

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
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www.filinvestland.com

May 13, 2016

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **MS. JANET A. ENCARNACION**
Head – Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas,
Makati City

Attention: **MS. VINA VANESSA S. SALONGA**
Head - Issuer Compliance and Disclosure Department (ICDD)

Gentlemen:

Please find attached Quarterly Report of Filinvest Land, Inc. for the period ended March 31, 2016.

Thank you.

Very truly yours,



SHARON P. PAGALING-REFUERZO

Assistant Corporate Secretary and
Corporate Information Officer

COVER SHEET

SEC Registration Number

1 7 0 9 5 7

COMPANY NAME

F I L I N V E S T L A N D , I N C . A N D S U B S I
D I A R I E S

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

7 9 E D S A , B r g y . H i g h w a y H i l l s ,
M a n d a l u y o n g C i t y

Form Type

1 7 Q - 1

Department requiring the report

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

Company's Telephone Number

918-8188

Mobile Number

No. of Stockholders

Annual Meeting (Month / Day)

05/08

Fiscal Year (Month / Day)

03/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestg
roup.com

Telephone Number/s

918-8188

Mobile Number

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**



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

1. For the quarterly period ended **March 31, 2016**
2. SEC Identification Number **170957** 3. BIR Tax ID **000-533-224**
4. Exact name of issuer as specified in its charter **FILINVEST LAND, INC.**

Philippines

5. Province, Country or other jurisdiction of incorporation or organization
6. Industry Classification Code: _____ (SEC Use Only)

7. Address of issuer's principal office **Filinvest Building, #79 EDSA, Brgy. Highway Hills, Mandaluyong City** **1550**
Postal Code

8. Issuer's telephone number, including area code **02-918-8188**

Not Applicable

9. Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Section 8 and 12 of the SRC

<u>Title of Each Class</u>	<u>Number of shares of Common Stock Outstanding</u>	<u>Amount of Debt Outstanding</u>
Common Stock, ₱1.00 par value	24,249,759,509	47,285,608,308

11. Are any or all of these securities listed on the Philippine Stock Exchange?
- Yes ☒ No ☐

12. Indicate by check mark whether the issuer:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

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PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

Please refer to Annex A for the Consolidated Financial Statements of Filinvest Land, Inc. and Subsidiaries covering the three months ended March 31, 2016 and 2015, and period ended December 31, 2015. The Aging Schedule for the Company's receivables as of March 31, 2016 is also presented in Annex B. Also attached are Supplementary Information and Disclosures required on SRC rules 68 and 68.1 as amended for the three months ended March 31, 2016.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Filinvest Land, Inc. (the "Parent Company" or "FLI") is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989 and later changed to its present name on July 12, 1993. The Parent Company and its subsidiaries (collectively referred to as "the Group") offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club, condotels, and condominium buildings. The Group also leases out commercial and office spaces in Alabang, Muntinlupa City, Makati City and Cebu City, its major locations for leasing.

The Group's parent company is Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun Inc. (ALG) is the Group's ultimate parent company. FDC and ALG were incorporated in the Philippines.

The Parent Company's registered business address is at 79 EDSA, Brgy. Highway Hills, Mandaluyong City.

On April 15, 2015, FLI and Cofely Philippines (Cofely), branch of Cofely South East Asia Pte. Ltd., entered into a joint venture agreement to establish Philippine DCS Development Corporation (PDDC). On July 31, 2015, PDDC was registered with the Philippines Securities and Exchange Commission (SEC) to engage in the business of building and operating a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City. PDDC is 60% owned by FLI and 40% owned by Cofely. PDDC has not started its commercial operations.

On December 28, 2015, the Parent Company and Filinvest Alabang, Inc. (FAI), an associate of the Parent Company, entered into a Deed of Assignment of Shares, wherein FAI agreed to sell its rights, title and interests in the 249,995 common shares of Festival Supermall, Inc. (FSI), with par value of ₱1.0 per share and equivalent to 100% ownership interest, to FLI for and in total consideration of ₱0.50 million. FSI is the property manager of Festival Supermall and other commercial centers of the Group. FSI also owns 60% equity interest in FSM Cinemas, Inc. which is engaged in theater operations. The transaction was accounted for using the pooling of interest method.

On February 11, 2016, FCGC Corporation (FCGCC), a wholly-owned subsidiary of the Parent Company was incorporated. Its primary purpose is to acquire by purchase, lease, donate and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, hold for investment and deal with real estate of all kinds. FCGCC has not started its commercial operations.

On March 16, 2016, Filinvest BCDA Clark, Inc. (FBCI), a planned joint venture company with Bases Conversion and Development Authorities (BCDA), was incorporated. As of March 31, 2016, BCDA has not yet subscribed to the agreed 45% ownership in FBCI, making it a wholly-owned subsidiary of the Parent Company as of the said cutoff date. Its primary purpose is to use, develop, construct, establish, hold for investment, operate, manage and implement real estate of all kinds, including the holding, operation, and management of such developments; to own, develop, sell, manage, market, lease, sublease, commercial and retail centers, business, office, industrial and residential lots and buildings, mixed-use development, tourism, institutional and recreational facilities and other allied activities. FCGC has not started its commercial operations.

2. Summary of Significant Accounting Policies

Basis of Preparation

The consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVTOCI) that are measured at fair value.

The Group's consolidated financial statements are presented in Philippine Peso (Peso), which is also the functional currency of the Parent Company and its subsidiaries, and an associate. Amounts are in thousand Pesos except as otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been presented in compliance with Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as at March 31, 2016 and December 31, 2015 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

Subsidiaries	Nature of Business	March 31, December 31,	
		2016	2015
Filinvest AII Philippines Inc. (FAPI)	Real estate developer	100%	100%
Cyberzone Properties, Inc. (CPI)	Leasing	100%	100%
Filinvest Cyberparks Inc. (FCI)	Leasing	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Marketing	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%
FSM Cinemas, Inc. (Cinemas)*	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
FCGC Corporation (FCGC)	Leasing	100%	—
Filinvest BCDA Clark, Inc. (FBCI)**	Leasing	100%	—

* FSM Cinemas is owned directly through FSI.

** FBCI is owned directly through FCGC.

All of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

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: (a) power over the investee (i.e., there are existing rights that give it the current ability to direct the relevant activities of the investee); (b) exposure, or rights, to variable returns from its involvement with the investee, and, (c) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: (a) the contractual arrangement with the other vote holders of the investee; (b) rights arising from other contractual arrangements; and, (c) 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 financial statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in 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 ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any noncontrolling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Noncontrolling Interest

Noncontrolling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Group.

Noncontrolling interests are presented separately in the consolidated statement of income, consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position, separately from parent shareholder's equity. Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity

transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

Business Combinations Involving Entities under Common Control

A business combination involving entities under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. This will include transactions such as the transfer of subsidiaries or businesses between entities within a group. Common control business combinations are outside the scope of PFRS 3, *Business Combination*. The Group elected to account for its common control business combination using acquisition method and this is applied consistently for similar transactions.

However, where the acquisition method of accounting is selected, the transaction must have commercial substance from the perspective of the reporting entity. Common control business combination without commercial substance is accounted using "pooling of interests" method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination and adjustments made are only those adjustments to harmonize accounting policies.

No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. The effects of intercompany transactions on current assets, current liabilities, revenues, and cost of sales for the periods presented and on retained earnings at the date of acquisition are eliminated to the extent possible.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the Group's interim consolidated financial statements are consistent with those of the previous financial years except for the adoption of the following amended standard which became effective beginning January 1, 2015.

The nature and the impact of each new standard and amendment are described below:

- *Amendments to PAS 19, Defined Benefit Plans: Employee Contributions*
PAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognize such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after July 1, 2014.

This amendment is not relevant to the Group, since none of the entities within the Group has defined benefit plans with contributions from employees or third parties.

Annual Improvements to PFRSs (2010-2012 cycle)

The adoption of these improvements effective July 1, 2014 has no impact on the Group's interim consolidated financial statements. They include:

- *PFRS 2, Share-based Payment - Definition of Vesting Condition*
The improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions. The Group currently has no share-based payments.

- **PFRS 3, *Business Combinations - Accounting for Contingent Consideration in a Business Combination***
The amendment is applied prospectively for business combinations for which the acquisition date is on or after July 1, 2014. It clarifies that a contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PFRS 39, *Financial Instruments*. The Group shall consider this amendment for future business combinations.
- **PFRS 8, *Operating Segments - Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets***
The amendments are applied retrospectively and clarifies that: (a) an entity must disclose the judgments made by management in applying the aggregation criteria in the standard; and, (b) reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.
- **PAS 16, *Property, Plant and Equipment*, and PAS 38, *Intangible Assets - Revaluation Method - Proportionate Restatement of Accumulated Depreciation and Amortization***
The amendment is applied retrospectively and clarifies in PAS 16 and PAS 38 that the asset may be revalued by reference to the observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. The adoption of this amendment did not have any impact in the Group's interim consolidated financial statements as the Group's property and equipment and intangible assets are not carried at revalued amounts.
- **PAS 24, *Related Party Disclosures - Key Management Personnel***
The amendment is applied retrospectively and clarifies that a management entity, which is an entity that provides key management personnel services, is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual Improvements to PFRSs (2011-2013 cycle)

The adoption these improvements effective July 1, 2014 has no impact on the Group's interim consolidated financial statements. They include:

- **PFRS 3, *Business Combinations - Scope Exceptions for Joint Arrangements***
The amendment is applied prospectively and clarifies that (a) the joint arrangements, not just joint ventures, are outside the scope of PFRS 3; and, (b) this scope exception applies only to the accounting in the financial statements of the joint arrangement itself.
- **PFRS 13, *Fair Value Measurement - Portfolio Exception***
The amendment is applied prospectively and clarifies that the portfolio exception in PFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of PFRS 9.
- **PAS 40, *Investment Property***
The description of ancillary services in PAS 40 differentiates between the investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that PFRS 3, and not the description of ancillary services in PAS 40, is used to determine if the transaction is the purchase of an asset or business combination.

Annual Improvements to PFRSs (2012-2014 cycle)

The Annual Improvements to PFRSs (2012-2014 cycle) are effective for annual periods beginning on or after January 1, 2016 and are not expected to have a material impact on the Group.

- **PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations* - Changes in Methods of Disposal**
This amendment is applied prospectively and clarifies that changing from a disposal through sale to a disposal through distribution to owners and vice-versa should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in PFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification.
- **PFRS 7, *Financial Instruments: Disclosures* - Servicing Contracts**
PFRS 7 requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognized in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance in PFRS 7 in order to assess whether the disclosures are required. The amendment is to be applied such that the assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative disclosures are not required to be provided for any period beginning before the annual period in which the entity first applies the amendments.
- **PFRS 7, *Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements***
This amendment is applied retrospectively and clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report.
- **PAS 19, *Employee Benefits* - regional market issue regarding discount rate (Amendment)**
The amendment is applied prospectively and clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.
- **PAS 34, *Interim Financial Reporting* - disclosure of information 'elsewhere in the interim financial report' (Amendment)**
The amendment is applied retrospectively and clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

Effective January 1, 2018

- **PFRS 9, *Financial Instruments***
In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*. The new standard (renamed as PFRS 9) reflects all phases of the financial instrument project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous version of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. PFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Retrospective application is required, but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited

exceptions. Early application of previous versions of PFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before February 1, 2015.

As the Group had early adopted the first phase of PFRS 9 (2009 version) effective January 1, 2011, the adoption is not expected to have significant impact on the classification and measurement of the Group's financial assets and financial liabilities. The adoption of the final version of PFRS 9 will have an effect on the impairment methodology for financial assets and will also have an effect on the Group's application of hedge accounting. The Group is currently assessing the impact of adopting this standard.

- **IFRS 15, *Revenue from Contracts with Customers***
IFRS 15 was issued in May 2014 by the IASB and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Group is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date once adopted locally.

Effective January 1, 2019

- **IFRS 16, *Leases***
On January 13, 2016, the IASB its new standard, IFRS 16, *Leases*, which replaces IAS 17, the current leases standard, and the related Interpretations.
Under the new standard, lessees will no longer classify their leases as either operating or finance leases in accordance with IAS 17. Rather, lessees will apply the single-asset model. Under this model, lessees will recognize the assets and related liabilities for most leases on their balance sheets, and subsequently, will depreciate the lease assets and recognize interest on the lease liabilities in their profit or loss. Lease with a term of 12 months or less for which the underlying asset is of low value are exempted from these requirements.

The accounting by lessors is substantially unchanged as the new standard carries forward the principles of lessor accounting under IAS 17. Lessors, however, will be required to disclose more information in their financial statements, particularly on the risk exposure to residual value.

The new standard is effective for annual periods beginning on or after January 1, 2019. Entities may early adopt IFRS 16 but only if they have also adopted IFRS 15, *Revenue from Contracts with Customers*. When adopting IFRS 16, an entity is permitted to use either a full retrospective or a modified retrospective approach, with options to use certain transition reliefs. The Group is currently assessing the impact of IFRS 16 and plans to adopt the new standard on the required effective date once adopted locally.

3. Significant Accounting Judgments and Estimates

The preparation of the accompanying consolidated interim financial statements in compliance with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated interim financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be reflected in the consolidated interim financial statements as they become reasonably determinable. Estimates and judgments are

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

Judgments

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

Classification of Financial Instruments

The Group classifies financial instruments, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and the definition of the instruments. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial position. The Group determines the classification at initial recognition and re-evaluates this designation at every reporting date.

