

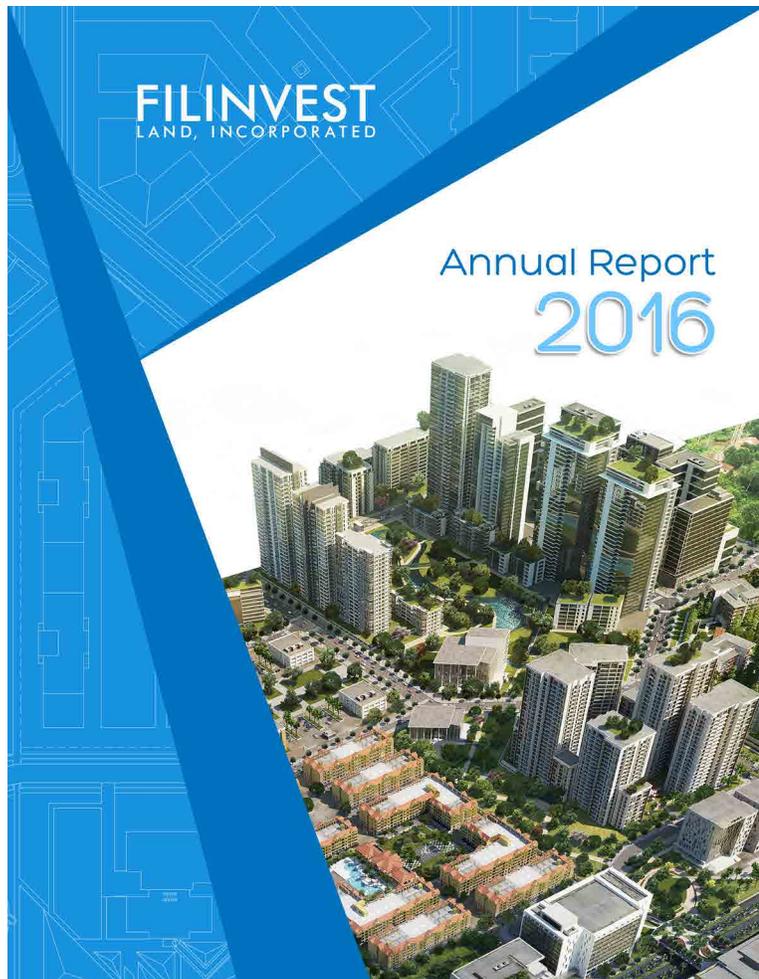
**FILINVEST**  
LAND, INCORPORATED

# Annual Report 2016



FILINVEST  
LAND, INCORPORATED

Annual Report  
2016



## BLUEPRINT FOR SUSTAINABILITY

Building cities and townships from the ground up, Filinvest Land, Inc. (FLI) has laid the foundations for long-term growth. Located in high-growth areas, these mixed-use developments round out the company's residential, retail and office projects to provide a holistic lifestyle that can be enjoyed by many generations.

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## MISSION

The mission of Filinvest Land, Inc. is to fulfill every Filipino's dream of having his own home. The primary responsibility of Filinvest is to the people that inhabit the cities, communities and homes it has created. Filinvest will continually contribute to the economic development of society and will always be a good corporate citizen.

## OBJECTIVES

Filinvest shall provide its customers with universally competitive products that are valued not only for quality but in terms of affordability for all income levels. Only through research and development, innovation and the use of appropriate technology can high-quality services be provided.

Affordable housing shall always be a high priority in company endeavors. Coupled with safeguarding and maximum utilization of company assets, this long-term view (one of holding permanent the strategic health of Filinvest) should lead to better and sounder returns for stockholders.

The continuous pursuit of this mission can only result in industry leadership.

## SHARED VALUES

In the delivery of service to its clients, high quality will be the one and only standard. A singularity of interest exists between the company and its employees. Providing good working conditions, compensation based on performance, opportunity for growth, and employment security are musts.

The core values of integrity, customer service, professionalism, teamwork, innovation and cost-effectiveness are highly valued. The highest standards of business and moral ethics shall be exercised.

The long-term strategic health of Filinvest will always be paramount over short-term financial gains.

