Robinsons Land Corporation
RLC

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure
Press Release
Background/Description of the Disclosure
Please see attached a press release entitled "Robinsons Land's Proposed Bond Issue Gets Highest Mark From PhilRatings".
Other Relevant Information
NA

Filed on behalf by:

Name	Rosalinda Rivera
Designation	Corporate Secretary

PhilRatings PHILIPPINE RATING SERVICES CORPORATION ***The Pioneer Domestic Credit Rating Agency***	**RATING NEWS** **January 12, 2015**

Robinsons Land's Proposed Bond Issue Gets Highest Mark From PhilRatings

"The credit rating for Robinsons Land Corporation's (RLC) proposed bond issue of P10 billion, with an oversubscription option of up to P2 billion, is **PRS Aaa,"** Philippine Rating Services Corporation (PhilRatings) announced. RLC, a major player in the Philippine property market, is the real estate investment arm of the JG Summit Group.

Obligations rated **PRS Aaa** are of the highest quality with minimal credit risk. The obligor's capacity to meet its financial commitment on the obligation is extremely strong. PRS Aaa is the highest rating assigned by PhilRatings.

The rating reflects the following key considerations: (1) RLC's strong market franchise, which is anchored on good brand recognition and operational track record; (2) RLC's highly experienced management, with a solid background in property development; (3) the positive outlook across its core businesses, supported by continued domestic economic growth; (4) its stable liquidity, backed by recurring cash flows from the commercial centers, office buildings and hotel businesses; and (5) RLC's sound capitalization with debt kept at a conservative level.

PhilRatings' ratings are based on available information and projections at the time that the rating review was performed. PhilRatings shall continuously monitor developments relating to RLC and may change the rating at any time, should circumstances warrant a change.

RLC is one of leading real estate developers in the country based on revenues, number of properties and total project size. The company is the second largest mall operator in the Philippines, with its malls having a total gross floor area of 1.959 million square meters (sqm.) as of September 30, 2014. Latest system-wide occupancy of RLC malls was at 95%, while same mall revenue growth has been tracking 7-8% annually in the past six years.

The four brands under its Residential division (Robinsons Luxuria, Robinsons Residences, Robinsons Communities and Robinsons Homes) allow for a clear segmentation of markets, given the brands' differences in terms of target market, location, type of development and price ranges. Based on public records, independent industry reports and its own market knowledge, it is believed that RLC is among the top five mid-range condominium developers in the Philippines, in terms of sales revenue. RLC is a leading business process outsourcing (BPO) office provider and is also reportedly the dominant landlord in the Ortigas Business District.

RLC's hotel business complements the company's mixed-used developments. In contrast to other players which build hotels and resorts that cater to the high-end market, RLC predominantly targets the middle and budget hotel segments with a marketing strategy that is similar to low-cost carrier Cebu Pacific's anchor concept of providing "value-for-money".

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 condos, upper-middle class to high-end residential developments and low- and middle-cost lots and houses in its subdivisions). Through proper resource allocation, the model allows RLC to ride the property industry's cycles.

Although RLC remains majority owned and controlled by the Gokongwei family, it also employs professional managers who as a whole are considered as well-experienced in and knowledgeable on the domestic property market.

RLC's investment portfolio is a source of stable, recurring revenues. The company's investment portfolio (malls, office buildings and hotels) accounted for 66% and 84% of the company's revenues and EBITDA, respectively for FY 2014.

Similar to previous years, cash generation remained strong with cash from operations amounting to P6.6 billion in FY 2014. PhilRatings also positively notes that this is a five-year high for RLC, reflecting the growth in recurring income from its expanding commercial center, office building and hotel portfolios. Bulk of the company's funding continued to be internally-generated. Forecasts show that internally-generated funds will be sufficient to fund the payment of the proposed bonds.

Capital structure remained conservative, with debt to equity ratio at 0.3x as of end-FY 2014. There is a high degree of assurance that RLC will be able to comply with required capital ratios as specified in the terms and conditions of the proposed bond issue, given that historical ratios were well below the specified ceilings.

The real estate industry, which expanded by 6.2% in the third quarter of 2014, is identified as one of the top contributors to the country's Gross Domestic Product. Going forward, the industry is expected to continue its positive performance, supported by the Philippines' relatively low interest rate and almost benign inflation rate.