Real Estate Revenue Recognition

Selecting an appropriate revenue recognition method for a real estate sale transaction requires certain judgments based on, among others:

- Buyer's commitment on sale which may be ascertained through the significance of the buyer's initial payments in relation to the total contract price; and,
- Stage of completion of the project development.

Operating Lease Commitments - The Group as Lessor

The Group has entered into various property leases on its investment property portfolio. The Group has determined that it retains all significant risks and rewards of ownership on these properties hence classified as operating leases.

Operating Lease Commitments - The Group as Lessee

The Group has entered into various leases for its occupied offices. The Group has determined that all significant risks and rewards of ownership are retained by the respective lessors and therefore account for these leases as operating lease.

Determining Classification of Investment in Club Project

Being a real estate developer, the Group determines how investment in club project shall be accounted for. In determining whether this shall be accounted for as inventories or as financial instruments, the Group considers its role in the development of the Club and its intent for holding the related club shares. The Group classifies such shares as inventories when the Group acts as the developer and its intent is to sell the developed property, together with the related club shares.

Determining control over FAC and PDDC

The Group determined that it has control over FAC and PDDC as the Group has the power to direct the relevant activities of FAC and PDDC despite the existence of a contractual arrangement which grants the other investor rights over certain activities of FAC and PDDC. Management assessed that the rights held by the investor through contractual arrangement are only designed to protect the other investor's interest and are merely held to prohibit fundamental changes in the activities of FAC and PDDC rather than bestow the power to direct the relevant activities over FAC and PDDC. Accordingly, the Group accounted for its investment in PDDC as an investment in subsidiary.

Determining significant influence over FAI

The Group determined that it has significant influence over Filinvest Alabang, Inc. (FAI). Management assessed that it has the power to participate in the financial and operating policy decisions of the investee, but does not have control or joint control over those policies.

Accordingly, FAI is considered an associate.

Determining whether the assignment of FSI shares has commercial substance

The Group determined that the assignment of FSI shares has no commercial substance considering that: (a) its purpose is to consolidate the mall operations and its management entity (i.e., FSI) under one group; (b) the acquisition price approximates net asset value of FSI; and, (c) there were no changes in the reporting entities and activities conducted by these entities involved before and after the combination. Accordingly, this common control business combination was accounted using pooling of interest method (see Note 1).

Evaluation of Impairment on Nonfinancial Assets

The Group reviews its investment in an associate, property and equipment, investment properties and other assets (excluding short-term deposits) for impairment of value. This includes consideration of certain indicators of impairment such as significant change in asset usage, significant decline in asset's market value, obsolescence or physical damage of an asset, plans of discontinuing the real estate projects, and significant negative industry or economic trends.

If such indicators are present, and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to recoverable amount.

The recoverable amount is the asset's fair value less cost of disposal, except for investment in an associate, which have recoverable value determined using value-in-use. The fair value less cost 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 investment in an associate. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

As at March 31, 2016 and December 31, 2015, the Group did not record impairment on any of its nonfinancial assets since there are no indications of impairment. The carrying values of the Group's nonfinancial assets (excluding goodwill) as of March 31, 2016 and December 31, 2015 follow:

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
Investment in an associate	₱4,152,555	₱4,141,165
Investment properties	33,505,407	31,981,021
Property and equipment	1,352,461	1,356,668
Other assets – net of short-term deposits	5,357,864	5,385,532

Contingencies

In the normal course of business, the Group is currently involved in various legal proceedings and assessments. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Group currently does not believe these proceedings will have material effect on the Group's interim financial position. It is possible, however, that future results of operations could be materially affected by changes in the assessment of probability and estimates of potential outflow or in the effectiveness of the strategies relating to these proceedings.

Management's Use of Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Real Estate Revenue and Cost Recognition

The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of the estimated completion of a physical proportion of the contract work.

Revenue and cost recognized based on percentage of completion for the three months ended March 31, 2016, 2015 and 2014 are as follows:

	2016	2015	2014
		(In Thousands)	
Real estate sales	₱2,315,055	₱2,477,507	₱1,953,412
Cost of real estate	1,360,017	1,481,855	1,166,175

Evaluation of Impairment of Financial Assets at Amortized Cost

The Group reviews financial assets at amortized cost, other than cash and cash equivalents, at each reporting date to assess whether an allowance for impairment should be recorded in the consolidated statements of income. If there is objective evidence that an impairment loss on financial assets at amortized cost, other than cash and cash equivalents, has been incurred, the carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the consolidated statement of income.

The Group maintains allowance for doubtful accounts based on the result of the individual and collective assessment. Under the individual assessment, impairment loss is determined as the difference between the receivables carrying balance and recoverable amount. Factors considered in individual assessment include payment history, account status and term. The collective assessment would require the Group to classify its receivables based on the credit risk characteristics (customer type, payment history, account status and term) of the customers. Impairment loss is then determined based on historical loss experience of the receivables grouped per credit risk profile adjusted on the basis of current observable data to reflect the effects of current conditions.

The methodology and assumptions used for the individual and collective assessments are based on management's judgment and estimate. Therefore, the amount and timing of recorded expense for any period would differ, depending on the judgments and estimates made for the period.

The contracts receivables are collateralized by the corresponding real estate properties sold. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market prices.

Estimating NRV of real estate inventories

The Company adjusts the cost of its real estate inventories to NRV based on its assessment of the recoverability of the inventories. In determining the recoverability of the inventories, management considers whether the selling prices of those inventories have significantly declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

Evaluation of Impairment on Goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill on acquisition of CPI and Festival Supermall structure is based on value-in-use calculations that uses a discounted cash flow model. For the Group's impairment test for goodwill on acquisition of FAC, the Group availed of the services of an independent appraiser to compute the value-in-use using income capitalization

approach. The cash flows are derived from budget period of 10 years and do not include restructuring activities that the Group is not yet committed to nor significant future investments that will enhance the asset base of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as the expected future cash-inflows and the growth rates used. The pre-tax discount rates used in 2016 and 2015 was 10%. The growth rates used beyond the forecast period for different cash-generating units ranges from 5% to 10%.

Estimating Retirement Liabilities

The determination of the Group's obligation and cost for retirement is dependent on selection of certain assumptions used by the actuary in calculating such amounts.

Recognition of Deferred Income Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of its deferred income tax assets to be utilized.

Fair Values of Financial Instruments

The preparation of consolidated financial statements in compliance with PFRS requires certain financial assets and financial liabilities to be measured at fair value and fair value disclosure of financial instruments, the determination of which requires the use of extensive accounting estimates and judgments. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., interest rate), the amount of changes in fair value would differ due to usage of different valuation methodology. Any changes in fair value of these financial assets and financial liabilities would affect directly the Group's consolidated net income and other comprehensive income.

4. Segment Reporting

For management purposes, the Group is organized into the following segments:

Real Estate

This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings.

Leasing

This involves the operations of Festival Supermall (the "Mall"), including its management and theater operations, and the leasing of commercial and office spaces in Makati City, Alabang, Muntinlupa City, Pasay City and Cebu City.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, which in certain respects, are measured similarly as net income in the consolidated financial statements.

The chief operating decision-maker has been identified as the Executive Committee. This committee reviews the Group's internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Group does not report its results based on geographical segments because the Group operates only in the Philippines.

No operating segments have been aggregated to form the above reportable segments. Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered into with third parties.

The information about the financial position and result of operations of these business segments for the period ended March 31, 2016 and 2015 are summarized below (amounts in thousands).

March 31, 2016 (Unaudited)					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of an associate:					
External	P3,985,933	P728,598	P4,714,530	(P55,722)	P4,658,808
Inter-segment	42,745	–	42,745	(42,745)	–
	4,028,678	728,598	4,757,275	(98,467)	4,658,808
Equity in net earnings of an associate	11,389	–	11,389	–	11,389
	P4,040,067	P728,598	P4,768,665	(P98,467)	P4,670,198
Net income	P919,370	P455,781	P1,375,151	(P55,553)	P1,319,598
Adjusted EBITDA	P1,451,353	P609,497	P2,060,851	(P65,916)	P1,994,935
Segment assets	P84,853,809	P37,838,856	P122,692,665	P1,046,590	P123,739,255
Less net deferred tax assets	–	13,658	13,658	–	13,658
Net segment assets	P84,853,809	P37,825,198	P122,679,007	P1,046,590	P123,725,597
Segment liabilities	P54,291,559	P12,522,230	P66,813,789	(P199,269)	P66,614,520
Less net deferred tax liabilities	3,483,976	12,734	3,496,710	130,562	3,627,272
Net segment liabilities	P50,807,583	P12,509,496	P63,317,079	(P329,831)	P62,987,249
Cash flows provided by (used in):					
Operating activities	(P976,195)	P753,607	(P222,588)	P369,777	P147,189
Investing activities	(1,222,058)	–	(1,222,058)	–	(1,222,058)
Financing activities	(321,499)	(458,951)	(780,450)	15,163	(765,287)
March 31, 2015 (Unaudited)					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue and other income except equity in net earnings of an associate:					
External	P3,933,095	P647,058	P4,580,153	(P32,282)	P4,547,871
Inter-segment	33,135	–	33,135	(33,135)	–
	3,966,230	647,058	4,613,288	(65,417)	4,547,871
Equity in net earnings of an associate	33,732	–	33,732	–	33,732
	P3,999,962	P647,058	P4,647,019	(P65,417)	P4,581,602
Net income	P831,776	P412,572	P1,244,348	(P5,165)	P1,239,182
Adjusted EBITDA	P1,314,080	P584,322	P1,898,402	(P32,279)	P1,866,123
Segment assets	P74,022,146	P46,062,710	P120,084,856	P1,248,188	P121,333,044
Less net deferred tax assets	–	12,677	12,677	–	12,677
Net segment assets	P74,022,146	P46,050,033	P120,072,179	P1,248,188	P121,320,367
Segment liabilities	P46,995,521	P18,422,158	P65,417,679	P80,231	P65,497,910
Less net deferred tax liabilities	2,651,913	607,945	3,259,858	142,982	3,402,840
Net segment liabilities	P44,343,608	P17,814,213	P62,157,821	(P62,750)	P62,095,071

	March 31, 2015 (Unaudited)				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Cash flows provided by (used in):					
Operating activities	(P859,742)	P628,872	(P230,870)	P110,017	(P120,853)
Investing activities	875,676	(2,047,803)	(1,172,127)	—	(1,172,127)
Financing activities	(779,457)	(414,703)	(1,194,160)	443,281	(750,880)

The following table shows a reconciliation of the adjusted earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA) to income before income tax in the consolidated statements of income:

	March 31, 2016 (Unaudited)	March 31, 2015 (Unaudited)
	(In Thousands)	
Adjusted EBITDA	P1,994,934	P1,866,123
Depreciation and amortization	(113,008)	(104,070)
Operating profit	1,881,926	1,762,053
Interest and other finance charges	(263,738)	(232,953)
Equity in net earnings of an associate	11,389	33,732
Income before income tax	P1,629,578	P1,562,832

5. Noncontrolling Interest

As of March 31, 2016 and December 31, 2015, noncontrolling interest in FAC is 40%. Other noncontrolling interest pertains to the 40% equity interest in PDDC amounting to P98.67 million and P98.85 million as of March 31, 2016 and December 31, 2015, respectively.

The summarized financial information of FAC is provided below. This information is based on amounts after consolidation but before intercompany elimination.

Summarized statements of financial position as of:

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
	(In Thousands)	
Assets:		
Cash and cash equivalents	P119,448	P118,723
Other current assets	125,359	119,570
Other noncurrent assets excluding goodwill	1,271,788	1,292,651
Goodwill	494,744	494,744
Liabilities:		
Current liabilities	(275,604)	(259,352)
Noncurrent liabilities	(949,079)	(967,891)
Total Equity	P786,657	P798,445
Attributable to:		
Equity holders of the Parent	P669,892	P676,965
Noncontrolling interest	116,765	121,480

Summarized statements of comprehensive income for the period ended March 31:

	2016 (Unaudited)	2015 (Unaudited)
	(In Thousands)	
Revenue	₱117,461	₱101,193
Costs	(26,791)	(13,628)
Interest and other finance charges	(9,913)	(27,125)
Income before income tax	80,757	60,440
Provision for income tax	(17,546)	(14,740)
Net income/Total comprehensive income	₱63,212	₱45,700
Attributable to noncontrolling interest	₱25,284	₱19,963
Dividends paid to noncontrolling interest	30,000	20,000

Summarized statements of cash flows information for the period ended March 31:

	2016 (Unaudited)	2015 (Unaudited)
	(In Thousands)	
Operating	₱96,398	₱106,295
Investing	–	(258)
Financing	(95,673)	(83,471)
	₱725	₱22,567

6. Accounts Payable and Accrued Expenses

This account consists of:

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
	(In Thousands)	
Accounts payable	₱7,553,798	₱6,317,228
Deposits for registration and insurance	2,175,737	2,030,543
Retention fees payable	1,903,711	1,752,772
Advances and deposits from customers	1,395,067	1,747,285
Deposits from tenants	707,622	689,141
Accrued expenses	356,464	453,649
Accrued interest on bonds and loans	245,284	250,726
Liabilities on receivables sold to banks	7,327	7,327
Other payables	615,061	451,519
	₱14,960,071	₱13,700,190

“Accounts payable” includes the outstanding balance of the costs of land acquired by the Group and is payable on scheduled due dates or upon completion of certain requirements. This account also includes amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Group.

