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

May 30, 2018, 5:00 p.m. at Sapphire AB Crowne Plaza Manila Galleria Ortigas Avenue corner ADB Avenue Quezon City

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

May 9, 2018

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	5,193,830,685

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

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Date of Stockholders' Meeting	May 30, 2018
Type (Annual or Special)	Annual
Time	5:00 p.m.
Venue	Sapphire AB of Crowne Plaza Manila Galleria Ortigas Avenue corner ADB Avenue, Quezon City
Record Date	Apr 25, 2018

Inclusive Dates of Closing of Stock Transfer Books

Start Date	N/A
End date	N/A

Other Relevant Information
Please see attached Definitive Information Statement as filed with the Securities and Exchange Commission.

Filed on behalf by:

Name	Rosalinda Rivera
Designation	Corporate Secretary

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

May 30, 2018

Notice is hereby given that the Annual Meeting of the Stockholders of ROBINSONS LAND CORPORATION will be held on May 30, 2018 at 5:00 p.m. at Sapphire AB, 4th Floor, 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 June 28, 2017.
3. Presentation of annual report and approval of the financial statements for the preceding year.
4. Election of Board of Directors.
5. Appointment of External Auditor.
6. Ratification of the acts of the Board of Directors and its committees, officers and management
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 May 23, 2018. Validation of proxies shall be held on May 28, 2018, 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 April 25, 2018 shall be entitled to vote.

By Authority of the Chairman:

ROSALINDA F. RIVERA
Corporate Secretary

A JG Summit Company

ROBINSONS LAND
CORPORATION

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

ANNUAL MEETING OF STOCKHOLDERS
MAY 30, 2018

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

Reading and approval of the Minutes of the Annual Meeting of the Stockholders held on June 28, 2017

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 the 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

After having undergone the nomination process as conducted by the Governance, Nomination and Election Committee, the nominees for election as members of the Board of Directors, including independent directors, will be presented to the stockholders. The profiles of the nominees are provided in the Information Statement sent to stockholders. The members of the Board of Directors of the Corporation shall be elected by plurality vote.

Appointment 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 the acts of the Board of Directors and its committees, officers and management

Ratification of 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, as duly recorded in the corporate books and records of the Corporation, will be requested.

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.

WE ARE NOT SOLICITING YOUR PROXY

Stockholders who will not, are unable or do not expect to attend the meeting in person but would like to be represented thereat may choose to execute and send a proxy form to the Office of the Corporate Secretary on or before **May 23, 2018**. A sample proxy form is provided below.

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 **May 30, 2018** and adjournments and postponements thereof for the purpose of acting on the following matters 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:

1. Approval of the Minutes of the Annual Meeting of the Stockholders held on June 28, 2017.
_____Yes _____ No _____ Abstain

2. Approval of the financial statements for the preceding year.
_____Yes _____ No _____ Abstain

3. Election of Board of Directors.

	Yes	No	Abstain
1. John L. Gokongwei, Jr.	_____	_____	_____
2. James L. Go	_____	_____	_____
3. Lance Y. Gokongwei	_____	_____	_____
4. Frederick D. Go	_____	_____	_____
5. Patrick Henry C. Go	_____	_____	_____
6. Johnson Robert G. Go, Jr.	_____	_____	_____
7. Robina Y. Gokongwei	_____	_____	_____
Independent Directors			
8. Artemio V. Panganiban	_____	_____	_____
9. Roberto F. De Ocampo	_____	_____	_____
10. Emmanuel C. Rojas, Jr.	_____	_____	_____
11.Omar Byron T. Mier	_____	_____	_____

4. Appointment of SyCip Gorres Velayo & Co. as external auditor.
_____Yes _____ No _____ Abstain

5. Ratification of the acts of the Board of Directors and its committees, officers and management.

_____Yes _____ No _____ Abstain

6. At his/her discretion, the proxy named above is authorized to vote upon such other matters as may properly come during the meeting.
_____Yes _____ No _____ Abstain

____
PRINTED NAME OF STOCKHOLDER

____
SIGNATURE OF STOCKHOLDER / AUTHORIZED SIGNATORY

____
ADDRESS OF STOCKHOLDER

____
CONTACT TELEPHONE NUMBER

____
DATE

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 Corporate Secretary at least three (3) working days before the scheduled meeting on **May 30, 2018**, but shall not apply in instances where I personally attend the meeting.

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. IN ADDITION TO THE ABOVE REQUIREMENT FOR CORPORATIONS, A PROXY FORM GIVEN BY A BROKER OR CUSTODIAN BANK IN RESPECT OF SHARES OF STOCK CARRIED BY SUCH BROKER OR CUSTODIAN BANK FOR THE ACCOUNT OF THE BENEFICIAL OWNER MUST BE ACCOMPANIED BY A CERTIFICATION UNDER OATH STATING THAT THE BROKER OR CUSTODIAN BANK HAS OBTAINED THE WRITTEN CONSENT OF THE ACCOUNT HOLDER.

ROBINSONS LAND CORPORATION ("RLC")

PROFILES OF THE NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS FOR THE YEAR 2018

1. Name : John L. Gokongwei, Jr.
   Age : 91
   Designation : Founder and Chairman Emeritus

   Business experience and education:

   Mr. John L. Gokongwei, Jr. 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., Deputy Chairman and Director of United Industrial Corporation Limited and a director of Cebu Air, Inc., Robinsons Retail Holdings, 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 Master's degree in Business Administration from the De La Salle University and attended the Advanced Management Program at Harvard Business School.

2. Name : James L. Go
   Age : 78
   Designation : Chairman

   Business experience and education:

   Mr. James L. Go is the Chairman of RLC. He is 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 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.

3. Name : Lance Y. Gokongwei
   Age : 51
   Designation : Vice Chairman and Chief Executive Officer

   Business experience and education:

   Mr. Lance Y. Gokongwei is the Vice-Chairman and Chief Executive Officer of RLC. He is the President and Chief Operating Officer of JG Summit Holdings, Inc., He is the Chairman and Chief

Executive Officer of Robinsons Retail Holdings, Inc. He is the President and Chief Executive Officer of Universal Robina Corporation, Cebu Air, Inc. He is the Chief Executive Officer of JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is the Chairman of Robinsons Bank Corporation, 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 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.

4. Name : Frederick D. Go
   Age : 48
   Designation : President and Chief Operating Officer

Business experience and education:

Mr. Frederick D. Go is the President and Chief Operating Officer of RLC. He is also the President 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., Robinsons Bank Corporation, JG Summit Petrochemical Corporation, and Cebu Light Industrial Park. He is also the Vice 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.

5. Name : Patrick Henry C. Go
   Age : 47
   Designation : Director

Business experience and education:

Mr. Patrick Henry C. Go was elected as a director of RLC on January 17, 2000. He is also a Vice President of URC and is the Senior Managing Director of the URC Packaging (BOPP) Division and Flexible Packaging Division. He is also the President and Chief Operating Officer of JG Summit Petrochemical Corporation, 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.

6. Name : Johnson Robert G. Go, Jr.
   Age : 52
   Designation : Director

Business experience and education:

Mr. Johnson Robert G. Go, Jr. 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.

7. Name : Robina Y. Gokongwei-Pe
Age : 56
Designation : Director

Business experience and education:

Ms. Robina Gokongwei-Pe 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. She is currently the President and Chief Operating Officer of 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, South Star Drug and The Generics Pharmacy. She is a Trustee of the Gokongwei Brothers Foundation Inc. and Immaculate Conception Academy Scholarship Fund. She was also a member of the University of the Philippines Centennial Commission and was a former Trustee of the Ramon Magsaysay Awards Foundation. She obtained her Bachelor of Arts degree in Journalism from the New York University. She is a daughter of Mr. John L. Gokongwei, Jr.

8. Name : Artemio V. Panganiban
Age : 81
Designation : Inedpendent Director

Business experience and education:

Mr. Artemio V. Panganiban 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.

9. Name : Roberto F. De Ocampo
Age : 71
Designation : Independent Director

Business experience and education:

Mr. Roberto F. de Ocampo 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.

10. Name : Emmanuel C. Rojas, Jr.
Age : 82
Designation : Independent Director

Business experience and education:

Mr. Emmanuel C. Rojas, Jr. 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. Mr. Rojas previously served as Independent Director of Robinsons Bank and Legaspi Savings Bank for about one year in 2013. 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.

11. Name : Omar Byron T. Mier
Age : 72
Designation : Independent Director

Business experience and education:

Mr. Omar Byron T. Mier was appointed as an independent Director of RLC on August 13, 2015. He is also a director of Paymaya since 2016 and Chairman of the Board Audit Committee. 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 Guest 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. He is a Certified Public Accountant.

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	:	**May 30, 2018 5:00 P.M. Sapphire AB 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	:	**May 9, 2018**

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 March 31, 2018)
Common Stock, P 1.00 par value	**5,193,830,685**
Registered bonds payable	**P12,000,000,000.00**

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	:	**May 30, 2018** **5:00 P.M.** **Sapphire AB** **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	:	**May 9, 2018**

Statement that proxies are not solicited

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

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 May 30, 2018 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 5,193,830,685 outstanding shares as of March 31, 2018. 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 April 25, 2018 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 "2017 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 March 31, 2018

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	3,166,806,886	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	1,315,011,250	25.32%
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	677,386,817	13.04%

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 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", "The HongKong and Shanghai Banking Corp. Ltd.- Clients Account" and "Citibank N.A." hold for various trust accounts the following shares of the Corporation as of March 31, 2018:

	No. of shares held	% to total outstanding
Deutsche Bank Manila – Clients Acct.	692,719,918	13.34%
The Hongkong and Shanghai Banking Corp. Ltd. – Clients' Acct.	472,708,340	9.10%
Citibank N.A.	321,073,885	6.18%

Voting instructions may be provided by the beneficial owners of the shares.

Security Ownership of Management as of March 31, 2018

Title of Class	Name of beneficial owner	Position	Amount & nature of beneficial ownership (Direct)	Citizen ship	% to Total Outstanding
A. Executive Officers [1]					
Common	1. John L. Gokongwei, Jr.	Director, Chairman Emeritus	11,941,866[2]	Filipino	0.23%
	2. James L. Go	Director, Chairman	2,139,011	Filipino	0.04%
	3. Lance Y. Gokongwei	Director, Vice Chairman and Chief Executive Officer	805,001	Filipino	0.02%
Common	4. Frederick D. Go	Director, President and Chief Operating Officer	986,027	Filipino	0.02%
Common	5. Arlene G. Magtibay	Business Unit General Manager	0	Filipino	*
	Sub-Total		15,871,905		0.31%
B. Other directors, executive officers and nominees					
Common	6. Patrick Henry C. Go	Director	10,000	Filipino	*
Common	7. Robina Y. Gokongwei-Pe	Director	685,094	Filipino	0.01%
Common	8. Johnson Robert G. Go, Jr.	Director	1	Filipino	*
Common	9. Artemio V. Panganiban	Director (Independent)	31,718	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		727,716		0.1%
C. All directors and executive officers & nominees as a group unnamed			16,599,621		0.32%

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 March 31, 2018.

[2] Sum of shares in the name of John Gokongwei, Jr., John L. Gokongwei, Jr. and Elizabeth Y. Gokongwei and/or John Gokongwei.

Shares owned by Foreigners

The total number of shares owned by foreigners as of March 31, 2018 is 1,315,277,034.

Voting Trust Holder of 5% or more - as of March 31, 2018

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 March 31, 2018 on "Security Ownership of Certain Beneficial Owners and Management" are found on Item 13, pages 41 to 42 of the Management Report.

Directors and Executive Officers

Information required hereunder is incorporated by reference to the section entitled "Directors and Executive Officers of the Registrant" on Item 14, pages 43 to 48 of the Management Report.

Board Nomination and Election Policy

The Governance, Nomination and Election Committee shall oversee the process for the nomination and election of the Board of Directors.

The Governance, Nomination and Election Committee shall pre-screen and shortlist all candidates nominated to become members of the Board of Directors in accordance with the list of qualifications and disqualifications as defined in the Corporation's Corporate Governance Manual with due consideration of the requirements of the Corporation Code, the Securities Regulation Code ("SRC"), the Code of Corporate Governance and relevant SEC Circulars such as the SEC Memorandum Circular No. 16, Series of 2002, the SEC Memorandum Circular No. 19, Series of 2016, as may be amended, relating to the Board of Directors.

The list of the nominees for directors as determined by the Governance, Nomination and Election Committee shall be final and no other nomination shall be entertained or allowed after the final list of nominees is prepared.

The members of the Governance, Nomination and Election 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)**

The following individuals have been nominated for election as directors, including independent directors, at the Annual Meeting of Stockholders on May 30, 2018.

1. **John L. Gokongwei, Jr.**
2. **James L. Go**
3. **Lance Y. Gokongwei**
4. **Frederick D. Go**
5. **Patrick Henry C. Go**
6. **Johnson Robert G. Go, Jr.**
7. **Robina Y. Gokongwei-Pe**

8. **Artemio V. Panganiban (Independent)**
9. **Roberto F. De Ocampo (Independent)**
10. **Emmanuel C. Rojas, Jr. (Independent)**
11. **Omar Byron T. Mier (Independent)**

Independent Directors

The Corporation has adopted the provisions of SRC Rule 38 on the nomination and election of independent directors and the Amended By-Laws of the Corporation substantially state the requirements on the nomination and election of independent directors set forth in SRC Rule 38.

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

1. ***Artemio V. Panganiban,*** 81**,** 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 6^{th} 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,*** 71, 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.

3. **Emmanuel C. Rojas, Jr.**, 82, 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. Mr. Rojas previously served as Independent Director of Robinsons Bank and Legaspi Savings Bank for about one year in 2013. 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.

4. **Omar Byron T. Mier,** 72, was appointed as an Independent Director of RLC on August 13, 2015. He is also a Director of Robinsons Bank Corporation and Legaspi Savings Bank. He is also a director of Paymaya since 2016 and Chairman of the Board Audit Committee. 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 Guest 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. He is a Certified Public Accountant.

In accordance with SEC Memorandum Circular No. 5, Series of 2017, the Certifications of Independent Directors executed by the aforementioned candidates for independent directors of the Corporation are attached hereto as Annex “A” (Artemio V. Panganiban), Annex “B” (Roberto F. De Ocampo), Annex “C” (Emmanuel C. Rojas, Jr.) and Annex “D” (Omar Byron T. Mier).

The nominees for Independent Directors were nominated by JG Summit Holdings, Inc., the controlling shareholder of the Corporation owning 60.97% of the Corporation’s total outstanding capital stock. None of the nominees 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 December 31, 2017 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 March 31, 2018:

Parent Company	Number of Shares Held	% Held
JG Summit Holdings, Inc.	3,166,806,886	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.

		Calendar Year 2017			
		Salary	*Bonus*	*Others*	*Total*
A. CEO and four most highly compensated executive officers		P 38,008,402	P 2,000,000	P 307,500	P 40,315,902
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 76,743,217	P 3,500,000	P 405,000	P 80,648,217

		Calendar Year 2016			
		Salary	*Bonus*	*Others*	*Total*
A. CEO and four most highly compensated executive officers		P 35,918,547	P 1,700,000	P 424,500	P 38,043,047
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 74,063,464	P 2,975,000	P 648,000	P 77,686,464

		Estimated Year 2018			
		Salary	*Bonus*	*Others*	*Total*
A. CEO and four most highly compensated executive officers		P 40,196,973	P 2,000,000	P 307,500	P 42,504,473
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 80,076,703	P 3,500,000	P 405,000	P 83,981,703

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 2016 and is expected to be rotated every five (5) years in accordance with SRC Rule 68, as amended.

The members of the Audit and Risk Management 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)

Action with respect to reports

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 June 28, 2017.**

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

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

4. **Appointment of External Auditor.**

5. **Ratification of the acts of the Board of Directors and its committees, officers and management.**

A summary of the matters approved and recorded in the Annual Meeting of the Stockholders last June 28, 2017 is as follows: a) reading and approval of the minutes of the annual meeting of the stockholders held on March 9, 2016; b) presentation of annual report and approval of financial statements for the preceding year; c) election of Board of Directors of the Corporation; e) appointment of external auditor; and f) ratification of all acts of the Board of Directors and its committees, officers and management.

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 June 28, 2017 for ratification by the stockholders:

Date of Board Approval	**Description**
July 7, 2017	**Results of the Organizational Meeting of the Board of Directors.**
November 13, 2017	**1. Approval for the Corporation to undertake a rights offering.** **2. Authorization for the Corporation to negotiate and agree upon the key terms of a joint venture agreement, a shareholders agreement and other necessary agreements with Shangri-La Properties Inc. in relation to formation of a joint venture company for the development of a property situated in Taguig.**
April 6, 2018	**1. Setting of record date for the Annual Meeting of the Stockholders.** **2. Declaration of a cash dividend in the amount of Thirty Six Centavos (P0.36) per share from the unrestricted retained earnings of the Corporation as of December 31, 2017, to all stockholders of record as of April 26, 2018 and payable on May 23, 2018.**

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 March 31, 2018 are incorporated by reference to page 32 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 March 31, 2018 are as follows:

1. Market Price

Fiscal Year 2018	**High**	**Low**
First Quarter (Jan. to March 2018)	**P20.95**	**P19.00**

The market price of the Corporation's common equity as of April 16, 2018 is P19.10.

2. The number of shareholders of record as of March 31, 2018 was 1,066.

Common shares outstanding as of March 31, 2018 were 5,193,830,685 shares with a par value of P1.00 per share.

3. **List of the Top 20 Stockholders of the Corporation as of March 31, 2018:**

Name	No. of Shares Held	% of Ownership
1. JG Summit Holdings, Inc.	3,166,806,886	60.97%
2. PCD Nominee Corporation (Non-Filipino)	1,315,011,250	25.32%
3. PCD Nominee Corporation (Filipino)	677,386,817	13.04%
4. Elizabeth Yu	8,737,200	0.17%
5. John Gokongwei, Jr.	8,124,721	0.16%
6. Cebu Liberty Lumber	2,203,200	0.04%
7. James L. Go	2,139,011	0.04%
8. Elizabeth Y. Gokongwei &/or John Gokongwei, Jr.	988,000	0.02%
9. Frederick Dy Go	986,027	0.01%
10. Quality Investments &Sec Corp.	904,200	0.02%
11. Alberto Mendoza and/or Jeanie Mendoza	532,800	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	0.00%
17. Lisa Yu Gokongwei	180,000	0.00%
18.FEBTC#103-00507	156,240	0.00%
19. Francisco L. Benedicto	150,000	0.00%
20. Ching Tiong Keng and/or Cynthia D. Ching	150,000	0.00%
21. Others	7,685,837	0.15%
Total	**5,193,830,685**	**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 May 12, 2017, the Board of Directors approved the revisions made to the Corporate Governance Manual of the Corporation in accordance with SEC Memorandum Circular No. 19, Series of 2016. The revised Corporate Governance Manual was filed with the Securities and Exchange Commission on May 31, 2017. 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.15, Series of 2017 mandates all listed companies to submit an Integrated Annual Corporate Governance Report (I-ACGR) on May 30 of the following year for every year that the Company remains listed.

PSE Memorandum CN No. 2017-0079 provide that I-ACGR effectively supersedes the SEC's Annual Corporate Governance Report and the PSE's Corporate Governance Disclosure Report.

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 May 2, 2018.

ROBINSONS LAND CORPORATION

FREDERICK D. GO
PRESIDENT AND CHIEF OPERATING OFFICER

ANNEX "A"

CERTIFICATION OF INDEPENDENT DIRECTOR

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

1. I am a nominee for independent director of Robinsons Land Corporation and have been its independent director since May 14, 2008.

2. I am affiliated with the following publicly-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
Asian Terminals, Inc.	Independent Director	2010 – present
Philippine Long Distance Telephone Co.	Independent Director	2013 – present
Jollibee Foods Corporation	Non-executive Director	2012 – present
Metropolitan Bank & Trust Co.	Senior Adviser	2007 – present
Double Dragon Properties Corp.	Adviser	2014 – present
Bank of the Philippine Islands	Member, Advisory Council	2016 - present
For my full bio-data, log on 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, its Implementing Rules and Regulations and other SEC issuances.

4. To the best of my knowledge, I am not related to any director/officer/substantial shareholder of Robinsons Land Corporation and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court.

6. To the best of my knowledge, I am neither an officer nor an employee of any government agency or government-owned and controlled corporation.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

8. I shall inform the Corporate Secretary of Robinsons Land Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this APR 1 3, at PASIG CITY.

ARTEMIO V. PANGANIBAN
Affiant

SUBSCRIBED AND SWORN to before me this APR 1 3 2018 at PASIG CITY, affiant personally appeared before me and exhibited to me his Passport No. EC2160733 issued at DFA Manila, Philippines on September 22, 2014 valid until September 21, 2019.

Doc. No. 440
Page No. 89;
Book No. XVII
Series of 2018.

ATTY. ... ETITO
... Pasig City
PT...
MCLE Compliance No. V-...

ANNEX "B"

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Roberto F. de Ocampo**, Filipino, of legal age and a resident of 121 Victoria corner Homonhon Streets, Magallanes Village, 1232 Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Robinsons Land Corporation and have been its independent director since May 28, 2003.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/ Organization	Position/ Relationship	Date Assumed
RFO Center for Public Finance and Regional Economic Cooperation	Chairman of the Board of Advisors	2006
Philippine Veterans Bank	Chairman and CEO	2013
Money Tree Publishing Inc.	Chairman	2007
Stradcom Corporation	Chairman	2003
Tollways Association of the Philippines	Chairman	2003
Public Finance Institute of the Philippines	Chairman	2007
Intervest Project Inc. (IPI)	Chairman	2013
British Alumni Association	Chairman	
AIM – AIM Conference Center Manila (ACCM)	Chairman	
Liberal International Advisory Board (London)	Chairman	2013
Foundation for Economic Freedom	Chairman	2012
Philam Fund Inc., Philam Bond Fund Inc., Philam Strategic Growth Fund Inc., Philam Managed Income Fund Inc., PAMI Global Bond Fund, Inc. Philam Dollar Bond Fund Inc.	Chairman	2014
Governance Commission for Governement Owned or Controlled Corporations (GCG) Multi-Sectoral Governance Council	Chairman	2014
Montalban Methane Power Corporation	Vice-Chairman	2007
Agus 3 Hydro Power Corporation	Vice-Chairman	2007
La Costa Development	Vice-Chairman	2007
Makati Business Club	Vice-Chairman	2006
Center for Philippine Futuristics Studies and Management Inc.	Vice-President	2010
AIM – Gov. Jose B. Fernandez Jr. Center for Banking and Finance	Executive Director	2004
Centennial Group (Washington), D.C.	Founding Director	1999
Emerging Market Forum	Founding Director	2005
Pacific Gaming Investments Pte. Ltd.	Independent Director	2010
Alaska Milk Corp.	Independent Director	1999
Bankard, Inc.	Independent Director	2006
EEI Corporation	Independent Director	2005
House of Investments	Independent Director	2000
Beneficial Life Insurance Co., Inc.	Independent Director	2008

Robinsons Land Corporation	Independent Director	2003
SPC Power Corporation	Independent Director	2002
DFNN Inc.	Independent Director	1999
PHINMA Corporation	Independent Director	2009
Investment & Capital Corporation of the Philippines (ICCP)	Independent Director	2011
Global Reporting Initiative (GRI) - Amsterdam	Director	2013
A Life for Others Foundation	Founding Trustee	2010
Health Justice Philippines	Member, Advisory Council	2010
Philippine Business for the Environment (PBE)	Board Member	2015
The Conference Board (New York)	Member, Global Advisory Board	2004
Argosy Fund, Inc.	Member, Board of Advisers	1998
Corporate Governance Institute of the Philippines	Member, Board of Advisers	2004
AES Corporation (Philippines)	Member, Board of Advisers	2008
Teach for the Philippines	Member, Board of Advisers	2001
Philippine Cancer Society	Member, Board of Advisers	1998
Ramos Peace and Development Foundation	Member, Board of Trustees	1999
Children's Hour	Member, Board of Trustees	
SGV Foundation	Member, Board of Trustees	1999
Trilateral Commission	Member, Asia Pacific Group Representing ASEAN	2000
Renewable Energy Asia Fund (Berkely Energy, UK)	Strategic Advisor	2008
Philippine Quality & Productivity Movement, Inc.	Member, Board of Advisers	2012
CIMB Group International Advisory Panel	Member	2013

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, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/ officer/ substantial shareholder of Robinsons Land Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding:

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. I shall inform the Corporate Secretary of Robinsons Land Corporation of any changes in the above-mentioned information within five days from its occurrence.

APR 13 2018 PASIG CITY

Done, this ______________, at ______________.

ROBERTO F. DE OCAMPO
Affiant

PASIG CITY SUBSCRIBED AND SWORN to before me this APR 13 2018 at ______________, affiant personally appeared before me and exhibited to me his Tax Identification No. 120-115-828.

Doc No. 442;
Page No. 90;
Book No. XIII;
Series of 2018.

ATTY. [illegible] BETITO
[illegible] Pasig City
V-0017140 Mar.21, [illegible]

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 a nominee for independent director of Robinsons Land Corporation and have been its independent director since September 28, 2005.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

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

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, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/ officer/ substantial shareholder of Robinsons Land Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

5. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court:

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. 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 APR 1 3 2018, at PASIG CITY.

EMMANUEL C. ROJAS, JR.
Affiant

SUBSCRIBED AND SWORN to before me this APR 1 3 2018 at PASIG CITY affiant personally appeared before me and exhibited to me his Tax Identification No.194-294-275.

Doc No. 437;
Page No. 89;
Book No. XIII;
Series of 2018.
/lbo

BETITO
Pasig City
V - 0017140 Mar.21, 2018

ANNEX "D"

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Omar Byron T. Mier**, Filipino, of legal age and a resident of 26 San Pablo Rd., Philamlife Homes, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Robinsons Land Corporation and have been its independent director since August 13, 2015.

2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/ Organization	Position/ Relationship	Period of Service
Robinsons Bank Corporation	Director	February 2, 2015 to present
Legazpi Savings Bank	Director	February 2, 2015 to present

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, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/ officer/ substantial shareholder of Robinsons Land Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

5. To the best of my knowledge, I am not the subject of any criminal or administrative investigation or proceeding pending in court:

Name of director/ officer/ substantial shareholder	Company	Nature of relationship
N/A	N/A	N/A

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. 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 APR 1 3 2018, at PASIG CITY.

OMAR BYRON T. MIER
Affiant

SUBSCRIBED AND SWORN to before me this APR 1 3 2018 at PASIG CITY, affiant personally appeared before me and exhibited to me his Tax Identification No. 106-905-398.

Doc No. 441;
Page No. 90;
Book No. XLVII;
Series of 2018.
/lbo

Pasig City

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 six 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 2,130 and 2,069 employees as of December 31, 2017 and September 30, 2016, 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 five business divisions:

- The Commercial Centers Division develops, leases and manages shopping malls throughout the Philippines. As of December 31, 2017, RLC operated 47 shopping malls, comprising nine (9) malls in Metro Manila and thirty eight (38) malls in other urban areas throughout the Philippines, and had another eight (8) new malls and four (4) 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 December 31, 2017, RLC's Residential Division had completed 84 residential condominium buildings/towers/housing projects, 23 ongoing, of which two (2) 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 December 31, 2017, this division has completed seventeen (17) office developments, located in Quezon City, Ortigas Central Business District in Pasig City, Mandaluyong City, Makati Central Business District in Makati City, Fort Bonifacio in Taguig City, Cebu City, San Nicolas, Ilocos Norte, Tarlac City, Naga City and Davao City. These office projects are primarily developed as investment properties, to be leased to tenants by the Company.

