Hotel …………………………..	Puerto Princesa City, Palawan	Economy	108
Go Hotel …………………………..	Dumaguete City, Negros Oriental	Tourist Inn	102
Go Hotel …………………………..	Tacloban City, Leyte	Tourist Inn	98
Go Hotel …………………………..	Bacolod City, Negros Occidental	Economy	108
Go Hotel …………………………..	Paco, Manila	Economy	118
Go Hotel …………………………..	Iloilo City	Economy	167
Go Hotel …………………………..	Ortigas Center, Pasig City	Economy	198
Go Hotel…………………………..	Butuan City	Economy	104
Total			2,174

As of September 30, 2015, the Company's Hotels Division has an average occupancy rate of 69%.

RLC's Crowne Plaza and Holiday Inn hotels are managed by Holiday Inn (Philippines), Inc., a subsidiary of the InterContinental Hotels Group ("InterContinental"), pursuant to a long-term management contract. The contract, which commenced in July 2005, has an initial term of ten years. On June 2015, the contract was extended for another 3 years and is extendible further upon mutual agreement between RLC and InterContinental. Holiday Inn has the sole and exclusive right to control the operational activities of each hotel. Holiday Inn's key management duties include, inter alia, handling all personnel matters, including those pertaining to the general manager and financial controller of each hotel, carrying out accounting and budgeting activities in consultation with RLC and operating each hotel in accordance with the operating standards for the appropriate hotel brand. It must also carry out advertising activities in connection with the international sales and marketing programs of the Holiday Inn and Crowne Plaza hotel chains (including use of web-based reservations systems). Holiday Inn receives management and incentive fees for managing these two properties. RLC employs all hotel employees except for key management personnel, including the general manager and financial controller of each hotel and other key personnel as determined by Holiday Inn.

RLC manages the Summit Circle Cebu (formerly Cebu Midtown Hotel), Summit Ridge Tagaytay, Summit Hotel Magnolia and the nine Go Hotels directly.

As of fiscal year 2015, the Company had one new Go Hotel branch and two expansion projects in the planning and development stage for completion in the next two years.

c) Significant Subsidiaries

As of September 30, 2015, RLC has six wholly-owned subsidiaries and two 51%-owned subsidiaries, all of which are consolidated with the Company's financial statements.

On March 4, 2009, the Securities and Exchange Commission (SEC) approved the plan of merger of the Parent Company with wholly-owned subsidiaries, Robinsons Homes, Inc. (RHI), Trion Homes Development Corporation (THDC) and Manila Midtown Hotels and Land Corporation (MMHLC). The merger resulted to enhanced operating efficiencies and economies, increased financial strength through pooling of resources and more favorable financing and credit facilities. No Parent Company shares were issued in exchange for the net assets of RHI, THDC and MMHLC.

The merger was accounted for similar to a pooling of interest method because the combined entities were under common control, therefore, has no effect on the consolidated financial statements. The subsidiaries after the merger are RII, RRMC, RCL, RPMMC, AAI and ASN.

Key details of each of RLC's subsidiary companies are set forth below.

1. ***Robinson's Inn, Inc.*** Robinson's Inn, Inc. (RII) was incorporated on October 19, 1988, has a registered share capital of 25,000,000 and is 100% owned by RLC. RII's principal business is to engage in the development and operation of apartelles, inns, motels, condominiums, apartments and other allied business, and to acquire, purchase, sell, assign or lease land, buildings and other improvements. RII is part of the Company's hotels division, and runs the Robinsons Apartelle which closed operations effective August 31, 2007.

2. ***Robinsons Realty and Management Corporation.*** Robinsons Realty and Management Corporation (RRMC) was registered with the Philippine Securities and Exchange Commission on May 16, 1988 primarily to acquire by purchase, lease, donation or otherwise, and to own, use , improve, develop, subdivide, sell, mortgage, exchange, lease and hold for investment or otherwise, real estate of all kinds.

3. ***Robinsons (Cayman) Limited.*** Robinsons (Cayman) Limited (RCL) was incorporated in Cayman Islands, British West Indies on March 25, 1997 with a registered authorized capital stock of US$50,000.00 at $1.00 per share, 1,000 shares of which is subscribed and paid up by the Parent Company. The company acts as a real estate agent on the international market, among others, for the Residential Division.

4. ***Robinsons Properties Marketing and Management Corporation.*** Robinsons Properties Marketing and Management Corporation (RPMMC) was incorporated on November 25,1998, has a registered share capital of 1,000,000 and is 100%-owned by the Parent Company. RPMMC is part of the Company's residential division. RPMMC manages the marketing of the portfolio of residential and office units that are available for sale through the residential division's Robinsons Communities, Robinsons Residences, and Luxuria Brands. RPMMC's primary purpose is to acquire, own, use, sell, exchange, lease and develop real property of all kinds, and to market, manage or otherwise sell and convey buildings, houses, apartments and other structures of whatever kind together with their appurtenances.

5. ***Altus Angeles, Inc.*** Altus Angeles, Inc. (AAI) was incorporated on October 30, 2002, has a registered share capital of 400,000 and is 51%-owned by the Parent Company. AAI is a joint venture within the Company's Commercial Centers Division. AAI's principal business is to establish, manage and maintain commercial complexes, offer such services and merchandise of all kinds and to do and perform such acts as necessary or incidental to the accomplishment of the foregoing corporate business objects insofar as may be allowed by applicable rules and regulations.

6. ***Altus San Nicolas Corp.*** Altus San Nicolas Corp. (ASNC) was incorporated on March 28, 2007, has a registered share capital of 40,000,000 and is 100%-owned by the Parent Company starting March 2013. Prior to the buy out, ASNC is 80% owned by the Parent Company. ASNC's principal business is to establish, manage and maintain a commercial complex and to enter into all kinds of contracts, agreements, and obligations for the leasing of commercial space or the disposition, sale of goods and merchandise of all kinds and perform such acts and things necessary or incidental to the accomplishment of the foregoing corporate business and objects as may be allowed by applicable laws, rules and regulations, without engaging in retail business.

7. ***GoHotels Davao, Inc.*** GoHotels Davao, Inc. (GHDI) was incorporated on March 13, 2013, has a registered share capital of 100,000,000 and is 51%-owned by the Parent Company. GHDI is a joint venture within the Company's Hotels Division and Udenna Development Corporation (UDEVCO). GHDI's principal business is to establish, acquire, own, develop, operate and manage hotels and/or transient guest lodging services under the "gohotels.ph" mark and other similar and ancillary facilities and services related to the hospitality and allied industries, offer such services and merchandise to the public in connection with the operation of hotels and/or transient guest lodging services, and to make and enter into all kinds of contracts, agreements and obligations with any person, partnership, corporation or association for the leasing of commercial space or the disposition, sale, acquisition of goods, wares, merchandise, and services of all kinds and to do and perform such acts and things necessary or incidental to the accomplishment of the foregoing corporate business and objects as may be allowed by applicable laws, rules and regulations.

8. ***RLC Resources, Ltd.*** RLC Resources, Ltd. was incorporated on September 10, 2001 in the British Virgin Islands as an International Business Company, has a registered share capital of 50,000 and is 100%-owned by the Parent Company. RLC Resources, Ltd.'s principal business is to purchase or otherwise acquire and undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm or company; to acquire an interest in, amalgamate with or enter into arrangements with any person, firm or company; to promote, sponsor, establish, constitute, form, participate in, organize, manage, supervise and control any corporation, company, fund, trust, business or institution; to purchase or otherwise acquire and hold, in any manner and upon any terms, and to underwrite, invest and deal in shares, stocks, debentures, debenture stock, annuities and foreign exchange, foreign currency deposits and commodities and enter into any interest rate exchange contracts, forward contracts, futures contracts and enforce all rights and powers incidental to the Company's interest therein.

d) Competition

i. Commercial Centers Division

RLC has two major competitors in its commercial centers division—SM Prime Holdings, Inc. (SM) and Ayala Land, Inc. (ALI). Each of these companies has certain distinct advantages over RLC, including SM's considerably larger mall portfolio and ALI's access to prime real estate in the heart of Metro Manila. In terms of total assets and equity accounts as of September 30, 2015, the mall segment of SM has ₱271.1 billion and ₱119.9 billion while the mall segment of ALI has ₱73.5 billion and ₱24.3 billion, respectively. There are a number of other players in the shopping mall business in the Philippines, but they are significantly smaller and, because of the high barriers to entry into the business (which include cost, branding, reputation, scale and access to prime real estate), RLC expects that it will continue to compete principally with these two major companies in this market sector for the foreseeable future. RLC has, however, recently seen an increase in the development of specialty malls by companies that are not traditional players in the industry, and it is unclear whether or how this trend might affect the competitive landscape. Shopping mall operators also face competition from specialty stores, general merchandise stores, discount stores, warehouse outlets, street markets and online stores.

RLC believes its strength is in its mixed-use, retail, commercial and residential developments. RLC operates on the basis of its flexibility in developing malls with different sizes depending on the retail appetite of the market per location. It is focused on balancing its core tenant mix and providing a more distinctive shopping mall experience to its loyal customers, as well as its ability to leverage the brand equity and drawing power of its affiliated companies in the retail trade business.

ii. Residential Division

1. ***Robinsons Luxuria***

The Robinsons Luxuria brand continues to develop projects that caters to the high-end market. It strives to compete with developers who have already established their names in tapping this slice of the market. RLC aims to increase its share of this elite market segment and steer buyers of competitors such as ALI, Rockwell Land (Rockwell) and Megaworld Corporation (Megaworld) to its developments. Rockwell's total assets and equity accounts as of September 30, 2015 amounted to ₱38.3 billion and ₱13.7 billion, respectively while Megaworld's total assets and equity accounts as of September 30, 2015 amounted to ₱236.6 billion and ₱132.4 billion, respectively. In 2013, the International Property Awards for Asia Pacific awarded RLC's Signa Designer Residences as the Best Residential Condominium in the Philippines.

2. ***Robinsons Residences***

RLC's competitors (ALI, Megaworld, Filinvest, and Ortigas & Co.) under this segment targets the same market and offers similar products. There are also a number of players who try to compete in this segment of the market with one or two projects. Projects under Robinsons Residences remains one of the top of mind developments as a result of our growing experienced sales and distribution network and our convenient locations. Our projects are found within Central Business Districts or a RLC mixed-use development. In 2013, the International Property Awards for Asia Pacific awarded RLC's Magnolia Town Center as the Best Mixed-Use Development in the Philippines.

3. ***Robinsons Communities***

RLC Robinsons Communities in particular, has numerous competitors in the middle income segment. This is in part a function of the fact that as compared to other business areas, RLC does not enjoy the same "early mover" advantage. Currently, Robinsons Communities' competitors include companies like Avida Land (AL), Filinvest Land (FL), SM Development Corporation (SMDC) and DMCI Homes. As of September 30, 2015, total assets and equity accounts amounted to ₱120.3 billion and ₱54.0 billion, respectively, for FL while total assets and equity accounts of SM Prime Holdings Inc. (SMDC was ultimately merged with SM Prime Holdings thru SM Land in 2013) as of September 30, 2015 amounted to ₱417.7 billion and ₱210.6 billion, respectively. Based on public records and independent industry reports and its own market knowledge, the Company believes that it is among the top five middle-ranged condominium developers in the Philippines in terms of revenues from sales. The Company believes that it can successfully compete in this market segment on the basis of its brand name, technical expertise, financial standing and track record of successfully completed, quality projects.

4. ***Robinsons Homes***

Recognizing the growing housing market in the Philippines, RLC continues to embark on building subdivisions through its Robinsons Homes brand. For families aspiring to own their first home or upgrade to a better abode and neighborhood, Robinsons Homes provides them themed, master planned, secure and gated horizontal subdivisions in key urbanized cities nationwide ideal to start the good life. In order to cater to varying market profiles, Robinsons Homes launched its four sub-brands namely: *Happy Homes* for socialized housing, *Springdale* for our affordable market segment, *Brighton* for our mid-cost development and *Bloomfields* for our high-end market.

It stands in close competition with ALI, FL and Vista Land (VL). Total assets and equity accounts of VL as of September 30, 2015 amounted to ₱123.3 billion and ₱56.2 billion, respectively.

Robinsons Homes competes on the basis of location. It is a nationwide residential subdivision developer with projects in Laoag, Tarlac, Pampanga, Antipolo, Cavite, Batangas, Cebu, Cagayan de Oro, Davao and General Santos. Robinsons Homes is creating not just subdivisions but is forming nurturing communities with lifestyle amenities and support developments in response to the changing lifestyle of Filipinos.

The Company believes that its market specific branding, reliability to deliver and consistent quality products at an affordable price has contributed to its ability to generate sales and its overall success.

iii. Office Buildings Division

The Company believes that competition for office space is principally on the basis of location, availability of space and quality of office space. The biggest competitors of the Company under this segment are ALI, Megaworld and SM. The Company competes in this market on the basis of the strategic locations of its buildings, including their proximity to the Company's malls and residences as part of mixed-use developments, and has also began to design its office space with BPO- and call center-specific requirements in mind, in order to better serve that market and make its office buildings more attractive to those potential tenants. The Company also believes that its established reputation for completing projects on time and at the committed specifications, as well as delivering quality products at good value has contributed to its ability to retain the services of its exclusive and non-exclusive brokers and to its overall success.

iv. Hotels Division

Philippine Tourism is highly influenced by general political and economic conditions within the country. The Philippines is a preferred destination in the global tourism industry because of its competitiveness in terms of pricing hotel rooms and airline ticket, natural resources and eco-tourism.

However, concerns on safety and security / travel advisories, infrastructure and health and hygiene must be addressed. The hotel business has seen a continued stabilized situation due to remittances from Filipino overseas workers, the continued booming of business outsource processing & IT infrastructure projects in the Philippines, and the continuous drive of the local tour operators in developing affordable tour packages.

The tourism outlook in the Philippines seems optimistic, driven by the presence of low cost carriers and with several hotels opening in Makati, Ortigas, and Fort Bonifacio CBD. With total expected supply of 8,500 rooms from year 2016-2017, the DOT continues to attract in bound tourism by an aggressive global marketing campaign and brand awareness. The Word Economic Forum (WEF), in its "Travel & Tourism

Competiveness Report 2013", ranked the Philippines 12 places higher than in 2012 at 82nd overall and 16th regionally – the largest improvement of any country within the Asia-Pacific Region.

Taking advantage of the increasing inbound and outbound travels looking for accommodation, a number of local and foreign competitors have entered or signified interest to enter the country. These chains, considered competitors of the Company's Go Hotels, include Red Planet, Fave Hotels of Indonesia, Microtel by Wyndham and the local Islands Stay Hotels. Other hotel chains which have also been growing geographically include Park Inn by Radisson, Novotel, Seda Hotels by Ayala, and Remington Hotel. These hotel chains cater to the mid-scale market and are thus considered competitors of the Company's Summit Hotel brand. In the Ortigas Central Business District, new players such as Marco Polo, Citadines, Accor, Exchange Regency and Oakwood compete with the Company's two IHG-managed hotels.

Crowne Plaza Manila Galleria has celebrated its 10th year of service in 2015, with this new service experience are yet to be expected to ensure Travelling for Success --- Sleep Advantage supporting the environment expected by our high achiever and Meetings Success, assuring a unique guest experience when conducting meetings and celebrating milestones.

Holiday Inn remains to be the only international mid-market brand in Ortigas which caters of both Leisure and Corporate Transient business in the area.

e) Sources and Availability of Raw Materials and Names of Principal Suppliers

Construction and development of malls, high-rise office and condominium units as well as land and housing construction are awarded to various reputable construction firms subject to a bidding process and management's evaluation of the price and qualifications of and its relationship with the relevant contractor. Most of the materials used for construction are provided by the contractors themselves in accordance with the underlying agreements, although sometimes the Company will undertake to procure the construction materials when it believes that it has an advantage in doing so. The Company typically will require the contractor to bid for a project on an itemized basis, including separating the costs for project materials that it intends to charge the Company. If the Company believes that it is able to acquire any of these materials (such as cement or steel) at a more competitive cost than is being quoted to it, it may remove these materials from the project bid and enter into a separate purchase order for the materials itself, to reduce project costs.

f) Employees and Labor

As of September 30, 2015, RLC and its subsidiaries had a total of 5,515 employees, including 1,898 permanent full-time managerial and support employees and approximately 5,458 contractual and agency employees, grouped by business divisions as follows:

Business	Permanent Employees	Contract Employees	Total Employees
Commercial Centers Division	874	4,128	5,002
Office Buildings Division	21	223	244
Residential Division	395	281	676
Hotels Division	608	826	1,434
Total	1,898	5,458	7,356

The 1,898 permanent full-time managerial and support employees of RLC and its subsidiaries as of September 30, 2015 can be broken down by function as follows:

FUNCTION	NO. OF EMPLOYEES
Operational	706
Administrative	841
Technical	351
Total	**1,898**

The Company foresees an increase in its manpower complement to 2,865 employees in the ensuing twelve months.

Almost all of the Company's hotels division employees are covered by a collective bargaining agreement which will mature on September 30, 2016 for Summit Circle Cebu (formerly Cebu Midtown Hotel) and September 30, 2019 for the Holiday Inn Manila Galleria hotel. The Company's other employees are not unionized or party to collective bargaining agreements with the Company.

Vacation leaves, sick leaves, 13th month pay and retirement benefits are provided to employees, among others, subject to company policies and procedures.

g) Industry Risk

The Company conducts substantially all of its business activities in the Philippines and all of its major assets are located in the Philippines, which exposes the Company to the performance of the Philippine economy and to Philippine property market risk.

RLC derives substantially all of its revenue and operating profits from its property investment and development activities in the Philippines and its business is therefore highly dependent on the state of the Philippine economy and the Philippine property market. RLC has adopted a diversified business model with both an "investment" component, in which the Company develops, owns and operates real estate projects (principally shopping malls, high-rise office buildings and hotels) and a "development" component, in which RLC develops real estate projects for commercial sale (principally high-rise condominiums and horizontal residential subdivision developments).

Demand for, and prevailing prices of, shopping mall and office leases are, and the performance of the Philippine hotel business is, directly related to the strength of the Philippine economy and the overall levels of business activity in the Philippines. The Company's commercial centers division is also directly affected by social trends, changing spending patterns and consumer sentiment in the Philippines, which are in turn heavily influenced by economic, political and security conditions in the Philippines. On the development side of the Company's business, the Philippine property market has, in the past, been cyclical and property values have been affected by supply of and demand for comparable properties, the rate of economic growth in the Philippines and political developments. The Company is particularly reliant on business from OFWs and expatriate Filipinos, which constitutes a significant portion of the demand for its projects in the residential division. This also exposes the Company to the performance of specific economies in which these concentrated groups of potential customers are located, including the United States, Italy and Saudi Arabia. Demand for new residential housing projects in the Philippines, in particular, has also fluctuated in the past as a result of prevailing economic conditions (including overall growth levels and interest rates), the political and security situation in the Philippines and other related factors.

The Philippine economy generally, and the Philippine property market specifically, went through a sharp downturn brought about by the effects of the Asian financial crisis in the late 1990s. The abrupt drop in demand following the Asian financial crisis resulted in reduced levels of retail spending, poor consumer sentiment, a glut in the property market, depressed property prices and reduced demand for new residential projects. Although market conditions have recovered to a certain extent, there can be no assurance that this recovery will continue or that there will not be a recurrence of the conditions experienced during the Asian financial crisis of the late 1990s or similar conditions.

Considerable economic and political uncertainties currently exist in the Philippines that could have adverse effects on consumer spending habits, construction costs, availability of labor and materials and other factors affecting the Company and its businesses. Significant expenditures associated with investment in real estate, such as real estate taxes, maintenance costs and debt payments, generally cannot be correspondingly reduced if changes in the Philippine property market or the Philippine economy cause a decrease in revenues from the Company's properties. Because of RLC's business concentration in the Philippines, reduced levels of economic growth, adverse changes in the country's political or security situation, or weaker performance of the country's property development market generally could materially adversely affect RLC's profitability.

RLC operates in a highly competitive industry. The Company's future growth and development is dependent, in large part, on the availability of large tracts of land suitable for development. As the Company, particularly its commercial centers, office building and residential divisions, and its competitors attempt to locate sites for development, it may become more difficult to locate parcels of suitable size in locations and at prices acceptable to the Company, particularly in Metro Manila and other urban areas. To the extent that the Company is unable to acquire suitable land at acceptable prices, its growth prospects could be limited and its business and results of operations could be adversely affected.

A number of other commercial center and residential developers and real estate services companies, some with greater financial and other resources and more attractive land banks than the Company, compete with RLC in various aspects of its business. Competition from other real estate developers and real estate services companies may adversely affect RLC's ability to develop and sell its properties or attract and retain tenants, and continued development by these and other market participants could result in saturation of the market for real estate, and in particular shopping malls.

ADDITIONAL REQUIREMENTS AS TO CERTAIN ISSUES OR ISSUER

Not Applicable

Item 2. Properties

Over the years, the Company has invested in a number of properties located across the Philippines for existing and future development projects. All of these properties are fully owned by the Company and none of which are subject to any mortgage, lien or any form of encumbrance. The Company also enters into joint venture arrangements with land owners in order to optimize their capital resources. Not only does this encourage raw land development for future projects but it also provides them exclusive development and marketing rights.

The following are locations of the Company's properties:

Location	Use	Status
Land		
Metro Manila		
Manila	Mixed-use (mall/residential/hotel)	No encumbrances
Quezon City	Residential/ Mixed-use (mall/residential/hotel)	No encumbrances
Pasay City	Residential	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential)	No encumbrances
Makati City	Office Building	No encumbrances
Pasig City	Residential/ Mall/ Mixed-use (mall/hotel/residential)	No encumbrances

Paranaque City	Residential	No encumbrances
Muntinlupa City	Mixed-use (mall/residential)	No encumbrances
Las Pinas City	Mall	No encumbrances
Taguig City	Residential	No encumbrances
Malabon City	Mall	No encumbrances
Metro Manila area	Land bank	No encumbrances
Luzon		
La Union	Residential	No encumbrances
Pangasinan	Mall	No encumbrances
Bulacan	Mall	No encumbrances
Nueva Ecija	Mall	No encumbrances
Pampanga	Mall	No encumbrances
Tarlac	Mall	No encumbrances
Batangas	Mall/ Residential	No encumbrances
Cavite	Mall/ Residential/ Mixed-use (mall/hotel/residential)	No encumbrances
Laguna	Mall	No encumbrances
Palawan	Mixed-use (mall/hotel/residential)	No encumbrances
Rizal	Residential/Mall	No encumbrances
Isabela	Mall	No encumbrances
Luzon area	Land bank	No encumbrances
Visayas		
Iloilo	Mixed-use (mall/hotel)	No encumbrances
Bacolod City	Mall	No encumbrances
Cebu	Mixed-use (mall/hotel/residential)	No encumbrances
Negros Oriental	Mixed-use (mall/hotel)	No encumbrances
Leyte	Mall	No encumbrances
Roxas City	Mall	No encumbrances
Visayas area	Land bank	No encumbrances
Mindanao		
Agusan Del Norte	Mall	No encumbrances
Cagayan De Oro City	Residential	No encumbrances
Davao	Mall	No encumbrances
South Cotabato	Mall/ Residential	No encumbrances
Butuan City	Mall	No encumbrances
Mindanao Area	Land bank	No encumbrances
Building and Improvements		
Metro Manila		
Manila	Mixed-use (mall/residential/hotel)	No encumbrances
Quezon City	Mixed-use (mall/hotel/residential)	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential/office)	No encumbrances
Makati City	Office Building	No encumbrances
Pasig City	Mixed-use (mall/hotel/residential/office)	No encumbrances
Malabon City	Mall	No encumbrances
Las Pinas City	Mall	No encumbrances
Muntinlupa City	Residential	No encumbrances
Luzon		
Ilocos Norte	Mall	No encumbrances

Bulacan	Mall	No encumbrances
Nueva Ecija	Mall	No encumbrances
Pampanga	Mall	No encumbrances
Tarlac	Mall	No encumbrances
Batangas	Mall	No encumbrances
Cavite	Mall/ Mixed-use (mall/hotel)	No encumbrances
Laguna	Mall	No encumbrances
Palawan	Mixed-use (mall/hotel/residential)	No encumbrances
Rizal	Mall	No encumbrances
Pangasinan	Mall	No encumbrances
Isabela	Mall	No encumbrances
Visayas		
Iloilo City	Mixed-use (mall/hotel)	No encumbrances
Bacolod City	Mall	No encumbrances
Cebu	Mixed-use (mall/hotel/office/residential)	No encumbrances
Negros Oriental	Mall	No encumbrances
Leyte	Mall	No encumbrances
Roxas City	Mall	No encumbrances
Mindanao		
Cagayan De Oro City	Mall	No encumbrances
Davao City	Mall	No encumbrances
South Cotabato	Mall	No encumbrances
Agusan Del Norte	Mall	No encumbrances

The Company owns all the land properties upon which all of its existing commercial centers are located, except for the following: (i) Robinsons Place Iloilo, (ii) Robinsons Cagayan de Oro, (iii) Robinsons Cainta, and (iv) Robinsons Pulilan. These four land properties are leased at prevailing market rates. The leases for the Iloilo and Cagayan de Oro properties are for 50 years each and commenced in October 2001 and December 2002, respectively. The leases for the Cainta and Pulilan properties are for 25 years each and commenced in December 2003 and January 2008, respectively. Renewal options for Cainta and Pulilan are available to the Company. Total rent expense amounted to ₱199 million in 2015, ₱152 million in 2014 and ₱109 million in 2013.

Capital expenditure incurred for fiscal years 2015, 2014 and 2013 amounted to ₱15.5 billion, ₱14.1 billion and ₱ 13.2 billion, respectively, representing about 79%, 83% and 83% of revenues in those years, respectively.

The Company has budgeted approximately ₱17 billion capital expenditures covering land and constructions in the Philippines for fiscal year 2016. These will be funded through cash from operations and borrowings. Approximately 54% will be allocated for the construction of malls, office buildings and hotels, 25% will be spent for the residential division while 21% will be for land acquistion.

Item 3. Legal Proceedings

The Company and its subsidiaries and affiliates are subject to various civil and criminal lawsuits and legal actions arising in the ordinary course of business. In the opinion of RLC's management, none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material effect on the Company's consolidated financial position.

Item 4. Submission of Matters to A Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

Item 5. Regulatory and Environmental Matters

a) Shopping Malls

Shopping mall centers are regulated by the local government unit of the city or municipality where the establishment is located. In line with this, mall operators must secure the required mayor's permit or municipal license before operating. In addition, no mall shall be made operational without complying first with the provisions of the fire code and other applicable local ordinances. Furthermore, shopping malls with food establishments must obtain a sanitary permit from the Department of Health. It is also compulsory for shopping malls discharging commercial waste water to apply for a waste water discharge permit from the DENR and to pay the fee incidental to the permit.

As a tourism-related establishment, shopping malls may obtain accreditation from the Department of Tourism. A shopping mall can only be accredited upon conformity with the minimum physical, staff and service requirements promulgated by the Department of Tourism.

b) Residential Condominium and Housing and Land Projects

Presidential Decree No. 957 as amended, is the principal statute which regulates the development and sale of real property as part of a condominium project or subdivision. Presidential Decree No. 957 covers subdivision projects and all areas included therein for residential, commercial, industrial and recreational purposes as well as condominium projects for residential or commercial purposes. The HLURB is the administrative agency of the Government which, together with local government units, enforces this decree and has jurisdiction to regulate the real estate trade and business.

All subdivision and condominium plans for residential, commercial, industrial and other development projects are subject to approval by the relevant local government unit in which the project is situated. The development of subdivision and condominium projects can commence only after the relevant government body has issued the development permit.

Further, all subdivision plans and condominium project plans are required to be filed with and approved by the HLURB. Approval of such plans is conditional on, among other things, the developer's financial, technical and administrative capabilities. Alterations of approved plans which affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant local government unit. Owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of lots or real estate projects. Dealers, brokers and salesmen are also required to register with the HLURB. Project permits and licenses to sell may be suspended, cancelled or revoked by the HLURB by itself or upon a verified complaint from an interested party for reasons such as non-delivery of title to fully-paid buyers or deviation from approved plans. A license or permit to sell may only be suspended, cancelled or revoked afer a notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the HLURB's rules of procedure and other applicable laws. Subdivision or condominium units may be sold or offered for sale only after a license to sell has been issued by the HLURB. The license to sell may be issued only against a performance bond posted to guarantee the completion of the construction of the subdivision or condominium project and compliance with applicable laws and regulations.

There are essentially two different types of residential subdivision developments, which are distinguished by different development standards issued by the HLURB. The first type of subdivision, aimed at low-cost housing, must comply with Batas Pambansa Blg. 220, which allows for a higher density of building and relaxes some construction standards. Other subdivisions must comply with Presidential Decree 957, which set out standards for lower density developments. Both types of development must comply with standards regarding the suitability of the site, road access, necessary community facilities, open spaces, water supply, the sewage disposal system, electrical supply, lot sizes, the length of the housing blocks and house construction.

Under current regulations, a developer of a residential subdivision is required to reserve at least 30% of the gross land area of such subdivision for open space for common uses, which include roads and recreational facilities. A developer of a commercial subdivision is required to reserve at least 3.5% of the gross project area for parking and pedestrian malls.

Further, Republic Act No. 7279 requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 20% of the total subdivision area or total subdivision project cost, at the option of the developer, within the same or adjacent regions, whenever feasible, and in accordance with the standards set by the HLURB. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialized housing development. The Company has benefited from providing low-income housing or projects of such types which are financially assisted by the government. These policies and programs may be modified or discontinued in the future. The Government may also adopt regulations which may have the effect of increasing the cost of doing business for real estate developers. Under current law, income derived by domestic corporations from the development and sale of socialized housing which currently, among other things, must have a basic selling price of no more than ₱300,000, is exempt from project related income taxes. Under the current Investment Priorities Plan issued by the Board of Investments, mass housing projects including development and fabrication of housing components, are eligible for government incentives subject to certain policies and guidelines. In the future, since the sale of socialized housing units comprise a portion of homes sold by the Company, any changes in the tax treatment of income derived from the sale of socialized housing units may affect the effective rate of taxation of the Company.

c) Hotels

The Philippine Department of Tourism promulgated the Hotel Code of 1987 (the “Hotel Code”) in order to govern the business and operation of all hotels in the Philippines. Investors that wish to operate a hotel must first register and apply for a license with the local government of the city or municipality where the hotel is located. For purposes of registration and licensing, hotels are classified into four groups: De Luxe Class, First Class, Standard Class and Economy Class. The Hotel Code provides minimum standards for the establishment, operation and maintenance of hotels depending on the hotel’s classification. The Philippine Department of Tourism is in the process of revising the current classification from Hotel Class System to Hotel Star Rating System.

A certificate of registration and license as a hotel will not be granted unless the relevant establishment has passed all the conditions of the Hotel Code, the Fire and Building Codes, Zoning Regulations and other municipal ordinances. Furthermore, hotels can only be opened for public patronage upon securing of a sanitary permit from the city or municipal health office having jurisdiction over the establishment. The Department of Tourism is the government agency which is tasked with the accreditation of hotels. The Department promulgates the minimum standards and procedures for hotel accreditation. While accreditation is non-compulsory, accredited hotels are given incentives by the Department of Tourism.

d) Zoning and Land Use

Under the agrarian reform law currently in effect in the Philippines and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after 15 June 1988, cannot be converted to non-agricultural use without the prior approval of DAR.

Land use may be also limited by zoning ordinances enacted by local government units. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant local government unit. Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

e) Special Economic Zone

The Philippine Economic Zone Authority ("PEZA") is a government corporation that operates, administers and manages designated special economic zones ("Ecozones") around the country. Ecozones, which are generally created by proclamation of the President of the Philippines, are areas earmarked by the government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers. PEZA registered enterprises locating in an Ecozone are entitled to fiscal and non-fiscal incentives such as income tax holidays and duty-free importation of equipment, machinery and raw materials.

Information technology ("IT") enterprises offering IT services (such as call centers, and business process outsourcing using electronic commerce) are entitled to fiscal and non-fiscal incentives if they are PEZA-registered locators in a PEZA-registered IT Park, IT Building, or Ecozone. An IT Park is an area which has been developed into a complex capable of providing infrastructures and other support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities and amenities.

PEZA requirements for the registration of an IT Park or IT Building differ depending on whether it is located in or outside Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board, and the DENR.

The Company actively seeks PEZA registration of its buildings, as this provides significant benefits to the Company's tenants. PEZA registration provides significant tax incentives to those of the Company's customers that are PEZA-registered (they can, for example, avail themselves of income tax incentives such as income tax holidays or 5% gross income taxation), thereby making tenancy in the Company's PEZA-registered buildings potentially more attractive to them. As of fiscal year 2015, the Pioneer mixed-use complex was in a PEZA Ecozone, the Robinsons Equitable Tower and Robinsons Summit Center were PEZA-registered buildings. A number of malls are also PEZA-registered.

f) Effect of Existing or Probable Governmental Regulations on the Business

The existing regulatory and environmental/governmental regulations mentioned under "items 5a-e" as well as possible governmental regulations on the various business segments may affect the Company's profitability through possible reduction in revenues.

The aggregate cost of compliance with environmental laws covering all business segments including waste management, among others, amounted to ₱20.8 million in 2015, ₱20.4 million in 2014 and ₱12.3 million in 2013.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 6. Market Information

Data on the quarterly price movement of its shares for the past three fiscal years are set forth below.

	2015			2014			2013		
Quarter	**High**	**Low**	**Close**	**High**	**Low**	**Close**	**High**	**Low**	**Close**
1	26.50	25.20	26.50	20.10	19.92	19.96	21.40	20.75	20.75
2	31.60	30.20	30.80	21.25	21.00	21.05	26.20	25.00	25.50
3	29.60	28.60	29.30	23.85	23.35	23.60	21.55	20.25	20.30
4	28.65	28.40	28.45	24.65	24.25	24.35	21.00	20.55	20.60

Additional information as of December 31, 2015 are as follows:

Market Price:	Fiscal Year 2016	High	Low
	Oct. to Dec. 2015	₱27.50	₱26.70

The market price of the Corporation's common equity as of January 15, 2016 is P25.00

The number of shareholders of record as of December 31, 2015 was 1097.

Common shares outstanding as of December 31, 2015 were 4,093,830,685 shares with a par value of P1.00 per share.

The Company's common stock is traded in the Philippine Stock Exchange.

Item 7. Dividends

RLC declared cash dividends for each of the fiscal years 2015, 2014 and 2013.

For fiscal year 2015, the Company declared a cash dividend of ₱0.36 per share from unrestricted Retained Earnings as of September 30, 2014 to all stockholders on record as of May 14, 2015. The cash dividends were paid out on June 9, 2015.

For fiscal year 2014, the Company declared a cash dividend of ₱0.36 per share from unrestricted Retained Earnings as of September 30, 2013 to all stockholders on record as of May 29, 2014. The cash dividends were paid out on June 25, 2014.

For fiscal year 2013, the Company declared a cash dividend of ₱0.36 per share from unrestricted Retained Earnings as of September 30, 2012 to all stockholders on record as of May 10, 2013. The cash dividends were paid out on June 6, 2013.

RLC's unappropriated retained earnings include accumulated equity in undistributed net earnings of subsidiaries amounting to ₱977 million, ₱699 million, and ₱517 million in 2015, 2014 and 2013. These amounts are not available for dividend declaration until received in the form of dividends.

Furthermore, retained earnings are restricted for payment of dividends to the extent of the cost of shares held in treasury amounting to ₱222 million and amount appropriated for expansion totaling ₱17 billion.

Item 8. Principal Shareholders

The following table sets forth the Company's top twenty (20) shareholders and their corresponding number of shares held as of December 31, 2015:

	Name of Stockholders	No. of Shares Held	Percent to Total Outstanding
1	JG Summit Holdings, Inc.	2,496,114,787	60.97%
2	PCD Nominee Corporation (Non-Filipino)	1,100,716,600	26.89%
3	PCD Nominee Corporation (Filipino)	462,842,409	11.31%
4	Elizabeth Yu	8,737,200	0.21%
5	John Gokongwei, Jr.	8,124,721	0.20%
6	Cebu Liberty Lumber	2,203,200	0.05%
7	James L. Go	1,685,994	0.04%
8	Elizabeth Y. Gokongwei &/or John Gokongwei, Jr.	988,000	0.02%
9	Quality Investments & Sec Corp.	904,200	0.02%
10	Alberto Mendoza &/or Jeanie Mendoza	532,800	0.01%
11	Frederick D. Go	500,001	0.01%
12	Elizabeth Yu Gokongwei	499,500	0.01%
13	Robina Y. Gokongwei-Pe	360,000	0.01%
14	Samuel C. Uy	324,000	0.01%
15	John L. Gokongwei, Jr.	300,000	0.01%
16	Ong Tiong	204,996	0.01%
17	Lisa Yu Gokongwei	180,000	0.00%
18	FEBTC #103-00507	156,240	0.00%
19	Francisco L. Benedicto	150,000	0.00%
19	Ching Tiong Keng and/or Cynthia D. Ching	150,000	0.00%
20	Arthur C. Uy	144,000	0.00%
	OTHERS	8,012,037	0.20%
	Total	**4,093,830,685**	**100.00%**

Item 9. Management Discussion and Analysis of Financial Condition and Results of Operation

a) Results of Operations and Financial Condition

RLC derives its revenues from real estate operations and hotel operations. Revenues from real estate operations account for approximately 91% of the Company's total revenues and are derived from the lease of commercial spaces in the various Robinsons malls, the lease and sale of space from RLC's office buildings, and the sale of residential units from the Company's various housing projects. Approximately 9% of total revenues are derived from hotel operations.

i. Year ended September 30, 2015 versus same period in 2014

RLC generated total gross revenues of ₱19.73 billion for fiscal year 2015, an increase of 15.7% from ₱ 17.05 billion total gross revenues for fiscal year 2014. EBIT grew 21% to ₱7.55 billion while EBITDA posted a 19.3% growth to ₱10.70 billion. Net income stood at ₱5.70 billion, up by 20.4% compared to last year.

The Commercial Centers Division accounted for ₱9.12 billion of the real estate revenues for the year versus ₱8.10 billion last year or a 12.5% increase. The newly opened malls in 2014 and 2015 namely, Robinsons Malolos, Robinsons Butuan, Robinsons Santiago, Robinsons Roxas, Robinsons Antipolo and Robinsons Las Pinas contributed to the increase in revenues. In addition, the reopening of Robinsons Tacloban in June 2014 contributed to the growth while most provincial malls also posted decent growth in rental revenues. The Division's EBIT and EBITDA grew by 9.8% and 11.7%, respectively.

The Residential Division realized revenues rose to ₱6.62 billion for the year versus ₱5.87 billion last year, an increase of 12.9%, due to higher level of buyers meeting the equity requirement of 15% in recognizing sales based on percentage of construction completion. Both EBIT and EBITDA have shown positive variances of 25.2% and 25.0 %, respectively.

Revenues of Office Buildings Division grew by 45.2% to ₱2.24 billion from ₱1.54 billion over the same period last year. This increase in lease income was due to new office buildings Cyberscape Alpha and Cyberscape Beta, both with occupancy rates of 100% as of September 30, 2015, respectively. The Division's EBIT and EBITDA showed positive variances of 50.1% and 42.6%, respectively.

The Hotels Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱1.75 billion as against last year's ₱1.53 billion. The 13.8% increase in hotel revenues was principally due to the opening of new Go Hotels Iloilo and Go Hotels Ortigas Center in January 2014 and August 2014, respectively, and the reopening of Go Hotels Tacloban in May 2014. The hotel average occupancy rate is 69% in 2015. Hotels Division EBIT and EBITDA grew by 26.0% and 17.6%, respectively.

Interest income increased to ₱39.3 million from ₱14.6 million last year due to higher average balance of cash and cash equivalents during the fiscal year 2015 resulting from the proceeds of fixed rate bonds.

Real estate cost and expenses went up by 11% to ₱7.84 billion from ₱7.06 billion last year. The opening of new malls raised the level of depreciation expense of Commercial Centers by ₱310 million or 15% while opening of new office buildings increased depreciation expense of the Office Buildings Division by ₱104 million or 24%. Furthermore, cinema expense rose by 21% or ₱120 million due to the operation of new cinemas in new malls.

Hotel expenses rose by 10% to ₱1.29 billion due substantially to higher level of cost of food and beverage, salaries and wages and contracted services among others, which were all due to higher level of operations brought about by the newly opened and re-opened Go Hotels branches.

General and administrative expenses went up by 19% to ₱3.05 billion due to higher commission expense, salaries, advertising and promotions and rent expense, among others.

Total assets of the Company stood at ₱99.07 billion, a growth of 16% from ₱85.37 billion in 2014. Receivables (current and noncurrent net) increased by 15% or ₱1.03 billion to ₱ 7.73 billion due substantially to higher level of installment contracts receivables.