“Deposits for registration and insurance” pertain to amounts connected from buyers for payment of registration and insurance of real estate properties.

“Retention fees payable” pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

“Advances and deposits from customers” include collections from accounts which do not qualify yet for revenue recognition as real estate sales and any excess of collections over the recognized receivables on sale of real estate inventories.

“Deposits from tenants” are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

“Accrued expenses” pertain to various operating expenses incurred by the Group in the course of business such as salaries and wages, professional fees and utilities expense, among others.

“Other payables” pertain mainly to withholding taxes and output VAT payables.

7. Long Term Debt

This account consists of:

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
	(In Thousands)	
Developmental loans from local banks	₱15,521,878	₱15,946,927
Bonds Payable	31,763,731	31,749,909
Total long-term debts	₱47,285,608	₱47,696,836

Developmental Loans from Local Banks

These are loans obtained from local banks with floating or fixed interest rates at different terms and repayment periods. Loan balance is presented net of unamortized deferred charges amounting to ₱19.89 million and ₱14.28 million as of March 31, 2016 and December 31, 2015, respectively.

Bonds

On July 7, 2011, the Parent Company issued fixed rate bonds with principal amount of ₱3.00 billion, to finance its capital requirements in 2011 and 2012. The term of the bonds is five years from the issue date with fixed interest rate of 6.20% per annum, payable quarterly in arrears starting on October 7, 2011.

Unamortized debt issuance cost on bonds payable amounted to ₱5.68 million and ₱8.34 million as of March 31, 2016 and December 31, 2015, respectively. Accretion as of three months period ended March 31, 2016 and 2015 included as part of Interest and Other Finance Charges amounted to ₱2.66 million and ₱2.46 million, respectively.

On June 8, 2012, the Parent Company issued another fixed rate bonds with aggregate principal amount of ₱7.00 billion with term of seven (7) years from the issue date. The fixed interest rate is 6.27% per annum, payable quarterly in arrears starting on September 8, 2012.

Unamortized debt issuance cost on bonds payable amounted to ₱32.80 million and ₱36.64 million as of March 31, 2016 and December 31, 2015, respectively. Accretion as of three months period ended March 31, 2016 and 2015 included as part of Interest and Other Finance Charges amounted to ₱3.84million and ₱3.16 million, respectively.

On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in

2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014.

Unamortized debt issuance cost on bonds payable amounted to ₱54.25 million and ₱57.07 million as of March 31, 2016 and December 31, 2015, respectively. Accretion as of three months period ended March 31, 2015 and 2014 included as part of Interest and Other Finance Charges amounted to ₱2.82 million and ₱2.94 million, respectively.

On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the ten-year bonds have a fixed interest rate of 5.64% per annum.

Unamortized debt issuance cost on bonds payable amounted to ₱61.85 million and ₱64.79 million as of March 31, 2016 and December 31, 2015, respectively. Accretion as of three months period ended March 31, 2016 and 2015 included as part of Interest and Other Finance Charges amounted to ₱2.94 million and ₱3.07 million, respectively.

On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum while the 10-year bonds have a fixed interest rate of 5.71% per annum.

Unamortized debt issuance cost on bonds payable amounted to ₱80.79 million and ₱83.26 million as of March 31, 2016 and December 31, 2015, respectively. Accretion as of three months period ended March 31, 2016 and 2015 included as part of Interest and Other Finance Charges amounted to ₱2.47 million and nil, respectively.

These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio of 2.0x; minimum current ratio of 2.0x; and minimum debt service coverage ratio of 1.0x. As of March 31, 2016 and December 31, 2015, the Group is not in breach of any of these debt covenants.

8. Other Income - net

The account consists of:

	2016 (Unaudited)	2015 (Unaudited)
	(In Thousands)	
Forfeited reservations and collections	₱62,519	₱50,260
Processing fees	45,465	70,917
Income from amusement centers, parking and other lease-related activities	40,490	37,940
Gross ticket and snackbar sales	28,116	32,972
Service fees	7,787	2,140
Management, leasing and other fees	4,380	4,447
Foreign currency exchange gain (loss) – net	670	(8,817)
Advertising income	525	295
Others	13,473	10,104
	₱203,424	₱200,259

9. Financial Risk Exposures

FLI's Finance and Treasury function operates as a centralized service for managing financial risks and activities as well as providing optimum investment yield and cost efficient funding for the Company. The Board of Directors reviews and approves the policies for managing each of these risks. The policies are not intended to eliminate risks but to manage it in such a way that risks are identified, monitored and minimized so that opportunities to create value for the stakeholders are achieved. The Company's risk management takes place in the context of the normal business processes such as strategic planning, business planning, technical, operational and support processes.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Group also monitors the foreign currency risk arising from all financial instruments.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Group uses a combination of internally generated funds and available long-term and short-term credit facilities.

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, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

Under the current financial scenario, it is cheaper for the Company to finance its projects by drawing on its bank lines, tapping the local bond market and/or by rediscounting part of its receivables, to complement the Company's internal cash generation.

Interest Rate Risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's loans from various financial institutions which carry floating interest rates. The Company regularly keeps track of the movements in interest rates and the factors influencing them.

Of the total ₱15,521.88 million loans outstanding as of March 31, 2016, ₱1,690.34 million are on floating rate basis. The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, or the Company's annualized profit before tax through the impact on floating rate borrowings.

	Increase (decrease) in basis points	Effect on annualized income before income tax (In Thousands)
March 31, 2016	+200	(₱33,807)
	-200	33,807

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to risk operating activities, primarily for its contract receivables and other receivables.

Credit risk is managed since the titles of the properties sold are retained by the Group until installment receivables are fully collected and the fair values of these properties held as collateral are sufficient to cover the carrying values of the installment contract receivable.

It is the Group's policy that buyers who wish to avail of the in-house financing scheme are subject to credit verification procedures. Receivable balances are being monitored on a regular basis and are subjected to appropriate actions to manage credit risk. Moreover, the Group has a mortgage insurance contract with the Home Guaranty Corporation for a retail guaranty line.

With respect to credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVTOCI, 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.

The maximum credit risk exposure of the Company to these financial assets as of March 31, 2016 is ₱22,084.60 million. All of these financial assets are of high-grade credit quality. Based on the Company's experience, these assets are highly collectible or collectible on demand. The Company holds as collaterals for its installment contract receivables the corresponding properties, which the third parties purchased in installments.

Financial Instruments

The Company's principal financial instruments are composed of Cash and Cash Equivalents, Mortgage and Installment Contract Receivables, Other Receivables and Loans from Financial institutions. The Company does not have any complex financial instruments like derivatives.

Comparative Fair Values of Principal Financial Instrument (In Thousands of Pesos)

	March 31, 2016		December 31, 2015	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Cash & Cash Equivalents	₱4,756,225	₱4,756,225	₱6,596,380	₱6,596,380
Contract Receivables	20,534,203	20,917,519	19,455,271	19,818,447
Other Receivables	3,551,104	3,551,104	3,620,650	3,620,650
Long-term Debt	47,285,608	48,174,167	47,696,836	47,507,745

Due to the short-term nature of Cash & Cash Equivalents and Other Receivables, the fair value approximates the carrying amounts.

The estimated fair value of Contracts Receivables, is based on the discounted value of future cash flows from these receivables.

The estimated fair value of long-term debts with fixed interest and not subjected to quarterly re-pricing is based on the discounted value of future cash flows using the applicable risk free rates for similar type of loans adjusted for credit risk. Long-term debt subjected to quarterly re-pricing is not discounted since its carrying value approximates fair value.

Investment in foreign securities

The Company does not have any investment in foreign securities.

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

Results of operations for the three months ended March 31, 2016 compared to three months ended March 31, 2015

For the three months ended March 31, 2016, FLI's net income from its business segments registered a year-on-year growth of 6.49% or an increase of ₱80.42 million from ₱1,239.18 million in 2015 to ₱1,319.60 million in 2016.

Revenues

Total consolidated revenues went up by 2.52% to ₱4,249.29 million during the first three months of 2016 from ₱4,144.92 million for the same period last year. Modest increase resulted from 0.64% increase in real estate sales amounting to ₱22.61 million (from ₱3,548.56 million in 2015 to ₱3,571.17 million in 2016) and 13.71% increase in rental services amounting to ₱81.76 million (from ₱596.37 million in 2015 to ₱678.13 million in 2016). Real estate sales booked during the current period broken down by product type are as follows: Middle Income 75% (inclusive of Medium-Rise Buildings and High-Rise Buildings); Affordable 15%; High-End 2%; Farm Estate 1%; Socialized and Others 7%. The increase in rental revenues from the mall and office spaces was brought about mainly by higher rental revenues generated by CPI from Northgate Cyberzone buildings.

Interest income for the three months ended March 31, 2016 increased by 1.68% to ₱206.09 million from ₱202.69 million during the same period in 2015. The increase was due to higher interest generated from installment contracts receivable and bank deposits. Other income increased by 1.58% to ₱203.42 million from ₱200.26 million or by ₱3.17 million due to the increase in income from various fees charged to buyers, other lease-related activities, and processing fees. The Company's equity in net earnings of an associate decreased from ₱33.73 million in 2015 to ₱11.39 million in 2016 or by 66.24% due to lower earnings recorded by Filinvest Alabang, Inc. (FAI) for the period. FLI has a 20% equity interest in FAI.

Costs

Cost of real estate sales increased by 0.63% or by ₱13.16 million (from ₱2,084.46 million in 2015 to ₱2,097.62 million in 2016). This is mainly due to higher amount of sales booked during the current period.

Expenses

General and administrative expenses decreased by ₱22.65 million during the three months of 2016 or by 7.08%, from ₱319.76 million in 2015 to ₱297.11 million in 2016. The decrease was due to lower employee benefits, taxes and licenses, rental, utilities, and other expenses recorded for the current period. Likewise, selling and marketing expenses also went down by ₱13.79 million or by 5.84% due to lower marketing overhead, advertisements and promotions.

Provision for income tax decreased by 4.22% or by ₱13.67 million to ₱309.98 million for the three months of 2016 from ₱323.65 million for the same period in 2015.

Provision for current income tax increased by ₱20.51 million or by 34.09% to ₱80.67 million in 2016 from ₱60.16 million in 2015 due to higher taxable income because of expiration of some income tax holiday incentives.

Provision for deferred income tax decreased by ₱34.18 million or by 12.97% from ₱263.49 million in 2015 to ₱229.31 million in 2016 due to lower temporary differences of taxable income and financial income.

Financial Condition as of March 31, 2016 compared to as of December 31, 2015

As of March 31, 2016, FLI's total consolidated assets stood at ₱123,739.25 million, higher by 1.98% or by ₱2,406.21 million than the ₱121,333.04 million total consolidated assets as of December 31, 2015. The following are the material changes in account balances:

27.90% Decrease in Cash and Cash Equivalents

The decrease is due to funds being used for the development of existing and new projects and for the construction of new buildings (investment properties), and for raw land acquisitions.

5.55% Increase in Contracts Receivable

Contracts receivable increased due to additional sales booked during the period. Several attractive financing schemes are being offered by the Company to its real estate buyers to further increase sales.

7.97% Increase in Real Estate Inventories

Increase in the account is mainly due to construction costs of new projects for the year.

4.77% Increase in Investment Property

The increase is mainly due to the additional costs of investment properties from CPI and FCI, and various raw land acquired for investment purposes.

7.74% Increase in Deferred Income Tax Assets

The increase in deferred income tax assets is due to the advances on rent payments from lessees.

7.55% Increase in Other Assets

The increase in this account is mainly due to construction costs related to acquired non-current asset and deposits for newly acquired rawland.

9.20% Increase in Accounts Payable and Accrued Expenses

The increase in this account is due to the increase in various deposits such as customer's deposits, registration deposits and retention fees.

122.38% Increase in Income Tax Payable

The increase in income tax payable is due to higher current income tax expense.

6.60% Increase in Deferred Income Tax Liabilities

The increase in deferred tax liabilities is mainly due to additional capitalized borrowing costs slightly offset by the realized portion of the sales.

Performance Indicators

Financial Ratios	Particulars	As of and for the three months ended Mar. 31, 2016	As of and for the three months ended Mar. 31, 2015
Earnings per Share	<u>Net income (Not Annualized)</u> Weighted average number of outstanding common shares	0.05	0.05
Earnings per Share	<u>Net income (Annualized)</u> Weighted average number of outstanding common shares	0.21	0.19
Debt to Equity Ratio	<u>Long Term Debt</u> Total Stockholder's Equity	0.83	0.85
Debt Ratio	<u>Total Liabilities</u> Total Assets	0.54	0.54

Financial Ratios	Particulars	As of and for the three months ended Mar. 31, 2016	As of and for the three months ended Mar. 31, 2015
EBITDA to Interest paid	<u>EBITDA (Not Annualized)</u> Interest paid	6.85 times	3.32 times
Price Earnings Ratio	<u>Closing Price of Share</u> Earnings per Share (Annualized)	8.29 times	9.35 times

Earnings per share (EPS) posted for the three months of 2016 went up by 10.93% compared to the EPS for the same period in 2015 on account of higher net income.

The Debt-to-equity (D/E) ratio decreased due to lower loan level as of the current period while Debt ratio remained the same.

Price earnings multiple went down due to the increase of the market share price as of end of the current period and increase in annualized earnings per share during the period. As of March 31, 2016 and 2015, and as of December 31, 2015, market share price of FLI's stock was at ₱1.77, ₱1.80 and ₱1.81 per share, respectively.