- The Hotels Division has a diverse portfolio covering three brand segments: upscale international deluxe hotels, mid-market boutique city and resort hotels, and essential service value hotels. In the international deluxe category, Crowne Plaza Manila Galleria and Holiday Inn Manila Galleria, both managed by the Intercontinental Hotels Group, are key players in the hotel market in the Ortigas business district in Pasig City, Metro Manila. The Company's mid-market Summit Hotels and Resorts brand operates Summit Ridge Tagaytay, Summit Circle Cebu, Summit Hotel Magnolia and the recently-opened Summit Galleria Cebu. The third brand segment is the popular Go Hotels that is present in 15 key cities across the Philippines.

- The Infrastucture and Integrated Developments Division focuses on mixed-used developments and masterplanned communities. These developments incorporate different property formats such as residences, work places, commercial centers, and other institutional developments into a single setting. Another major role of this division is to seek business opportunities brought about by Public-Private Partnerships. As of December 31, 2017, this division has completed the masterplanning of two (2) integrated developments located in the cities of Pasig and Quezon and in the municpalities of Taytay and Cainta.

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 initial public offering 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 calendar year 2017.

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.

On November 13, 2017, the BOD of the Company approved in principle the stock rights offering (SRO) of up to ₱20 billion composed of 1.1 billion common shares, with a par value of ₱1.00 per share, to all stockholders as of record date January 31, 2018. The Company intends to use the proceeds from the Offer to finance the acquisition of land located in various parts of the country for all its business segments.

The Company has obtained the approval of the BOD of the Philippine Stock Exchange, Inc. (PSE) for the listing and trading of the rights shares on January 10, 2018, while the PSE's confirmation of exempt transaction covering the offer was obtained on December 14, 2017. The following are the key dates of the SRO:

- Pricing date – January 24, 2018
- Ex-date – January 26, 2018
- Record date – January 31, 2018
- Offer period – February 2 to 8, 2018
- Listing date – February 15, 2018

The Company has successfully completed its ₱20 billion SRO of common shares following the close of the offer period on February 8, 2018. A total of 1.1 billion common shares from the SRO were issued at a price of ₱18.20 each. The listing of the shares occurred on February 15, 2018.

b) Business

RLC has five business divisions – Commercial Centers, Residential, Office Buildings, Hotels, and Infrastructure and Integrated Developments.

i. Commercial Centers Division

RLC's Commercial Centers Division develops, leases and manages shopping malls throughout the Philippines. The Commercial Centers Division accounted for ₱10.79 billion or 48% of RLC's revenues and ₱ 7.04 billion or 56% of RLC's EBITDA in calendar year 2017 and ₱10.14 billion or 44% of RLC's revenues and ₱6.80 billion or 56% of RLC's EBITDA in calendar year 2016. As of December 31, 2017, the Company's Commercial Centers Division had assets, valued on a historical cost less depreciation basis, of ₱79.21 billion.

During calendar year 2017, the Commercial Centers Division opened three (3) new malls and expanded two (2) malls, increasing its gross floor area by 8.6%. It currently operates 47 shopping malls, comprising nine (9) malls in Metro Manila and thirty eight (38) malls in other urban areas throughout the Philippines, with a gross floor area of approximately 2.628 million square meters.

As of December 31, 2017, RLC had a portfolio of 47 shopping malls:

Name	Location	Calendar Year opened	Approximate gross floor area (in '000 sq.m.)
Metro Manila			
Robinsons Galleria	EDSA corner Ortigas Avenue, Quezon City	1990	221
Robinsons Place Manila	M. Adriatico Street, Ermita, Manila	1997	241
Robinsons Novaliches	Quirino Highway, Novaliches, Quezon City	2001	66
Robinsons Metro East	Marcos Highway, Brgy. Dela Paz, Pasig City	2001	119
Forum Robinsons	EDSA Corner Pioneer Road, Mandaluyong City	2004	55
Robinsons Otis	P.M. Guanzon St., Paco, Manila	2007	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	2013	17
Robinsons Place Las Piñas	Alabang-Zapote Road, Brgy. Talon, Las Piñas City	2014	59
Outside Metro Manila			
Robinsons Place Bacolod	Lacson Street, Mandalagan, Bacolod City	1997	54
Robinsons Place Imus	Aguinaldo Highway, Tanzang Luma V, Imus, Cavite	1998	65
Robinsons Fuente 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	2001	79
Robinsons Star Mills Pampanga	San Jose, San Fernando, Pampanga	2002	62
Robinsons Santa Rosa	Old Nat'l Hi-way, Brgy Tagapo, Sta Rosa, Laguna	2002	37
Robinsons Place Dasmariñas	Pala-Pala, Dasmarinas, Cavite	2003	96
Robinsons Cagayan de Oro	Limketkai Complex, Lapasan, Cagayan De Oro City	2002	18
Robinsons Place Lipa	Mataas Na Lupa, Lipa City, Batangas	2003	59
Robinsons 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	2004	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	2008	12
Summit Ridge Tagaytay	Km. 58, Tagaytay-Nasugbu Road, Tagaytay City	2008	14

Robinsons Cybergate Davao	J. P. Laurel Avenue, Davao City	2009	14
Robinsons Place Tacloban	National Highway, Marasbaras, Tacloban City	2009	62
Robinsons Place General Santos	Jose Catolico Sr. Ave., Lagao, General Santos City	2009	33
Robinsons Place Dumaguete.................	Calindagan Business Park, Dumaguete City	2009	38
Robinsons Ilocos Norte..........................	Brgy. 1 San Francisco, San Nicolas, Ilocos Norte	2009	65
Robinsons Cybergate Cebu...................	Don Gil Garcia St., Capitol, Cebu City	2009	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	2013	59
Robinsons Place Malolos........................	MacArthur Highway, Brgy. Sumapang Matanda, Malolos City, Bulacan	2013	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	28
Robinsons Galleria Cebu………………...	Gen. Maxilom Ave. Ext, Cebu City, Cebu	2015	139
Robinsons Place Tagum…………………	Tagum City, Davao del Norte	2016	65
Robinsons Place General Trias…………	Governor's Drive, General Trias, Cavite	2016	56
Robinsons Place Jaro……………………	E Lopez St. Jaro, Iloilo City, Iloilo	2016	52
Robinsons Place Iligan…………………..	Macapagal Ave., Brgy. Tubod, Iligan City, Lanao del Norte	2017	54
Robinsons Place Naga…………………..	Roxas Ave., cor. Almeda Highway, Brgy. Triangulo, Naga City, Camarines Sur	2017	62
Robinsons North Tacloban……………..	Brgy. Abucay, Tacloban City, Leyte	2017	57
Total			2,628

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 calendar year 2017, the Company had eight (8) new shopping malls and four (4) 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 ₱2,337 million and ₱609 million for the year ended December 31, 2017 and for the three months ended December 31, 2016, respectively.

ii. Residential Division

The Residential Division focuses on the construction of residential condominium and subdivision projects. The Division accounted for ₱6.57 billion or 29% of RLC's revenues and ₱1.78 billion or 15% of RLC's EBITDA in calendar year 2017, and ₱7.86 billion or 34% of RLC's revenues and ₱1.86 billion or 15% of RLC's EBITDA in calendar year 2016. As of December 31, 2017, the Company's Residential Division had assets, valued on a historical cost less depreciation basis, of ₱45.05 billion.

Percentage of realized revenues from foreign sales to total revenues for calendar year 2017 and fiscal years 2016 and 2015 are 0.75%, 0.24% and 0.59%, respectively while percentage of realized revenues from foreign sales to net income for calendar year 2017 and fiscal years 2016 and 2015 are 2.86%, 0.88% and 2.04%, 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 nine (9) residential condominium buildings/towers under the Luxuria portfolio, of which eight (8) have been completed and one (1) project is under construction.

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

Name	Storeys	Number of Units
Current projects		
The Residences at The Westin Manila Sonata Place [1]	50	344
Completed Projects		
Galleria Regency [1] [2]	13	108
AmiSa Private Residences Tower A [1]	14	131
AmiSa Private Residences Tower B [1]	18	155
AmiSa Private Residences Tower C [1]	18	189
Signa Designer Residences Tower 1	29	306
Signa Designer Residences Tower 2	28	351
Sonata Private Residences – Building 1 [1]	29	270
Sonata Private Residences – Building 2 [1]	30	269

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 6 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 Sonata Place community in Ortigas Center that has been masterplanned to consist of three residential condominiums, and one hotel.

[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*

RLC was recognized by FIABCI as the Outstanding Developer in the Philippines for this Residential-Vertical project in 2016.

4. ***The Residences at The Westin Manila Sonata Place (legal name Sonata Premier)*** is the first Westin-branded Residences in Southeast Asia and the final residential tower in the Sonata Place mixed-use community.

5. ***Signa Designer Residences Towers 1 and 2*** is a joint venture project between Robinsons Land Corporation and Security Land Corporation in Makati CBD. Recognized in 2013 by the International Property Awards for Asia Pacific as the Best Residential Condominium in the Philippines.

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 December 31, 2017:

Location	Acquisition Date	Approximate gross land area [1]
		(in hectares)
Fort Bonifacio, Taguig City	March 2007	0.9
Lapu-Lapu City	May 2007	1.4
Total		2.3

2) ROBINSONS RESIDENCES

Robinsons Residences offers the perfect urban home for professionals and urbanites, combining prime locations with contemporary designs, efficiently designed living spaces, stress-busting amenities and lifestyle perks and privileges.

As of December 31, 2017, Robinsons Residences segment had a portfolio of twenty nine (29) residential condominium buildings/towers, of which twenty five (25) had been completed and four (4) 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		
Galleria Residences Cebu Tower 1 (1)	21	270
Galleria Residences Cebu Tower 2 (1)	22	352
The Trion Towers – Building 3	50	636
The Radiance Manila Bay North Tower	36	538
Completed Projects		
Robinsons Place Residences 1 (1)	38	388
Robinsons Place Residences 2 (1)	38	388

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

Name	Storeys	Number of Units
Current projects		
One Gateway Place [1]	28	413
Gateway Garden Heights [1]	32	549
One Adriatico Place [1]	38	572
Two Adriatico Place [1]	38	546
Three Adriatico Place [1]	38	537
Fifth Avenue Place	38	611
Otis 888 Residences [1]	3	195
McKinley Park Residences	44	391
East of Galleria	44	693
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
Azalea Place Cebu	25	408
The Trion Towers - Building 1	49	694
The Trion Towers - Building 2	50	725
Gateway Regency [1]	31	463
The Magnolia Residences Tower A [1]	36	378
The Magnolia Residences Tower B [1]	38	419
The Magnolia Residences Tower C [1]	38	433
The Sapphire Bloc North Tower	38	412
The Sapphire Bloc West Tower	38	416
Woodsville Residences	2	185

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-use 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, Summit Hotel and four (4) residential buildings. Recognized in 2013 by the International Property Awards for Asia Pacific as the Best Mixed-Use Development in the Philippines.

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

5. ***Fifth Avenue Place*** is a 38-storey development in 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 Bonifacio Global City. In 2015, RLC was recognized by FIABCI as the Outstanding Developer in the Philippines for this Residential-Vertical project.

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. This project was recognized in the 2015 Philippine Property Awards and 2016 Asia Pacific Awards, as the Best Mid-Range Condo Development and Best Residential High-Rise Development in the country, respectively. The project was recognized as the Best Residential Interior Design during 2017 Philippine Property Awards and 2017 Asian Property Award (Philippines).

12. ***Vimana Verde Residences Buildings 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.

14. ***The Radiance Manila Bay North*** is part of a two-tower development that features a lifestyle retail wing. It is located along Roxas Boulevard in Pasay City. Recognized in 2016 Asia Pacific Awards as the Best High-Rise Development in the Philippines.

15. ***Galleria Residences Cebu Towers 1 and 2*** are part of a three-tower residential component of the Robinsons Galleria Cebu Complex which will consist of a full-service mall, hotel and office building. It is located along Maxilom Avenue, Cebu 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 December 31, 2017:

Location	**Acquisition Date**	**Approximate land area**
		(in hectares)
Maxilom Avenue, Cebu City	September 2008	0.2
Merville, Paranaque City	March 2006	3.3
Ortigas Center, Pasig City……………………….	November 2011	0.3
Total		3.8

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 December 31, 2017, Robinsons Communities had completed twenty six (26) residential condominium buildings/towers and two (2) subdivision projects. It has three (3) 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		
Axis Residences - Building B ……………..	37	792
Acacia Escalades - Building B ……………	13	414
Chimes Greenhills....................................	24	378
Completed Projects		
Acacia Escalades - Building A ……………	11	383
Axis Residences - Tower A ……………….	37	913
Escalades East Tower …………………….	11	269
Escalades at 20th Avenue - Tower 1................	10	120
Escalades at 20th Avenue - Tower 2................	10	120
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
The Pearl Place - Tower B	34	640
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 Towers 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, this is another vacation condominium in Tagaytay City within the 1-hectare property of OMICO Corporation. These project of residential Low-Rise Buildings (LRBs) covers two Phases, Phase I (2 LRBs) and Phase II (3 LRBs), with 192 units.

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 initially of tow (2) out of six (6) mid-rise residential buildings, it 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 6th floor (Towers A and B) and 40th floor (Tower A), 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 with commercial component.

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

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

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

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

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 December 31, 2017:

Location	Acquisition Date	Approximate land area
		(in hectares)
Cubao, Quezon City (2)..	2004	0.3
Sucat, Muntinlupa (1)..	2002	1.4
Las Pinas City (1)..	2011	1.5
Total..		3.2

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.

As of December 31, 2017, Robinsons Homes has thirty eight (38) projects in its portfolio. Thirteen (13) of these projects are on-going construction, two of which are awating for the receipt of License to Sell (LS) to launch. Among the thirty eight (38) projects, twenty five (25) have been substantially completed and sold. Key details of RLC's projects in Robinsons Homes as of calendar year 2017 are set forth in the table below:

Name	Location	Started (2)	Approximate Gross Land Area (3)	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

1 *This property is part of a mixed-use development of RLC, and represents the unused residential portion only.*
2 *The Company considers a project "started" when it has obtained permits necessary that allow it to pre-sell lots.*
3 *"Gross Land Area" means the total area of land acquired by the Company*

Name	Location	Started [2]	Approximate Gross Land Area [3]	Number of Lots/Units
			(in hectares)	
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
Brighton Bacolod……………………	Negros Island	February 2016	22.4	735
Brighton Puerto Princesa…………..	Palawan	August 2016	13.1	377
Springdale at Pueblo Angono……	Angono, Rizal	November 2016	3.8	197
Brighton at Pueblo Angono……..…	Angono, Rizal	August 2017	4.6	140
Terrazo at Robinsons Vineyard…	Cavite	-	13.4	477
Monte Del Sol……………………..	Misamis Oriental	-	3.3	256

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.

36. ***Springdale at Pueblo Angono.*** An affordable modern-contemporary residential development spanning 3.8 hectares of land. This subdivision offers 197 units with a predominant area of 100 square meters.

37. ***Brighton at Pueblo Angono.*** An Asian-Tropical themed subdivision of 140 residential lots ideal for clients with a growing family. This development has a predominant lot cut of 180 square meters and is completed by amenities fit for families looking for a brighter future ahead.

38. ***Terrazo at Robinsons Vineyard.*** This 13.4-hectare contemporary-themed expansion of Robinsons Vineyard offers 477 residential lots catered to middle-class families who want to reside in Dasmariñas, Cavite.

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 December 31, 2017, RLC was awaiting the receipt of License to Sell (LS) to launch two (2) new projects by Robinsons Homes, namely Terrazo at Robinsons Vineyard and Monte Del Sol.

The Company's Business Plan for Robinsons Homes, subject to market conditions, is to launch at least two 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 December 31, 2017, 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 ₱3.27 billion or 15% of RLC's revenues and ₱2.93 billion or 23% of RLC's EBITDA in calendar year 2017, and ₱3.00 billion or 13% of RLC's revenues and ₱2.71 billion or 23% of RLC's EBITDA in calendar year 2016. As of December 31, 2017, the Company's Office Buildings Division had assets, valued on a historical cost less depreciation basis, of ₱ 17.91 billion.

RLC engages outside architects and engineers for the design of its office buildings developments. Due to the sustained growth from the IT Business Process Management (IT-BPM) sector and increasing office space demands from other multinational and logistic companies, the Company has secured a number of major customers as long-term tenants in its office building space and has continuously improved its building developments including its building features, office layouts and amenities. The Company is one of the leading providers of office spaces in the Philippines.

As of December 31, 2017, the Office Buildings Division has completed seventeen (17) office developments with the completion of Cyber Sigma in Fort Bonifacio, Taguig City, Cybergate Delta in Davao City, Cybergate Naga in Naga City and Robinsons Luisita office in Tarlac City thereby increasing its leasable spaces by 22% In the next two years, the Company is targeting to complete six (6) office buildings located in key cities across the country. The Company's completed office building projects 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
Tera Tower……………………………………	Bridgetowne, C5 Road, Quezon City	20-storey
Robinsons Galleria Cebu Office……………	Gen. Maxilom Avenue, Cebu City	4-storey
Robinsons Place Ilocos Office……………...	San Nicolas, Ilocos Norte	4-storey
Cyber Sigma…………………….……………...	Fort Bonifacio, Taguig City	21-storey
Robinsons Luisita Office…………………...	Luisita, Tarlac City	3-storey
Cybergate Delta.…………….……………...	JP. Laurel Ave., Davao City	5-storey
Cybergate Naga.…………………………...	Roxas Ave., Naga City	4-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 December 31, 2017, approximately 85% of the Galleria Corporate Center had been sold while the remaining areas, which are owned by RLC, had a 100% 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 December 31, 2017, RLC had sold approximately 70% of the net floor area within Robinsons-Equitable Tower and retains the rest for lease. RLC-owned units within Robinsons-Equitable Tower had a 100% occupancy rate as of December 31, 2017.

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 December 31, 2017.

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 December 31, 2017.

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 December 31, 2017.

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 December 31, 2017.

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 99.4% occupancy rate as of December 31, 2017.

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 December 31, 2017, 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 December 31, 2017.

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 100% occupancy rate as of December 31, 2017.

9. ***Tera Tower.*** This is a 20-storey building, located within the Bridgetowne Complex in C-5 Road, Ugong Norte in Quezon City. The building has retail support at the ground floor. The office spaces are located at the 6th to 20th floors. The building has a gross leasable area of approximately 35,000 square meters. RLC owns 100% of the gross floor area. Tera Tower had a 100% occupancy rate as of December 31, 2017.

10. ***Robinsons Galleria Cebu Office.*** The office development is integrated with the mall. It is located at General Maxilom Avenue, corner Sergio Osmena Boulevard in Cebu City. It has a total gross leasable area of approximately 8,500 square meters. The office has its own lobby and RLC owns 100% of the gross floor area. Robinsons Galleria Cebu had a 70.7% occupancy rate as of December 31, 2017.

11. ***Robinsons Place Ilocos Office.*** This office development is integrated with the mall expansion. The office development has a gross leasable area of 7,500 square meters and it is 100% owned by RLC.

12. ***Cyber Sigma.*** This is a 21-storey office development located in Fort Bonifacio, Taguig City. The office project has access to both Lawton Avenue and Le Grand in Mckinley West. It has a leasable area of approximately 50,000 sqm and was completed last December 2017. It had an occupany rate of 36.6% as of December 31, 2017.

13. ***Robinsons Luisita Office.*** This build to suit development consists of a 3-storey of dedicated office space to a BPO client. The space was commited ahead and was custom built based on the requirement of our client. It has a leasable area of 5,700 sqm and was completed last October 31, 2017. As of December 31, 2017, it had a 100% occupancy rate.

14. ***Cybergate Delta.*** This is a 5-storey office project located within the PEZA registered IT Park, Robinsons Cyberpark located in JP. Laurel Avenue in Davao City. The development sits on more than a hectare property and has it's own commercial spaces at the ground floor to support its office tenants' food and dining requirements. It has a leasable area of approximately 11,900 sqm and was completed last December 2017. As of the same period, it had an occupancy rate of 28%.

15. ***Cybergate Naga.*** This office development is located within the Robinsons Place Naga complex in Roxas Ave, Naga City. It is a 4-storey office development with a leasable area of approximately 5,700 sqm. This was completed in December 31, 2017 and during the same period it had a 54.9% occupancy rate.

iv. Hotels Division

RLC's hotels division owns and operates hotels within Metro Manila and other urban areas throughout the Philippines. For this calendar year 2017, RLC opened Summit Galleria Cebu right next to the stunning Robinsons Galleria Cebu mall complex. As the flagship hotel, Summit Galleria Cebu offers all the hallmarks of the Summit Hotels and Resorts brand of RLC with its 220-room modern structure exquisitely designed by renowned architects and interior designers and inspired by Cebu's history, culture and people. RLC's hotels division currently has a portfolio of sixteen (16) hotel properties. As of December 31, 2017, the Company's Hotels Division had assets, valued on a historical cost less depreciation basis, of ₱5.95 billion.

The hotels division accounted for ₱1.89 billion or 8% of RLC's revenues and ₱0.72 billion or 6% of RLC's EBITDA in calendar year 2017, and ₱1.81 billion or 8% of RLC's revenues and ₱0.67 billion or 6% of RLC's EBITDA in calendar year 2016.

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 2.0 million guests to date, Go Hotels has steadily increased its presence in the Philippines with ten (10) operational branches, offering a total of more than 1,400 rooms, in strategic cities across the country. Its thrust is to build in locations with high market demand. 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 December 31, 2017:

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	211
Summit Ridge Tagaytay ………...	Aguinaldo Highway, Tagaytay City	De Luxe	108
Summit Hotel Magnolia…………	Dona Hemady cor. Aurora Boulevard, Quezon City	-	82
Summit Galleria Cebu..………….	Benedicto St. Cor. Gen. Maxilom Ave. Ext., Cebu City	-	220
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
Go Hotel…………………………....	Lanang, Davao City	Economy	183
Total			2,578

As of December 31, 2017, the Company's Hotels Division has an average occupancy rate of 66%.

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, Summit Galleria Cebu and the ten (10) Go Hotels directly.

In calendar year 2017, Go Hotels opened in Ermita-Manila, Timog-Quezon City, Cubao-Quezon City and North Edsa-Quezon City, completing the five (5) franchised hotels under its franchise partner, Roxaco Vanguard Hotels Corporation (RVHC) and bringing the total number of properties to fifteen (15) with 2,372 rooms. Go Hotels is present in Mandaluyong-Manila, Puerto Princesa, Dumaguete, Tacloban, Bacolod, Otis-Manila, Iloilo, Ortigas Center-Manila, Butuan, Lanang-Davao, and Manila Airport Road.

In the coming years, construction of 6 additional hotels is ongoing with Go Hotels in Iligan, Tuguegarao and Naga, and Summit Hotels and Resorts in Tacloban, Greenhills-Manila and Naga.

For its international branded hotels, the development of the 2.8 hectares, 271-room Dusit Thani Mactan Cebu Resort in Punta Engano, Mactan island and The Westin Manila Sonata Place Hotel in Ortigas Center, Pasig City is in full swing.

v. Infrastructure and Integrated Developments

IID is focused on strategic land bank acquisition and management, exploration of real estate-related infrastructure projects, and development of warehouse and logistics facilities. Pilot projects under IID are the development of Sierra Valley, the 18-hectare property in Cainta, Rizal, as well as the eight-hectare Bridgetowne Complex near Ortigas Center and the warehousing facility in Muntinlupa. In 2018, the Company aims to commence the land development in Sierra Valley and to complete the construction of the warehouse facility in Muntinlupa.

c) Significant Subsidiaries

As of December 31, 2017, RLC has six wholly-owned subsidiaries, one 80%-owned subsidiary 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, ASN, GHDI, RLCRL and LPBLI.

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. (RLCRL) was incorporated on September 10, 2001 in the British Virgin Islands as an International Business Company, has an initial registered share capital of 50,000, which was increased to 500,000 in fiscal year 2016 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.

9. ***Lingkod Pinoy Bus Liner, Inc.*** Lingkod Pinoy Bus Liner, Inc. (LPBLI) was incorporated on April 7, 2016 to engage in land transportation for the transportation and carriage of passengers, goods, and merchandise within any place in the Philippines.

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 December 31, 2017, the mall segment of SM has ₱354.8 billion and ₱150.2 billion while the mall segment of ALI has ₱143.7 billion and ₱29.6 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 Ayala Land Premier, Rockwell Land (Rockwell), Century Properties and Megaworld Corporation (Megaworld) to its developments. Rockwell’s total assets and equity accounts as of September 30, 2017 amounted to ₱44.6 billion and ₱16.9 billion, respectively; Century Properties’ total assets and equity accounts as of September 30, 2017 amounted to ₱41.5 billion and ₱15.8 billion, respectively, while Megaworld's total assets and equity accounts as of September 30, 2017 amounted to ₱296.3 billion and ₱154.4 billion, respectively.

2. ***Robinsons Residences***

RLC’s competitors (Alveo Land, 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 growing experienced sales and distribution network and convenient locations. Projects are found within Central Business Districts or a RLC mixed-use development.

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, 2017, total assets and equity accounts amounted to ₱141.7 billion and ₱61.5 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, 2017 amounted to ₱521.9 billion and ₱252.1 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, 2017 amounted to ₱195.7 billion and ₱82.1 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, Puerto Princesa, Bacolod, 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, quality and reliability of the project's design and equipment, reputation of the developer, availability of space, and PEZA registration. 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 malls and residences as part of its mixed-use developments and its accessibility to public transportation, building features as the office projects can accommodate all types of tenants including companies in the IT Business Process Management (IT-BPM) sector, corporate headquarters and traditional offices. The Company also believes that its established reputation of good quality, ease of doing business, and completing projects on time makes it one of the most preferred choices of the IT-BPM industry as well as local and multinational companies. The Company is committed in providing an excellent customer experience and satisfaction by developing office projects of high quality and reliability, meeting the evolving needs of its customers.

iii. 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.

The hotel business has seen a continued stabilized situation due to remittances from Filipino overseas workers, IT infrastructure projects in the Philippines, and the continuous drive of the local tour operators in developing affordable tour packages.

Foreseen increase of business travels coming from government led infrastructure projects with Chinese and Japanese investors such as construction of the Mega Manila Subway, Manila Bay Smart City Development – 407 hectare reclamation project, Manila- Clark Railway Project, Ortigas- BGC flyover.

There is sustained growth in domestic tourism due to more affordable flights and ease of air access. 28% of domestic travelers are millennials aged 15-24 years of age; 24% are aged 25-34 years of age, 19% for 35-44 years of age, 14% for 45 t0 54 years age; 9% for 55-64 and 6% above 65 years old.

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 3,500 rooms from year 2017, the DOT continues to attract in bound tourism by an aggressive global marketing campaign and brand awareness.
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, Tryp hotels and Microtel by Wyndham. Other hotel chains which have also been growing geographically include Park Inn by Radisson, Novotel, Seda Hotels by Ayala, Accor and Ascott Hotels. 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 Mercure, Citadines, JoyNostalg by Accor and Marco Polo compete with the Company's two IHG-managed hotels.

Planned of removal of VAT incentives to Business Processing Outsourcing/Offshoring companies (a main industry driver) as part of the governments TAX reform program will weaken the country's competitive advantage in the region, thus may slowdown expansion programs.

The Department of Tourism is projecting 6.6 million foreign tourists for 2017 while the top five source markets have remained the same for the last two years.

Crowne Plaza Manila Galleria, with upcoming brand refresh is 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 dominant international mid-market brand in Ortigas which caters to both Leisure and Corporate Transient business in the area, despite increasing competition from Mercure & Joy Nostalg by Accor and Citadines by Ascott, which have mushroomed over last two years.

iv. Infrastructure and Integrated Developments Division

Though Infrastructure and Integrated Developments is a new Division under RLC, RLC is not a newcomer in integrated developments. RLC has developed four major mixed used developments in Metro Manila alone, namely, Robinsons Galleria, Robinsons Forum, Robinsons Manila, and Robinsons Magnolia. These projects are anchored by Robinsons Mall with components of Office and/or Residential and/or Hotel/Leisure. With the formation of the Infrastructure and Integrated Development Division, RLC can now focus on this new fast growing development format.