Investment Properties and Property and Equipment both increased by 17% to ₱64.02 billion and 12% to ₱ 3.51 billion, respectively, due to acquisition of several land properties both for residential and commercial development. The completion of construction of Robinsons Las Pinas, Robinsons Novaliches expansion and Robinsons Antique during the fiscal year and ongoing mall constructions at Robinsons Maxilom, Robinsons Tagum, Robinsons General Trias and Robinsons Jaro Iloilo contributed to the increase. Other current and noncurrent assets increased by 68% to ₱5.31 billion and 41% to ₱1.84 billion, respectively, due to increase in advances to suppliers and contractors for mall and office buildings constructions and utility deposits.

Loans Payable (current and noncurrent) increased by 38% to ₱24.88 billion due to issuance of ₱12 billion fixed rate bonds in 2015. Deposits (current and noncurrent) and Other liabilities went up by 22% to ₱8.45 billion due to higher level of deposits from lessees of newly opened malls and higher deposits from real estate buyers.

Equity attributable to equity of the Parent Company as of September 30, 2015 stood at ₱56.66 billion, up by 8% from ₱52.44 billion last year due to the earnings during the year of ₱5.70 billion net of payment of dividends of ₱1.47 billion.

A summary of RLC's key performance indicators follows:

	2015	2014
Gross revenues	₱19.73 billion	₱17.05 billion
EBIT	7.55 billion	6.24 billion
EBITDA	10.70 billion	8.97 billion
Net income	5.70 billion	4.73 billion
Earnings per share	1.39	1.16
Net book value per share	13.84	12.81
Current ratio	1.98:1	1.41:1
Debt-to-equity ratio	0.44:1	0.34:1
Interest coverage ratio	7.93:1	6.96:1
Asset to equity ratio	1.74:1	1.62:1
Operating margin ratio	0.38:1	0.37:1

Capital expenditures for the fiscal year ended September 30, 2015 amounted to ₱16.8 billion. Funding for the capital expenditures was sourced from proceeds of short-term and long-term loans and internally generated funds.

ii. Year ended September 30, 2014 versus same period in 2013

RLC generated total gross revenues of ₱17.05 billion for fiscal year 2014, an increase of 7% from ₱15.90 billion total gross revenues for fiscal year 2013. EBIT grew 4% to ₱6.24 billion while EBITDA posted a 6.3% growth to ₱8.97 billion. Net income stood at ₱4.73 billion, up by 5.8% compared to last year.

The Commercial Centers Division accounted for ₱8.10 billion of the real estate revenues for the year versus ₱7.39 billion last year or a 9.7% increase. The newly opened malls namely, Robinsons Malolos, Robinsons Butuan, Robinsons Santiago, Robinsons Roxas and Robinsons Malabon contributed to the increase in revenues. In addition, Robinsons Magnolia, Robinsons Palawan and Robinsons Iloilo contributed to the growth while most provincial malls also posted decent growth in rental revenues. The Division's EBIT and EBITDA grew by 5.8% and 8.5%, respectively.

The Residential Division realized revenues rose to ₱5.87 billion for the year versus ₱5.58 billion last year, an increase of 5%, due to higher level of buyers meeting the equity requirement of 15% in recognizing sales based on percentage of construction completion. Both EBIT and EBITDA have shown positive variances of 1.2% and 0.8%, respectively.

Revenues of Office Buildings Division grew by 7% to ₱1.54 billion from ₱1.44 billion over the same period last year. This 7% increase in lease income was due to new office buildings Cyberscape Alpha and Cyberscape Beta, with occupancy rates of 46% and 68% as of September 30, 2014, respectively. The Division's EBIT and EBITDA showed positive variances of 3.7% and 6.5%, respectively.

The Hotels Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱1.53 billion as against last year's ₱1.50 billion. The 2.5% increase in hotel revenues was principally due to additional new Go Hotels Iloilo and Go Hotels Ortigas Center which opened in fiscal year 2014. The hotel average occupancy rate is 68% in 2014. Hotels Division EBIT grew by 5.6%, while EBITDA is flat at ₱527 million in 2014 and 2013.

Interest income decreased to ₱14.6 million from ₱113.4 million last year due to lower average balance of cash and cash equivalents during the fiscal year 2014.

Real estate cost and expenses went up by 8% to ₱7.06 billion from ₱6.56 billion last year. The opening of new malls raised the level of depreciation expense of Commercial Centers by ₱245 million or 13% while opening of new office buildings increased depreciation expense of the Office Buildings Division by ₱53 million or 14%. Furthermore, cinema expense rose by 19% or ₱90 million due to higher level of cinema operations which in turn resulted to higher cinema revenues.

Hotel expenses rose by 1.5% to ₱1.17 billion due substantially to higher level of cost of food and beverage, salaries and wages and contracted services among others, which were all due to higher level of operations brought about by the newly opened Go Hotels branches.

General and administrative expenses went up by 17% due to higher salaries, advertising and promotions and insurance expense, among others.

Total assets of the Company stood at ₱85.37 billion, a growth of 14% from ₱74.89 billion in 2013. Receivables (current and noncurrent net) increased by 33% or ₱1.65 billion due substantially to higher level of installment contracts receivables.

Subdivision land, condominium and residential units for sale grew by 26% due to the reclassification of land from Investment Properties amounting to ₱1.76 billion as of September 30, 2014.

Investment Properties and Property and Equipment both increased by 9% due to acquisition of several land properties both for residential and commercial development. The completion of construction of Robinsons Malolos, Robinsons Butuan, Robinsons Santiago, Robinsons Roxas, Robinsons Malabon and Robinsons Antipolo during the fiscal year and ongoing mall constructions at Robinsons Maxilom and Robinsons Las Pinas contributed to the increase. While other noncurrent assets increased by 104% due to increase in utility deposits, and prepaid rental as a result of ASNC's (wholly-owned subsidiary of RLC) assignment to RLC of all its rights, interests and obligations under a long-term contract of lease of land located in Taguig City.

Loans Payable (current and noncurrent) increased by 42% due to availment of ₱10 billion term loans and additional short-term loans of ₱8 billion offset by payment of ₱10 billion bonds payable that matured in 2014. Accounts payable and accrued expenses increased by 17% due to higher level of capital and operational expenditures. Deposits (current and noncurrent) and Other liabilities went up by 12% to ₱6.92 billion due to higher level of deposits from lessees of newly opened malls and higher deposits from real estate buyers.

Equity attributable to equity of the Parent Company as of September 30, 2014 stood at ₱52.44 billion, up by 6.6% from ₱49.17 billion last year due to the earnings during the year of ₱4.74 billion net of payment of dividends of ₱1.47 billion.

A summary of RLC's key performance indicators follows:

	2014	2013
Gross revenues	₱17.05 billion	₱15.90 billion
EBIT	6.24 billion	5.98 billion
EBITDA	8.97 billion	8.44 billion
Net income	4.73 billion	4.48 billion
Earnings per share	1.16	1.09
Net book value per share	12.81	12.01
Current ratio	1.41:1	0.95:1
Debt-to-equity ratio	0.34:1	0.26:1
Interest coverage ratio	6.96:1	6.15:1
Asset to equity ratio	1.62:1	1.52:1
Operating margin ratio	0.37:1	0.38:1

Capital expenditures for the fiscal year ended September 30, 2014 amounted to ₱14.1 billion. Funding for the capital expenditures was sourced from proceeds of short-term and long-term loans and internally generated funds.

iii. Year ended September 30, 2013 versus same period in 2012

RLC generated total gross revenues of ₱15.90 billion for fiscal year 2013, an increase of 18% from ₱13.52 billion total gross revenues for fiscal year 2012. EBIT grew 14% to ₱5.98 billion while EBITDA posted a 15% growth to ₱8.44 billion. Net income stood at ₱4.48 billion, up by 5% compared to last year.

The Commercial Centers Division accounted for ₱7.39 billion of the real estate revenues for the year versus ₱6.43 billion last year or a 15% increase. Metro Manila malls led by Robinsons Galleria and Robinsons Place Manila contributed to the growth while most provincial malls also posted decent growth in rental revenues. The Division's EBIT and EBITDA grew by 7% and 12.9%, respectively.

The Residential Division realized revenues rose to ₱5.58 billion for the year versus ₱4.30 billion last year, an increase of 29.6%, due to the adoption of a buyer's equity requirement closer to prevailing industry practice in recognizing sales based on percentage of construction completion. Both EBIT and EBITDA have shown a positive variances of 41.4% and 39.8%, respectively.

Revenues of Office Buildings Division grew by 3.1% to ₱1.44 billion from ₱1.40 billion over the same period last year. This 3.1% increase in lease income was due to improved or escalated rental rates of the leased spaces. The Division's EBIT and EBITDA showed positive variances of 5% and 3%, respectively.

The Hotels Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱1.50 billion as against last year's ₱1.38 billion. The 8% increase in hotel revenues was principally due to higher occupancy rate of Holiday Inn, Summit Circle Cebu and Summit Ridge and an additional new Go Hotels Otis-Manila which opened in fiscal year 2013. The hotel average occupancy rate is 71% in 2013. Hotels Division EBIT grew by 26%, while EBITDA showed a positive variance of 19%.

Interest income decreased to ₱113.4 million from ₱493.0 million last year due to lower level of cash and cash equivalents.

Real estate cost and expenses went up by 25% to ₱6.56 billion from ₱5.26 billion last year. The higher level of realized sales of residential units brought cost of real estate sales to increase by 30% or ₱700 million. Moreover, the opening of new malls raised the level of depreciation expense of Commercial Centers by ₱360 million or 19%. Furthermore, cinema expense rose by 25% or ₱96 million due to higher level of cinema operations which in turn resulted to higher cinema revenues. Other expenses went up by 63% due mainly to higher contracted services, among others.

Hotel expenses rose by 4% to ₱1.16 billion due substantially to higher level of property and maintenance cost, depreciation, salaries and wages, contracted services, which were all due to higher level of operations brought about by higher room and food revenues.

General and administrative expenses went up by 16% due to higher salaries, advertising and promotions and taxes and licenses, among others. Interest expense decreased by 68% due to higher level of capitalizable interest covering various capital expenditures.

Total assets of the Company stood at ₱74.89 billion, a growth of 6% from ₱70.65 billion in 2012. Cash and cash equivalents decreased by ₱4.8 billion mainly due to the payment of ₱ 2.0 billion bonds payable that matured in June 2013 and capital expenditures for new and ongoing projects. Receivables (current and noncurrent net) increased by 13% or ₱567 million due substantially to higher level of installment contracts receivables.

Subdivision land, condominium and residential units for sale grew by 9% due to higher level of capital expenditures for new and ongoing projects under the Residential division while other current assets rose by 37% due to restricted cash held in escrow for the acquisition of several land properties amounting to ₱930 million.

Investment Properties and Property and Equipment increased by 14% and 13%, respectively, due to acquisition of several land properties both for residential and commercial development. The completion of construction of Robinsons Place Iloilo expansion during the fiscal year and ongoing mall constructions at Robinsons Maxilom, Robinsons Malolos, Robinsons Butuan, Robinsons Roxas, Robinsons Malabon and Robinsons Santiago contributed to the increase.

Loans Payable (current and noncurrent) decreased due to payment of ₱2 billion bonds that matured in June 2013. Deposits (current and noncurrent) and Other liabilities went up by 4% to ₱6.15 billion due to higher level of deposits from lessees of newly opened malls and higher deposits from real estate buyers.

Equity attributable to equity of the Parent Company as of September 30, 2013 stood at ₱49.17 billion, up by 6% from ₱46.28 billion last year due to the earnings during the year of ₱4.48 billion net of payment of dividends of ₱1.47 billion.

A summary of RLC's key performance indicators follows:

	2013	2012
Gross revenues	₱15.90 billion	₱13.52 billion
EBIT	5.98 billion	5.24 billion
EBITDA	8.44 billion	7.32 billion
Net income	4.48 billion	4.25 billion
Earnings per share	1.09	1.04
Net book value per share	12.01	11.30
Current ratio	0.95:1	2.55:1
Debt-to-equity ratio	0.26:1	0.26:1
Interest coverage ratio	6.15:1	4.44:1
Asset to equity ratio	1.52:1	1.52:1
Operating margin ratio	0.38:1	0.39:1

Capital expenditures for the fiscal year ended September 30, 2013 amounted to ₱13.2 billion. Funding for the capital expenditures was sourced from proceeds of stock rights offering and internally generated funds.

Item 10. Trends, Events or Uncertainties that have had or that are reasonably expected to affect revenues and income

a.) The Company derives substantially all of its revenue and operating profits from its property investment and development activities in the Philippines. Demand for, and prevailing prices of, shopping mall and office leases, and the performance of the Philippine hotel business are directly related to the strength of the Philippine economy and the overall levels of business activity in the Philippines.

The performance of RLC's businesses could be affected by a number of factors, including, national and international economic climate, trends in the retail industry, changes in laws and governmental regulations in relation to real estate, competition, changes in market rental rates, among others.

Considerable economic and political uncertainties currently exist in the Philippines that could have adverse effects on consumer spending habits, construction costs, availability of labor and materials and other factors affecting the Company and its businesses. Significant expenditures associated with investment in real estate, such as real estate taxes, maintenance costs and debt payments, generally cannot be correspondingly reduced if changes in the Philippine property market or the Philippine economy cause a decrease in revenues from the Company's properties.

RLC believes that one of its competitive strengths is that it has, over the years, developed a reputation for the quality of its projects and amenities, reliability in delivering projects on time, its convenient locations and affordability of its projects.

b.) 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

c.) All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entries or other persons created during the reporting period.

Not Applicable

Item 11. Financial Statements

The consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules (page 73) are filed as part of this Form 17-A (pages 77 to **Error! Reference source not found.Error! Reference source not found.Error! Reference source not found.Error! Reference source not found.**169).

Item 12. Information on Independent Accountant and Other Related Matters

a) External Audit Fees and Services

Audit and Audit-Related Fees

The table below sets forth the aggregate fees billed to the Company for each of the last two years for professional services rendered by Sycip, Gorres Velayo & Co. :

Name	2015	2014
Audit and Audit-Related Fees		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	**₱ 3,657,498**	₱ 3,474,430
All Other Fees	**2,967,000**	4,400,000
TOTAL	**₱ 6,624,498**	₱ 7,874,430

No other service was provided by external auditors to the Company for the fiscal years 2015 and 2014.

b) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 13. Security Ownership of Certain Record and Beneficial Owners and Management

a) Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2015, the Corporation knows no one who beneficially owns in excess of 5% of the Corporation's common stock except as set forth in the table below.

Title of Class	Name and addresses of record owners and relationship with the Corporation	Names of beneficial owner and relationship with record owner	Citizenship	No. of shares held	% to Total Outstanding
Common	JG Summit Holdings, Inc. [1] 43/F Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City (stockholder)	Same as record owner (see note 1)	Filipino	2,496,114,787	60.97%
Common	PCD Nominee Corporation [2] (Non-Filipino) 37/F Tower I, The Enterprise Center 6766 Ayala Ave. corner Paseo de Roxas, Makati City (stockholder)	PCD Participants and their clients (see note 2)	Non-Filipino	1,100,716,600	26.89%
Common	PCD Nominee Corporation (Filipino) 37/F Tower I, The Enterprise Center 6766 Ayala Ave. corner Paseo de Roxas, Makati City (stockholder)	PCD Participants and their clients (see note 2)	Filipino	462,842,409	11.31%

Notes:

1 The Chairman and the President of JGSHI are both empowered under its by-laws to vote any and all shares owned by JGSHI, except as otherwise directed by its board of directors. The incumbent Chairman and Chief Executive Officer and President and Chief Operating Officer of JGSHI are Mr. James L. Go and Mr. Lance Y. Gokongwei, respectively.

2 PCD Nominee Corporation is the registered owner of the shares in the books of the Corporation's transfer agent. PCD Nominee Corporation is a corporation wholly owned by the Philippine Depository and Trust Corporation, Inc. (formerly the Philippine Central Depository) ("PDTC"), whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged in the PDTC. PDTC is a private corporation organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. Under the current PDTC system, only participants (brokers and custodians) will be recognized by PDTC as the beneficial owners of the lodged shares. Each beneficial owner of shares through his participants will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. Out of the PCD Nominee Corporation account, "Deutsche Bank Manila - Clients" and "The Hongkong and Shanghai Banking Corp. Ltd. - Clients Account" - (Non-Filipino) holds for various trust accounts the following shares of the Corporation as of December 31, 2015:

	No. of shares held	**% to total outstanding**
Deutsche Bank Manila-Clients	504,707,657	12.33%
The Hongkong and Shanghai Banking Corp. Ltd. - Clients Acct.	408,764,631	9.98%

b) Security Ownership Of Management as of December 31, 2015

Title of Class	Name of beneficial Owner	Position	Amount & nature of beneficial ownership	Citizenship	% to Total Outstanding
A. Executive Officers (see note 1)					
Common	1. John L. Gokongwei, Jr.	Director, Chairman Emeritus	14,119,081 (see note 2)	Filipino	0.35%
Common	2. James L. Go	Director, Chairman	1,685,994	Filipino	0.04%
Common	3. Lance Y. Gokongwei	Director, Vice Chairman and Chief Executive Officer	804,001	Filipino	0.02%
Common	4. Frederick D. Go	Director, President & COO	500,001	Filipino	0.01%
Common	5. Arlene G. Magtibay	General Manager	0		*
	Sub-Total		17,109,077		0.42%
B. Other Directors, Executive Officers and Nominees					
Common	6. Patrick Henry C. Go	Director	10,000	Filipino	*
Common	7. Robina Y. Gokongwei-Pe	Director	540,000	Filipino	0.01%
Common	8. Johnson Robert G. Go, Jr.	Director	1	Filipino	*
Common	9. Artemio V. Panganiban	Director (Independent)	50,001	Filipino	*
Common	10. Roberto F. de Ocampo	Director (Independent)	1	Filipino	*
Common	11. Emmanuel C. Rojas, Jr.	Director (Independent)	901	Filipino	*
Common	12. Omar Byron T. Mier	Director (Independent)	1	Filipino	*
	Subtotal		600,905		0.01%
C. All directors and executive officers as a group unnamed			17,709,982		0.43%

Notes:

[1] As defined under Part IV (B)(1)(b) of SRC Rule 12, the "named executive officers" to be listed refer to the Chief Executive Officer and those that are the four (4) most highly compensated executive officers as of December 31, 2015

[2] Sum of shares in the name of "John Gokongwei, Jr." for 8,124,721, "John L. Gokongwei, Jr." for 300,000 and "Elizabeth Y. Gokongwei and/or John Gokongwei" for 988,000 and shares equivalent to 4,706,360 which were subscribed and paid for under the rights offering of the Corporation and are currently lodged under PDTC.

* less than 0.01%

c) Voting Trust Holder of 5% or more - as of December 31, 2015

There are no persons holding more than 5% of a class under a voting trust or similar agreement.

d) Changes in Control

There has been no change in control of the Company since December 31, 2015.

PART III- CONTROL AND COMPENSATION INFORMATION

Item 14. Directors and Executive Officers of the Registrant

The overall management and supervision of the Company is undertaken by the Board of Directors. The Company's executive officers and management team cooperate with the Board of Directors by preparing appropriate information and documents concerning business operations, financial condition and results of operations of the Company for its review. Currently, the Board of Directors of the Company consists of ten members, of which three are independent directors.

The table below sets forth Board of Directors and Executive Officers of the Company as of December 31, 2015:

Name	Age	Position	Citizenship
John L. Gokongwei, Jr.	89	Director, Chairman Emeritus	Filipino
James L. Go	76	Director, Chairman	Filipino
Lance Y. Gokongwei......................	48	Director, Vice Chairman & Chief Executive Officer	Filipino
Frederick D. Go	46	Director, President & Chief Operating Officer	Filipino
Patrick Henry C. Go	45	Director	Filipino
Johnson Robert G. Go, Jr.	50	Director	Filipino
Robina Y. Gokongwei-Pe	54	Director	Filipino
Artemio V. Panganiban	78	Director (Independent)	Filipino
Roberto F. de Ocampo.	69	Director (Independent)	Filipino
Emmanuel C. Rojas, Jr.	79	Director (Independent)	Filipino
Omar Byron T. Mier……………	70	Director (Independent)	Filipino
Faraday D. Go………………….	39	General Manager	Filipino
Arlene G. Magtibay.......................	52	General Manager	Filipino
Corazon L. Ang Ley……………	48	General Manager	Filipino
Elizabeth Kristine D. Gregorio..	43	General Manager	Filipino
Ma. Socorro Isabelle V. Aragon-Gobio…………………..	42	Senior Vice President	Filipino
Constante T. Santos…………..	67	Senior Vice President	Filipino
Bach Johann M. Sebastian……	54	Senior Vice President	Filipino
Cecilia M. Pascual ……….…...	56	Vice President	Filipino
Emmanuel G. Arce……………..	57	Vice President	Filipino
Constantino C. Felipe………….	52	Vice President	Filipino

Name	Age	Position	Citizenship
Kerwin Max S. Tan........................	45	Vice President – Treasurer	Filipino
Mary Maylanie L. Precilla.........	41	Vice President	Filipino
Honorio Almeida, Jr..................	57	Vice President	Filipino
Lourdes T. Alano………………	53	Vice President	Filipino
Catalina M. Sanchez…………..	36	Vice President	Filipino
Anna Kathrina B. Cipriano…….	39	Vice President	Filipino
Rosalinda F. Rivera........................	45	Corporate Secretary	Filipino

The above directors and officers have served their respective offices since April 29, 2015, except for Mr. Omar Byron T. Mier who was elected as a director last August 13, 2015. The independent directors of the Company are Roberto F. de Ocampo, Emmanuel C. Rojas Jr., Retired Chief Justice Artemio V. Panganiban and Omar Byron T. Mier.

A brief description of the directors and executive officers' business experience and other directorships held in other reporting companies are provided as follows:

a) Directors' and Key Officers' Experience

John L. Gokongwei, Jr., 89, founded RLC in 1980 and has been the Chairman Emeritus of RLC effective January 1, 2002. He continues to be a member of RLC's Board and is the Chairman Emeritus of JG Summit Holdings, Inc. and certain of its subsidiaries. He also continues to be a member of the Executive Committee of JG Summit Holdings, Inc. He is currently the Chairman of the Gokongwei Brothers Foundation, Inc., Chairman and Chief Executive Officer of Robinsons Retail Holdings, Inc., Deputy Chairman and Director of United Industrial Corporation Limited and a director of Cebu Air, Inc. and Oriental Petroleum and Minerals Corporation. He was elected a director of Manila Electric Company on March 31, 2014. He is also a non-executive director of A. Soriano Corporation. Mr. Gokongwei received a Masters degree in Business Administration from the De La Salle University and attended the Advanced Management Program at Harvard Business School.

James L. Go, 76, is the Chairman of RLC. He is currently the Chairman and Chief Executive Officer of JG Summit Holdings, Inc. and Oriental Petroleum and Minerals Corporation. He is the Chairman of Universal Robina Corporation, JG Summit Petrochemical Corporation, and JG Summit Olefins Corporation. He is the Vice Chairman and Deputy Chief Executive Officer of Robinsons Retail Holdings, Inc. and a director of Cebu Air, Inc., Marina Center Holdings Private Limited, United Industrial Corporation Limited and Hotel Marina City Private Limited. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a director of the Philippine Long Distance Telephone Company (PLDT) since November 3, 2011. He is a member of the Technology Strategy Committee and Advisor of the Audit Committee of the Board of Directors of PLDT. He was elected a director of Manila Electric Company on December 16, 2013. Mr. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA. Mr. James L. Go is a brother of Mr. John L. Gokongwei, Jr.

Lance Y. Gokongwei, 48, is the Vice-Chairman and Chief Executive Officer of RLC. He is the President and Chief Operating Officer of JG Summit Holdings, Inc., President and Chief Executive Officer of Universal Robina Corporation, Cebu Air, Inc., JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is the Chairman of Robinsons Bank Corporation, Vice Chairman of Robinsons Retail Holdings, Inc., and a director of Oriental Petroleum and Minerals Corporation, and United Industrial Corporation Limited. He is a director and Vice Chairman of Manila Electric Company. He is also a trustee and secretary of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania. Mr. Lance Y. Gokongwei is the son of Mr. John L. Gokongwei, Jr.

Frederick D. Go, 46, is the President and Chief Operating Officer of RLC. He has been a director of the Company since May 6, 1999 and was elected President and Chief Operating Officer effective August 28, 2006. He is also the President and Chief Operating Officer of Robinsons Recreation Corporation. He is the Group General Manager of Shanghai Ding Feng Real Estate Development Company Limited, Xiamen Pacific Estate Investment Company Limited, Chengdu Ding Feng Real Estate Development Company Limited, and Taicang Ding Feng Real Estate Development Company Limited. He also serves as a director of Universal Robina Corporation, Cebu Air, Inc., JG Summit Petrochemical Corporation, Robinsons Bank Corporation, and Cebu Light Industrial Park. He is also the Chairman of the Philippine Retailers Association. He received a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University. Mr. Frederick D. Go is a nephew of Mr. John L. Gokongwei, Jr.

Patrick Henry C. Go, 45, was elected as a director of RLC on January 17, 2000. He is also a Vice President of URC and is the Executive Vice President and Senior Managing Director of JG Summit Petrochemical Corporation, URC Packaging Division, CFC Flexible Packaging Division and JG Summit Olefins Corporation. He is also a director of JG Summit Holdings, Inc., Robinsons Land Corporation, and Robinsons Bank Corporation. He is a trustee and treasurer of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science degree in Management from the Ateneo de Manila University and attended the General Manager Program at Harvard Business School. Mr. Patrick Henry C. Go is a nephew of Mr. John L. Gokongwei, Jr.

Johnson Robert G. Go, Jr., 50, was elected as a director of RLC on May 29, 2005. He is currently a director of JG Summit Holdings, Inc., Universal Robina Corporation, and Robinsons Bank Corporation. He is also a trustee of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Arts degree in Interdisciplinary Studies (Liberal Arts) from the Ateneo de Manila University. He is a nephew of Mr. John L. Gokongwei, Jr.

Robina Gokongwei-Pe, 54**,** was elected as a director of RLC on May 5, 2005. She is also a director of JG Summit Holdings, Inc., Cebu Air, Inc., Robinsons Bank Corporation and JG Summit Capital Markets Corporation. She is currently the President and Chief Operating Officer of the Robinsons Retail Holdings, Inc. consisting of Robinsons Supermarket, Robinsons Department Store, Handyman, True Value, Robinsons Builders, Robinsons Specialty Stores, Robinsons Appliances, Toys R Us, Daiso Japan, Ministop and South Star Drug. She obtained her Bachelor of Arts degree in Journalism from the New York University. She is a daughter of Mr. John L. Gokongwei, Jr.

Artemio V. Panganiban, 78**,** was elected as an independent director of RLC on May 14, 2008. He is concurrently an adviser, consultant and/or independent director of several business, civic, non-government and religious groups. He also writes a regular column in the Philippine Daily Inquirer. He was formerly the Chief Justice of the Philippines and concurrently Chairperson of the Presidential Electoral Tribunal, the Judicial and Bar Council and the Philippine Judicial Academy. Prior to becoming Chief Justice, he was Justice of the Supreme Court of the Philippines (1995-2005), Chairperson of the Third Division of the Supreme Court (2004-2005), Chairperson of the House of Representatives Electoral Tribunal (2004-2005), Consultant of the Judicial and Bar Council (2004-2005) and Chairperson of eight Supreme Court Committees (1998-2005). He authored over ten (10) books. Retired Chief Justice Panganiban obtained his Bachelor of Laws degree, cum laude, from the Far Eastern University and placed 6th in the 1960 bar examination. He was conferred the title Doctor of Laws (Honoris Causa) by the University of Iloilo in 1997, the Far Eastern University in 2002, the University of Cebu in 2006, the Angeles University in 2006, and the Bulacan State University in 2006.

Roberto F. de Ocampo, 69, was elected as an independent director of RLC on May 28, 2003. He is the former President of the Asian Institute of Management (AIM), one of Asia’s leading international business management graduate schools based in the Philippines. He is among others, currently the Chairman of the Philippine Veterans Bank, and is Chairman of the Board of Advisors of the RFO Center for Public Finance and Regional Economic Cooperation (an ADB Regional Knowledge Hub), and Chairman, Board of Advisors of the AIM Conference Center. He served as Secretary of Finance of the Republic of the Philippines from 1994-1998 during the presidency of Fidel V. Ramos and was named Finance Minister of the year in 1995, 1996, and 1997. He was previously Chairman and Chief Executive Officer of the Development Bank of the Philippines during the presidency of Cory Aquino. Dr. de Ocampo graduated from De La Salle College and Ateneo University in Manila, received an MBA from the University of Michigan, holds a post-graduate diploma from the London School of Economics, and has four doctorate degrees (Honoris Causa) by the De La Salle University in Business Administration, by the University of Angeles City in Public Administration, by the Philippine Women's University in Laws, and by the San Beda College in Humane Letters. Dr. de Ocampo was a member of the Board Governors of the World Bank, IMF, and ADB and was Chairman of the APEC and ASEAN Finance Ministers in 1997-98. He was awarded by Queen Elizabeth the Order of the British Empire (OBE) and by France as a Chevalier (Knight) of the Legion d'Honneur. He is the recipient of many international awards including Honorary Officer of the Most Excellent Order of the British Empire, Finance Minister of the Year, Philippine Legion of Honor, ADFIAP Man of the Year, Chevalier of the Legion of Honor of France, Ten Outstanding Young Men Award, several Who's Who Awards and the 2006 Asian HRD Award for Outstanding Contribution to Society. He is also a member /Advisory Board Member of a number of important global institutions including The Conference Board, the Trilateral Commission, the BOAO Forum for Asia and the Emerging Markets Forum.

Emmanuel C. Rojas, Jr., 79, was elected as a director of RLC on September 28, 2005 and is presently an independent director of the Company. He had been a Consultant and Corporate Secretary of RLC until May 27, 2003. Mr. Rojas is presently an independent director of Unicon Insurance Brokers Corporation. He was also a Consultant and Corporate Secretary of JG Summit Holdings, Inc., Universal Robina Corporation, CFC Corporation, and JG Summit Petrochemical Corporation. Mr. Rojas retired from his position as First Vice President for Tax Administration under the compulsory retirement policy of the Company upon reaching the age of 60. He also served in various other head positions in administration, audit, controllership and treasurership for the various companies in the Group. A Certified Public Accountant, Mr. Rojas practiced with Fleming and Williamson and SGV & Co. prior to joining the Group in 1962.

Omar Byron T. Mier, 70, was appointed as an Indpendent Director of RLC on August 13, 2015. He is also a Director of Robinsons Bank Corporation and Legaspi Savings Bank. Prior to joining RLC, he was the President and CEO of Philippine National Bank from 2005-2010 then from 2012 to 2014. He also worked at Deutsche Bank Manila as Deputy General Manager and Head of the Corporate Banking Group. He also worked for Citibank Manila in various positions such as Head of the Multinational Corporations Group, Head of the Local Corporate Group, Head of the Risk Management Group, Headed the Remedial Management Group, and Senior Credit Officer. He was also a Senior Credit Officer at Citibank Malaysia (for both Kuala Lumpur and Penang branch). He is a lecturer for credit and corporate finance at the Citibank Training Center in Singapore, and Risk Asset and Credit Reviewer for various branches in Malaysia, South Korea, Indonesia, Thailand, and Hongkong. He obtained his degrees in Bachelor of Science in Business Administration, Major in Accounting, Bachelor of Arts in Economics, and Master of Arts in Economics from the University of the Philippines. He is a Certified Public Accountant.

Faraday D. Go, 39, was appointed as Business Unit General Manager of Robinsons Land Corporation's Office Buildings Division effective 01 February 2014. Prior to joining RLC, he was Vice President of the Retail Management and Corporate Sales Division of Digitel Mobile Philippines, Inc. He has over fifteen years experience in the following businesses: Apo Cement, JG Summit Petrochemical Corporation and Digitel Mobile Philippines, Inc. He received a Bachelor of Science degree in Management (Minor in Finance) from the Ateneo de Manila University in 1998. Mr. Faraday D. Go is a nephew of Mr. John L. Gokongwei, Jr.

Arlene G. Magtibay, 52, is the General Manager of the Commercial Centers Division of Robinsons Land Corporation. She has 25 years' experience in the planning, development and management of shopping centers. Prior to joining the Company, she was a Director and Senior Vice President at Landco Pacific Corporation where she held the position of SBU Head for Shopping Centers and CBDs. She earned her Bachelor of Science degree in Business Economics, cum laude, from the University of the Philippines, and obtained her Masters in Business Management, with distinction, from the Asian Institute of Management.

Corazon L. Ang Ley, 48**,** She's been with the group over 20 years and has been assigned to various functions and offices within the RLC, including a five-year stint as a BU-GM in China. She takes over the management of Robinsons Homes from Joan Cosico. She's a graduate of Tourism from University of the Philippines - Asian Institute of Tourism in 1987.

Elizabeth Kristine D. Gregorio, 43, was appointed as General Manager of Robinsons Hotels and Resorts on January 1, 2014. She has been with Robinsons Land Corporation since October 1, 1993 and has served in various capacities, particularly as Purchasing Manager, Quality Assurance Manager of Big R Supercenters, and Assistant to the

President of Robinsons Recreation Corporation. She received a Bachelor of Science degree in Management from Ateneo de Manila University and her Masters in Business Administration from De La Salle University.

Ma. Soccorro Isabelle V. Aragon-Gobio, 42, was appointed as Senior Vice President for Robinsons Luxuria, Residences, Communities and Right Homes effective January 1, 2014. She has been with RLC for 22 years and is concurrently director of Manhattan Building Management Corporation and the Chairman of various condominium corporations of the Company's projects. She received a degree in Bachelor of Science in Management Engineering with a minor in International Business from the Ateneo de Manila University.

Constante T. Santos, 67, is the Senior Vice President — Corporate Controller of RLC. He is also Senior Vice President — Corporate Controller of JG Summit Holdings, Inc. and Universal Robina Corporation. Prior to joining RLC in 1986, he practiced public accounting with SyCip, Gorres, Velayo & Co. in the Philippines and Ernst & Whinney in the United States. He is a member of the Philippine Institute of Certified Public Accountants. Mr. Santos received his Bachelor of Science degree in Business Administration from the University of the East and attended the Management Development Program at the Asian Institute of Management.

Bach Johann M. Sebastian, 54, is Senior Vice President and Chief Strategy Officer of RLC. He is also the Senior Vice President and Chief Strategy Officer of JG Summit Holdings, Inc., Universal Robina Corporation, Cebu Air, Inc., and Robinsons Retail Holdings, Inc. Prior to joining RLC in 2002, he was Senior Vice President and Chief Corporate Strategist at RFM Corporation, Swift Foods Inc., Selecta Dairy Products Inc., Cosmos Bottling Corporation, and PSI Technologies Inc. Between 1981 and 1991, he was with the Department of Trade and Industry as Chief of Economic Research, and Director of Operational Planning. He received a Bachelor of Arts in Economics from the University of the Philippines in 1981 and a Master in Business Administration degree from the Asian Institute of Management in 1986.

Cecilia M. Pascual, 56, is the Vice President – Group Controller of RLC. Concurrently, she handles Altus San Nicolas Corp., Altus Angeles, Inc., and Manhattan Building Management Corp.. Prior to joining RLC, she held head positions in audit and finance in Robinsons Retail Group, CFC-Keebler, Inc. and Wenphil Corp. among others. A Certified Public Accountant, Ms. Pascual practiced public accounting with SGV & Co.

Emmanuel G. Arce, 57, is the Vice President for Project Management Department effective June 2007. He started in RLC on August 2004 as Project Director then Assistant Vice President. Prior to joining RLC in 2004, he was the Estate Manager of the Bonifacio Estate Service Corporation, General Manager of Capstone Builders Corporation, Assistant Vice President of Cebu Light Industrial Park and Investment Capital Corporation of the Philippines (ICCP land Management Inc.) and Vice President of Gateway Property Holdings Inc. He received a Bachelor of Science in Civil Engineering from the Far Eastern University.

Constantino Felipe, 52, is the Vice President/Group Head for Human Resources. Prior to joining RLC, he handled various HR roles within the Philippines and Asia Pacific. He is experienced in team and change management process, employee counseling and training program development. He received a bachelor degree in Psychology from the University of the Philippines and was trained in competency based assessments with Egon Zehnder International and Watson Wyatt.

Kerwin Max S. Tan, 45, is the Vice President and Treasurer of Robinsons Land Corporation . Previously, he was appointed as the Vice President and Deputy Treasurer of Robinsons Land Corporation on January 2014. Before this assignment, he was the Vice President for Operations of Robinsons Luxuria, Robinsons Residences and Robinsons Communities effective March 1, 2007. Prior to working in RLC, he worked in various divisions of Citibank N.A. for nine years. His last position at Citibank N.A. was Assistant Vice President and Head of Cash Management Operations. He received a degree in Bachelor of Science in Industrial Engineering from the University of the Philippines, Diliman.

Mary Maylanie L. Precilla, 41, is the Vice President for Sales and Marketing for Robinsons Residences and Luxuria effective November 1, 2011. Prior to joining RLC in April 2011, she was with SM Land Inc. where she was Vice President, Sales and Marketing Head of Costa Hamilo Inc. and Highlands Prime Inc. and Marketing Head of the Commercial Properties Group. She graduated cum laude and received a Bachelor of Arts major in Communication Arts from the University of Sto. Tomas.

***Honorio Almeida, Jr.*,** 57**,** is the Vice President of Construction Planning and Projects Department for Robinsons Homes of RLC effective October 2010. He was formerly the Assistant Vice President for Construction Department. He started his professional career with the Local Water Utilities Administration (LWUA) as Resident Engineer supervising the construction of various Water Supply System Projects for different Water Districts nationwide. Prior to working in RLC, he was the Executive Vice President of MRI Construction Inc., a subsidiary of the Moldex Group of Companies. He received a degree in Bachelor of Science in Civil Engineering from the University of Sto. Tomas.

Lourdes T. Alano, 53, was appointed as Vice-President for Lease under the Commercial Centers Division of Robinsons Land on May 1, 2010. She launched her career in Lease Management when she joined Robinsons Land in 1989. She moved to the Filinvest Group of Companies in 1996, as Leasing Manager to oversee the leasing of Festival Supermall and Westgate. In 2002, she rejoined RLC as Tenant Mix Director. She completed her Bachelor's Degree in Hotel and Restaurant Management with distinction (magna cum laude) from the University of the Philippines, and holds a Masters in Business Administration degree from the same university.

Catalina Mallari-Sanchez, 36, was appointed as Vice President for Business Development and Marketing for Office Buildings Division. She is also a member of the Investor Relations team of RLC. She has over 15 years of experience in the real estate industry particularly in the residential and office segments. She holds a degree in Bachelor of Science in Economics minor in Communication Research from University of the Philippines, Diliman.

Anna Kathrina B. Cipriano, 38, was appointed as Vice President, Business Development for Robinsons Luxuria effective January 1, 2014. She concurrently heads Business Development for the Robinsons Residences brand and serves as Director and Vice President of various condominium corporations of RLC projects. She has been with the Company for 7 years out of her 11 year career with the JG Summit Group, having also held roles in JG Summit Holdings, Inc. and Sun Cellular. She received a Bachelor of Science degree in Management from the Ateneo de Manila University and her Masters in Business Management from the Asian Institute of Management.

Rosalinda F. Rivera, 45, was appointed Corporate Secretary of RLC on May 28, 2003 and has been Assistant Corporate Secretary since May 2002. She is also the Corporate Secretary of JG Summit Holdings, Inc., Universal Robina Corporation, Cebu Air, Inc., Robinsons Retail Holdings, Inc. and JG Summit Petrochemical Corporation. Prior to joining the Company, she was a Senior Associate in Puno and Puno Law Offices. She received a degree of Juris Doctor from the Ateneo de Manila University School of Law and a Masters of Law in International Banking from the Boston University School of Law.

b) Involvement In Certain Legal Proceedings of Directors and Executive Officers

None of the members of RLC's Board nor its executive officers are involved in any criminal, bankruptcy or insolvency investigations or proceedings for the past five (5) years.

c) Family Relationships

James L. Go is the brother of John Gokongwei, Jr.
Lance Y. Gokongwei is the son of John Gokongwei, Jr.
Frederick D. Go is the nephew of John Gokongwei, Jr.
Patrick Henry C. Go is the nephew of John Gokongwei, Jr.
Johnson Robert G. Go, Jr. is the nephew of John Gokongwei, Jr.
Robina Y. Gokongwei-Pe is the daughter of John Gokongwei, Jr.
Faraday D. Go, Jr. is the nephew of John Gokongwei, Jr.

Item 15. Executive Compensation

a) Summary Compensation Table

The following table identify RLC's Chief Executive Officer and the four most highly compensated executive officers and summarizes their aggregate compensation for the two most recent fiscal years.