PART II - OTHER INFORMATION

Item 3. Business Development/New Projects

Driven by the buoyant sales take-up rate of its vertical residential projects within Metro Manila and Metro Cebu, FLI is on the lookout for additional land in urban areas to expand its inner-city developments. FLI recently acquired parcels of land in Tondo, Manila, Las Piñas City, Quezon City and Dumaguete City. As of March 31, 2016, the Company had a land bank of approximately 2,399.30 hectares of raw land for the development of its various projects and investment properties, including approximately 264.52 hectares of land under joint venture agreements, which the Company's management believes is sufficient to sustain several years of development and sales. FLI plans to develop these properties into mix-use developments with residential and commercial components.

Details of the Parent Company's raw land inventory as of March 31, 2016 are set out in the table below:

FLI Land Bank as of March 31, 2016				
Area in Hectares				
Location	Company Owned	Under Joint Ventures	Total	% to Total
Luzon				
Metro Manila	35.29	—	35.29	1.47%
Rizal	832.81	8.88	841.68	35.08%
Bulacan	236.61	—	236.61	9.86%
Pampanga	—	59.05	59.05	2.46%
Tarlac	—	0.15	0.15	0.01%
Cavite	364.88	88.99	453.87	18.92%
Laguna	292.78	2.02	294.80	12.29%
Batangas	142.31	42.07	184.38	7.68%
Sub-total	1,904.67	201.15	2,105.82	87.77%

FLI Land Bank as of March 31, 2016				
Area in Hectares				
Location	Company Owned	Under Joint Ventures	Total	% to Total
Visayas				
Cebu	9.17	37.79	46.96	1.96%
Negros Occidental	68.29	—	68.29	2.85%
Negros Oriental	2.14	—	2.14	0.09%
Sub-total	79.60	37.79	117.38	4.89%
Mindanao				
Cagayan De Oro City	2.78	—	2.78	0.12%
Davao	45.50	25.59	71.08	2.96%
General Santos City	99.56	—	99.56	4.15%
Koronadal City	2.67	—	2.67	0.11%
Sub-total	150.51	25.59	176.09	7.34%
Total	2,134.77	264.52	2,399.30	100.0%

In August 2010, FLI launched City di Mare, 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, nestled at the heart of the residential enclaves, puts lifestyle essentials such as a school, church, shops and restaurants within the neighborhood. City di Mare is envisioned to be a destination in itself, takes full advantage of the coastal ambience featuring seaside shopping, dining, beach and water sports and more, right by the water's edge.

In November 2010, groundbreaking rites for Amalfi Oasis were held, the first residential enclave at City di Mare. Amalfi Oasis features nine (9) five-storey buildings with luxuriant gardens, resort-style amenities and pedestrian-friendly environs, bask in fresh air, radiant sunshine and charming landscapes. The first and second buildings were completed in 2012 and 2014, respectively, while more buildings are scheduled for completion this year.

San Remo Oasis, the second residential enclave in City di Mare involves the development of 3.4 hectares of land with well-planned living spaces with numerous choice units to choose from to suit anyone's lifestyle. The development consist of eight (8) five-storey buildings, the first building was completed in 2012 while another five buildings were completed in 2014. Construction is on-going on the remaining buildings and are targeted for completion this year.

In late 2011, FLI started the land development of the first two phases of Il Corso lifestyle strip of City di Mare, in the South Road Properties in Cebu, covering seven hectares. Phase 1 will have a gross leasable area (GLA) of approximately 22,506 sq. m. and Phase 2 will have a GLA of approximately 12,680 sq. m.

In October 2012, FLI transferred to its new corporate headquarters located along EDSA, Mandaluyong City effectively ending the lease on FDC land and building in San Juan City. In December 2012, FLI purchased from FDC the parcel of land located in San Juan City which was previously being leased as its head office.

In 2014 and 2013, FLI acquired from various third-party sellers parcels of land in Dumaguete City, Cavite, Valenzuela City, Quezon City, Pasay City and Taguig City. Also, FLI won the bid to purchase of the 0.24 hectare property including the building constructed thereon located at Ortigas Center, Pasig City.

In July 2015, Filinvest Land, Inc. (FLI), including its subsidiaries and affiliates won the bidding for a 19.20-hectare lot in Cebu's South Road Properties. The property will be developed and owned by FLI together with its wholly owned subsidiary Cyberzone Properties, Inc. (CPI), its affiliate Filinvest Alabang, Inc. (FAI) and other strategic partners.

In September 2015, FLI won the bid for the right to own 55% of the Joint Venture Company with the BCDA that will be tasked to develop, market, manage and lease the first phase of Clark Green City. The first phase refers to 288 hectares of land that will form part of the new mixed use metropolis rising in Northern Luzon adjoining Clark Freeport Zone and Clark International Airport.

FLI will remain to be focused on its core residential real estate development business, which now includes MRBs, high-rise condominium units MRBs and high-rise condominiums are being developed in inner-city locations such as Ortigas and Santolan, both in Pasig City, Sta. Mesa, Manila, Cainta, Rizal, Pasay City, Filinvest Corporate City, Cebu City and Davao City. Properties in other key cities in the country were also acquired for this purpose. Currently, FLI has the following on-going high-rise condominiums projects:

The Linear

FLI started to develop in 2009 The Linear, a master-planned residential and commercial hub in Makati City. Two-L-shaped towers, each 24 storeys high, comprise this dynamic condominium community that perfectly caters to the needs of young urban professionals. The construction of Tower 1 has been completed, while Tower 2 is expected to be delivered in the 3rd quarter of 2015.

Studio City

Studio City is a community composed of five-tower residential condominium complex within the Filinvest City to serve the demand for housing of the growing number of professionals working within Filinvest City and in the nearby Madrigal Business Park. Since it is located within the Filinvest City, residents will enjoy proximity to Festival Supermall, Westgate Center, Northgate Cyberzone, Asian Hospital and Medical Center, and other commercial, educational and medical institutions. The development consists of 18 stories per building with commercial units at the ground floor. All residential floors will have 25 studio units per floor. Site development works are on-going and the first building was completed in 2014.

The Levels

Located at one of the highest points of Filinvest City at around 23 meters above sea level, The Levels is a one-block, four-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with its four towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The first building "Anaheim", was completed in 2014.

Vinia Residences

Vinia is a 25-storey condominium development located along EDSA in Quezon City, right across TriNoma and just steps away from the MRT-North Avenue station. With its coveted location, it offers a world of ease and convenience to yuppies and families looking for quality homes, as well as budding entrepreneurs who want to start a home-based business at the heart of the city.

Studio Zen

Studio Zen is a 21-storey condominium development located along Taft Avenue in Metro Manila. Student-oriented amenities, Zen-inspired features, and functional building facilities makes it an ideal residence for students living independently and a great investment opportunity for entrepreneurs who want to take advantage of the ready rental market in the area.

Studio A

Studio A is a single tower 34-storey high-rise residential condominium located in Loyola Heights in Quezon City. A community conveniently situated near premier universities, the LRT 2 line and other commercial establishments.

100 West

100 West is a single tower 38-storey high-rise commercial and residential condominium with office spaces located in Gen. Gil Puyat Avenue corner Washington St. in Makati City. 100 West is beside the Makati Business District and accessible to both north and south of Metro Manila.

Studio 7

Studio 7 is a mixed-use development that will have office and residential towers complemented with retail outlets, located in Quezon City along EDSA very close to the GMA-Kamuning MRT station. "Studio 7" will have studios as well as one bedroom residential units.

The following table sets out all of FLI's projects with ongoing housing and/or land development or marketing as of March 31, 2016.

Category / Name of Project	Location
SOCIALIZED	
Bellevue Meadows	Tanza, Cavite
Belmont Hills	Gen. Trias, Cavite
Belvedere Townhomes	Tanza, Cavite
Blue Isle	Sto. Tomas, Batangas
Castillion Homes	Gen. Trias, Cavite
Melody Plains	San Jose del Monte, Bulacan
Mistral Plains	Gen. Trias, Cavite
Sandia Homes	Tanauan, Batangas
Southern Heights	San Pedro, Laguna
Sunny Brooke	Gen. Trias, Cavite
AFFORDABLE	
Sunrise Place	Tanza, Cavite
Sunrise Place Mactan	Mactan, Cebu
Aldea del Sol	Mactan, Cebu
Aldea Real	Calamba, Laguna
Alta Vida Expansion	San Rafael, Bulacan
Alta Vida Prime	San Rafael, Bulacan
Amare Homes	Tanauan, Batangas
Amarilyo Crest	Taytay, Rizal
Anila Park	Taytay, Rizal
Anila Park Townhomes	Taytay, Rizal
Austine Homes	Pampanga
Bluegrass County	Sto. Tomas, Batangas
Brookside Lane	Gen. Trias, Cavite
Claremont Village	Mabalacat, Pampanga
Ocean Cove 2	Davao City
Crystal Aire	Gen. Trias, Cavite
Dumaguete Spatial	Dumaguete

Category / Name of Project	Location
AFFORDABLE	
East Bay Palawan	Puerto Princesa, Palawan
Fairway View	Dasmarinas, Cavite
Futura Homes – San Pedro	San Pedro, Laguna
Futura Homes-Mactan	Mactan, Cebu
La Brisa Townhomes	Calamba, Laguna
Meridian Place	Gen. Trias, Cavite
Palmridge	Sto. Tomas, Batangas
Parkspring	San Pedro, Laguna
Primrose Hills	Angono, Rizal
Primrose Townhomes	Angono, Rizal
Raintree Prime Residences	Dasmarinas, Cavite
Savannah Fields	Gen. Trias, Cavite
Sommerset Lane	Tarlac City
Springfield View	Tanza, Cavite
Summerbreeze Townhomes	Sto. Tomas, Batangas
The Glens at Park Spring	San Pedro, Laguna
The Peak	Taytay, Rizal
The Residences @ Castillon Homes	Tanza, Cavite
The Villas	Taytay, Rizal
Tierra Vista	San Rafael, Bulacan
Valle Dulce PhI	Tanza, Cavite
Valle Alegre	Calamba, Laguna
Villa Mercedita	Davao City
Villa Montseratt 1D	Taytay, Rizal
Villa Montseratt 3C	Taytay, Rizal
Villa Montseratt Expansion	Taytay, Rizal
Westwood Mansion Expansion	Tanza, Cavite
Westwood Place	Tanza, Cavite
Woodville	Gen. Trias, Cavite
MIDDLE-INCOME	
Amalfi Oasis	South Road Properties, Cebu
Amarilyo Crest	Taytay, Rizal
Ashton Fields	Calamba, Laguna
Asiana Oasis	Paranaque, Metro Manila
Bali Oasis 1	Pasig City, Metro Manila
Bali Oasis 2	Pasig City, Metro Manila
Capri Oasis	Pasig City, Metro Manila
Centro Spatial	Davao City
Corona Del Mar	Talisay, Cebu
Fora	Tagaytay
Eight Spatial	Maa, Davao
Escala (La Constanera)	Talisay, Cebu
Filinvest Homes - Butuan	Butuan, Agusan Del Norte

Category / Name of Project	Location
MIDDLE-INCOME	
Filinvest Homes- Tagum	Tagum City, Davao
Fuente de Villa Abrille	Davao City
Hampton Orchards	Bacolor, Pampanga
Highlands Pointe	Taytay, Rizal
La Mirada of the South	Binan, Laguna
Manor Ridge at Highlands	Taytay, Rizal
Maui Oasis	Sta. Mesa, Manila
Montebello	Calamba, Laguna
Northview Villas	Quezon City
Nusa Dua (Residential)	Tanza, Cavite
Ocean Cove	Davao City
One Oasis Cagayan de Oro	Cagayan de Oro City
One Oasis Cebu	Mabolo, Cebu City
One Oasis Davao	Davao City
One Oasis Ortigas	Pasig City, Metro Manila
One Spatial	Pasig City, Metro Manila
One Spatial Iloilo	Iloilo
Orange Grove	Davao City
Princeton Heights	Molino, Cavite
San Remo Oasis	South Road Properties, Cebu
Somerset Lane, Ph 2	Tarlac City
Sorrento Oasis	Pasig City, Metro Manila
Southpeak	San Pedro, Laguna
Spring Country	Batasan Hills, Quezon City
Spring Heights	Batasan Hills, Quezon City
Studio 7	Quezon City
Studio A	Quezon City
Studio City	Filinvest Corporate City, Alabang
Studio Zen	Pasay City, Metro Manila
Tamara Lane (formerly Imari)	Caloocan City
The Enclave at Filinvest Heights	Quezon City
The Enclave at Highlands Pointe	Taytay, Rizal
The Glades	Timberland Heights, San Mateo, Rizal
Umi Garden	City di Mare, Cebu
The Levels	Filinvest Corporate City, Alabang
The Linear	Makati City
The Pines	San Pedro, Laguna
The Prominence	Quezon City
The Terraces Ph 1B & Ph 2	Taytay, Rizal
The Tropics	Cainta, Rizal
Villa San Ignacio	Zamboanga City
Vinia Residences & Versaflats	Edsa, Quezon City
Viridian at Southpeak	San Pedro, Laguna
West Palms	Puerto Princesa, Palawan

Category / Name of Project	Location
HIGH-END	
Arista	Talisay, Batangas
Bahia	Talisay, Batangas
Banyan Crest	San Mateo, Rizal
Banyan Ridge	San Mateo, Rizal
Brentville International	Mamplasan, Binan, Laguna
Enclave Alabang	Muntinlupa
Fortune Hill	San Juan City
Highlands Pointe	Taytay, Rizal
Kembali Arista	Samal Island, Davao
Mission Hills - Sta Sophia	Antipolo, Rizal
Mission Hills - Sta. Catalina	Antipolo, Rizal
Mission Hills - Sta. Isabel	Antipolo, Rizal
Orilla	Talisay, Batangas
Prominence 2	Mamplasan, Binan, Laguna
Sunshine Place	Mamplasan, Binan, Laguna
The Arborage at Brentville Int'l	Mamplasan, Binan, Laguna
The Meridien	Mamplasan, Binan, Laguna
The Ranch	San Mateo, Rizal
The Signature	Quezon City
Village Front	Mamplasan, Binan, Laguna
Woodmore Spring A	Mamplasan, Binan, Laguna
100 West	Makati City
LEISURE - FARM ESTATES	
Forest Farms	Angono, Rizal
Mandala Residential Farm	San Mateo, Rizal
Nusa Dua	Tanza, Cavite
LEISURE PRIVATE MEMBERSHIP CLUB	
Timberland Sports and Nature Club	San Mateo, Rizal
LEISURE RESIDENTIAL RESORT DEVELOPMENT	
Kembali Coast	Samal Island, Davao
Laeuna De Taal	Talisay, Batangas
Veranda Resort Condominiums	Samal Island, Davao
INDUSTRIAL/COMMERCIAL	
Filinvest Technology Park	Calamba, Laguna
The Mercado	Taytay, Rizal

Category / Name of Project	Location
CONDOTEL	
Grand Cenia Hotel & Residences	Cebu City
The Leaf	San Mateo, Rizal

On-going developments of the abovementioned projects are expected to require additional funds but FLI believes that it will have sufficient financial resources for these anticipated requirements, both from debt financing and generation from operations.