# Filinvest Land, Inc. and Subsidiaries

(Amounts in Thousands of Pesos, Except Per Share Data)

## FINANCIAL HIGHLIGHTS

### OPERATING RESULTS

Revenues\*\*  
 Net Income\*\*  
 Net income attributable to equity holders of the parent  
 Return on Assets (Average)  
 Return on Equity (Average)

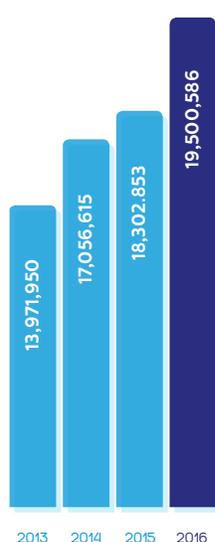
	2016	2015	2014	2013
Revenues**	19,500,586	18,302,853	17,056,615	13,971,950
Net Income**	5,350,786	5,098,564	4,613,491	3,978,282
Net income attributable to equity holders of the parent	5,247,262	5,011,815	4,541,522	3,920,570
Return on Assets (Average)	4.27%	4.48%	4.51%	4.39%
Return on Equity (Average)	9.30%	9.46%	9.13%	8.35%
<b>FINANCIAL POSITION</b>				
Total Assets*	129,425,232	121,195,172	106,519,836	98,284,586
Total Long-Term Debt	53,252,649	47,696,836	40,306,593	36,069,225
Stockholders' Equity*	59,412,637	55,697,261	52,109,053	48,999,654
No. of Shares Issued and Outstanding (000's)	24,249,759	24,249,759	24,249,759	24,249,759
Debt to Equity (Average)***	89.63%	85.64%	77.35%	73.61%
Net Debt to Equity (Average)****	81.43%	73.79%	69.08%	60.44%
<b>PER SHARE DATA</b>				
Primary/Fully Diluted Earnings	Php 0.22	Php 0.21	Php 0.19	Php 0.16

\* 2015 figures restated

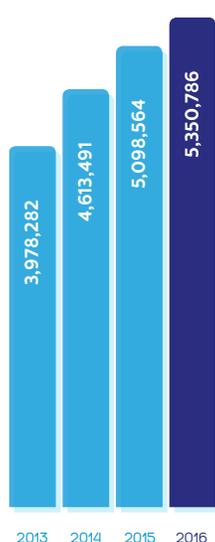
\*\* includes equity in net earnings of an associate

\*\*\* computed as long-term debt divided by stockholders' equity

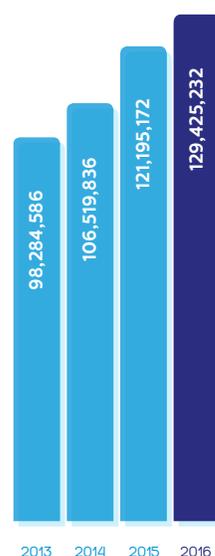
\*\*\*\* computed as long-term debt less cash and cash equivalents divided by stockholders'



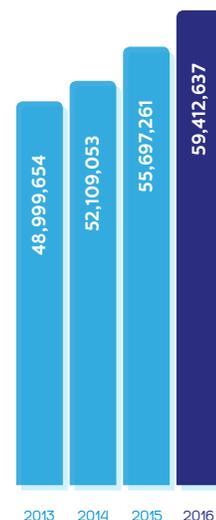
REVENUES



NET INCOME



TOTAL ASSETS\*



STOCKHOLDERS' EQUITY\*



## MESSAGE OF THE CHAIRMAN

JONATHAN T. GOTIANUN

### THE PHILIPPINE GROWTH STORY AND THE PHILIPPINE REAL ESTATE MARKET

The Philippine economy dramatically grew by 6.9% in 2016 from 5.9% in 2015, and posted the strongest growth in the last 3 years and the fastest in Asia, beating China and Vietnam. While the impressive economic growth was once again fueled mainly by the growth in business process outsourcing and the continued contribution from OFW remittances, it is noteworthy that recent economic developments also pointed at an increase in public infrastructure spending, manufacturing, construction, and tourism.

The real estate industry was among the best performers in 2016 and grew by 9.1% from 7.2% in 2015, mainly on account of renting business, largely to BPOs. In the midst of an ever increasingly fierce competition, the outlook for real estate remains bright as the appetite for property continues to be good as developers expand both the breadth and depth of their product offering, as well as their geographical presence to the regions

and key provinces to serve bigger and underserved markets.

In 2017, the country's economic prospects remain optimistic though growth may be a bit slower than last year at 6.5%-7.5% due to the expected slow global economic recovery particularly of the US and EU. Notwithstanding, the Philippine economy is expected to get a boost from the present Administration's economic agenda and initiatives that include, among others, addressing basic requirements like infrastructure investment and public spending which will improve the country's competitiveness.

The new administration's 10-point economic agenda states the new government's priorities, among these are:

- **Institute progressive tax reform and more effective tax collection, indexing taxes to inflation.**

We believe that the progressive tax reform pertaining to personal income tax will benefit the majority as it will result to an increase in net pay for those in the mid to low salary scale. The increased disposable income will drive residential sales, as well as retail sales which will be beneficial to FLI.