		Fiscal Year 2015			
		Salary	*Bonus*	**Others*	*Total*
A. CEO and four most highly compensated executive officers		P 33,226,450	P 2,000,000	P 307,500	P 35,533,950
Name	*Position*				
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D. Go	Director, President & Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and directors as a group unnamed		P 69,479,474	P 3,000,000	P 405,000	P 72,884,474

		Fiscal Year 2014			
		Salary	*Bonus*	**Others*	*Total*
A. CEO and four most highly compensated executive officers		P 31,206,832	P 1,200,000	P 205,000	P 32,611,832
Name	*Position*				
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D. Go	Director, President & Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and directors as a group unnamed		P 62,974,985	P 1,800,000	P 265,000	P 65,039,985

** Per diem*

The following table lists the name of the Company's Chief Executive Officer and the four most highly compensated executive officers and summarized their aggregate compensation for the ensuing year:

		Estimated FY 2016			
		Salary	*Bonus*	**Others*	*Total*
A. CEO and four (4) most highly compensated executive officers		P 35,403,924	P 2,000,000	P 307,500	P 37,711,424
Name	*Position*				
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D.Go	Director, President & Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and directors as a group unnamed		P 73,104,246	P 3,000,000	P 405,000	P 76,509,246 **

** Per diem*
*** Estimated*

b) Standard Arrangement

Other than payment of reasonable per diem, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as director for the last completed fiscal year and the ensuing year.

c) Other Arrangement

There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the Company's last completed fiscal year, and the ensuing year, for any service provided as a director.

d) Any employment contract between the company and named executive officer

There are no special employment contracts between the registrant and the named executive officers.

e) Warrants and Options Outstanding

There are no outstanding warrants or options held by the Company's CEO, the named executive officers, and all officers and directors as a Group.

Item 16. Certain Relationships And Related Party Transactions

RLC is a member of the JG Summit Group. The JG Summit Group comprise JG Summit and its subsidiaries. As of September 30, 2015, JG Summit and other companies within the JG Summit Group held 60.97% of the outstanding shares of the Company. JG Summit was incorporated in November 1990 as the holding company for a group of companies with diverse interests in branded consumer foods, agro-industrial and commodity food products, textile, telecommunications, petrochemicals, air transportation and financial services.

RLC and its subsidiaries, in their ordinary course of business, engage in transactions with companies in the JG Summit Group and other companies controlled by the Gokongwei Family. The most significant of these transactions include tenancy by various retail-related companies controlled by the Gokongwei Family in RLC's shopping malls as well as substantial intercompany loans. RLC's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

The Company's major related party transactions include leases of significant portions of its commercial centers and office buildings to companies controlled by the Gokongwei Family, including Robinsons Department Store, Robinsons Supermarket and Handyman Do-It-Best. Other affiliates from whom RLC earns rental income include Top Shop, Robinsons Bank and Cebu Pacific. Rental income paid to RLC by affiliates amounted to ₱1.877 billion, ₱1.630 billion and ₱1.472 billion for fiscal years 2015, 2014 and 2013, respectively.

RLC and its subsidiaries also maintain savings and current accounts and time deposits with Robinsons Bank (formerly Robinsons Savings Bank), an affiliated local commercial bank. These balances amounted to ₱692 million, ₱617 million and ₱451 million as of September 30, 2015, 2014 and 2013, respectively.

In addition to the foregoing transactions, JG Summit also provides RLC with certain corporate services including debt management, corporate finance, corporate planning, procurement, human resources, controller and treasury services, legal and corporate communications. For further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to affiliated companies, see Note 20 to the Company's financial statements as of and for the fiscal years ended September 30, 2015, 2014 and 2013.

ROBINSONS LAND
CORPORATION

LEVEL 2, GALLERIA CORPORATE CENTER, EDSA CORNER ORTIGAS AVENUE, QUEZON CITY, PHILIPPINES
TELEPHONE NUMBER: +63.2.3971888 FAX NUMBER: +63.2.3970152.FAX

January 8, 2016

Securities and Exchange Commission
SEC Building, EDSA, Greenhills
Mandaluyong City

The management of Robinsons Land Corporation and Subsidiaries is responsible for the preparation and fair presentation of the consolidated financial statements for the year(s) ended September 30, 2015, 2014 and 2013, including the additional components attached herein, in accordance with the prescribed financial reporting framework indicated therein. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of consolidated 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 financial statements and submits the same to the stockholders or members.

Sycip, Gorres, Velayo and Co. (SGV), the independent auditors, appointed by the stockholders has examined the consolidated financial statements of the company in accordance the 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.

James L. Go
Chairman

Lance Y. Gokongwei
Vice Chairman and Chief Executive Officer

Constante T. Santos
SVP – Corporate Controller

Signed this JAN 12 2016 day of ______.

ATTY. BENJAMIN F. ALFONSO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2016
PTR NO. 2147797 1/4/2016 - QUEZON CITY
IBP NO. 1015954 1/4/2016 - QUEZON CITY
ROLL NO. 13296
COMMISSION NO. NP-144 (2015-2016) QUEZON CITY
TIN NO. 177-967-619
MCLE EXEMPTED

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Series of 2016

SGV
Building a better working world

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ey.com/ph

BOA/PRC Reg. No. 0001,
December 14, 2015, valid until December 31, 2018
SEC Accreditation No. 0012-FR-4 (Group A),
November 10, 2015, valid until November 9, 2018

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Robinsons Land Corporation
Level 2, Galleria Corporate Center
EDSA corner Ortigas Avenue, Quezon City, Metro Manila

We have audited the accompanying consolidated financial statements of Robinsons Land Corporation and its subsidiaries, which comprise the consolidated statements of financial position as at September 30, 2015 and 2014 and the consolidated statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended September 30, 2015, 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.

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Building a better working world

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Robinsons Land Corporation and its subsidiaries as at September 30, 2015 and 2014 and their financial performance and their cash flows for each of the three years in the period ended September 30, 2015, in accordance with Philippine Financial Reporting Standards.

SYCIP GORRES VELAYO & CO.

Cyril Jasmin B. Valencia

Cyril Jasmin B. Valencia
Partner
CPA Certificate No. 90787
SEC Accreditation No. 1229-AR-1 (Group A),
May 12, 2015, valid until May 11, 2018
Tax Identification No. 162-410-623
BIR Accreditation No. 08-001998-74-2015,
February 27, 2015, valid until February 26, 2018
PTR No. 5321703, January 4, 2016, Makati City

January 8, 2016

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30	
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7, 20, 31 and 32)	**₱1,192,954,018**	₱1,054,955,189
Receivables (Notes 5, 8, 20, 31 and 32)	**5,020,966,811**	3,983,874,197
Subdivision land, condominium and residential units for sale (Notes 5 and 9)	**15,474,711,341**	15,174,707,862
Other current assets (Notes 5, 10, 31 and 32)	**3,947,155,835**	3,157,760,954
Total Current Assets	**25,635,788,005**	23,371,298,202
Noncurrent Assets		
Noncurrent receivables (Notes 5, 8, 20, 31 and 32)	**2,708,934,759**	2,715,423,991
Investment properties (Notes 5 and 11)	**64,015,563,680**	54,855,468,262
Property and equipment (Notes 5 and 12)	**3,507,217,416**	3,121,744,886
Other noncurrent assets (Notes 5, 13, 31 and 32)	**3,200,637,142**	1,305,479,943
Total Noncurrent Assets	**73,432,352,997**	61,998,117,082
	₱99,068,141,002	₱85,369,415,284

LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Notes 16, 31 and 32)	**₱3,048,897,460**	₱8,101,450,000
Accounts payable and accrued expenses (Notes 14, 31 and 32)	**5,904,742,249**	5,661,547,834
Income tax payable	**695,427,560**	222,122,991
Deposits and other current liabilities (Notes 15, 20, 31 and 32)	**3,310,858,559**	2,601,624,799
Total Current Liabilities	**12,959,925,828**	16,586,745,624
Noncurrent Liabilities		
Loans payable (Notes 16, 31 and 32)	**21,833,056,539**	9,920,301,468
Deferred tax liabilities - net (Note 27)	**2,336,240,033**	1,974,212,221
Deposits and other noncurrent liabilities (Notes 17, 29, 31 and 32)	**5,144,338,426**	4,318,054,882
Total Noncurrent Liabilities	**29,313,634,998**	16,212,568,571
Total Liabilities	**42,273,560,826**	32,799,314,195
Equity		
Equity attributable to equity holders of the Parent Company		
Capital stock (Note 19)	**4,111,528,685**	4,111,528,685
Additional paid-in capital (Note 19)	**20,392,532,781**	20,392,532,781
Other equity reserve	**(87,597,873)**	(87,597,873)
Other comprehensive income		
Remeasurements of the net defined benefit liability - net of tax (Note 29)	**(76,401,362)**	(73,626,667)
Retained earnings (Note 18)		
Unappropriated	**15,541,979,334**	11,316,048,848
Appropriated	**17,000,000,000**	17,000,000,000
Treasury stock (Note 19)	**(221,834,657)**	(221,834,657)
	56,660,206,908	52,437,051,117
Non-controlling interest in consolidated subsidiaries	**134,373,268**	133,049,972
	56,794,580,176	52,570,101,089
	₱99,068,141,002	₱85,369,415,284

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended September 30		
	2015	2014	2013
REVENUE (Notes 6 and 21)			
Real Estate Operations			
Rental income (Notes 11 and 20)	**₱9,287,978,214**	₱7,956,129,097	₱7,417,282,135
Real estate sales	**6,313,458,917**	5,646,638,459	5,300,508,087
Amusement income	**1,531,671,101**	1,259,795,201	1,016,315,050
Others	**853,589,092**	654,864,078	673,589,978
	17,986,697,324	15,517,426,835	14,407,695,250
Hotel Operations	**1,745,849,675**	1,533,748,393	1,496,797,769
	19,732,546,999	17,051,175,228	15,904,493,019
COSTS (Notes 6 and 22)			
Real Estate Operations			
Cost of rental services	**3,444,107,903**	3,013,142,880	2,690,490,080
Cost of real estate sales (Note 9)	**3,207,254,788**	3,071,340,402	3,060,144,718
Cost of amusement services	**694,919,851**	575,239,755	485,315,516
Others	**489,023,816**	403,144,880	327,734,935
	7,835,306,358	7,062,867,917	6,563,685,249
Hotel Operations	**1,292,572,691**	1,174,094,303	1,156,363,383
	9,127,879,049	8,236,962,220	7,720,048,632
	10,604,667,950	8,814,213,008	8,184,444,387
GENERAL AND ADMINISTRATIVE EXPENSES (Notes 6 and 23)	**3,050,178,736**	2,572,474,729	2,202,226,146
OPERATING INCOME	**7,554,489,214**	6,241,738,279	5,982,218,241
OTHER INCOME (LOSSES)			
Interest income (Note 26)	**39,347,029**	14,634,631	113,397,276
Interest expense (Notes 16 and 26)	**(5,288,926)**	–	(14,097,197)
Mark to market loss on derivative assets (Note 31)	**–**	–	(90,143,152)
	34,058,103	14,634,631	9,156,927
INCOME BEFORE INCOME TAX	**7,588,547,317**	6,256,372,910	5,991,375,168
PROVISION FOR INCOME TAX (Note 27)	**1,887,514,489**	1,521,473,093	1,514,556,462
NET INCOME	**5,701,032,828**	4,734,899,817	4,476,818,706
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurements of the net defined benefit liability (Note 29)	**(3,963,850)**	7,159,184	(49,077,326)
Income tax effect	**1,189,155**	(2,147,755)	14,723,198
TOTAL COMPREHENSIVE INCOME	**₱5,698,258,133**	₱4,739,911,246	₱4,442,464,578
Net Income Attributable to:			
Equity holders of Parent Company	**₱5,699,709,532**	₱4,737,013,328	₱4,478,403,024
Non-controlling interest in consolidated subsidiaries	**1,323,296**	(2,113,511)	(1,584,318)
	₱5,701,032,828	₱4,734,899,817	₱4,476,818,706
Total Comprehensive Income Attributable to:			
Equity holders of Parent Company	**₱5,696,934,837**	₱4,742,024,757	₱4,444,048,896
Non-controlling interest in consolidated subsidiaries	**1,323,296**	(2,113,511)	(1,584,318)
	₱5,698,258,133	₱4,739,911,246	₱4,442,464,578
Basic/Diluted Earnings Per Share (Note 28)	**₱1.39**	₱1.16	₱1.09

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent Company							Attributable to Non-controlling Interest in Consolidated Subsidiaries	
	Capital Stock (Note 19)	Additional Paid-in Capital (Note 19)	Treasury Stock (Note 19)	Other Equity Reserve (Note 1)	Other Comprehensive Income (Note 29)	Unappropriated Retained Earnings (Notes 1 and 18)	Appropriated Retained Earnings (Note 18)		Total Equity
	For the Year Ended September 30, 2015								
Balances at beginning of year	**₱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**
Comprehensive income									
Net income	–	–	–	–	–	5,699,709,532	–	1,323,296	5,701,032,828
Other comprehensive income	–	–	–	–	(2,774,695)	–	–	–	(2,774,695)
Total comprehensive income	–	–	–	–	(2,774,695)	5,699,709,532	–	1,323,296	5,698,258,133
Reversal of appropriation (Note 18)	–	–	–	–	–	17,000,000,000	(17,000,000,000)	–	–
Appropriation (Note 18)	–	–	–	–	–	(17,000,000,000)	17,000,000,000	–	–
Cash dividends (Note 18)	–	–	–	–	–	(1,473,779,046)	–	–	(1,473,779,046)
Balances at end of year	**₱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**

	Attributable to Equity Holders of the Parent Company							Attributable to Non-controlling Interest in Consolidated Subsidiaries	
	Capital Stock (Note 19)	Additional Paid-in Capital (Note 19)	Treasury Stock (Note 19)	Other Equity Reserve (Note 1)	Other Comprehensive Income (Note 29)	Unappropriated Retained Earnings (Notes 1 and 18)	Appropriated Retained Earnings (Note 18)		Total Equity
	For the Year Ended September 30, 2014								
Balances at beginning of year	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱78,638,096)	₱13,852,814,566	₱11,200,000,000	₱135,163,483	₱49,303,968,889
Comprehensive income									
Net income	–	–	–	–	–	4,737,013,328	–	(2,113,511)	4,734,899,817
Other comprehensive income	–	–	–	–	5,011,429	–	–	–	5,011,429
Total comprehensive income	–	–	–	–	5,011,429	4,737,013,328	–	(2,113,511)	4,739,911,246
Reversal of appropriation (Note 18)	–	–	–	–	–	11,200,000,000	(11,200,000,000)	–	–
Appropriation (Note 18)	–	–	–	–	–	(17,000,000,000)	17,000,000,000	–	–
Cash dividends (Note 18)	–	–	–	–	–	(1,473,779,046)	–	–	(1,473,779,046)
Balances at end of year	₱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

	Capital Stock (Note 19)	Additional Paid-in Capital (Note 19)	Treasury Stock (Note 19)	Other Equity Reserve (Note 1)	Other Comprehensive Income (Note 29)	Unappropriated Retained Earnings (Notes 1 and 18)	Appropriated Retained Earnings (Note 18)	Attributable to Non-controlling Interest in Consolidated Subsidiaries	Total Equity
	Attributable to Equity Holders of the Parent Company								
	For the Year Ended September 30, 2013								
Balances at beginning of year	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	₱–	(₱44,283,968)	₱11,542,689,389	₱10,500,000,000	₱227,749,000	₱46,508,381,230
Comprehensive income									
Net income	–	–	–	–	–	4,478,403,024	–	(1,584,318)	4,476,818,706
Other comprehensive income	–	–	–	–	(34,354,128)	–	–	–	(34,354,128)
Total comprehensive income	–	–	–	–	(34,354,128)	4,478,403,024	–	(1,584,318)	4,442,464,578
Incorporation of a subsidiary (Note 1)	–	–	–	–	–	–	–	24,500,000	24,500,000
Reversal of appropriation (Note 18)	–	–	–	–	–	10,500,000,000	(10,500,000,000)	–	–
Appropriation (Note 18)	–	–	–	–	–	(11,200,000,000)	11,200,000,000	–	–
Acquisition of non-controlling interest	–	–	–	(87,597,873)	–	5,501,199	–	(115,501,199)	(197,597,873)
Cash dividends (Note 18)	–	–	–	–	–	(1,473,779,046)	–	–	(1,473,779,046)
Balances at end of year	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱78,638,096)	₱13,852,814,566	₱11,200,000,000	₱135,163,483	₱49,303,968,889

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended September 30		
	2015	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱7,588,547,317**	₱6,256,372,910	₱5,991,375,168
Adjustments for:			
Depreciation and amortization (Notes 11, 12, 22, and 24)	**3,150,437,260**	2,731,972,693	2,458,900,922
Accretion expense on security deposits (Notes 15 and 26)	**63,905,363**	78,279,804	58,504,429
Interest expense on loans payable (Note 26)	**5,288,926**	–	14,097,197
Loss on retirement of investment properties and property and equipment (Notes 11 and 12)	**12,750**	324,018,712	63,912,586
Mark to market loss on derivative assets (Note 31)	**–**	–	90,143,152
Provision for impairment losses (Notes 8 and 23)	**–**	–	167,188
Interest income (Notes 21 and 26)	**(580,755,622)**	(513,959,506)	(590,683,523)
Operating income before working capital changes	**10,227,435,994**	8,876,684,613	8,086,417,119
Decrease (increase) in:			
Receivables - trade	**(1,029,716,677)**	(1,647,765,560)	(589,125,031)
Subdivision land, condominium and residential units for sale	**(773,883,181)**	(1,393,081,568)	(1,028,462,520)
Prepaid expenses and value-added input tax	**(133,404,192)**	(636,849,482)	95,446,457
Other current assets	**(37,935,575)**	729,821,292	(460,757,709)
Increase (decrease) in:			
Accounts payable and accrued expenses and other noncurrent liabilities	**1,110,913,927**	985,452,905	10,254,307
Net pension liabilities	**36,669,861**	34,833,887	(43,509,466)
Customers' deposits	**685,769,144**	389,238,067	424,978
Cash generated from operations	**10,085,849,301**	7,338,334,154	6,070,688,135
Interest received from installment contract receivables (Notes 21 and 26)	**541,408,593**	499,324,875	477,286,247
Income tax paid	**(1,052,182,108)**	(1,246,860,762)	(857,331,961)
Net cash flows provided by operating activities	**9,575,075,786**	6,590,798,267	5,690,642,421
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received from cash and short-term investments	**39,275,826**	14,617,135	121,853,006
Decrease (increase) in:			
Receivables from affiliated companies (Notes 8 and 20)	**(815,502)**	(272,007)	13,332,804
Advances to suppliers and contractors (Notes 10 and 13)	**(1,517,400,009)**	(494,045,948)	(1,568,573)
Other noncurrent assets	**(1,539,044,096)**	(95,339,495)	(207,892,792)
Advances to lot owners	**475,054,329**	(395,611,155)	(375,800,497)
Additions to:			
Investment properties (inclusive of capitalized borrowing cost) (Notes 11and 35)	**(11,902,649,055)**	(9,045,673,756)	(8,428,831,615)
Property and equipment (Notes 12 and 35)	**(635,124,068)**	(587,097,540)	(673,566,135)
Cash received from noncontrolling interest for newly incorporated subsidiary	**–**	–	24,500,000
Purchase of noncontrolling interest (Note 1)	**–**	–	(197,597,873)
Net cash flows used in investing activities	**(15,080,702,575)**	(10,603,422,766)	(9,725,571,675)

(Forward)

	Years Ended September 30		
	2015	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES			
Availment of loans payable (Note 16)	**₱12,000,000,000**	₱10,000,000,000	₱–
Availment of short-term loans (Note 16)	**3,048,897,460**	8,101,450,000	2,678,400,000
Increase (decrease) in payable to affiliated companies and other liabilities (Note 15)	**211,582,612**	147,680,169	98,011,616
Interest paid and expensed out	**69,038,405**	(34,074,420)	(64,582,191)
Payments of loans payable (Note 16)	**–**	(10,000,000,000)	(2,000,000,000)
Payments of debt issue cost (Note 16)	**(111,924,327)**	(79,698,532)	–
Payments of cash dividends (Note 18)	**(1,472,518,532)**	(1,470,911,440)	(1,473,241,143)
Payments of short-term loans (Note 16)	**(8,101,450,000)**	(2,678,400,000)	–
Net cash flows provided by (used in) financing activities	**5,643,625,618**	3,986,045,777	(761,411,718)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**137,998,829**	(26,578,722)	(4,796,340,972)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,054,955,189**	1,081,533,911	5,877,874,883
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	**₱1,192,954,018**	₱1,054,955,189	₱1,081,533,911

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
NOTES TO 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 Altus San Nicolas Corp. (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.

The consolidated financial statements as of September 30, 2015 and 2014 and for each of the three years in the period ended September 30, 2015 were authorized for issue by the Parent Company’s Board of Directors (BOD) on January 8, 2016.

2. Basis of Preparation

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

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

Basis of Consolidation
The consolidated financial statements comprise the financial statements of the Group as of September 30, 2015 and 2014, and for each of the three years in the period ended September 30, 2015.

The consolidated financial statements are prepared for the same reporting year as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances.

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:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- 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:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- 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.

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.

Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions.

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 non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into 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 the 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 non-controlling 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 or 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

As of September 30, 2015, 2014 and 2013, the consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries:

	Country of Incorporation	Effective Percentage of Ownership
Robinson's Inn Inc.	Philippines	100%
Robinsons Realty and Management Corp.	Philippines	100%
Robinsons Properties Marketing and Management Corp.	Philippines	100%
Manhattan Buildings and Management Corp.	Phillippines	100%
Robinson's Land (Cayman), Ltd.	Cayman Islands	100%
Altus Angeles, Inc. (AAI)	Philippines	51%
Altus San Nicolas Corporation (ASNC)	Philippines	100%
GoHotels Davao, Inc.	Philippines	51%
RLC Resources Ltd.	British Virgin Island	100%
Kingdom Pacific Ltd.	Hong Kong	100%
Land Century Holdings Ltd.	Hong Kong	100%
World Century Enterprise Ltd.	Hong Kong	100%
Crown Harbour Holdings Ltd.	Hong Kong	100%
First Capital Development Ltd.	Hong Kong	100%

As of September 30, 2015, 2014 and 2013, the Group has no subsidiary with material non-controlling interest that would require additional disclosures.

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. Summary of Significant Accounting Policies

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. 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:

Rental income

The Group leases its commercial real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term and may include contingent rents based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Real estate sales

Revenue from sales of real estate and cost from completed projects is accounted for using the full accrual method. In accordance with Philippine Interpretations Committee (PIC) Q&A No. 2006-1, the percentage of completion is used to recognize income from sales of projects where the Group has material obligations under the sales contract to complete the project after the property is sold, the equitable interest has been transferred to buyer, construction is beyond preliminary stage (i.e., engineering, design work, construction contracts execution, site clearance and preparation, excavation and the building foundation are finished), and the costs incurred or to be incurred can be measured reliably. Under this method, revenue is recognized as the related obligations are fulfilled, measured principally on the basis of the estimated completion by reference to the actual costs incurred to date over the estimated total costs of project. Other income from receipts of association dues, penalties from tenants and real estate buyers are recognized when they are received.

If any of the criteria under the percentage-of-completion method is not met, the deposit method is applied until all the conditions for recording a sale are met. Pending recognition of sale, cash received from buyers are presented under the “Deposits from real estate buyers” account which is shown as part of the “Deposits and other liabilities” account in the liabilities section of the consolidated statement of financial position.

Other income incidental to real estate sales are from receipts of penalties from real estate buyers and forfeitures from cancelled sales. These other income are recognized when they are received and are included under the line item ‘Others’ within Real Estate Operations in the consolidated statement of comprehensive income.

Amusement income

Revenue is recognized upon rendering of services.

Revenue from hotel operations
Revenue from hotel operations is recognized when services are rendered. Revenue from banquets and other special events are recognized when the events take place. Rental income on leased areas of the hotel is recognized on a straight-line basis over the lease term. Revenue from food and beverage are recognized when these are served. Other income from transport, laundry, valet and other related hotel services are recognized when services are rendered.

Interest income
Interest income is recognized as the interest accrues (using the effective interest rate (EIR) method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 consolidated 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.

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 and that are subject to an insignificant risk of changes in value.

Financial Instruments
Date of recognition
The Group recognizes a financial asset or a financial liability in the consolidated statement of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date.

Initial recognition and measurement
Financial assets within the scope of PAS 39 are classified as either financial assets at FVPL, loans and receivables, HTM investments and AFS financial assets, as appropriate. Financial liabilities are classified as either financial liabilities at FVPL or other financial liabilities. The classification depends on the purpose for which the investments are acquired and the Group determines the classification of the financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

All financial instruments are recognized initially at fair value plus, in the case of investments not at FVPL, directly attributable transaction costs.

The Group's financial instruments are of the nature of loans and receivables and other financial liabilities at amortized cost as of September 30, 2015 and 2014.

'Day 1' difference
Where the transaction price in a non-active market is different to 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 comprehensive income unless it qualifies for recognition as some other type of asset or liability.

In cases where variables 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 comprehensive 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.

Loans and Receivables
Loans and receivables are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL.

After initial measurement, loans and receivables are subsequently measured at amortized cost using the EIR method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the EIR.

The amortization is included in the “Real estate sales” in the consolidated statement of comprehensive income. The losses arising from impairment of such loans and receivables are recognized in the “General and administrative expenses” in the consolidated statement of comprehensive income.

The Group’s loans and receivables include cash and cash equivalents, receivables and refundable utility deposits included under “Other current and noncurrent assets”.

Financial assets and financial liabilities at FVPL

Financial assets and financial liabilities at FVPL include financial assets and financial liabilities held for trading purposes, derivative instruments, or those designated by management upon initial recognition as at FVPL, subject to any of the following criteria:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognizing gains or losses on them on a different basis; or

- the assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance are 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.

Financial assets and financial liabilities at FVPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are reflected in the consolidated statement of comprehensive income. Interest earned or incurred is recorded in interest income or expense, respectively.

The Group’s financial asset at FVPL consists of derivative asset that already matured in 2013. As of September 30, 2015 and 2014, the Group has no financial asset and liability at FVPL.

Derivative Financial Instruments

Derivative financial instruments (including bifurcated embedded derivatives), if any, are initially recognized at fair value on the date at which the derivative contract is entered into and is subsequently remeasured at fair value. Any gains or losses arising from changes in fair value of the derivative (except those accounted for as accounting hedges) is taken directly to the consolidated statement of comprehensive income as “Mark to market loss on derivative assets” under “Other income (losses)”. The derivative is carried as asset when the fair value is positive and as liability when the fair value is negative.

The Group’s interest rate swap agreement entered in 2008 with an international bank to hedge its interest rate exposure on Inverse Floating Rate Notes matured on June 6, 2013. The Group has no outstanding derivative financial instrument as of September 30, 2015 and 2014.

Embedded Derivatives

An embedded derivative is separated from the host financial or non-financial contract and accounted for as a derivative if all of the following conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristic of the host contract;

- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the hybrid or combined instrument is not recognized at FVPL.

The Group assesses whether embedded derivatives are required to be separated from host contracts when the Group first becomes a party to the contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Embedded derivatives that are bifurcated from the host contracts are accounted for as financial assets or liabilities at FVPL. Changes in fair values are included in the consolidated statement of comprehensive income.

The Group has no embedded derivatives requiring bifurcation as of September 30, 2015 and 2014.

AFS Financial Assets

AFS financial assets are those which are designated as such and are purchased and held indefinitely, and may be sold in response to liquidity requirements or changes in market conditions. AFS financial assets include equity securities.

After initial measurement, AFS financial assets are measured at fair value. The unrealized gains and losses arising from the fair valuation of AFS financial assets are excluded from reported earnings and are reported in the consolidated statement of financial position and consolidated statement of changes in equity.

When the security is disposed of, the cumulative gain or loss previously recognized in the consolidated statement of changes in equity is recognized in the consolidated statement of comprehensive income. Where the Group holds more than one investment in the same security, these are deemed to be disposed of on a first-in first-out basis. Dividends earned in AFS financial assets are recognized in the consolidated statement of comprehensive income when right to receive payment has been established. The losses arising from impairment of such investments are recognized in the consolidated statement of comprehensive income.

As of September 30, 2015 and 2014, the Group has no AFS financial assets.

HTM Investments

HTM investments are quoted nonderivative financial assets with fixed or determinable payments and fixed maturities for which management has the positive intention and ability to hold to maturity. Where the Group sells other than an insignificant amount of HTM investments, the entire category would be tainted and reclassified as AFS financial assets. After initial measurement, these investments are measured at amortized cost using the effective interest method, less impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are integral parts of the effective interest rate.

The amortization is included in interest income in the consolidated statement of income. Gains and losses are recognized in the consolidated statement of income under “Other income (losses)” when the HTM investments are derecognized and impaired, as well as through the amortization process. As of September 30, 2015 and 2014, the Group has no HTM investments.

Other Financial Liabilities

All financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized or impaired, as well as through the amortization process.

The Group's other financial liabilities consists of accounts payable and accrued expenses, short-term loans, loans payable, and payable to affiliated companies and deposits from lessees which are both included under "Deposit and other liabilities".

Debt Issue Costs
Transaction costs incurred in connection with the availments of long-term debt are deferred and amortized using effective interest method over the term of the related loans.

Customers' Deposits
Deposits from lessees
Deposits from lessees are measured initially at fair value. After initial recognition, customers' deposits are subsequently measured at amortized cost using EIR method.

The difference between the cash received and its fair value is deferred (included in the "Deposits and other liabilities" in the consolidated statement of financial position) and amortized using the straight-line method.

Deposits from real estate buyers
Deposits from real estate buyers represent mainly reservation fees and advance payments. These deposits shall be applied against the total contract price as the contractual obligation of the real estate buyers has begun. The deposits are recorded as "Deposits from real estate buyers" and reported under the "Deposits and other liabilities" account in the consolidated statement of financial position.

Classification of Financial Instruments between Debt and Equity
A financial instrument is classified as debt, if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount, after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

The Group has no financial instruments that contain both liability and equity elements.

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

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Loans and receivables
The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant or collectively for financial assets that are not individually significant. If there is an 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 expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The Group considers in its assessment if impairment exist the fact that title of the real estate properties will only transfer to the buyer if the receivables are fully settled and paid.

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 a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. 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.

The carrying amount of the asset is reduced through the use of an allowance for impairment loss account. The amount of the loss shall be recognized in the consolidated statement of comprehensive income. 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 comprehensive income, to the extent that the carrying value of the asset does not exceed what would have been the amortized cost at the reversal date.

<u>Derecognition of Financial Assets and Liabilities</u>
Financial assets
A financial asset (or where applicable, a part of a group of financial assets) is derecognized when:

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

Where the Group has transferred the rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the 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
Financial liabilities are derecognized when the obligation under the liability is discharged or cancelled or expired. 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 comprehensive income.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Subdivision Land, Condominium and Residential Units for Sale
Subdivision land, condominium and residential units for sale in the ordinary course of business are carried at the lower of cost and net realizable value (NRV). Cost includes land costs, amounts paid to contractors for the costs incurred for development and improvement of the properties (i.e., planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs) and borrowing costs on loans directly attributable to the projects which were capitalized during construction. NRV is the estimated selling price in the ordinary course of business less cost of completion and estimated costs necessary to make the sale.

The cost of inventory recognized in the consolidated statement of comprehensive income is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Value-added Tax (VAT)
Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except when 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 the cost of acquisition of the asset or as part of the expense item is applicable.

The net amount of VAT recoverable from the taxation authority is included as part of "Other current assets" in the consolidated statements of financial position.

Prepaid expenses
Prepaid expenses 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.

Investment Properties
Investment properties consist of properties that are held to earn rentals or for capital appreciation or both, and that are not occupied by the companies consolidated into the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the cost of day to day servicing of an

investment property. Investment properties are depreciated and amortized using the straight-line method over their estimated useful lives (EUL) as follows:

	Years
Buildings	20
Building improvements	10
Land improvements	10

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

Construction-in-progress (CIP) is stated at cost. This includes cost of construction and other direct costs. Borrowing costs that are directly attributable to the construction of investment properties are capitalized during the construction period. CIP is not depreciated until such time as the relevant assets are in the location and condition necessary for it to be capable of operating in the manner intended by management.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the profit and loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation, commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value. The cost of an item of property and equipment includes its purchase price and any cost attributable in bringing the asset to the intended location and working condition. Cost also includes interest and other charges on borrowed funds used to finance the construction of property and equipment to the extent incurred during the period of construction and installation.

Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to expenses in the period 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 and amortization commences once the assets are available for use and is calculated on a straight-line basis over the estimated useful life of over the EUL as follow:

	Years
Buildings	20
Building improvements	10
Land improvements	5
Theater furniture and equipment	5
Other equipment	2.5

Assets under construction are transferred to a specific category of property and equipment when the construction and other related activities necessary to prepare the property and equipment for their intended use are completed and the property and equipment are available for service.

Other equipment includes china, glassware, silver and linen on stock used in hotel operations.

The useful life and depreciation and amortization method are reviewed and adjusted, if appropriate, at each financial year-end to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the period the asset is derecognized.

Impairment of Nonfinancial Assets

The Group assesses at each reporting date whether there is an indication that the Group's investment properties and property and equipment may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of an asset's or cash-generating unit's fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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.

Impairment losses of continuing operations are recognized in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

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 any such indication exists, the Group makes an estimate of recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to the recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the assets in prior periods, such reversal is recognized in the consolidated statement of comprehensive income.

Equity

Capital stock is measured at par value for all shared issued. When the Group issues more than one capital stock, a separate account is maintained for each class of stock and the number of shares issued.

When the shares are sold at premium, the difference between the proceeds at the par value is credited to "Additional paid-in capital" account. Direct costs incurred related to equity issuance are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against retained earnings.

Subscriptions receivable pertains to the uncollected portion of the subscribed shares.

Retained earnings represent accumulated earnings of the Group less dividends declared. The individual accumulated retained earnings of the subsidiaries are available for dividend distribution when they are declared by the subsidiaries as approved by their respective BOD.

Treasury Stock
Own equity instruments which are acquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the profit and loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Other equity reserve
Other equity reserve pertains to the difference between the consideration paid and the carrying value of the non-controlling interest acquired.

Taxes
Current tax
Current 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 amounts are those that are enacted or substantively enacted at the reporting date.

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

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences with certain exceptions, and carryforward benefits of unused tax credits from excess 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 income will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are earned at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow all as part of the deferred tax and to be recovered. The Group does not recognize deferred income tax assets and deferred tax liabilities that will reverse during the income tax holiday (ITH).

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

Pension Expense
The Group has a noncontributory defined benefit plan. The net defined benefit liability or asset is the aggregate of the present value of the defined benefit liability 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 plan is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:
- Service costs
- 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 non-routine 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 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 net 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 and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI 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 and "Remeasurements of the net defined benefit liability" 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 liabilities). If the fair value of the plan assets is higher than the present value of the defined benefit liability, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit liability 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 within 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.

<u>Costs and General and Administrative Expenses Recognition</u>
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 and its full development costs, which include estimated costs for future development works, as determined by the Group's in-house technical team.

The cost of inventory recognized in profit or loss on disposal 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.

Costs and expenses are recognized in the consolidated statement of comprehensive 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 comprehensive 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.

<u>Commission Expense</u>
The Group recognizes commission expense when services are rendered by the broker and agent. The commission expense is recognized upon receipt of down payment from the buyer comprising a substantial portion of the contract price and the capacity to pay and credit worthiness of buyers have been reasonably established for sales under the deferred cash payment arrangement.

<u>Leases</u>
The determination of whether an arrangement is, or contains a lease, is based on the substance of the arrangement at inception date, 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 an 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 any of the scenarios above, and at the date of renewal or extension period for the second scenario.

Group as a lessee
Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss on a straight-line basis over the lease term. Minimum lease payments are recognized on a straight-line basis while the variable rent is recognized as an expense based on the terms of the leased contract.

Group as a lessor
Leases where the Group retains substantially all the risk and benefits of ownership of the assets are classified as operating leases. Lease payments received are recognized as income in the consolidated statement of comprehensive income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned. Indirect costs incurred in negotiating an operating lease are added to the carrying value of the leased asset and recognized over the lease term on the same basis as the lease income.

Leases where the Group transfers substantially all the risk and benefits of ownership of the assets are classified as finance leases. The Group recognizes assets held under a finance lease in their consolidated statement of financial position as a receivable at an amount equal to the net investment in the lease. The lease payments received from the lessee are treated as repayments of principal and finance income. Initial direct costs may include commissions, legal fees and internal costs that are incremental and directly attributable to negotiating and arranging the lease. They are included in the measurement of the net investment in the lease at inception and reflected in the calculation of the implicit interest rate. The recognition of finance income should be based on a pattern reflecting a constant periodic rate of return on the lessor's net investment outstanding in respect of the finance lease.

Joint Operation
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group recognize in relation to its interest in a joint operation its assets, including its share of any assets held jointly; liabilities, including its share of any liabilities incurred jointly; revenue from the sale of its share of the output arising from the joint operation; share of the revenue from the sale of the output by the joint operation; and expenses, including its share of any expenses incurred jointly.

Borrowing Costs
Interest and other related financing charges on borrowed funds used to finance the construction of a qualifying asset (included under Subdivision land, condominium and residential units for sale,

Investment properties and Property and equipment accounts) are capitalized to the appropriate asset accounts. Capitalization of borrowing costs commences when the expenditures and borrowing costs are being incurred during the construction and related activities necessary to prepare the asset for its intended use are in progress. It is suspended during extended periods in which active development is interrupted and ceases when substantially all the activities necessary to prepare the asset for its intended use are complete. The capitalization is based on the weighted average borrowing cost.

The borrowing costs capitalized as part of investment properties and property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets. The borrowing cost capitalized as part of subdivision land, condominium and residential units for sale are expensed when the related assets are sold.

If after capitalization of the borrowing costs, the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded in the consolidated statement of comprehensive income. Interest expense on loans and borrowings is recognized using the EIR method over the term of the loans and borrowings.

Provisions

Provisions are 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. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. 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 assessments 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 an interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Foreign Currency Transactions and Translation

The Group’s consolidated financial statements are presented in Philippine peso, which is also the Parent Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group’s entities in their respective functional currencies at the foreign exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated using the closing foreign exchange rate prevailing at the reporting date. All differences are charged to profit or loss in the consolidated statement of comprehensive income.

Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the dates of initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As of reporting date, the assets and liabilities of foreign subsidiaries, with functional currencies other than the functional currency of the Parent Company, are translated into the presentation currency of the Group using the closing foreign exchange rate prevailing at the reporting date, and their respective income and expenses are translated at the monthly weighted average exchange rates for the year.

Earnings Per Share (EPS)
Basic EPS is calculated by dividing net income attributable to equity holders of the Parent Company by the weighted average number of common shares outstanding during the year. Diluted EPS is computed by dividing net income attributable to equity holder of the Parent Company by the weighted average number of common shares issued and outstanding during the period after giving effect to assumed conversion of potential common shares.

Operating Segment
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 services and serves different markets. Financial information on business segments is presented in Note 6 to the consolidated financial statements.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements but 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
Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the consolidated financial statements when material.

5. Significant Accounting Judgments and Estimates

The preparation of the 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.

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

Revenue and cost recognition on real estate sales
Selecting an appropriate revenue recognition method for a particular real estate sale transaction requires certain judgment based on, among others:

- Buyer's commitment on the sale which may be ascertained through the significance of the buyer's initial investment; and
- Stage of completion of the project.

The Group has set a certain percentage of collection over the total selling price in determining buyer's commitment on the sale. It is when the buyer's investment is considered adequate to meet the probability criteria that economic benefits will flow to the Group.

Operating leases commitments - Group as lessee
The Group has entered into commercial property leases. Based on an evaluation of the terms and conditions of the arrangements, all the risks and benefits incidental to ownership of the leased item are not transferred to the Group.

Operating lease commitments - Group as lessor
The Group has entered into commercial property leases on its investment property portfolio. Based on an evaluation of the terms and conditions of the arrangements, the Group has determined that it retains all the significant risks and rewards of ownership of these properties and accounts for them as operating leases.

A number of the Group's operating lease contracts are accounted for as noncancellable operating leases and the rest are cancellable. In determining whether a lease contract is cancellable or not, the Group considers, among others, the significance of the penalty, including the economic consequence to the lessee.

Finance lease commitments - Group as lessor
The Group has entered into commercial property leases on some of its real estate condominium unit property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the bargain purchase option and minimum lease payments, that the Group has transferred all the significant risks and rewards of ownership of these properties to the lessee and accounts for them as finance leases.

Distinction between investment properties and owner-occupied properties
The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property is not occupied substantially for use by, or in operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. Owner-occupied properties are attributable not only to the main property but also to the other assets used in the supply process.

Some properties are held to earn rentals or for capital appreciation and other properties are held for use in rendering of services or for administrative purposes. If these portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in providing services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Distinction between subdivision land (inventory) and land and land improvements (investment property)
The Group determines whether a property will be classified as "Subdivision land" or "Land and land improvements". In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (Subdivision land) or whether it will be retained as part of the Group's strategic land banking activities for future development or sale which are yet to be finalized by the Group (Investment property).