In 2016, FLI intends to retain its dominant position as the leader in MRB projects by launching three (3) new projects nationwide and two (2) additional buildings of existing projects, with an estimated sales value of ₱2.30 billion. This will bring the Company's total MRB projects to 25 (excluding condotel). These new MRB projects are part of the total ₱14.40 billion estimated sales value of new projects slated for launch by FLI in 2016.

Aside from the MRB's, FLI has pipelined 12 horizontal residential projects with an estimated revenue of about ₱7.20 billion and two (2) high-rise buildings (mixed-use) with an estimated sales value of ₱4.90 billion.

FLI is now working on the following new MRB/HRB and horizontal projects, and additional buildings/phases of its existing projects with estimated sales value of ₱3.28 billion:

Horizontal	
Amarilyo Crest	Taytay, Rizal
Pineview Extension	Tanza, Cavite
Sandia Ph 2	Tanauan, Batangas
MRB	
Centro Spatial	Davao City

FLI has the following investment properties for lease:

Festival Supermall and other Commercial Leasing Properties

The Festival Supermall is a 4-storey shopping complex located within FAI's Filinvest City, a commercial business district near the juncture of three major road networks – the South Expressway, the old National Highway and the Alabang-Zapote. In addition to having over 700 retail stores and outlets, the Festival Supermall also features amenities such as a 10-theater movie multiplex with digital surround sound systems, and two themed amusement centers. The mall also has exhibit, trade and music halls which are leased out to organizers of events such as trade fairs sponsored by the Philippine Department of Trade and Industry.

Festival Supermall's current anchor tenants include stores operated by some of the Philippines' largest retailers, such as the J.G. Summit group of companies (Robinsons Department Store and Handyman Do It Best), SM Investments Corporation, (SaveMore Supermarket and Ace Hardware) and the Rustan's Group (Shopwise Supercenter). Festival Supermall also has a group of tenants that are well-known international and domestic retailers, restaurant chains and service companies, such as Bose, Levi's, Bench, Giordano, The Body Shop, National Bookstore, Starbucks, Seattle's Best Coffee, McDonald's, Chowking, Jollibee and KFC.

To further augment the Group's recurring income stream in the retail segment, Festival Mall at Filinvest Corporate City is currently being expanded. The expansion project will add over 46,000 square meters of GLA, and is targeted to be completed in phases, from first quarter of 2013 to the last quarter of 2016. FLI is also developing the first phase of Il Corso lifestyle strip of City di Mare, in the South Road Properties in Cebu, which will contribute a GLA of around 36,346 sq.m. and GFA of 56,613 square meters when fully completed. FLI also started construction of two (2) malls. Fora

Mall in Tagaytay City started construction during the second quarter of 2014 and will contribute 31,037 square meters in GLA and 47,756 square meters of GFA. Another project which started construction during the second quarter of 2014 is the Center Square Molino. Located at its Princeton Heights residential projects located in Molino, Bacoor, Cavite, the project will have a GLA of 19,057 square meters and GFA of 27,965 square meters.

PBCom Tower

The PBCom Tower, is a 52-floor, Grade A, PEZA-designated I.T. office building in Ayala Avenue, Makati City, Metro Manila. FLI owns part of the PBCom Tower thru Filinvest Asia Corporation. FLI earns 60% of revenues from the 36,000 sq. m. leasable space owned by Filinvest Asia Corp. in this building. Colliers International had been hired to provide day-to-day property management services for PBCom Tower. In addition, pursuant to a management agreement, FAI provides the following services: general management services, accounting services, operations, legal review and documentation, office rental services and recruitment and training services.

Northgate Cyberzone

Northgate Cyberzone is a PEZA registered BPO park within Filinvest City. FLI earns revenues from approximately 131,000 sq. m. leasable space with Convergys, HSBC, Convergys, APAC, GenPact Services LLC, eTelecare Global Solutions, Inc., Capital One, AIG Shared Services, First Source, Verizon Business, Lattice Semiconductor, and Flour Daniel as major tenants, among others. Of the 10 hectares of land on which the Northgate Cyberzone is situated, approximately four hectares are available for future development.

Construction is ongoing for the following new BPO office buildings located at Northgate Cyberzone:

- Vector Three with GLA of 36,345 sq. m.
- Megablock Towers 1 and 2 with combined GLA of 77,798 sq. m.

Current buildings with leases are the following:

- Plaza A: This is a six-storey building with an approximate GFA of 11,575 sq.m. and an approximate GLA of 10,860 sq.m. Plaza A was substantially fully leased to GenPact Services LLC and Convergys.
- Plaza B and Plaza C: Plaza B and Plaza C are four-storey buildings, each with an approximate GFA of 7,150 sq. m. and an approximate GLA of 6,540 sq. m. for a combined GLA of 13,080 sq. m. Plaza B and Plaza C were substantially fully leased. Tenants for Plaza B include goFluent, AMS Express, Team Asia, Outboundphil, APPCO Direct Int'l., Treadyne and Seven Seven Global Services, Inc. All of Plaza C has been leased by APAC Customer Services, Inc.
- Plaza D: This is a 6-storey building with the same specifications as Plaza A and with an approximate GFA of 11,575 sq. m. and an approximate GLA of 10,860 sq. m. Plaza D had been leased to ICICI First Source Ltd., a 100% owned subsidiary of India's largest private sector bank, and Verizon Communications Phils Inc, the Philippine branch of Verizon Business solutions, a leading communications company in the United States of America.
- Plaza E: This is a 12-storey building, situated between Plaza A and Plaza D, with approximate GFA of 16,281 sq. m. and an approximate GLA of 14,859 sq. m. The building is 100% leased out with tenants Arvato Corp., Hinduja and EXL Service Phils.
- Convergys Building: This is a 3-storey building with an approximate GFA of 6,466 sq. m. and an approximate GLA of 5,839 sq. m. It was a "built-to-suit" (BTS) building to meet the requirements of Convergys.

- **HSBC Building:** This is another building that was constructed on a BTS basis to meet the requirements of HSBC. The HSBC building has an approximate GLA of 18,000 sq. m. The building is currently occupied by Capital One.
- **IT School:** This is a 3-storey building with an approximate GFA of 3,297 sq. m. and an approximate GLA of 2,595 sq. m. Its major tenants are currently Genpact Services LLC and Informatics.
- **Building 5132:** This is a 6-storey building with an approximate GFA of 10,560 sq. m. and an approximate GLA of 9,408 sq. m. Building 5132 has been fully taken up by GenPact Services LLC.
- **iHub I and iHub II:** This is a 2-tower complex (one with six storeys and the other with nine storeys) iHub I has an approximate GLA of 9,474 sq. m. and has been leased out to numerous tenants which includes GenPact, HSBC, W.R. Grace Philippines and Lattice Semiconductor and Cape East Philippines. iHub II has an approximate GLA of 14,166 sq. m. and has been leased out primarily to Convergys and AIG Shared Services.
- **Vector One:** An 11-storey building with an approximate GFA of 19,545 sq. m. and an approximate GLA of 17,764 sq. m. It was completed in 2010. Filinvest Alabang, Inc. (FAI) was its first tenant, occupying the fifth to seventh floors for its corporate headquarters. Other tenants of the building are Convergys Firstsource and Flour Daniel.
- **Vector Two:** This building has the same configuration as with Vector One. It is also 11 storeys high with an approximate GLA of 17,884 sq. m. It was completed in October 2011. Tenants of the building include Infosys, Genpact, GE Money and Flour Daniel.
- **Filinvest One (formerly called AZ Building):** This is a 10-storey building with a GLA of approximately 19,637 sq. m. Tenants of the building include HSBC, Ford Philippines, Denso Phil., AMEC Services, and PHL Center.
- **Filinvest Two and Three:** This is a twin-tower project located along Alabang Zapote Road. Each building has a GLA of approximately 23,784 sq. m. or a total of 47,568 sq. m. This was completed in the 4th quarter of 2015.

EDSA Transcom Building

This 5-storey BPO building is located along EDSA in Mandaluyong City and have approximately 7,358 sq. m. of GLA. This is FLI's first BPO office building outside Northgate Cyberzone. EDSA Transcom Building is fully leased out to Anthem Solutions, Inc.

Filinvest Cyberzone Cebu

Construction of the Filinvest Cebu Cyberzone Tower 1, the Company's first BPO building in Cebu has finished at the 1.20-hectare joint venture project with the Provincial Government of Cebu. This is the first building of the 4-building complex with Tower One: 10 Office floor levels; Towers Two, Three, and Four: 15 Office floor levels; approximate GLA of 19,937 sq. m. for Tower 1. When completed, the entire project is projected to have a GLA of over 100,000 square meters. Tower 1 tenants include United Health Group and Dynino Inc.

Other projects outside Alabang

To tap lucrative opportunities in the BPO sector, FLI is expanding its office portfolio in more areas outside of Northgate to meet the demands of the industry. The following are the ongoing new BPO office buildings located in various locations:

- **Filinvest Cyberzone Pasay** is the first development of Filinvest Cyberparks, Inc. and will be the Filinvest Group's first LEED-certified project in Metro Manila outside of Northgate

Cyberzone. Rising nine storeys within the Bay Reclamation Area in Pasay City, it will provide a total of 80,000 sqm of office space, supported by street-level retail facilities. Designed by H1 Architecture, the project will add another sleek and modern structure to the growing number of establishments in the vicinity. To be developed in three phases, it is meant to cater to the office accommodation needs of the still growing outsourcing sector, and address retail support requirements of companies and government agencies that will set up shop in the surrounding area. Completion is expected in 2016. Phase 1 is comprised of Towers 1 and 2 that will offer approximately 36,807 sqm of office GLA.

- In Cebu, construction of the *Filinvest Cebu Cyberzone Tower 1* has been completed. This is the first BPO building located at the 1.2-hectare joint venture project with the Provincial Government of Cebu. This is the first building of the four-building complex with 13 storeys and approximate GLA of 19,937 sq. m.
- In Quezon City, construction is ongoing for two sites along Epifanio delos Santos Avenue for the development of mixed use complexes that both contain BPO office accommodation. *Studio 7*, a mixed-use project in South Triangle near GMA Network, will have a BPO office component, aside from residential and retail facilities, and will break ground this 4th quarter of 2015. Its office portion, called *Studio 7 Cyberzone*, will provide 36,594 sq. m. of GLA by 2018. Another dynamic mixed-use development located at the corner of EDSA and Aurora Boulevard, which shall be called *Activa*, will also play host to BPO offices by providing an estimated 49,700 sqm of GLA.

The Group will continue to carry out an intensive marketing campaign so to maintain high occupancy rates in its investment properties to maximize leasing revenues.

Mall Expansion

To further augment the Group's recurring income stream in the retail segment, land development has commenced on the expansion of Festival Mall at Filinvest Corporate City. The expansion project will add over 48,974 square meters of GLA, and is targeted to be completed by the third quarter of 2016. FLI is also developing the first phase of Il Corso lifestyle strip of City di Mare, in the South Road Properties in Cebu, which will contribute a GLA of around 35,186 sq. m. when fully completed. In 2014, FLI started its construction of Fora in Tagaytay City and has started constructing Center Square Community Mall in Molino, Cavite adjacent to the Princeton Heights residential project located in Cavite.

The Group will continue to carry out an intensive marketing campaign so as to maintain a high occupancy rate in Festival Supermall, PBCOM Tower and Northgate Cyberzone properties, thereby maximizing its leasing revenues.