All major developers are now into integrated development. Developers are now acquiring big parcels of land and incorporating different real estate components to attract investors and customers. The biggest competitors of RLC in integrated developments are Ayala Land, Megaworld, Filinvest, Eton, and SM.

RLC-IID will harness opportunities for synergies with RLC's other business units: Commercial, Residential, Hotel, and Office Division. RLC, having years of experience in these real estate components, will thus have a competitive advantage. With efficient master planning, innovative designs, and quality construction, RLC is committed to sustainable and future-proof communities.

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 December 31, 2017, RLC and its subsidiaries had a total of 9,060 employees, including 2,130 permanent full-time managerial and support employees and approximately 6,930 contractual and agency employees, grouped by business divisions as follows:

Business	Permanent Employees	Contract Employees	Total Employees
Commercial Centers Division	1,024	5,414	6,438
Office Buildings Division	40	270	310
Residential Division.....................................	410	677	1,087
Hotels Division	646	537	1,183
Infrastructure and Integrated Developments Division…………………..	10	32	42
Total	2,130	6,930	9,060

The 2,130 permanent full-time managerial and support employees of RLC and its subsidiaries as of December 31, 2017 can be broken down by function as follows:

FUNCTION	NO. OF EMPLOYEES
Operational	790
Administrative	938
Technical	402
Total	**2,130**

The Company foresees an increase in its manpower complement to 2,215 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, 2021 for Summit Circle Cebu (formerly Cebu Midtown Hotel) and September 30, 2020 for Holiday Inn Manila Galleria's 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 substantially conducts its business activities in the Philippines where majority of its assets are located.

Demand for and prevailing prices of shopping mall and office leases, as well as the development of the Philippine hospitality sector are directly related to the strength of the Philippine domestic economy and the overall levels of business activity in the Philippines.

RLC's Commercial Centers Division is directly affected by level of consumption, demographic structure, social trends, changing spending patterns and consumer sentiments in the Philippines, which are in turn heavily influenced by economic, political and security conditions in the Philippines. The level of consumption is largely determined by the income levels of consumers which is supplemented by a large number of Overseas Filipino Workers (OFWs) and expatriate Filipinos employed in countries around the world. This exposes RLC to changes in the specific economies of the countries where OFWs are deployed.

As the fastest growing sector in the Philippine real estate industry, the Information Technology-Business Process Management (IT-BPM) outsourcing sector drives office space demand which fuels the performance and profitability of RLC's Office Buildings Division. The growth of the IT-BPM sector is heavily dependent on the availability of Information and Communications Technology (ITC) hubs across the country which provide sufficient labor supply and upgraded talent ecosystem, good ITC infrastructure and service capabilities, efficient cost and overall business environment as a product of sound macroeconomic fundamentals and geopolitical climate in the country.

RLC's Hotels and Resorts Division, on the other hand, is anchored on the development of Philippine tourism which is contingent on the rate of response of the Philippine government to address infrastructure challenges across the country.

On the development side of the Company's business, RLC is engaged in both domestic and international residential development. The property market has been cyclical where property values have been affected by confidence in the economy as well the interest rate environment.

Considerable economic and political uncertainties exist in the Philippines that may 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 majority of RLC's businesses are 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 may materially adversely affect RLC's financial performance, position and profitability.

RLC operates in a highly competitive industry. The Company's future growth and development is dependent, in large part, on the availability and affordability of large tracts of land suitable for development. As the Company 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 commercial and residential real estate.

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/office)	No encumbrances
Pasay City	Residential	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential)	No encumbrances
Makati City	Office Building/Residential	No encumbrances
Pasig City	Mixed-use (mall/hotel/residential)	No encumbrances
Paranaque City	Residential	No encumbrances
Muntinlupa City	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/Office Building	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
Ilocos	Mixed use (mall/office)	No encumbrances
Camarines Sur	Mall/Office Building	No encumbrances
Luzon area	Land bank	No encumbrances
Visayas		
Negros Occidental	Mall/Hotel	No encumbrances
Cebu	Mixed-use (mall/hotel/residential/office)	No encumbrances
Negros Oriental	Mixed-use (mall/hotel)	No encumbrances
Leyte	Mall/Hotel	No encumbrances
Capiz	Mall	No encumbrances
Antique	Mall	No encumbrances

Visayas area	Land bank	No encumbrances

Mindanao		
Agusan Del Norte	Mall/Hotel	No encumbrances
Misamis Oriental	Residential	No encumbrances
Davao Del Sur	Mall/Hotel/Office Building	No encumbrances
South Cotabato	Mall/ Residential	No encumbrances
Lanao Del Norte	Mall	No encumbrances
Davao Del Norte	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/residential/hotel/office)	No encumbrances
Pasay City	Residential	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential/office)	No encumbrances
Makati City	Office Building/Residential	No encumbrances
Pasig City	Mixed-use (mall/hotel/residential)	No encumbrances
Paranaque City	Residential	No encumbrances
Muntinlupa City	Residential	No encumbrances
Las Pinas City	Mall	No encumbrances
Taguig City	Residential/Office Building	No encumbrances
Malabon City	Mall	No encumbrances
Luzon		
La Union	Residential	No encumbrances
Ilocos Norte	Mixed use (mall/office)	No encumbrances
Bulacan	Mall	No encumbrances
Nueva Ecija	Mall	No encumbrances
Pampanga	Mall	No encumbrances
Tarlac	Mall/Office Building	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	Mall/Residential	No encumbrances
Pangasinan	Mall	No encumbrances
Isabela	Mall	No encumbrances
Camarines Sur	Mall/Office Building	No encumbrances
Visayas		
Iloilo	Mall/Mixed-use (mall/hotel)	No encumbrances
Negros Occidental	Mall/Hotel	No encumbrances
Cebu	Mixed-use (mall/hotel/residential/office)	No encumbrances
Negros Oriental	Mixed-use (mall/hotel)	No encumbrances
Leyte	Mall/Hotel	No encumbrances
Capiz	Mall	No encumbrances
Antique	Mall	No encumbrances
Mindanao		
Misamis Oriental	Mall/Residential	No encumbrances
Davao Del Sur	Mall/Hotel/Office Building	No encumbrances

South Cotabato	Mall/ Residential	No encumbrances
Agusan Del Norte	Mixed-use (mall/hotel)	No encumbrances
Davao Del Norte	Mall	No encumbrances
Lanao Del Norte	Mall	No encumbrances
Mindanao Area	Land bank	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, (iv) Robinsons Pulilan, (v) Robinsons Place Jaro, and (vi) Cyber Sigma. These six 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, Pulilan and Cyber Sigma properties are for 25 years each and commenced in December 2003, January 2008 and August 2014, respectively. Renewal options for Cainta, Pulilan and Cyber Sigma are available to the Company, with an Option to Purchase the property and its improvements for Cyber Sigma. The lease for the Jaro, Iloilo property is for 30 years and commenced in March 2015. Total rent expense amounted to ₱52 million in calendar year 2017 and ₱180 million and ₱199 million in fiscal year 2016 and 2015, respectively.

Capital expenditure incurred amounted to ₱28.9 billion, ₱26.7 billion and ₱16.8 billion for calendar year 2017 and fiscal years 2016 and 2015, respectively, representing about 128%, 118% and 85% of revenues in those years, respectively.
The Company has allotted approximately ₱6.15 billion for capital expenditures in the Philippines for January to March 2018; wherein 56% will be spent on the construction and expansion of malls, offices and hotels, 12% for mixed-used developments and masterplanned communities, 13% for residential property developments and the balance of 19% on land acquisitions.

For calendar year 2018, the Company has budgeted approximately ₱24.6 billion for domestic capital expenditures which will be funded through internally generated cash from operations and borrowings. Approximately 56% will be allocated for the development of new and expansion of existing malls, offices and hotels, 12% will be allocated to mixed-used developments and masterplanned communities, 13% is expected to be incurred for the completion of ongoing residential property developments, while the remaining 19% will be spent on replenishing the landbank.

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 calendar 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 ₱450,000, 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 calendar year 2017, a number of RLC malls and office buildings are 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 ₱30.5 million in calendar year 2017, ₱27.9 million and ₱20.8 million in fiscal years 2016 in 2015, respectively.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 6. Market Information

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

	2017			2016			2015		
Quarter	**High**	**Low**	**Close**	**High**	**Low**	**Close**	**High**	**Low**	**Close**
1	23.20	22.75	23.00	29.20	27.55	27.90	31.60	30.20	30.80
2	24.40	23.80	24.25	31.65	29.50	29.50	29.60	28.60	29.30
3	26.15	25.00	25.30	31.35	30.30	31.00	28.65	28.40	28.45
4	21.75	21.30	21.30	26.30	25.10	26.00	27.50	26.70	27.50

Additional information as of March 31, 2018 are as follows:

Market Price:	**Period**	**High**	**Low**
	Jan. to Mar. 2018	₱20.95	₱19.00

The market price of the Corporation's common equity as of April 16, 2018 is P19.10.

The number of shareholders of record as of March 31, 2018 was 1,066.

Common shares outstanding as of March 31, 2018 were 5,193,830,685 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 calendar year 2017 and fiscal years 2016 and 2015.

For calendar year 2017, the Company declared a cash dividend of ₱0.36 per share from unrestricted Retained

Earnings as of September 30, 2016 to all stockholders on record as of April 3, 2017. The cash dividends were paid out on May 2, 2017.

For fiscal year 2016, the Company declared a cash dividend of ₱0.36 per share from unrestricted Retained Earnings as of September 30, 2015 to all stockholders on record as of March 29, 2016. The cash dividends were paid out on April 22, 2016.

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.

RLC's unappropriated retained earnings include accumulated equity in undistributed net earnings of subsidiaries amounting to ₱1,793 million and ₱1,275 million as of December 31, 2017 and 2016, respectively. 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 ₱16 billion as of December 31, 2017.

The Board of Directors (BOD) of the Company approved on April 6, 2018 the declaration of a cash dividend in the amount of Thirty Six Centavos (₱0.36) per share from the unrestricted earnings of the Company as of December 31, 2017, to all stockholders of record as of April 26, 2018 and payable on May 23, 2018.

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 March 31, 2018:

Name	No. of Shares Held	% of Ownership
1. JG Summit Holdings, Inc.	3,166,806,886	60.97%
2. PCD Nominee Corporation (Non-Filipino)	1,315,011,250	25.32%
3. PCD Nominee Corporation (Filipino)	677,386,817	13.04%
4. Elizabeth Yu	8,737,200	0.17%
5. John Gokongwei, Jr.	8,124,721	0.16%
6. Cebu Liberty Lumber	2,203,200	0.04%
7. James L. Go	2,139,011	0.04%
8. Elizabeth Y. Gokongwei &/or John Gokongwei, Jr.	988,000	0.02%
9. Frederick Dy Go	986,027	0.01%
10. Quality Investments &Sec Corp.	904,200	0.02%
11. Alberto Mendoza and/or Jeanie Mendoza	532,800	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	0.00%
17. Lisa Yu Gokongwei	180,000	0.00%
18.FEBTC#103-00507	156,240	0.00%
19. Francisco L. Benedicto	150,000	0.00%
20. Ching Tiong Keng and/or Cynthia D. Ching	150,000	0.00%
21. Others	7,685,837	0.15%
Total	**5,193,830,685**	**100%**

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 92% 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 8% of total revenues are derived from hotel operations.

i. Year ended December 31, 2017 versus same period in 2016

	For the Years Ended December 31	
	2017	2016
REVENUE		
Real Estate Operations		
Rental income	**₱11,581,560,401**	₱10,746,626,900
Real estate sales	**5,973,248,023**	6,973,938,019
Amusement income	**1,802,643,181**	1,673,249,242
Others	**1,266,492,267**	1,608,619,627
	20,623,943,872	21,002,433,788
Hotel Operations	**1,892,873,758**	1,806,612,441
	22,516,817,630	22,809,046,229
COSTS		
Real Estate Operations		
Cost of rental services	**4,499,595,017**	4,273,894,548
Cost of real estate sales	**3,143,037,387**	4,153,220,627
Cost of amusement services	**820,824,802**	751,257,456
Others	**812,417,065**	538,388,429
	9,275,874,271	9,716,761,060
Hotel Operations	**1,350,512,369**	1,308,841,469
	10,626,386,640	11,025,602,529
	11,890,430,990	11,783,443,700
GENERAL AND ADMINISTRATIVE EXPENSES	**3,328,016,547**	3,510,879,439
OPERATING INCOME	**8,562,414,443**	8,272,564,261
OTHER INCOME (LOSSES)		
Interest income	**36,809,915**	19,340,620
Gain from insurance claims	**28,397,634**	208,713,905
Gain (loss) on foreign exchange	**(14,019,285)**	68,410,856
Interest expense and finance charges	**(778,194,869)**	(943,109,383)
Gain on sale of investment property	–	7,281,855
	(727,006,605)	(639,362,147)
INCOME BEFORE INCOME TAX	**7,835,407,838**	7,633,202,114
PROVISION FOR INCOME TAX	**1,950,969,880**	1,877,886,479
NET INCOME	**5,884,437,957**	5,755,315,635

RLC generated total gross revenues of ₱22.52 billion for calendar year 2017, a slight decrease of 1.3% from ₱22.81 billion total gross revenues for calendar year 2016. EBIT grew 3.5% to ₱8.56 billion while EBITDA posted a 3.6% growth to ₱12.48 billion. Net income stood at ₱5.89 billion, up by 2.2% compared to last year.

The Commercial Centers Division accounted for ₱10.79 billion of the real estate revenues for the year versus ₱10.14 billion last year or a 6.4% increase. Rental revenues increased due to opening of new malls in Iligan, Naga and North Tacloban and expansion of Robinsons Place Antique and Robinsons Butuan this year. Also, the full year impact of Robinsons Place General Trias, Robinsons Place Tagum, Robinsons Place Jaro and the expansion of Robinsons Ilocos Norte last year, contributed to the growth, despite renovation of Robinsons Galleria, one of our largest revenue contributors. Cinema revenues increased due to more blockbuster films released this year than last year and the operation of new cinemas in new malls. The Division's EBIT and EBITDA grew by 3.3% and 3.4%, respectively.

Revenues of Office Buildings Division grew by 8.8% to ₱3.27 billion from ₱3.00 billion over the same period last year. Revenue growth was mainly attributable to sustained occupancy rates, and escalation of rents in existing offices and contribution from the new offices namely Cyber Sigma, Galleria Cebu Office, Robinsons Lusitia Office and Cybergate Delta. The Division's EBIT and EBITDA showed positive variances of 10.3% and 7.9%, respectively.

The Residential Division realized revenues is at ₱6.57 billion this year versus ₱7.86 billion last year, a decrease of 16.5%, due to lower level of buyers meeting the equity requirement in recognizing sales based on percentage of construction completion. Both EBIT and EBITDA decreased by 5.4% and 3.8%, respectively.

The Hotels Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱ 1.89 billion as against last year's ₱1.81 billion. The 4.8% increase in hotel revenues principally came from the new hotels Go Hotels Davao and Summit Galleria Cebu. The hotel average occupancy rate is 66% in 2017. Hotels Division EBIT and EBITDA grew by 9.0% and 7.5%, respectively.

Interest income increased to ₱36.8 million from ₱19.3 million last year due to higher average balance of cash and cash equivalents during the calendar year 2017.

Real estate costs went down by 4.5% to ₱9.28 billion from ₱9.72 billion last year. The lower level of realized sales of residential units brought cost of real estate sales to decrease by ₱1.01 billion or 24.3%. Furthermore, cinema expense rose by 9.3% or ₱69.6 million as a result of increase in cinema revenues.

Gain from insurance is lower this year by 86% to ₱28.4 million from ₱208.7 million last year, which basically included insurance proceeds from Typhoon Yolanda. Finance charge amounting to ₱147.0 million last year pertain to pretermination of loans. Gain or loss from foreign exchange mainly pertains to foreign currency denominated transactions of RLC's foreign subsidiary.

Total assets of the Company stood at ₱148.13 billion, a growth of 19.0% from ₱124.43 billion in 2016.

Investment Properties and Property and Equipment increased by 27.9% to ₱94.38 billion and 25.2% to ₱6.69 billion, respectively. Increase in Investment Properties is due to acquisition of several land properties both for residential and commercial development. Moreover, the completion of construction of Robinsons malls in Naga, Iligan, Tagum, North Tacloban, redevelopment of Robinsons Galleria, expansion of malls in Antique and Butuan and installation of Solar Power facility in various malls, as well as the on-going construction of Robinsons malls in San Pedro, Bridgetowne, Pavia-Iloilo, Tuguegarao, Ormoc and Cabanatuan, and ongoing expansion of Starmills-Pampanga and Magnolia malls contributed to the increase in Investment Properties. On the other hand, the increase in Property and Equipment is due to expansion projects from all three hotel segments namely Go Hotels, Summit Hotels, and International.

Accounts payable and accrued expenses went up by 48.6% to ₱13.88 billion due to higher level of operating expenses this year.

Loans Payable (current and noncurrent) increased by 30.4% to ₱51.35 billion due to availment of additional long term loans to fund the Company's property constructions and developments. Deposits (current and noncurrent) and Other liabilities went up by 29.9% to ₱12.11 billion primarily due to payable to JG Summit Holdings for the purchase of an investment property.

Equity attributable to equity of the Parent Company as of December 31, 2017 stood at ₱67.09 billion, up by 7.2% from ₱62.58 billion last year due to the earnings during the year of ₱5.88 billion net of payment of dividends of ₱1.47 billion.

A summary of RLC's key performance indicators for the calendar year follows:

	2017	2016
Gross revenues	₱22.52 billion	₱22.81 billion
EBIT	8.56 billion	8.27 billion
EBITDA	12.48 billion	12.05 billion
Net income	5.88 billion	5.76 billion
Earnings per share	1.44	1.41
Net book value per share	16.39	15.29
Current ratio	1.21:1	1.34:1
Debt-to-equity ratio	0.76:1	0.63:1
Interest coverage ratio	4.72:1	5.66:1
Asset to equity ratio	2.20:1	1.98:1
Operating margin ratio	0.38:1	0.36:1

Capital additions for the calendar year ended December 31, 2017 amounted to ₱28.86 billion. Funding for the capital additions was sourced from proceeds of short-term and long-term loans and internally generated funds.

ii. Year ended September 30, 2016 versus same period in 2015

RLC generated total gross revenues of ₱22.51 billion for fiscal year 2016, an increase of 14.2% from ₱19.71 billion total gross revenues for fiscal year 2015. EBIT grew 12.2% to ₱8.45 billion while EBITDA posted a 12.5% growth to ₱12.02 billion. Net income stood at ₱6.15 billion, up by 7.9% compared to last year.

The Commercial Centers Division accounted for ₱9.96 billion of the real estate revenues for the year versus ₱9.10 billion last year or a 9.4% increase. Rental revenues increased due to opening of new malls in Cebu City, Tagum (Davao), General Trias (Cavite) and Jaro (Iloilo). Also, the full year impact of Robinsons Place Antique and the expansion of Robinsons Novaliches, as well as the expansion of Robinsons Ilocos this year, contributed to the growth. Cinema revenues increased due to more blockbuster films released this year than last year and the operation of new cinemas in new malls. The Division's EBIT and EBITDA grew by 5.2% and 8.5%, respectively.

Revenues of Office Buildings Division grew by 30% to ₱2.91 billion from ₱2.24 billion over the same period last year. Revenue growth was mainly attributable to the contribution from new office developments completed in 2014 and 2015 namely Cyberscape Alpha, Cyberscape Beta and Tera Tower. System-wide occupancy rate ended at 96% as of September 30, 2016. The Division's EBIT and EBITDA showed positive variances of 27.9% and 25.0%, respectively.

The Residential Division realized revenues rose to ₱7.83 billion for the year versus ₱6.6 billion last year, an increase of 18.2%, 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 13.8% and 13.5 %, respectively.

The Hotels Division, a major contributor to the Company's recurring revenues, registered gross revenues of ₱ 1.81 billion as against last year's ₱1.75 billion. The 3.5% increase in hotel revenues principally came from the relatively new hotels namely Go Hotels Iloilo, Go Hotels Ortigas Center, Go Hotels Butuan, and Summit Hotels Magnolia. The hotel average occupancy rate is 68% in 2016. Hotels Division EBIT and EBITDA grew by 8.3% and 6.7%, respectively.

Interest income decreased to ₱18.1 million from ₱39.3 million last year due to lower average balance of cash and cash equivalents during the fiscal year 2016 resulting from higher level of capital expenditures and operating expenses.

Real estate cost and expenses went up by 19% to ₱9.34 billion from ₱7.84 billion last year. The opening of new malls raised the level of depreciation expense of Commercial Centers Division by ₱330 million or 14% while opening of new office buildings increased depreciation expense of the Office Buildings Division by ₱ 87 million or 16%. In addition, the higher level of realized sales of residential units brought cost of real estate sales to increase by ₱775.0 million or 24%. Furthermore, cinema expense rose by 10% or ₱69.8 million as a result of increase in cinema revenues.

General and administrative expenses went up by 11% to ₱3.40 billion due to higher taxes and licenses, salaries, insurance, donations, advertising and promotions and supplies expense, among others.

Interest expense significantly increased to ₱571.6 million due to higher level of short-term and long-term borrowings.

Total assets of the Company stood at ₱120.04 billion, a growth of 21% from ₱99.07 billion in 2015. Receivables (current and noncurrent net) increased by 30% or ₱2.29 billion to ₱10.02 billion due substantially to higher level of installment contracts receivables.

Subdivision land, condominium and residential units for sale increased by 67% to ₱25.85 billion due to purchase of land rights located in Chengdu Province, China, and higher level of capital expenditures for new and ongoing projects under the Residential division.

Investment Properties and Property and Equipment both increased by 12% to ₱71.90 billion and 27% to ₱ 4.46 billion, respectively. Increase in Investment Properties is due to acquisition of several land properties both for residential and commercial development. Moreover, the completion of construction of Robinsons malls in Maxilom-Cebu, Tagum, Jaro-Iloilo, Ilocos (expansion), General Trias-Cavite, redevelopment of Robinsons Galleria and installation of Solar Power facility in various malls, as well as the on-going construction of Robinsons Iligan, Naga and Pavia-Iloilo contributed to the increase in Investment Properties. On the other hand, the increase in Property and Equipment is due to expansion projects from all three hotel segments namely Go Hotels, Summit Hotels, and International.

Other current assets increased by 13% to ₱4.45 billion due to increase in advances to suppliers and contractors for mall, office buildings and residential constructions. On the other hand, other noncurrent assets decreased by 31% to ₱2.21 billion mainly due to return of bid deposit for land use rights amounting to ₱1.4 billion.

Accounts payable and accrued expenses went up by 34% to ₱7.94 billion due to higher level of capital expenditures and operating expenses this year.

Loans Payable (current and noncurrent) increased by 50% to ₱37.34 billion due to availment of additional term loans totaling ₱11.5 billion and short-term loans totaling ₱0.99 billion in 2016. Deposits (current and noncurrent) and Other liabilities went up by 16% to ₱9.83 billion due to higher level of deposits from from real estate buyers.

Equity attributable to equity of the Parent Company as of September 30, 2016 stood at ₱61.34 billion, up by 8% from ₱56.66 billion last year due to the earnings during the year of ₱6.15 billion net of payment of dividends of ₱1.47 billion.

A summary of RLC's key performance indicators follows:

	2016	2015
Gross revenues	₱22.51 billion	₱19.71 billion
EBIT	8.45 billion	7.54 billion
EBITDA	12.02 billion	10.69 billion
Net income	6.15 billion	5.70 billion
Earnings per share	1.50	1.39
Net book value per share	14.98	13.84
Current ratio	2.25:1	1.98:1

Debt-to-equity ratio	0.61:1	0.44:1
Interest coverage ratio	6.06:1	7.91:1
Asset to equity ratio	1.95:1	1.74:1
Operating margin ratio	0.38:1	0.38:1

Capital additions for the fiscal year ended September 30, 2016 amounted to ₱26.7 billion. Funding for the capital additions was sourced from proceeds of short-term and long-term loans and internally generated funds.

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

RLC generated total gross revenues of ₱19.71 billion for fiscal year 2015, an increase of 15.6% from ₱17.05 billion total gross revenues for fiscal year 2014. EBIT grew 21% to ₱7.54 billion while EBITDA posted a 19.2% growth to ₱10.69 billion. Net income stood at ₱5.70 billion, up by 20.4% compared to last year.

The Commercial Centers Division accounted for ₱9.10 billion of the real estate revenues for the year versus ₱8.10 billion last year or a 12.3% 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 9.2% and 11.3%, respectively.

The Residential Division realized revenues rose to ₱6.62 billion for the year versus ₱5.86 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 25.5% and 25.3 %, 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 25% to ₱3.95 billion and 145% to ₱3.2 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	₱19.71 billion	₱17.05 billion
EBIT	7.54 billion	6.24 billion
EBITDA	10.69 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	7.91:1	6.96:1
Asset to equity ratio	1.74:1	1.62:1
Operating margin ratio	0.38:1	0.37:1

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

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

a.) There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material effect on revenues or income from continuing operations.

The Company currently derives substantially all of its revenues and income from its property investment and development businesses in the Philippines. Their performance and profitability are anchored on the strength of the Philippine economy that is largely driven by private consumption, remittances from OFWs, growth of the IT-BPM sector, flourishing tourism industry, and a low interest rate environment.

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 78) are filed as part of this Form 17-A (pages 86 to **Error! Reference source not found.Error! Reference source not found.Error! Reference source not found.Error! Reference source not found.**167).

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	2017	2016
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	**₱4,106,781**	**₱3,908,261**
All Other Fees	**227,845**	**770,000**
TOTAL	**₱4,334,626**	**₱4,678,261**

No other service was provided by external auditors to the Company for the calendar year 2017 and fiscal year 2016.

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 March 31, 2018, 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	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	3,166,806,866	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	1,315,011,250	25.32%
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	677,386,817	13.04%

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 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", "The HongKong and Shanghai Banking Corp. Ltd.- Clients Account" and "Citibank N.A." hold for various trust accounts the following shares of the Corporation as of March 31, 2018:

	No. of shares held	% to total outstanding
Deutsche Bank Manila – Clients Acct.	692,719,918	13.34%
The Hongkong and Shanghai Banking Corp. Ltd. – Clients' Acct.	472,708,340	9.10%
Citibank N.A.	321,073,885	6.18%

Voting instructions may be provided by the beneficial owners of the shares.

b) Security Ownership Of Management as of March 31, 2018

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	11,941,866 (see note 2)	Filipino	0.23%
Common	2. James L. Go	Director, Chairman	2,139,011	Filipino	0.04%
Common	3. Lance Y. Gokongwei	Director, Vice Chairman and Chief Executive Officer	805,001	Filipino	0.02%
Common	4. Frederick D. Go	Director, President	986,027	Filipino	0.02%
Common	5. Arlene G. Magtibay	General Manager	0		*
	Sub-Total		15,871,905		0.31%
B. Other Directors, Executive Officers and Nominees					
Common	6. Patrick Henry C. Go	Director	10,000	Filipino	*
Common	7. Robina Y. Gokongwei-Pe	Director	685,094	Filipino	0.01%
Common	8. Johnson Robert G. Go, Jr.	Director	1	Filipino	*
Common	9. Artemio V. Panganiban	Director (Independent)	31,718	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		727,716		0.01%
C. All directors and executive officers as a group unnamed			16,599,621		0.32%

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, 2017.

[2] Sum of shares in the name of John Gokongwei, Jr., John L. Gokongwei, Jr. and Elizabeth Y. Gokongwei and/or John Gokongwei.

* less than 0.01%

c) Voting Trust Holder of 5% or more - as of March 31, 2018

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 March 31, 2018.