Contingencies
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 on these matters and is based upon an analysis of potential results by the management. The Group currently does not believe these proceedings will have a material effect on the Group's financial position. It is possible, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings (see Note 34).

Estimates
The key estimates concerning the future and other key sources of estimation uncertainty at the reporting date that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Revenue and cost recognition
The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenue and costs. The Group's revenue from real estate is recognized based on the percentage of completion measured principally on the basis of the estimated completion by reference to the actual costs incurred to date over the estimated total costs of the project. For the year ended September 30, 2015, 2014 and 2013, the real estate sales amounted to ₱6,313 million, ₱5,647 million and ₱5,301 million, respectively while cost of sales amounted to ₱3,207 million, ₱3,071 million and ₱3,060 million, respectively.

Allowance for impairment losses
The Group maintains allowance for impairment losses at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by management based on the factors that affect the collectability of the accounts. For rental activities, these factors include, but are not limited to, the length of the Group's relationship with the tenant, the tenant's payment behavior and other known market factors. For real estate sales activities, these factors include the fact that title of the real estate properties will only transfer to the buyer if the receivables are fully settled and paid. The Group recognizes impairment losses based on the results of the specific/individual and collective assessment of its credit exposures.

The related balances follow (see Note 8):

	2015	2014
Receivables	**₱7,775,943,787**	₱6,745,340,405
Allowance for impairment losses	**46,042,217**	46,042,217

Fair values of financial assets and financial liabilities
The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates), the amount of changes in fair value would differ if the Group utilized different valuation

methodologies. Any changes in fair value of these financial assets and financial liabilities would affect directly the consolidated statement of comprehensive income (see Note 32).

Where the fair values of certain financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values.

As of September 30, 2015 and 2014, the Group has no financial assets and financial liabilities classified under FVPL.

Useful lives of investment properties and property and equipment
The Group estimates the useful lives of the depreciable investment properties and property and equipment based on the period over which the assets are expected to be available for use. The Group reviews periodically the estimated useful lives of investment properties and property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of investment properties and property and equipment would increase the recorded depreciation and amortization expense and decrease the related asset accounts.

The related balances follow:

	2015	2014
Investment properties, excluding land (Note 11)		
Cost	**₱58,400,974,146**	₱52,603,256,168
Accumulated depreciation and amortization	**21,341,700,039**	18,778,960,678
Property and equipment (Note 12)		
Cost	**8,074,510,249**	7,107,663,534
Accumulated depreciation and amortization	**4,567,292,833**	3,985,918,648

Evaluation of net realizable value of real estate inventories
The Group adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the inventories. NRV for completed real estate inventories is assessed with reference to market conditions and prices existing at the reporting date and is determined by the Group in the light of recent market transactions. NRV in respect of real estate inventories under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and less estimated costs to sell. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

As of September 30, 2015 and 2014, the Group's subdivision land, condominium and residential units for sale amounted to ₱15,475 million and ₱15,175 million, respectively (see Note 9).

Impairment of nonfinancial assets
Assessing investment properties and property and equipment for impairment includes considering certain indications of impairment such as significant changes in asset usage, significant decline in market value and obsolescence or physical damage of an asset. If such indications are present, and where the carrying amount of the asset exceeds the recoverable amount, the asset is considered impaired and is written down to the recoverable amount.

In 2014, certain investment properties with total carrying value of ₱297 million were written off as losses due to typhoons Yolanda and Glenda and Galleria Mall fire (see Note 11).

Deferred tax assets
Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences can be utilized. Significant management estimate is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable income together with future tax planning. Deferred tax assets as of September 30, 2015 and 2014 amounted to ₱716 million and ₱653 million, respectively (see Note 27). The Group has deductible temporary difference, that is available for offset against taxable income or tax payable which deferred tax asset has not been recognized. This pertains to NOLCO of AAI amounting to ₱3 million and ₱7 million as of September 30, 2015 and 2014, respectively. The related deferred tax assets amounted to ₱1 million and ₱2 million as of September 30, 2015 and 2014, respectively.

As of September 30, 2015 and 2014, the Group operates a hotel which enjoys the benefits of an ITH. As such, no deferred tax assets were set up on certain gross deductible temporary differences that are expected to reverse within the ITH period (see Note 33).

Pension cost
The determination of the obligation and cost of pension benefits is dependent on the selection of certain assumptions used in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rates (see Note 29).

The cost of defined benefit pension plan and the present value of the pension liabilities are determined using actuarial valuations. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit liability. Future salary increases are based on expected future inflation rates and other relevant factors.

The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Philippine government bonds with terms consistent with the expected employee benefit payout as of reporting date.

As of September 30, 2015 and 2014, the Group's present value of defined benefit obligations is shown in Note 29.

Recoverability of claims receivable
The Group recognized the remaining claims receivable from typhoon damages and mall fire as receivable with a corresponding gain recorded in the consolidated statements of comprehensive income. Management has determined that the collectability of the remaining claim is virtually certain considering the history of the recoverability of past claims, partial settlement received and the status of discussion with insurance companies (see Note 26).

6. **Operating Segment**

Business Segment

The business segment is determined as the primary segment reporting format as the Group's risks and rates of return are affected predominantly by each operating segment.

Management monitors the operating results of its operating segments separately for the purpose of making decision about resource allocation and performance assessment. Group financing (including interest income and interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. The Group evaluates performance based on earnings before income tax, and earnings before income tax, depreciation and amortization (EBITDA). The Group does not report its results based on geographical segments because the Group operates only in the Philippines.

The financial information on the operations of these business segments as shown below are based on the measurement principles that are similar with those used in measuring the assets, liabilities, income and expenses in the consolidated financial statements which is in accordance with PFRS except for EBITDA.

Cost and expenses exclude interest, taxes, depreciation and amortization.

The Group derives its revenue from the following reportable units:

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

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

Office Buildings Division - develops and leases out 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:

	2015					
	Commercial Center Division	**Residential Division**	**Office Buildings Division**	**Hotel Division**	**Intersegment Eliminating Adjustments**	**Consolidated**
Revenue						
Segment revenue	**₱9,121,959,902**	**₱6,623,206,759**	**₱2,241,530,663**	**₱1,745,849,675**	**₱–**	**₱19,732,546,999**
Intersegment revenue	**54,830,516**	**–**	**–**	**–**	**(54,830,516)**	**–**
Total Revenue	**9,176,790,418**	**6,623,206,759**	**2,241,530,663**	**1,745,849,675**	**(54,830,516)**	**19,732,546,999**
Costs and expenses						
Segment costs and expenses	**2,973,104,567**	**4,791,962,979**	**135,618,549**	**1,126,934,430**	**–**	**9,027,620,525**
Intersegment costs and expenses	**–**	**54,830,516**	**–**	**–**	**(54,830,516)**	**–**
Total Costs and expenses	**2,973,104,567**	**4,846,793,495**	**135,618,549**	**1,126,934,430**	**(54,830,516)**	**9,027,620,525**
Earnings before interest, taxes and depreciation and amortization	**6,203,685,851**	**1,776,413,264**	**2,105,912,114**	**618,915,245**	**–**	**10,704,926,474**
Depreciation and amortization (Notes 22 and 24)	**2,416,157,268**	**34,380,494**	**534,261,237**	**165,638,261**	**–**	**3,150,437,260**
Operating income	**₱3,787,528,583**	**₱1,742,032,770**	**₱1,571,650,877**	**₱453,276,984**	**₱–**	**₱7,554,489,214**
Assets and Liabilities						
Segment assets	**₱53,811,784,260**	**₱30,861,305,340**	**₱11,172,903,565**	**₱3,222,147,837**	**₱–**	**₱99,068,141,002**
Investment in subsidiaries - at cost	**774,855,085**	**–**	**–**	**25,500,000**	**(800,355,085)**	**–**
Total segment assets	**₱54,586,639,345**	**₱30,861,305,340**	**₱11,172,903,565**	**₱3,247,647,837**	**(₱800,355,085)**	**₱99,068,141,002**
Total segment liabilities	**₱32,475,315,132**	**₱6,925,059,155**	**₱1,890,781,507**	**₱982,405,032**	**₱–**	**₱42,273,560,826**
Other segment information:						
Capital expenditures						**₱12,791,561,899**
Additions to subdivision land, condominium and residential units for sale						**₱3,981,137,969**

	2014					
	Commercial Center Division	Residential Division	Office Buildings Division	Hotel Division	Intersegment Eliminating Adjustments	Consolidated
Revenue						
Segment revenue	₱8,104,816,189	₱5,868,359,025	₱1,544,251,621	₱1,533,748,393	₱–	₱17,051,175,228
Intersegment revenue	46,797,332	–	–	–	(46,797,332)	–
Total Revenue	8,151,613,521	5,868,359,025	1,544,251,621	1,533,748,393	(46,797,332)	17,051,175,228
Costs and expenses						
Segment costs and expenses	2,599,217,442	4,403,340,314	67,416,885	1,007,489,615	–	8,077,464,256
Intersegment costs and expenses	–	46,797,332	–	–	(46,797,332)	–
Total Costs and expenses	2,599,217,442	4,450,137,646	67,416,885	1,007,489,615	(46,797,332)	8,077,464,256
Earnings before interest, taxes and depreciation and amortization	5,552,396,079	1,418,221,379	1,476,834,736	526,258,778	–	8,973,710,972
Depreciation and amortization (Notes 22 and 24)	2,105,789,830	29,832,608	429,745,567	166,604,688	–	2,731,972,693
Operating income	₱3,446,606,249	₱1,388,388,771	₱1,047,089,169	₱359,654,090	₱–	₱6,241,738,279
Assets and Liabilities						
Segment assets	₱45,888,121,873	₱27,347,066,806	₱9,507,454,046	₱2,626,772,559	₱–	₱85,369,415,284
Investment in subsidiaries - at cost	800,287,546	–	–	–	(800,287,546)	–
Total segment assets	₱46,688,409,419	₱27,347,066,806	₱9,507,454,046	₱2,626,772,559	(₱800,287,546)	₱85,369,415,284
Total segment liabilities	₱25,562,232,757	₱5,295,651,135	₱1,212,515,943	₱728,914,360	₱–	₱32,799,314,195
Other segment information:						
Capital expenditures						₱9,632,771,296
Additions to subdivision land, condominium and residential units for sale						₱4,464,421,970

	2013					
	Commercial Center Division	Residential Division	Office Buildings Division	Hotel Division	Intersegment Eliminating Adjustments	Consolidated
Revenue						
Segment revenue	₱7,389,804,470	₱5,577,468,900	₱1,440,421,880	₱1,496,797,769	₱–	₱15,904,493,019
Intersegment revenue	50,269,073	–	–	–	(50,269,073)	–
Total Revenue	7,440,073,543	5,577,468,900	1,440,421,880	1,496,797,769	(50,269,073)	15,904,493,019
Costs and expenses						
Segment costs and expenses	2,314,819,422	4,124,539,439	54,218,321	969,796,674	–	7,463,373,856
Intersegment costs and expenses	–	50,269,073	–	–	(50,269,073)	–
Total Costs and expenses	2,314,819,422	4,174,808,512	54,218,321	969,796,674	(50,269,073)	7,463,373,856
Earnings before interest, taxes and depreciation and amortization	5,125,254,121	1,402,660,388	1,386,203,559	527,001,095	–	8,441,119,163
Depreciation and amortization (Notes 22 and 24)	1,861,166,943	34,391,083	376,776,187	186,566,709	–	2,458,900,922
Operating income	₱3,264,087,178	₱1,368,269,305	₱1,009,427,372	₱340,434,386	₱–	₱5,982,218,241
Assets and Liabilities						
Segment assets	₱39,844,678,878	₱24,589,855,391	₱8,164,696,030	₱2,286,822,397	₱–	₱74,886,052,696
Investment in subsidiaries - at cost	800,287,546	–	–	–	(800,287,546)	–
Total segment assets	₱40,644,966,424	₱24,589,855,391	₱8,164,696,030	₱2,286,822,397	(₱800,287,546)	₱74,886,052,696
Total segment liabilities	₱19,273,308,125	₱4,923,825,778	₱952,648,213	₱432,301,691	₱–	₱25,582,083,807
Other segment information:						
Capital expenditures						₱9,102,397,750
Additions to subdivision land, condominium and residential units for sale						₱4,088,607,238

The revenue of the Group consists mainly of sales to external customers. Inter-segment revenue accounted for under PFRS and on an arm's length basis arising from lease arrangements amounting ₱55 million, ₱47 million and ₱50 million in 2015, 2014 and 2013, respectively, are eliminated in consolidation.

No operating segments have been aggregated to form the above reportable segments. Capital expenditures consists of additions to property and equipment and investment properties.

Significant customers in lease arrangements under commercial center division include the affiliated entities (see Note 20). Rental income arising from the lease of commercial properties to affiliated companies which are not part of the Group and therefore not eliminated amounted to about ₱1,877 million, ₱1,630 million and ₱1,472 million in 2015, 2014 and 2013, respectively.

The following table shows a reconciliation of the total EBITDA to total income before income tax:

	2015	2014	2013
EBITDA	**₱10,704,926,474**	₱8,973,710,972	₱8,441,119,163
Depreciation and amortization (Note 24)	**(3,150,437,260)**	(2,731,972,693)	(2,458,900,922)
Other income - net	**34,058,103**	14,634,631	9,156,927
Income before income tax	**₱7,588,547,317**	₱6,256,372,910	₱5,991,375,168

7. Cash and Cash Equivalents

	2015	2014
Cash on hand and in banks	**₱597,003,967**	₱492,007,143
Short-term investments	**595,950,051**	562,948,046
	₱1,192,954,018	₱1,054,955,189

Cash in banks earn interest at the prevailing bank deposit rates. Short-term investments are invested for varying periods of up to three months and earn interest at the prevailing short-term investment rates ranging from 0.38% to 1.25%, 1.00% to 4.63% and 3.75% to 4.25% in 2015, 2014 and 2013, respectively.

Interest earned from cash in banks and short-term investments for the years ended September 30, 2015, 2014 and 2013 amounted to ₱39 million, ₱14 million and ₱112 million, respectively (see Note 26).

8. Receivables

	2015	2014
Trade		
Installment contract receivables	**₱6,216,079,304**	₱5,402,789,946
Accrued rent receivables	**518,174,550**	415,491,997
Rental receivables	**420,768,745**	348,025,949
Hotel operations	**206,549,903**	173,641,016
	7,361,572,502	6,339,948,908
Affiliated companies (Note 20)	**22,478,004**	21,662,502
Others	**391,893,281**	383,728,995
	7,775,943,787	6,745,340,405
Less allowance for impairment losses	**46,042,217**	46,042,217
	7,729,901,570	6,699,298,188
Less noncurrent portion	**2,708,934,759**	2,715,423,991
	₱5,020,966,811	₱3,983,874,197

The installment contract receivables aggregating to ₱6,216 million and ₱5,403 million as of September 30, 2015 and 2014, respectively, are collectible in monthly installments over a period of one (1) to five (5) years and bear annual interest ranging from 12% to 21% computed on the diminishing balance of the principal. The noncurrent portion of receivables amounting to ₱2,709 million and ₱2,715 million as of September 30, 2015 and 2014, respectively, pertain to installment contract receivables. The title of the real estate property, which is the subject of the installment contract receivable due beyond twelve (12) months, passes to the buyer once the receivable is fully paid.

The accrued rent receivables represent the portion of the lease as a consequence of recognizing income on a straight-line basis.

Rental receivables from affiliated companies included under "Rental receivables" amounted to about ₱103 million and ₱68 million as of September 30, 2015 and 2014, respectively. For the nature, terms and conditions of the receivables from affiliated companies please refer to Note 20 to the consolidated financial statements.

Other receivables consist primarily of insurance claims receivable amounting to ₱169 million and ₱221 million as of September 30, 2015 and 2014 (see Note 26), respectively, receivables from officers and employees, and advances to brokers. The receivables from officers and employees are advances related to conduct of business activities subject to liquidation and for personal loans which are collected through salary deduction.

The insurance claims receivable was received by the Group on November 2015.

Allowance for Impairment Losses on Trade Receivables

Allowance for impairment losses on trade receivables as of September 30, 2015 and 2014 follow:

	Individual Assessment		Collective Assessment	
	Rental Receivable	Hotels Operations	Installment Contract Receivables	Total
Balances at beginning and end of year	₱13,905,027	₱13,137,190	₱19,000,000	₱46,042,217

Trade receivables with carrying value of ₱27 million were impaired and fully provided for. No provision for impairment losses were recognized by the Group in 2015 and 2014. In 2013, the Group recognized provision for impairment losses amounting to ₱167,188.

Aging Analysis

The aging analysis of the Group's receivables follows:

	2015						
		Neither	**Past Due But Not Impaired**				**Past**
	Total	**Past Due nor Impaired**	**Less than 30 days**	**30 to 60 days**	**61 to 90 days**	**Over 90 days**	**Due and Impaired**
Trade receivables							
Installment contract receivables	**₱6,216,079,304**	**₱4,680,803,571**	**₱451,394,026**	**₱159,411,964**	**₱58,825,531**	**₱846,644,212**	**₱19,000,000**
Accrued rent receivables	**518,174,550**	**518,174,550**	–	–	–	–	–
Rental receivables	**420,768,745**	**134,295,019**	**35,194,503**	**91,337,698**	**24,456,703**	**121,579,795**	**13,905,027**
Hotel operations	**206,549,903**	**88,939,099**	**35,906,468**	**18,762,862**	**9,647,846**	**40,156,438**	**13,137,190**
Affiliated companies (Note 20)	**22,478,004**	**22,478,004**	–	–	–	–	–
Others	**391,893,281**	**391,893,281**	–	–	–	–	–
	₱7,775,943,787	**₱5,836,583,524**	**₱522,494,997**	**₱269,512,524**	**₱92,930,080**	**₱1,008,380,445**	**₱46,042,217**

	2014						
		Neither	Past Due But Not Impaired				Past
	Total	Past Due nor Impaired	Less than 30 days	30 to 60 days	61 to 90 days	Over 90 days	Due and Impaired
Trade receivables							
Installment contract receivables	₱5,402,789,946	₱3,782,837,444	₱291,665,594	₱112,021,788	₱70,105,225	₱1,127,159,895	₱19,000,000
Accrued rent receivables	415,491,997	415,491,997	–	–	–	–	–
Rental receivables	348,025,949	139,562,071	36,183,445	34,541,610	15,252,441	108,581,355	13,905,027
Hotel operations	173,641,016	68,016,461	44,939,047	22,830,902	12,553,153	12,164,263	13,137,190
Affiliated companies (Note 20)	21,662,502	21,662,502	–	–	–	–	–
Others	383,728,995	383,728,995	–	–	–	–	–
	₱6,745,340,405	₱4,811,299,470	₱372,788,086	₱169,394,300	₱97,910,819	₱1,247,905,513	₱46,042,217

9. Subdivision Land, Condominium and Residential Units for Sale

	2015	2014
Land and condominium units	**₱9,925,209,029**	₱10,434,181,923
Residential units and subdivision land	**5,549,502,312**	4,740,525,939
	₱15,474,711,341	₱15,174,707,862

The subdivision land, condominium and residential units for sale are carried at cost.

The amount of subdivision land, condominium and residential units for sale recognized as cost of sales in the consolidated statement of comprehensive income amounted to ₱3,207 million, ₱3,071 million and ₱3,060 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Note 22).

A summary of the movement in inventory is set out below:

	2015	2014
Balances at beginning of year	**₱15,174,707,862**	₱12,019,619,818
Construction and development costs incurred	**3,981,137,969**	4,464,421,970
Transfers from (to) investment properties and property and equipment (Notes 11 and 12)	**(473,879,702)**	1,762,006,476
Cost of inventory sold (Note 22)	**(3,207,254,788)**	(3,071,340,402)
Balances at end of year	**₱15,474,711,341**	₱15,174,707,862

Borrowing cost capitalized amounted to ₱66 million in 2015. This amount was included in the construction and development costs incurred.

There are no subdivision land, condominium and residential units for sale as of September 30, 2015 and 2014 that are pledged as security to liabilities.

10. Other Current Assets

	2015	2014
Advances to suppliers and contractors	**₱1,801,913,691**	₱711,652,381
Value-added input tax - net	**1,200,051,270**	1,054,026,970
Advances to lot owners	**602,862,614**	1,045,651,481
Restricted cash - escrow	**124,905,880**	217,835,586
Supplies	**69,463,359**	73,427,010
Prepaid expenses	**52,313,625**	40,382,742
Utility deposits (Notes 31 and 32)	**5,386,072**	5,125,017
Others	**90,259,324**	9,659,767
	₱3,947,155,835	₱3,157,760,954

Advances to suppliers and contractors consist of advance payment which will be applied against the final billing and are expected to occur within the year.

Value-added input tax - net of output VAT can be applied against value-added output tax.

Advances to lot owners consist of advance payments to land owners which will be applied against the acquisition cost of the real properties that will be acquired.

Restricted cash - escrow pertains to cash placed in escrow funds earmarked for the acquisition of parcels of land, pursuant to the memorandum of agreement (MOA) with various sellers. Said amount shall be released to the sellers upon fulfillment of certain conditions set forth in MOA.

Supplies consist mainly of office and maintenance materials.

Prepaid expenses consist mainly of prepayments for taxes and insurance.

Utility deposits consist primarily of bid bonds and meter deposits.

Others consist primarily of refundable deposit made by the Group in relation to public auction of a certain properties as of September 30, 2015.

11. Investment Properties

	2015				
	Land	**Land Improvements**	**Buildings and Improvements**	**Construction In Progress**	**Total**
Cost					
Balances at beginning of year	**₱21,031,172,772**	**₱186,030,981**	**₱46,790,968,860**	**₱5,626,256,327**	**₱73,634,428,940**
Additions	**4,984,141,804**	**17,906,700**	**1,076,386,107**	**6,078,003,220**	**12,156,437,831**
Reclassification/transfers - net (Notes 9, 10 and 12)	**940,974,997**	**1,389,857**	**4,330,917,868**	**(5,706,885,774)**	**(433,603,052)**
Balances at end of year	**26,956,289,573**	**205,327,538**	**52,198,272,835**	**5,997,373,773**	**85,357,263,719**
Accumulated Depreciation and Amortization					
Balances at beginning of year	**–**	**79,651,638**	**18,699,309,040**	**–**	**18,778,960,678**
Depreciation and amortization (Notes 22 and 24)	**–**	**15,361,550**	**2,617,620,670**	**–**	**2,632,982,220**
Reclassifications/transfers (Note 12)	**–**	**(1,446,013)**	**(68,796,846)**	**–**	**(70,242,859)**
Balances at end of year	**–**	**93,567,175**	**21,248,132,864**	**–**	**21,341,700,039**
Net Book Value	**₱26,956,289,573**	**₱111,760,363**	**₱30,950,139,971**	**₱5,997,373,773**	**₱64,015,563,680**

	2014				
	Land	Land Improvements	Buildings and Improvements	Construction In Progress	Total
Cost					
Balances at beginning of year	₱20,633,353,853	₱152,815,947	₱36,288,472,004	₱9,876,100,576	₱66,950,742,380
Additions	1,731,454,418	35,616,726	2,239,852,269	5,038,750,343	9,045,673,756
Write-off	–	(2,133,476)	(461,287,984)	–	(463,421,460)
Reclassifications/transfers (Notes 9, 10 and 12)	(1,333,635,499)	(268,216)	8,723,896,571	(9,288,558,592)	(1,898,565,736)
Balances at end of year	21,031,172,772	186,030,981	46,790,932,860	5,626,292,327	73,634,428,940
Accumulated Depreciation and Amortization					
Balances at beginning of year	–	68,760,004	16,577,490,495	–	16,646,250,499
Depreciation and amortization (Notes 22 and 24)	–	11,543,638	2,297,614,711	–	2,309,158,349
Write-off	–	(647,534)	(165,382,993)	–	(166,030,527)
Reclassifications/transfers (Note 12)	–	(4,470)	(10,413,173)	–	(10,417,643)
Balances at end of year	–	79,651,638	18,699,309,040	–	18,778,960,678
Net Book Value	₱21,031,172,772	₱106,379,343	₱28,091,623,820	₱5,626,292,327	₱54,855,468,262

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

In 2015, the Group transferred ₱1,264 million worth of parcels of land to investment properties from subdivision land, condominium and residential units for sale for the Group's residential projects. In 2014, the Group transferred ₱1,762 million worth of parcels of land from investment properties to subdivision land, condominium and residential units for sale (see Note 9).

For the year ended September 30, 2015 and 2014, ₱268 million and ₱127 million net cost of buildings and improvement, respectively, were transferred from investment properties to property and equipment for use in operations of the Group (see Note 12).

Depreciation and amortization expense charged to operations amounted to ₱2,633 million, ₱2,309 million and ₱2,071 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Notes 22 and 24).

Borrowing costs capitalized amounted to about ₱881 million and ₱897 million in 2015 and 2014, respectively. These amounts were included in the consolidated statement of cash flows under additions to investment properties. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization in 2015 and 2014 is 4.54% and 5.85%, respectively.

The fair value of investment properties which has been determined based on valuations performed by independent professional qualified appraisers exceeds its carrying cost. The fair value represents the amount at which the assets could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm’s length transaction at the date of valuation.

The fair value as of September 30, 2015 and 2014 amounted to ₱163,577 million and ₱153,105 million, respectively, which are based on appraisal reports, dated September 30, 2013 which are updated by the management for 2014 and 2015.

The fair value of the investment properties was arrived at using both Income Approach and Market Data Approach in 2015 and 2014, respectively. The income approach, is based on the premise that the value of a property is directly related to the income it generates. This approach converts anticipated future gains to present worth by projecting reasonable income and expenses for the subject property. On the other hand, under market data approach, the value of the investment properties is based on sales and listings of comparable property registered in the vicinity. The technique of this approach requires the establishment of comparable property by reducing reasonable comparative sales and listings to a common denominator. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. In 2015, the management elected to use the income approach as the appropriate valuation approach in valuing investment properties, as it mirrors the analysis of typical investors.

The fair value of the investment properties disclosed in the consolidated financial statements is categorized within level 3 of the fair value hierarchy.

Description of valuation techniques used and key inputs to valuation on malls and office buildings included under investment properties as of September 30, 2015 and 2014 follows:

Property	Valuation technique	Significant unobservable inputs	Range (weighted average)
Malls	DCF method	discount rate	10%
		capitalization rate	8.%-9.0%
		growth rate	0.0%-17.0%
		occupancy rate	72.0%-100.0%
Office buildings	DCF method	discount rate	10.0%
		capitalization rate	7.5%
		growth rate	4.0%-10%
		occupancy rate	35.0%-100.0%

The discounted cash flows, or DCF, valuation uses a fundamental approach in valuing the future economic benefits of a projected income stream.

The valuation process significantly consists of the following steps:

- Estimation of the revenues generated;
- Estimation of the costs and expenses related to the operations of the development;
- Estimation of an appropriate discount rate and other significant assumptions; and
- Discounting process using an appropriate discount rate to arrive at an indicative market value

Rental income derived from investment properties amounted to ₱9,288 million, ₱7,956 million, and ₱7,417 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Note 21).

Property operations and maintenance costs arising from investment properties amounted to ₱395 million, ₱369 million and ₱360 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Note 22).

Investment properties with total carrying value of ₱297 million were written off as losses due to typhoons Yolanda and Glenda and the Galleria Mall fire during the year 2014.

There are no investment properties as of September 30, 2015 and 2014 that are pledged as security to liabilities.

12. Property and Equipment

	2015				
	Land Improvements	**Buildings and Improvements**	**Theater Furniture and Equipment**	**Other Equipment**	**Total**
Cost					
Balances at beginning of year	**₱53,885,505**	**₱3,717,311,651**	**₱685,131,531**	**₱2,651,334,847**	**₱7,107,663,534**
Additions	**195,170**	**120,868,983**	**38,762,021**	**475,297,894**	**635,124,068**
Write-off	–	**(3,075,110)**	–	**(3,261,354)**	**(6,336,464)**
Reclassifications/transfers (Note 11)	**(45,860,304)**	**425,743,326**	–	**(41,823,911)**	**338,059,111**
Balances at end of year	**8,220,371**	**4,260,848,850**	**723,893,552**	**3,081,547,476**	**8,074,510,249**
Accumulated Depreciation and Amortization					
Balances at beginning of year	**39,410,095**	**1,703,063,008**	**437,432,335**	**1,806,013,210**	**3,985,918,648**
Depreciation and amortization (Notes 22 and 24)	**917,290**	**143,411,805**	**80,498,215**	**292,627,730**	**517,455,040**
Write-off	–	**(3,075,110)**	–	**(3,248,604)**	**(6,323,714)**
Reclassifications/transfers (Note 11)	**(36,486,455)**	**109,191,146**	–	**(2,461,832)**	**70,242,859**
Balances at end of year	**3,840,930**	**1,952,590,849**	**517,930,550**	**2,092,930,504**	**4,567,292,833**
Net Book Value	**₱4,379,441**	**₱2,308,258,001**	**₱205,963,002**	**₱988,616,972**	**₱3,507,217,416**

	2014				
	Land Improvements	Buildings and Improvements	Theater Furniture and Equipment	Other Equipment	Total
Cost					
Balances at beginning of year	₱53,053,667	₱3,524,542,736	₱613,625,682	₱2,244,409,905	₱6,435,631,990
Additions	1,994,373	116,204,880	60,074,552	408,823,735	587,097,540
Write-off	(195,170)	(21,157,062)	(3,956,504)	(26,275,761)	(51,584,497)
Reclassifications/transfers (Notes 9 and 11)	(967,365)	97,721,097	15,387,801	24,376,968	136,518,501
Balances at end of year	53,885,505	3,717,311,651	685,131,531	2,651,334,847	7,107,663,534
Accumulated Depreciation and Amortization					
Balances at beginning of year	₱33,895,250	₱1,572,847,143	₱361,702,129	₱1,609,239,616	₱3,577,684,138
Depreciation and amortization (Notes 22 and 24)	5,746,304	124,037,310	78,012,758	215,017,972	422,814,344
Write-off	(195,170)	(4,234,618)	(2,282,552)	(18,244,378)	(24,956,718)
Reclassifications/transfers (Notes 9 and 11)	(36,289)	10,413,173	–	–	10,376,884
Balances at end of year	39,410,095	1,703,063,008	437,432,335	1,806,013,210	3,985,918,648
Net Book Value	₱14,475,410	₱2,014,248,643	₱247,699,196	₱845,321,637	₱3,121,744,886

Depreciation and amortization expense charged to operations amounted to ₱517 million, ₱423 million and ₱388 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Notes 22 and 24).

Property and equipment with carrying value of ₱27 million were written off as losses due to typhoons Yolanda and Glenda and the Galleria fire loss for the year 2014.

The following are the costs of property and equipment that are fully depreciated as of September 30, 2015 and 2014 but still used in operations:

	2015	2014
Building and improvements	**₱626,351,142**	₱626,351,142
Other equipment	**186,051,693**	97,528,661
Theater furniture and equipment	**23,798,234**	23,798,234
Land improvements	**698,241**	698,241
	₱836,899,310	₱748,376,278

There are no property and equipment items as of September 30, 2015 and 2014 that are pledged as security to liabilities.

13. Other Noncurrent Assets

	2015	2014
Deposit for land use right (Note 36)	**₱1,441,097,460**	₱–
Advances to suppliers and contractors	**522,140,862**	95,002,163
Utility deposits (Notes 31 and 32)	**502,712,451**	445,450,098
Prepaid rent	**462,689,924**	487,240,915
Advances to lot owners	**190,078,577**	215,181,554
Others	**81,917,868**	62,605,213
	₱3,200,637,142	₱1,305,479,943

Other noncurrent assets are to be recovered or applied more than twelve months after reporting date.

Deposit for land use right pertains to bid deposit advanced for the acquisition of land use right of a property located in Chengdu Province, China (see Note 36).

Advances to suppliers and contractors represent advance payment to suppliers or contractors which will be applied against the final billing.

Utility deposits consist primarily of bid bonds and meter deposits. These are deposits to utility companies in order to continue the availment of their services.

Prepaid rent pertains to advance rentals of the 25-year operating lease agreement between Bases Conversion and Development Authority (BCDA) and ASNC (a wholly-owned subsidiary). The contract is for the long-term and development of approximately 5,000 sqm Lawton Corporate Center along Lawton Avenue, Bonifacio South, Taguig City. Subsequently, the said contract was assigned to the Parent Company through a Deed of Assignment wherein ASNC assigns all its rights, interests, and obligations on the contract of lease with approval of BCDA as provided for under the contract.

Upon the expiration of the initial lease period, the Parent Company has the option to purchase the property or to renew its lease term. Should the Parent Company exercise its option to purchase the property, the purchase price shall be based on the fair market value including the permanent improvements. Otherwise, the ownership of all buildings and permanent improvements constructed by the Parent Company on the property shall automatically be transferred to BCDA.

Therefore, should the Parent Company opt to renew its lease over the property, the new lease rate for the 25-year extension period shall cover the land as well as the buildings and permanent improvements transferred to BCDA. The fixed lease for the initial year of the lease extension period shall be 5% of the average fair market value of the property on the 25th year of the lease including the permanent improvements constructed therein.

Advances to lot owners consist of advance payments to land owners which will be applied against the acquisition cost of the real properties that will be acquired.

Others include deposit to various joint venture partners representing share in an ongoing real estate development which will be liquidated at the end of joint venture agreement. This deposit will be realized through the Group’s share in the completed units or share in the sales proceeds of the units, depending on the agreement with the other party.

14. **Accounts Payable and Accrued Expenses**

	2015	2014
Accounts payable	**₱3,301,667,947**	₱3,362,782,823
Taxes and licenses payable	**1,276,679,664**	1,289,954,148
Accrued rent expense	**402,160,439**	310,652,227
Accrued salaries and wages	**378,885,631**	310,428,367
Accrued contracted services	**199,867,305**	211,112,998
Accrued interest payable	**172,103,848**	97,776,517
Dividends payable	**14,149,049**	12,888,535
Other accrued payable	**159,228,366**	65,952,219
	₱5,904,742,249	₱5,661,547,834

Accounts payable mainly includes unpaid billings from suppliers and contractors related to construction activities.

Taxes and licenses payable, accrued salaries and wages, accrued interest payable and accrued contracted services are normally settled within one (1) year.

Accrued rent expense represents accrual for film rentals.

Other accrued payable includes insurance payable and accrued utilities.

15. **Deposits and Other Current Liabilities**

	2015	2014
Deposits from lessees (Notes 17, 31 and 32)	**₱1,674,062,682**	₱1,543,636,379
Deposits from real estate buyers (Note 17)	**1,336,361,420**	817,867,742
Payables to affiliated companies (Notes 20, 31 and 32)	**115,024,457**	94,610,678
Others	**185,410,000**	145,510,000
	₱3,310,858,559	₱2,601,624,799

Deposits from lessees (including noncurrent portion shown in Note 17) represent cash received in advance equivalent to three (3) to six (6) month rent which shall be refunded to lessees at the end of lease term. These are initially recorded at fair value, which was obtained by discounting its future cash flows using the applicable rates of similar types of instruments. The accretion expense on these deposits, recognized in “others” under cost of rental services, amounted to ₱64 million, ₱78 million and ₱59 million in 2015, 2014 and 2013, respectively (see Notes 22 and 26).

Included in the ‘Deposit from lessees’ are unearned rental income amounting to ₱249 million and ₱218 million as of September 30, 2015 and 2014, respectively. The rental income on amortization of unearned rental income included in “Rental income” amounted to ₱63 million, ₱77 million and ₱54 million in 2015, 2014 and 2013, respectively.

Deposits from real estate buyers (including noncurrent portion shown in Note 17) represent cash received in advance which shall be applied against the total contract price as soon as the contractual obligation of the real estate buyer has begun.

Deposits from real estate buyers also include cash collections in excess of the installment contract receivables recognized under the percentage-of-completion method.

For the nature, terms and conditions of the payables to affiliated companies please refer to Note 20 to the consolidated financial statements.

Others pertain to amount payable to the Parent Company’s co-stockholders in its subsidiaries.

16. **Loans Payable**

Short-term loans

	Principal Amount	**2015**	2014
Short-term loan obtained from a local bank with maturity on October 2015. Interest rate is at 1.85% per annum.	**₱1,441,097,460**	**₱1,441,097,460**	₱–
Short-term loan obtained from a local bank with maturity on October 2015. Interest rate is at 2.5% per annum.	**1,607,800,000**	**1,607,800,000**	–
Short-term loan obtained from a local bank which matured on October 2014. Interest rate is at 2.0% per annum payable monthly.	**764,300,000**	**–**	764,300,000
Short-term loan obtained from a local bank which matured on November 2014. Interest rate is at 2.0% per annum payable monthly.	**3,143,550,000**	**–**	3,143,550,000
Short-term loan obtained from a local bank which matured on December 2014. Interest rate is at 2.0% per annum payable monthly.	**803,500,000**	**–**	803,500,000
Short-term loan obtained from a local bank which matured on January 2015. Interest rate is at 2.75% per annum payable monthly.	**2,686,900,000**	**–**	2,686,900,000
Short-term loan obtained from a local bank which matured on December 2014. Interest rate is at 2.5% per annum payable monthly.	**495,200,000**	**–**	495,200,000
Short-term loan obtained from a local bank which matured on January 2015. Interest rate is at 2.25% per annum payable monthly.	**208,000,000**	**–**	208,000,000
	₱11,150,347,460	**₱3,048,897,460**	₱8,101,450,000

Total interest cost expensed out from short-term loans amounted to ₱5 million, nil and ₱14 million for the years ended September 30, 2015, 2014 and 2013, respectively (see Note 26). Interest costs capitalized are disclosed in the applicable notes to the consolidated financial statements.

Long-term loans

	Principal Amount	**2015**	2014
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**	₱–
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**	–
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
Long-term portion	**22,000,000,000**	**22,000,000,000**	10,000,000,000
Less debt issue costs	**193,964,327**	**166,943,461**	79,698,532
Long-term portion net of debt issue costs	**₱21,806,035,673**	**₱21,833,056,539**	₱9,920,301,468

The Group's loans payable are all unsecured. The credit facility is fully drawn as of September 30, 2015 and 2014.

Debt issue costs are deferred and amortized using effective interest method over the 5-year term of the loans. As of September 30, 2015 and 2014, amortization of debt issue costs recognized as part of capitalized borrowing cost amounted to ₱25 million and ₱2 million respectively.

<u>Seven-year bonds from BDO, HSBC, SB Capital, Standard Chartered, DBP, and East West maturing on February 23, 2022</u>
On February 23, 2015, the Group issued ₱10,636 million bonds constituting direct, unconditional, unsubordinated, and unsecured obligations of the Parent Company and shall at all times rank pari passu and without preference among themselves and among any present and future unsubordinated and unsecured obligations of the Parent Company, except for any statutory preference or priority established under Philippine law. The net proceeds of the issue shall be used by the Parent Company to refinance existing debt obligations and to partially fund investment capital expenditures.

Interest on the Bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on February 23 and August 23 of each year at which the Bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity ratio of not exceeding 2:1 as referenced from its consolidated financial statements as of its fiscal year end September 30 and consolidated interim financial statements as at March 31. The Group has complied with the debt covenant as of September 30, 2015.

<u>Ten-year bonds from BDO and Standard Chartered maturing on February 23, 2025</u>
On February 23, 2015, the Group issued ₱1,365 million bonds constituting direct, unconditional, unsubordinated, and unsecured obligations of the Parent Company and shall at all times rank pari passu and without preference among themselves and among any present and future unsubordinated and unsecured obligations of the Parent Company, except for any statutory preference or priority established under Philippine law. The net proceeds of the issue shall be used by the Parent Company to refinance existing debt obligations and to partially fund investment capital expenditures.

Interest on the Bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on February 23 and August 23 of each year at which the Bonds are outstanding.

Debt Covenant
The Group is required to maintain a debt-to-equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its fiscal year end September 30 and consolidated interim financial statements as at March 31. The Group has complied with the debt covenant as of September 30, 2015.

<u>Five-year term loan from BDO Unibank, Inc. maturing on July 14, 2019</u>
On July 8, 2014, the Group borrowed ₱9,000 million under Term Loan Facility Agreements with BDO Unibank, Inc.

The ₱9,000 million loan was released in two tranches amounting to ₱5,000 million and ₱4,000 million on July 14, 2014 and August 27, 2014, respectively. The interest rate is at 5.0438% per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed.

Debt Covenants
The Group is required to maintain a debt to equity ratio not exceeding 2:1. The Group has complied with the debt covenant as of September 30, 2015.

<u>Five-year term loan from BDO Leasing & Finance, Inc. maturing on July 14, 2019</u>
On July 8, 2014, the Group borrowed ₱1,000 million under Term Loan Facility Agreements with BDO Leasing and Finance, Inc.