Registration with the Board of Investments (BOI)

As of the date of this report, FLI has registered the following projects with the BOI under the Omnibus Investments Code of 1987 (Executive order No. 226):

Name	Reg. No.	Date Registered	Type of Registration
Anila Park, Ph 1	2012-052	26-Mar-12	New Developer of Low-Cost Mass Housing Project
San Remo Oasis, Bldgs. 1 - 8	2012-069	14-May-12	New Developer of Low-Cost Mass Housing Project
One Oasis Cebu, Bldgs. 1 - 3	2012-082	28-May-12	New Developer of Low-Cost Mass Housing Project

Name	Reg. No.	Date Registered	Type of Registration
One Oasis Davao, Bldg. 4	2012-093	7-Jun-12	New Developer of Low-Cost Mass Housing Project
Filinvest Homes-Butuan, Bldg. 1	2012-094	7-Jun-12	New Developer of Low-Cost Mass Housing Project
Amare Homes, Bldgs. A and B	2013-014	18-Jan-13	New Developer of Low-Cost Mass Housing Project
Castillon Homes (The Residences), Bldg. 3	2013-064	11-Mar-13	New Developer of Low-Cost Mass Housing Project
Woodville, Ph 2	2013-065	11-Mar-13	New Developer of Low-Cost Mass Housing Project
Valle Dulce, Ph 1	2014-140	29-Aug-14	New Developer of Low-Cost Mass Housing Project
One Spatial Bldg. 1 (Fairmont) & Bldg. 2 (Greenwich)	2014-141	29-Aug-14	New Developer of Low-Cost Mass Housing Project
Sorrento Oasis, Ph 2 -- Bldgs. K, L, N	2014-142	29-Aug-14	New Developer of Low-Cost Mass Housing Project
Maui Oasis, Bldg. 4	2014-143	29-Aug-14	New Developer of Low-Cost Mass Housing Project
Sorrento Oasis, Bldgs. M1 & M2	2014-204	12-Nov-14	New Developer of Low-Cost Mass Housing Project
One Oasis CDO, Bldg. 1	2014-212	4-Dec-14	New Developer of Low-Cost Mass Housing Project
Vinia Residences, Main Building	2014-205	12-Nov-14	New Developer of Low-Cost Mass Housing Project
Studio City Tower 2	2015-058	5-Mar-15	New Developer of Low-Cost Mass Housing Project
One Spatial Bldg. 3 (Hampstead) & Bldg. 4 (Kensington)	2015-228	27-Oct-15	New Developer of Low-Cost Mass Housing Project
Sorrento Oasis, Bldg. J	2015-229	27-Oct-15	New Developer of Low-Cost Mass Housing Project
Villa Montserrat, Ph. 1D	2015-261	25-Nov-15	New Developer of Low-Cost Mass Housing Project
Villa Montserrat, Ph. 3B	2015-262	25-Nov-15	New Developer of Low-Cost Mass Housing Project
Villa Montserrat, Ph. 3C	2015-263	25-Nov-15	New Developer of Low-Cost Mass Housing Project
One Oasis Davao, Bldg. 6	2015-264	2-Dec-15	New Developer of Low-Cost Mass Housing Project
Studio A	2016-008	8-Jan-16	New Developer of Low-Cost Mass Housing Project
Meridian Place	2016-030	5-Feb-16	New Developer of Low-Cost Mass Housing Project
Bali Oasis, Ph. 2 (Banjar)	2016-031	5-Feb-16	New Developer of Low-Cost Mass Housing Project
Anila Park Townhomes	2016-052	7-Mar-16	New Developer of Low-Cost Mass Housing Project
Futura Homes, San Pedro	2016-053	7-Mar-16	New Developer of Low-Cost Mass Housing Project

Item 4. Other Disclosures

1. Except as disclosed in the Notes to Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.

2. The Company's unaudited interim consolidated financial statements were prepared in accordance with PAS 34 (PAS 34, par. 19).
3. The Company's unaudited interim consolidated financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements as of and for the year ended December 31, 2015 (PAS 34, par 15).
4. The accounting policies and methods of computation adopted in the preparation of the unaudited interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements as of and for the year ended December 31, 2015.
5. There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.
6. Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on the Company's financial conditions or results of operations. There are no unusual operating cycles or seasons that will differentiate the operations for the period January to March 31, 2016 from the operations for the rest of the year.
7. Aside from any probable material increase in interest rates on the outstanding long-term debt with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of the Company within the next 12 months.
8. There are no changes in estimates of amounts reported in prior year (2015) that have material effects in the current interim period.
9. Except for those discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, there are no other issuances, repurchases and repayments of debt and equity securities.
10. Except as discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations, and Financial Risk Exposures, there are no material events subsequent to March 31, 2016 up to the date of this report that have not been reflected in the financial statements for the interim period.
11. There are no changes in contingent liabilities or contingent assets since December 31, 2015 except for the sale of additional receivables with buy back provision in certain cases during the interim period.
12. There are no material contingencies and any other events or transactions affecting the current interim period.
13. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments, or any significant amount of the Company's payables that have not been paid within the stated trade terms.
14. There are no significant elements of income that did not arise from the Company's continuing operations.
15. There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Company.

16. Except for those discussed above there are no material changes in the financial statements of the Company from December 31, 2015 to March 31, 2016.
17. There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period other than those that were previously reported.
18. There are no other information required to be reported that have not been previously reported in SEC Form 17-C.

SIGNATURES

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

FILINVEST LAND, INC.

Signature:


JOSEPHINE G. YAP

Title:

President / Chief Executive Officer

Date:

May 12, 2016

Signature:


NELSON M. BONA

Title:

Senior Vice-President / Chief Financial Officer

Date:

May 12, 2016

ANNEX A**PART 1 - FINANCIAL INFORMATION****Item 1 - Financial Statements**

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands of Pesos)

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
ASSETS		
Cash and cash equivalents	4,756,225	6,596,380
Contracts receivable	20,534,203	19,455,271
Due from related parties	439,165	442,164
Other receivables	3,551,104	3,620,650
Financial assets at fair value through other comprehensive income	18,664	18,665
Real estate inventories	28,073,492	26,000,524
Land and land development	16,970,236	17,743,353
Investment in an associate	4,152,555	4,141,165
Investment properties	33,505,407	31,981,021
Property and equipment	1,352,461	1,356,668
Deferred income tax assets	13,658	12,677
Goodwill	4,567,242	4,567,242
Other assets	5,804,845	5,397,264
TOTAL ASSETS	123,739,254	121,333,045
LIABILITIES AND EQUITY		
Liabilities		
Accounts payable and accrued expenses	14,960,071	13,700,190
Income tax payable	73,873	33,220
Loans payable	15,521,878	15,946,927
Bonds payable	31,763,731	31,749,909
Due to related parties	336,707	342,885
Retirement liabilities	330,988	321,939
Deferred income tax liabilities - net	3,627,272	3,402,840
Total Liabilities	66,614,520	65,497,910
Equity		
Common stock	24,470,708	24,470,708
Preferred stock	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock	(221,041)	(221,041)
Retained earnings	26,716,321	25,421,578
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement losses on retirement plan	(122,348)	(122,348)
Share in other components of equity of an associate	361,794	361,794
Equity attributable to equity holders of the parent	56,895,136	55,600,393
Non-controlling interest	229,598	234,741
Total Equity	57,124,734	55,835,134
TOTAL LIABILITIES AND EQUITY	123,739,254	121,333,044

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2016	2015
	(Unaudited)	(Unaudited, As restated)
REVENUE		
Real estate sales	3,571,165	3,548,555
Rental services	678,125	596,366
EQUITY IN NET EARNINGS OF AN ASSOCIATE	11,389	33,732
OTHER INCOME		
Interest income	206,094	202,690
Others	203,424	200,259
	4,670,198	4,581,602
COSTS		
Real estate sales	2,097,622	2,084,458
Rental services	159,831	145,491
OPERATING EXPENSES		
General and administrative expenses	297,112	319,761
Selling and marketing expenses	222,317	236,108
INTEREST AND OTHER FINANCE CHARGES	263,738	232,953
	3,040,620	3,018,771
INCOME BEFORE INCOME TAX	1,629,578	1,562,832
PROVISION FOR INCOME TAX		
Current	80,667	60,157
Deferred	229,312	263,492
	309,980	323,649
NET INCOME	1,319,598	1,239,182
Attributable to:		
Equity holders of the parent	1,294,742	1,167,214
Noncontrolling interest	24,856	71,968
	1,319,598	1,239,182
EARNINGS PER SHARE		
Basic/Diluted		
1. Not Annualized		
a. Net income	1,294,742	1,167,214
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.05	0.05
2. Annualized		
a. Net income	5,178,970	4,668,856
b. Weighted average number of outstanding common shares	24,249,759	24,249,759
c. Earnings per share - Basic/Diluted (a/b)	0.21	0.19

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2016	2015
	(Unaudited)	(Unaudited, As restated)
NET INCOME FOR THE PERIOD	1,319,598	1,239,182
Remeasurement losses on retirement plan, net of tax	-	-
TOTAL COMPREHENSIVE INCOME	1,319,598	1,239,182
Attributable to:		
Equity holders of the parent	1,294,742	1,167,214
Noncontrolling interest	24,856	71,968
	1,319,598	1,239,182

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2016	2015
	(Unaudited)	(Unaudited, As restated)
Capital Stock		
Common shares - P1 par value		
Authorized - 33 billion shares		
Issued - 24,470,708,509 shares		
Outstanding - 24,249,759,509	24,470,708	24,470,708
Preferred shares - P0.01 par value		
Authorized - 8 billion shares		
Issued and outstanding - 8 billion shares	80,000	80,000
Treasury shares	(221,041)	(221,041)
Additional paid-in capital	5,612,321	5,612,321
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Share in components of equity of an associate	361,794	361,794
Remeasurement losses on retirement plan	(122,348)	(122,348)
Retained earnings		
Balance at beginning of the period	25,421,579	21,775,140
Net income	1,294,742	1,239,182
Balance at end of the period	26,716,321	23,014,322
Equity attributable to equity holders of the parent	56,895,136	55,600,393
Noncontrolling interest	229,598	147,955
Total Equity	57,124,734	55,748,348

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands of Pesos)

	Three Months Period Ended March 31,	
	2016 (Unaudited)	2015 (Unaudited, As restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	1,629,578	1,562,832
Adjustments for:		
Interest expense	243,232	201,099
Depreciation and amortization	113,008	104,070
Equity in net earnings of an associate	(11,389)	(33,732)
Interest income	(206,094)	(202,690)
Operating income before changes in operating assets and liabilities	1,768,335	1,631,580
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivables	(1,078,931)	(2,773,815)
Due from related parties	2,999	8,121
Other receivables	69,547	(114,482)
Real estate inventories	(688,641)	989,441
Other assets	(290,108)	(253,114)
Increase (decrease) in:		
Accounts payable and accrued expenses	330,293	312,523
Retirement liabilities	(9,050)	8,272
Net cash generated from operations	104,443	(191,475)
Interest received	206,094	202,690
Income taxes paid	(163,348)	(132,069)
Net cash provided by operating activities	147,189	(120,853)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investment properties and property and equipment	(1,133,098)	(875,138)
Acquisition of rawland	(88,961)	(296,989)
Proceeds from maturity of financial assets at fair value through other comprehensive income	1	-
Cash used in investing activities	(1,222,058)	(1,172,127)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of:		
Loans Payable	400,000	2,300,000
Payments of:		
Loans Payable	(837,724)	(2,465,000)
Interest Paid	(291,385)	(562,629)
Increase (decrease) in amounts due to related parties	(6,178)	(3,251)
Dividends paid to noncontrolling interest	(30,000)	(20,000)
Net cash provided by (used in) financing activities	(765,287)	(750,880)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,840,156)	(2,043,860)
CASH AND CASH EQUIVALENTS, BEGINNING	6,596,380	4,308,665
CASH AND CASH EQUIVALENTS, ENDING	4,756,225	2,264,805

ANNEX B

FILINVEST LAND, INC. AND SUBSIDIARIES

AGING OF RECEIVABLES

(Amounts in Thousands of Pesos)

As of March 31, 2016

Type of Account Receivable	Current	1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total
a) Mortgage, Notes & Installment Contract Receivable							
1. Installment Contracts Receivable	601,042	423,044	463,934	402,005	347,331	17,736,546	19,973,903
2. Receivable from Financing Institutions	560,300	-	-	-	-	-	560,300
Sub-total	1,161,342	423,044	463,934	402,005	347,331	17,736,546	20,534,203
b) Other Receivables	3,551,104	-	-	-	-	-	3,551,104
Net Receivables	4,712,445	423,044	463,934	402,005	347,331	17,736,546	24,085,306

Account Receivable Description Type of Receivables	Nature/Description	Collection Period
Installment contracts receivables	This is the Company's in-house financing, where buyers are required to make downpayment and the balance will be in the form of a mortgage loan to be paid in equal monthly installments.	5-10 years
Receivable from financing institution	This represents proceeds from buyers' financing under one or more of the government programs granted to finance buyers of housing units and mortgage house financing of private banks.	Within 1 year
Other receivables	This represents claims from other parties arising from the ordinary course of business. It also includes advances for expenses/accommodations made by the Company in favor of officers and employees.	1 to 2 years

Normal Operating Cycle: 12 calendar months

FILINVEST LAND, INC.**GROUP SUPPLEMENTARY INFORMATION AND DISCLOSURES
REQUIRED ON SRC RULE 68 AND 68.1 AS AMENDED****March 31, 2016**

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

Below is the detailed schedule of financial assets in equity securities of the Group as of March 31, 2016:

Name of issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
(In Thousands Except Number of Shares)				
Financial assets at FVTOCI				
Quoted:				
The Palms Country Club	1,000	₱3,060	₱3,060	₱-
Philippine Long Distance Telephone Company	26,100	348	348	-
Cebu Country Club	1	6,065	6,065	-
		9,473	9,473	-
Unquoted:				
Manila Electric Company (MERALCO)	1,153,694	6,197	6,197	-
Timberland Sports and Nature Club	3,000	2,994	2,994	-
		9,191	9,191	-
		₱18,664	₱18,664	₱-

The Group has no income received and accrued related to the financial assets at FVTOCI during the year.

