

OPERATIONAL HIGHLIGHTS

Filinvest Land, Inc. (FLI) generated record sales take-up of Php10 billion in 2010, a 42% jump year-on-year.

In 2010, FLI launched Php10.3 billion worth of projects, 61% more than the Php6.4 billion in the previous year. This includes nine new projects and 18 additional phases in existing projects across the country. Among these were three new socialized housing projects in Cavite and Mactan, Cebu while two new mid-rise building (MRB) projects were introduced within Citta di Mare, FLI's flagship project in Cebu under a joint venture agreement with the Cebu City government. FLI also announced its first two high-rise residential projects within Filinvest Corporate City, namely, Studio City and The Levels.

RESIDENTIAL PROJECTS

FLI's core business is providing residential housing for the socialized, affordable and middle-income markets. The Company meets the needs of these markets by providing a variety of products that includes residential lots, traditional house and lots, townhouses and condominium units that are generally priced at Php4 million pesos and below.

Socialized Housing

Socialized housing projects brought in close to Php900 million, or 9% of the Company's total sales take-up in 2010, from over 2,300 units sold.

Mistral Plains community perspective view



Pabahay Dream Homes, FLI's division for socialized projects, the bulk of which are located in Cavite, Batangas, Bulacan, and Laguna, provides the lower-income market segment quality yet affordable homes. Through easy and affordable financing schemes, Pabahay Dream Homes makes it possible for its target market to enjoy the security, amenities and facilities of exclusive subdivision living.

Land development works, amenities, community features and model houses were completed in the newly launched Castillon Homes Phase 1 and Mistral Plains in Gen. Trias, Cavite, and Phase 2A of Blue Isle in Sto. Tomas, Batangas. Sales at Mistral Plains have been outstanding, with 95% of the total inventory taken up within a few months from launching.

In addition, Sunrise Place Mactan, located in Agus, Lapu-Lapu City, is completely sold out and is targeted for delivery in 2011.

Affordable Housing

Carlin house model



Affordable housing projects generated sales take-up of nearly Php700 million in 2010, 10% more than in 2009 and equivalent to about 7% of FLI's total sales in 2010. New house models like the P500-2G, P500-Crissa, Carlin and Preciosa were introduced in various projects to offer buyers more affordable choices.

Development of projects progressed at a steady pace. In Sto. Tomas, Batangas, the amenity areas of Summerbreeze and Phase 2 of Palmridge were completed, while land development started in Phase 3. In Tanza, Cavite, Woodville's clubhouse was opened to the community while development of Phase 2 is expected to be finished within 2011. At the Spanish-themed San Rafael Estates in Bulacan, additional ready-for-occupancy (RFO) units were constructed in Phase 3 in view of a strong sales take-up.

P500 townhomes at Summerbreeze



For 2011, FLI will introduce new model houses as well as launch new projects to strengthen its leadership position in this large but underserved market.

FLI will continue to expand its market leadership in mass housing with an aggressive rollout of new and more affordable housing products to meet market demand and maximize the use of the Company's extensive low-cost land bank. Alternative financing sources aside from Pag-IBIG will also be tapped to enable more Filipinos to acquire their first home.

Middle-Income Housing

In 2010, the Company reinforced its sales and development efforts for its core housing projects targeting the middle-income segment. This segment accounted for the bulk of FLI's sales take-up at over Php7 billion or 74% of total.

Traditional House and Lot

At Princeton Heights in Bacoor, Cavite, development is going full blast on road works, model units, community amenities and facilities. In The Glens, a 29-hectare development within Park Spring located in San Pedro, Laguna, Phase 2 was substantially completed while Phases 3 and 4 were opened for sale in late 2010.

In the 52-hectare Claremont, a Contemporary American-themed community in Mabalacat, Pampanga, additional RFO units were completed to meet market demand. Development works were also started for its Phase 3, Austine Homes, a residential enclave located within Claremont which offers two-bedroom townhouses at an affordable price.

Somerset Lane in Tarlac, a 10-hectare middle-income development, began the construction of the amenity area which is expected to be completed by 2011. In addition, RFO units of Redwood, Banyan and Albany house models have been completed and are now being offered for sale.