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 March 31, 2018:

Name	Age	Position	Citizenship
John L. Gokongwei, Jr.	91	Director, Chairman Emeritus	Filipino
James L. Go	78	Director, Chairman	Filipino
Lance Y. Gokongwei	51	Director, Vice Chairman & Chief Executive Officer	Filipino
Frederick D. Go	48	Director, President & Chief Operating Officer	Filipino
Patrick Henry C. Go.......................	47	Director	Filipino
Johnson Robert G. Go, Jr................	52	Director	Filipino
Robina Y. Gokongwei-Pe...............	56	Director	Filipino
Artemio V. Panganiban	81	Director (Independent)	Filipino
Roberto F. de Ocampo.	71	Director (Independent)	Filipino
Emmanuel C. Rojas, Jr...................	82	Director (Independent)	Filipino
Omar Byron T. Mier……………	72	Director (Independent)	Filipino
Kerwin Max S. Tan	48	Chief Financial Officer	Filipino
Faraday D. Go………………….	42	Business Unit General Manager	Filipino
Arlene G. Magtibay........................	55	Business Unit General Manager	Filipino
Corazon L. Ang Ley……………	50	Business Unit General Manager	Filipino
Elizabeth Kristine D. Gregorio..	45	Business Unit General Manager	Filipino
Henry L. Yap…………………..	54	Business Unit General Manager	Filipino
Ma. Socorro Isabelle V. Aragon-Gobio…………………..	44	Business Unit General Manager	Filipino
Bach Johann M. Sebastian……	56	Senior Vice President and Chief Strategist	Filipino
Cecilia M. Pascual …….…......	59	Vice President - Group Controller	Filipino
Emmanuel G. Arce……………..	59	Vice President	Filipino
Constantino C. Felipe………….	55	Vice President	Filipino
Catalina M. Sanchez…………..	39	Vice President	Filipino

Name	Age	Position	Citizenship
Sylvia B. Hernandez…………..	54	Vice President - Treasurer	Filipino
Rosalinda F. Rivera........................	47	Corporate Secretary	Filipino
Arlene S. Denzon..........................	50	Compliance Officer	Filipino

The above directors and officers have served their respective offices since June 28, 2017. 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., 91, 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., Deputy Chairman and Director of United Industrial Corporation Limited and a director of Cebu Air, Inc., Robinsons Retail Holdings, 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 Master's degree in Business Administration from the De La Salle University and attended the Advanced Management Program at Harvard Business School.

James L. Go, 78, is the Chairman of RLC. He is 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 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.

Lance Y. Gokongwei, 51, is the Vice-Chairman and Chief Executive Officer of RLC. He is the President and Chief Operating Officer of JG Summit Holdings, Inc., He is the Chairman and Chief Executive Officer of Robinsons Retail Holdings, Inc. He is the President and Chief Executive Officer of Universal Robina Corporation, Cebu Air, Inc. He is the Chief Executive Officer of JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is the Chairman of Robinsons Bank Corporation, 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 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.

Frederick D. Go, 48, is the President of RLC since 2006. He is also the President 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., Robinsons Bank Corporation, JG Summit Petrochemical Corporation, and Cebu Light Industrial Park. He is also the Vice 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, 47, was elected as a director of RLC on January 17, 2000. He is also a Vice President of URC and is the Senior Managing Director of the URC Packaging (BOPP) Division and Flexible Packaging Division. He is also the President and Chief Operating Officer of JG Summit Petrochemical Corporation, 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., 52, 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, 56, 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. She is currently the President and Chief Operating Officer of 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, South Star Drug and The Generics Pharmacy. She is a Trustee of the Gokongwei Brothers Foundation Inc. and Immaculate Conception Academy Scholarship Fund. She was also a member of the University of the Philippines Centennial Commission and was a former Trustee of the Ramon Magsaysay Awards Foundation. 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, 81, 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, 71, 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., 82, 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. Mr. Rojas previously served as Independent Director of Robinsons Bank and Legaspi Savings Bank for about one year in 2013. 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, 72, was appointed as an Independent Director of RLC on August 13, 2015. He is also a Director of Robinsons Bank Corporation and Legaspi Savings Bank. He is also a director of Paymaya since 2016 and Chairman of the Board Audit Committee. 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 Guest 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. He is a Certified Public Accountant.

Kerwin Max S. Tan, 48, is the Chief Financial Officer of RLC effective March 1, 2016. Previously, he was appointed as the Vice President - Treasurer of RLC on October 2014 and Vice President and Deputy Treasurer of RLC 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.

Faraday D. Go, 42, 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, 55, is the Business Unit General Manager of the Commercial Centers Division of Robinsons Land Corporation. She has 27 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, 50, is the Business Unit General Manager for Robinsons Homes concurrent to her role as Property Acquisition Head for RLC. She’s held various positions and functions within RLC during her 25 years of service including her 3 year stint in China. She graduated from the University of the Philippines - Asian Institute of Tourism in 1987.

Elizabeth Kristine D. Gregorio, 45, was appointed as Business Unit 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.

Henry L. Yap, 54, is the Business Unit General Manager of Robinsons Luxuria, Residences and Communities of RLC's Residential Division. Prior to assuming this post, he served the group/company as the Country Business Unit General Manager of Ding Feng Real Estate Companies (China), Business Unit General Manager of the Office Buildings Division, Vice President of RLC's Property Planning and Design Department and member of the Investors Relations Team. Before joining RLC, he headed the Property Planning and Design Group of Fort Bonifacio Development Corporation and sat on the Boards of seven subsidiaries, affiliates and foundation of FBDC. He worked as Manager for Metro Manila Camps of the Bases Conversion and Development Authority where he was involved in the planning, design, privatization and implementation of the Bonifacio Global City, among others. He also lent his expertise to Government by serving as the head of the National Committee on Architecture and the Allied Arts and member of the Sub-Commission on the Arts of the National Commission for Culture and the Art. He also taught at the University of the Philippines where he was Senior Lecturer at the School of Urban and Regional Planning and at the College of Architecture. He holds a Master's of Science in Urban Planning in Developing Countries from the University of Wales College of Cardiff (UK), Bachelor of Science in Architecture, cum laude, and earned units for his Ph.D. in Urban and Regional Planning, both from UP. Henry Yap is Philippine-licensed Architect and Environmental Planner."

Ma. Soccorro Isabelle V. Aragon-Gobio, 44, was appointed as Business Unit General Manager of the Infrastructure and Integrated Developments Division effective October 1, 2016. She has been with RLC for 24 years and is concurrently director of Manhattan Building Management Corporation, Manchego Food Corporation, and 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 and is a PRC licensed Real Estate Broker.

Bach Johann M. Sebastian, 56, is Senior Vice President and Chief Strategist of RLC. He is also the Senior Vice President and Chief Strategist 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, 59, 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, 59, 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, 55, is the Vice President 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.

Catalina Mallari-Sanchez, 39, 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 18 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.

Sylvia B. Hernandez, 54, was appointed as Vice President - Treasurer of RLC on February 1, 2016. She currently holds the position as Assistant Treasurer of other affiliate companies (Altus Angeles Inc, Altus San Nicolas Corp., Robinsons Recreation Corp., and Manhattan Building Management Corp.); Various Condominium Corporation, such as Rob. Equitable Tower Condo Corp., Rob. Summit Center Condo Corp.) Prior to joining RLC in 1996 as Assistant Treasurer, she was the Special Assistant to the VP - Treasurer of Robinsons Inn Inc. and Manila Midtown Hotel. She was also the Chief Accountant of Robinsons Inc. and Shrine Galleria Corporation. Sylvia has been with JGSHI since November 16, 1983. She graduated from Polytechnic University of the Philippines with a degree of Bachelor in Accountancy. She is a Certified Public Accountant."

Rosalinda F. Rivera, 47, 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 RLC, 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. She was admitted to the Philippine Bar in 1995.

Arlene S. Denzon, 50, is the Compliance Officer of RLC and Vice President of the Corporate Governance and Management Systems (CGMS) of JGSHI. She is also the Compliance Officer of JG Summit Holdings, Inc. and Universal Robina Corporation. Prior to rejoining the RLC in February 2013, she was the Senior Vice President in charge of the Enterprise-wide Risk Management Group of Digitel Mobile Philippines, Inc. (DMPI, more popularly known as Sun Cellular) until December, 2012. Ms Denzon started her career in the Gokongwei Group in 1991 and performed various roles including Accounting Manager of JGSHI until 1997, Assistant Vice President-Special Assistant to the Chairman until 2001, Vice President-Treasurer and Acting Chief Financial Officer of URC International until 2003 before she was seconded to DMPI in 2004. Prior to RLC, Ms. Denzon had three years working experience as external auditor in Sycip, Gorres, Velayo & Co. She was a Certified Public Accountant Board topnotcher and obtained her Bachelor of Accountancy degree, Magna Cum Laude, from Polytechnic University of the Philippines.

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 calendar years.

		Calendar Year 2017			
Name	*Position*	*Salary*	*Bonus*	**Others*	*Total*
A. CEO and four most highly compensated executive officers		P 38,008,402	P 2,000,000	P 307,500	P 40,315,902
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 76,743,217	P 3,500,000	P 405,000	P 80,648,217

		Calendar Year 2016			
Name	*Position*	*Salary*	*Bonus*	**Others*	*Total*
A. CEO and four most highly compensated executive officers		P 35,918,547	P 1,700,000	P 424,500	P 38,043,047
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 74,063,464	P 2,975,000	P 648,000	P 77,686,464

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:

		Calendar Year 2018			
Name	Position	*Salary*	*Bonus*	**Others*	*Total*
A. CEO and four most highly compensated executive officers		P 40,196,973	P 2,000,000	P 307,500	P 42,504,473
Name	*Position*				
1. James L. Go	Director, Chairman				
2. Frederick D. Go	Director, President				
3. John L. Gokongwei, Jr.	Director, Chairman Emeritus				
4. Arlene G. Magtibay	BU General Manager				
5. Lance Y. Gokongwei	Director, Vice Chairman & Chief Executive Officer				
B. All other officers and directors as a group unnamed		P 80,076,703	P 3,500,000	P 405,000	P 83,981,703

** 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 calendar 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 calendar 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 December 31, 2017, 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 ₱2.337 billion and ₱0.61 billion for the year ended December 31, 2017 and for three months ended December 31, 2016, 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 ₱1.01 billion and ₱492 million as of December 31, 2017 and 2016, 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 calendar year ended December 31, 2017 and for the three months ended December 31, 2016.

PART IV. CORPORATE GOVERNANCE

Adherence to the principles and practices of good corporate governance, as embodied in its Corporate Governance Manual, has been reinforced by continuous improvement by the Company in order to implement good governance and management practices.

The Board of Directors has approved its Corporate Governance Compliance Evaluation System in late 2003 in order to monitor and assess the level of compliance of the Company with leading practices on good corporate governance as specified in its Corporate Governance Manual and pertinent SEC Circulars. The System likewise highlights areas for compliance improvement and actions to be taken. One of the System's output is the Annual Corporate Governance Compliance Evaluation Form submitted to the SEC and PSE on or before January 30 of every year. RLC began making such submission of the Annual Corporate Governance Compliance Evaluation Form covering the previous calendar year to the SEC and PSE in 2004.

Likewise, RLC has consistently striven to raise its level of reporting to adopt and implement prescribed International Accounting Standards (IAS).

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

April 6, 2018

Securities and Exchange Commission
Ground Flr - North Wing, PICC Secretariat Building,
Philippine International Convention Center (PICC) Complex,
Roxas Boulevard, Pasay City.

The management of Robinsons Land Corporation and Subsidiaries is responsible for the preparation and fair presentation of the consolidated financial statements for the years ended as at December 31, 2017 and December 31, 2016 and for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, 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

SUBSCRIBED AND SWORN to before me on this ___ day of ____, 20__, at Makati City, Philippines. Affiant exhibiting his/her ID No. __ valid until ____

APR 06 2018

Frederick D. Go
President and Chief Operating Officer

Kerwin Max S. Tan
Chief Financial Officer

APR 06 2018

Signed this _ day of ______.

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Page No. 36;
Book No. 179;
Series of 2018

ATTY. JOSHUA D. LADUZ
Notary Public for Makati City
Appointment #, M-02 until 12/31/2019
PTR No. 6607878, Jan. 3, 2018, Makati
Roll No. 45790, IBP Lifetime Roll No. 0489
MCLE No. V-0019692/ 4-15-2016
G/F Fedman Suites, 199 Salcedo Street
Legaspi Village, Makati City

ROBINSONS LAND
CORPORATION

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CERTIFICATE ON THE COMPILATION SERVICES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

I hereby certify that I am the Certified Public Accountant (CPA) who performed the compilation services related to the preparation and presentation of financial information of an entity in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities and reports as required by accounting and auditing standards for **Robinsons Land Corporation and Subsidiaries** for the year ended December 31, 2017.

In discharging this responsibility, I hereby declare that I am the VP – Group Controller of **Robinsons Land Corporation.**

Furthermore, in my compilation services for the preparation of the financial statements and notes to the financial statements, I was not assisted by or did not avail the services of **Mr. Michael C. Sabado** which is the external auditor who rendered the audit opinion for the said financial statements and notes to the financial statements.

I hereby declare, under penalties of perjury and violation of Republic Act No. 9298, that my statements are true and correct.

CECILIA M. PASCUAL

CPA Certificate No. **0049148**
Valid Until **October 9, 2019**

Accreditation No. **0355**
Valid Until **October 9, 2019**

SUBSCRIBED AND SWORN to before me
this day 13 APR 2018

Doc. No. 312
Page No. 63
Book No. 46A
Series of 2018

ATTY. BENJAMIN F. ALFONSO
NOTARY PUBLIC
UNTIL December 31, 2018
PTR NO. 5520234, January 3, 2018, QUEZON CITY
IBP NO. 019073 12-20-2017 - QUEZON CITY
ROLL NO. 13296
ADM. MATTER NO. NP-046-(2017-2018)
TIN NO. 177-967-619-000
MCLE III-0024526 - December 12, 2017
34 Asset's St. GSIS Village
Project 8 Quezon City

SGV
Building a better working world

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Robinsons Land Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2017 and 2016, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended December 31, 2017, three months ended December 31, 2016 and year ended September 30, 2016, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017 and 2016 and September 30, 2016, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2017, three months ended December 31, 2016 and year ended September 30, 2016 in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Recognition of real estate revenue and costs

The Group applies the percentage of completion (POC) method in determining real estate revenue and costs. The POC is based on the proportion of cost incurred to date over total estimated cost of the real estate project. The cost of sales is determined on the basis of the total estimated costs applied with the POC of the project. The Group's real estate revenue and costs accounts for 19% of total consolidated revenue and 30% of the total consolidated cost of sales, respectively. The estimation of the total cost of the real estate project requires technical inputs by management's specialists (project development engineers). In addition, the Company requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. It is the reaching of this level of collection that management has assessed that it is probable that economic benefits will flow to the Group because of the buyers' continuing commitment with the sales agreement. The assessment of the stage of completion and level of buyer's equity involves significant management judgment as disclosed in Notes 4 and 5 to the consolidated financial statements.

Audit Response

We obtained an understanding of the Group's processes for determining the POC, including the cost accumulation process, and for determining and updating of total estimated costs, and performed tests of the relevant controls on these processes. We assessed the competence and objectivity of the project development engineers by reference to their qualifications, experience and reporting responsibilities. For selected projects, we traced costs accumulated to the supporting documents such as purchase order, billings and invoices of contractors. We visited selected project sites and made relevant inquiries with project engineers. We performed test computation of the percentage of completion calculation of management. For selected projects, we obtained the approved total estimated costs and any revisions thereto and the supporting details such as capital fulfillment plan, capital expenditure requests and related executive committee approvals. We likewise performed inquiries with the project development engineers for the revisions. We evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales collections from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting documents such as official receipts and buyer's ledger.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2017, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2017 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that amatter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Michael C. Sabado.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
SEC Accreditation No. 0664-AR-3 (Group A),
March 16, 2017, valid until March 15, 2020
Tax Identification No. 160-302-865
BIR Accreditation No. 08-001998-73-2018,
February 26, 2018, valid until February 25, 2021
PTR No. 6621321, January 9, 2018, Makati City

April 6, 2018

ROBINSONS LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7, 20, 31 and 32)	**₱2,075,454,523**	₱1,436,210,577
Receivables (Notes 8, 20, 31 and 32)	**5,565,058,271**	7,166,097,227
Subdivision land, condominium and residential units for sale (Notes 5 and 9)	**26,632,634,568**	25,983,487,629
Other current assets (Note 10)	**6,609,712,081**	6,075,315,674
Total Current Assets	**40,882,859,443**	40,661,111,107
Noncurrent Assets		
Noncurrent receivables (Notes 8, 20, 31 and 32)	**3,775,948,572**	2,392,386,437
Land held for future development (Note 11)	**24,906,878,858**	17,730,922,918
Investment properties (Note 11)	**69,468,304,004**	56,081,968,929
Property and equipment (Note 12)	**6,692,358,405**	5,345,968,790
Other noncurrent assets (Notes 13, 30, 31 and 32)	**2,400,198,520**	2,219,800,218
Total Noncurrent Assets	**107,243,688,359**	83,771,047,292
	₱148,126,547,802	₱124,432,158,399

LIABILITIES AND EQUITY		
Current Liabilities		
Short-term loans (Notes 16, 31 and 32)	**₱15,693,400,000**	₱16,010,000,000
Accounts payable and accrued expenses (Notes 14, 31 and 32)	**13,883,446,747**	9,345,778,207
Income tax payable	**539,028,037**	841,657,479
Deposits and other current liabilities (Notes 15, 20, 31 and 32)	**3,783,534,816**	4,126,768,201
Total Current Liabilities	**33,899,409,600**	30,324,203,887
Noncurrent Liabilities		
Loans payable (Notes 16, 31 and 32)	**35,661,162,154**	23,361,477,678
Deferred tax liabilities - net (Note 27)	**2,865,190,187**	2,693,450,046
Deposits and other noncurrent liabilities (Notes 17, 29, 31 and 32)	**8,328,168,101**	5,197,721,257
Total Noncurrent Liabilities	**46,854,520,442**	31,252,648,981
Total Liabilities	**80,753,930,042**	61,576,852,868
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	**20,392,532,781**	20,392,532,781
Treasury stock (Notes 18 and 19)	**(221,834,657)**	(221,834,657)
Other equity reserve (Note 19)	**(87,597,873)**	(87,597,873)
Other comprehensive income:		
Remeasurements of net defined benefit liability - net of tax (Note 29)	**(63,719,597)**	(131,292,935)
Cumulative translation adjustment	**75,409,464**	36,329,484
Retained earnings (Note 18)		
Unappropriated	**18,385,021,808**	22,477,650,126
Appropriated	**24,500,000,000**	16,000,000,000
	67,091,340,611	62,577,315,611
Non-controlling interest	**281,277,149**	277,989,920
	67,372,617,760	62,855,305,531
	₱148,126,547,802	₱124,432,158,399

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017, FOR THE THREE MONTHS ENDED DECEMBER 31, 2016 AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

	December 31,		
	2017 (One year)	2016 (Three months, see Note 2)	September 30, 2016 (One year)
REVENUE (Note 6 and 21)			
Real Estate Operations			
Rental income (Notes 11 and 20)	**₱11,581,560,401**	₱2,718,339,596	₱10,556,125,587
Real estate sales (Notes 5 and 24)	**5,973,248,023**	1,472,300,349	7,193,970,995
Amusement income	**1,802,643,181**	431,783,166	1,694,021,661
Others	**1,266,492,267**	575,454,463	1,259,845,366
	20,623,943,872	5,197,877,574	20,703,963,609
Hotel Operations (Note 21)	**1,892,873,758**	496,892,214	1,807,598,592
	22,516,817,630	5,694,769,788	22,511,562,201
COSTS (Note 6 and 22)			
Real Estate Operations			
Cost of rental services	**4,499,595,017**	1,168,382,997	3,973,070,846
Cost of real estate sales (Notes 5 and 9)	**3,143,037,387**	1,072,837,533	3,982,243,972
Cost of amusement services	**820,824,802**	195,593,971	764,711,495
Others	**812,417,065**	111,686,938	619,951,194
	9,275,874,271	2,548,501,439	9,339,977,507
Hotel Operations (Note 22)	**1,350,512,369**	333,323,139	1,316,869,629
	10,626,386,640	2,881,824,578	10,656,847,136
	11,890,430,990	2,812,945,210	11,854,715,065
GENERAL AND ADMINISTRATIVE EXPENSES (Notes 6 and 23)	**3,328,016,547**	794,064,752	3,402,719,589
OPERATING INCOME	**8,562,414,443**	2,018,880,458	8,451,995,476
OTHER INCOME (LOSSES)			
Interest income (Note 7 and 26)	**36,809,915**	7,286,604	18,075,015
Gain from insurance claims (Note 26)	**28,397,634**	130,020	208,583,885
Gain (loss) on foreign exchange	**(14,019,285)**	(1,404,592)	69,815,448
Interest expense and finance charges (Notes 16 and 26)	**(778,194,869)**	(384,139,651)	(571,626,129)
Gain on sale of investment property	–	–	7,281,855
	(727,006,605)	(378,127,619)	(267,869,926)
INCOME BEFORE INCOME TAX	**7,835,407,838**	1,640,752,839	8,184,125,550
PROVISION FOR INCOME TAX (Note 27)	**1,950,969,881**	385,752,870	2,033,647,029
NET INCOME	**5,884,437,957**	1,254,999,969	6,150,478,521
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Cumulative translation adjustment	**39,079,980**	(5,750,284)	42,079,768
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurements of net defined benefit liability (Note 29)	**96,533,340**	(20,806,359)	(57,610,174)
Income tax effect (Note 27)	**(28,960,002)**	6,241,908	17,283,052
	67,573,338	(14,564,451)	(40,327,122)
Total Other Comprehensive Income (Loss)	**106,653,318**	(20,314,735)	1,752,646
TOTAL COMPREHENSIVE INCOME	**₱5,991,091,275**	₱1,234,685,234	₱6,152,231,167

(Forward)

	December 31, 2017 (One year)	2016 (Three months, see Note 2)	September 30, 2016 (One year)
Net Income Attributable to:			
Equity holders of Parent Company	**₱5,881,150,728**	₱1,254,917,783	₱6,154,532,055
Non-controlling interest in consolidated subsidiaries	**3,287,229**	82,186	(4,053,534)
	₱5,884,437,957	₱1,254,999,969	₱6,150,478,521
Total Comprehensive Income Attributable to:			
Equity holders of Parent Company	**₱5,987,804,046**	₱1,234,603,048	₱6,156,284,701
Non-controlling interest in consolidated subsidiaries	**3,287,229**	82,186	(4,053,534)
	₱5,991,091,275	₱1,234,685,234	₱6,152,231,167
Basic/Diluted Earnings Per Share (Note 28)	**₱1.44**	₱0.31	₱1.50

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2017, FOR THE THREE MONTHS ENDED DECEMBER 31, 2016 AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

	For the Year Ended December 31, 2017									
	Attributable to Equity Holders of the Parent Company									
	Capital Stock (Note 19)	**Additional Paid-in Capital**	**Treasury Stock** (Note 19)	**Other Equity Reserve** (Note 19)	**Remeasurements of Net Defined Benefit Liability** (Note 29)	**Cumulative Translation Adjustment**	**Unappropriated Retained Earnings** (Note 18)	**Appropriated Retained Earnings** (Note 18)	**Non-controlling Interest**	**Total Equity**
Balances at January 1, 2017	**₱4,111,528,685**	**₱20,392,532,781**	**(₱221,834,657)**	**(₱87,597,873)**	**(₱131,292,935)**	**₱36,329,484**	**₱22,477,650,126**	**₱16,000,000,000**	**₱277,989,920**	**₱62,855,305,531**
Comprehensive income										
Net income	–	–	–	–	–	–	**5,881,150,728**	–	**3,287,229**	**5,884,437,957**
Other comprehensive income	–	–	–	–	**67,573,338**	**39,079,980**	–	–	–	**106,653,318**
Total comprehensive income	–	–	–	–	**67,573,338**	**39,079,980**	**5,881,150,728**	–	**3,287,229**	**5,991,091,275**
Reversal of appropriation (Note 18)	–	–	–	–	–	–	**16,000,000,000**	**(16,000,000,000)**	–	–
Appropriation (Note 18)	–	–	–	–	–	–	**(24,500,000,000)**	**24,500,000,000**	–	–
Cash dividends (Note 18)	–	–	–	–	–	–	**(1,473,779,046)**	–	–	**(1,473,779,046)**
Balances at December 31, 2017	**₱4,111,528,685**	**₱20,392,532,781**	**(₱221,834,657)**	**(₱87,597,873)**	**(₱63,719,597)**	**₱75,409,464**	**₱18,385,021,808**	**₱24,500,000,000**	**₱281,277,149**	**₱67,372,617,760**

	For the Three Months Ended December 31, 2016									
	Attributable to Equity Holders of the Parent Company									
	Capital Stock (Note 19)	Additional Paid-in Capital	Treasury Stock (Note 19)	Other Equity Reserve (Note 19)	Remeasurements of Net Defined Benefit Liability (Note 29)	Cumulative Translation Adjustment	Unappropriated Retained Earnings (Note 18)	Appropriated Retained Earnings (Note 18)	Non-controlling Interest	Total Equity
Balances at October 1, 2016	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱116,728,484)	₱42,079,768	₱21,222,732,343	₱16,000,000,000	₱130,319,734	₱61,473,032,297
Comprehensive income										
Net income	–	–	–	–	–	–	1,254,917,783	–	82,186	1,254,999,969
Other comprehensive loss	–	–	–	–	(14,564,451)	(5,750,284)	–	–	–	(20,314,735)
Total comprehensive income	–	–	–	–	(14,564,451)	(5,750,284)	1,254,917,783	–	82,186	1,234,685,234
Issuance of capital stock	–	–	–	–	–	–	–	–	147,588,000	147,588,000
Balances at December 31, 2016	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱131,292,935)	₱36,329,484	₱22,477,650,126	₱16,000,000,000	₱277,989,920	₱62,855,305,531

	For the Year Ended September 30, 2016									
	Attributable to Equity Holders of the Parent Company									
	Capital Stock (Note 19)	Additional Paid-in Capital	Treasury Stock (Note 19)	Other Equity Reserve (Note 19)	Remeasurements of Net Defined Benefit Liability (Note 29)	Cumulative Translation Adjustment	Unappropriated Retained Earnings (Notes 18)	Appropriated Retained Earnings (Note 18)	Non-controlling Interest	Total Equity
Balances at October 1, 2015	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱76,401,362)	₱–	₱15,541,979,334	₱17,000,000,000	₱134,373,268	₱56,794,580,176
Comprehensive income										
Net income	–	–	–	–	–	–	6,154,532,055	–	(4,053,534)	6,150,478,521
Other comprehensive income	–	–	–	–	(40,327,122)	42,079,768	–	–	–	1,752,646
Total comprehensive income	–	–	–	–	(40,327,122)	42,079,768	6,154,532,055	–	(4,053,534)	6,152,231,167
Reversal of appropriation (Note 18)	–	–	–	–	–	–	17,000,000,000	(17,000,000,000)	–	–
Appropriation (Note 18)	–	–	–	–	–	–	(16,000,000,000)	16,000,000,000	–	–
Cash dividends (Note 18)	–	–	–	–	–	–	(1,473,779,046)	–	–	(1,473,779,046)
Balances at September 30, 2016	₱4,111,528,685	₱20,392,532,781	(₱221,834,657)	(₱87,597,873)	(₱116,728,484)	₱42,079,768	₱21,222,732,343	₱16,000,000,000	₱130,319,734	₱61,473,032,297

See accompanying Notes to Consolidated Financial Statements.