The Group investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

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

As of March 31, 2016, the Group has no advances to employees with balances above ₱100,000 that are classified as expenses outside the ordinary course of business.

Related Party Transactions

Due from related parties

Below is the list of outstanding receivables from related parties of the Group presented in the consolidated statements of financial position as of March 31, 2016 (amount in thousands):

	Relationship	Nature	Balance at period ending March 31, 2016
Davao Sugar Central Corp.	Affiliate	A	₱214,394
Timberland Sports and Nature Club.	Affiliate	A	212,459
Andrew Gotianun Foundation	Affiliate	A	6,067
Filinvest Alabang, Inc.	Associate	A, C, E	4,236
ALG Holdings, Corp.	Ultimate Parent	A	1,476
GCK Realty	Affiliate	C, D	277
The Palms Country Club	Affiliate	A, B	251
Filinvest Corporate City	Affiliate	A	2
			₱439,165

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 of 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
- D. Reimbursable commission expense
- E. Rentals
- F. Dividends

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 March 31, 2016 (amounts in thousands):

		Volume of Transactions	Receivable (Payable)	Terms
Homepro Realty Marketing, Inc.	Share in expenses	1,006	₱114,460	Non-interest bearing and to be settled within the year
Cyberzone Properties, Inc.	Rental income	40,729	38,656	Non-interest bearing and to be settled within the year
Property Specialist Resources, Inc.	Share in expenses	14	11,543	Non-interest bearing and to be settled within the year
Leisurepro, Inc.	Share in expenses	18	6,246	Non-interest bearing and to be settled within the year

(Forward)

		Volume of Transactions	Receivable (Payable)	Terms
Property Maximizer Professional Corporation	Share in expenses	(30,918)	(P14,800)	Non-interest bearing and to be settled within the year
Filinvest All Philippines, Inc.	Share in expenses	(17,844)	(17,884)	Non-interest bearing and to be settled within the year
		P138,263		

Name	Balance at beginning of year	Additions	Collections	Balance at period ending March 31, 2016
Homepro Realty Marketing, Inc	P106,111	P8,350	P-	P114,460
Cyberzone Properties, Inc. (CPI)	9,844	40,729	(11,916)	38,656
Property Specialist Resources, Inc.	11,529	-	14	11,543
Leisurepro, Inc	6,228	18	-	6,246
Property Maximizer Professional Corporation	(33,495)	18,695	-	(14,800)
Filinvest All Philippines, Inc.	(19,874)	(17,844)	19,874	(17,844)
	P80,343	P49,947	P7,972	P138,263

The intercompany transactions between the FLI and the subsidiaries pertain to share in expenses, rental charges, property acquisitions, dividend income, marketing fee and management fee. There were no amounts written off during the year and all amounts are expected to be settled within the year.

Schedule D. Intangible Asset

As of March 31, 2016, the Company's intangible assets consist of Goodwill. Goodwill in the Company's consolidated statements of financial position arose from the acquisition of two major assets consisting of (in thousands):

Festival Supermall Structure	P3,745,945
Filinvest Asia Corporation	494,744
Cyberzone Properties, Inc.	326,553
	P4,567,242

Schedule E. Long term debt

Below is the schedule of long-term debt of the Group (amounts in thousands):

Type of Obligation	Amount	Current	Noncurrent
<u>Developmental loans</u>			
Unsecured loan obtained in July 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus 1% per annum plus GRT five years (fixed rate) 5.07%, payable quarterly in arrears. The principal is payable at maturity on July 2018.	P1,500,715	P2,421	P1,498,294
Unsecured loan obtained in February 2015 with interest rate equal to 4.25% per annum, payable quarterly in arrears. The principal payable at maturity on February 2020.	998,633	1,607	997,026
Unsecured loan obtained in February 2015 with interest rate equal to PDS Treasury Fixing (PDST-F) of 4.95% per annum (fixed for 5 years), payable quarterly in arrears. The 20% of principal payable in 4 equal quarterly amortization to commence on February 2016 and 80% payable at maturity on February 2020.	948,621	51,430	897,190
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum GRT five years (fixed rate) 4.28%, payable quarterly in arrears. The 50% of principal payable in twenty (20) equal quarterly installments starting August 2015 up to May 2020 and the remaining 50% balance is payable in August 2020.	924,551	101,611	822,940

(Forward)

Type of Obligation	Amount	Current	Noncurrent
Unsecured loan obtained in June 2013 with a fixed interest rate of 4.98% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting September 2015 up to June 2018.	₱862,035	₱384,019	₱478,016
Unsecured loan obtained in April 2015 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting July 2017 to January 2020.	800,000	—	800,000
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate) 4.30% per annum, payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortization to commence in October 2016 and 50% is payable at maturity on July 2021.	700,000	35,000	665,000
Unsecured loan obtained in December 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate of 4.62% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence in March 2016 and 50% payable at maturity on December 2020.	665,000	70,000	595,000
Unsecured loan obtained in July 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate) 5.52% per annum, payable quarterly in arrears. The 50% of principal is payable in 20 equal quarterly amortization to commence in October 2016 and 50% is payable at maturity on July 2021.	600,000	30,000	570,000
Unsecured loan obtained in September 2015 with interest rate equal to PDS Treasury Fixing (PDST-F) 1 plus GRT (fixed rate) 4.91%, payable quarterly in arrears. The principal is payable at maturity on September 2020.	600,000	—	600,000
Unsecured loan obtained in October 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate of 4.21% per annum), payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence in January 2016 and 50% payable at maturity in October 2020.	535,394	58,836	476,558
Unsecured loan obtained in February 2013 with interest at prevailing market rate plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	500,566	250,748	249,818
Unsecured loan obtained in March 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate) 4.27% per annum, payable quarterly in arrears. The 50% of principal payable in 20 equal quarterly amortization to commence in June 2016 and 50% is payable at maturity in August 2020.	500,000	90,909	409,091
Unsecured loan obtained in November 2014 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT (fixed rate) 4.80% per annum, payable quarterly in arrears. The principal is payable upon maturity in November 2019.	500,000	—	500,000
Unsecured loan obtained in May 2015 with interest rate equal to 4.52% per annum plus GRT (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal payable in 11 equal quarterly amortization to commence on May 2016 and 50% payable at maturity on May 2020.	500,000	—	500,000
Unsecured loan obtained in September 2015 with interest rate equal to 4.50% per annum plus GRT (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortization to commence in July 2017 and 50% is payable at maturity in April 2020.	500,000	—	500,000

(Forward)

Type of Obligation	Amount	Current	Noncurrent
Unsecured loan obtained in May 2015 with interest rate equal to 4.76% per annum, payable quarterly in arrears. The principal is payable over a 5-year period inclusive of 2-year grace period; 50% of principal is payable in 12 equal quarterly amortization to commence in May 2017 and 50% payable at maturity in May 2020.	P499,303	P722	P498,581
Unsecured loan obtained in August 2013 with interest rate equal to PDS Treasury Fixing (PDST-F) plus 1% per annum plus GRT 5 years (fixed rate) 4.28% per annum, payable quarterly in arrears. The 50% balance of principal payable in twenty (20) equal quarterly installments starting August 2015 up to May 2020 and the remaining 50% balance is paid in August 2020.	475,000	50,000	425,000
Unsecured loan obtained in August 2015 with interest rate equal to 5.38% per annum plus GRT (fixed rate for 5 years). The principal is payable at maturity on August 2020.	430,000	—	430,000
Unsecured loan obtained in January 2015 with interest rate equal to 4.25% per annum plus GRT (fixed rate for 3 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal quarterly amortization to commence on January 2017 and 50% payable at maturity on January 2020.	300,000	12,500	287,500
Unsecured loan obtained in May 2015 with interest rate equal to 4.71% per annum plus GRT (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal is payable in 12 equal quarterly amortization to commence in August 2017 and 50% payable at maturity in May 2020.	300,000	—	300,000
Unsecured loan obtained in May 2015 with interest rate equal to 4.5% per annum plus GRT (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal payable in 11 equal quarterly amortization to commence on May 2017 and 50% payable at maturity on February 2020.	270,000	—	270,000
Unsecured loan obtained in May 17, 2012 with interest at prevailing market rate, subject to repricing and payable quarterly in arrears. The loan has a term of 7 years, inclusive of 2-year grace period on principal repayment, 50% principal balance is payable in 20 equal quarterly installments to commence on August 2014 and 50% payable at maturity on May 2019.	247,500	30,000	217,500
Unsecured loan obtained in May 2013 with interest rate equal to BSP overnight reverse repurchase agreement plus 1% per annum plus GRT (fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	225,000	100,000	125,000
Unsecured loan obtained in February 2016 with interest rate equal to 5.097% per annum plus GRT (fixed rate for 5 years). The 50% of principal balance is payable in 12 equal quarterly amortization to commence in May 2018 and 50% is payable at maturity in February 2021.	200,000	—	200,000
Unsecured loan obtained in March 2016 with interest rate equal to 5.7383% per annum plus GRT (fixed rate for 7 years). The 50% of principal balance is payable in 20 equal quarterly amortization to commence on June 2018 and 50% is payable at maturity in March 2023.	200,000	—	200,000
Unsecured loan obtained in May 2013 with interest rate equal to BSP overnight reverse repurchased agreement plus 1% per annum plus GRT (fixed rate of 4.74% per annum), payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting August 2015 up to May 2018.	187,681	83,608	104,073
Unsecured loan granted in November 10, 2011 with a term of 7 years with 2 years grace period on principal repayment. Interest is based on prevailing market rate, subject to quarterly repricing and payable quarterly in arrears. 50% of principal is payable in 12 quarterly amortization commencing on February 10, 2014 and 50% is payable on maturity.	155,000	20,000	135,000

(Forward)

Type of Obligation	Amount	Current	Noncurrent
Unsecured loan granted in December 2012 with a term of five years with 50% of principal payable in 20 equal quarterly amortization to commence on March 2013 and 50% payable at maturity on December 2017. The loan carries interest at prevailing market rate.	₱101,250	₱15,000	₱86,250
Unsecured loan obtained in May 2015 with interest rate equal to 4.5% per annum plus GRT (fixed rate for 5 years), payable quarterly in arrears. The 50% of principal payable in 12 equal quarterly amortization to commence on May 2017 and 50% payable at maturity on May 2020.	95,000	—	95,000
Unsecured loan obtained in December 2011 with interest at prevailing market 4.2% per annum inclusive of GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting March 2014 to December 2016.	87,666	87,666	—
Unsecured loan obtained in June 2011 with interest rate equal to 91-day PDST-F rate plus a spread of 1% per annum, payable quarterly in arrears. The 50% balance is paid in July 2011 and the remaining 50% balance is payable in twelve (12) equal quarterly installments starting September 2013 up to June 2016.	62,630	62,630	—
Unsecured loan obtained in August 2015 with interest rate equal to 5.11% per annum plus GRT (fixed rate for 5 years). The 50% of principal payable in 11 equal quarterly amortization to commence in September 2016 and 50% payable at maturity on August 2020.	50,000	—	50,000
Unsecured loan obtained in February 2013 with interest rate equal to 91-day PDS Treasury Fixing (PDST-F) rate plus a spread of up to 1% per annum plus GRT, payable quarterly in arrears. The principal is payable in twelve (12) equal quarterly installments starting May 2015 to February 2018.	333	167	167
	15,521,878	1,538,875	13,983,003

Bonds

Fixed rate bonds with aggregate principal amount of ₱8.00 billion issued by the Group on August 20, 2015. This comprised of ₱7.00 billion, 7-year fixed rate bonds due in 2022 with a fixed interest rate of 5.36% per annum, and ₱1.00 billion, 10-year fixed rate bonds due in 2025 with a fixed interest rate of 5.71% per annum.	7,919,217	—	7,919,217
Fixed rate bonds with principal amount of ₱7.00 billion and term of 7 years from the issue date was issued by the Company on June 8, 2012. The fixed interest rate is 6.27% per annum, payable quarterly in arrears starting on September 8, 2012.	6,966,240	—	6,966,240
Fixed rate bonds with aggregate principal amount of ₱7.00 billion issued by the Group on November 8, 2013. This is comprised of ₱4.30 billion 7-year fixed rate bonds due in 2020 with a fixed interest rate of 4.86% per annum, and ₱2.70 billion 10-year fixed rate bonds due in 2023 with a fixed interest rate of 5.43% per annum.	6,945,755	—	6,945,755
Fixed rate bonds with aggregate principal amount of ₱7.00 billion issued by the Group on December 4, 2014. This comprised of ₱5.30 billion, 7-year fixed rate bonds due in 2021 with a fixed interest rate of 5.40% per annum, and ₱1.70 billion, 10-year fixed rate bonds due in 2024 with a fixed interest rate of 5.64% per annum.	6,938,202	—	6,938,202
Fixed rate bonds with principal amount of ₱3.00 billion and term of five (5) years from the issue date was issued by the Company on July 7, 2011. The fixed interest rate is 6.20% per annum, payable quarterly in arrears starting on October 7, 2011.	2,994,317	2,994,317	—
	31,763,731	2,994,317	28,769,413
	₱47,285,608	₱4,533,192	₱42,752,416

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including maximum debt-to-equity ratio of 2.0x and minimum interest coverage ratio of 1.0x. The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; sale or transfer and disposal of all or a substantial part

of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the nine months ended March 31, 2016.