The ₱1,000 million loan was released on July 14, 2014 with interest rate at 5.0438% per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed.

Debt Covenants
The Group is required to maintain a debt to equity ratio not exceeding 2:1. The Group has complied with the debt covenant as of September 30, 2015.

<u>Five-year and one-day bonds payable which matured in July 2014</u>
On July 13, 2009, the Group issued ₱5,000 million bonds constituting direct, unconditional, unsubordinated and unsecured obligations of the Group ranking pari-passu in all respects and ratably without any preference or priority with all other outstanding unsecured and unsubordinated obligations of the Group. The proceeds were used for general corporate purposes, such as, but not limited to the financing various capital expenditures. The bond was paid with a lump sum payment last July 14, 2014.

The interest rate was at 8.5% per annum and paid semi-annually, computed based on the outstanding balance with payments commenced on the issue date and ended on the maturity date. The payment of the interest began on January 14, 2010.

Debt Covenant
The Group is required to maintain a debt to equity ratio not exceeding 1.5:1 ratio and interest coverage ratio of at least 1.5:1. The Group has complied with the debt covenant as of September 30, 2013.

<u>Five year and one-day bonds payable which matured in August 2014</u>
On August 26, 2009, the Group issued ₱5,000 million bonds constituting direct, unconditional, unsubordinated and unsecured obligations of the Group ranking pari-passu in all respects and ratably without any preference or priority with all other outstanding unsecured and unsubordinated obligations of the Group. The proceeds were used for general corporate purposes, such as, but not limited to the financing various capital expenditures. The bond was paid with a lump-sum payment last August 27, 2014.

The interest rate was at 8.25% per annum and paid semi-annually, computed based on the outstanding balance with payments commenced on the issue date and ended on the maturity date. The payment of the interest began on February 27, 2010.

Debt Covenant
The Group is required to maintain a debt to equity ratio not exceeding 1:5:1 ratio and interest coverage ratio of at least 1.5:1. The Group has complied with the debt covenant as of September 30, 2013.

Details of the Group's loans payable by maturity follow:

Long-term loans

	Within 1 year	1-2 years	2-3 years	3-4 years	4-10 years	Total
2015	**₱–**	**₱–**	**₱–**	**₱10,000,000,000**	**₱12,000,000,000**	**₱22,000,000,000**
2014	₱–	₱–	₱–	₱–	₱10,000,000,000	₱10,000,000,000

17. **Deposits and Other Noncurrent Liabilities**

	2015	2014
Deposits from lessees - net of current portion (Notes 15, 31 and 32)	**₱1,896,140,054**	₱1,572,741,843
Accrued rent expense	**1,445,148,519**	1,312,553,101
Retention payable	**604,177,174**	201,956,963
Deposits from real estate buyers - net of current portion (Note 15)	**483,893,906**	706,537,591
Pension liabilities (Note 29)	**252,763,973**	213,319,417
Advances and others	**462,214,800**	310,945,967
	₱5,144,338,426	₱4,318,054,882

Accrued rent expense represents the portion of the lease as a consequence of recognizing expense on a straight-line basis. These pertain to various lease of land entered by the Group where the malls are located.

Retention payable represents amounts withheld from payments to contractors as guaranty for any claims against them. These are noninterest-bearing and will be remitted to contractors at the end of the contracted work.

Deposits from real estate buyers represent cash received in advance which shall be applied against the total contract price as soon as the contractual obligation of the real estate buyer has begun. The deposits from real estate buyers which are expected to be applied to the contract price within one year are classified as current.

Advances and others include payable to suppliers related to marketing activities.

18. **Retained Earnings**

The declarable dividend of Parent Company amounted to ₱18,205 million and ₱13,182 million as of September 30, 2015 and 2014, respectively.

Restriction
A portion of the unappropriated retained earnings representing the undistributed net earnings of subsidiaries amounting ₱977 million and ₱699 million as of September 30, 2015 and 2014, respectively, are not available for dividend declaration by the Parent Company until received in the form of 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:

	2015	2014	2013
Date of declaration	**April 29, 2015**	May 12, 2014	April 18, 2013
Date of payment	**June 9, 2015**	June 25, 2014	June 6, 2013
Ex-dividend rate	**May 14, 2015**	May 29, 2014	May 10, 2013
Dividend per share	**₱0.36**	₱0.36	₱0.36
Total dividends	**₱1,473,779,046**	₱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.

On September 18, 2014, the BOD approved the reversal of the retained earnings it has appropriated in 2013 amounting to ₱11,200 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 2014. These projects and acquisitions are expected to be completed in various dates in FY 2015 to FY 2017.

On September 13, 2013, the BOD approved the reversal of the retained earnings it has appropriated in 2009 and 2003 amounting to ₱10,500 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 ₱11,200 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 between April 2009 and August 2013. These projects and acquisitions are expected to be completed in various dates from July 2014 until March 2019.

19. **Capital Stock**

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

	2015	2014	2013
Authorized - at ₱1 par value	**8,200,000,000**	8,200,000,000	8,200,000,000
Exclusive of 17,698,000 treasury shares:			
At beginning of the period	**4,093,830,685**	4,093,830,685	4,093,830,685
Additional subscription	**–**	–	–
Issued, fully paid and outstanding	**4,093,830,685**	4,093,830,685	4,093,830,685

Below is the summary of the Parent Company's track record of registration of securities with the SEC as of September 30, 2015:

	Number of shares registered	Issue/ offer price	Date of SEC approval	Number of holders of securities as of year end
Balance before Initial public offering	300,000,000			
Initial public offering	200,000,000	₱1.00/share	February 10, 1989	
Increase in offer price		₱5.81/share	June 3, 1989	
Add (deduct):				
1:1 stock rights offering	500,000,000	₱2.50/share	March 15, 1991	
20% stock dividend	200,000,000	₱1.00/share	June 16, 1993	
1:2 stock rights offering	600,000,000	₱2.50/share	March 21, 1995	
Exchange for shares of JGSHI in MMHLC and in RII	496,918,457		April 3, 1997	
1:2 New share offering	450,000,000	₱12.00/share	September 25, 2006	
1:2 stock rights offering	1,364,610,228	₱10.00/share	May 17, 2011	
October 1, 2013	4,111,528,685			1,152
Add (deduct) movement	–			(34)
October 1, 2014	4,111,528,685			1,118
Add (deduct) movement	–			(19)
September 30, 2015	4,111,528,685			1,099

Note: Inclusive of 17,698,000 treasury shares

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 September 30, 2015, the Parent Company has a total of 17,698,000 treasury shares with a total purchase price of ₱222 million 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 September 30, 2015 and 2014.

	2015	2014
(a) Loans payable (Note 16)	**₱25,048,897,460**	₱18,101,450,000
(b) Equity	**₱56,660,206,908**	₱52,437,051,117
(c) Debt-to-capital ratio (a/b)	**0.44:1**	0.35:1

The Group's policy is to limit the debt-to-capital ratio at the 1.5:1 level. This policy is consistent with the requirements under the Group's debt covenants with lenders.

20. Related Party Transactions

Related party transactions are made under the normal course of business. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions; and the parties are subject to common control or common significant influence. Affiliates are entities that are owned and controlled by the Ultimate Parent Company and neither a subsidiary or associate of the Group. These affiliates are effectively sister companies of the Group by virtue of ownership of the Ultimate Parent Company. Related parties may be individuals or corporate entities.

The amounts and balances arising from significant related party transactions are as follows:

	2015			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
Ultimate Parent Company				
a) Rental income/receivable	**₱27,966,294**	**₱1,060,210**	Three to five year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	**(4,210,071)**	**42,303,401**	Interest bearing; due and demandable; interest rates ranging from 2% to 4%	Unsecured; no impairment
• Interest income	**499,688**	–		
b) Advances from	**27,685,692**	**(128,606,134)**	Non-interest bearing; due and demandable	Unsecured

(Forward)

	2015			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
Under common control				
c) Cash and cash equivalents				
• Cash in banks	**₱147,514,187**	**₱444,779,419**	Interest bearing at prevailing market rate; at 1.00% to 1.13% per annum due and demandable	Unsecured; no impairment
• Short-term investments	**246,921,403**	**246,981,976**	Interest bearing at prevailing market rate; at 3.75% to 4.25% per annum due and demandable	Unsecured; no impairment
• Interest income	**10,175,922**	–		
a) Rental income/receivable	**1,848,936,633**	**101,858,191**	Three to five year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	**815,502**	**22,478,004**	Non-interest bearing; due and demandable	Unsecured; no impairment
b) Advances from	**(11,030,631)**	**(28,721,724)**	Non-interest bearing; due and demandable	Unsecured
		₱702,133,343		

	2014			
	Amount/ Volume	Receivable (Payable)	Terms	Conditions
Ultimate Parent Company				
a) Rental income/receivable	₱23,828,944	₱142,921	Three to five year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	11,456,260	46,062,119	Interest bearing; due and demandable; interest rates ranging from 2% to 4%	Unsecured; no impairment
• Interest income	692,337	–		
b) Advances to	16,367,938	(100,920,442)	Non-interest bearing; due and demandable	Unsecured
Under common control				
c) Cash and cash equivalents				
• Cash in banks	13,502,309	297,265,232	Interest bearing at prevailing market rate; at 1.00% to 1.13% per annum due and demandable	Unsecured; no impairment
• Short-term investments	319,978,415	319,995,194	Interest bearing at prevailing market rate; at 3.75% to 4.25% per annum due and demandable	Unsecured; no impairment
• Interest income	3,418,053	–		
a) Rental income/receivable	1,606,199,950	68,148,120	Three to five year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	272,007	21,662,502	Non-interest bearing; due and demandable	Unsecured; no impairment
b) Advances from	7,430,083	(39,752,355)	Non-interest bearing; due and demandable	Unsecured
		₱612,603,291		

Outstanding balances consist of the following:

	2015	2014
Cash and cash equivalents (Note 7)	**₱691,761,395**	₱617,260,426
Rental receivables (Note 8)	**102,918,401**	68,291,041
Receivable from affiliated companies (Note 8)	**22,478,004**	21,662,502
Payable to affiliated companies (Note 15)	**(115,024,457)**	(94,610,678)
	₱702,133,343	₱612,603,291

Significant transactions with related parties are as follows:

a) *Rental income*
The Group leases commercial properties to affiliated companies with a lease term of three to five years based on prevailing market lease rates.

b) *Advances to (from) affiliated companies*
The Group, in the normal course of business, has transactions with its major stockholders, Ultimate Parent Company and its affiliated companies consisting principally of lease arrangements and advances principally for working capital requirement and financing for real estate development.

c) *Cash and cash equivalents*
The Group maintains savings and current accounts and time deposits with an entity under common control which is a local commercial bank. Cash and cash equivalents earns interest at the prevailing bank deposit rates.

Compensation of key management personnel by benefit type follows:

	2015	2014	2013
Short-term employee benefits	**₱826,138,856**	₱738,018,843	₱682,360,017
Post-employment benefits	**39,882,434**	34,833,887	29,616,732
	₱866,021,290	₱772,852,730	₱711,976,749

There are no other arrangements between the Group and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled to under the Group's pension plan.

21. **Revenue**

	2015	2014	2013
Real Estate Operations			
Rental income (Notes 20 and 34)	**₱9,287,978,214**	₱7,956,129,097	₱7,417,282,135
Real estate sale	**6,313,458,917**	5,646,638,459	5,300,508,087
Amusement income	**1,531,671,101**	1,259,795,201	1,016,315,050
Others	**853,589,092**	654,864,078	673,589,978
	17,986,697,324	15,517,426,835	14,407,695,250

(Forward)

	2015	2014	2013
Hotel Operations			
Rooms	**₱1,110,703,894**	₱959,133,430	₱940,469,217
Food and beverage	**590,482,756**	536,740,915	505,969,977
Others	**44,663,025**	37,874,048	50,358,575
	1,745,849,675	1,533,748,393	1,496,797,769
	₱19,732,546,999	₱17,051,175,228	₱15,904,493,019

Real estate sales include interest income from installment contract receivable amounting to ₱541 million, ₱499 million and ₱477 million in 2015, 2014 and 2013, respectively (Note 26).

Other revenue under real estate operations are from receipts of association dues and receipts of penalties from tenants and real estate buyers.

Other revenue under hotel operations includes transport, laundry, valet and other services.

22. Costs

	2015	2014	2013
Real Estate Operations			
Cost of Rental Services			
Depreciation and amortization (Note 24)	**₱2,984,798,999**	₱2,565,368,005	₱2,272,334,213
Property operations and maintenance costs (Note 11)	**395,403,541**	369,495,071	359,651,438
Others (Notes 15 and 26)	**63,905,363**	78,279,804	58,504,429
	3,444,107,903	3,013,142,880	2,690,490,080
Cost of Real Estate Sales (Note 9)	**3,207,254,788**	3,071,340,402	3,060,144,718
Cost of Amusement Services			
Film rentals expense	**694,919,851**	575,239,755	485,315,516
Others	**489,023,816**	403,144,880	327,734,935
	7,835,306,358	7,062,867,917	6,563,685,249
Hotel Operations			
Cost of room services			
Property operations and maintenance costs	**206,005,707**	195,399,258	233,546,408
Depreciation and amortization (Note 24)	**165,638,261**	166,604,688	186,566,709
	371,643,968	362,003,946	420,113,117
Cost of food and beverage	**206,081,289**	194,969,736	177,965,719
Others			
Salaries and wages (Note 25)	**181,077,744**	174,781,984	167,509,230
Management fee	**125,473,656**	94,822,595	91,246,840
Contracted services	**103,325,053**	108,079,136	99,507,759
Supplies	**48,714,688**	42,256,119	37,011,843
Commission	**35,255,649**	25,376,851	23,054,576
Others	**221,000,644**	171,803,936	139,954,299
	714,847,434	617,120,621	558,284,547
	1,292,572,691	1,174,094,303	1,156,363,383
	₱9,127,879,049	₱8,236,962,220	₱7,720,048,632

Others under costs of real estate operations and hotel operations include expenses from contracted services and other overhead expenses.

23. General and Administrative Expenses

	2015	2014	2013
Salaries and wages (Notes 20, 25 and 29)	**₱685,083,380**	₱598,070,746	₱544,467,479
Commission	**654,758,492**	454,056,685	343,961,848
Advertising and promotions	**617,459,442**	560,643,583	469,215,355
Taxes and licenses	**468,386,432**	427,647,099	422,522,767
Rent (Note 34)	**198,934,210**	152,181,973	108,587,882
Insurance	**98,607,073**	97,024,210	69,760,402
Supplies	**89,821,085**	73,944,512	56,912,788
Light, water and communication	**87,155,959**	90,166,983	76,318,318
Travel and transportation	**42,825,040**	47,989,393	39,783,781
Association dues	**24,446,708**	16,551,281	23,617,429
Entertainment, amusement and recreation	**16,081,033**	28,938,181	14,918,024
Donation	**9,037,857**	–	2,063,561
Others	**57,582,025**	25,260,083	30,096,512
	₱3,050,178,736	₱2,572,474,729	₱2,202,226,146

24. Depreciation and Amortization

	2015	2014	2013
Real estate (Notes 11, 12 and 22)	**₱2,984,798,999**	₱2,565,368,005	₱2,272,334,213
Hotel operations (Notes 11, 12 and 22)	**165,638,261**	166,604,688	186,566,709
	₱3,150,437,260	₱2,731,972,693	₱2,458,900,922

25. Personnel Expenses

Personnel expenses consist of (see Notes 22 and 23):

	2015	2014	2013
Salaries, wages and other staff costs	**₱729,257,877**	₱641,755,851	₱586,711,030
Pension expense (Note 29)	**39,944,452**	34,833,887	29,616,732
SSS contributions, PAG-IBIG contributions, premiums and others	**96,958,795**	96,262,992	95,648,947
	₱866,161,124	₱772,852,730	₱711,976,709

The above amounts are distributed as follows:

	2015	2014	2013
General and administrative (Note 23)	**₱685,083,380**	₱598,070,746	₱544,467,479
Hotel operations (Note 22)	**181,077,744**	174,781,984	167,509,230
	₱866,161,124	₱772,852,730	₱711,976,709

26. **Other Income (Losses)**

	2015	2014	2013
Interest income			
Bank deposits (Note 7)	**₱38,847,341**	₱13,942,294	₱112,105,758
Receivable from affiliated companies (Note 20)	**499,688**	692,337	1,291,518
	39,347,029	14,634,631	113,397,276
Interest income from installment contract receivable - recognized under real estate sales (Note 21)	**541,408,593**	499,324,875	477,286,247
	₱580,755,622	₱513,959,506	₱590,683,523

Interest expense consists of (see Notes 15 and 16):

	2015	2014	2013
Short-term loans	**₱5,288,926**	₱–	₱14,097,197
Accretion on security deposits - recognized under cost of rental services (Notes 15 and 22)	**63,905,363**	78,279,804	58,504,429
	₱69,194,289	₱78,279,804	₱72,601,626

Capitalized borrowing costs in 2015 and 2014 are discussed in Notes 9 and 11.

The Group recognized losses of ₱324 million due to property damages to its investment properties and property and equipment brought about by typhoons Yolanda and Glenda and the Galleria Mall fire loss in 2014. The Group recorded a gain for the same amount for the claims from the insurance companies for such losses, ₱113 million of which were received during the same year while the remaining ₱211 million was recorded as receivables (Note 8).

27. **Income Tax**

The Group's provision for income tax includes the regular corporate income tax (RCIT), minimum corporate income tax (MCIT) and final tax paid at the rate of 20% for peso deposits and 7.50% for foreign currency deposits which are final withholding tax on gross interest income. Details follow:

	2015	2014	2013
Current			
RCIT	**₱1,518,040,447**	₱998,494,220	₱1,110,200,943
Final tax	**6,016,575**	1,507,346	19,723,327
MCIT	**240,500**	207,883	143,711
	1,524,297,522	1,000,209,449	1,130,067,981
Deferred	**363,216,967**	521,263,644	384,488,481
	₱1,887,514,489	₱1,521,473,093	₱1,514,556,462

The reconciliation of statutory income tax rate to the effective income tax rate follows:

	2015	2014	2013
Statutory income tax rate	**30.00%**	30.00%	30.00%
Reductions in income tax resulting from:			
Interest income subjected to final tax	**(0.03)**	(0.01)	(0.16)
Tax exempt real estate sales	**(0.85)**	(1.07)	(0.05)
Income subjected to BOI, PEZA and lower tax	**(4.24)**	(4.59)	(4.52)
Effective income tax rate	**24.88%**	24.33%	25.27%

Deferred taxes as of September 30, 2015 and 2014 relate to the tax effects of the following:

	2015	2014
Deferred tax assets:		
Accrued rent expense	**₱454,745,268**	₱414,966,643
Accrued interest expense	**177,772,488**	158,681,249
Accrued retirement payable	**68,166,670**	64,747,128
Allowance for impairment loss	**13,812,665**	13,812,665
MCIT	**1,111,424**	313,633
	715,608,515	652,521,318
Deferred tax liabilities:		
Unamortized capitalized interest expense	**(₱1,419,649,598)**	(₱1,226,444,486)
Excess of real estate revenue based on percentage-of-completion over real estate revenue based on tax rules	**(1,244,499,193)**	(1,077,765,550)
Accrued rent income	**(187,282,004)**	(148,279,229)
Unamortized debt issuance cost	**(52,848,629)**	(26,675,150)
Prepaid rent (Note 13)	**(147,569,124)**	(147,569,124)
	(3,051,848,548)	(2,626,733,539)
Net deferred tax liabilities	**(₱2,336,240,033)**	(₱1,974,212,221)

The Group has deductible temporary difference that is available for offset against taxable income or tax payable for which deferred tax asset has not been recognized. This deductible temporary difference with no deferred tax assets recognized in the consolidated financial statements pertains to NOLCO of subsidiaries amounting to ₱3 million and ₱7 million in 2015 and 2014, respectively.

The deferred tax assets of the above deductible temporary differences for which no deferred tax assets have been recognized amounted to ₱1 million and ₱2 million as of September 30, 2015 and 2014, respectively.

The carryforward benefits of NOLCO, which can be claimed as a deduction by the Group against future taxable income for the next three (3) years from the year of incurrence, are as follows:

Period of recognition	Amount	Period of expiration
NOLCO		
September 30, 2015	₱899,847	September 30, 2018
September 30, 2014	1,012,159	September 30, 2017
September 30, 2013	1,272,693	September 30, 2016
	₱3,184,699	

Period of recognition	Amount	Period of expiration
MCIT		
September 30, 2015	₱797,791	September 30, 2018
September 30, 2014	207,883	September 30, 2017
September 30, 2013	143,711	September 30, 2016
	₱1,149,385	

28. Earnings Per Share

Earnings per share amounts were computed as follows:

	2015	2014	2013
a. Net income attributable to equity holders of Parent Company	**₱5,699,709,532**	₱4,737,013,328	₱4,478,403,024
b. Weighted average number of common shares outstanding adjusted	**4,093,830,685**	4,093,830,685	4,093,830,685
c. Earnings per share (a/b)	**₱1.39**	₱1.16	₱1.09

There were no potential dilutive shares in 2015, 2014 and 2013.

29. Employee Benefits

Pension Plans

The Group has funded, noncontributory, defined benefit pension plans covering all of its regular employees.

It provides benefits based on a number of month's salary for every year of service. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however 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 pension funds are being administered and managed through JG Summit Multi-Employer Retirement Plan (the "Plan"), with RBC as Trustee. The plans provide for retirement, separation, disability and death benefits to their members. The Group, however, reserves the right to discontinue, suspend or change the rates and amounts of their contributions at any time on account of business necessity or adverse economic conditions. The retirement plan has an Executive Retirement Committee, which is mandated to approve the plan, trust agreement, investment plan, including any amendments or modifications thereto, and other activities of the Plan. Certain members of the BOD of the Parent Company are represented in the Executive Retirement Committee. Robinsons Bank Corporation manages the plan assets based on the mandate as defined in the trust agreement.

The components of pension expense (included in “Personnel expenses” under “Costs and General and administrative expenses” in the consolidated statements of comprehensive income) follow:

	2015	2014	2013
Service cost	**₱29,575,052**	₱28,555,085	₱21,460,566
Net interest cost	**10,369,400**	6,278,802	8,156,166
Pension expense	**₱39,944,452**	₱34,833,887	₱29,616,732

There are no plan amendments, curtailments or settlements for the period ended September 30, 2015 and 2014.

The amounts recognized as pension liabilities included under ‘Deposit and other noncurrent liabilities’ in the consolidated statements of financial position follow:

	2015	2014
Present value of defined benefit obligation	**₱381,649,653**	₱347,007,878
Fair value of plan assets	**(128,885,680)**	(133,688,461)
Pension liabilities	**₱252,763,973**	₱213,319,417

Changes in net defined benefit liability of funded funds in 2015 and 2014 follow:

	2015		
	Present value of defined benefit obligation	**Fair value of plan assets**	**Net defined benefit liability/(asset)**
Balance at beginning of year	**₱347,007,878**	**₱133,688,461**	**₱213,319,417**
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	**29,575,052**	**–**	**29,575,052**
Net interest cost	**16,920,653**	**6,551,253**	**10,369,400**
Subtotal	**46,495,705**	**6,551,253**	**39,944,452**
Benefits paid	**(5,466,485)**	**(5,466,485)**	**–**
Remeasurements in other comprehensive income:			
Return on plan assets	**–**	**(10,351,295)**	**10,351,295**
Actuarial changes arising from experience adjustments	**2,295,791**	**–**	**2,295,791**
Actuarial changes arising from changes in financial/demographic assumptions	**(8,683,236)**	**–**	**(8,683,236)**
Subtotal	**(6,387,445)**	**(10,351,295)**	**3,963,850**
Contributions paid	**–**	**4,463,746**	**(4,463,746)**
Balance at end of year	**₱381,649,653**	**₱128,885,680**	**₱252,763,973**

	2014		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance at beginning of year	₱317,562,564	₱131,917,850	₱185,644,714
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	28,555,085	–	28,555,085
Net interest cost	12,057,765	5,778,963	6,278,802
Subtotal	40,612,850	5,778,963	34,833,887
Benefits paid		–	–

(Forward)

	2014		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Remeasurements in other comprehensive income:			
Return on plan assets	₱–	(₱4,008,352)	₱4,008,352
Actuarial changes arising from experience adjustments	7,009,915	–	7,009,915
Actuarial changes arising from changes in financial/demographic assumptions	(18,177,451)	–	(18,177,451)
Subtotal	(11,167,536)	(4,008,352)	(7,159,184)
Contributions paid	–	–	–
Balance at end of year	₱347,007,878	₱133,688,461	₱213,319,417

The major categories and corresponding fair values of plan assets by class of the Group's Plan as at the end of each reporting period are as follow:

	2015	2014
Cash and cash equivalents		
Special deposit account	**₱40,217,000**	₱47,617,750
Savings deposit account	**1,431**	146
Time deposit	**–**	–
	40,218,431	47,617,896
Investment in debt instruments		
Fixed rate bonds	**20,670,165**	20,696,600
Other debt instruments	**9,307,876**	8,089,618
	29,978,041	28,786,218
Accrued interest receivable	**276,522**	279,644
Other assets	**58,418,584**	57,011,093
Accrued trust and management fee payable	**(5,899)**	(6,390)
	₱128,885,679	₱133,688,461

The composition of the fair value of the Fund includes:

- *Cash and cash equivalents* - include savings and time deposit with various banks and special deposit account with Bangko Sentral ng Pilipinas.

- *Investment in debt instruments* - include investment in long-term debt notes and retail bonds.

- *Accrued interest receivable and other receivable* - include interest earned from investments and receivable from affiliated companies.

- *Accrued trust and management fee payable* - pertains mainly to charges of trust or in the management of the plan.

The fund has no investment in the Parent Company as of September 30, 2015, 2014 and 2013.

The plan assets have diverse investments and do not have any concentration risk.
The management performs an asset-liability matching strategy annually. The overall investment policy and strategy of the Group's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risk of the plans.

The overall expected rates of return on assets are based on the market expectations prevailing as at the reporting date, applicable to the period over which the obligation is settled.
The Group expects to contribute ₱42 million to the defined benefit pension plans in 2016.

The average duration of the defined benefit obligation of the Group as of September 30, 2015 and 2014 is 15 years.

The principal assumptions used to determine the pension benefits of the Group follow:

	2015	2014	2013
Discount rate	**4.65%**	4.52% to 5.02%	3.80% to 4.54%
Rate of salary increase	**5.00%**	5.50%	5.50%

There are no unusual or significant risks to which the Plan exposes the Group. However, in the event a benefit claim arises under the Retirement Plan and the Retirement Fund is not sufficient to pay the benefit, the unfunded portion of the claim shall immediately be due and payable from the Group to the Retirement Fund.

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of September 30, 2015, assuming if all other assumptions were held constant. The balances below show the addition/reduction in pension obligation assuming assumptions are changed:

		Increase (decrease) on pension liabilities	
		2015	2014
Discount rates	+1.00%	**(₱29,238,214)**	(₱30,987,127)
	-1.00%	**33,636,983**	36,043,484
Salary increase rates	+1.00%	**₱32,053,384**	₱34,029,803
	-1.00%	**(28,504,312)**	(29,959,181)

Shown below is the maturity analysis of the undiscounted benefit payments of the Group:

	2015	2014
Less than 1 year	**₱65,053,009**	₱64,191,016
More than 1 years to 5 years	**102,498,063**	63,369,174
More than 5 years to 10 years	**233,462,634**	175,391,802
More than 10 years to 15 years	**341,431,675**	386,581,484
More than 15 years to 20 years	**264,126,374**	321,281,192
More than 20 years	**281,247,087**	390,781,446

30. Interest in Joint Operations

The Group has entered into joint venture agreements with various landowners and other companies with various percentage interests in these joint operations depending on the value of the land or investment against the estimated development costs. These joint venture agreements entered into by the Group relate to the development and sale of subdivision land, condominium and residential units, with certain level of sharing in the proceeds of sale of developed units.

The Group's joint venture agreements typically require the joint venture partner to contribute the land free from any lien, encumbrance and tenants or informal settlers to the project, with the Group bearing all the cost related to the land development and the construction of subdivision land, condominium and residential units, including the facilities.

Sales and marketing costs are allocated to both the Group and the joint operations partner. The projects covering the joint venture agreement are expected to be completed within two to three years. Each joint operations party has committed to contribute capital based on the terms of the joint venture agreement.

Interest in joint projects with Harbour Land Realty and Development Corp and Federal Land, Inc. (Jointly Controlled Operations)

On February 7, 2011, the Parent Company entered into a joint venture agreement with Harbour Land Realty and Development Corp (HLRD) and Federal Land, Inc. (FLI) to develop a project called Axis Residences located along Pioneer Street in Mandaluyong City. The construction of the planned 2-phase residential condominium has commenced in March 2012. The first phase is expected to be completed on November 2015.

The agreed contributions of the parties follow:
a. The Parent Company: Road lot valued at ₱89 million and development costs amounting ₱1,390 million
b. FLI: Development costs amounting ₱739 million
c. HLRD, an affiliate of FLI: Four (4) adjoining parcels of land valued at ₱739 million located along Pioneer St., Mandaluyong City, 21,109 sqm

Further, the sharing of saleable units (inventories) of real estate revenue, cost of real estate sales and any common expenses incurred, are as follows: the Parent Company-50%; FLI-25% and HLRD-25%.

31. 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.

<u>Risk Management Policies</u>
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.

The table below summarizes the Group's exposure to foreign currency risk:

	September 30			
	2015		2014	
Assets				
Cash and cash equivalents	**\$452,009**	**₱21,212,782**	\$363,268	₱16,336,162
Liabilities				
Accounts payable and accrued expenses	**100,410**	**4,712,251**	91,282	4,104,952
Net foreign currency-denominated assets	**\$351,599**	**₱16,500,531**	\$271,986	₱12,231,210

The exchange rates used to translate the Group's USD-denominated assets and liabilities as of September 30, 2015 and 2014 follow:

	2015	2014
US Dollar - Philippine Peso exchange rate	**₱46.93 to US\$1.00**	₱44.97 to US\$1.00

The following table sets forth the impact of the range of reasonably possible changes in the USD-PHP exchange rate on the Group's income before income tax for the year ended September 30, 2015 and 2014.

Reasonably Possible Changes in USD-PHP Exchange Rates	Change in Income Before Income Tax
2015	
2.0% PHP appreciation	**(₱330,011)**
2.0% PHP depreciation	**330,011**
2014	
2.0% PHP appreciation	(₱244,624)
2.0% PHP depreciation	244,624

Sensitivity to foreign exchange rates is calculated on the Group's foreign currency denominated assets and liabilities, assuming a more likely scenario of foreign exchange rate of USD-PHP that can happen within 12 months after reporting date using the same balances of financial assets and liabilities as of reporting date.

The Group does not expect the impact of the volatility on other currencies to be material.

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 following table summarizes the maturity profile of the Group's financial assets and financial liabilities as of September 30, 2015 and 2014, based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Group's financial assets in order to provide a complete view of the Group's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

Balances due within six (6) months equal their carrying amounts, as the impact of discounting is insignificant.

	2015					
	On Demand	**1 to 3 months**	**4 to 12 months**	**More than 1 year but less than 5 years**	**5 years or more**	**Total**
Loans and receivables						
Cash and cash equivalents	**₱597,003,967**	**₱595,950,051**	**₱–**	**₱–**	**₱–**	**₱1,192,954,018**
Receivables						
Trade	**1,941,764,066**	**1,165,344,666**	**1,499,486,794**	**2,505,606,809**	**203,327,950**	**7,315,530,285**
Affiliated companies	**22,478,004**	**–**	**–**	**–**	**–**	**22,478,004**
Others	**108,848,656**	**75,382,619**	**207,662,006**	**–**	**–**	**391,893,281**
Other assets						
Utility deposits	**5,106,072**	**280,000**	**–**	**223,668,117**	**279,044,334**	**508,098,523**
Total financial assets	**₱2,675,200,765**	**₱1,836,957,336**	**₱1,707,148,800**	**₱2,729,274,926**	**₱482,372,284**	**₱9,430,954,111**
Accounts payable and accrued expenses	**₱2,259,011,204**	**₱968,893,098**	**₱1,400,158,284**	**₱1,225,482,055**	**₱1,105,923,489**	**₱6,959,468,130**
Payables to affiliated companies (included under Deposits and other liabilities account in the consolidated statement of financial position)	**300,434,457**	**–**	**–**	**–**	**–**	**300,434,457**
Deposits from lessees	**931,792,342**	**250,042,502**	**492,227,838**	**1,251,180,756**	**644,959,298**	**3,570,202,736**
Loans payable and future interest payment	**–**	**504,117,126**	**2,648,998,736**	**19,852,867,092**	**13,002,463,300**	**36,008,446,254**
Other financial liabilities	**₱3,491,238,003**	**₱1,723,052,726**	**₱4,541,384,858**	**₱22,329,529,903**	**₱14,753,346,087**	**₱46,838,551,577**

	2014					
	On Demand	1 to 3 months	4 to 12 months	More than 1 year but less than 5 years	5 years or more	Total
Loans and receivables						
Cash and cash equivalents	₱492,007,143	₱562,948,046	₱–	₱–	₱–	₱1,054,955,189
Receivables						
Trade	1,914,536,665	447,901,669	1,216,193,852	2,659,623,278	55,651,227	6,293,906,691
Affiliated companies	21,662,502	–	–	–	–	21,662,502
Others	46,330,200	71,589,146	265,660,163	149,486	–	383,728,995
Other assets						
Utility deposits	5,106,072	–	18,945	247,884,198	197,565,900	450,575,115
Total financial assets	₱2,479,642,582	₱1,082,438,861	₱1,481,872,960	₱2,907,656,962	₱253,217,127	₱8,204,828,492
Accounts payable and accrued expenses	₱1,185,385,438	₱1,398,178,395	₱1,788,029,853	₱643,539,179	₱1,084,290,302	₱6,099,423,167
Payables to affiliated companies (included under Deposits and other liabilities account in the consolidated statement of financial position)	240,120,678	–	–	–	–	240,120,678
Deposits from lessees	852,939,794	227,460,782	463,235,803	1,522,658,778	50,083,065	3,116,378,222
Loans payable and future interest payment	–	8,621,282,393	1,501,906,389	5,854,953,555	11,260,275,961	27,238,418,298
Other financial liabilities	₱2,278,445,910	₱10,246,921,570	₱3,753,172,045	₱8,021,151,512	₱12,394,649,328	₱36,694,340,365

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.

The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. As of September 30, 2015 and 2014, 100% of the Group's loans payable are at a fixed rate of interest.

The Group has no financial instruments with variable interest rates exposed to interest rate risk as of September 30, 2015 and 2014.

Credit risk
Credit risk is the risk that 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. 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.

a. Credit risk exposure

The table below shows the gross maximum exposure to credit risk of the Group as of September 30, 2015, and 2014 without considering the effects of collaterals and other credit risk mitigation techniques:

	2015	2014
Cash and cash equivalents (net of cash on hand)	**₱1,167,730,897**	₱1,038,865,951
Receivables - net		
Trade receivables		
Installment contract receivable	**6,197,079,304**	5,383,789,946
Accrued rent receivable	**518,174,550**	415,491,997
Rental receivables	**406,863,718**	334,120,922
Hotel operations	**193,412,713**	160,503,826
Affiliated companies	**22,478,004**	21,662,502
Other receivables	**391,893,281**	383,728,995
Other assets		
Utility deposits	**508,098,523**	450,575,115
	₱9,405,730,990	₱8,188,739,254

The credit risk on installment contracts receivables is mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

b. Risk concentrations of the maximum exposure to credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Group's financial strength and undermine public confidence.
Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risks.

c. Credit quality per class of financial assets

The table below shows the credit quality by class of financial assets as of September 30, 2015, and 2014, gross of allowance for credit and impairment losses:

	2015				
	Neither Past Due Nor Impaired			**Past Due or**	
	High Grade	**Standard Grade**	**Substandard Grade**	**Individually Impaired**	**Total**
Loans and receivables					
Cash and cash equivalents	**₱1,167,730,897**	**₱–**	**₱–**	**₱–**	**₱1,167,730,897**
Receivables:					
Trade receivables					
Installment contract receivables	**4,680,803,571**	–	–	**1,535,275,733**	**6,216,079,304**
Accrued rent receivables	**518,174,550**	–	–	–	**518,174,550**
Rental receivables	**134,295,019**	–	–	**286,473,726**	**420,768,745**
Hotel operations	**88,939,099**	–	–	**117,610,804**	**206,549,903**
Affiliated companies	**22,478,004**	–	–	–	**22,478,004**
Other receivables	**391,893,281**	–	–	–	**391,893,281**
Other assets					
Utility deposits	**508,098,523**	–	–	–	**508,098,523**
	₱7,512,412,944	**₱–**	**₱–**	**₱1,939,360,263**	**₱9,451,773,207**

	2014				
	Neither Past Due Nor Impaired			Past Due or	
	High Grade	Standard Grade	Substandard Grade	Individually Impaired	Total
Loans and receivables					
Cash and cash equivalents	₱1,038,865,951	₱–	₱–	₱–	₱1,038,865,951
Receivables:					
Trade receivables					
Installment contract receivables	3,782,837,444	–	–	1,619,952,502	5,402,789,946
Accrued rent receivables	415,491,997	–	–	–	415,491,997
Rental receivables	139,562,071	–	–	208,463,878	348,025,949
Hotel operations	68,016,461	–	–	105,624,555	173,641,016
Affiliated companies	21,662,502	–	–	–	21,662,502
Other receivables	383,728,995	–	–	–	383,728,995
Other assets					
Utility deposits	450,575,115	–	–	–	450,575,115
	₱6,300,740,536	₱–	₱–	₱1,934,040,935	₱8,234,781,471

High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in foreign and local banks belonging to the top ten (10) banks, including an affiliate bank, in the Philippines in terms of resources, profitability and credit standing.

High grade accounts, other than cash and cash equivalents, are accounts considered to be of high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits. Receivable from installment contract receivables are considered high grade as title of the real estate property of the subject receivable passes to the buyer once fully paid. Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Substandard grade accounts are accounts which have probability of impairment based on historical trend. These accounts show propensity to default in payment despite regular follow-up actions and extended payment terms.

d. Impairment assessment

The Group recognizes impairment losses based on the results of the specific/individual and collective assessment of its credit exposures. Impairment has taken place when there is a presence of known difficulties in the servicing of cash flows by counterparties, infringement of the original terms of the contract has happened, or when there is an inability to pay principal or interest overdue beyond a certain threshold. These and the other factors, either singly or in tandem with other factors, constitute observable events and/or data that meet the definition of an objective evidence of impairment.

The two methodologies applied by the Group in assessing and measuring impairment include: (1) specific/individual assessment and (2) collective assessment.

Under specific/individual assessment, the Group assesses each individually significant credit exposure for any objective evidence of impairment, and where such evidence exists, accordingly calculates the required impairment. Among the items and factors considered by the Group when assessing and measuring specific impairment allowances are: (a) the timing of the expected cash flows; (b) the projected receipts or expected cash flows; (c) the going concern of the counterparty's business; (d) the ability of the counterparty to repay its obligations during financial crises; (e) the availability of other sources of financial support; and (f) the existing realizable value of collateral. The impairment allowances, if any, are evaluated as the need arises, in view of favorable or unfavorable developments.

With regard to the collective assessment of impairment, allowances are assessed collectively for losses on receivables that are not individually significant and for individually significant receivables when there is no apparent evidence or not yet objective of individual impairment. A particular portfolio is reviewed on a periodic basis, in order to determine its corresponding appropriate allowances. The collective assessment evaluates and estimates the impairment of the portfolio in its entirety even though there is no objective evidence of impairment on an individual assessment.

Derivative Financial Instrument

Interest rate swap
On May 28, 2008, the Group entered into an interest rate swap agreement with a bank, with a total notional amount of ₱2,000 million to fully hedge its interest rate risk exposures from its Inverse Floating Rate Notes, which bears an interest rate of 15.70% less the 3-month benchmark rate (PDST-F).

The interest rate swap has a term of five (5) years and interest exchange is every 5th day of March, June, September and December. Under the agreement, the Group agreed with the counterparty to exchange at quarterly intervals, the Group's floating rate payments on the Inverse Floating Rate Note based on 3M PSDT-F (but not to exceed 15.70%) with fixed rate payments based on a 6.95% coupon rate. The swap agreement effectively fixes the Group's interest rate exposure on the inverse floating note to 8.75%. The interest rate swap matured on June 6, 2013, thus there are no outstanding derivatives as of September 30, 2015 and 2014, respectively. Mark-to-market gain (loss) in applicable years is recorded as part of "Other Income (Losses)".

32. **Financial Instruments**

The carrying amount of cash and cash equivalents, trade receivables (except installment contract receivables), other receivables, receivable and payable to affiliated companies 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 that are carried in the consolidated financial statements.