In the community of West Palms in Puerto Princesa City, the clubhouse and the amenities have been completed and are being enjoyed by the residents. Sales continue to be brisk and full sellout of the project is expected soon.

Meanwhile, development works continue full blast in FLI's residential communities in the Visayas and Mindanao with the completion of model units, amenities, facilities and other features in our projects in Cebu, Davao, Tagum, Butuan and Zamboanga.

Medium-Rise Buildings (MRBs)

The high demand for serene, accessible, and secure communities located at the heart of major urban areas has prompted FLI to strengthen its portfolio of medium-rise developments, which are under the "Oasis" series. FLI currently has nine (9) MRB projects that have been announced or are under construction. These are One Oasis Ortigas, Bali Oasis Marcos Highway, Maui Oasis Sta. Mesa, Sorrento Oasis Pasig and Capri Oasis Pasig in Metro Manila, One Oasis Cebu, Amalfi Oasis and San Remo Oasis in Metro Cebu, and One Oasis Davao. This year, the Company plans to start development on at least two additions to the "Oasis" series, namely Bali Oasis 2 and Belize Oasis within Metro Manila.

Construction works for MRB projects are going full blast. At One Oasis Ortigas, the last of the thirteen (13) buildings began construction in January of 2011. Five buildings have already been completed and two more are nearing completion, ahead of schedule. Club Oasis, the high-end resort-quality central amenity area of One Oasis Ortigas, was inaugurated last November. It features three swimming pools, a basketball court and a clubhouse with a fitness gym, billiards room, music room and a kids' playroom.



Orange Grove pool and clubhouse



Villa San Ignacio gate and guardhouse



Bali Oasis



One Oasis Ortigas



One Oasis Davao

At Bali Oasis along Marcos Highway, two buildings have already been completed, and the third is targeted to be finished in July this year, with construction of the fourth and last building commencing within the year. The amenity area of Bali Oasis has likewise been finished while that of Capri Oasis along Sixto Antonio Avenue in Maybunga, Pasig is expected to be completed within 2011.

Down south, One Oasis Davao's first three buildings have been completed, and construction of the fourth building will commence within the first half of this year.

Building construction in Sorrento Oasis, Capri Oasis, Maui Oasis and One Oasis Cebu are also being fast-tracked. Meanwhile, construction on the first buildings in two resort-town communities within the 40-hectare residential section of Citta di Mare, called Amalfi Oasis and San Remo Oasis, will commence within 2011.

High-rise Condominiums

The groundbreaking ceremony for The Linear, FLI's first high-rise residential development in Makati, was held in December 2010. The Linear targets start-up families and young professionals working in the Makati CBD, as well as OFWs looking for a rewarding investment. Construction of Tower 1 is ongoing and it is scheduled for turnover by December 2012. Tower 2 will be delivered in 2015.

FLI has also launched two high-rise projects within Filinvest Corporate City (FCC) in Alabang. These are The Levels and Studio City.

The Levels is located at one of the highest points of FCC and is a California-inspired condo community that features laid-back suburban living ideal for young families. It consists of four towers, with 27 to 34 floors each. Construction of the first building will start in the second quarter of 2011, on track for its target completion in 2013. The model units, which are located at Westgate, are already open for public viewing.

Studio City is a community of five residential buildings, each 18 storeys high. Its target market are those working in the business process outsourcing (BPO) firms within Northgate Cyberzone. As its name implies, this project will consist solely of studio units, with 425 units per building. Its grand launch and groundbreaking are scheduled within the first half of 2011.

High-End Housing and Others

At the world-class Brentville International community in Biñan, Laguna, construction of the man-made lagoon commenced in 2010. The Lagoon is the main amenity area of The Arborage cluster, the latest phase of six (6) residential clusters within the 53-hectare project.

The Arborage, which currently offers The Masterpieces collection of house models, will offer smaller lot cuts in 2011 to make it more attractive to first-time home buyers. The expected completion of the elevated skyway linking Makati to Alabang, or the Skyway Stage 2, in May 2011 is also expected to make Brentville and other Filinvest projects in the south more accessible to a wider public.