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 Group statements of financial position as of March 31, 2016 (amount in thousands):

	Relationship	Nature	Balance at beginning of period	Balance at end of period
Filinvest Development Corp.	Parent Company	A, C, E	₱154,758	₱147,678
Filinvest Alabang, Inc.	Associate	A, C	145,073	128,017
Pacific Sugar Holdings, Corp.	Affiliate	A	26,974	27,338
East West Banking Corporation	Affiliate	A	398	17,840
Corporate Technologies, Inc.	Affiliate	A	14,685	14,685
A.L. Gotianun, Inc.	Ultimate Parent	A	—	1,031
Filarchipelago Hospitality Inc.	Affiliate	A	66	66
Entrata Hotel Services, Inc.	Affiliate	A	47	47
Seascapes Resort, Inc.	Affiliate	A	141	5
The Palms Country Club	Affiliate	A	736	—
Quest Restaurants Inc.	Affiliate	A	6	—
			₱342,885	₱336,707

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 of 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
- D. Reimbursable commission expense
- E. Rentals

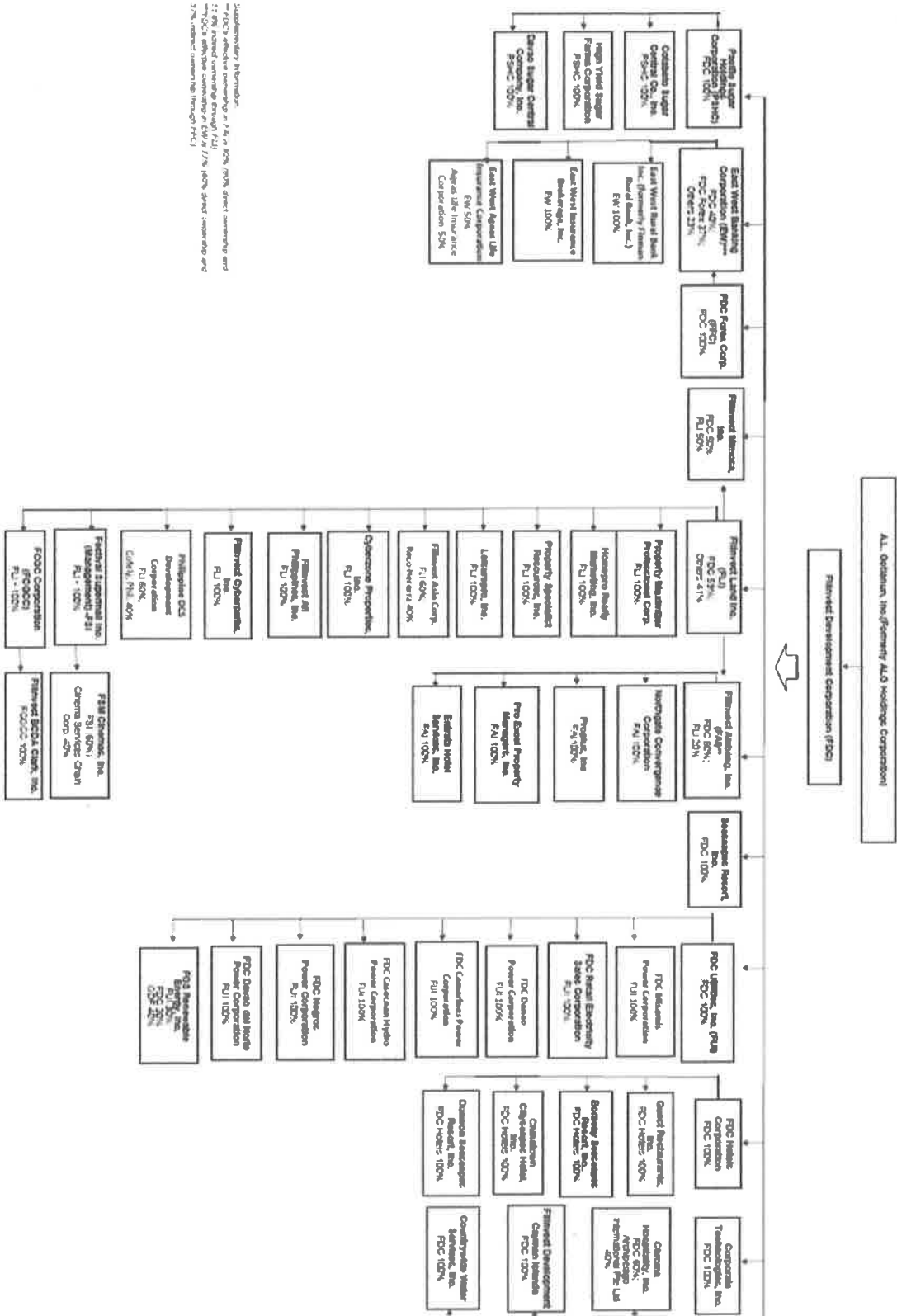
Schedule G. Guarantees of Securities of Other Issuers

The Company does not have guarantees of securities of other issuers as of March 31, 2016.

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
(In Thousands)						
Common Shares	33,000,000	24,470,708	—	14,408,927	30,096	None
Preferred Shares	8,000,000	8,000,000	—	8,000,000	—	None

Below is a map showing the relationship between and among the Group and its ultimate Group, subsidiaries, and associates as of March 31, 2016.



Standards adopted by the Group

Below is the list of all effective Philippine Financial Reporting Standards (PFRS), Philippine Accounting Standards (PAS) and Philippine Interpretations of International Financial Reporting Interpretations Committee (IFRIC) as of March 31, 2016:

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of March 31, 2016		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 and PAS 27: 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 Costs	Not Early Adopted		
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations	Not Early Adopted		
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
PFRS 3 (Revised)	Business Combinations	✓		
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of March 31, 2016		Adopted	Not Adopted	Not Applicable
FRS 7 (cont'd.)	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	Not Early Adopted		
PFRS 8	Operating Segments	✓		
PFRS 9	Financial Instruments (2009)	✓		
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures	Not Early Adopted		
PFRS 10	Consolidated Financial Statements	✓		
	Investment Entities			✓
PFRS 11	Joint Arrangements	✓		
PFRS 12	Disclosure of Interests in Other Entities	✓		
PFRS 13	Fair Value Measurement	✓		
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures			✓
	Amendments to PAS 32 and 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 of Comparative Information	✓		
PAS 2	Inventories	✓		
PAS 7	Statement of Cash Flows	✓		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events after the Reporting Period	✓		
PAS 11	Construction Contracts	✓		
PAS 12	Income Taxes	✓		
	Amendment to PAS 12 – Deferred Tax: Recovery of Underlying Assets	✓		
PAS 16	Property, Plant and Equipment	✓		
	Amendments to PAS 16: Classification of Servicing Equipment			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of March 31, 2016		Adopted	Not Adopted	Not Applicable
PAS 19	Employee Benefits (Revised)	✓		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	✓		
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 (Revised)	Related Party Disclosures	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27 (Amended)	Consolidated and Separate Financial Statements	✓		
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues			✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities			✓
	Amendments to PAS 32: Tax Effect of Distribution to Holders of Equity Instruments	✓		
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	Not Early Adopted		
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	✓		
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 and PFRS 4: Financial Guarantee Contracts			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of March 31, 2016		Adopted	Not Adopted	Not Applicable
PAS 39 (cont'd)	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets			✓
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition			✓
	Amendments to Philippine Interpretation IFRIC 9 and PAS 39: Embedded Derivatives			✓
	Amendment to PAS 39: Eligible Hedged Items			✓
	Amendments to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting			✓
PAS 40	Investment Property	✓		
PAS 41	Agriculture			✓
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 and PAS 39: 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 Estates	Not Early Adopted		
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 March 31, 2016		Adopted	Not Adopted	Not Applicable
SIC-7	Introduction of the Euro			✓
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-15	Operating Leases – Incentives	✓		
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			✓

Standards tagged as “Not applicable” have been adopted by the Group but have no significant covered transactions for the period ended March 31, 2016.

Standards tagged as “Not adopted” are standards issued but not yet effective as of March 31, 2016. The Group will adopt the Standards and Interpretations when these become effective.

Schedule of Bond Issuances – Securities Offered to the Public

	2009	2011	2012	2013	2014	2015
	₱5 Billion Bond	₱3 Billion Bond	₱7 Billion Bond	₱7 Billion Bond	₱7 Billion Bond	₱8 Billion Bond

Expected gross and net proceeds as disclosed in the prospectus

Gross Proceeds	₱5,000,000,000	₱3,000,000,000	₱7,000,000,000	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000
Less: Expenses	63,850,625	34,290,625	97,225,625	67,594,379	82,327,087	85,330,750
Net Proceeds	₱4,936,149,375	₱2,965,709,375	₱6,902,774,375	₱6,932,405,621	₱6,917,672,913	₱7,914,669,250

Actual gross and net proceeds

Gross Proceeds	₱5,000,000,000	₱3,000,000,000	₱7,000,000,000	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000
Less: Expenses	65,936,000	21,165,000	84,023,040	82,906,997	77,906,937	86,811,468
Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532

Expenditure items where the proceeds were used

Land Acquisition	₱2,960,438,400	₱417,036,900	₱249,938,096	₱2,965,648,318	₱—	₱88,961,000
Project Development	1,973,625,600	2,561,798,100	6,666,038,864	1,185,554,209	2,422,093,063	2,888,760,022
Investment Property	—	—	—	2,765,890,476	—	4,935,467,510
Debt refinancing	—	—	—	—	4,500,000,000	—
Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532

Balance of the proceeds as of March 31, 2016

Net Proceeds	₱4,934,064,000	₱2,978,835,000	₱6,915,976,960	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532
Capital Expenses	4,934,064,000	2,978,835,000	6,915,976,960	6,917,093,003	2,422,093,063	7,913,188,532
Debt refinancing	—	—	—	—	4,500,000,000	—
Net Proceeds	₱—	₱—	₱—	₱—	₱—	₱—

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Group for the period ended March 31, 2016 and 2015 and December 31, 2015:

Financial ratios		March 2016 (Unaudited)	March 2015 (Unaudited)	December 2015 (Audited)
Current ratio ⁽¹⁾	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.57	2.43	2.53
Long-term debt-to-equity Ratio	$\frac{\text{Long-term debt}}{\text{Equity}}$	0.75	0.75	0.85
Debt ratio	$\frac{\text{Total liabilities}}{\text{Total assets}}$	0.54	0.51	0.54
EBITDA to total interest paid	$\frac{\text{EBITDA (Not Annualized)}}{\text{Total interest paid}}$	6.85	3.32	3.09
Price Earnings Ratio	$\frac{\text{Closing price}^{(2)}}{\text{Earnings per share (Annualized)}}$	8.43	9.47	8.62
Quick asset ratio	$\frac{\text{Current assets - Inventories}}{\text{Current Liabilities}}$	0.82	0.73	0.90
Solvency ratio (Not Annualized)	$\frac{\text{Net income + Depreciation}}{\text{Total Liabilities}}$	0.02	0.02	0.09
Solvency ratio (Annualized)	$\frac{\text{Net income + Depreciation}}{\text{Total Liabilities}}$	0.09	0.10	0.09
Interest coverage ratio (Not Annualized)	$\frac{\text{EBIT}}{\text{Interest Expense}}$	7.18	7.71	8.21
Net profit margin (Not Annualized)	$\frac{\text{Net Income}}{\text{Revenue}}$	0.28	0.27	0.29
Return on equity	$\frac{\text{Net Income (Annualized)}}{\text{Shareholder's Equity}}$	0.01	0.01	0.09

⁽¹⁾ In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, due from related parties, other receivables and real estate inventories and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable, loans payable and bonds payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

⁽²⁾ Closing price at March 31, 2016 and 2015 and December 31, 2015.

FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED UNAPPROPRIATED RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DISTRIBUTION
(Amounts in Thousands of Pesos)

Retained Earnings, January 1, 2016		₱25,421,578
Adjustments:		
Equity in net earnings of subsidiaries and an associate		(6,536,226)
Prior-year adjustments		192,793
Unappropriated Retained Earnings, as adjusted, January 1, 2016		19,078,145
Net income based on the face of unaudited financial statements	1,294,742	
Less: Non-actual/unrealized income net of tax		
Equity in net income of subsidiaries and an associate	(203,285)	
Unrealized foreign exchange gain – net	–	
Unrealized actuarial gain	–	
Fair value adjustment (marked-to-market gains)	–	
Fair value adjustment of Investment Property resulting to gain	–	
Adjustment due to deviation from PFRS/GAAP gain	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	–	
Add: Non-actual/unrealized losses net of tax		
Depreciation on revaluation increment	–	
Adjustment due to deviation from PFRS/GAAP loss	–	
Loss on fair value adjustment of Investment Property	–	
Movement in deferred tax assets	2,667	
Net income actual/realized		1,094,124
Less: Dividend declarations during the year		–
Unappropriated Retained Earnings, as adjusted, March 31, 2016		₱20,172,269