	2015		2014	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Installment contract receivable	**₱6,197,079,304**	**₱5,929,676,551**	₱5,383,285,676	₱5,159,438,913
Deposits from lessees	**3,570,202,736**	**3,321,479,742**	3,116,378,222	2,968,970,154
Loans payable	**24,881,953,999**	**36,008,446,254**	18,021,751,468	19,121,226,719

The fair values of installment contract receivables, customers' deposits 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. The discount rates used range from 1.7% to 5.6% in 2015 and 1.7% to 4.0% in 2014.

Fair Value Hierarchy
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.

The fair value of installment contracts receivables, deposits from lessees and loans payable disclosed in the consolidated financial statements is categorized within level 3 of the fair value hierarchy. There has been no reclassification from Level 1 to Level 2 or 3 category.

33. Registration with the Board of Investments (BOI) and the Philippine Economic Zone Authority (PEZA)

Certain operations of the Group are registered with the BOI as preferred pioneer and non-pioneer activities. As registered enterprises, these consolidated subsidiaries are subject to some requirements and are entitled to certain tax and non-tax incentives which are considered in the computation of the provision for income tax.

Summit Ridge Hotel
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Facility (Hotel-Summit Ridge Hotel)" on a Pioneer status at a capacity of one hundred eight (108) rooms, under Certificate of Registration No. 2007-139 dated August 6, 2007. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from January 2009 to December 2012.

Escalades at 20th Avenue
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Mass Housing" on a Non-Pioneer status at a capacity of seven hundred twenty (720) units, under Certificate of Registration No. 2008-216 dated August 13, 2008. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from October 2009 to September 2013.

Two Gateway Place
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Mass Housing" on a Non-Pioneer status at a capacity of two hundred sixty four (264) units, under Certificate of Registration No. 2008-202 dated August 7, 2008. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from December 2009 up to November 2013.

Holiday Inn Galleria Manila
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Modernization of Tourism-Related Facility (Hotel - Holiday Inn Galleria Manila)" on a Non-Pioneer status at a capacity of two hundred eighty-five (285) rooms, under Certificate of Registration No. 2011-097 dated May 25, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from May 2011 to May 2014.

Summit Circle - Fuente Osmeña Circle
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Modernization of Tourism-Related Facility (Hotel - Summit Circle Hotel)" on a Non-Pioneer status at a capacity of two hundred ten (210) rooms, under Certificate of Registration No. 2011-021 dated January 24, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from June 2011 to May 2014.

The Wellington Courtyard Phase 2
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Mass Housing" on a Non-Pioneer status at a capacity of ninety two (92) units, under Certificate of Registration No. 2011-090 dated May 20, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from May 2011 to May 2014.

Go Hotel, Robinsons Cybergate Plaza
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Facility (Hotel- Go Hotel, Robinsons Cybergate Plaza)" on a Non-Pioneer status at a capacity of two hundred twenty three (223) rooms, under Certificate of Registration No. 2010-002 dated January 6, 2010. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from July 2010 to June 2014.

Escalades South Metro Phase I
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "Mass Housing" on a Non-Pioneer status at a capacity of five hundred twenty eight (528) units, under Certificate of Registration No. 2011-169 dated August 1, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from November 2012 to October 2015.

Go Hotel, Dumaguete
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Facility (Hotel- Go Hotel, Dumaguete)" on a Non-Pioneer status at a capacity of one hundred two (102) rooms, under Certificate of Registration No. 2012-020 dated February 1, 2012. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from February 2012 to February 2016.

Go Hotel, Bacolod
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Facility (Hotel- Go Hotel, Bacolod)" on a Non-Pioneer status at a capacity of one hundred eight (108) rooms, under Certificate of Registration No. 2012-039 dated March 13, 2012. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from July 2012 to July 2016.

Go Hotel, Palawan
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Facility (Hotel- Go Hotel, Palawan)" on a Non-Pioneer status at a capacity of one hundred eight (108) rooms, under Certificate of Registration No. 2012-017 dated January 25, 2012. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from February 2012 to February 2016.

Go Hotel, Tacloban
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 "New Operator of Tourist Accommodation Establishment (Hotel- Go Hotel, Tacloban)" on a Non-Pioneer status at a capacity of ninety eight (98) rooms,

under Certificate of Registration No. 2011-250 dated November 23, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from April 2012 to April 2016.

Go Hotel, Iloilo
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “New Operator of Tourist Accommodation Establishment (Hotel - Go Hotel, Iloilo)” on a Non-Pioneer status at a capacity of one hundred sixty seven (167) rooms, under Certificate of Registration No. 2014-016 dated January 29, 2014. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from January 2014 to December 2017.

Go Hotel, Butuan
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “New Operator of Tourist Accommodation Establishment (Hotel - Go Hotel, Butuan)” on a Non-Pioneer status at a capacity of one hundred four (104) rooms, under Certificate of Registration No. 2014-214 dated December 5, 2014. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from January 2015 to December 2019.

Azalea Place, Gorordo Avenue,Cebu City
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “Mass Housing” on a Non-Pioneer status at a capacity of three hundred eight (308) units, under Certificate of Registration No. 2011-203 dated September 15, 2011. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from July 2012 to June 2016.

The Pearl Place - Tower A
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “Mass Housing” on a Non-Pioneer status at a capacity of six hundred twenty five (625) units, under Certificate of Registration No. 2012-008 dated January 11, 2012. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from October 2013 to September 2016.

Escalades East Tower
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “Mass Housing” on a Non-Pioneer status at a capacity of two hundred twenty six (226) units, under Certificate of Registration No. 2014-197 dated November 6, 2014. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from November 6, 2014 to November 5, 2017.

Axis Residences (Phase 1)-Tower A
The Group is duly registered with the BOI under Book 1 of the Omnibus Investments Code of 1987, otherwise known as E.O. 226 “Mass Housing” on a Non-Pioneer status at a capacity of four hundred fifty six (456) units, under Certificate of Registration No. 2015-048 dated February 26, 2015. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from February 27, 2015 to February 26, 2018.

Robinsons Cyberpark
The Group is also registered with PEZA (beginning October 1, 2004) as a pioneer enterprise under the Section 6 of Republic Act No. 7916, otherwise known as “The Special Economic Zone Act of 1995, as amended, its Implementing Rules and Regulations” and PEZA Board Resolution

No. 00-262 dated August 17, 2003, for creating and designating 68,596 square meters of land located at EDSA corner Pioneer Street, Mandaluyong City as an IT Park to be known as The Robinsons Cyberpark. Under the terms of its registration, the Group is entitled to certain tax and nontax incentives which include, among others, 5% special tax regime.

Robinsons Cybergate Center
The Group is also registered with PEZA (beginning February 8, 2006) as a pioneer enterprise under the Section 6 of Republic Act No. 7916, otherwise known as "The Special Economic Zone Act of 1995, as amended, its Implementing Rules and Regulations" and PEZA Board Resolution No. 00-262 dated August 17, 2003, for creating and designating 11,125 square meters of land located at Araneta Singcang St., Barrio Tangub, National Road, Bacolod City, Negros Occidental as an IT Park to be known as The Robinsons Cybergate Center. Under the terms of its registration, the Group is entitled to certain tax and nontax incentives which include, among others, 5% special tax regime.

Robinsons Place Lipa
The Group is also registered with PEZA (beginning November 3, 2006) as a pioneer enterprise under the Section 6 of Republic Act No. 7916, otherwise known as "The Special Economic Zone Act of 1995, as amended, its Implementing Rules and Regulations" and PEZA Board Resolution No. 00-262 dated August 17, 2003, for creating and designating 65,399 square meters of land located at JP Laurel Highway, Mataas na Lupa, Lipa City, Batangas as an IT Park to be known as The Robinsons Place Lipa. Under the terms of its registration, the Group is entitled to certain tax and nontax incentives which include, among others, 5% special tax regime.

Robinsons Big Supercenter Cainta Junction
The Group is also registered with PEZA (beginning October 28, 2005) as a pioneer enterprise under the Section 6 of Republic Act No. 7916, otherwise known as "The Special Economic Zone Act of 1995, as amended, its Implementing Rules and Regulations" and PEZA Board Resolution No. 00-262 dated August 17, 2003, for creating and designating 19,522 square meters of land located at Ortigas Avenue Extension, Cainta Junction, Cainta, Rizal as an IT Park to be known as The Robinsons Cyberpark. Under the terms of its registration, the Group is entitled to certain tax and nontax incentives which include, among others, 5% special tax regime.

34. Commitments and Contingencies

Operating Lease Commitments - Group as Lessee
The Group entered into long-term operating leases of land with lease terms ranging from 25 to 50 years. These leases include clauses to enable escalation of rental charges on the agreed dates. Total rent expense amounted to ₱199 million, ₱152 million and ₱109 million in 2015, 2014 and 2013, respectively. There is no contingent rent. Future minimum rentals payable under noncancellable operating leases as of September 30, 2015 are as follows:

	2015	2014	2013
Within one (1) year	**₱75,875,322**	₱60,225,464	₱57,785,146
After one (1) year but not more than five (5) years	**382,304,085**	274,917,570	261,005,269
After more than five (5) years	**6,472,894,986**	5,492,119,217	5,566,256,982
	₱6,931,074,393	₱5,827,262,251	₱5,885,047,397

Operating Lease Commitments - Group as Lessor
The Group has entered into commercial property leases on its investment property portfolio. These noncancellable leases have remaining noncancellable lease terms of between one (1) and ten (10) years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. The lease contracts also provide for the percentage rent, which is a certain percentage of actual monthly sales or minimum monthly gross sales, whichever is higher. Total rent income amounted to ₱9,288 million, ₱7,956 million and ₱7,417 million in 2015, 2014 and 2013, respectively. Total percentage rent recognized as income for 2015, 2014 and 2013 amounted to ₱2,502 million, ₱2,167 million and ₱1,972 million, respectively.

Future minimum rentals receivable under noncancellable operating leases as of September 30, 2015 follows:

	2015	2014	2013
Within one (1) year	**₱5,308,666,374**	₱4,252,470,638	₱3,112,884,935
After one (1) year but not more than five (5) years	**10,472,321,498**	5,915,813,342	4,326,077,400
After more than five (5) years	**1,024,342,237**	437,292,732	352,475,356
	₱16,805,330,109	₱10,605,576,712	₱7,791,437,691

Finance Lease Commitments - Group as Lessor
In 2015, the Group has significantly entered into residential property leases on its residential condominium unit's portfolio. These leases have lease period of five (5) to ten (10) years and the lessee is given the right to purchase the property anytime within the lease period provided that the lessee any arrears in rental payment, condominium dues and other charges.

Future minimum lease payments under finance lease with the present value of future minimum lease payment as of September 30, 2015 follow:

	2015	
	Minimum Lease Payments	**Present Value of Minimum Lease Payments**
Within one (1) year	**₱115,488,617**	**₱112,620,511**
After one (1) year but not more than five (5) years	**350,912,310**	**325,025,776**
After more than five (5) years	**379,131,036**	**311,618,076**
Total minimum lease payments	**845,531,963**	**749,264,363**
Less finance charges	**96,267,600**	–
Present value of minimum lease payments	**₱749,264,363**	**₱749,264,363**

Capital Commitments
The Group has contractual commitments and obligations for the construction and development of investment properties and property and equipment items aggregating ₱8,214 million and ₱11,551 million as of September 30, 2015 and 2014, respectively. Moreover, the Group has contractual obligations amounting to ₱1,292 million and ₱1,241 million as of September 30, 2015 and 2014, respectively, for the completion and delivery of real estate units that have been presold.

Contingencies
The Group has various collection cases or claims with its customers arising in the ordinary conduct of business which are either pending decision by the courts or being contested, the outcome of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or

adverse effect on the Group's financial position and results of operations. The Group does not believe that such assessments, in general, will have a material effect on its operating results and financial condition. No provisions were made during the year. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of pending assessments.

35. Note on Consolidated Statement of Cash Flows

Noncash investing activity pertains to transfers from investment properties to property and equipment and subdivision land, condominium and residential units for sale amounting to ₱474 million, ₱1,887 million, and ₱42 million in 2015, 2014, and 2013, respectively. Also, land amounting to ₱1,760 million in 2014 were transferred from investment properties to subdivision land, condominium and residential units for sale for the Group's residential projects.

Noncash operating activity pertains to the accretion of customers deposit amounting to ₱64 million, ₱78 million and ₱59 million in 2015, 2014 and 2013, respectively.

36. Subsequent Events

On October 27, 2015, the Group won the bidding for the acquisition of land use right to a property located in Chengdu Province, China. The land use right was acquired by entering into a Contract for Assignment of the Right to the Use of State-owned Land (the Contract) with the Land and Resource Bureau of Chengdu Province (Chinese Government). This acquisition is in line with the normal course of the Group's real estate business and its plan to explore opportunities internationally.

Earlier on September 18, 2015, the Group paid the Chinese Government bid deposit for the purchase of land rights amounting to ₱1,440 million. The bid deposit which will be applied against the purchase price of the land use right is presented as "Deposit for land use right" (see Note 13).

The land use right gives the Group access to approximately 85,484 sqm property which will be used for residential projects with minor commercial component. Based on the Contract, total purchase price for the land use right amounted to RMB 1,318 million (approximately ₱9,500 million) payable in three installments on November 2015, January 2016 and April 2016. The first installment of RMB 659 million (approximately ₱4,750 million) was paid on December 9, 2015. After paying up all the assignment charges of the land parcel in accordance with the Contract, the Group may apply for the Certificate of State-owned Construction Land Use Right Assignment to the Chinese Government.

SGV
Building a better working world

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BOA/PRC Reg. No. 0001,
December 14, 2015, valid until December 31, 2018
SEC Accreditation No. 0012-FR-4 (Group A),
November 10, 2015, valid until November 9, 2018

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors
Robinsons Land Corporation
Level 2, Galleria Corporate Center
EDSA corner Ortigas Avenue, Quezon City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Robinsons Land Corporation and its subsidiaries (the Group) as at September 30, 2015 and 2014 and for each of the three years in the period ended September 30, 2014 included in this Form 17-A and have issued our report thereon dated January 8, 2016. 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.

Cyril Jasmin B. Valencia

Cyril Jasmin B. Valencia
Partner
CPA Certificate No. 90787
SEC Accreditation No. 1229-AR-1 (Group A),
May 12, 2015, valid until May 11, 2018
Tax Identification No. 162-410-623
BIR Accreditation No. 08-001998-74-2015,
February 27, 2015, valid until February 26, 2018
PTR No. 5321703, January 4, 2016, Makati City

January 8, 2016

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
SEC FORM 17-A

CONSOLIDATED FINANCIAL STATEMENTS

SUPPLEMENTARY SCHEDULES

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED ON SRC RULE 68 AND 68.1 AS AMENDED

SEPTEMBER 30, 2015

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 prescribed 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

The Group does not have financial assets classified under available-for-sale, fair value through profit or loss and held to maturity as of September 30, 2015.

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 September 30, 2015:

Name	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
Amparo D. Jamis	₱487,326	₱732,347	(₱1,132,173)	₱87,500
Marigold Jennifer C. Garcia	223,525	20,800	(236,925)	7,400
Julio Rafael B. Dizon	164,000	210	–	164,210
Marianne P. Estabillo	119,257	45,000	(99,756)	64,501
Maricon C. Tocao	110,000	1,489,820	(1,524,710)	75,110
Cora L. Ang Ley	100,000	–	(100,000)	–
	₱1,204,108	₱2,288,177	(₱3,093,564)	₱398,721

These advances consist of advances for expenses and disbursements necessary in carrying out their functions in the ordinary course of business such as for selling and marketing activities, official business trips, emergency and cash on delivery (COD) purchases of materials, equipment and supplies, repair of Group’s vehicles, model units and housing units, registration of titles, etc. and short term loans given to officers and employees. The advances will be liquidated when the purposes for which these advances were granted are accomplished or completed or deducted from the officers’/employees’ salaries if not liquidated. No amounts were written-off during the year and all amounts are presented as current.

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 September 30, 2015:

	Volume of Transactions		Receivable	Terms
Robinsons Properties Marketing and Management Corporation (RPMMC)	Share in expenses	₱27,588,461	₱41,417,880	Non-interest bearing and to be settled within one year
Altus Angeles, Inc. (AAI)	Advances	908,347	86,278,446	Non-interest bearing and to be settled within one year
GoHotels Davao, Inc. (GHDI)	Share in expenses	114,814,042	115,198,815	Non-interest bearing and to be settled within one year
Robinsons Realty and Management Corporation (RRMC)	Share in Expenses	19,416	571,995	Non-interest bearing and to be settled within one year
RLC Resources Limited (RLCRL)	Advances	1,441,517,189	1,441,517,189	Non-interest bearing and to be settled within one year
		₱1,584,847,455	₱1,684,984,325	

	Balance at beginning of period	Additions	Collections	Balance at end of period
RPMMC	₱13,829,419	₱27,588,461	₱–	₱41,417,880
AAI	85,370,099	908,347	–	86,278,446
GHDI	384,773	114,814,042	–	115,198,815
RRMC	552,579	19,416	–	571,995
RLCRL	–	1,441,517,189	–	1,441,517,189
	₱100,136,870	₱1,584,847,455	₱–	₱1,684,984,325

The intercompany transactions between the Parent Company and the subsidiaries pertain to share in expenses, marketing fees and advances for cost of equipment. There were no amounts written-off during the year and all amounts are expected to be settled within the year.

Related Party Transactions

Due from related parties

Below is the list of outstanding receivable from related parties of the Group presented in the consolidated statements of financial position as of September 30, 2015:

	Relationship	Nature	Balance at end of period
Robinsons Recreation Corporation	Under common control	B	₱11,328,023
Universal Robina Corporation	Under common control	A	5,195,212
JG Summit Capital Markets Corporation	Under common control	A	1,520,227
Robinsons Savings Bank	Under common control	A	997,486
Express Holdings, Inc.	Under common control	A	973,513
Oriental Petroleum & Mining Corp.	Under common control	A	754,095
Robinsons Pharmacies, Inc.	Under common control	A	586,618
Others	Under common control	A, B	1,122,830
			₱22,478,004

Other receivables from affiliates account consist primarily of receivables from Robinsons Handyman, Inc., Cebu Pacific and other affiliates.

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's 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.

The outstanding balances of intercompany transactions are due and demandable as of September 30, 2015.

Schedule D. Intangible Assets
The Group does not have intangible assets as of September 30, 2015.

Schedule E. Long-term debt
Below is the schedule of long-term debt of the Group as of September 30, 2015:

	Amount	Current	Noncurrent
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
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
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
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
	₱22,000,000,000	₱–	₱22,000,000,000

Schedule F. Indebtedness to Related Parties (Long term Loans from Related Companies)
Below is the list of outstanding payables to related parties of the Group presented in the consolidated statements of financial position as of September 30, 2015:

	Relationship	Nature	Balance at beginning of period	Balance at end of period
Westpoint Industrial Mills	Under common control	A	₱29,904,104	₱22,819,452
JG Summit Holdings, Inc.	Parent	A, C	54,858,323	86,302,733
Others	Under common control	A, B	9,848,251	5,902,272
			₱94,610,678	₱115,024,457

Others consist primarily of payables to Robinsons, Inc. and Robinsons Appliances.

Due to JG Summit Holdings, Inc. and other affiliates increased due to the advances made during the period for working capital requirements.

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's 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

The outstanding balances of intercompany transactions are due and demandable as of September 30, 2015.

Schedule G. Guarantees of Securities of Other Issuers
The Group does not have guarantees of securities of other issuers as of September 30, 2015.

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
Common Shares	8,200,000,000	4,093,830,685	–	2,496,114,787	17,709,982	1,580,005,916

**Note: Exclusive of 17,698,000 treasury shares*

ANNEX 68 - C

ROBINSONS LAND CORPORATION - PARENT COMPANY
43rd Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City
RECONCILIATION OF UNAPPROPRIATED RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
SEPTEMBER 30, 2015

Unappropriated Retained Earnings, beginning	₱13,181,690,030
Adjustments:	
Other unrealized expense as a result of transactions accounted for under PFRS:	
Straight line adjustment for rental expense (PAS 17)	1,312,553,101
Discounting effect on installment contract receivable (PAS 39)	214,257,611
Straight line adjustment rental income (PAS 17)	(413,174,453)
Discounting effect on security deposits (PAS 39)	(3,775,001)
Unappropriated Retained Earnings as adjusted, beginning	14,291,551,288
Net income actually earned/realized during the year	
Net income during the year closed to Retained Earnings	5,422,057,007
Less: Non-actual/unrealized income, net of tax	
Equity in net income of associate/joint venture	–
Unrealized foreign exchange gain - net	–
Unrealized actuarial gain	–
Fair value adjustment (M2M gains)	–
Fair value adjustment of Investment Property resulting to gain	–
Adjustment due to deviation from PFRS/GAAP - gain	–
Other unrealized expense or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS:	
Straight line adjustment for rental expense (PAS 17)	132,595,418
Discounting effect on installment contract receivable (PAS 39)	(66,783,780)
Straight line adjustment rental income (PAS 17)	(101,989,291)
Discounting effect on security deposits (PAS 39)	1,351,927
Add: Non-actual losses	
Movements in deferred tax assets	–
Depreciation on revaluation increment (after tax)	–
Adjustment due to deviation from PFRS/GAAP - loss	–
Loss on fair value adjustment of investment property (after tax)	–
	5,387,231,281
Less: Cash dividend declaration during the year	(1,473,779,046)
Reversal of appropriation	17,000,000,000
Additional appropriation during the year	(17,000,000,000)
Total Unappropriated Retained Earnings Available For Dividend Distribution, September 30, 2015	₱18,205,003,523

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

SCHEDULE OF ALL EFFECTIVE STANDARDS AND INTERPRETATIONS UNDER PHILIPPINE FINANCIAL REPORTING STANDARDS SEPTEMBER 30, 2015

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 prescribed the additional schedule requirements for large entities showing a list of all effective standards and interpretations under Philippine Financial Reporting Standards (PFRS).

Below is the list of all effective PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) as of September 30, 2015:

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		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: 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			✓
	Amendments to PFRS 1:Borrowing Cost	✓		
	Amendments to PFRS 1:Meaning of “Effective PFRS”			✓
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Definition of Vesting Condition		✓	
PFRS 3	Business Combinations			✓
	Accounting for Contingent Consideration in a Business		✓	

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		Adopted	Not Adopted	Not Applicable
	Combination			
	Scope Exceptions for Joint Arrangements		✓	
PFRS 4	Insurance Contracts			✓
PFRS 4 (cont.)	Amendments to PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
	Changes in Methods of Disposal		✓	
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Servicing Contracts		✓	
	Amendments to PFRS 7: Reclassification of Financial Assets			✓
	Amendments to 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			✓
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures		✓	
	Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements		✓	
	Amendments to PFRS 7: Hedge Accounting (2013 version)		✓	
PFRS 8	Operating Segments	✓		
	Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets		✓	
PFRS 9	Financial Instruments		✓	
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures		✓	
	Financial Instruments: Classification and Measurement (2010 version)		✓	
	Amendments to PFRS 9: Hedge Accounting (2013 version)		✓	
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10: Investment Entities		✓	

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		Adopted	Not Adopted	Not Applicable
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture		✓	
PFRS 11	Joint Arrangements	✓		
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations		✓	
PFRS 12	Disclosure of Interests in Other Entities	✓		
	Amendments to PFRS 12: Investment Entities			✓
PFRS 13	Fair Value Measurement	✓		
	Amendments to PFRS 13:Short Term Receivable and Payable			✓
	Portfolio Exception		✓	
PFRS 14	Regulatory Deferral Accounts		✓	
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Amendments to PAS 1:Clarification of the Requirements for Comparative Information	✓		
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	✓		
	Revaluation Method – Proportionate Restatement of Accumulated Depreciation and Amortization		✓	
	Amendments to PAS 16: Clarification of Acceptable Methods of Depreciation and Amortization		✓	
	Amendments to PAS 16: Bearer Plants		✓	
PAS 17	Leases	✓		
PAS 18	Revenue	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		Adopted	Not Adopted	Not Applicable
PAS 19	Employee Benefits	✓		
	Amendments to PAS 19: Defined Benefit Plans: Employee Contributions			✓
	Regional Market Issue Regarding Discount Rate		✓	
	Amendments to PAS 19:Defined Benefit Plan: Employee Contributions		✓	
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	Related Party Disclosures - Key Management Personnel	✓		
	Related Party Disclosures - Key Management Personnel (Amended)		✓	
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27 (Amended)	Separate Financial Statements	✓		
	Amendments to PAS 27: Equity Method in Separate Financial Statements		✓	
	Amendments to PAS 27: Investment Entities			✓
	Amendments to PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate			✓
PAS 28	Investments in Associates and Joint Ventures	✓		
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture		✓	
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues			✓
	Amendment to PAS 32: Tax Effect of Distribution to Holders of Equity Instruments			✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities		✓	
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting	✓		
	Amendments to PAS 34: Interim Financial Reporting and Segment Information for Total Assets and Liabilities	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		Adopted	Not Adopted	Not Applicable
	Disclosure of Information ‘Elsewhere in the Interim Financial Report’		✓	
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			✓
	Revaluation Method – Proportionate Restatement of Accumulated Depreciation and Amortization		✓	
	Amendments to 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: Financial Guarantee Contracts			✓
	Amendments to PAS 39: Reclassification of Financial Assets	✓		
	Amendments to PAS 39: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PAS 39: Embedded Derivatives			✓
	Amendment to PAS 39: Eligible Hedged Items			✓
	Amendments to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting		✓	
PAS 40	Investment Property	✓		
	Amendments to PAS 40: Clarification on Ancillary Services		✓	
PAS 41	Agriculture			✓
	Amendments to PAS 41: Bearer Plants		✓	
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			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2015		Adopted	Not Adopted	Not Applicable
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: 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		✓	
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 Shareholders			✓
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures.			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS **Effective as of September 30, 2015**		Adopted	Not Adopted	Not Applicable
SIC-31	Revenue - Barter Transactions Involving Advertising Services			✓
SIC-32	Intangible Assets - Web Site Costs			✓
IFRS 15	Revenue from Contracts with Customers		✓	

Standards tagged as “Not Applicable” have been adopted by the Group but have no significant covered transactions for the year ended September 30, 2015.

Standards tagged as “Not Early Adopted” are standards issued but not yet effective as of September 30, 2015. The Group will adopt the Standards and Interpretations when these become effective.

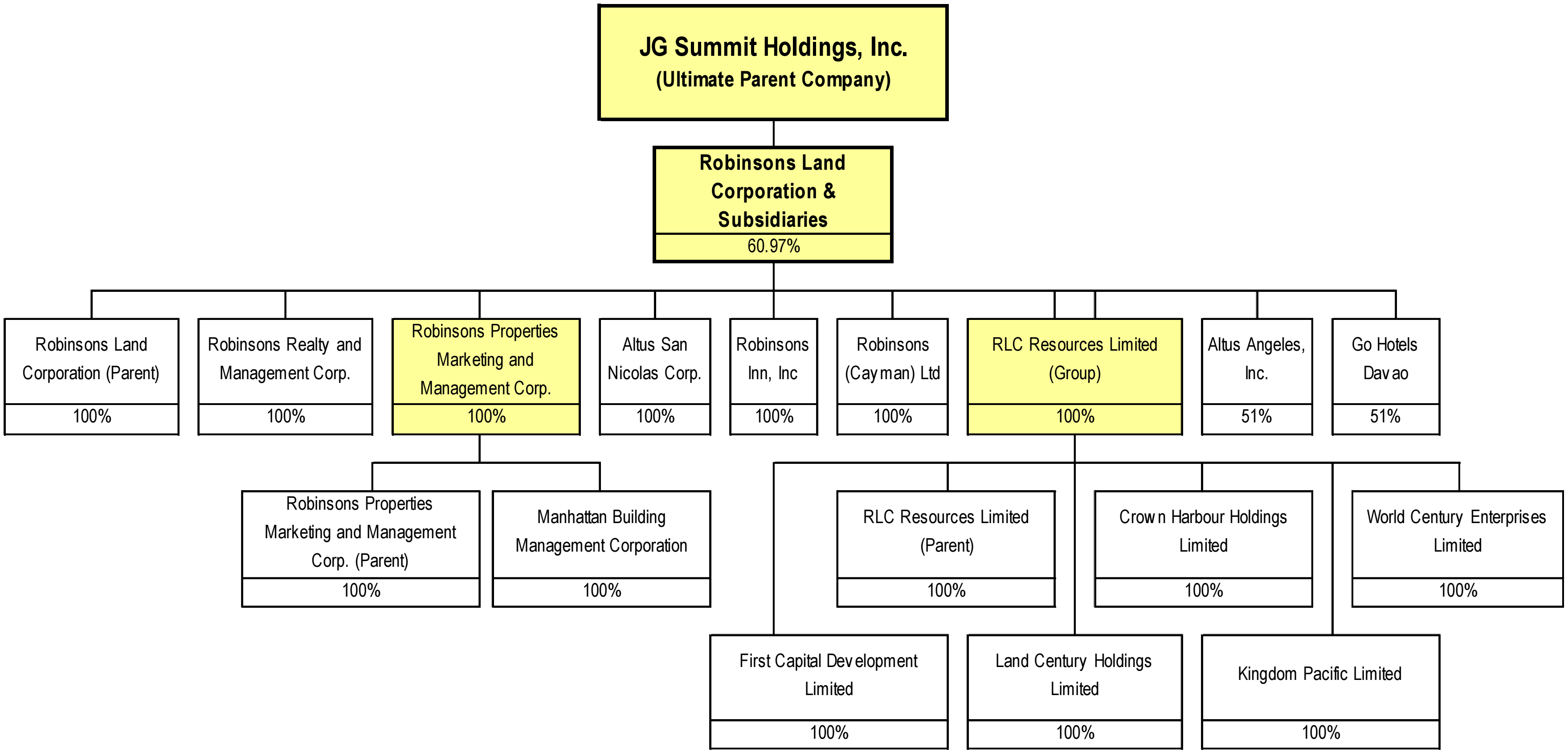
Financial Soundness Indicator

Below are the financial ratios that are relevant to the Group for the year ended September 30, 2015 and 2014:

Financial ratios		2015	2014
Earnings per share	$\frac{\text{Net income attributable to equity holders of Parent Company}}{\text{Weighted average number of common shares outstanding}}$	1.39	1.16
Net book value per share	$\frac{\text{Equity attributable to equity holders of the Parent Company}}{\text{Outstanding shares}}$	13.84	12.81
Current ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	1.98	1.41
Debt to equity ratio	$\frac{\text{Total Loans Payable}}{\text{Total Equity}}$	0.44	0.34
Interest coverage ratio	$\frac{\text{EBIT}}{\text{Interest expense}}$	7.93	6.96
Asset to equity ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	1.74	1.62
Operating margin ratio	$\frac{\text{Operating income (EBIT)}}{\text{Revenue}}$	0.38	0.37

Map of the Relationships of the Company within the Group

Below is a map showing the relationship between and among the Group and its ultimate parent company, subsidiaries, and associates as of September 30, 2015:



INDEX TO EXHIBITS

Form 17-A

* These exhibits are either not applicable to the Company or require no answer.

EXHIBIT 18: **SUBSIDIARIES OF THE REGISTRANT**

Robinsons Land Corporation has seven subsidiaries as of September 30, 2015:

SUBSIDIARY	BUSINESS	% OWNERSHIP DIRECT	% OWNERSHIP EFFECTIVE	COUNTRY OF INC. OR RESIDENCE
Robinson's Inn, Inc. [1]	Apartelle Operation	100	-	Philippines
Robinsons Realty and Management Corporation	Property development	100	-	Philippines
Robinsons (Cayman) Limited	Property development	100	-	Cayman Islands
Robinsons Properties Marketing and Management Corporation	Marketing of office and residential units	100	-	Philippines
Altus Angeles, Inc.	Property management	51	-	Philippines
Altus San Nicolas Corp.	Property management	100	-	Philippines
GoHotels Davao, Inc.	Hotel Operation	51	-	Philippines
RLC Resources Ltd.	Property management	100	-	British Virgin Islands

[1] *Closed operations effective August 31, 2007*

ROBINSONS LAND CORPORATION

ANNUAL CORPORATE GOVERNANCE REPORT

As of December 31, 2015

ROBINSONS LAND CORPORATION

ANNUAL CORPORATE GOVERNANCE REPORT

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TABLE OF CONTENTS

Note: All changes & updates for the year 2015 are in italics and underlined for easy reference.

BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	11

Actual number of Directors for the year	***11***

(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)	Elected when (Annual /Special Meeting)	No. of years served as director *(as of 2015)*	*No. of years served as director reckoning from the election immediately following January 2, 2012**
John L. Gokongwei, Jr.	ED	N/A	Kristine Bernadette V. Guevara	1980	*April 29, 2015*	Annual	*35*	*3*
James L. Go	ED	N/A	Kristine Bernadette V. Guevara	1980	*April 29, 2015*	Annual	*35*	*3*
Lance Y. Gokongwei	ED	N/A	Kristine Bernadette V. Guevara	1988	*April 29, 2015*	Annual	*27*	*3*
Patrick Henry C. Go	NED	N/A	Kristine Bernadette V. Guevara	January 17, 2000	*April 29, 2015*	Annual	*15*	*3*
Frederick D. Go	ED	N/A	Kristine Bernadette V. Guevara	May 6, 1999	*April 29, 2015*	Annual	*16*	*3*
Johnson Robert G. Go, Jr.	NED	N/A	Kristine Bernadette V. Guevara	May 29, 2005	*April 29, 2015*	Annual	*10*	*3*
Robina Y. Gokongwei-Pe	NED	N/A	Kristine Bernadette V. Guevara	May 5, 2005	*April 29, 2015*	Annual	*10*	*3*
Artemio V. Panganiban	ID	N/A	Kristine Bernadette V. Guevara (no relationship with nominator)	May 14, 2008	*April 29, 2015*	Annual	*7*	*3*
Roberto F. de Ocampo	ID	N/A	Kristine Bernadette V. Guevara (no relationship with nominator)	May 28, 2003	*April 29, 2015*	Annual	*12*	*3*
Emmanuel C. Rojas, Jr.	ID	N/A	Kristine Bernadette V. Guevara (no relationship with nominator)	September 28, 2005	*April 29, 2015*	Annual	*10*	*3*
Omar Byron T. Mier	*ID*	*N/A*		*August 13, 2015*	*August 13, 2015*	*Special*	*0*	*0*

Note*:*-per SEC Memorandum Circular No. 9 Series of 2011*

Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Corporation adheres to the principles and practices of good corporate governance, as embodied in its Corporate Governance Manual, Code of Business Conduct and related SEC Circulars. In March 8, 2010, the Board of Directors approved the adoption of a revised Corporate Governance Manual, in accordance with SEC Memorandum Circular No.6 (Series of 2009) dated June 22, 2009. Continuous improvement and monitoring of governance and management policies have been undertaken to ensure that the Corporation observes good governance and management practices. This is to assure the shareholders that the Corporation conducts its business with the highest level of integrity, transparency and accountability. SEC Memorandum Circular No.5, Series of 2013 mandates all listed companies to submit an Annual Corporate Governance Report (ACGR). On July 30, 2013, the Corporation submitted its ACGR for the year 2012 to the SEC. Beginning January 30, 2011 in accordance with SEC Memorandum Circular No. 9, Series of 2014, the Corporation submits every year a Corporate Governance Disclosure Report to the PSE.

The Board has adopted the Revised Corporate Governance Manual in *June 22, 2015* for the Company. The Manual elaborates on the governance roles and responsibilities of the Board and its Directors. The Board ensures that all material information about the Company is disclosed to the public on a timely manner. The Board likewise is strongly committed to respect and promote the rights of stockholders in accordance with the Revised Corporate Governance Manual, the Company's Articles of Incorporation, and By-Laws.

The Board represents the shareholders' interests in its objective to continuously improve the value of the Corporation and to achieve a successful and long-term business. The Board believes that it has to be actively responsible to ensure that the Corporation is properly managed to attain this result. In addition to fulfilling its obligations for increased shareholder value, the Board has responsibility to other stakeholders as well – customers, employees, suppliers, financiers, government, business partners, and to the communities and environment it operates in, all of whom are important to a successful business.

How often does the Board review and approve the vision and mission?

The Board *shall annually* review and approve the vision and mission of the Company.

(b) Directorship in Other Companies

(i) Directorship in the Company's Group[1]

Identify, as and if applicable, the members of the Company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
John L. Gokongwei, Jr.	JG Summit Holdings, Inc.	Executive
	Universal Robina Corporation	Executive

[1] The Group is composed of the parent, subsidiaries, associates and joint ventures of the Company.

	JG Summit Petrochemical Corporation	Executive
	JG Summit Olefins Corporation	Non-Executive
	Cebu Air, Inc.	Non-Executive
	CFC Corporation	Executive
	Bio-Resource Power Generation Corporation	Executive
	JG Summit Capital Markets Corporation	Executive
James L. Go	JG Summit Holdings, Inc.	Executive, Chairman
	Universal Robina Corporation	Executive, Chairman
	JG Summit Petrochemical Corporation	Executive, Chairman
	JG Summit Olefins Corporation	Executive, Chairman
	Cebu Air, Inc.	Non-Executive
	Bio-Resource Power Generation Corporation	Executive
	CFC Corporation	Executive
	JG Summit Capital Markets Corporation	Executive
Lance Y. Gokongwei	JG Summit Holdings, Inc.	Executive
	Universal Robina Corporation	Executive
	JG Summit Olefins Corporation	Executive
	JG Summit Petrochemical Corporation	Executive
	Cebu Air, Inc.	Executive
	JG summit Capital Markets Corporation	Executive
	Bio-Resource Power Generation Corporation	Executive
	CFC Corporation	Executive
	Robinsons Bank Corporation	Executive, Chairman
Frederick D. Go	Universal Robina Corporation	Non-Executive
	Cebu Air, Inc.	Non-Executive
	Robinsons Bank Corporation	Executive
	JG Summit Petrochemical Corporation	Non-Executive
	JG Summit Olefins Corporation	Non-executive
Patrick Henry C. Go	JG Summit Holdings, Inc.	Non-Executive
	Universal Robina Corporation	Executive
	JG Summit Petrochemical Corporation	Executive
	Robinsons Bank Corporation	Non-Executive
	CFC Corporation	Non-Executive
	JG Summit Olefins Corporation	Executive
Johnson Robert G. Go, Jr.	Universal Robina Corporation	Non-Executive
	Robinsons Bank Corporation	Non-Executive
	JG Summit Holdings, Inc.	Non-Executive
Robina Gokongwei-Pe	JG Summit Holdings, Inc.	Non-Executive
	Cebu Air, Inc.	Non-Executive
	Robinsons Bank Corporation	Non-Executive
Artemio V. Panganiban	None	N/A
Roberto F. de Ocampo	None	N/A
Emmanuel C. Rojas, Jr.	Legazpi Savings Bank	Independent Director
Omar Byron T. Mier	*Robinsons Bank Corporation*	*Non-executive*
	Legazpi Savings Bank	*Non-Executive*

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the Company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
John L. Gokongwei, Jr.	A. Soriano Corporation	Non-Executive
	Oriental Petroleum and Minerals Corporation	Non-Executive
	Manila Electric Company	*Non-Executive*
	Robinsons Retail Holdings, Inc.	Executive
James L. Go	Oriental Petroleum and Minerals Corporation	Executive, Chairman
	Philippine Long Distance Telephone Company	Non-Executive
	Manila Electric Company	*Non-Executive*
	Robinsons Retail Holdings, Inc.	Executive
Lance Y. Gokongwei	Oriental Petroleum and Minerals Corporation	Non-Executive
	Manila Electric Company	*Non-Executive*
	Robinsons Retail Holdings, Inc.	Executive
Robina Gokongwei-Pe	Robinsons Retail Holdings, Inc.	Executive
Artemio V. Panganiban	GMA Network, Inc.	Independent Director
	GMA Holdings, Inc.	Independent Director
	First Philippine Holdings, Corporation	Independent Director
	Metro Pacific Investments Corporation	Independent Director
	Manila Electric Company	Independent Director
	Petron Corporation	Independent Director
	Bank of the Philippine Islands	Independent Director
	Asian Terminals	Independent Director
	PLDT	Independent Director
	Jollibee Foods Corporation	Non-Executive
Roberto F. de Ocampo	Bankard Inc.	Independent Director
	EEI Corporation	Independent Director
	DFNN Inc.	Independent Director
	PHINMA Corporation	Independent Director

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the Company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
John L. Gokongwei, Jr.	JG Summit Holdings, Inc.	Director, Chairman Emeritus
James L. Go	JG Summit Holdings, Inc.	Director, Chairman and Chief Executive Officer
Lance Y. Gokongwei	JG Summit Holdings, Inc.	Director, President and Chief Operating Officer
Patrick Henry C. Go	JG Summit Holdings, Inc.	Director
Johnson Robert G. Go, Jr.	JG Summit Holdings, Inc.	Director

(iv) Has the Company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock Corporations. Guidelines observed are stated in Article *III* Section *A.8* of the Revised Corporate Governance Manual.