Construction of the Arista residential enclave at Laeuna de Taal began in March 2010. The first mid-rise condominium project within the lakeside resort community, Arista is located at one of the highest points of the development. The enclave is composed of 20 three-storey buildings and features balconies in all units so residents can enjoy the excellent view of Taal Lake from the comfort of their own home. Turnover of the first building, Calibato, is expected by the second quarter of 2011.

Laeuna de Taal will expand its residential offerings in 2011 by launching phase 2 of the Orilla enclave, with smaller lot cuts of 180 to 200 square meters. Across Orilla, the new Piedra enclave will also enjoy the advantage of being near the Lake Club. Both neighborhoods are designed to complement the tranquil, natural character of the entire development. Phase 1 of the Lake Club, located along the shoreline of Taal Lake, is scheduled for completion by the second quarter of 2011.

Entering the final stages of construction, Grand Cenia Hotel and Residences in Cebu City remains on track for the June 2011 turnover of the condominium units to buyers and the preparation of condotel rooms for hotel operations. The 25-storey structure has 119 condominium units and 432 condotel rooms. In addition, two floors have been earmarked for BPO office space with a gross leasable area of 4,500 square meters.

The Levels



Studio City



Grand Cenia Hotel and Residences



TOWNSHIP DEVELOPMENTS

Citta di Mare

In August 2010, FLI gave Cebu a preview of its most ambitious seaside development to date when it launched Citta di Mare at the Grand Ballroom of Crimson Resort and Spa in Mactan, Cebu.

Inspired by the world's best-loved coastal cities, Citta di Mare, which is Italian for "City by the Sea", spans 50.6 hectares at Cebu's South Road Properties. It is a master-planned development composed of three different zones catering to a wide array of lifestyles and activities – Il Corso, the 10.6-hectare waterfront lifestyle strip, the 40-hectare residential clusters and The Piazza, the commercial and recreational anchor of the residential communities.

Citta di Mare has four resort-themed residential enclaves inspired by world-class resorts, with each 10-hectare development featuring a distinct architectural character. With over 65% of the property allocated for wide, open areas and landscaped greens, Citta di Mare provides the generous amenity of breathing space and a refreshing dose of nature throughout the site. Residences are spread out over the sprawling development, maximizing the abundant sunlight and allowing the invigorating sea air to circulate freely.

Amalfi Oasis perspective



For leisure activities, residents of Citta di Mare can choose between The Piazza and Il Corso. Located at the heart of the residential enclaves, The Piazza puts lifestyle essentials such as a school, church, shops and restaurants within the neighborhood. Across from the residential enclaves, Il Corso is a destination in itself, featuring seaside shopping, dining, beach and water sports, concerts and more, right by the water's edge.

In November 2010, groundbreaking rites for Amalfi Oasis, the first residential enclave at Citta di Mare, were held. Featuring clusters of five-storey buildings



Inspiration behind Citta di Mare

with luxuriant gardens, resort-style amenities and pedestrian-friendly environs, Amalfi Oasis was launched to offer a new dimension in seaside living. A second residential enclave called San Remo Oasis, targeted at the middle-class, has also been opened.

Ciudad de Calamba

Spanning 350 hectares, Ciudad de Calamba is a master-planned township located in Laguna that features themed residential communities and industrial and commercial components to offer a dynamic, self-sustaining community south of Metro Manila.

In 2010, construction of new house models, facilities and amenities was completed in the communities of Montebello, Aldea Real, Ashton Fields and La Brisa Townhomes. Plans for the construction of the church at the Town Center are underway after its first conceptual design was approved in 2010.

The industrial park component of Ciudad de Calamba, the 52-hectare Filinvest Technology Park Calamba (FTPC), is a PEZA-registered economic zone that caters to light and medium-sized non-polluting industries. The year 2010 saw the launching of Paseo San Andres Commercial Area in FTPC, the retail and restaurant hub of the development, making life within Ciudad de Calamba more convenient for residents and locators alike.



Ceremonial toast to the Filinvest-Cebu City partnership



Ciudad de Calamba gateway



Punta Altezza clubhouse



Filinvest Technology Park Calamba

In 2011, FLI will launch Pueblo Solana, a 68-hectare residential development targeted at the socialized and affordable end of the market. Valle Alegre and Valle Dulce will be the first two projects within this development.