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017, FOR THE THREE MONTHS ENDED DECEMBER 31, 2016 AND FOR THE YEAR ENDED SEPTEMBER 30, 2016

	December 31,		
	2017 (One year)	2016 (Three months, see Note 2)	September 30, 2016 (One year)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱7,835,407,838**	₱1,640,752,839	₱8,184,125,550
Adjustments for:			
Depreciation (Notes 11, 12, 22 and 24)	**3,914,114,101**	1,010,020,925	3,571,271,998
Interest expense and finance charges (Note 26)	**778,194,869**	384,139,651	571,626,129
Accretion expense on security deposits (Notes 15 and 22)	**56,147,861**	21,327,753	66,820,441
Net movement in pension liabilities	**38,986,245**	10,962,639	34,516,561
Interest income (Notes 7, 21 and 26)	**(1,751,369,198)**	(175,623,025)	(326,362,956)
Provision for impairment losses (Note 8)	**–**	–	1,634,384
Gain on sale of investment property (Note 11)	**–**	–	(7,281,855)
Operating income before working capital changes	**10,871,481,716**	2,891,580,782	12,096,350,252
Decrease (increase) in:			
Receivables – trade	**222,753,309**	464,207,718	(2,298,872,947)
Subdivision land, condominium and residential units for sale (inclusive of capitalized borrowing cost)	**(1,703,718,678)**	(139,739,329)	(10,269,088,882)
Other current assets	**(986,266,081)**	(128,405,195)	(58,738,669)
Increase (decrease) in:			
Accounts payable and accrued expenses and other noncurrent liabilities	**6,611,699,733**	1,108,405,097	1,442,405,192
Customers' deposits	**634,837,173**	(291,349,521)	1,244,567,497
Cash generated from operations	**15,650,787,172**	3,904,699,552	2,156,622,443
Interest received from installment contract receivables (Note 21)	**1,714,559,283**	168,336,421	308,287,941
Income tax paid	**(2,081,859,182)**	(304,148,434)	(1,611,811,533)
Net cash flows provided by operating activities	**15,283,487,273**	3,768,887,539	853,098,851
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received from cash and short-term investments	**36,810,038**	7,254,230	18,221,298
Decrease (increase) in:			
Receivables from affiliated companies (Notes 8 and 20)	**(5,276,611)**	(581,814)	4,916,656
Advances to suppliers and contractors (Notes 10 and 13)	**522,468,189**	(188,256,343)	(881,320,355)
Other noncurrent assets	**(301,116,636)**	(10,095,285)	1,298,516,855
Advances to lot owners (Notes 10 and 13)	**(681,303,655)**	(1,310,732,053)	51,490,204
Additions to:			
Investment properties and land held for future development (inclusive of capitalized borrowing cost) (Note 11)	**(22,111,858,644)**	(2,694,665,019)	(10,408,209,367)
Property and equipment (Note 12)	**(1,898,020,108)**	(524,097,050)	(1,452,986,001)
Proceeds from sale of investment property	**–**	–	33,610,500
Cash received from non-controlling interest for increase in capital stock	**–**	147,588,000	–
Net cash flows used in investing activities	**(24,438,297,427)**	(4,573,585,334)	(11,335,760,210)

(Forward)

	December 31,		
	2017 (One year)	2016 (Three months, see Note 2)	September 30, 2016 (One year)
CASH FLOWS FROM FINANCING ACTIVITIES (Note 35)			
Proceeds from availment of:			
Short-term loans (Note 16)	**₱15,693,400,000**	₱16,010,000,000	₱4,039,100,000
Loans payable (Note 16)	**12,340,263,710**	–	11,500,000,000
Payments of:			
Short-term loans (Note 16)	**(16,010,000,000)**	(4,039,100,000)	(3,048,897,460)
Loans payable (Note 16)	**(10,000,000)**	(10,000,000,000)	–
Debt issue cost (Note 16)	**(57,500,000)**	–	(57,500,000)
Cash dividends (Notes 14 and 18)	**(1,448,810,138)**	–	(1,472,627,310)
Interest and finance charges	**(764,240,887)**	(206,797,257)	(517,222,768)
Increase (decrease) in payable to affiliated companies and other noncurrent liabilities (Note 15)	**50,941,415**	(672,359,319)	(3,980,173)
Net cash flows provided by financing activities	**9,794,054,100**	1,091,743,424	10,438,872,289
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**639,243,946**	287,045,629	(43,789,070)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,436,210,577**	1,149,164,948	1,192,954,018
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	**₱2,075,454,523**	₱1,436,210,577	₱1,149,164,948

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 and incorporated on June 4, 1980 with a corporate life of 50 years under the laws of the Philippines. The Parent Company and its subsidiaries are collectively 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.

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.

On May 10, 2016, the Board of Directors approved the change of Parent Company's reporting period from fiscal year ending September 30 to calendar year ending December 31.

On July 18, 2016, the Parent Company filed its Amended By-Laws with SEC, amending the Parent Company's year end from fiscal year ending September 30 to calendar year ending December 31 and the said amendments were approved by the SEC on the same day.

On August 1, 2016, the BIR issued a certificate granting the Parent Company the change in accounting period.

The consolidated financial statements as of December 31, 2017 and 2016, and for the year ended December 31, 2017, for the three months ended December 31, 2016, and for the year ended September 30, 2016 were authorized for issue by the Parent Company's Board of Directors (BOD) on April 6, 2018.

2. Basis of Preparation

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

The Group's short period financial statements as of and for the three months ended December 31, 2016 were prepared pursuant to the Parent Company's change in accounting period from fiscal year ended September 30 to calendar year ended December 31 (see Note 1).

The amounts presented in the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows and related notes to consolidated financial statements are for three months and accordingly, are not comparable to the consolidated financial statements as of and for the years ended December 31, 2017 and September 30, 2016.

Statement of Compliance

The accompanying consolidated financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as of December 31, 2017 and 2016, and for the year ended December 31, 2017, for the three months ended December 31, 2016, and for the year ended September 30, 2016.

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

An investee is included in the consolidation at the point when controls is achieved. 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

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and 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 consolidated 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 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, if any.

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 related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries as of December 31, 2017 and 2016:

	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.	Philippines	**100%**
Robinson's Land (Cayman), Ltd.	Cayman Islands	**100%**
Altus San Nicolas Corporation (ASNC)	Philippines	**100%**
Altus Angeles, Inc. (AAI)	Philippines	**51%**
GoHotels Davao, Inc. (GDI)	Philippines	**51%**
Lingkod Pinoy Bus Liner, Inc. (LPBLI)	Philippines	**80%**
RLC Resources Ltd.	British Virgin Island	**100%**
Land Century Holdings Ltd.	Hong Kong	**100%**
World Century Enterprise Ltd.	Hong Kong	**100%**
First Capital Development Ltd. (First Capital)	Hong Kong	**100%**
Chengdu Xin Yao Real Estate Development, Co. Ltd. (Chengdu Xin Yao)	China	**100%**

The voting rights held by the Parent Company in the above subsidiaries is equivalent to its ownership interest.

On October 19, 2015, Chengdu Xin Yao, subsidiary of First Capital, was incorporated to engage in the business of real estate development of Wuhou District of Chengdu Province in China (see Note 9).

On April 7, 2016, Lingkod Pinoy Bus Liner, Inc. was incorporated to engage in land transportation for transportation of carriage of passengers, goods, and merchandise within any place in the Philippines.

Voting rights held by non-controlling interest on AAI, GDI and LPBLI is equivalent to 49%, 49% and 20%, respectively. As of December 31, 2017 and 2016, the Group does not consider these subsidiaries as having 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 that the Group has adopted the following new accounting pronouncements starting January 1, 2017. Adoption of these pronouncements did not have any significant impact on the consolidated financial position or performance unless otherwise indicated.

- Amendments to PFRS 12, *Disclosure of Interests in Other Entities*, *Clarification of the Scope of the Standard* (Part of *Annual Improvements to PFRSs* 2014 - 2016 Cycle)

  The amendments clarify that the disclosure requirements in PFRS 12, other than those relating to summarized financial information, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

- Amendments to PAS 7, *Statement of Cash Flows*, *Disclosure Initiative*

  The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

  The Group has provided the required information in Note 35 to the consolidated financial statements. As allowed under the transition provisions of the standard, the Group did not present comparative information for the three months ended December 31, 2016 and year ended September 30, 2016.

- Amendments to PAS 12, *Income Taxes*, *Recognition of Deferred Tax Assets for Unrealized Losses*

  The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions upon the reversal of the deductible temporary difference related to unrealized losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

  The Group applied the amendments retrospectively. However, their application has no effect on the Group's financial position and performance as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

Standards Issued But Not Yet Effective

The Group has not applied the following PFRS, Philippine Accounting Standards (PAS) and Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2018

- Amendments to PFRS 2, *Share-based Payment*, *Classification and Measurement of Share-based Payment Transactions*

  The amendments to PFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and the accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

  On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and if other criteria are met. Early application of the amendments is permitted.

- PFRS 9, *Financial Instruments*

  PFRS 9 reflects all phases of the financial instruments project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. 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 Group plans to adopt the new standard on the mandatory effective date and will not restate comparative information.

  The adoption of PFRS 9 will have an effect on the classification and measurement of the Group's financial assets and impairment methodology for financial assets, but will have no impact on the classification and measurement of the Group's financial liabilities. The adoption is expected to impact the assessment of the credit losses amount. The Group is currently assessing the impact of adopting this standard.

- Amendments to PFRS 4, *Insurance Contracts*, *Applying PFRS 9, Financial Instruments, with PFRS 4*

  The amendments address concerns arising from implementing PFRS 9, the new financial instruments standard before implementing the new insurance contracts standard. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying PFRS 9 and an overlay approach. The temporary exemption is first applied for reporting periods beginning on or after January 1, 2018. An entity may elect the overlay approach when it first applies PFRS 9 and apply that approach retrospectively to financial assets designated on transition to PFRS 9. The entity restates comparative information reflecting the overlay approach if, and only if, the entity restates comparative information when applying PFRS 9.

  The amendments are not applicable to the Group since none of the entities within the Group have activities that are predominantly connected with insurance or issue insurance contracts.

- PFRS 15, *Revenue from Contracts with Customers*

  PFRS 15 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 PFRS 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 PFRSs. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Group plans to adopt the new standard on the required effective date using the modified retrospective method.

The Parent Company is still assessing the impact of adopting PFRS 15 in 2018.

In addition, as the presentation and disclosure requirements in PFRS 15 are more detailed than under current PFRSs, the Group is currently assessing what necessary changes it needs to make on its current systems, internal controls, policies and procedures to enable the Group to collect and disclose the required information.

- Amendments to PAS 28, *Measuring an Associate or Joint Venture at Fair Value* (Part of *Annual Improvements to PFRSs* 2014 - 2016 Cycle)

  The amendments clarify that an entity that is a venture capital organization, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. They also clarify that if an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which (a) the investment entity associate or joint venture is initially recognized; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

  The amendments should be applied retrospectively, with earlier application permitted.

- Amendments to PAS 40, *Investment Property*, *Transfers of Investment Property*

  The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments should be applied prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. Retrospective application is only permitted if this is possible without the use of hindsight.

  The Group's current practice is in line with the clarifications issued.

- Philippine Interpretation IFRIC 22, *Foreign Currency Transactions and Advance Consideration*

  The interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the nonmonetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. Entities may apply the amendments on a fully retrospective basis. Alternatively, an entity may apply the interpretation prospectively to all assets, expenses and income in its scope that are initially recognized on or after the beginning of the reporting period in which the entity first applies the interpretation or the beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the interpretation.

Since the Group's current practice is in line with the clarifications issued, the Group does not expect any effect on its consolidated financial statements upon adoption of this interpretation.

Effective beginning on or after January 1, 2019

- Amendments to PFRS 9, *Prepayment Features with Negative Compensation*

  The amendments to PFRS 9 allow debt instruments with negative compensation prepayment features to be measured at amortized cost or fair value through other comprehensive income. An entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2019. Earlier application is permitted.

  The Group will apply this amendment if there are transactions of this nature in the future. None of its current transactions will fall under this feature.

- PFRS 16, *Leases*

  PFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under PAS 17, *Leases*. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

  Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

  Lessor accounting under PFRS 16 is substantially unchanged from today's accounting under PAS 17. Lessors will continue to classify all leases using the same classification principle as in PAS 17 and distinguish between two types of leases: operating and finance leases.

  PFRS 16 also requires lessees and lessors to make more extensive disclosures than under PAS 17.

  Early application is permitted, but not before an entity applies PFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

  The Group is currently assessing the impact of adopting PFRS 16. The Group expects the standard to impact its operating lease arrangements for land which will require recognition of right of use asset and its related lease liability in the books. The Group does not expect significant impact of the standard to its arrangement as a lessor.

- Amendments to PAS 28, *Long-term Interests in Associates and Joint Ventures*

  The amendments to PAS 28 clarify that entities should account for long-term interests in an associate or joint venture to which the equity method is not applied using PFRS 9. An entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2019. Earlier application is permitted.

- Philippine Interpretation IFRIC 23, *Uncertainty over Income Tax Treatments*

  The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of PAS 12 and does not apply to taxes or levies outside the scope of PAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

  The interpretation specifically addresses the following:
  - Whether an entity considers uncertain tax treatments separately
  - The assumptions an entity makes about the examination of tax treatments by taxation authorities
  - How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
  - How an entity considers changes in facts and circumstances

  An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

Deferred effectivity

- Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

  On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (IASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

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, regardless of when the payment is received. Revenue is measured at the consideration received or receivable, taking into the account contractually defined terms of payment and excluding taxes or duty.

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

Rental income

The Group leases its commercial and office 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 percentage of completion (POC). In accordance with Philippine Interpretations Committee (PIC) Q&A No. 2006-1, the POC 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 and the costs incurred or to be incurred can be measured reliably. Under the POC 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.

Revenue recognition commences when the 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 required buyer’s equity is met. Buyer’s equity represents the percentage of collection over the total selling price that the buyer has paid the Group and it is at this collection level that the Group assesses that it is probable that the economic benefits will flow to the Group because of certainty of collection of the remaining balance of the selling price. This gives the buyer, a stake in the property, the level of which is sufficient enough to mitigate the risks of loss through default which would motivate the buyer to honor its obligations to the Group.

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 current liabilities” and “Deposits and other noncurrent liabilities” account in the liabilities section of the consolidated statement of financial position.

Penalties are recognized as income when cash is received and forfeitures from cancelled sales and reservation fees are recognized as income when the cancellation of sales and reservation fees of buyers has been determined and established.

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.

Other income
Other income is recognized when earned.

Costs Recognition
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 General and Administrative Expense
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.

Commission Expense
The Group recognizes commission expense when services are rendered by the broker and agent. Commission expense is recognized upon receipt of certain level of 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 of real estate.

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.

<u>Current and Noncurrent Classification</u>

The Group presents assets and liabilities in consolidated statement of financial position based on current/noncurrent classification. An asset is current when:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after reporting date; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting date.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after reporting date; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after reporting date.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities, respectively.

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 - Initial Recognition and Subsequent Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

'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.

Financial Assets

Initial recognition and measurement

Financial assets are classified as either financial assets at fair value through profit or loss (FVPL), loans and receivables, held-to-maturity (HTM) investment, available for sale (AFS) financial assets, or as derivatives designated as hedging instruments in an effective hedge as appropriate. All financial instruments are recognized initially at fair value plus, in the case of financial instruments not recorded at FVPL, transaction costs that are directly attributable to the acquisition of financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets are of the nature of loans and receivables as of December 31, 2017 and 2016.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

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

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or,
- The Group has transferred its rights 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.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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.

<u>Impairment of Financial Assets</u>
The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), 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 debtors or a group of debtors 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 observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost
For financial assets carried at amortized cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them 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 amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognized in the statement of profit or loss. Interest income (recorded as finance income in the statement of profit or (loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and other financial liabilities, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables are presented net of directly attributable debt issue or transaction costs.

The Group's financial liabilities include other financial liabilities as of December 31, 2017 and 2016.

Other Financial Liabilities

After initial recognition, other financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

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 current liabilities" and "Deposit and other noncurrent liabilities".

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

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 EIR amortization process.

Deposits from real estate buyers
Deposits from real estate buyers represent mainly reservation fees and advance payments. These deposits will be recognized as revenues in the profit or loss as the related obligations are fulfilled to the real estate buyers. 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.

Offsetting of Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position 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 assets and settle the liabilities 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, costs incurred for development and improvement of the properties (i.e., planning and design costs, costs of site preparation, contractor's fees and other 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.

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.

Value-added Tax (VAT)
Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

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.

Investment Properties and Land Held for Future Development
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 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	20-30
Building improvements	10
Land improvements	10

The useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation 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 sell.

Land held for future development
Land held for future development consist of raw land held by the Group which will be developed in the future. Land held for future development is carried at cost less any impairment in value. Transfers are made to investment properties when there is commencement of construction of commercial centers or office building on the land property. Transfers are made from land held for future development to either property and equipment or subdivision land, condominium and residential units for sale when, and only when, there is change in use, as evidenced by owner occupation or upon commencement of real estate development with a view to sell.

Land held for future development are derecognized when either they have been disposed of or when the land 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 land held for future development is recognized in the profit and loss in the period of retirement or disposal.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation 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 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 method are reviewed and adjusted, if appropriate, at each financial year-end to ensure that the period and method of depreciation 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 land held for future development, 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, had no impairment loss been recognized for the assets in prior periods, such reversal is recognized in the consolidated statement of comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Interest and other financing costs incurred during the construction period on borrowings used to finance property development are capitalized as part of development costs (included in "Subdivision land, condominium and residential units for sale", "Property and equipment" and "Investment properties" accounts in the Group's consolidated statement of financial position). Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Capitalized borrowing cost is based on applicable weighted average borrowing rate for those coming from general borrowings.

All other borrowing costs are expensed in the period they occur and is recorded under "Interest expense."

Equity

Capital stock is measured at par value for all shares 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.

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 stock) 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.

Income Taxes

Current income tax

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

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred income tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred income tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and deferred income 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.

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>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 its 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.

Foreign currencies

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 financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group’s entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Translation for consolidation

On consolidation, the assets and liabilities of foreign operations are translated into Philippine Peso at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in the cumulative translation adjustment (CTA) in the consolidated statement of comprehensive income. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss when the standard permits.

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 holders 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.

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.

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.

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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 continuously 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 lease contracts to develop commercial or office properties on the leased land premises. Based on an evaluation of the terms and conditions of the arrangements, all the risks and benefits incidental to ownership of the leased land are not transferred to the Group. In determining significant risks and benefits of ownership, the Group considered, among others, that there is no transfer of ownership of the asset to the lessee by the end of the lease term.

In addition, majority of the lease contract have lease term ranging from one year to three years which is considered insignificant relative to the life of the asset (see Note 34).

Operating lease commitments - Group as lessor
The Group has entered into commercial and office 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. In determining significant risks and benefits of ownership, the Group considered, among others, the significance of the lease term as compared with the EUL of the related asset.

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 (see Note 34).

Distinction among real estate inventories, land held for future development and investment properties
The Group determines whether a property will be classified as Real estate inventories, Land held for future development and investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (Real estate inventories), whether it will be retained as part of the Group's strategic landbanking activities for development or sale in the medium or long-term (Land held for future development) or whether it will be held to earn rentals or for capital appreciation (Investment properties).

Finance lease commitments - Group as lessor
The Group has entered into 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 (see Note 34).

Recognition of 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 recognized as of December 31, 2017 and 2016 amounted to ₱818 million and ₱808 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 subsidiaries amounting to ₱3 million as of December 31, 2017 and 2016. The related deferred tax assets amounted to ₱1 million as of December 31, 2017 and 2016 (see Note 27).

Contingencies
The Group is currently involved in various legal proceedings and tax assessments. The estimate of the probable costs for the resolution of these claims has been developed in consultation with the internal and external counsel handling the defense on these matters and is based upon an analysis and judgment 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 judgement 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 and cost 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 December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, the real estate sales amounted to ₱5,973 million, ₱1,472 million and ₱7,194 million, respectively, while cost of real estate sales amounted to ₱3,143 million, ₱1,073 million and ₱3,982 million, respectively.

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 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 December 31, 2017 and 2016, the Group's subdivision land, condominium and residential units for sale amounted to ₱26,633 million and ₱25,983 million, respectively (see Note 9).

Estimation of useful lives of property and equipment and investment properties
The Group estimates the useful lives of its depreciable property and equipment and investment properties based on the period over which the assets are expected to be available for use. The EUL of the said depreciable assets are reviewed at least annually and are updated, if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the EUL of the depreciable property and equipment and investment properties would increase depreciation expense and decrease noncurrent assets.

The carrying balances of the Group's depreciable assets are disclosed in Notes 11 and 12 to the consolidated financial statements.

Impairment of nonfinancial assets
The Group assesses impairment on its nonfinancial assets (i.e., land held for future development, investment properties and property and equipment) and considers the following important indicators:
- Significant changes in asset usage;
- Significant decline in assets' market value;
- Obsolescence or physical damage of an asset;
- Significant underperformance relative to expected historical or projected future operating results; and,
- Significant negative industry or economic trends.

If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The fair value less costs of disposal is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the nonfinancial assets. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that may affect the carrying amount of the assets.

The carrying values of the Group's land held for future development, investment properties and property and equipment as of December 31, 2017 and 2016 are disclosed in Notes 11 and 12. No impairment was recognized for the Group's nonfinancial assets.

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 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 December 31, 2017 and 2016, the Group's present value of defined benefit obligations is shown in Note 29.

6. Operating Segments

Business Segments

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 interest, income tax, depreciation and other income (losses) (EBITDA). The Group does not report its results based on geographical segments because the Group currently only has revenue generating activities in the Philippines as the real estate development in China is still in development stage.

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 and depreciation.

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:

	December 31, 2017 (One Year)					
	Commercial Center Division	Residential Division	Office Buildings Division	Hotel Division	Intersegment Eliminating Adjustments	Consolidated
Revenue						
Segment revenue	₱10,789,330,038	₱6,567,158,902	₱3,267,454,932	₱1,892,873,758	₱–	₱22,516,817,630
Intersegment revenue	52,219,142	–	–	1,875,627	(54,094,769)	–
Total Revenue	10,841,549,180	6,567,158,902	3,267,454,932	1,894,749,385	(54,094,769)	22,516,817,630
Costs and expenses						
Segment costs and expenses	3,751,872,140	4,781,531,704	337,498,332	1,169,386,910	–	10,040,289,086
Intersegment costs and expenses	–	52,219,142	(5,924,414)	7,800,041	(54,094,769)	–
Total Costs and expenses	3,751,872,140	4,833,750,846	331,573,918	1,177,186,951	(54,094,769)	10,040,289,086
Earnings before interest, taxes and depreciation	7,089,677,040	1,733,408,056	2,935,881,014	717,562,434	–	12,476,528,544
Depreciation (Notes 22 and 24)	3,040,446,157	63,270,808	629,271,677	181,125,459	–	3,914,114,101
Operating income	₱4,049,230,883	₱1,670,137,248	₱2,306,609,337	₱536,436,975	₱–	₱8,562,414,443
Assets and Liabilities						
Segment assets	₱80,743,669,926	₱43,519,547,103	₱17,909,268,241	₱5,954,062,532	₱–	₱148,126,547,802
Investment in subsidiaries - at cost	11,486,332,946	–	–	25,500,000	(11,511,832,946)	–
Total segment assets	₱92,230,002,872	₱43,519,547,103	₱17,909,268,241	₱5,979,562,532	(₱11,511,832,946)	₱148,126,547,802
Total segment liabilities	₱67,627,687,724	₱9,113,640,640	₱3,002,130,903	₱1,010,470,775	₱–	₱80,753,930,042
Other segment information:						
Capital additions (Notes 11 and 12)						₱24,009,878,752
Additions to subdivision land, condominium and residential units for sale (Note 9)						₱4,846,756,065
Cash flows from:						
Operating activities	₱10,696,014,175	₱668,104,328	₱3,013,552,393	₱905,816,377	₱–	₱15,283,487,273
Investing activities	(19,651,620,845)	168,895,108	(3,208,653,145)	(1,746,918,545)	–	(24,438,297,427)
Financing activities	9,314,400,960	(624,221,033)	195,865,811	908,008,362	–	9,794,054,100

	December 31, 2016 (Three Months)					
	Commercial Center Division	Residential Division	Office Buildings Division	Hotel Division	Intersegment Eliminating Adjustments	Consolidated
Revenue						
Segment revenue	₱2,657,464,580	₱1,794,394,007	₱746,018,987	₱496,892,214	₱–	₱5,694,769,788
Intersegment revenue	9,611,510	–	2,340,322	–	(11,951,832)	–
Total Revenue	2,667,076,090	1,794,394,007	748,359,309	496,892,214	(11,951,832)	5,694,769,788
Costs and expenses						
Segment costs and expenses	832,165,422	1,517,643,403	29,785,555	286,274,025	–	2,665,868,405
Intersegment costs and expenses	1,455,389	11,205,906	(2,471,010)	1,761,547	(11,951,832)	–
Total Costs and expenses	833,620,811	1,528,849,309	27,314,545	288,035,572	(11,951,832)	2,665,868,405
Earnings before interest, taxes and depreciation	1,833,455,279	265,544,698	721,044,764	208,856,642	–	3,028,901,383
Depreciation (Notes 22 and 24)	800,087,879	10,389,344	152,494,588	47,049,114	–	1,010,020,925
Operating income	₱1,033,367,400	₱255,155,354	₱568,550,176	₱161,807,528	₱–	₱2,018,880,458
Assets and Liabilities						
Segment assets	₱62,041,193,665	₱44,396,733,768	₱13,689,850,239	₱4,304,380,727	₱–	₱124,432,158,399
Investment in subsidiaries - at cost	11,009,215,946	–	–	25,500,000	(11,034,715,946)	–
Total segment assets	₱73,050,409,611	₱44,396,733,768	₱13,689,850,239	₱4,329,880,727	(₱11,034,715,946)	₱124,432,158,399
Total segment liabilities	₱50,795,652,791	₱7,837,493,381	₱2,173,027,970	₱770,678,726	₱–	₱61,576,852,868
Other segment information:						
Capital additions (Notes 11 and 12)						₱3,218,762,069
Additions to subdivision land, condominium and residential units for sale (Note 9)						₱1,206,826,578
Cash flows from:						
Operating activities	₱1,113,402,908	₱969,715,502	₱1,138,646,423	₱547,122,706	₱–	₱3,768,887,539
Investing activities	(2,603,403,555)	(416,591,890)	(1,148,027,626)	(405,562,263)	–	(4,573,585,334)
Financing activities	1,661,922,878	(437,392,038)	–	(132,787,416)	–	1,091,743,424

	September 30, 2016 (One Year)					
	Commercial Center Division	Residential Division	Office Buildings Division	Hotel Division	Intersegment Eliminating Adjustments	Consolidated
Revenue						
Segment revenue	₱9,961,880,934	₱7,829,061,783	₱2,913,020,892	₱1,807,598,592	₱–	₱22,511,562,201
Intersegment revenue	55,590,754	–	11,198,391	–	(66,789,145)	–
Total Revenue	10,017,471,688	7,829,061,783	2,924,219,283	1,807,598,592	(66,789,145)	22,511,562,201
Costs and expenses						
Segment costs and expenses	3,309,888,773	5,749,694,729	281,199,640	1,147,511,585	–	10,488,294,727
Intersegment costs and expenses	6,825,206	63,035,571	(11,680,557)	8,608,925	(66,789,145)	–
Total Costs and expenses	3,316,713,979	5,812,730,300	269,519,083	1,156,120,510	(66,789,145)	10,488,294,727
(Forward)						
Earnings before interest, taxes and depreciation	₱6,700,757,709	₱2,016,331,483	₱2,654,700,200	₱651,478,082	₱–	₱12,023,267,474
Depreciation (Notes 22 and 24)	2,746,396,661	34,309,947	621,207,346	169,358,044	–	3,571,271,998
Operating income	₱3,954,361,048	₱1,982,021,536	₱2,033,492,854	₱482,120,038	₱–	₱8,451,995,476
Assets and Liabilities						
Segment assets	₱60,030,652,818	₱43,469,784,109	₱12,666,803,823	₱3,872,951,799	₱–	₱120,040,192,549
Investment in subsidiaries - at cost	11,009,215,946	–	–	25,500,000	(11,034,715,946)	–
Total segment assets	₱71,039,868,764	₱43,469,784,109	₱12,666,803,823	₱3,898,451,799	(₱11,034,715,946)	₱120,040,192,549
Total segment liabilities	₱48,378,933,760	₱6,963,124,434	₱2,273,902,977	₱951,199,081	₱–	₱58,567,160,252
Other segment information:						
Capital additions (Notes 11 and 12)						₱12,390,195,956
Additions to subdivision land, condominium and residential units for sale (Note 9)						₱14,293,412,622
Cash flows from:						
Operating activities	(₱1,841,614,430)	₱215,869,745	₱1,784,291,784	₱694,551,752	₱–	₱853,098,851
Investing activities	(8,557,665,607)	(3,506,959)	(1,788,278,963)	(986,308,681)	–	(11,335,760,210)
Financing activities	10,267,456,029	148,752,504	–	22,663,756	–	10,438,872,289

The revenue of the Group consists of sales to domestic customers. Inter-segment revenue accounted for under PFRS arising from lease arrangements amounting ₱54 million, ₱12 million and ₱67 million for the year ended December 31, 2017, for the three months ended December 31, 2016, and for the year ended September 30, 2016, respectively, are eliminated in consolidation.