	Guidelines	Maximum Number of Directorships in other companies
Executive Director **Non-Executive Director** **CEO**	A Director shall exercise due discretion in accepting and holding directorships and officerships in other companies. A Director may hold any number of directorships or officerships outside the Company provided that, in the Director's opinion, these other positions do not detract or compromise the Director's capacity to diligently perform his duties as a Director of the Company *and compliant with the limit that may be set by the Board.*	*The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock Corporations.*

(c) Shareholding in the Company

Complete the following table on the members of the Company's Board of Directors who directly and indirectly own shares in the Company:

As of *September 30, 2015*

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
John L. Gokongwei (Note 1)	14,119,081		0.35%
James L. Go	1,685,994		0.04%
Lance Y. Gokongwei	804,001		0.02%
Frederick D. Go	500,001		0.01%
Robina Y. Gokongwei-Pe	540,000		0.01%
Patrick Henry C. Go	10,000		0.00%
Johnson Robert G. Go, Jr.	1		0.00%
Artemio V. Panganiban	50,001		0.00%
Roberto F. De Ocampo	1		0.00%
Emmanuel C. Rojas, Jr.	901		0.00%
Omar Byron T. Mier	*1*		*0.00%*
TOTAL	***17,709,982***		**0.43%**

Note 1. Sum of shares in the name of "John L. Gokongwei, Jr.", for 12,187,081, "John L. Gokongwei" for 450,000 and "Elizabeth Y. Gokongwei and/or John Gokongwei" for 1,482,000.

2) Chairman and CEO

(a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes ✓ **No** ☐

Identify the Chair and CEO:

Chairman of the Board	James L. Go
CEO	Lance Y. Gokongwei

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

The roles of Chairman and the Chief Executive Officer (CEO) may be separated in order to foster an appropriate balance of power, increased accountability, and better capacity for independent decision-making by the Board. A clear delineation of functions should be made between the Chairman and CEO upon their election.

If the roles of Chairman and CEO are unified, the proper checks and balances shall be laid down to ensure that the Board gets the benefit of independent views and perspectives.

	Chairman	Chief Executive Officer
Role	1. Ensure that the meetings of the Board are held in accordance with the By-Laws or as the Chairman may deem necessary. 2. Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the Directors and Management. 3. Maintain qualitative and timely lines of communication and information between the Board and Management. 4. *Provide leadership to the Board and ensure that the Board works effectively and performs its duties responsibly.*	1. *The CEO shall have general care, management and administration of the business operations of the Company. He shall ensure that: (a) the business and affairs of the Company are managed in a sound and prudent manner; and (b) operational, financial and internal controls are adequate and effective to ensure reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets and compliance with laws, rules, regulations and contracts.* 2. *The CEO shall provide leadership for Management in developing and implementing business strategies, plans and budgets to the extent approved by the Board. He shall provide the Board with a balanced and understandable account of the Company's performance, financial condition, results of operations and prospects on a regular basis.*
Accountabilities	Please see above.	Please see above.
Deliverables	1. Agenda for the meetings 2. Statement of Management's Responsibility for audited financial statements 3. SEC Form 17-A 4. SEC Form 17-Q 5. Other reports required by law	1. Statement of Management's Responsibility for audited financial statements 2. SEC Form 17-A 3. SEC Form 17-Q 4. Other reports required by law

3) **Explain how the board of directors plans for the succession of the CEO/Managing Director/President and the top key management positions?**

One of the Company's core organizational systems is the Advancement Planning (AP) system. The AP system is an on-going process of identifying, assessing, and developing talents to ensure leadership continuity for all key positions and providing opportunities for key talents to grow within the organization. Incumbents / identified successors are assessed on 2 elements: performance over time and potential. Moreover, each identified successor is assessed based on his/her level of readiness to occupy the higher role. Specific development interventions per successor are also identified as part of the process. Every year, the AP System is reviewed by HR and top management to check whether the planned development interventions took place, and if the level of readiness of identified successors has progressed, among others.

The Competency-Based System and Performance Management System are two other core organizational systems that allows the Company to properly utilize the Advanced Planning System.

4) **Other Executive, Non-Executive and Independent Directors**

Does the Company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

The Board, with the assistance of the Governance, Nomination and Election Committee, implements a nomination and election process to ensure that all shareholders are given the opportunity to nominate and elect directors and to ensure a mix of knowledge, expertise, experience and balance among independent, non-executive and executive competent Directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.

Does it ensure that at least one non-executive director has an experience in the sector or industry the Company belongs to? Please explain.

Qualification for directorship requires that the director must have a practical understanding of the business of the Corporation and must be a member of good standing in relevant industry, business or professional organizations. The Company has non-executive directors that are well experienced that allow them to give objective views, perspectives, and decisions on matters raised to the Board.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

	Executive	Non-Executive	Independent Director
Role	A Director's Office is one of trust and confidence. A Director should act in the best interest of the Company in a manner characterized by transparency, accountability, and fairness. He should also exercise leadership, prudence, and integrity in directing the Company towards sustained progress. A Director should observe the following norms of conduct: 1. **Conduct fair business transactions with the Company, and ensure that his personal interest does not conflict with the interests of**	Same	Same

	the Company. The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position. A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the Company, or stands to acquire or gain financial advantage at the expense of the Company. 2. **Devote the time and attention necessary to properly and effectively perform his duties and responsibilities.** A director should devote sufficient time to familiarize himself with the Company's business. He should be constantly aware of and knowledgeable with the Company's operations to enable him to meaningfully contribute to the Board's work. He should attend <u>*at least 75% of the Board meetings*</u> and actively participate in Board and committee meetings, review meeting materials and, if called for, ask questions or seek explanation. 3. **Act judiciously.** Before deciding on any matter brought before the Board, a director should carefully evaluate the issues and, if necessary, make inquiries and request clarification. 4. **Exercise independent judgment.** A director should view each problem or situation objectively. If a disagreement with other Directors arises, he should carefully evaluate and explain his position. He should not be afraid to take an unpopular position. Corollary, he should support plans and ideas that he thinks are beneficial to the Company. 5. **Have a working knowledge of the statutory and regulatory requirements that affect the Company, including its articles of x incorporation and By-Laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies.** A director should also keep abreast with industry developments and		

	business trends in order to promote the Company's competitiveness. 6. **Observe confidentiality.** A director should keep secure and confidential all non-public information he may acquire or learn by reason of his position as director. He should not reveal confidential information to unauthorized persons without the authority of the Board. *On the other hand, a Director should not take advantage for himself and/or his related interests or benefit from knowledge which is not generally available to the market.* 7. **Have a working knowledge of the Company's control systems.** A director shall ensure the continuing soundness, effectiveness, and adequacy of the Company's control environment. *Disclose to the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the Corporation's purchase of its shares from the market (e.g. share buy-back program).*		
Accountabilities	See above	See above	See above
Deliverables	1. Exercise the powers of the Board of Directors as stated in the By-Laws. 2. Execute and approve all resolutions and minutes of the meeting of the Board of Directors.	Exercise the powers of the Board of Directors as stated in the By-Laws	1. Exercise the powers of the Board of Directors as stated in the By-Laws. 2. Submit, at the time of his election, a certification confirming that he possesses the qualifications and none of the disqualifications to serve as an independent director of the Company.

Provide the Company's definition of "independence" and describe the Company's compliance to the definition.

An independent director is 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 the Company and includes, among others, any person who:

1. Is not a director or officer or substantial stockholder of the Company or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;

2. Does not own more than two percent (2%) of the shares of the Company and/or its related companies or any of its substantial shareholders;
3. Is not a relative of any director, officer or substantial shareholder of the Company, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
4. Is not acting as a nominee or representative of any director or substantial shareholder of the Company, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;
5. Has not been employed in any executive capacity by the Company, any of its related companies and/or by any of its substantial shareholders within the last two (2) years.
6. Is not retained, either personally or through his firm or any similar entity, as professional adviser, by the Company, any of its related companies and/or any of its substantial shareholders, within the last two (2) years; or
7. Has not engaged and does not engage in any transaction with the Company and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a Company of which he is a director or substantial shareholder, other than transactions which are conducted at arm's length and are immaterial.

Does the Company have a term limit of five consecutive years for independent directors? If after two years, the Company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

The Company complies with the Corporation Code, Securities Regulation Code, its by-laws and Corporate Governance Manual in the election of independent directors.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
Not Applicable			

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	The directors of the Company shall be elected by plurality vote at the annual meeting of the stockholders for the year at which a quorum is present. At each election for directors, every stock holder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied	• Must own at least one share of the capital stock of the Company in his own name. • A majority of the directors must be residents of the Philippines. He must not have been convicted 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

	by the number of shares shall equal, or by distributing such votes as the same principle among any number of candidates.	years before the date of his election. He must be of legal age.
(ii) Non-Executive Directors	The directors of the Company shall be elected by plurality vote at the annual meeting of the stockholders for the year at which a quorum is present. At each election for directors, every stock holder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of shares shall equal, or by distributing such votes as the same principle among any number of candidates.	• Must own at least one share of the capital stock of the Company in his own name. • A majority of the directors must be residents of the Philippines. He must not have been convicted 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 years before the date of his election. He must be of legal age.
(iii) Independent Directors	1. The Nomination Committee (the "Committee") shall have at least three (3) members, one of whom is an independent director. It shall promulgate the guidelines or criteria to govern the conduct of the nomination. The same shall be properly disclosed in the Company's information or proxy statement or such other reports required to be submitted to the Commission. 2. Nomination of independent director/s shall be conducted by the Committee prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. 3. The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s. 4. After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C)	An independent director shall have the following qualifications: 1.1 He shall have at least one (1) share of stock of the Company; 1.2 He shall be at least a college graduate or he has sufficient management experience to substitute for such formal education or he shall have been engaged or exposed to the business of the Company for at least five (5) years; 1.3 He shall be twenty one (21) years old up to seventy (70) years old, however, due consideration shall be given to qualified independent directors up to the age of eighty (80); 1.4 He shall have been proven to possess integrity and probity; and 1.5 He shall be assiduous.

	of Annex "C" of SRC Rule 12, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Company is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee. 5. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent director/s. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained nor allowed on the floor during the actual annual stockholders' meeting. 6. Election of Independent Director/s 6.1 Except as those required under this Rule and subject to pertinent existing laws, rules and regulations of the Commission, the conduct of the election of independent director/s shall be made in accordance with the standard election procedures of the Company or its by-laws. 6.2 It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent director/s. He shall ensure that independent director/s are elected during the stockholders' meeting. 6.3 Specific slot/s for independent directors shall not be filled-up by unqualified nominees. 6.4 In case of failure of election for independent director/s, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.	

b. Re-appointment		
(i) Executive Directors	Same process as stated above for selection/appointment of Executive Directors.	Same criteria as stated above for selection/appointment of Executive Directors.
(ii) Non-Executive Directors	Same process as stated above for selection/appointment of Non-Executive Directors.	Same process as stated above for selection/appointment of Non-Executive Directors.
(iii) Independent Directors	Same process as stated above for selection/appointment of Independent Directors.	Same process as stated above for selection/appointment of Independent Directors.
c. Permanent Disqualification		
(i) Executive Directors		He must not have been convicted 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 years before the date of his election.
(ii) Non-Executive Directors		He must not have been convicted 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 years before the date of his election.
(iii) Independent Directors		No person convicted 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, shall qualify as an independent director. This is without prejudice to other disqualifications which the Company's Manual on Corporate Governance provides.
d. Temporary Disqualification		
(i) Executive Directors		The Board may provide for the temporary disqualification of a Director for any of the following reasons: 1.1. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;

		1.2. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family, or serious accident. This disqualification applies for purposes of the succeeding election; 1.3. Dismissal/termination for cause as Director of any Company covered by this Code. This disqualification shall be in effect until he has cleared himself of any involvement in the cause that gave rise to his dismissal or termination. 1.4. If the beneficial equity ownership of an Independent Director in the Company or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with. 1.5. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final. A temporarily disqualified Director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.
(ii) Non-Executive Directors		The Board may provide for the temporary disqualification of a Director for any of the following reasons: 1.1. Refusal to comply with the

		disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; 1.2. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family, or serious accident. This disqualification applies for purposes of the succeeding election; 1.3. Dismissal/termination for cause as Director of any Company covered by this Code. This disqualification shall be in effect until he has cleared himself of any involvement in the cause that gave rise to his dismissal or termination. 1.4. If the beneficial equity ownership of an Independent Director in the Company or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with. 1.5. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final. A temporarily disqualified Director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become

		permanent.
(iii) Independent Directors		He shall be disqualified during his tenure under the following instances or causes: 2.1 He becomes an officer or employee of the Company where he is such member of the board of directors/trustees, or becomes any of the persons enumerated under letter (A) hereof; 2.2 His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Company where he is such director; 2.3 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; Such other disqualifications that the Corporate Governance Manual provides.
e. Removal		
(i) Executive Directors	1. It must take place either at a regular meeting or special meeting of the stockholders or members called for the purpose; 2. There must be previous notice to the stockholders or members of the intention to remove; 3. The removal must be by a vote of the stockholders representing 2/3 of Outstanding Capital Stock or 2/3 of members. 4. The director may be removed with or without cause unless he was elected by the minority, in which case, it is required that there is cause for removal.	
(ii) Non-Executive Directors	1. It must take place either at a regular meeting or special meeting of the stockholders or members called for the purpose; 2. There must be previous notice to the stockholders or members of the	

	intention to remove; 3. The removal must be by a vote of the stockholders representing 2/3 of Outstanding Capital Stock or 2/3 of members. 4. The director may be removed with or without cause unless he was elected by the minority, in which case, it is required that there is cause for removal.	
(iii) Independent Directors		In case of resignation, disqualification or cessation of independent directorship and only after notice has been made with the Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Committee otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office.
f. Re-instatement		
(i) Executive Directors	Same process as stated above under selection/appointment of Executive Directors.	Same criteria as stated above under selection/appointment of Executive Directors.
(ii) Non-Executive Directors	Same process as stated above under selection/appointment of Non-Executive Directors.	Same criteria as stated above under selection/appointment of Non-Executive Directors.
(iii) Independent Directors	Same process as stated above under selection/appointment of Independent Directors.	Same criteria as stated above under selection/appointment of Independent Directors.
g. Suspension		
(i) Executive Directors	Same process as stated above for removal of Executive Directors.	Same criteria as stated above under selection/appointment of Executive Directors.
(ii) Non-Executive Directors	Same process as stated above for removal of Non-Executive Directors.	Same criteria as stated above under selection/appointment of Non-Executive Directors.
(iii) Independent Directors	Same process as stated above for removal of Independent Directors.	Same criteria as stated above under selection/appointment of Independent Directors.

Voting Result of the last Annual General Meeting (held on *April 29, 2015*)

Name of Director	Votes Received
John L. Gokongwei, Jr.	*RLC's AGM voting result is 82.02% which is more than the majority vote.*
James L. Go	
Lance Y. Gokongwei	
Frederick D. Go	
Patrick Henry C. Go	
Johnson Robert G. Go, Jr.	
Robina Gokongwei-Pe	
Artemio V. Panganiban	
Roberto F. de Ocampo	
Emmanuel C. Rojas, Jr.	

6) Orientation and Education Program

(a) Disclose details of the Company's orientation program for new directors, if any.

New directors receive appropriate orientation from the Corporate Secretary when first appointed to the Board. The directors are likewise given an orientation kit that includes the latest Annual Report, Definitive Information Statement, relevant disclosures to the SEC and PSE, Revised Corporate Governance Manual, related governance policies, etc. This is to ensure that new Directors become familiar with the Company's business and governance processes.

(b) State any in-house training and external courses attended by Directors and Senior Management[2] for the past three (3) years:

The John Gokongwei Institute for Leadership and Enterprise Development or JG-ILED is the integrated leadership platform for systematic and sustainable development programs of the conglomerate. JG-ILED was established in 2005 with the following objectives: to demonstrate the enterprise commitment to continued learning, organizational growth and career development; to enable leaders to develop strategies for competitiveness, and to develop and grow our employees and create a deep bench of talents.

Under JG-ILED is the Management Development Program (MDP) which aims to enhance the leadership capability and business acumen of all JGS leaders. The following are programs under MDP: Finance for Senior Executives, Strategic Communication Program, Executive Coaching Program, and Advanced Negotiation Skills. Our leadership core has attended these programs. Three new programs were launched recently, namely: Leading and Managing Change, Strategy Planning and Execution and Becoming People Leaders.

Aside from JG-ILED, key business units implement their respective and targeted continuing education programs for their key executives / managers.

[2] Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

(c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
John L. Gokongwei, Jr.	*2015* June 17, 2014 August 13, 2013	*Exempted*[3] Creating Advantage Through Governance Lecture on Tax Updates	 SGV & Co. SGV & Co.
James L. Go	*2015* June 17, 2014 August 13, 2013	*Exempted*[4] Creating Advantage Through Governance Lecture on Tax Updates	 SGV & Co. SGV & Co.
Lance Y. Gokongwei	*November 25, 2015* June 17, 2014 August 13, 2013	*Updates on Philippine Practices on Corporate Governance & Enterprise Risk Management* Creating Advantage Through Governance Lecture on Tax Updates	*SGV & Co.* SGV & Co. SGV & Co.
Patrick Henry C. Go	June 17, 2014 August 13, 2013	Creating Advantage Through Governance Lecture on Tax Updates	SGV & Co.
Robina Y. Gokongwei-Pe	June 17, 2014	Corporate Governance Seminar	SGV & Co.
Artemio V. Panganiban	December 2, 2013 August 13, 2013	Corporate Enhancement Session Lecture on Tax Updates	First Pacific Leadership Academy, conducted by Mr. Winthrop Swenson, Managing Partner of the Compliance Systems Legal Group Sycip, Gorres, Velayo & Co.
Frederick D. Go	*November 25, 2015* June 17, 2014 August 13, 2013	*Updates on Philippine Practices on Corporate Governance & Enterprise Risk Management*	SGV & Co.

[3] *The SEC resolved to grant the request of the Company for Mr. John L. Gokongwei, Jr. to be permanently exempted from the corporate governance training requirement as per memo dated November 12, 2015 signed by Director Justina F. Callangan.*

[4] *The SEC resolved to grant the request of the Company for Mr. James L. Go to be permanently exempted from the corporate governance training requirement as per memo dated November 12, 2015 signed by Director Justina F. Callangan.*

Johnson Robert G. Go, Jr.	August 13, 2013	Lecture on Tax Updates	SGV & Co.
Emmanuel C. Rojas, Jr	*November 25, 2015*	*Updates on Philippine Practices on Corporate Governance & Enterprise Risk Management*	SGV & Co.
Omar Byron T. Mier	*2015*	*Corporate Governance Seminar*	*Institute of Corporate Directors (ICD)*

B. CODE OF BUSINESS CONDUCT & ETHICS

1) Discuss briefly the Company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
1. Conflict of Interest	The Company's Code of Business Conduct and Conflicts of Interest Policy require employees to make a conscious effort to avoid conflict of interest situations; that his judgment and discretion is not influenced by considerations of personal gain or benefit. A conflict of interest may also occur because of the actions, employment, or investments of an immediate family member of an employee.	Same	Same
2. Conduct of Business and Fair Dealings	The Company's employees that recommend, endorse, or approve the procurement or sale of goods and services should make a conscious effort to avoid any conflict of interest situation in transactions that they are involved in.	Same	Same
3. Receipt of gifts from third parties	The Company discourages the acceptance of gifts. However, gifts like advertising novelties maybe given or accepted during the Christmas season. There is no restriction in the value of the gift accepted. However, accepted gift with estimated value over Php2,000 must be disclosed to the Conflicts of Interest Committee.	Same	Same
4. Compliance with Laws & Regulations	The Company ensures that all transactions comply with relevant laws and regulations. Any deficiencies are immediately rectified.	Same	Same
5. Respect for Trade Secrets/Use of Non-public Information	The Company has policies that ensure proper and authorized disclosure of confidential information. Disclosures to the public can only be done after disclosure to the SEC and PSE by the Company's authorized officers.	Same	Same
6. Use of Company Funds, Assets and Information	Employees are required to safeguard Company resources and assets with honesty and integrity. Employees must ensure that these assets are efficiently, effectively, and responsibly utilized.	Same	Same
7. Employment & Labor Laws & Policies	The Company's Human Resources Unit ensures compliance with employment and labor laws and policies.	Same	Same
8. Disciplinary action	Violation of any provision of the Code of Business Conduct may result to disciplinary action, including dismissal and reimbursement for any loss to the Company that results from the employee's action.	Same	Same

	If appropriate, a violation may result in legal action against the employee or referral to the appropriate government authorities.		
9. Whistle Blower	*Any employee may discuss or disclose in writing any concern on potential violation of the Code of Business Conduct with the Conflicts of Interest Committee. Reports or disclosures can be made in writing or by email using the following contact details:* *a. email address CICOM@jgsummit.com.ph* *b. fax number 395-2890* *c. mailing address* *Must be sent in a sealed envelope clearly marked "Strictly Private and Confidential-To Be Opened by Addressee Only". CICOM* *JG Summit Holdings, Inc.* *44th Flr. Robinsons Equitable Tower* *ADB Avenue, Cor., Poveda Road,* *Pasig City* *The complaint shall be filed using the Complaint/Disclosure Form (CDF) available in the company website.* *All information received in connection with the reports or disclosures shall be strictly confidential and shall not be disclosed to any person without prior consent of CICOM.*	Same	Same
10. Conflict Resolution	The Conflicts of Interest Committee submits recommendations to the Chairman on courses of action to be taken on conflicts of interest situations.	Same	Same

2) Has the code of ethics or conduct been disseminated to all directors, senior management, and employees?

Yes. The Company's Code of Business Conduct has been disseminated to all directors, senior management, and employees.

3) Discuss how the Company implements and monitors compliance with the code of ethics or conduct.

All new employees undergo an orientation program to familiarize themselves with the Code. Relevant disclosure and compliance statements are likewise secured prior employment or engagement with the Company. *Further, all concerned employees of the Conglomerate are required to comply with the Annual Self-Disclosure Activity on an annual basis. Employees with the following position levels or functions are required to accomplish and submit the Handwritten Self-Disclosure Form (HSDF) to the Business Unit or Corporate Human Resources within fifteen (15) days after the end of each calendar year:*

- *All employees in the managerial and executive levels;*
- *All employees with procurement, retail merchandising, CAPEX project management, and leasing functions;*
- *Technical specialists involved in CAPEX projects*
- *All employees involved in engineering fabrications (whether OPEX or CAPEX)*

Employees may also submit new HSDF anything during the year if they would like to disclose new information to avoid potential conflict of interest.

4) Related Party Transactions

(a) Policies and Procedures

Describe the Company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the Company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	The Company applies the "arm's-length principle" in transactions entered into with the Parent Company.
(2) Joint Ventures	Treated as arm's-length transaction
(3) Subsidiaries	Treated as arm's-length transaction
(4) Entities Under Common Control	Treated as arm's-length transaction
(5) Substantial Stockholders	Treated as arm's-length transaction
(6) Officers including spouse/children/siblings/parents	Treated as arm's-length transaction
(7) Directors including spouse/children/siblings/parents	Treated as arm's-length transaction
(8) Interlocking director relationship of Board of Directors	The Company, adopts by law, the rules pertaining to interlocking directors, as follows: 1. If the interests of the interlocking director in the Companies are both substantial (stockholdings exceed 20% of outstanding capital stock) General Rule: A contract between two or more companies having interlocking directors shall not be invalidated on that ground alone. Exception: If the contract is fraudulent or not fair and reasonable. 2. If the interest of the interlocking director in one of the companies is nominal while substantial in the other (stockholdings 20% or more), the contract shall be valid provided the following conditions are present: 1. The presence of such director in the board meeting in which the contract was approved was not necessary to constitute a quorum for such meeting; 2. That the vote of such director was not necessary for the approval of the contract; 3. That the contract is fair and reasonable under the circumstances. Where (a) and (b) are absent , the contract can be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock or by the vote of the stockholders representing at least 2/3 of the members in a meeting called for the purpose. Provided that: 1. Full disclosure of the adverse interest of the directors/trustees involved is made on such meeting; 2. The contract is fair and reasonable under the circumstances.

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

None.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	Not applicable
Name of Officer/s	Not applicable
Name of Significant Shareholders	Not applicable

(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the Company and/or its group and their directors, officers and significant shareholders.

	Directors/Officers/Significant Shareholders
Company	Entities and persons that wish to transact business with the Company are required to submit accreditation papers and undergo evaluation by designated committees that recommended accreditation. Disclosures of relationships are required.
Group	Same as above.

5) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,[5] commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the Company:

Names of Related Significant Shareholders	**Type of Relationship**	**Brief Description of the Relationship**
None		

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the Company:

Names of Related Significant Shareholders	**Type of Relationship**	**Brief Description**
JG Summit Holdings, Inc.	Parent Company	RLC and its subsidiaries, in their ordinary course of business, engage in transactions with companies in the JG Summit Group and other companies controlled by the Gokongwei Family. The most significant of these transactions include tenancy by various retail-

[5] Family relationship up to the fourth civil degree either by consanguinity or affinity.

		related companies controlled by the Gokongwei Family in RLC's shopping malls as well as substantial inter Company loans. For further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to affiliated companies, please refer to Related Party Transactions of the Notes to the Company's Audited Consolidated Financial Statements as of and for the fiscal year ended September 30*, 2015.*

(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the Company:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
None		

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the Company for the last three (3) years in amicably settling conflicts or differences between the Company and its stockholders, and the corporation and third parties, including regulatory authorities.

	Alternative Dispute Resolution System
Company & Stockholders	*The Board shall establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities.*
Company & Third Parties	For cases filed in court involving the corporation and third parties, the corporation submits itself to the court-ordered mediation and judicial dispute resolution process and exhaust all means therein to settle the controversy amicably. For contracts, the corporation includes a dispute resolution clause between the designated officers of the parties to the contract and an arbitration clause, in the event the former fails, as alternative dispute resolution.
Company & Regulatory Authorities	None. Regulatory matters are subject to strict adherence and compliance by corporations as they are governed by laws, rules, and regulations.

C. BOARD MEETINGS & ATTENDANCE

1) Are Board of Directors' meetings scheduled before or at the beginning of the year?

These are scheduled before the year.

2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Member	John L. Gokongwei, Jr.	*Date of last election- April 29, 2015*	10	10	100%
Chairman	James L. Go	*Date of last election- April 29, 2015*	10	10	100%
Member	Lance Y. Gokongwei	*Date of last election- April 29, 2015*	10	10	100%
Member	Patrick Henry C. Go	*Date of last election- April 29, 2015*	10	10	90.0%
Member	Frederick D. Go	*Date of last election- April 29, 2015*	10	10	100%
Member	Johnson Robert G. Go, Jr.	*Date of last election- April 29, 2015*	10	10	100%
Member	Robina Gokongwei-Pe	*Date of last election- April 29, 2015*	10	10	100%
Independent	Artemio V. Panganiban	*Date of last election- April 29, 2015*	10	10	100%
Independent	Roberto F. de Ocampo	*Date of last election- April 29, 2015*	10	10	90.0%
Independent	Emmanuel C. Rojas, Jr.	*Date of last election- April 29, 2015*	10	10	100%
Independent	Omar Byron T. Mier	*Date of last election- August 13, 2015*	10	2*	20%

Notes: Fiscal year 2015 of RLC is from October 1, 2014 to September 30, 2015
**Mr. Omar Byron Mier has attended the last 2 board meetings held after his appointment date*

3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?

No.

4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

A quorum at any meeting of the directors shall consist of a majority of the number of directors fixed in the Articles of Incorporation. A majority of such quorum shall decide any question that may come before the meeting and shall be considered a valid corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board. *Actual attendance of the Board of Director for the fiscal year 2015 exceeded two-thirds of the board members.*

5) Access to Information

(a) **How many days in advance are board papers[6] for board of directors meetings provided to the board?**

The notice and agenda of the meeting and other relevant meeting materials shall be furnished to the Directors at least five (5) business days prior to each meeting.

(b) **Do board members have independent access to Management and the Corporate Secretary?**

Yes. Board members have independent access to Management and the Corporate Secretary.

(c) **State the policy of the role of the Company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?**

The Secretary who must be a citizen and resident of the Philippines shall attend all meetings of the stockholders and Board of Directors, and shall act as Secretary thereof and record the minutes of all proceedings in book to be kept for that purpose, and shall perform like duties for any committee of the Board when required. He shall cause to be given notice of all meetings of directors and stockholders, and shall perform such other duties as may pertain to this office. He shall keep in safe custody the seal of the corporation, and, when authorized by the Board of Directors, affix it when required to any instrument.

The Corporate Secretary, a Filipino citizen and a resident of the Philippines, is an officer of the Company and must be exemplary in performance.

The Corporate Secretary shall:

1. Be loyal to the mission, vision, and objectives of the Company.
2. Work fairly and objectively with the Board, Management, and stockholders.
3. Be responsible for the safekeeping and preservation of the integrity of the minutes of the meeting of the Board and its Committees, as well as other official records of the Company.
4. Gather and analyze all documents, records and other information essential to the conduct of his duties and responsibilities to the Company.
5. *Provide the Board of Directors the schedule of meetings before the start of the financial year and provide notice before every meeting.*
6. As to agenda, get a complete schedule thereof and put the Board on notice at least five (5) business days before every meeting.
7. Inform the members of the Board, in accordance with the By-Laws, of the agenda of their meetings *together with the rationale and explanation of each item in the agenda* and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval.
8. *Release to the Exchange the notice of Annual Shareholders' Meeting (ASM) with detailed agendas and explanatory circulars, at least twenty eight (28) days before the date of the meeting*.
9. Attend all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so.
10. Ensure that all Board procedures, rules, and regulations are strictly followed by the members.
11. *Submit within five (5) business days from the end of the Corporation's fiscal year an advisement letter on the attendance of the Directors during Board meetings.*

[6] Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

(d) **Is the Company Secretary trained in legal, accountancy or Company secretarial practices? Please explain should the answer be in the negative.**

Yes**.**

(e) **Committee Procedures**

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees: (see below)

Yes ✓ **No** ☐

Committee	Details of the procedures
Executive *Audit and Risk Management* *Governance, Nomination and Election* *Remuneration and Compensation* Others (specify)	To enable the Directors to properly fulfill their duties and responsibilities, Management should provide the Directors with complete, adequate and timely information about the matters to be taken in their meetings. Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a Director to enable him to properly perform his duties and responsibilities. Hence, the Directors are given independent access to Management and to the Corporate Secretary. The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts, and internal financial documents.

6) **External Advice**

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details: (see below)

Procedures	Details
The Directors, either individually or as a Board, and in furtherance of their duties and responsibilities, shall have access to independent professional advice at the Company's expense.	-same-

7) **Change/s in existing policies**

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the Company and the reason/s for the change:

Existing Policies	Changes	Reason
None		

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Based on the compensation structure and policies of the Company on salary adjustments, promotions and performance assessments.	
(2) Variable remuneration	None	
(3) Per diem allowance	Each director shall receive a reasonable per diem for his attendance at meetings.	
(4) Bonus	Determined upon achievement of performance based matrix.	
(5) Stock Options and other financial instruments	None	
(6) Others (specify)	Rice, medicine allowance and leave credits	

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the Company's policy on remuneration and the structure of its compensation package. Explain how the compensation of Executive and Non-Executive Directors is calculated.

(See below)

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Performance based matrices.		
Non-Executive Directors	Each director shall receive a reasonable per diem for his attendance at meetings.		

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
Ratification of acts of the Board of Directors, its Committees, officers and Management	*April 29, 2015*
Ratification of acts of the Board of Directors, its Committees, officers and Management	May 12, 2014
Ratification of acts of the Board of Directors, its Committees, officers and Management	April 18, 2013

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year:

The summary compensation table, as set forth below, shows the aggregate compensation of the: (a) CEO and 4 most highly compensated executive officers; and (b) all other directors and officers as a group unnamed.

Name	Position		Actual- Fiscal Year (2015)		
		Salary	Bonus	Others	Total
A. CEO and four (4) most highly compensated executive officers		P 33,226,450	P 2,000,000	P 307,500	P 35,533,950
1. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
2. James L. Go	Director, Chairman				
3. Frederick D.Go	Director, President and Chief Operating Officer				
4. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
5. Arlene G. Magtibay	GM - Commercial Centers Division (CCD)				
B. All other officers and Directors as a group unnamed		P 69,479,474	P 3,000,000	P 405,000	P 72,884,474

Remuneration Item	Executive Directors	Non-Executive Directors (other than Independent Directors)	Independent Directors
(a) Fixed Remuneration	See above	See above	See above
(b) Variable Remuneration	See above	See above	See above
(c) Per diem Allowance	See above	See above	See above
(d) Bonuses	See above	See above	See above
(e) Stock Options and/or other financial instruments	See above	See above	See above
(f) Others (Specify)	See above	See above	See above
Total			

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances			
2) Credit granted			
3) Pension Plan/s Contributions	Please refer to Notes to Audited Consolidated Financial Statements as of September 30, 2015.		
(d) Pension Plans, Obligations incurred	Please refer to Notes to Audited Consolidated Financial Statements as of September 30, 2015.		
(e) Life Insurance Premium			
(f) Hospitalization Plan	Healthcare coverage and benefits are provided by the Company through a health maintenance organization.		

(g) Car Plan	
(h) Others (Specify)	
Total	

4) **Stock Rights, Options and Warrants**

(a) **Board of Directors**

Complete the following table, on the members of the Company's Board of Directors who own or are entitled to stock rights, options or warrants over the Company's shares:

Director's Name	Number of Direct Option/Rights/ Warrants	Number of Indirect Option/Rights/ Warrants	Number of Equivalent Shares	Total % from Capital Stock
Not applicable				

(b) **Amendments of Incentive Programs**

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

Incentive Program	Amendments	Date of Stockholders' Approval
None		

5) **Remuneration of Management**

Identify the five (5) members of management who are <u>not</u> at the same time executive directors and indicate the total remuneration received during the financial year:

Name of Officer/Position	Total Remuneration
Arlene G. Magtibay GM - Commercial Centers Division (CCD)	See table in paragraph 3 above.

E. **BOARD COMMITTEES**

1) **Number of Members, Functions and Responsibilities**

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-Executive Director (NED)	Independent Director (ID)				
Executive				Not applicable			

Audit *__and Risk Management__*	3	1	2	The Audit *__and Risk Management__* Committee shall have the following functions: 1. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal controls, audit process and monitoring of compliance with applicable laws, rules and regulations. 2. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the Company. This function may include regular receipt from Management of information on risk exposures and risk management activities. 3. Perform oversight functions over the Company's Internal and External Auditors. It should ensure that the Internal and External Auditors are given reasonable access to all material records, properties and personnel to enable them to perform their respective audit functions. 4. Review the Annual Internal Audit Plan to ensure its conformity with the objectives of the Company. The Plan shall include the audit scope, resources and budget necessary to implement it. 5. *__Recommend the appointment, re-appointment and removal of External Auditor.__* 6. Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts. 7. Ensure the establishment of an Internal Audit Department and the appointment of a Corporate Auditor and the terms and conditions of its engagement and removal. 8. Monitor, evaluate *__and confirm__* the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security. 9. Review the reports submitted by the Internal and External Auditors. 10. Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following: • any change/s in accounting policies and practices; • major judgmental areas; • significant related party transactions; • significant adjustments resulting from the audit; • going concern assumptions; • compliance with accounting standards; and • compliance with tax, legal and regulatory requirements.

				11. Coordinate, monitor and facilitate compliance with laws, rules and regulations. 12. Evaluate and determine the non-audit work, if any, of the External Auditor, and review periodically the non-audit fees paid to the External Auditor in relation to their significance to the total annual income of the External Auditor and to the Company's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this should be disclosed in the Company's Annual Report. 13. Establish and identify the reporting line of the Corporate Auditor to enable him to properly fulfill his duties and responsibilities. He shall functionally report directly to the Audit *and Risk Management* Committee. 14. The Audit *and Risk Management* Committee shall ensure that, in the performance of the work of the Corporate Auditor, he shall be free from interference by outside parties.
Governance, Nomination *and Election*	3	1	1	*The Governance, Nomination and Election Committee shall be responsible for overseeing the development and implementation of corporate governance principles and policies and ensuring that the nomination and election of new members of the Board is transparent with the end objective of having the Board increase shareholder value and aligned with the Corporation's strategic direction. For this purpose, the Governance, Nomination and Election Committee shall:* 1. Pre-screen, evaluate the qualifications and shortlist all candidates nominated to become a Director in accordance with pertinent provisions of the Articles of Incorporation and By Laws of the Company, as well as established guidelines on qualifications, disqualifications *and succession planning.* 2. Recommend guidelines in the selection of nominee/s for Director/s which may include the following based on the perceived needs of the Board at a certain point in time: • Nature of the business of the Company which he is a Director of • Age of the Director nominee • Number of directorships/active memberships and officerships in other corporations or organizations • Possible conflict of interest 3. Recommend guidelines in the determination of the optimum number of directorships/ active memberships and officerships in other companies allowable for

				Directors. The capacity of Directors to serve with diligence shall not be compromised. 4. Recommend to the Board regarding the size and composition of the Board in view of long term business plans, and the needed appropriate skills and characteristics of Directors. 5. Assess the effectiveness of the Board's processes and procedures in the election or replacement of Directors. 6. <u>*Assist the Board of Directors in performing the corporate governance duties in compliance with the Corporation's Manual, the Revised Code of Corporate Governance, the Corporate Governance Guidelines and the listing rules of the Philippines Stock Exchange.*</u> 7. <u>*Monitor, evaluate and confirm the Corporation's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue.*</u> 8. <u>*Use professional search firms or other external sources of candidates when searching for candidates to the Board or Management as deemed necessary.*</u>
Remuneration <u>*and Compensation*</u>	3	1	1	The Remuneration and Compensation Committee recommends for Board approval a formal and transparent policy and system of remuneration and evaluation of the Directors and Management Officers. For this purpose, the Committee shall: 1. Recommend a formal and transparent procedure for developing a policy on executive remuneration and evaluation and for fixing the remuneration packages of Directors and Management Officers that is consistent with the Company's culture, strategy, and business environment. 2. Recommend the amount of remuneration, which shall be in a sufficient level to attract and retain Directors and Management Officers who are needed to run the Company successfully. 3. Disallow any Director to decide his remuneration. 4. Ensure that Full Business Interest Disclosure is part of the pre-employment requirements for all incoming Management Officers, which among others compel all Management Officers to declare under the penalty of perjury all of their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired. 5. Review recommendations concerning the existing

				Human Resources Development Handbook, with the objective of strengthening provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts. 6. Provide in Company's Annual Reports, information and proxy statements a clear, concise and understandable disclosure of aggregate compensation of its Executive Officers for the previous fiscal year and the ensuing year as prescribed by the Commission or other regulatory agency.
Others (specify)	None			

2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee	***No. of years served as director reckoning from the election immediately following January 2, 2012****
Chairman	None						
Member (ED)							
Member (NED)							
Member (ID)							
Member							

(b) Audit a*nd Risk Management* Committee

Office	Name	Date of Appointment	No. of Meetings Held*	No. of Meetings Attended*	%	Length of Service in the Committee**	***No. of years served as director reckoning from the election immediately following January 2, 2012****
Member (ED)	John L. Gokongwei, Jr.	Date of Last Appointment: *April 29, 2015*	4	4	100%	11 years	*3*
Member (ED)	James L. Go	Date of Last Appointment: *April 29, 2015*	4	4	100%	11 years	*3*
Member (ED)	Lance Y. Gokongwei	Date of Last Appointment: *April 29, 2015*	4	4	100%	11 years	*3*
Member (NED)	Johnson Robert G. Go, Jr.	Date of Last Appointment: *April 29, 2015*	4	4	100%	8 years	*3*
Chairman (ID)	Emmanuel C. Rojas, Jr.	Date of Last Appointment: *April 29, 2015*	4	4	100%	7 years	*3*
Member (ID)	Roberto F. de Ocampo	Date of Last Appointment: *April 29, 2015*	4	3	75%	7 years	*3*

Notes: **-per SEC Memorandum Circular No. 9 Series of 2011*
***as of 2014*
**** for the year 2014*

Disclose the profile or qualifications of the Audit Committee members.

1. The Board establishes the Audit *and Risk Management* Committee and appoints the members of the Committee.
2. This Audit *and Risk Management* Committee reports functionally to the Board.
3. The Audit *and Risk Management* Committee shall be composed of at least three (3) members from the Board, at least one (1) of whom shall always be an Independent Director. The Board shall ensure that each member should have adequate competence and/or experience on accounting, finance and audit to enable them to discharge their responsibilities.
4. The Board shall appoint an Independent Director as Committee Chairman.
5. The Audit *and Risk Management* Committee, as a body, shall have neither executive nor managerial powers and duties in the Company except those relating to the management of the Corporate Auditor.

Describe the Audit Committee's responsibility relative to the external auditor.