Havila

Havila, FLI's 300-hectare township which stretches from Taytay to Antipolo and Angono, continues to attract people to live amidst "nature's beauty that inspires." Located just 12 kilometers east of the Ortigas Business District, Havila is home to four thriving residential communities – Mission Hills, Highlands Pointe, Villa Montserrat and Forest Farms with an ever growing community which currently stands at 300 families.

In 2010, Havila expanded its existing communities by launching Phase 3 of Villa Montserrat, introducing new and improved house models and completing the Forest Farms clubhouse and swimming pool. The Forest Farms clubhouse is a 490-square-meter multi-layer structure built on a well-landscaped 12,400-square-meter property with two function halls overlooking the 380-square-meter pool area. Meanwhile, the new house models have more contemporary façades, improved layouts and finishings. Floor areas range from 53 square meters at Phase 3 of Villa Monserrat to 213 square meters in Sta. Sophia in Mission Hills, catering to a broader range within the middle-income and high-end segments.

The Havila township is now connected by its spine road. The 3.2-kilometer link road connects the residential communities to each other and provides a fast and easier way to travel between Taytay and Antipolo, truly making Havila a township.

Also slated for launching in 2011 is Anila Park, a residential community that will offer affordable house-and-lot packages ranging from Php1.6 to Php1.9 million.

Highlands Pointe





Forest Farms

Mission Hills clubhouse

Timberland Heights

Timberland Heights is FLI's flagship project in the greater Manila area and offers residents an escape from the concrete jungle, just a few minutes from Metro Manila. It is a master-planned community that will include residential and mixed-use developments, commercial areas and a church. It will also include facilities that are aimed to attract local tourists, as well as make it a conference and wedding destination.

The 677-hectare Timberland Heights township is located on the outskirts of Quezon City, and current projects within the development include Mandala Farm Estates, Banyan Ridge, The Ranch, Banyan Crest and Timberland Sports and Nature Club.

FLI has developed approximately 100 hectares of the master-planned project. Land development of Mandala 2 and Banyan Crest is nearing completion, with both communities expected to be ready for turnover within the second half of 2011. In addition, the Banyan Ridge clubhouse and amenities, including the swimming pool, have been completed and are now being enjoyed by the residents of the subdivision. Construction of amenity areas in the other communities is also in progress.

Making use of its newly constructed administration building, classrooms and gymnasium, the Waldorf School in Timberland Heights marked its first school opening in July 2010. The school intends to establish fully integrated pre-school, grade school and high school programs within the next five years.

To enhance the nature-oriented concept of the township, outdoor amenities such as a zip line system, along with biking and running trails and a nature park, will be added in 2011. Fully operational, with almost all facilities in place,



Waldorf School

the exclusive Timberland Sports and Nature Club continued to provide the mountain resort country club experience to its growing number of members.

Within 2011, Timberland Heights will offer casitas for sale to investors. These casitas will be pooled together and run as a condotel. Initially, 64 units will be offered, and these will add to the current 24 rooms that are available at the Timberland Sports and Nature Club for those who wish to spend some nights at the Club amidst the beauty and serenity of Timberland Heights.



Timberland Sports and Nature Club (left) and aerial view of Banyan Ridge and Mandala communities (right)

INVESTMENT PROPERTIES

Office Buildings

Cyberzone Properties, Inc.

Cyberzone Properties, Inc. (CPI) is the operator of Northgate Cyberzone, a 10-hectare BPO campus located within Filinvest Corporate City in Alabang. On February 8, 2010, FLI finalized the purchase of its partner's 40% stake in CPI and made it a wholly owned subsidiary. In 2010, CPI contributed a net income of Php298 million to FLI.

Vector One, the newest addition to the growing number of BPO office buildings within Northgate Cyberzone, was completed in December 2010. It is a 14-storey building with three (3) floors earmarked for parking, eleven (11) floors available for lease with a gross leasable area (GLA) of 17,951 square meters. FLI's 20%-owned affiliate, Filinvest Alabang, Inc. (FAI), was the first tenant of the building, occupying the fifth to seventh floors for its corporate headquarters. Another tenant has recently finalized the lease for three floors, bringing the take-up rate to 54%.