The carrying amount of assets located outside the Philippines amounted to ₱12,414 million and ₱10,564 million as of December 31, 2017 and 2016, respectively.

No operating segments have been aggregated to form the above reportable segments. Capital additions consists of additions to property and equipment, land held for future development 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 ₱2,337 million, ₱609 million and ₱2,181 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively.

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

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
EBITDA	**₱12,476,528,544**	₱3,028,901,383	₱12,023,267,474
Depreciation (Notes 22 and 24)	**(3,914,114,101)**	(1,010,020,925)	(3,571,271,998)
Other income (losses)	**(727,006,605)**	(378,127,619)	(267,869,926)
Income before income tax	**₱7,835,407,838**	₱1,640,752,839	₱8,184,125,550

7. Cash and Cash Equivalents

	2017	2016
Cash on hand and in banks	**₱1,379,275,821**	₱982,439,669
Short-term investments	**696,178,702**	453,770,908
	₱2,075,454,523	₱1,436,210,577

Cash in banks earns annual 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 1.3% to 3.0%, 0.3% to 1.2% and 0.7% to 1.4% for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively.

Interest earned from cash in banks and short-term investments for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016 amounted to ₱37 million, ₱7 million and ₱18 million, respectively (see Note 26).

8. Receivables

	2017	2016
Trade		
Installment contract receivables	**₱7,272,408,707**	₱7,845,804,227
Rental receivables (Note 20)	**793,963,283**	544,958,664
Accrued rent receivables	**886,325,031**	695,135,421
Hotel operations	**185,203,621**	214,128,930
	9,137,900,642	9,300,027,242
Affiliated companies (Note 20)	**23,419,773**	18,143,162
Others	**227,363,029**	287,989,861
	9,388,683,444	9,606,160,265
Less allowance for impairment losses	**47,676,601**	47,676,601
	9,341,006,843	9,558,483,664
Less noncurrent portion	**3,775,948,572**	2,392,386,437
	₱5,565,058,271	₱7,166,097,227

The installment contract receivables aggregating to ₱7,272 million and ₱7,846 million as of December 31, 2017 and 2016, respectively, are collectible in monthly installments over a period of one (1) to ten (10) years. The noncurrent portion of installment contract receivables amounted to ₱3,068 million and ₱1,809 million as of December 31, 2017 and 2016, respectively. The title of the real estate property, which is the subject of the installment contract receivable due beyond 12 months, passes to the buyer once the receivable is fully paid.

Rental receivables from affiliated companies included under "Rental receivables" amounted to about ₱114 million and ₱121 million as of December 31, 2017 and 2016, respectively (see Note 20).

Accrued rent receivables represent the portion of the lease as a consequence of recognizing income on a straight-line basis. As of December 31, 2017 and 2016, the noncurrent portion of accrued rent receivable amounted to ₱708 million and ₱583 million, respectively.

Receivables from hotel operations pertain to unpaid customer billings for charges from room accommodations, sale of food and beverage and transportation services. These are normally collectible within thirty (30) to ninety (90) days.

Other receivables consist primarily of insurance claims, 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.

Allowance for impairment losses on trade receivables follows:

	Individual Assessment		**Collective Assessment**	
	Rental Receivable	**Hotels Operations**	**Installment Contract Receivables**	**Total**
Balances at December 31, 2017 and 2016	**₱13,905,027**	**₱14,771,574**	**₱19,000,000**	**₱47,676,601**

Aging Analysis

The aging analysis of the Group's receivables follows:

	December 31, 2017						
		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	**₱7,272,408,707**	**₱6,855,942,934**	**₱93,685,610**	**₱76,414,224**	**₱51,280,219**	**₱176,085,720**	**₱19,000,000**
Rental receivables	**793,963,283**	**197,449,461**	**118,969,392**	**32,200,417**	**33,809,261**	**397,629,725**	**13,905,027**
Accrued rent receivables	**886,325,031**	**886,325,031**	–	–	–	–	–
Hotel operations	**185,203,621**	**75,600,122**	**29,206,995**	**13,020,649**	**7,151,953**	**45,452,328**	**14,771,574**
Affiliated companies (Note 20)	**23,419,773**	**23,419,773**	–	–	–	–	–
Others	**227,363,029**	**227,363,029**	–	–	–	–	–
	₱9,388,683,444	**₱8,266,100,350**	**₱241,861,997**	**₱121,635,290**	**₱92,241,433**	**₱619,167,773**	**₱47,676,601**

	December 31, 2016						
		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	₱7,845,804,227	₱5,546,424,970	₱848,393,544	₱566,559,224	₱250,926,651	₱614,499,838	₱19,000,000
Rental receivables	544,958,664	163,210,174	22,273,371	45,355,695	30,827,052	269,387,345	13,905,027
Accrued rent receivables	695,135,421	695,135,421	–	–	–	–	–
Hotel operations	214,128,930	37,018,334	27,198,335	16,696,485	15,763,622	102,680,580	14,771,574
Affiliated companies (Note 20)	18,143,162	18,143,162	–	–	–	–	–
Others	287,989,861	287,989,861	–	–	–	–	–
	₱9,606,160,265	₱6,747,921,922	₱897,865,250	₱628,611,404	₱297,517,325	₱986,567,763	₱47,676,601

9. Subdivision Land, Condominium and Residential Units for Sale

	2017	2016
Land and condominium units	**₱12,891,326,496**	₱13,861,990,601
Land use right and development cost	**11,710,995,852**	10,216,189,751
Residential units and subdivision land	**2,030,312,220**	1,905,307,277
	₱26,632,634,568	₱25,983,487,629

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

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

	2017	2016
Beginning balance	**₱25,983,487,629**	₱25,849,498,584
Construction and development costs incurred	**4,846,756,065**	1,206,826,578
Transfers to investment properties and property and equipment (Notes 11 and 12)	**(1,054,571,739)**	–
Cost of real estate sales (Note 22)	**(3,143,037,387)**	(1,072,837,533)
	₱26,632,634,568	₱25,983,487,629

Borrowing cost capitalized amounted to ₱490 million, ₱98 million and ₱376 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016 is 4.02%, 3.87% and 4.45%, respectively. These amounts were included in the construction and development costs incurred (see Note 16).

The amount of subdivision land, condominium and residential units for sale recognized as cost of real estate sales in the consolidated statements of comprehensive income amounted to ₱3,143 million, ₱1,073 million and ₱3,982 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Note 22).

On October 20, 2015, the Chinese government awarded the Contract for Assignment of the Rights to the Use of State-Owned Land to the Group. In May 2016, the Masterplan had been completed and was submitted for approval to the Chinese government in the same month. The Chinese government approved the Masterplan in the first quarter of 2017, and the project will take around five (5) years to be completed.

Under the Contract, the Group is entitled to transfer, lease, mortgage all or part of the state-owned construction land use right to a third party. Upon receipt of the Certificate of State-owned Land Use Right Assignment, the land title will be subdivided into Individual Property Titles which will be issued to unit owners one year after completion of the development and turn-over of the units to the buyers. When all or part of the state-owned construction land use right is transferred, through sale of commercial units and high-rise condominium units to buyers, the rights and obligations specified in the Contract and in the land registration documents shall be transferred accordingly to the buyer. The use term will be the remaining years as of the date of transfer based on the original use term specified in the Contract.

When the use term under the Contract expires (residential: 70 years and commercial: 40 years) and the land user continues using the assigned land under the Contract, an application for renewal shall be submitted to the Chinese government not less than one (1) year prior to the expiration of the use term.

The land use right amounting to ₱11,710 million and ₱10,216 million as at December 31, 2017 and 2016, respectively, is pledged as security to the Renminbi (RMB)60 million (₱458 million) loan from Agricultural Bank of China (Note 16). Other than this, there are no subdivision land, condominium and residential units for sale that are pledged as security to liabilities as of December 31, 2017 and 2016.

10. Other Current Assets

	2017	2016
Input VAT - net	**₱2,338,956,212**	₱1,413,406,494
Advances to suppliers and contractors	**2,051,548,008**	2,493,347,106
Advances to lot owners (Note 30)	**1,884,161,701**	1,862,104,463
Prepaid expenses	**212,715,201**	164,710,648
Supplies	**64,628,699**	66,374,903
Utility deposits (Notes 31 and 32)	**9,989,072**	8,401,429
Restricted cash - escrow	**4,257,265**	58,631,881
Others	**43,455,923**	8,338,750
	₱6,609,712,081	₱6,075,315,674

Input VAT - net of output VAT can be applied against future output VAT.

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.

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.

Prepaid expenses consist mainly of prepayments for taxes and insurance.

Supplies consist mainly of office and maintenance materials.

Utility deposits consist primarily of bid bonds and meter deposits.

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.

Others consist primarily of creditable withholding taxes and refundable deposit made by the Group.

11. Investment Properties and Land Held for Future Development

A summary of movement in investment properties is set out below:

	December 31, 2017 (One Year)				
	Land	Land Improvements	Buildings and Improvements	Construction In Progress	Total
Cost					
Balances at January 1, 2017	**₱10,847,928,424**	**₱232,690,307**	**₱65,445,762,502**	**₱4,717,861,720**	**₱81,244,242,953**
Additions	**–**	**11,805,487**	**1,367,205,964**	**11,276,771,771**	**12,655,783,222**
Reclassification and transfers - net (Notes 9, 10 and 12)	**2,866,735,683**	**–**	**8,099,379,211**	**(6,983,272,089)**	**3,982,842,805**
Balances at December 31, 2017	**13,714,664,107**	**244,495,794**	**74,912,347,677**	**9,011,361,402**	**97,882,868,980**
Accumulated Depreciation					
Balances at January 1, 2017	**–**	**115,195,251**	**25,047,078,773**	**–**	**25,162,274,024**
Depreciation (Notes 22 and 24)	**–**	**18,499,378**	**3,233,791,574**	**–**	**3,252,290,952**
Balances at December 31, 2017	**–**	**133,694,629**	**28,280,870,347**	**–**	**28,414,564,976**
Net Book Value	**₱13,714,664,107**	**₱110,801,165**	**₱46,631,477,330**	**₱9,011,361,402**	**₱69,468,304,004**

	December 31, 2016 (Three Months)				
	Land	Land Improvements	Buildings and Improvements	Construction In Progress	Total
Cost					
Balances at October 1, 2016	₱10,347,362,644	₱230,016,623	₱64,140,346,774	₱3,609,106,816	₱78,326,832,857
Additions	–	2,673,684	831,995,383	1,527,225,929	2,361,894,996
Reclassification and transfers - net (Notes 9, 10 and 12)	500,565,780	–	473,420,345	(418,471,025)	555,515,100
Balances at December 31, 2016	10,847,928,424	232,690,307	65,445,762,502	4,717,861,720	81,244,242,953
Accumulated Depreciation					
Balances at October 1, 2016	–	110,571,784	24,212,770,893	–	24,323,342,677
Depreciation (Notes 22 and 24)	–	4,623,467	834,307,880	–	838,931,347
Balances at December 31, 2016	–	115,195,251	25,047,078,773	–	25,162,274,024
Net Book Value	₱10,847,928,424	₱117,495,056	₱40,398,683,729	₱4,717,861,720	₱56,081,968,929

Investment properties consisted mainly of shopping malls/commercial centers and office buildings that are held to earn rentals. Land held for future development pertains to land held for capital appreciation and landbanking activities for development.

The construction in progress reclassified during the year ended December 31, 2017 and for the three months ended December 31, 2016 amounted to ₱6,414 million and ₱418 million, respectively. This year's reclassification represents commercial malls in Iligan, Naga and North Tacloban and office building in Taguig. These have been completed during the year ended December 31, 2017 and transferred to the corresponding assets accounts such as buildings and buildings improvements and land improvements. The remaining construction in progress represents projects in Iloilo, Laguna, Tuguegarao, Ormoc and Quezon City which are all commercial malls and office buildings.

For the year ended December 31, 2017 and for the three months ended December 31, 2016, the Group reclassified subdivision land, condominium and residential units for sale to investment properties amounting to ₱1,017 million and nil, respectively (see Note 9).

For the year ended December 31, 2017, the Group transferred ₱758 million worth of other current assets to investment properties.

Depreciation expense charged to operations amounted to ₱3,252 million, ₱839 million and ₱2,982 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Notes 22 and 24).

Borrowing costs capitalized amounted to ₱472 million, ₱34 million and ₱447 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively. These amounts were included in the consolidated statements of cash flows under additions to investment properties. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016 is 4.02%, 3.87% and 4.45%, 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 December 31, 2017 and 2016 amounting to ₱199,351 million and ₱177,481 million, respectively, which are based on independent third party appraisal reports, dated December 31, 2017 and September 30, 2013, respectively, which were updated by management as of December 31, 2017 and 2016.

The fair value of the investment properties was arrived at using the Income Approach as of December 31, 2017 and 2016, and September 30, 2016. 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.

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 December 31, 2017 and 2016 follows:

Property	Valuation technique	Significant unobservable inputs	Range (weighted average)
Malls	DCF method	discount rate	10%
		capitalization rate	8.0%-9.0%
		growth rate	0.0%-17.0%
		occupancy rate	72.0%-100.0%

Property	Valuation technique	Significant unobservable inputs	Range (weighted average)
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 ₱11,582 million, ₱2,718 million and ₱10,556 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Note 21).

Property operations and maintenance costs arising from investment properties amounted to ₱710 million, ₱184 million and ₱504 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Note 22).

There are no investment properties as of December 31, 2017 and 2016 that are pledged as security to liabilities.

A summary of the movement in land held for future development is set out below:

	2017	2016
Beginning balance	**₱17,730,922,918**	₱17,898,718,675
Acquisitions	**9,456,075,422**	332,770,023
Transfers to investment properties (Note 12)	**(2,280,119,482)**	(500,565,780)
Ending balance	**₱24,906,878,858**	₱17,730,922,918

12. **Property and Equipment**

	December 31, 2017 (One Year)				
	Land Improvements	**Buildings and Improvements**	**Theater Furniture and Equipment**	**Other Equipment**	**Total**
Cost					
Balances at January 1, 2017	**₱8,420,371**	**₱5,919,585,396**	**₱890,473,932**	**₱3,850,923,849**	**₱10,669,403,548**
Additions	**554,762**	**1,500,133,951**	**122,513,533**	**274,817,862**	**1,898,020,108**
Write-off	**–**	**–**	**–**	**(1,286)**	**(1,286)**
Reclassifications and transfers (Note 11)	**–**	**111,700,960**	**–**	**(1,508,304)**	**110,192,656**
Balances at December 31, 2017	**8,975,133**	**7,531,420,307**	**1,012,987,465**	**4,124,232,121**	**12,677,615,026**
Accumulated Depreciation					
Balances at January 1, 2017	**4,754,878**	**2,112,090,225**	**635,563,407**	**2,571,026,248**	**5,323,434,758**
Depreciation (Notes 22 and 24)	**674,529**	**186,970,164**	**109,766,408**	**364,412,048**	**661,823,149**
Write-off	**–**	**–**	**–**	**(1,286)**	**(1,286)**
Balances at December 31, 2017	**5,429,407**	**2,299,060,389**	**745,329,815**	**2,935,437,010**	**5,985,256,621**
Net Book Value	**₱3,545,726**	**₱5,232,359,918**	**₱267,657,650**	**₱1,188,795,111**	**₱6,692,358,405**

	December 31, 2016 (Three Months)				
	Land Improvements	Buildings and Improvements	Theater Furniture and Equipment	Other Equipment	Total
Cost					
Balances at October 1, 2016	₱8,420,371	₱4,972,032,357	₱868,459,248	₱3,763,049,156	₱9,611,961,132
Additions	–	415,330,427	22,014,684	86,751,939	524,097,050
Reclassifications and transfers (Note 11)	–	532,222,612	–	1,122,754	533,345,366
Balances at December 31, 2016	8,420,371	5,919,585,396	890,473,932	3,850,923,849	10,669,403,548
Accumulated Depreciation					
Balances at October 1, 2016	4,589,197	2,076,812,951	609,333,708	2,461,609,324	5,152,345,180
Depreciation (Notes 22 and 24)	165,681	35,277,274	26,229,699	109,416,924	171,089,578
Balances at December 31, 2016	4,754,878	2,112,090,225	635,563,407	2,571,026,248	5,323,434,758
Net Book Value	₱3,665,493	₱3,807,495,171	₱254,910,525	₱1,279,897,601	₱5,345,968,790

For the year ended December 31, 2017, the Group transferred subdivision land, condominium and residential units for sale to property and equipment amounting ₱38 million (see Note 9).

Depreciation expense charged to operations amounted to ₱662 million, ₱171 million and ₱590 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Notes 22 and 24).

Borrowing cost capitalized amounted to ₱72 million, ₱4 million and ₱24 million for the year ended December 31, 2017, the three months ended December 31, 2016 and year ended September 30, 2016, respectively.

The following are the costs of property and equipment that are fully depreciated as of December 31, 2017 and 2016 but still used in operations:

	2017	2016
Building and improvements	**₱780,821,421**	₱637,223,766
Other equipment	**346,790,615**	234,718,094
Land improvements	**698,241**	698,241
	₱1,128,310,277	₱872,640,101

There are no property and equipment items as of December 31, 2017 and 2016 that are pledged as security to liabilities.

13. **Other Noncurrent Assets**

	2017	2016
Utility deposits (Notes 31 and 32)	**₱874,345,792**	₱615,808,254
Advances to suppliers and contractors	**819,615,054**	900,284,145
Prepaid rent	**382,799,970**	422,849,213
Advances to lot owners (Note 30)	**190,078,577**	190,078,577
Others (Note 30)	**133,359,127**	90,780,029
	₱2,400,198,520	₱2,219,800,218

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.

Advances to suppliers and contractors represent advance payment to suppliers or contractors which will be applied against the final billing.

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

	2017	2016
Accounts payable (Note 20)	**₱9,685,757,998**	₱6,538,846,206
Taxes and licenses payable	**2,110,601,784**	1,085,744,274
Accrued rent expense	**806,830,746**	596,495,913
Accrued salaries and wages	**160,574,858**	445,635,017
Accrued interest payable	**370,835,301**	356,881,319
Accrued contracted services	**364,666,444**	230,786,415
Dividends payable	**40,990,210**	16,021,302
Other accrued payable	**343,189,406**	75,367,761
	₱13,883,446,747	₱9,345,778,207

Accounts payable mainly includes unpaid billings from suppliers and contractors related to construction activities. This also includes the payable to JGSHI for the purchase of land in December 2017 (see Note 20).

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

	2017	2016
Deposits from real estate buyers	**₱1,204,355,371**	₱2,117,210,266
Deposits from lessees (Notes 17, 31 and 32)	**2,356,241,519**	1,840,490,741
Payables to affiliated companies (Notes 20, 31 and 32)	**185,692,813**	129,212,285
Others	**37,245,113**	39,854,909
	₱3,783,534,816	₱4,126,768,201

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. Deposits from real estate buyers also include cash collections in excess of the installment contract receivables recognized under the percentage-of-completion method.

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 "accretion of security deposit" under cost of rental services, amounted to ₱56 million, ₱21 million and ₱67 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Note 22).

Included in the "Deposit from lessees" are unearned rental income amounting to ₱373 million and ₱282 million as of December 31, 2017 and 2016, respectively. Amortization of unearned rental income included in "Rental income" amounted to ₱64 million, ₱16 million and ₱67 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively.

Others pertain to amount payable to the Parent Company's co-stockholders in its subsidiaries.

16. Loans Payable

Short-term loans

	2017	2016
Short-term loan obtained from local banks that will mature in January 2018. Interest rate is at 2.80% per annum.	**₱14,454,500,000**	₱–
Short-term loan obtained from a local bank that will mature in February 2018. Interest rate is at 2.60% per annum.	**1,238,900,000**	–
Short-term loan obtained from a local bank that matured in January 2017. Interest rate is at 2.50% per annum.	–	11,229,500,000
Short-term loan obtained from a local bank that matured in March 2017. Interest rate is at 2.45% per annum.	–	3,910,000,000
Short-term loan obtained from a local bank that matured in February 2017. Interest rate is at 2.50% per annum.	–	870,500,000
	₱15,693,400,000	₱16,010,000,000

Long-term loans
Details of the principal amount of the long-term loans follow:

	2017	2016
Seven-year bonds from Banco de Oro (BDO), Hongkong Shanghai Banking Corporation (HSBC), SB Capital Investment Corporation (SB Capital), Standard Chartered Bank (Standard Chartered), Development Bank of the Philippines (DBP) and East West Banking Corporation (East West) maturing on February 23, 2022. Principal payable upon maturity, with fixed rate at 4.8000%, interest payable semi-annually in arrears.	**₱10,635,500,000**	₱10,635,500,000
Seven-year term loan from MBTC maturing on March 15, 2024. Principal payable upon maturity, with fixed rate at 4.7500%, interest payable quarterly in arrears	**7,000,000,000**	–
Five-year term bonds from BDO Unibank, Inc. maturing on July 8, 2021. Principal payable upon maturity, with fixed rate at 3.8327%, interest payable quarterly in arrears.	**6,500,000,000**	6,500,000,000
Seven-year term bonds from BPI maturing on August 10, 2023. Principal payable upon maturity, with fixed rate at 3.8900%, interest payable quarterly in arrears.	**4,990,000,000**	5,000,000,000
Ten-year term loan from BPI maturing on February 13, 2027. Principal payable upon maturity, with fixed rate at 4.9500%, interest payable quarterly in arrears	**4,500,000,000**	–
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

(Forward)

	2017	2016
Five-year loan maturing in August 2022. Principal of RMB60 million payable upon maturity, with fixed rate at 4.7500%.	**₱458,325,660**	₱–
Three-year loan maturing in December 2019. Principal of RMB50 million payable upon maturity, with fixed rate at 4.7500%.	**381,938,050**	–
	35,830,263,710	23,500,000,000
Less debt issue costs	**169,101,556**	138,522,322
Long-term loans net of debt issue costs	**₱35,661,162,154**	₱23,361,477,678

The Group's loans payable are all unsecured, except for the five-year loan from Agricultural Bank of China amounting to ₱458 million which the Group has guaranteed with its land use rights in China under Chengdu Xin Yao (see Note 9).

The credit facility is fully drawn as of December 31, 2017 and 2016.

Debt issue costs are deferred and amortized using effective interest method over the term of the related loans.

Total interest cost expensed out from short-term and long-term loans amounted to ₱778 million, ₱384 million and ₱572 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Note 26).

Capitalized borrowing cost amounted to ₱1,034 million, ₱132 million and ₱823 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively (see Notes 9, 11 and 12).

Seven-year bonds from BDO, HSBC, SB Capital, Standard Chartered, DBP, and East West maturing on February 23, 2022

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 Covenants

The Group is required to maintain a debt-to-equity ratio 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 December 31, 2017 and 2016.

Seven-year term loan from Metropolitan Bank and Trust Company maturing on March 15, 2024

On March 15, 2017, the Group borrowed ₱7,000 million under Term Loan Facility Agreements with Metropolitan Bank and Trust Company.

The loan amounting to ₱7,000 million was released on March 15, 2017 which bears interest rate at 4.7500% 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 ratio of consolidated total borrowings to consolidated shareholders' equity not exceeding 2:1 as referenced from its consolidated audited financial statements as of its calendar year end December 31 and the consolidated interim financial statements as of March 31, June 30, and September 30. The Group has complied with the debt covenant as of December 31, 2017.

<u>Five-year term loan from BDO Unibank, Inc. maturing on July 8, 2021</u>
On July 8, 2016, the Group borrowed ₱6,500 million under Term Loan Facility Agreements with BDO Unibank, Inc.

The loan was released on July 8, 2016 amounting to ₱3,000 million and on September 27, 2016 amounting to ₱3,500 million with interest rate at 3.8327% 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 December 31, 2017 and 2016.

<u>Seven-year term loan from Bank of the Philippine Islands maturing on August 10, 2023</u>
On August 10, 2016, the Group borrowed ₱5,000 million under Term Loan Facility Agreements with Bank of the Philippine Islands.

The ₱5,000 million loan was released on August 10, 2016 with interest rate at 3.8900% per annum and shall be payable quarterly, computed on the basis of a 360-day year and on the actual number of days elapsed. Partial payment was made during the year amounting to ₱10 million.

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 December 31, 2017 and 2016.

<u>Ten-year term loan from BPI maturing on February 13, 2027</u>
On February 10, 2017, the Group borrowed ₱4,500 million under Term Loan Facility Agreements with Bank of the Philippine Islands.

The loan was released on February 10, 2017 amounting to ₱4,500 million with interest rate at 4.9500% 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 ratio of net debt-to-equity not exceeding 2:1 as measured at each fiscal year-end date based on the audited consolidated financial statements. The Group has complied with the debt covenant as of December 31, 2017.

<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 Covenants
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 December 31, 2017 and 2016.

<u>Five-year loan from Agricultural Bank of China (ABC) maturing in August 2022</u>
In 2017, Chengdu Xin Yao entered into a facility loan agreement with ABC amounting to RMB500 million. On August 22, 2017, the Group made a drawdown which amounting to RMB60 million (₱458 million) which is payable after a period of 5 years. Interest on the loan shall be based on the rates released by the People's Bank of China which is 4.75% per annum as of loan agreement date.

Debt Covenants
Chengdu Xin Yao is required to maintain the following financial indicators: (a) actual revenue in its operating period which should not be lower than 20%; (b) debt-asset ratio should not equal or exceed 70%; (c) the borrower should not have a bad credit; and (d) borrower contingent liability ratio should not exceed 4%. Chengdu Xin Yao has complied with the debt covenant as of December 31, 2017.

<u>Three-year entrusted loan from Chengdu Ding Feng Real Estate Development Co. Ltd. Maturing in December 2019</u>
In 2017, Chengdu Xin Yao entered into a loan agreement with Chengdu Ding Feng Real Estate Development Co. Ltd. amounting to RMB50 million (₱382 million). Interest on the loan is 4.75%.

<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. On October 17, 2016, the Group preterminated the ₱9,000 million loan.

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, 2016.

<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. On October 17, 2016, the Group preterminated the ₱1,000 million loan.

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, 2016.

Pre-termination of term loans from BDO Unibank, Inc. and BDO Leasing & Finance, Inc.
On October 17, 2016, the Group pre-terminated the outstanding balance of the ₱9,000 million five-year term loan from BDO Unibank, Inc. and ₱1,000 million five-year term loan from BDO Leasing and Finance, Inc. Pursuant to the Term Loan Facility Agreement between the Group, BDO Unibank, Inc. and BDO Leasing and Finance, Inc. dated July 8, 2014, the Group may prepay the loan in part or full together with accrued interest thereof to prepayment date subject to the penalty of one percent (1%). The Group paid a prepayment charge amounting to ₱100 million which is included in finance charges under "Other income (losses)" (see Note 26).