Following are the responsibilities of the Audit and Risk Management Committee relative to the external auditor:

1. *Perform oversight functions over the Corporation's Internal and External Auditors. It should ensure that the Internal and External Auditors are given reasonable access to all material records, properties and personnel to enable them to perform their respective audit functions.*
2. *Recommend the appointment, re-appointment and removal of External Auditor.*
3. *Prior to the commencement of the audit, discuss with the External Auditor the nature, scope, and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts.*
4. *Review the reports submitted by the Internal and External Auditors.*
5. *Evaluate and determine the non-audit work, if any, of the External Auditor, and review periodically the non-audit fees paid to the External Auditor in relation to their significance to the total annual income of the External Auditor and to the Corporation's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this should be disclosed in the Company's Annual Report.*

(c)* Governance, Nomination and Election *Committee

Office	Name	Date of Appointment	No. of Meetings Held*	No. of Meetings Attended*	%	Length of Service in the Committee**	*No. of years served as director reckoning from the election immediately following January 2, 2012**
Member (ED)	John L. Gokongwei, Jr.	Date of Last Appointment: *April 29, 2015*	1	1	100%	12 yrs.	*3*
Chairman (ED)	James L. Go	Date of Last Appointment: *April 29, 2015*	1	1	100%	12 yrs.	*3*
Member (ED)	Lance Y. Gokongwei	Date of Last Appointment: *April 29, 2015*	1	1	100%	12 yrs.	*3*
Member (NED)	Johnson Robert G. Go, Jr.	Date of Last Appointment: *April 29, 2015*	1	1	100%	9 yrs.	*3*
Member (ID)	Roberto F. de Ocampo	Date of Last Appointment: *April 29, 2015*	1	1	100%	8 yrs.	*3*

Notes-**per SEC Memorandum Circular No. 9 Series of 2011*
***as of 2014*
**** for the year 2014*

(d) Remuneration *and Compensation* Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee**	*No. of years served as director reckoning from the election immediately following January 2, 2012**
Member (ED)	John L. Gokongwei, Jr.	Date of Last Appointment: *April 29, 2015*	Discussed at Board meetings.			12 yrs.	*3*
Chairman (ED)	James L. Go	Date of Last Appointment: *April 29, 2015*				12 yrs.	*3*
Member (ED)	Lance Y. Gokongwei	Date of Last Appointment: *April 29, 2015*				12 yrs.	*3*
Member (NED)	Johnson Robert G. Go, Jr.	Date of Last Appointment: *April 29, 2015*				9 yrs.	*3*
Member (ID)	Emmanuel C. Rojas, Jr.	Date of Last Appointment: *April 29, 2015*				8 yrs.	*3*

Notes-**per SEC Memorandum Circular No. 9 Series of 2011*
***as of 2014*
**** for the year 2014*

(e) Others (Specify) None

Provide the same information on all other committees constituted by the Board of Directors:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	None					
Member (ED)						
Member (NED)						
Member (ID)						
Member						

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes.

None

Name of Committee	Name	Reason
Executive	None	
Audit *and Risk Management*		
Governance, Nomination *and Election*		
Remuneration *and Compensation*		
Others (specify)		

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	Not applicable	
Audit *and Risk Management*	Cash count of revolving funds, review of maintenance contracts, inspection of completed units, review of maintenance related contracts and review of lease contracts.	No significant issues that would put the Company at major risk.
Governance, Nomination *and Election*	Recommendation of nominees to be included in the final list of independent directors.	No significant issues that would put the Company at major risk.
Remuneration *and Compensation*	Recommendation of budgets for merit increase and salary adjustments	No significant issues that would put the Company at major risk.
Others (specify)	None	

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	Not applicable	
Audit *and Risk Management*	Internal Audit plan for the coming fiscal year	No significant issues that would put the Company at major risk.
Governance, Nomination *and Election*	Pre screen qualifications of nominees for independent directors	No significant issues that would put the Company at major risk.
Remuneration *and Compensation*	Review and evaluate existing remuneration policies and procedures	No significant issues that would put the Company at major risk.
Others (specify)	None	

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the Company;

The Company aims to identify, measure, analyze, monitor, and control all forms of risks that would affect the Company.

(b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;

At the end of each calendar year, the Chief Executive Officer (CEO) and Chief Audit Executive (CAE) executes a written attestation that a sound internal audit, control and compliance system is in place and working effectively. The attestation is presented to and confirmed by the Audit and Risk Management Committee during the meeting.

(c) Period covered by the review

The Audit *and Risk Management* Committee periodically reviews the risk management system of the Company through its meetings and review of required reports.

(d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness;

The adequacy of the risk management system is reviewed annually by the Audit *and Risk Management* Committee. On a quarterly basis, specific risk management processes and findings are reviewed and evaluated.

(e) Where no review was conducted during the year, an explanation why not.

Not applicable.

2) Risk Policy

(a) Company

Give a general description of the Company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Market Risks: 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 risks arise 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 Company does not have any foreign currency hedging arrangements.	 To avoid or minimize the loss associated with market risks.
Liquidity Risk	Liquidity risk is the risk arising from the shortage of funds due to unexpected events or transactions. The Company manages its liquidity profile to be able to finance the capital expenditures and service the maturing debts. To cover the financing requirements, the Company intends to use internally generated funds and proceeds from debt and equity offerings. The Company seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Company	To minimize risk of not being able to meet funding obligations.

	maintains a level of cash and cash equivalents deemed sufficient to finance operations. As part of its liquidity risk management, the Company 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 Company's exposure to the risk for changes in market interests relates primarily to the Company's long-term debt obligation with floating interest rate.	The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts.
Credit risk	Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from its operating activities (primarily from cash and cash equivalents and receivables). The Company trades only with recognized and creditworthy third parties. It is the Company'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.	To avoid or minimize the loss associated with credit risk.
Equity Price Risk	Equity price risk relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market.	The equity's market risk policy requires it to mange such risks by setting and monitoring objectives and constraints on investment, diversification plan and limits on investments.

(b) Group

Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Credit risk	Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group transacts 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 with the result that the Group's exposure to bad debts is not significant. The Group has a counterparty credit risk management policy which allocates investment limits based on counterparty credit ratings and credit risk profile.	It is the Group's objective that losses are minimized due to credit risks.
Market risk	Market risk is defined as the possibility of loss due to adverse movements in market factors such as rates and prices. Market risk is present in both trading and non-trading activities. Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in its price, in turn caused by changes in interest rates, foreign currency exchange rates, equity prices and other market factors.	It is the Group's objective that losses be minimized due to market risks.
Foreign currency risk	Foreign currency risk arises on financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured.	The Group seeks to maintain a square or minimal position on its foreign currency exposure.

Interest rate risk	The Group's exposure to market risk for changes in interest rates relates primarily to the Parent Company's and its subsidiaries' long-term debt obligations which are subject to floating rate. The Group makes use of derivative financial instruments, such as interest rate swaps, to hedge the variability in cash flows arising from fluctuation in benchmark interest rates.	The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt.
Liquidity risk	Liquidity risk is the risk of not being able to meet funding obligations such as the repayment of liabilities or payment of asset purchases as they fall due. The Group's liquidity management involves maintaining funding capacity to finance capital expenditures and service maturing debts, and to accommodate any fluctuations in asset and liability levels due to changes in the Group's business operations or unanticipated events created by customer behavior or capital market conditions. The Group maintains a level of cash and cash equivalents deemed sufficient to finance its 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 obtaining bank loans and capital market issues both onshore and offshore.	To minimize risk of not being able to meet funding obligations.

(c) Minority Shareholders

Indicate the principal risk of the exercise of controlling shareholders' voting power.

Risk to Minority Shareholders
Due to statutory limitations on the obligations of majority shareholders with respect to minority shareholders, minority shareholders are subject to the risk of the exercise by the majority shareholders of their voting power. However, the Corporation Code provides for minority shareholders' protection in certain instances wherein a vote by the shareholders representing at least two-thirds of the Corporation's outstanding capital stock is required. The Corporation Code also grants shareholders an appraisal, right allowing a dissenting shareholder to require a corporation to purchase his shares in certain instances.

3) Control System Set Up

(a) Company

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the Company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
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 risks arise 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 Company 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 Company manages its liquidity profile to be able to finance the capital expenditures and service the maturing debts. To cover the financing requirements, the Company intends to use internally generated funds and proceeds from debt and equity offerings. The Company seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements.	The Company maintains a level of cash and cash equivalents deemed sufficient to finance operations. As part of its liquidity risk management, the Company 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 Company's exposure to the risk for changes in market interests relates primarily to the Company's long-term debt obligation with floating interest rate.	The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts.

Credit risk	Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from its operating activities (primarily from cash and cash equivalents and receivables).	The Company trades only with recognized and creditworthy third parties. It is the Company'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.
Equity Price Risk	Equity price risk relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market.	The equity's market risk policy requires it to mange such risks by setting and monitoring objectives and constraints on investment, diversification plan and limits on investments.

(b) Group

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the Company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Credit risk	Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group transacts 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 with the result that the Group's exposure to bad debts is not significant. The Group has a counterparty credit risk management policy which allocates investment limits based on counterparty credit ratings and credit risk profile.
Market risk	Market risk is defined as the possibility of loss due to adverse movements in market factors such as rates and prices. Market risk is present in both trading and non-trading activities. Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in	The Group makes use of derivative financial instrument to hedge against fluctuations in interest rates and foreign currency exposure.

	its price, in turn caused by changes in interest rates, foreign currency exchange rates, equity prices and other market factors.	
Foreign currency risk	Foreign currency risk arises on financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured.	The Group makes use of derivative financial instruments, such as currency swaps, to hedge foreign currency exposure.
Interest rate risk	The Group's exposure to market risk for changes in interest rates relates primarily to the Parent Company's and its subsidiaries' long-term debt obligations which are subject to floating rate.	The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt. The Group makes use of derivative financial instruments, such as interest rate swaps, to hedge the variability in cash flows arising from fluctuation in benchmark interest rates.
Liquidity Risk	Liquidity risk is the risk of not being able to meet funding obligations such as the repayment of liabilities or payment of asset purchases as they fall due.	The Group's liquidity management involves maintaining funding capacity to finance capital expenditures and service maturing debts, and to accommodate any fluctuations in asset and liability levels due to changes in the Group's business operations or unanticipated events created by customer behavior or capital market conditions. The Group maintains a level of cash and cash equivalents deemed sufficient to finance its 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 obtaining bank loans and capital market issues both onshore and offshore.

(c) Committee

Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:

Committee/Unit	Control Mechanism	Details of its Functions
Board of Directors (BOD)	The BOD of the Company and the respective BOD 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. Each BOD has created the board-level Audit a*nd Risk Management* Committee to spearhead the managing and monitoring of risks.	*The minimum internal control mechanisms for the performance of the Board's oversight responsibility may include:* 1. *Definition of the duties and responsibilities of the CEO;* 2. *Selection of the person who possesses the ability, integrity and expertise essential for the position of CEO;* 3. *Evaluation of proposed Senior Management appointments;* 4. *Evaluation of appointments of Management Officers; and* 5. *Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees and management succession plan.*
Audit *and Risk Management* Committee	The Audit *and Risk Management* Committee 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 Audit *and Risk Management* Committee aims to ensure that: a. financial reports comply with established internal policies and process and procedures, pertinent accounting and auditing 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)	The ERMG was created to be primarily responsible for the execution of the enterprise risk	The ERMG's main concerns include: a. recommending risk policies, strategies, principles, framework

	management 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.
Compliance Officer	The Compliance Officer assists the BOD in complying with the principles of good corporate governance.	He shall be responsible for monitoring 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.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the Company:

(a) Explain how the internal control system is defined for the Company;

Internal Control System covers systematic measures which include reviews, checks and balances, methods and procedures. The Company conducts its business in an orderly and efficient manner, safeguards its assets and resources, deters and detects errors and fraud, ensures the accuracy and completeness of its accounting data, prepares reliable and timely financial and management information and complies with the Company policies and procedures.

(b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;

The Board through the Audit *and Risk Management* Committee monitors, evaluates and annually confirms the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security.

The Company understands that the primary responsibility for the design, implementation and maintenance of internal control rest on Management; while the Board and its Audit *and Risk Management* Committee oversee actions of Management and monitor the effectiveness of controls put in place.

Audit *and Risk Management* Committee's purpose is to lead in the general evaluation and to provide assistance in the continuous improvements of risk management, control and governance processes. Monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security. And this committee meets quarterly and as often as necessary.

(c) **Period covered by the review;**

Preceding financial year.

(d) **How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and**

Every quarter, the *Corporate* Internal Audit reports to the Audit *and Risk Management* Committee the summary of results of audit engagements / reviews and audits covering operational units of the Company and specific areas identified by Management. Material issues and its remedial measures, as reported by the *Corporate* Internal Audit group are monitored by Management and Audit *and Risk Management* Committee.

(e) **Where no review was conducted during the year, an explanation why not.**

Not applicable.

2) Internal Audit

(a) **Role, Scope and Internal Audit Function**

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
Corporate Internal Audit's role is to provide an independent, objective assurance and consulting services within the Company designed to add value and improve the Company's operations.	Scope of internal audit includes the examination and evaluation of the Company's risk management, controls, and processes.	In-house	Mr. Emmanuel B. De Pano	Corporate Internal Audit, headed by Corporate Audit Executive, reports functionally to the Audit *And Risk Management* Committee of the Board of Directors.

(b) **Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?**

The Audit and Risk Management Committee ensures the establishment of an Internal Audit Department and the appointment of a Corporate Auditor and the terms and conditions of its engagement and removal.

(c) **Discuss the internal auditor's reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?**

The *Corporate* Internal Auditor functionally reports directly to the Audit *and Risk Management* Committee. As such, the Audit and Risk Management Committee establishes and identifies the reporting line of the Corporate Internal Auditor to enable the Corporate Internal Audit Group to properly fulfill its duties and responsibilities. The Audit **and Risk Management** Committee ensures that, in the performance of the work of the Corporate Internal Audit, said group shall be free from interference by outside parties.

(d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Name of Audit Staff	Reason
None	Not applicable

(e) Progress against Plans, Issues, Findings and Examination Trends

State the internal audit's progress against plans, significant issues, significant findings and examination trends.

Progress Against Plans	On-going
Issues[7]	No significant issues that would put the Company at major risk.
Findings[8]	No significant findings that would put the Company at major risk.
Examination Trends	No significant examination trends were noted.

[The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

1. **Preparation of an audit plan inclusive of timeline and milestones;**
2. **Conduct of examination based on the plan;**
3. **Evaluation of the progress in the implementation of the plan;**
4. **Documentation of issues and findings as a result of the examination;**
5. **Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;**
6. **Conduct of the foregoing procedures on a regular basis.**

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the Company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column "Implementation."

Policies & Procedures	Implementation
The Internal Auditor submits to the Audit *and Risk Management* Committee quarterly reports of the highlights of the audit engagements and a semi-annual report of the internal audit department's activities and performance relative to the audit plans and strategies as approved by the Audit *and Risk Management* Committee. The Internal Auditor submits the yearly Audit plans to the Audit Committee who approves the same. Quarterly, the former reports to the latter the highlights of the audit engagements. On a monthly basis, audit plans are monitored and any	Implemented

[7] "Issues" are compliance matters that arise from adopting different interpretations.
[8] "Findings" are those with concrete basis under the Company's policies and rules.

changes in the audit plans are reported by the Audit teams to the Internal Auditor, who in turn updates the Audit a*<u>nd Risk Management</u>* Committee. At the end of each calendar year, the Chief Executive Officer (CEO) and Chief Audit Executive (CAE) executes a written attestation that a sound internal audit, control and compliance system is in place and working effectively. *<u>The attestation is presented to and confirmed by the Audit and Risk Management Committee during the meeting.</u>*	

(g) Mechanism and Safeguards

State the mechanism established by the Company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the Company's shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the Company):

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
To provide independence of the Internal Audit Group, the Chief Audit Executive reports directly to the Audit *<u>And Risk Management</u>* Committee in a manner outlined in the Audit Charter. The Audit *<u>And Risk Management</u>* Committee performs oversight functions over the Company's internal and external auditors. It should act independently from each other and that both auditors are given unrestricted access to records, properties and personnel to enable them to perform their respective audit functions. *<u>The Board evaluates and determines the non-audit work, if any, of the External Auditor, and review periodically</u>*	The Company and its officers, staff and any other person who are privy to the material non-public information are prohibited to communicate material non-public information about the Company to any person, unless the Company is ready to simultaneously disclose the material non-public information to the Commission and to the Exchanges except if the disclosure is made to: • A person who is bound by duty to maintain trust and confidence to the Company such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and • A person who agrees in writing to maintain in strict confidence	The Company and its officers, staff and any other person who are privy to the material non-public information are prohibited to communicate material non-public information about the Company to any person, unless the Company is ready to simultaneously disclose the material non-public information to the Commission and to the Exchanges except if the disclosure is made to: • A person who is bound by duty to maintain trust and confidence to the Company such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and • A person who agrees in writing to	The Company and its officers, staff and any other person who are privy to the material non-public information are prohibited to communicate material non-public information about the Company to any person, unless the Company is ready to simultaneously disclose the material non-public information to the Commission and to the Exchanges except if the disclosure is made to: • A person who is bound by duty to maintain trust and confidence to the Company such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and • A person who agrees in writing to maintain in strict confidence the disclosed material information and will not take advantage of it

<u>the non-audit fees paid to the External Auditor in relation to their significance to the total annual income of the External Auditor and to the Corporation's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this should be disclosed in the Corporation's Annual Report.</u>	the disclosed material information and will not take advantage of it for his personal gain.	maintain in strict confidence the disclosed material information and will not take advantage of it for his personal gain.	for his personal gain.

(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the Company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the Company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

Compliance with the principles of good governance is one of the objectives of the Board of Directors. To assist the Board in achieving this purpose, the Board has designated a Compliance Officer, who reports to the Chairman, who shall be responsible for monitoring the actual compliance of the Company with the provisions and requirements of good governance, identifying and monitoring control compliance risks, determining violations, and recommending penalties for such infringements for further review and approval of the Board, among others. *<u>The Governance, Nomination and Election Committee shall monitor, evaluate and confirm the Corporation's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue.</u>*

H. ROLE OF STAKEHOLDERS

1. **Disclose the Company's policy and activities relative to the following:**

	Policy	Activities
Customers' welfare	The Company has Customer Relations Policy and procedures to ensure that customers' welfare are protected and questions addressed	Customers are informed with the Company's customer relations contacts to ensure that their welfare and questions are addressed.
Supplier/contractor selection practice	We have Supplier Accreditation Policy to ensure that the Company's suppliers and contractors are qualified to meet its commitments to the Company.	Suppliers and contractors undergo accreditation and orientation on Company policies.
Environmentally friendly value-chain	The Company complies with government mandated policies on the environment.	Required environment management systems and energy management are rigidly complied with by the Company.

Community interaction	The Company focuses on uplifting the socio-economic condition of the country through education.	The Company partners with organizations that promote education of Filipinos through grants, endowments, scholarships, and educational facilities.
Anti-corruption programs and procedures	The Company has policies that cover Business Conduct, Conflict of Interest Policy, Offenses Subject to Disciplinary Action Policy, among others.	New employees are oriented regarding policies and procedures related to Business Conduct and similar policies. All employees are given periodic reminders. *Further, all concerned employees of the Conglomerate are required to comply with the Annual Self-Disclosure Activity on an annual basis.*
Safeguarding creditors' rights	*The Company upholds creditors' right by honoring contracted obligations and providing information required under the Revised Disclosure Rules and the Securities Regulation Code, if applicable, audited financial statements prepared compliant with applicable financial reporting standards, and other periodic reports compliant with the provisions of law, loan covenants and other regulatory requirements.* *This policy aims to:* *1. Provide the guiding principles to ensure protection of creditors' rights.* *2. To identify the duties of responsible departments in protecting the rights of creditors.* *This policy shall cover the documentation, reporting and disclosure requirements to promote transparency for the protection of the rights of creditors of the Company.*	There is regular communication with creditors through briefings and the like.

2. **Does the Company have a separate corporate responsibility (CR) report/section or sustainability report/section?**

The Company's Corporate Responsibility Report is part of the Annual Report.

3. **Performance-enhancing mechanisms for employee participation.**

(a) What are the Company's policy for its employees' safety, health, and welfare?

The Company abides by safety, health, and welfare standards and policies set by the Department of Labor and Employment. Likewise, the Company has Security and Safety Manuals that are implemented and regularly reviewed to ensure the security, safety, health, and welfare of the employees in the work place.

Moreover, the Company has the following policies in placed to promote the advocacy of employees' safety, health and welfare:

- *Drug-Free Workplace*
- *Workplace Policy on the Prevention and Control of HIV and AIDS, Hepatitis B and Tuberculosis*
- *Retirement Program*
- *Company and Government Mandated Leaves*
- *Compensation and Benefits*

(b) Show data relating to health, safety and welfare of its employees.

To ensure that the employees of the Company maintain a healthy balance between work and life, health and wellness programs are organized for these employees. Professionals are invited to conduct classes of Zumba, Tai Chi, and other activities in our work site. The Company has also partnered with fitness gyms to offer special membership rates to employees. This is in addition to the free use of gym facilities in the different installations.

Year on year, the Company has facilitated vaccinations such as against flu and cervical cancer that are offered not only to employees but to their dependents as well. The Company has worked with healthcare providers in identifying top diseases based on utilization report and has invited resource speakers to talk about preventive measures.

To ensure the safety of the Company's employees, a Corporate Emergency Response Team (CERT) has been created that will be activated and will become the "command center", orchestrating initiatives across the conglomerate during a crisis. Also, the CERT shall be responsible for the periodic review of contingency plans and the institution's emergency preparedness and response procedures to ensure that effective responses and responsible policies are in place to deal with crisis or emergency situations

(c) State the Company's training and development programs for its employees. Show the data.

The Company continuously provides learning and development opportunities for its employees through the John Gokongwei Institute for Leadership and Enterprise Development or what is commonly known as JG-ILED.
JG-ILED is the leadership platform for systematic and sustained development programs across the conglomerate. Its mission is to enable a high performing organization that will facilitate the learning process and develop the intellectual and personal growth of all employees through targeted and customized trainings and development programs.

JG-ILED curriculum comprises of the following:

Core Program – programs designed to ensure employees have the foundation needed to perform job effectively. It also covers key people skills training that will help supervisors and managers in leading their teams to perform to the optimum level.

- Basic Management Program (BMP)
- Coaching for Effectiveness (CFE)
- Problem Solving and Decision Making (PSDM)
- Employee Discipline Program (EDP)
- Achieving Customer Service Excellence (ACE)

Management Development Program – program that aims to enhance the leadership capability and business acumen of all JGS leaders.

- Finance for Senior Executives
- Strategic Communication Program
- Executive Coaching Program
- Advanced Negotiation Skills
- Leading and Managing Change
- Strategy Planning and Execution

- Becoming People Leaders

Human Resources Development Program – courses designed to ensure employees have a common understanding of the HR processes and systems by which the Company operates.

- Job Evaluation
- Competency-Based System
- Organization Design and Manpower Planning
- Labor Relations Management
- Performance Management System
- Targeted Selection – Competency Based Interviewing

(d) State the Company's reward/compensation policy that accounts for the performance of the Company beyond short-term financial measures

The Company has policies on annual merit increase, *promotion* and salary adjustments that are tied-up to the employees' performance assessments.

The Company promotes a culture of recognition and value for key and high performing employees who demonstrate excellence at the workplace. Recognition programs are maximized to promote and reinforce behavior that are consistent with the values and desired culture of the Company.

Performance will be the main driver for total rewards. Rewards programs are therefore differentiated across businesses and among employees according to their contributions and levels of performance with a significant share given to high performers.

The Company provides adequate benefits to cover the needs of its employees, where possible, through shared accountability between the Company and its employees.

The rewards philosophy adopts an integrated approach, embodied by the 3Ps in compensation: Pay for the Position, Pay for the Performance, and Pay for the Person. The Company Pays for the Position through its job evaluation system. It Pays for Performance through its performance management system which is linked to its merit increases. The Company Pays for the Person through its competency-based and succession planning systems.

4. **What are the Company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behavior? Explain how employees are protected from retaliation.**

Employees can submit complaints to the Conflict of Interest Committee (CICOM) or any officer of the Company who would relay said complaints to the Committee. Reports or disclosures can be made in writing or by email to the Conflicts of Interest Committee (CICOM) using the following contact details:

	Details
a. email address	*CICOM@jgsummit.com.ph*
b. fax number	*395-2890*
c. mailing address *Must be sent in a sealed envelope clearly marked "Strictly Private and Confidential-To Be Opened by Addressee Only"*	*CICOM* *JG Summit Holdings, Inc.* *44th Flr. Robinsons Equitable Tower* *ADB Avenue, Cor., Poveda Road, Pasig City*

The complaint should be filed using the Complaint/Disclosure Form (CDF) that is made available in the Company website. All information received in connection with the reports or disclosures shall be strictly confidential and shall not be disclosed to any person without prior consent of CICOM.

Protection from Retaliation

The Company commits to protect those who report in good faith from retaliation, harassment and even informal pressures. It will take the necessary and appropriate action to do so in its enforcement. A Whistleblower, who on account of his Complaint, is subjected to actual or threatened retaliation or harassment, shall be afforded protection in accordance with the applicable company policies.

I. DISCLOSURE AND TRANSPARENCY

1. Ownership Structure

(a) Holding 5% shareholding or more

(As of September 30, 2015)

Shareholder	Number of Shares	Percent	Beneficial Owner
JG Summit Holdings, Inc.	2,496,114,787	60.973%	Same as record owner
PCD Nominee (Non-Filipino)	1,098,740,501	26.839%	PCD Participants and their clients
PCD Nominee (Filipino)	464,732,805	11.352%	PCD Participants and their clients

(As of September 30, 2015)

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
John L. Gokongwei (Note 1)	14,119,081		0.35%
James L. Go	1,685,994		0.04%
Lance Y. Gokongwei	804,001		0.02%
Frederick D. Go	500,001		0.01%
Robina Y. Gokongwei-Pe	540,000		0.01%
Patrick Henry C. Go	10,000		0.00%
Johnson Robert G. Go, Jr.	1		0.00%
Artemio V. Panganiban	50,001		0.00%
Roberto F. De Ocampo	1		0.00%
Emmanuel C. Rojas, Jr.	901		0.00%
Omar Byron T. Mier	1		0.00%
TOTAL	**17,709,982**		**0.43%**

Note 1. Sum of shares in the name of “John L. Gokongwei, Jr.”, for 12,187,081, “John L. Gokongwei” for 450,000 and “Elizabeth Y. Gokongwei and/or John Gokongwei” for 1,482,000

2. Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	No

Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education program attended by each director/commissioner	No
Number of board of directors/commissioners meetings held during the year	No
Attendance details of each director/commissioner in respect of meetings held	No
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

The number of Board meetings and attendance details are reported annually to the Commission in a separate disclosure. Details of remuneration are indicated in the Definitive information Statement that is likewise disclosed annually or as needed.

3. **External Auditor's fee**

Name of auditor	Audit Fee	Non-audit Fee*
Sycip, Gorres Velayo & Co. (SGV)	*Php3,657,498*	*Php2,967,000*

**Non-audit Fee pertains to the review services related to Corporate Bonds and JGS financial statements.*

4. **Medium of Communication**

List down the mode/s of communication that the Company is using for disseminating information.

The following modes of communication are being used by the Company to disseminate information:

- Electronic and regular mail
- Telecommunication facilities
- Hard copy of documents
- Website

5. **Date of release of audited financial report:**

The Audited Consolidated Financial Statements for the fiscal year ended September 30, 2015 was submitted to the SEC on *January 13, 2016.*

6. **Company Website**

Does the Company have a website disclosing up-to-date information about the following?

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes

Company's constitution (Company's by-laws, memorandum and articles of association)	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

7. **Disclosure of RPT**

RPT	Relationship	Nature	Value
Please refer to the Related Party Transactions of the Notes to the Audited Consolidated Financial Statements as of *September 30, 2015.*			

When RPTs are involved, what processes are in place to address them in the manner that will safeguard the interest of the Company and in particular of its minority shareholders and other stakeholders?

RLC's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	No stockholders' meeting shall be competent to decide any matter or transact any business, unless a majority of the outstanding capital stock is presented or represented thereat, except in those cases in which the Corporation law requires the affirmative vote of a greater proportion.

(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Corporate acts to be approved are included in the agenda of the stockholder's meeting.
Description	Every stockholder shall be entitled to vote for each share of stock held by him, which shall be by viva voce or show of hands

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights not in The Corporation Code
Stockholders' Rights concerning Annual/Special Stockholders Meeting are in accordance with provisions stated in the Corporation Code.	The stockholders' rights concerning Annual/Special Stockholders' Meeting are consistent with those laid down in the Corporation Code.

Dividends

Declaration Date	***Record Date***	***Payment Date***
June 29, 2015	*May 14, 2015*	*June 9, 2015*

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

Measures Adopted	Communication Procedure
The stockholders are given the opportunity to ask questions during the stockholder's meeting.	1. Stockholders are provided with disclosures, announcements and reports filed with the SEC and PSE through public records, press statements and the Company's website. 2. The Corporate Secretary shall: *a)* *Inform the members of the Board, in accordance with the By-Laws, of the agenda of their meetings together with the rationale and explanation of each item in the agenda and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval.* b) *Release to the Exchange the notice of Annual Shareholders' Meeting (ASM) with detailed agendas and explanatory circulars, at least twenty eight (28) days before the date of the meeting.* The notice of the meeting includes the date, time, venue and agenda of the meeting, the record date of stockholders entitled to vote, and the date and place of proxy validation.

2. State the Company policy of asking shareholders to actively participate in corporate decisions regarding:
   a. Amendments to the Company's constitution
   b. Authorization of additional shares
   c. Transfer of all or substantially all assets, which in effect results in the sale of the Company

The Company complies with the Corporation Code and the Securities Regulations Code on the above matters.

3. Does the Company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?

The Company released to the Exchange the notice of Annual Shareholders' Meeting (ASM) with detailed agendas and explanatory circulars, at least twenty eight (28) days before the date of the meeting. The Company complies with the SRC Rule 20 (Disclosures to stockholders prior to meeting) of the Securities Regulations Code which provides that the information statement, including the notice of meeting, shall be distributed to stockholders at least 15 business days before the date of the stockholders' meeting. The relevant dates pertaining to the last annual stockholders' meeting of the Company is set forth below:

a. **Date of sending out notices**: *March 10, 2015*

b. **Date of the Annual/Special Stockholders' Meeting**: *April 29, 2015*

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

The usual questions during the Annual Stockholders' meeting pertain to dividends and disclosures made in the Audited Consolidated Financial Statements of the Company.

5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Election of Board of Directors	more than a majority vote	Not applicable	Less than 1%
Election of External Auditor	more than a majority vote	Not applicable	Less than 1%

Name of Director	Votes Abstain
John L. Gokongwei, Jr.	less than 1%
James L. Go	
Lance Y. Gokongwei	
Patrick Henry C. Go	
Frederick D. Go	
Johnson Robert G. Go, Jr.	
Robina Gokongwei-Pe	
Artemio V. Panganiban	
Roberto F. de Ocampo	
Emmanuel C. Rojas, Jr.	

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:

The results of the resolutions approved by the stockholders at the annual meeting of the stockholders of the Company held on *April 29, 2015* were disclosed to the Philippines Stock Exchange on *April 30, 2015* and to the Securities and Exchange Commission on *April 29, 2015*.

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification: Not applicable.

Modifications	Reason for Modification
None	

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	1. John L. Gokongwei, Jr. 2. James L. Go 3. Lance Y. Gokongwei 4. Patrick Henry C. Go 5. Frederick D. Go 6. Johnson Robert G. Go, Jr. 7. Robina Gokongwei-Pe 8. Artemio V. Panganiban 9. Roberto F. de Ocampo 10. Emmanuel C. Rojas, Jr. 11. Rosalinda F. Rivera 12. Faraday D. Go 13. Constantino C. Felipe 14. Cecilia M. Pascual 15. Kerwin Max S. Tan 16. Arlene S. Denzon	*April 29, 2015*	By viva voce or show of hands	*61.41%*	*20.61%*	*82.02%*

(ii) Does the Company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs?

Yes, the stock transfer agent of the Company.

(iii) Do the Company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the Company has more than one class of shares, describe the voting rights attached to each class of shares.

Yes.

(g) Proxy Voting Policies

State the policies followed by the Company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	The By-Laws provides that stockholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy, duly given in writing and duly presented to and received by the Secretary for inspection and recording not later than five (5) working days before the time set for the meeting, except such period shall be reduced to one (1) working day for meetings that are adjourned due to lack of the necessary quorum. No proxy bearing a signature which is not legally acknowledged by the Secretary shall be honored at the meetings

Notary	Not required
Submission of Proxy	See above.
Several Proxies	Not applicable
Validity of Proxy	The By-Laws provides that proxies shall be valid and effective for five (5) years, unless the proxy provides for a shorter period, and shall be suspended for any meeting wherein the stockholder appears in person.
Proxies executed abroad	Not applicable
Invalidated Proxy	
Validation of Proxy	Validation of proxies shall be held at the date, time and place as may be stated in the Notice of stockholders' meeting which in no case shall be five calendar days prior to the date of stockholders meeting.
Violation of Proxy	Any violation of this rule on proxy shall be subject to the administrative sanctions provided for under Section 144 of the Corporation Code and Section 54 of the Securities Regulation Code, and shall render the proceedings null and void.

(h) Sending of Notices

State the Company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
The Company complies with the SRC Rule 20 (Disclosures to stockholders prior to meeting) which provides that the information statement, including the notice of meeting, shall be distributed to stockholders at least 15 business days before the date of the stockholders' meeting.	By courier and mail

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	*1,108*
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	*April 17, 2015*
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	*April 7, 2015*
State whether CD format or hard copies were distributed	*CD format were distributed.*
If yes, indicate whether requesting stockholders were provided hard copies	*There were no requests made for hard copies.*

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	Yes
Documents required for proxy vote.	The Company does not solicit proxy votes.

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the Company's policies with respect to the treatment of minority stockholders.

Policies	Implementation
The Company recognizes that the strongest proof of good corporate governance is what is publicly seen and experienced by its stockholders. Therefore, the following provisions are issued for the guidance of all internal and external parties concerned, as governance covenant between the Corporation and all its stockholders. The Board shall be committed to respect the following rights of the stockholders in accordance with the Corporation Code and the Company's Articles of Incorporation and By-Laws: • Right to Vote on All Matters that Require Their Consent or Approval • Right to Inspect Corporate Books and Records • Right to Information • Right to *Dividends* • Appraisal Right The Board shall be transparent and fair in the conduct of the annual and special stockholders meetings of the Company. The stockholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the stockholder's favor. It shall be the duty of the Board to promote the rights of	Implemented

the stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for violation of their rights. The Board should take the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy. Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.	

(b) Do minority stockholders have a right to nominate candidates for board of directors?

Yes.

K. INVESTORS RELATIONS PROGRAM

1) Discuss the Company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major Company announcements. Identify the committee with this responsibility, if it has been assigned to a committee.

RLC makes use of its local area network to email and inform employees of new developments in the Company (i.e. hiring of new senior officers, promotions, accolades/awards received by the Company and its subsidiaries and affiliates, etc). Usually, it is Corporate HR which is in charge of this, after securing clearance from Senior Management.

RLC undertakes weekly meetings to increase awareness of potential investments and divestments of the Company and its subsidiaries.

For communications outside of the Company, usually it is the Corporate Communications Group and Corporate Secretary's Office which discloses the information to the public through disclosures to the SEC, PSE, and to the media, after securing clearance and approval from the Corporate Planning Senior Vice President and the senior management.

2) Describe the Company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	To provide timely, relevant and accurate information to the public
(2) Principles	Transparency to shareholders and the general public
(3) Modes of Communications	Via disclosures to PSE, press releases, meetings with investors, presentations to shareholders, etc
(4) Investors Relations Officer	Mara Utzurrum/ Catherine Cancio Investor Relations Tel. No. (632) 633-7631 loc. 132/352 E-mail Address: investor.relations@robinsonsland.com

3) What are the Company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

- the transaction must create value to the market
- the transaction must be value-accretive

Name of the independent party the board of directors of the Company appointed to evaluate the fairness of the transaction price.

The Company actively evaluates potential mergers and acquisitions. Once RLC management believes that the transaction is in-line with the Company's strategies and will be value-accretive based on internal valuation and analysis, the board appoints an independent party to evaluate the fairness of the transaction price.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the Company.

Initiative	Beneficiary
The Gift of Change is an annual coin bank campaign which encourages mall shoppers to donate loose change.	1. Jaime Cardinal Sin Village 2. Mary Help of Christian Theology Seminary, Pangasinan 3. St. Nicolas de Tolentino Parish, Ilocos Norte 4. Domus Pastorum Clergy Retirement Home, Pampanga 5. Villa Maria Aeta Community, Pampanga 6. City College of San Fernando, Pampanga 7. Radio Maria 8. Caritas Cavite 9. Lipa Archdiocesean Social Action Commission, Batangas 10. Basic Ecclessial Communities of San Pablo, Laguna 11. Youth Scholarship Program of the Apostolic Vicariate of Puerto Princesa, Palawan 12. Zapatera Nutrition Program of Sacred Heart Parish, Cebu 13. Diamond Heart of Sacred Heart of parish, Cebu 14. Mission Schools in Iloilo 15. St. John the Evangelist Theology Foundation, Tacloban 16. Negrense Volunteers for Change, Bacolod 17. St. Anthony Academy, Dumaguete 18. Pastoral Care for Children of Archdiocese of Cagayan de Oro 19. Santa Cruz Mission School, General Santos City
TGOC Relief Operation is an emergency disaster relief campaign of RLC that seeks to help those affected by natural calamities.	Victims of natural calamities. This year, we were able to extend our help in : Cebu, Tacloban, Iloilo, and Roxas To date, we were able to donate food packs in Tacloban, Cebu, Iloilo, and Roxas: 1,052 food packs to Tacloban 107 food packs to Tacloban evacuees in Cebu 91 food packs to Bogo, Cebu 803 food packs to Iloilo and Roxas 2,053 packs

	We also sent a total of 487 donation boxes which were donated by shoppers and partner organizations.
Robinsons Malls Entrep Corner aims to develop and hone the entrepreneurial talents of college students by giving them a platform to showcase their products and services in Robinsons malls.	College Students Partner Schools: 1. Miriam College 2. St. Paul University, QC 3. De La Salle University Dasmariñas 4. De La Salle Lipa 5. Silliman University
Robinsons Malls Lingkod Pinoy Center, a dedicated space in selected malls that carries satellite operations of important government agencies. At present, there are 13 government agencies in 22 RMLPCs nationwide.	Shoppers and Filipinos who need to transact with different government agencies
Your Pocket Change Can Change Their Lives. a life-saving project to help bring low-cost clean water technology to selected communities. Shoppers are encouraged to donate P10.00.	Selected rural and urban poor local communities in the Philippines with high children mortality and vulnerability due to waterborne diseases. The first 3 Clean Water systems have already been turned over to the Vincentian Fathers and Daughters of Charity of the Vincentian Mission to be stationed in 3 mission centers in Metro Manila locations : Hospicio De San Jose (Manila), DC Rendu Center (MetroSouth) and Bagong Silangan Vincentian Center (MetroNorth)
Our Roots, Our Homes a tree planting project which aims to increase awareness for environmental issues and evoke active participation from employees and the community.	Environment and Communities where we are: Total of 300 saplings San Fernando, Pampanga, Laoag City, Ilocos Norte and Cagayan de Oro
Dose of Help is a long-term health and nutrition campaign of RLC; a day that aims to bring awareness to the need to give booster shots for the protection of adolescents from preventable diseases.	1,567 fourth year high school students of Davao City National High School
Robinsons Malls Christmas Tree of Hope, a donation drive in partnership with Caritas Foundation for the victims of typhoon Yolanda. Shoppers are encouraged to buy a Christmas Ball for P100 as donation to victims of Yolanda. The ornament carries a card where the donor can personally write his name, to signify his participation for this cause.	Victims of typhoon Yolanda
ENVIRONMENTAL SUSTAINABILITY PROGRAM	
The Energy Conservation Program involves simple but effective energy measures such as purchasing low energy consumption equipment.	Environment

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

	Process	Criteria
Board of Directors	The Board may create an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in the Corporate Governance Manual. The creation and implementation of such self-rating system, including its salient features, may be disclosed in the Company's Annual Report.	
Board Committees	Audit *and Risk Management* Committee conducts annual performance evaluation in compliance with SEC Memorandum Circular No.4, Series of 2012.	Guidelines for the assessment of the performance of audit committees of companies listed on the exchange under SEC Memorandum Circular No. 4, Series of 2012.
Individual Directors		
CEO/President		

N. INTERNAL BREACHES AND SANCTIONS

Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

Violations	Sanctions
First Violation	The subject person shall be reprimanded.
Second Violation	Suspension from office shall be imposed to the subject person. The duration of the suspension shall depend on the gravity of the violation.
Third Violation	The maximum penalty of removal from office shall be imposed.

The above answers are based on company records and information given by relevant officers of the Company.