Aerial view of Northgate Cyberzone (left) and Vector One (top)

With the addition of Vector One, there are currently eleven (11) operational BPO office buildings within Northgate Cyberzone with a total GLA of over 113,000 square meters by the end of 2010. There are now over 16,000 employees working in Northgate Cyberzone.

Take-up rate of the buildings improved in 2010, to an average of 91% as of end-2010 from only 85% as of end-2009. New tenants signed up to replace the ones that had to terminate their lease contracts, primarily as a consequence of the economic downturn in the United States. Over 25,000 square meters in new or renewed leases were finalized in 2010.

Meanwhile, construction of Vector Two is in full swing, on track for completion by August 2011. It is located next to Vector One and also has eleven (11) office levels with a GLA of close to 18,000 square meters and three (3) floors for parking.

To accommodate the expected increase in demand for BPO office space, CPI will commence construction of another building within Northgate Cyberzone this year. The ten-storey building with a GLA of 16,000 square meters will be located in front of the Alabang-Zapote Road and is targeted for completion in 2012.

CPI will also start construction on its first project outside Northgate Cyberzone this year. It is a five-storey building with a total GLA of 17,500 square meters along Epifanio de los Santos Avenue (EDSA) in Mandaluyong City. The building is expected to be completed within 2012.



PBCom Tower

Filinvest Asia Corporation

Filinvest Asia Corporation (FAC) owns 36,000 square meters of leasable office space in PBCom Tower, currently the tallest office building in the Philippines at 52 storeys high. Located at the corner of Ayala Avenue and Herrera Street in Makati City, PBCom Tower is home to some 30 multinational companies and BPO firms, which include Citibank N.A., ESS Manufacturing Company, Inc. (EMCI) and IBM Global Process Services.

PBCom Tower's occupancy rate was at 87% as of end-2010, a significant improvement over the occupancy rate of the end of 2009, as new tenants signed up for some of the spaces vacated in 2009. For the whole of 2010, FAC generated a net income of Php82 million.

PBCom Tower continues to attract both local and multinational locators with its coveted location at the heart of the Makati Central Business District, and its modern features and world-class facilities.

Retail Space

Festival Supermall

Festival Supermall continues to be the preferred mall destination south of the metro. It opened its doors to several new fashion stores in 2010, including Payless Shoe Source, Terranova, 101 New York, DC Shoes, Hot Flopzz, Res-Toe-Run, Free Tag, Banana Peel, Sandugo, Pinoy Lab, Lavish Lashes and Etude House, among others. Electronics franchisees of Olympus/Lenovo and Samsung also opened their stores at the third level of Festival Supermall. Meanwhile, Stavros Kebab and California Berry were the latest additions to its roster of food outlets. With these recent additions, Festival Supermall currently has a roster of 778 tenants.

Mall expansion perspective



As part of its promotional efforts, Festival Supermall was host to several events in 2010, such as “Road to Fame: Model, and Talent Congress,” a two-month search for potential models and talents for print and TV commercials, Chowking Cheerdance Competition, Manila Beer Grand Relaunch, Friendster Day Grand Eyeball, and a series of concerts by celebrities. It culminated the year with a much-celebrated Christmas special, which featured programs and attractions for kids and performances by Ballet Philippines.



To further strengthen its position as southern Manila’s biggest mall that offers the most diverse shops and services, plans are being finalized to expand the mall. An additional 44,000 square meters of GLA will be added to the current 135,000 square meters, and construction is targeted to start within 2011 with the initial phase coming onstream in 2013. The new wing will include a vast alfresco dining hub and a natural water feature that will be converted into a River Park with boat rides. This expansion venture will be spearheaded by RTKL, a multi-awarded design firm that offers end-to-end planning, architectural and creative design services to different companies worldwide. RTKL is behind architectural masterpieces like LA Live in California, 360 Mall in Kuwait, Bahrain City Centre, LaQua Tokyo Dome City and Alexa in Berlin, Germany.

Festival Supermall contributed Php341 million to FLI’s net income in 2010.

New shops at Festival Supermall