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
December 31, 2017	**₱–**	**₱381,938,050**	**₱–**	**₱6,500,000,000**	**₱28,948,325,660**	**₱35,830,263,710**
December 31, 2016	₱–	₱–	₱–	₱–	₱23,500,000,000	₱23,500,000,000

17. **Deposits and Other Noncurrent Liabilities**

	2017	2016
Accounts payable (Note 20)	**₱2,536,748,920**	₱343,997,836
Deposits from lessees (Notes 15, 31 and 32)	**2,341,568,583**	2,192,967,225
Accrued rent expense	**1,458,843,803**	1,577,720,784
Deposits from real estate buyers	**1,220,643,793**	281,156,000
Pension liabilities (Note 29)	**324,547,653**	353,134,746
Advances for marketing and promotional fund	**199,189,605**	175,670,795
Others	**246,625,744**	273,073,871
	₱8,328,168,101	₱5,197,721,257

Accounts payable consists of the balance due to JGSHI for the purchase of investment properties and retentions payable which 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.

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.

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.

Others include payable to the non-controlling interests of the Parent Company's subsidiaries.

18. Retained Earnings

The declarable dividend of Parent Company amounted to ₱18,491 million and ₱23,002 million as of December 31, 2017 and 2016, respectively.

Restriction
A portion of the unappropriated retained earnings representing the undistributed net earnings of subsidiaries amounting ₱1,793 million and ₱1,275 million as of December 31, 2017 and 2016, 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 for the years ended December 31, 2017 and September 30, 2016 as follows:

	December 31, 2017	September 30, 2016
Date of declaration	**March 3, 2017**	March 9, 2016
Date of payment	**May 2, 2017**	April 22, 2016
Ex-dividend rate	**April 3, 2017**	March 29, 2016
Dividend per share	**₱0.36**	₱0.36
Total dividends	**₱1,473,779,046**	₱1,473,779,046

Appropriation
On December 12, 2017, the BOD approved the reversal of the retained earnings it appropriated in 2016 amounting to ₱16,000 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 ₱24,500 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 2016. These projects and acquisitions are expected to be completed in various dates in 2018 up to 2022.

On September 27, 2016, the BOD approved the reversal of the retained earnings it appropriated in 2015 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 ₱16,000 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 2016. These projects and acquisitions are expected to be completed in various dates in 2017 to 2021.

19. **Capital Stock and Other Equity Reserve**

The details of the number of common shares as of December 31, 2017 and 2016 follow:

	Shares	Amount
Authorized - at ₱1 par value	8,200,000,000	₱8,200,000,000
Issued and outstanding		
Common shares	4,111,528,685	₱4,111,528,685
Treasury shares	(17,698,000)	(221,834,657)
	4,093,830,685	₱3,889,694,028

Below is the summary of the Parent Company's track record of registration of securities with the SEC as of December 31, 2017:

	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:				
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, 2016	4,111,528,685			1,086
Add (deduct) movement	–			(7)
December 31, 2016	4,111,528,685			1,079
Add (deduct) movement	–			(13)
December 31, 2017	4,111,528,685			1,066

JGSHI - JG Summit Holdings, Inc.
MMHLC - Manila Midtown Hotels and Land Corporation
RII - Robinson's Inn Inc.
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 December 31, 2017 and 2016, 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 attributable to the equity holders of the Parent Company. Following is a computation of the Group's debt-to-capital ratio as of December 31, 2017 and 2016.

	2017	2016
(a) Loans payable (Note 16)	**₱51,523,663,710**	₱39,510,000,000
(b) Capital	**₱67,091,340,611**	₱62,577,315,611
(c) Debt-to-capital ratio (a/b)	**0.77:1**	0.63:1

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.

Other Equity Reserve
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 ₱88 million between the consideration and the carrying value of the interest acquired was booked in "Other equity reserve" account within equity.

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. Transactions are generally settled in cash, unless otherwise stated.

The amounts and balances arising from significant related party transactions are as follows:

	December 31, 2017 (One Year)			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
Ultimate Parent Company				
a) Rental income/receivable	**₱51,766,433**	**₱3,189,986**	Three to five year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
b) Advances from	**51,979,442**	**(155,504,725)**	Non-interest bearing; due and demandable	Unsecured
e) Accounts payable	**6,544,360,000**	**(4,842,826,400)**	Non-interest bearing; payable within three years	Unsecured
Under common control				

(Forward)

	December 31, 2017 (One Year)			
	Amount/ Volume	**Receivable (Payable)**	**Terms**	**Conditions**
c) Cash and cash equivalents				
• Cash in banks	**₱182,113,340**	**₱484,782,763**	Interest bearing at prevailing market rate; at 1.00% to 1.13% per annum due and demandable	Unsecured; no impairment
• Short-term investments	**528,119,065**	**528,119,065**	Interest bearing at prevailing market rate; at 1.25% to 3.00% per annum due and demandable	Unsecured; no impairment
• Interest income	**2,730,662**	**10,546**		
a) Rental income/receivable	**2,284,829,922**	**110,555,182**	Three to five year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	**5,276,611**	**23,419,773**	Non-interest bearing; due and demandable	Unsecured; no impairment
b) Advances from	**4,501,086**	**(30,188,088)**	Non-interest bearing; due and demandable	Unsecured
d) Sale of lease receivables	**891,045,585**	**–**	Non-interest bearing; payable in installments	Unsecured; no impairment
		(₱3,878,441,898)		

	December 31, 2016 (Three Months)			
	Amount/ Volume	Receivable (Payable)	Terms	Conditions
Ultimate Parent Company				
a) Rental income/receivable	₱12,091,279	₱3,956,252	Three to five year lease terms at prevailing market lease rates; renewable at the end of lease term	Unsecured; no impairment
b) Advances from	(108,677)	(103,525,283)	Non-interest bearing; due and demandable	Unsecured
Under common control				
c) Cash and cash equivalents				
• Cash in banks	288,051,913	302,669,423	Interest bearing at prevailing market rate; at 1.00% to 1.13% per annum due and demandable	Unsecured; no impairment
• Short-term investments	189,523,963	189,523,963	Interest bearing at prevailing market rate; at 3.75% to 4.25% per annum due and demandable	Unsecured; no impairment
• Interest income	1,393,421	14,478		
c) Rental income/receivable	596,634,859	116,717,670	Three to five year lease terms at prevailing market lease rate; renewable at the end of lease term	Unsecured; no impairment
b) Advances to	581,814	18,143,162	Non-interest bearing; due and demandable	Unsecured; no impairment
b) Advances from	(1,585,291)	(25,687,002)	Non-interest bearing; due and demandable	Unsecured
		₱501,812,663		

Outstanding balances consist of the following:

	December 31	
	2017	2016
Cash and cash equivalents (Note 7)	**₱1,012,901,828**	₱492,193,386
Rental receivables (Note 8)	**113,755,714**	120,688,400
Receivable from affiliated companies (Note 8)	**23,419,773**	18,143,162
Payable to affiliated companies (Note 15)	**(185,692,813)**	(129,212,285)
Accounts payable and accrued expenses (Note 14)	**(2,600,000,000)**	–
Deposits and other noncurrent liabilities (Note 17)	**(2,242,826,400)**	–
	(₱3,878,441,898)	₱501,812,663

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, financing for real estate development, and purchase of investment properties.

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.

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.

d) *Sale of lease receivables*
On May 26, 2017, the Parent Company entered into a master agreement with an affiliate bank to sell the former's installment contracts receivable on a without recourse basis through various tranches. For the year ended December 31, 2017, the Parent Company sold its lease receivables with a carrying value of ₱891 million to the affiliate bank which resulted to a gain amounting to ₱18 million.

e) *Accounts payable to Ultimate Parent*
In December 2017, the Parent Company entered into a Deed of Absolute Sale with JGSHI, wherein JGSHI sold to the Parent Company its 130,965 square-meter parcels of land for a total selling price of ₱6,544 million plus 12% VAT on an installment basis for three years.

Terms and conditions of transactions with related parties
There have been no guarantees provided or received for any related party receivables or payables. The Group has not recognized any impairment losses on amounts receivables from related parties for the year ended December 31, 2017, three months ended December 31, 2016 and for the year ended September 30, 2016. This assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates.

Compensation of key management personnel by benefit type follows:

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
Short-term employee benefits	**₱863,112,728**	₱258,657,149	₱893,618,174
Post-employment benefits	**55,303,477**	10,962,639	43,859,770
	₱918,416,205	₱269,619,788	₱937,477,944

21. Revenue

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
Real Estate Operations			
Rental income (Notes 11, 20 and 34)	**₱11,581,560,401**	₱2,718,339,596	₱10,556,125,587
Real estate sale	**5,973,248,023**	1,472,300,349	7,193,970,995
Amusement income	**1,802,643,181**	431,783,166	1,694,021,661
Others	**1,266,492,267**	575,454,463	1,259,845,366
	20,623,943,872	5,197,877,574	20,703,963,609
Hotel Operations			
Rooms	**1,210,221,728**	303,155,640	1,155,513,678
Food and beverage	**621,883,904**	181,681,478	605,142,982
Others	**60,768,126**	12,055,096	46,941,932
	1,892,873,758	496,892,214	1,807,598,592
	₱22,516,817,630	₱5,694,769,788	₱22,511,562,201

Real estate sales include interest income from installment contract receivable amounting to ₱1,715 million, ₱168 million and ₱308 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively.

Other revenue under real estate operations are receipts of penalties from real estate buyers and tenants, forfeitures of payments from sales cancellations and reservations and receipts of association dues.

Other revenue under hotel operations includes transport, laundry, valet and other services.

22. Costs

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
Real Estate Operations			
Cost of Rental Services			
Depreciation (Note 24)	**₱3,732,988,642**	₱962,971,811	₱3,401,913,954
Property operations and maintenance costs (Note 11)	**710,458,514**	184,083,433	504,336,451
Accretion of security deposit (Note 15)	**56,147,861**	21,327,753	66,820,441
	4,499,595,017	1,168,382,997	3,973,070,846
Cost of Real Estate Sales (Note 9)	**3,143,037,387**	1,072,837,533	3,982,243,972
Cost of Amusement Services			
Film rentals expense	**820,824,802**	195,593,971	764,711,495
Others			
Contracted services	**162,374,681**	32,508,845	177,015,756
Others	**650,042,384**	79,178,093	442,935,438
	812,417,065	111,686,938	619,951,194
	9,275,874,271	2,548,501,439	9,339,977,507
Hotel Operations			
Cost of Room Services			
Property operations and maintenance costs	**386,759,727**	48,267,241	195,381,543
Depreciation (Note 24)	**181,125,459**	47,049,114	169,358,044
	567,885,186	95,316,355	364,739,587
Cost of Food and Beverage	**353,667,814**	99,516,430	348,427,973
Others			
Salaries and wages (Note 25)	**60,005,353**	48,551,120	186,966,096
Contracted services	**69,033,445**	31,856,217	141,404,383
Management fee	**64,430,314**	18,583,900	64,807,264
Supplies	**21,336,897**	14,480,280	53,473,803
Commission	**8,709,538**	9,428,004	37,475,779
Others	**205,443,822**	15,590,833	119,574,744
	428,959,369	138,490,354	603,702,069
	1,350,512,369	333,323,139	1,316,869,629
	₱10,626,386,640	₱2,881,824,578	₱10,656,847,136

Others under costs of real estate operations and hotel operations include expenses for utilities, and other overhead expenses.

23. General and Administrative Expenses

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
Salaries and wages (Notes 20, 25 and 29)	**₱858,410,852**	₱221,068,668	₱750,511,848
Taxes and licenses	**688,653,834**	72,327,507	633,092,857
Commission	**588,617,839**	132,465,128	612,492,978
Advertising and promotions	**520,144,547**	169,868,301	657,442,372
Insurance	**140,294,103**	9,852,203	129,602,624
Supplies	**133,003,519**	30,349,451	131,166,417
Association dues	**105,739,200**	29,696,574	68,893,800
Light, water and communication	**105,103,790**	21,619,899	110,359,156
Travel and transportation	**69,776,197**	12,630,360	61,654,134
Rent (Note 34)	**52,014,409**	43,593,841	179,966,892
Entertainment, amusement and recreation	**21,153,204**	13,504,404	14,173,544
Others	**45,105,053**	37,088,416	53,362,967
	₱3,328,016,547	₱794,064,752	₱3,402,719,589

24. Depreciation

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
Real estate (Notes 11, 12 and 22)	**₱3,732,988,642**	₱962,971,811	₱3,401,913,954
Hotel operations (Notes 11, 12 and 22)	**181,125,459**	47,049,114	169,358,044
	₱3,914,114,101	₱1,010,020,925	₱3,571,271,998

25. Personnel Expenses

Personnel expenses consist of (see Notes 22 and 23):

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
Salaries, wages and other staff costs	**₱811,588,387**	₱243,588,858	₱849,535,817
Pension expense (Note 29)	**55,303,477**	10,962,639	43,859,770
SSS contributions, PAG-IBIG contributions, premiums and others	**51,524,341**	15,068,291	44,082,357
	₱918,416,205	₱269,619,788	₱937,477,944

The above amounts are distributed as follows:

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
General and administrative (Note 23)	**₱858,410,852**	₱221,068,668	₱750,511,848
Hotel operations (Note 22)	**60,005,353**	48,551,120	186,966,096
	₱918,416,205	₱269,619,788	₱937,477,944

26. Other Income (Losses)

Interest expense consists of (see Notes 15 and 16):

	December 31, 2017 (One year)	December 31, 2016 (Three months)	September 30, 2016 (One year)
Loans payable (Notes 15 and 16)	**₱778,194,869**	₱237,171,367	₱571,626,129
Finance charges (Note 16)	**–**	146,968,284	–
	₱778,194,869	₱384,139,651	₱571,626,129

Capitalized borrowing costs for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016 are discussed in Notes 9 and 11.

Interest income pertains to the Group's interest received from cash and cash equivalents.

For the year ended September 30, 2016, the Group recorded ₱209 million gain from insurance claim due to receipt of final insurance settlement for the typhoon Yolanda and other minor insurance claims.

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:

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
Current			
RCIT	**₱1,771,169,116**	₱444,558,754	₱1,597,959,378
Final tax	**6,460,001**	365,067	2,132,358
MCIT	**315,448**	251,922	179,419
	1,777,944,565	445,175,743	1,600,271,155
Deferred	**173,025,316**	(59,422,873)	433,375,874
	₱1,950,969,881	₱385,752,870	₱2,033,647,029

The reconciliation of statutory income tax rate to the effective income tax rate follows:

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
Statutory income tax rate	**30.00%**	30.00%	30.00%
Reductions in income tax resulting from:			
Interest income subjected to final tax	**(0.01)**	(0.01)	(0.01)
Tax exempt real estate sales	**(0.11)**	(0.16)	(0.13)
Income subjected to BOI, PEZA and lower tax	**(4.98)**	(6.32)	(5.02)
Effective income tax rate	**24.90%**	23.51%	24.84%

Deferred taxes as of December 31, 2017 and 2016 relate to the tax effects of the following:

	2017	2016
Deferred tax assets:		
Accrued rent expense	**₱474,822,924**	₱486,334,093
Accrued interest expense	**220,795,887**	203,951,528
Pension liabilities	**106,170,155**	101,613,296
Allowance for impairment loss	**14,302,980**	14,302,980
MCIT	**2,168,956**	2,168,956
	818,260,902	808,370,853
Deferred tax liabilities:		
Unamortized capitalized interest expense	**(1,878,456,323)**	(1,691,225,615)
Excess of real estate revenue based on percentage-of-completion over real estate revenue based on tax rules	**(1,277,103,559)**	(1,354,844,498)
Accrued rent income	**(330,627,337)**	(263,859,374)
Unamortized debt issuance cost	**(53,556,058)**	(44,322,288)
Prepaid rent (Note 13)	**(143,707,812)**	(147,569,124)
	(3,683,451,089)	(3,501,820,899)
Net deferred tax liabilities	**(₱2,865,190,187)**	(₱2,693,450,046)

Provision for deferred tax relating to remeasurements of defined benefit liability recognized directly in equity amounted to (₱29) million, ₱6 million and ₱17 million for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively.

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 as of December 31, 2017 and 2016, respectively. The deferred tax assets of the above deductible temporary differences for which no deferred tax assets have been recognized amounted to ₱1 million as of December 31, 2017 and 2016 and September 30, 2016.

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		
December 31, 2017	₱517,845	December 31, 2020
December 31, 2016	540,064	December 31, 2019
September 30, 2016	1,796,845	September 30, 2019
	₱2,854,754	

Period of recognition	Amount	Period of expiration
MCIT		
December 31, 2017	₱315,448	December 31, 2020
December 31, 2016	63,272	December 31, 2019
September 30, 2016	227,828	September 30, 2019
	₱606,548	

28. Basic/Diluted Earnings Per Share

Earnings per share amounts were computed as follows:

	December 31,		September 30,
	2017 (One year)	2016 (Three months)	2016 (One year)
a. Net income attributable to equity holders of Parent Company	**₱5,881,150,728**	₱1,254,917,783	₱6,154,532,055
b. Weighted average number of common shares outstanding adjusted (Note 19)	**4,093,830,685**	4,093,830,685	4,093,830,685
c. Earnings per share (a/b)	**₱1.44**	₱0.31	₱1.50

There were no potential dilutive shares for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016.

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 Robinsons Bank Corporation (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. RBC 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:

	December 31,		September 30,
	2017	2016	2016
	(One year)	(Three months)	(One year)
Service cost	**₱42,269,949**	₱8,074,069	₱32,296,274
Net interest cost	**13,033,528**	2,888,570	11,563,496
Pension expense	**₱55,303,477**	₱10,962,639	₱43,859,770

There are no plan amendments, curtailments or settlements for the year ended December 31, 2017, for the three months ended December 31, 2016 and for the year ended September 30, 2016.

The amounts recognized as pension liabilities included under "Deposit and other noncurrent liabilities" in the consolidated statements of financial position follow:

	2017	2016
Present value of defined benefit obligation	**₱470,681,322**	₱510,599,931
Fair value of plan assets	**(146,133,669)**	(157,465,185)
Pension liabilities	**₱324,547,653**	₱353,134,746

Changes in net defined benefit liability of funded funds follow:

	December 31, 2017 (One Year)		
	Present value of defined benefit obligation	**Fair value of plan assets**	**Net defined benefit liability/(asset)**
Balance at January 1, 2017	**₱510,599,931**	**₱157,465,185**	**₱353,134,746**
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	**42,269,949**	**–**	**42,269,949**
Net interest cost	**19,296,205**	**6,262,677**	**13,033,528**
Subtotal	**61,566,154**	**6,262,677**	**55,303,477**
Benefits paid	**(6,537,538)**	**(4,285,569)**	**(2,251,969)**

(Forward)

	December 31, 2017 (One Year)		
	Present value of defined benefit obligation	**Fair value of plan assets**	**Net defined benefit liability/(asset)**
Remeasurements in other comprehensive income:			
Actuarial changes arising from experience Adjustments	**(₱3,493,005)**	**₱–**	**(₱3,493,005)**
Actuarial changes arising from changes in financial/demographic assumptions	**(91,454,220)**	**–**	**(91,454,220)**
Return on plan assets	**–**	**1,586,115**	**(1,586,115)**
Subtotal	**(94,947,225)**	**1,586,115**	**(96,533,340)**
Others	**–**	**(14,894,739)**	**14,894,739**
Balance at December 31, 2017	**₱470,681,322**	**₱146,133,669**	**₱324,547,653**

	December 31, 2016 (Three Months)		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance at October 1, 2016	₱479,132,556	₱151,524,900	₱327,607,656
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	8,074,069	–	8,074,069
Net interest cost	4,033,638	1,145,068	2,888,570
Subtotal	12,107,707	1,145,068	10,962,639
Contributions	–	6,241,908	(6,241,908)
Remeasurements in other comprehensive income:			
Actuarial changes arising from experience adjustments	16,299,125	–	16,299,125
Actuarial changes arising from changes in financial/demographic assumptions	3,060,543	–	3,060,543
Return on plan assets	–	(1,446,691)	1,446,691
Subtotal	19,359,668	(1,446,691)	20,806,359
Balance at December 31, 2016	₱510,599,931	₱157,465,185	₱353,134,746

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:

	2017	2016
Cash and cash equivalents		
Special deposit account	**₱–**	₱82,798,266
Savings deposit account	**38,313,660**	26,628,261
Other securities	**22,606,464**	1,669,001
	60,920,124	111,095,528
Investment in debt instruments		
Fixed rate bonds	**72,214,780**	20,670,200
Other debt instruments	**140,807**	8,062,357
	72,355,587	28,732,557
Accrued interest receivable	**595,215**	274,773
Other assets	**12,274,270**	17,371,783
Accrued trust and management fee payable	**(11,527)**	(9,456)
	₱146,133,669	₱157,465,185

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 issued by locally listed entities.

- *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 December 31, 2017 and 2016.

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 ₱59 million to the defined benefit pension plans in 2018.

The average duration of the defined benefit obligation of the Group as of December 31, 2017 and 2016 is 15 years.

The principal assumptions used to determine the pension benefits of the Group follow:

	December 31, 2017 (One Year)	December 31, 2016 (Three months)
Discount rate	**5.71% to 4.35%**	3.93% to 4.85%
Rate of salary increase	**5.50%**	5.00%

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 December 31, 2017 and 2016, assuming if all other assumptions were held constant.

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed to be more reasonable.

The balances below show the addition/reduction in pension obligation assuming assumptions are changed:

		Increase (decrease) on pension liabilities	
		December 31, 2017	December 31, 2016
Discount rates	+1.00%	**(₱435,084,092)**	(₱41,523,152)
	-1.00%	**511,246,772**	48,094,773
Salary increase rates	+1.00%	**₱514,060,694**	₱44,969,563
	-1.00%	**(431,994,139)**	(39,848,946)

Shown below is the maturity analysis of the undiscounted benefit payments of the Group:

	December 31, 2017	December 31, 2016
Less than 1 year	**₱33,835,830**	₱19,106,049
More than 1 years to 5 years	**166,775,205**	105,208,719
More than 5 years to 10 years	**335,554,425**	276,911,978
More than 10 years to 15 years	**423,658,912**	409,155,857
More than 15 years to 20 years	**311,502,005**	308,379,053
More than 20 years	**600,038,794**	379,998,070

30. Interest in Joint Venture and 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 allocation of condominium unites/lots to be sold to buyers with provisions for sharing in the cash collection on the sale of allocated developed unites.

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 Horizon Land Property & Development Corporation, formerly 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 Horizon Land Property & Development Corporation (HLPDC), formerly Harbour Land Realty and Development Corp and Federal Land, Inc. (FLI) to develop Axis Residences (the Project) located along Pioneer Street in Mandaluyong City. The construction of the planned 2-phase residential condominium has commenced in March 2012. One tower of first phase was completed on September 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. HLPDC, 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% and FLI-50%. Based on the foregoing, the Parent Company accounted for the joint arrangement as a jointly controlled operations and accordingly, recognized its share in the assets, revenue and expenses of the joint operations.

On December 6, 2017, the Parent Company executed an addendum agreement with HLPDC and FLI to discontinue the development of Phase II.

The following were the agreements included in the addendum:

a. The development of the Project shall be limited to Phase 1;
b. The discontinuance shall be without fault on either of the Parties. Accordingly, HLPDC and FLI shall reimburse RLC the amount of ₱193 million representing the non-development of four (4) towers of Phase II;
c. Ownership and right of possession of the parcels of land corresponding to Phase II shall remain to be with HLPDC and shall be excluded from the provisions of the JVA.
d. The perpetual right to use RLC's land contribution is limited to Phase I and to the adjacent properties owned by HLPDC, FLI or its affiliates.

Joint Venture with Shang Properties, Inc.
On November 13, 2017, the Parent Company's BOD approved the agreement with Shang Properties, Inc. (SPI) to form a joint venture corporation (JVC). Both RLC and SPI shall each own 50% of the outstanding shares in the JVC to be formed.

RLC and SPI, through the JVC, shall build and develop a property situated at McKinley Parkway corner 5th Avenue and 21st Drive at Bonifacio Global City, Taguig, Metro Manila. The project is intended to be a mixed-use development and may include residential condominium units, serviced apartments and commercial retail outlets. The JVC also plans to pursue other development projects. The joint venture agreement between RLC and SPI is subject to approval by the Philippine Competition Commission ("PCC"). RLC received official notice of such approval by the PCC on March 22, 2018.

31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, comprise of loans payable, deposit from lessees, receivables from affiliated companies, payables to affiliated companies, utilities deposits, 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.

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

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

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

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

The AC also aims to ensure that:
a. financial reports comply with established internal policies and procedures, pertinent accounting and audit standards and other regulatory requirements;
b. risks are properly identified, evaluated and managed, specifically in the areas of managing credit, market, liquidity, operational, legal and other risks, and crisis management;
c. audit activities of internal and external auditors are done based on plan, and deviations are explained through the performance of direct interface functions with the internal and external auditors; and
d. the Group's BOD is properly assisted in the development of policies that would enhance the risk management and control systems.

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

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

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

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

Risk Management Policies

The main risks arising from the use of financial instruments are foreign currency risk, liquidity risk, interest rate risk and credit 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:

	December 31, 2017		December 31, 2016	
Assets				
Cash and cash equivalents	**$1,204,233**	**₱60,115,324**	$9,636,066	₱479,105,183
Liabilities				
Accounts payable and accrued expenses	**442,277**	**22,078,499**	359,358	17,867,294
Net foreign currency-denominated assets	**$761,956**	**₱38,036,825**	$9,276,708	₱461,237,889

	December 31, 2017		December 31, 2016	
Assets				
Cash and cash equivalents	**RMB88,379,546**	**₱675,219,731**	RMB48,014,509	₱343,783,884
Liabilities				
Accounts payable and accrued expenses	**33,926,080**	**259,195,249**	568,069	4,067,374
Loans payable	**110,000,000**	**840,263,710**	–	–
Net foreign currency-denominated assets	**(RMB55,546,534)**	**(₱424,239,228)**	RMB47,446,440	₱339,716,510

The exchange rates used to translate the Group's USD-denominated assets and liabilities as of December 31, 2017 and 2016 follow:

	December 31, 2017	December 31, 2016
US Dollar - Philippine Peso exchange rate	**₱49.92 to US$1.00**	₱49.72 to US$1.00

	December 31, 2017	December 31, 2016
Chinese Yuan - Philippine Peso exchange rate	**₱7.64 to RMB1.00**	₱7.15 to RMB1.00

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 December 31, 2017 and for the three months ended December 31, 2016.

Reasonably Possible Changes in USD-PHP Exchange Rates	Change in Income Before Income Tax
December 31, 2017 (One year)	
2.0% PHP appreciation	**(₱760,737)**
2.0% PHP depreciation	**760,737**
December 31, 2016 (Three months)	
2.0% PHP appreciation	(₱9,224,758)
2.0% PHP depreciation	9,224,758

Reasonably Possible Changes in RMB-PHP Exchange Rates	Change in Income Before Income Tax
December 31, 2017 (One year)	
2.0% PHP appreciation	**(₱8,487,510)**
2.0% PHP depreciation	**8,487,510**
December 31, 2016 (Three months)	
2.0% PHP appreciation	(₱6,772,268)
2.0% PHP depreciation	6,772,268

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 December 31, 2017 and 2016, 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.

	December 31, 2017					
	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	**₱1,379,275,821**	**₱696,178,702**	**₱–**	**₱–**	**₱–**	**₱2,075,454,523**
Receivables						
Trade	**1,074,906,493**	**2,579,540,392**	**1,659,828,584**	**2,577,739,263**	**1,198,209,309**	**9,090,224,041**
Affiliated companies	**23,419,773**	**–**	**–**	**–**	**–**	**23,419,773**
Others	**24,330,885**	**140,654,800**	**62,377,344**	**–**	**–**	**227,363,029**
Other assets						
Utility deposits	**9,989,072**	**–**	**–**	**635,179,895**	**239,165,897**	**884,334,864**
Total financial assets	**₱2,511,922,044**	**₱3,416,373,894**	**₱1,722,205,928**	**₱3,212,919,158**	**₱1,437,375,206**	**₱12,300,796,230**
Accounts payable and accrued expenses	**₱2,359,183,403**	**₱4,629,264,792**	**₱4,784,396,768**	**₱2,814,683,963**	**₱1,505,456,413**	**₱16,092,985,339**
Payables to affiliated companies and others (included under Deposits and other current liabilities)	**222,937,926**	**–**	**–**	**–**	**–**	**222,937,926**
Deposits from lessees	**892,315,691**	**208,108,544**	**1,255,817,284**	**1,454,412,903**	**887,155,680**	**4,697,810,102**
Loans payable and future interest payment	**–**	**16,237,677,001**	**1,030,191,134**	**11,229,814,365**	**13,479,678,832**	**41,977,361,332**
Other financial liabilities	**₱3,474,437,020**	**₱21,075,050,337**	**₱7,070,405,186**	**₱15,498,911,231**	**₱15,872,290,925**	**₱62,991,094,699**

	December 31, 2016					
	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	₱982,439,669	₱453,770,908	₱–	₱–	₱–	₱1,436,210,577
Receivables						
Trade	2,763,718,680	2,806,819,601	1,289,425,923	2,048,122,496	344,263,941	9,252,350,641
Affiliated companies	18,143,162	–	–	–	–	18,143,162
Others	148,109,835	84,334,816	55,545,210	–	–	287,989,861
Other assets						
Utility deposits	8,379,918	–	21,511	237,528,358	378,279,896	624,209,683
Total financial assets	₱3,920,791,264	₱3,344,925,325	₱1,344,992,644	₱2,285,650,854	₱722,543,837	₱11,618,903,924
Accounts payable and accrued expenses	₱4,996,738,689	₱1,230,134,186	₱2,033,161,058	₱363,206,540	₱1,911,646,826	₱10,534,887,299
Payables to affiliated companies and others (included under Deposits and other current liabilities)	169,067,194	–	–	–	–	169,067,194
Deposits from lessees	525,132,237	248,624,698	1,066,733,806	1,476,918,169	716,049,056	4,033,457,966
Loans payable and future interest payment	–	1,018,927,843	1,887,748,048	16,932,854,290	16,926,883,572	36,766,413,753
Other financial liabilities	₱5,690,938,120	₱2,497,686,727	₱4,987,642,912	₱18,772,978,999	₱19,554,579,454	₱51,503,826,212

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, whenever it's advantageous to the Group. As of December 31, 2016 and September 30, 2016, 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 December 31, 2017 and 2016.

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 December 31, 2017 and 2016 without considering the effects of collaterals and other credit risk mitigation techniques:

	2017	2016
Cash and cash equivalents (net of cash on hand)	**₱2,049,551,271**	₱1,409,762,215
Receivables - net		
Trade receivables		
Installment contract receivable	**7,253,408,707**	7,826,804,227
Rental receivables	**780,058,256**	531,053,637
Accrued rent receivable	**886,325,031**	695,135,421
Hotel operations	**170,432,047**	199,357,356
Affiliated companies	**23,419,773**	18,143,162
Other receivables	**227,363,029**	287,989,861
Other assets		
Utility deposits	**884,334,864**	624,209,683
	₱12,274,892,978	₱11,592,455,562

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 December 31, 2017 and 2016, gross of allowance for credit and impairment losses:

	December 31, 2017				
	Neither Past Due Nor Impaired			**Past Due or**	
	High Grade	**Standard Grade**	**Substandard Grade**	**Individually Impaired**	**Total**
Loans and receivables					
Cash and cash equivalents	**₱2,049,551,271**	**₱–**	**₱–**	**₱–**	**₱2,049,551,271**
Receivables:					
Trade receivables					
Installment contract receivables	**6,855,942,934**	–	–	**416,465,773**	**7,272,408,707**
Rental receivables	**197,449,461**	–	–	**596,513,822**	**793,963,283**
Accrued rent receivables	**886,325,031**	–	–	–	**886,325,031**
Hotel operations	**75,600,122**	–	–	**109,603,499**	**185,203,621**
Affiliated companies	**23,419,773**	–	–	–	**23,419,773**
Other receivables	**227,363,029**	–	–	–	**227,363,029**
Other assets					
Utility deposits	**884,334,864**	–	–	–	**884,334,864**
	₱11,199,986,485	**₱–**	**₱–**	**₱1,122,583,094**	**₱12,322,569,579**

	December 31, 2016				
	Neither Past Due Nor Impaired			Past Due or	
	High Grade	Standard Grade	Substandard Grade	Individually Impaired	Total
Loans and receivables					
Cash and cash equivalents	₱1,409,762,215	₱–	₱–	₱–	₱1,409,762,215
Receivables:					
Trade receivables					
Installment contract receivables	5,546,424,970	–	–	2,299,379,257	7,845,804,227
Rental receivables	163,210,174	–	–	381,748,490	544,958,664
Accrued rent receivables	695,135,421	–	–	–	695,135,421
Hotel operations	37,018,334	–	–	177,110,596	214,128,930
Affiliated companies	18,143,162	–	–	–	18,143,162
Other receivables	287,989,861	–	–	–	287,989,861
Other assets					
Utility deposits	624,209,683	–	–	–	624,209,683
	₱8,781,893,820	₱–	₱–	₱2,858,238,343	₱11,640,132,163

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.

32. **Financial Instruments**

The carrying amount of cash and cash equivalents, trade receivables (except installment contract receivables), other receivables, utility deposits, 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.

	December 31, 2017		December 31, 2016	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Installment contract receivable	**₱7,253,408,707**	**₱6,693,558,292**	₱7,826,804,227	₱7,503,592,251
Deposits from lessees	**4,697,810,102**	**4,272,486,127**	4,033,457,966	3,695,852,197
Loans payable	**51,354,562,154**	**41,977,361,332**	39,371,477,678	52,776,413,753

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 3.0% to 4.7% as of December 31, 2017 and 2.5% to 4.7% as of December 31, 2016.

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 and PEZA 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.

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.

The Pearl Place - Tower B
The Parent Company 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 forty six (446) units, under Certificate of Registration No. 2016-159 dated August 3, 2016. Under the terms of its registration, the Group is entitled to income tax holiday for a period of three (3) years from October 2016 to October 2019.

Go Hotels Davao, Inc.
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 (Go Hotels Lanang - Davao City)" on a Non-Pioneer status at a capacity of one hundred eighty three (183) rooms, under Certificate of Registration No. 2015-266 dated December 3, 2015. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from January 2016 to December 2019.

Summit 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 Facility (Summit Hotel Tacloban)" on a Non-Pioneer status at a capacity of one hundred thirty eight (138) rooms, under Certificate of Registration No. 2017-236 dated August 16, 2017. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from April 2018 to March 2022.

Go Hotel, Iligan
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, Iligan)" on a Non-Pioneer status at a capacity of one hundred (100) rooms, under Certificate of Registration No. 2017-235 dated August 16, 2017. Under the terms of its registration, the Group is entitled to income tax holiday for a period of four (4) years from April 2018 to March 2022.

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.

Robinsons Luisita
The Group is also registered with PEZA (beginning January 5, 2017) 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. 16-694 dated December 9, 2016, for the construction of an additional floor area of 6,306 square meters, more or less, for annexation to the existing Robinsons Luisita IT Center located along McArthur Highway, San Miguel, Tarlac City. 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 Naga
The Group is also registered with PEZA (beginning May 12, 2017) 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. 15-715 dated December 17, 2015, for creating and designating a building, which stands on a 24,807-square meter, more or less, lot located at Naga Diversion Road corner Almeda Highway, Brangay Triangulo, Naga City as an IT Center, to be known as Robinsons Cybergate Naga. 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 Cyberpark Davao
The Group is also registered with PEZA (beginning October 3, 2017) 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. 16-377 dated June 28, 2016, for creating and designating 12,022 square meters, more or less, of land located along J.P. Laurel Avenue, Davao City as an IT Park, to be known as Robinsons Cyberpark Davao. 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. Total rent expense amounted to ₱52 million, ₱44 million and ₱180 million for the year ended December 31, 2017, three months ended December 31, 2016 and for the year ended September 30, 2016, respectively. There is no contingent rent. Future minimum rentals payable under noncancellable operating leases are as follows:

	December 31	
	2017	2016
Within one (1) year	**₱92,616,575**	₱90,562,798
After one (1) year but not more than five (5) years	**414,556,934**	409,341,139
After more than five (5) years	**5,823,064,725**	6,361,372,798
	₱6,330,238,234	₱6,861,276,735

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 1 and 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 ₱11,582 million, ₱2,718 million and ₱10,556 million for the three months ended December 31, 2016 and for the year ended September 30, 2016, respectively. Total percentage rent recognized as income for the year ended December 31, 2017, three months ended December 31, 2016 and for the year ended September 30, 2016 amounted to ₱3,067 million, ₱751 million and ₱2,786 million, respectively.

Future minimum rentals receivable under noncancellable operating leases follows:

	December 31	
	2017	2016
Within one (1) year	**₱6,263,952,404**	₱4,891,806,395
After one (1) year but not more than five (5) years	**8,250,489,462**	8,787,588,215
After more than five (5) years	**923,369,939**	972,507,337
	₱15,437,811,805	₱14,651,901,947

Finance Lease Commitments - Group as Lessor
The Group has significantly entered into residential property leases on its residential condominium unit's portfolio. These leases have lease period of 5 to 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 December 31, 2017 and 2016 follow:

	December 31, 2017	
	Minimum Lease Payments	**Present Value of Minimum Lease Payments**
Within one (1) year	**₱311,429,745**	**₱302,265,068**
After one (1) year but not more than five (5) years	**270,312,270**	**238,254,749**
After more than five (5) years	**72,498,624**	**57,502,961**
Total minimum lease payments	**₱654,240,639**	**₱598,022,778**

	December 31, 2016	
	Minimum Lease Payments	Present Value of Minimum Lease Payments
Within one (1) year	₱1,760,245,659	₱1,718,117,420
After one (1) year but not more than five (5) years	536,379,175	483,544,977
After more than five (5) years	6,878,911	5,456,359
Total minimum lease payments	₱2,303,503,745	₱2,207,118,756

Capital Commitments
The Group has contractual commitments and obligations for the construction and development of investment properties and property and equipment items aggregating ₱15,742 million and ₱12,706 million as of December 31, 2017 and 2016, respectively. Moreover, the Group has contractual obligations amounting to ₱1,411 million and ₱979 million as of December 31, 2017 and 2016, respectively, for the completion and delivery of real estate units that have been presold.

Contingencies
The Group has various collection cases or claims against or from its customers and certain tax assessments, 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 will have a material effect on its operating results and financial condition. 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. **Notes to the Consolidated Statements of Cash Flows**

Noncash investing activities pertain to the following:

- Transfers from subdivision land, condominium and residential units for sale to investment properties amounting to ₱1,017 million for the year ended December 31, 2017;
- Transfers from other current assets to investment properties amounting to ₱758 million and ₱110 million or the year ended December 31, 2017 and 2016, respectively;
- Transfers from other current assets to property and equipment amounting to ₱532 million for the three months ended December 31, 2016;
- Transfers from subdivision land, condominium and residential units for sale to property and equipment amounting to ₱38 million ₱50 million for the years ended December 31, 2017 and 2016, respectively.
- Transfers from investment properties to property and equipment amounting to ₱43 million for the year ended December 31, 2016;

- Transfers from investment properties to subdivision land, condominium and residential units for sale amounting to ₱113 million for the year ended December 31, 2016.

Details of the movement in cash flows from financing activities follow:

	January 1, 2017	Cash flows	Non-cash Changes Foreign exchange movement	Non-cash Changes Changes on fair values	Other	December 31, 2017
Loans payable	₱23,361,477,678	₱12,272,763,710	₱–	₱–	₱26,920,766	₱35,661,162,154
Short term loans	16,010,000,000	(316,600,000)	–	–	–	15,693,400,000
Advances for marketing and promotional fund and others	448,744,666	(2,929,317)	–	–	–	445,815,349
Accrued interest payable	356,881,319	(764,240,887)	–	–	778,194,869	370,835,301
Payables to affiliated companies and others	169,067,194	53,870,732	–	–	–	222,937,926
Dividends payable	16,021,302	(1,448,810,138)	–	–	1,473,779,046	40,990,210
Total liabilities from financing activities	₱40,362,192,159	₱9,794,054,100	₱–	₱–	₱2,278,894,681	₱52,435,140,940

Other includes amortization of debt issue cost, declaration of dividends and accrual of interest expense on loans.

36. Events After the Reporting Period

Approval of cash dividends
The Board of Directors (BOD) of the Company approved on April 6, 2018 the declaration of a cash dividend in the amount of Thirty Six Centavos (P0.36) per share from the unrestricted earnings of the Company as of December 31, 2017, to all stockholders of record as of April 26, 2018 and payable on May 23, 2018.

Subsequent payment of accounts payable to JGSHI
In March 2018, in accordance with the terms of payment per Amendments to Section 3 of the Deed of Absolute Sale between JG Summit Holdings, Inc. and RLC, RLC made a payment to JGSHI amounting to ₱2.6 billion for the land purchased from JGSHI.

Stock rights offering
On November 13, 2017, the BOD of the Company approved in principle the stock rights offering (SRO) of up to ₱20 billion composed of 1.1 billion common shares, with a par value of ₱1.00 per share, to all stockholders as of record date January 31, 2018. The Company intends to use the proceeds from the Offer to finance the acquisition of land located in various parts of the country for all its business segments.

The Company has obtained the approval of the BOD of the Philippine Stock Exchange, Inc. (PSE) for the listing and trading of the rights shares on January 10, 2018, while the PSE's confirmation of exempt transaction covering the offer was obtained on December 14, 2017. The following are the key dates of the SRO:

- Pricing date – January 24, 2018
- Ex-date – January 26, 2018
- Record date – January 31, 2018
- Offer period – February 2 to 8, 2018
- Listing date – February 15, 2018

The Company has successfully completed its ₱20 billion SRO of common shares following the close of the offer period on February 8, 2018. A total of 1.1 billion common shares from the SRO were issued at a price of ₱18.20 each. The listing of the shares occurred on February 15, 2018.

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 AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and the Stockholders
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 December 31, 2017 and 2016 and for the year ended December 31, 2017, three months ended December 31, 2016 and year ended September 30, 2016 and have issued our report thereon dated April 6, 2018. 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 the 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 financial statements and, in our opinion, fairly state in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
SEC Accreditation No. 0664-AR-3 (Group A),
March 16, 2017, valid until March 15, 2020
Tax Identification No. 160-302-865
BIR Accreditation No. 08-001998-73-2018,
February 26, 2018, valid until February 25, 2021
PTR No. 6621321, January 9, 2018, Makati City

April 6, 2018

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED ON SRC RULE 68 AND 68.1 AS AMENDED

DECEMBER 31, 2017

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 December 31, 2017.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties)

The Group does not have Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties) above ₱100,000 as of December 31, 2017.

Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements

Below is the schedule of receivables (payables) with related parties which are eliminated in the consolidated financial statements as of December 31, 2017:

	Volume of Transactions		Receivable	Terms
Robinsons Properties Marketing and Management Corporation (RPMMC)	Share in expenses	₱130,056,004	₱213,111,879	Non-interest bearing and to be settled within one year
Altus Angeles, Inc. (AAI)	Advances	(7,521)	55,583,238	Non-interest bearing and to be settled within one year
Altus San Nicolas Corp (ASNC)	Share in expenses	12,788,039	23,790,258	Non-interest bearing and to be settled within one year
	Purchase of investment property	855,097,668	309,890,410	Non-interest bearing and to be settled within one year
Lingkod Pinoy Bus Liner, Inc. (LPBL)	Share in expenses	(2,912,762)	49,727,238	Non-interest bearing and to be settled within one year
GoHotels Davao, Inc. (GHDI)	Share in expenses	(10,114,317)	467,859	Non-interest bearing and to be settled within one year
Robinsons Realty and Management Corporation (RRMC)	Share in Expenses	17,089	606,182	Non-interest bearing and to be settled within one year
RLC Resources Limited (RLCRL)	Advances	–	1,126,732	Non-interest bearing and to be settled within one year
		₱984,924,200	₱654,303,796	

	Balance at beginning of period	Additions	Collections	Balance at end of period
RPMMC	₱83,055,875	₱130,056,004	₱–	₱213,111,879
AAI	55,590,759	–	(7,521)	55,583,238
ASNC	353,227,212	–	(19,546,544)	333,680,668
LPBL	52,640,000	–	(2,912,762)	49,727,238
GHDI	10,582,176	–	(10,114,317)	467,859
RRMC	589,093	17,089	–	606,182
RLCRL	1,126,732	–	–	1,126,732
	₱556,811,847	₱130,073,093	(₱32,581,144)	₱654,303,796

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 December 31, 2017:

	Relationship	Nature	Balance at end of period
Robinsons Recreation Corporation	Under common control	B	₱11,334,271
Universal Robina Corporation	Under common control	A	2,608,075
JG Summit Capital Markets Corporation	Under common control	A	1,520,227
Robinsons Savings Bank	Under common control	A	4,523,038
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	1,119,936
			₱23,419,773

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 December 31, 2017.

Schedule D. Intangible Assets

The Group does not have intangible assets as of December 31, 2017.

Schedule E. Long-term debt

Below is the schedule of long-term debt of the Group as of December 31, 2017:

	Amount	Current	Noncurrent
Seven-year bonds from Banco de Oro (BDO), Hongkong Shanghai Banking Corporation (HSBC), SB Capital Investment Corporation (SB Capital), Standard Chartered Bank (Standard Chartered), Development Bank of the Philippines (DBP) and East West Banking Corporation (East West) maturing on February 23, 2022. Principal payable upon maturity, with fixed rate at 4.8000%, interest payable semi-annually in arrears.	₱10,635,500,000	₱–	₱10,635,500,000
Seven-year term loan from MBTC maturing on March 15, 2024. Principal payable upon maturity, with fixed rate at 4.7500%, interest payable quarterly in arrears.	7,000,000,000	–	7,000,000,000
Five-year term bonds from BDO Unibank, Inc. maturing on July 8, 2021. Principal payable upon maturity, with fixed rate at 3.8327%, interest payable quarterly in arrears.	6,500,000,000	–	6,500,000,000
Seven-year term bonds from BPI maturing on August 10, 2023. Principal payable upon maturity, with fixed rate at 3.8900%, interest payable quarterly in arrears.	4,990,000,000	–	4,990,000,000
Ten-year term loan from BPI maturing on February 13, 2027. Principal payable upon maturity, with fixed rate at 4.9500%, interest payable quarterly in arrears.	4,500,000,000	–	4,500,000,000
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 loan maturing in August 2022. Principal of RMB60 million payable upon maturity, with fixed rate at 4.7500%.	458,325,660	–	458,325,660
Three-year loan maturing in December 2019. Principal of RMB50 million payable upon maturity, with fixed rate at 4.7500%.	381,938,050	–	381,938,050
	₱35,830,263,710	₱–	₱35,830,263,710

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 December 31, 2017:

	Relationship	Nature	Balance at beginning of period	Balance at end of period
Westpoint Industrial Mills	Under common control	A	₱22,753,985	₱22,753,985
JG Summit Holdings, Inc.	Parent	A, C	103,525,283	4,998,331,125
Others	Under common control	A, B	2,933,017	7,434,103
			₱129,212,285	₱5,028,519,213

Others consist primarily of payables to Robinsons, Inc. and Robinsons Appliances.

Due to JG Summit Holdings, Inc. mainly due to the advances made during the period for purchase of investment properties.

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 December 31, 2017.

Schedule G. Guarantees of Securities of Other Issuers
The Group does not have guarantees of securities of other issuers as of December 31, 2017.

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	17,884,982	1,579,830,916

**Note: Exclusive of 17,698,000 treasury shares*

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

RECONCILIATION OF UNAPPROPRIATED RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION DECEMBER 31, 2017

Unappropriated Retained Earnings, beginning	**₱21,495,099,516**
Adjustments:	
Other unrealized expense as a result of transactions accounted for under PFRS:	
Straight line adjustment for rental expense (PAS 17)	1,577,720,784
Discounting effect on installment contract receivable (PAS 39)	618,910,869
Straight line adjustment rental income (PAS 17)	(692,363,819)
Discounting effect on security deposits (PAS 39)	2,688,235
Unappropriated Retained Earnings as adjusted, beginning	23,002,055,585
Net income actually earned/realized during the year	
Net income during the year closed to Retained Earnings	5,443,306,988
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)	(38,370,562)
Discounting effect on installment contract receivable (PAS 39)	252,157,429
Straight line adjustment rental income (PAS 17)	(190,891,173)
Discounting effect on security deposits (PAS 39)	(3,457,571)
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)	
	5,462,745,111
Less: Cash dividend declaration during the year	(1,473,779,046)
Reversal of appropriation	16,000,000,000
Additional appropriation during the year	(24,500,000,000)
Total Unappropriated Retained Earnings Available For Dividend Distribution, December 31, 2017	**₱18,491,021,650**

ROBINSONS LAND CORPORATION AND SUBSIDIARIES

SCHEDULE OF ALL EFFECTIVE STANDARDS AND INTERPRETATIONS UNDER PHILIPPINE FINANCIAL REPORTING STANDARDS DECEMBER 31, 2017

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 December 31, 2017:

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2017		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			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
PFRS 3	Business Combinations			
	Accounting for Contingent Consideration in a Business Combination			
	Scope Exceptions for Joint Arrangements			
PFRS 4	Insurance Contracts			
	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)			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
PFRS 10	Consolidated Financial Statements			
	Amendments to PFRS 10: Investment Entities			
	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			
PFRS 16	Leases			
Philippine Accounting Standards				
PAS 1	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			
	Amendments to PAS 1: Presentation of financial statements - disclosure initiative			
PAS 2	Inventories			
PAS 7	Statement of Cash Flows			
	Amendments to PAS 7: Disclosure Initiative			
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			
	Amendment to PAS 12 - Recognition of Deferred Tax			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
	Assets for Unrealized Losses			
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			
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	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			
	Amendments to PAS 27: Equity Method in Separate Financial Statements			
PAS 28	Investments in Associates and Joint Ventures			
	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture			
	Amendments to PAS 28: Investment Entities			
PAS 29	Financial Reporting in Hyperinflationary Economies			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
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			
	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			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
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			
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			

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of September 30, 2016		Adopted	Not Adopted	Not Applicable
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.			
SIC-31	Revenue - Barter Transactions Involving Advertising Services			
SIC-32	Intangible Assets - Web Site Costs			

In addition, the IASB has issued the following new standards that have not yet been adopted locally by the SEC and FRSC. The Group is currently assessing the impact of these new standards and plans to adopt them on their required effective dates once adopted locally.

- IFRS 15, *Revenue from Contracts with Customers* (effective January 1, 2018)

Standards tagged as “Not Applicable” have been adopted by the Group but have no significant covered transactions for the year ended December 31, 2017.

Standards tagged as “Not adopted” are standards issued but not yet effective as of December 31, 2017. The Group will adopt the Standards and Interpretations when these become effective.

Financial Soundness Indicator

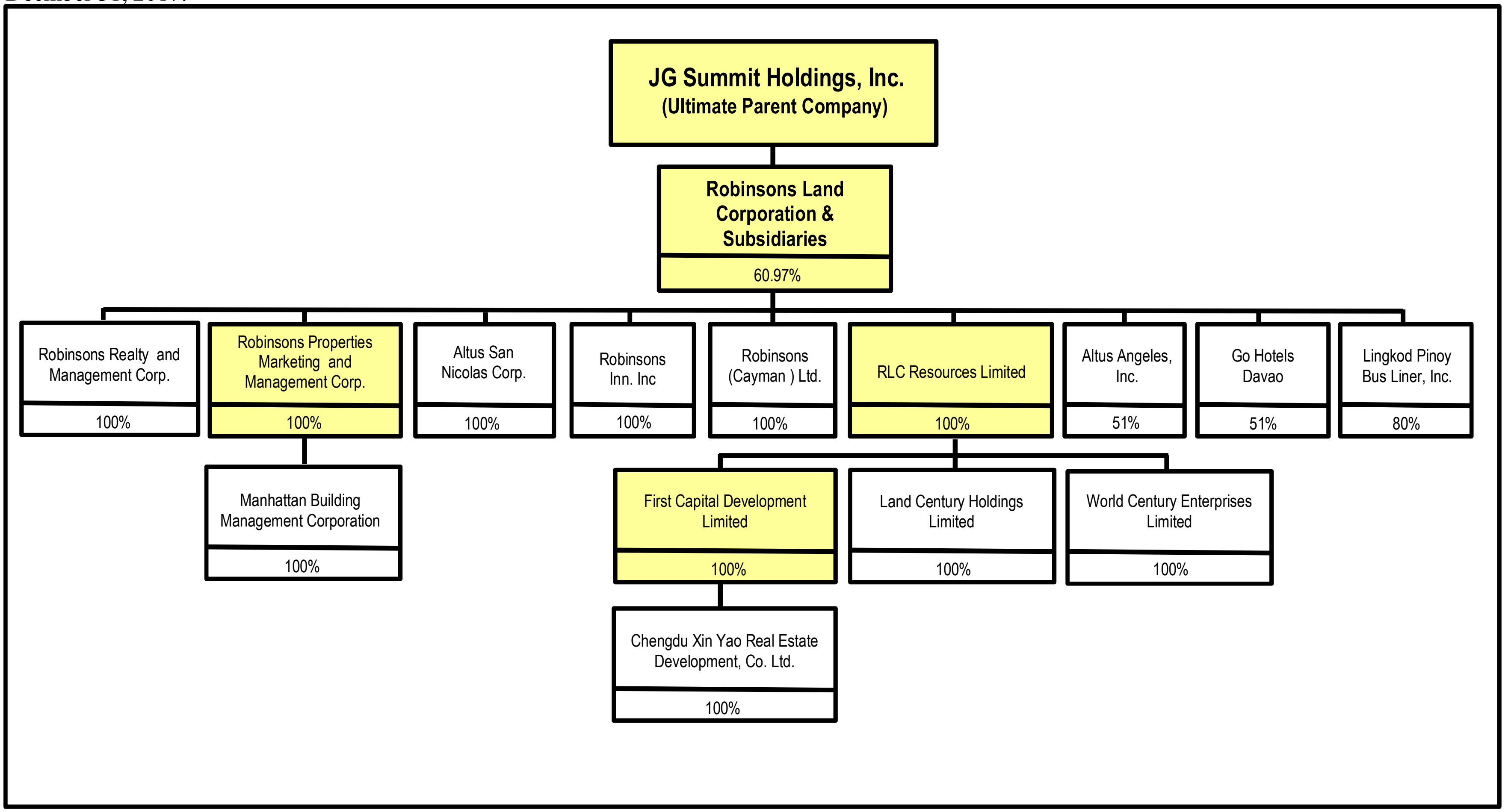
Below are the financial ratios that are relevant to the Group for the year ended December 31, 2017 and 2016:

Financial ratios		2017	2016
Net book value per share	Equity attributable to equity holders of the Parent Company / Outstanding shares	16.39	15.29
Current ratio	Total Current Assets / Total Current Liabilities	1.21	1.34
Debt to equity ratio	Total Loans Payable / Total Equity attributable to equity holders of the Parent Company	0.77	0.63
Asset to equity ratio	Total Assets / Total Equity	2.20	1.98

Financial ratios		2017 (One Year)	December 31, 2016 (Three Months)	September 30, 2016 (One Year)
Earnings per share	Net income attributable to equity holders of Parent Company / Weighted average number of common shares outstanding	1.44	0.31	1.50
Interest coverage ratio	EBIT / Interest expense	4.72	5.41	6.06
Operating margin ratio	Operating income (EBIT) / Revenue	0.38	0.35	0.38

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 Decmber 31, 2017:



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 nine subsidiaries as of December 31, 2017:

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
Lingkod Pinoy Bus Liner, Inc.	Land Transportation	80	-	Philippines

[1] *Closed operations effective August 31, 2007*