- **Accelerate annual infrastructure**

**spending to account for 5% of GDP, with Public-Private Partnerships playing a key role.**

Infrastructure projects relating to roads and transportation will benefit FLI developments. We believe that these will present opportunities for the company as it will open more options for buyers and will encourage them to buy property in less-congested areas. Filinvest has more than 2,400 hectares of land bank nationwide. In addition, FLI has the right to develop almost 500 hectares in Clark Green City and Clark Mimosa. Several land parcels are positioned to benefit from the various priority infrastructure projects of the government. Among these projects are: the recently-awarded NLEX-SLEX connector road, Cavite-Laguna Expressway, the Southeast Metro Manila Expressway (C6) toll road project North-South Railway Project, LRT Line 6 Project and the planned Manila-Clark Railway.

## OUR VISION: A SUSTAINABLE FUTURE

As we build townscapes and cityscapes, we are laying the foundation of **long-term growth**. By providing a **holistic lifestyle** to the people that inhabit the cities, communities and homes we have created, we are being true to our mission of being a **responsible developer**. We have formulated our growth strategy based on this.

## EXECUTING OUR GROWTH STRATEGY

In 2015, your Company embarked on an expansion plan to triple the recurring income portfolio to 1 million square meters of gross leasable area (GLA) by the end of 2019. As of the end of 2016, the recurring income portfolio has reached 463,000 square meters.

FLI ended the year with a net income of P5.35 billion, 5% higher than in 2015 driven by strong revenues from its rental business. Consolidated revenues grew 7%, with rental revenues increasing by 15%.

## OUR TARGETS FOR 2017 AND MAXIMIZING SHAREHOLDER VALUE

For 2017, we expect to add more than 237,000 square meters of gross leasable area in office and retail space which will bring us to 700,000 square meters.

We are also set to launch approximately Php14 billion worth of projects across all our brands, with focus on the affordable and middle income markets, and increased presence outside of Metro Manila. FLI will continue to have a stronger focus on house and lots and mid-rise buildings but will have selective high-rise products to address the urban professional.

We believe that our strategy of continuous rollout of residential projects that address the needs of the mass market and expanding the recurring income businesses will provide growth opportunities and a more balanced mix of income. Our master-planned townscapes and cityscapes enable us to achieve synergies as our residential sales, office leasing and retail rental businesses



complement each other in one location. We believe that our strategy will enable us to maximize shareholder value. Last year, we declared cash dividends amounting to P0.061 per share equivalent to 30% payout ratio and a dividend yield at the time of declaration of 3%, the highest among the Philippine property companies.

#### CORPORATE GOVERNANCE

We believe that good corporate governance is critical in ensuring that we have the confidence and trust of our various stakeholders. Our Corporate Governance policies and guidelines provide the framework by which we carry out our business plans and strategies. We have aligned our Corporate Governance standards with the ASEAN standards to make sure that we implement the best practices.

Corporate Governance is also about accountability and communicating to the company's stakeholders on how the company is achieving its business plans. In the past two years, Senior Management has allocated a significant amount of time in communicating with our various stakeholders. Our communication program resulted to a more in-depth understanding of our strategy.

We are proud to report that your company was recognized for management excellence and investor relations. In March 2017, FLI was recognized as the 3rd best mid-cap company in the Philippines by FinanceAsia. This is based on a poll among investors. At the 6th Asian Excellence Awards 2016 by Hong Kong-based publication Corporate Governance Asia, our CEO Mrs. Josephine Gotianun Yap was awarded as one of Asia's Best CEOs for Investor Relations while FLI was recognized as one of Asia's Best Investor Relations Companies. FLI was also voted as one of six South East Asian companies with Most Progress in Investor Relations in a poll among investors conducted by Investor Relations (IR) Magazine, a global publication.

#### APPRECIATION

We would like to thank all our shareholders, creditors, business partners and customers for their support and trust in us.



## MESSAGE OF THE PRESIDENT & CEO

JOSEPHINE GOTIANUN YAP

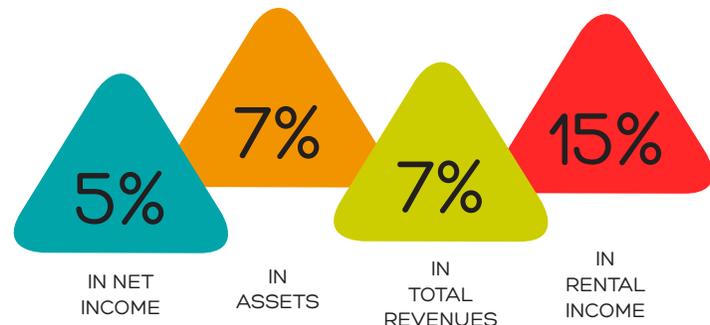
### STABLE FINANCIAL PERFORMANCE

For the year 2016, Filinvest Land, Inc. (FLI) delivered solid financial results with net income reaching Php5.35 billion, 5% higher than Php5.10 billion in 2015. Consolidated revenues rose 7% to Php19.50 billion from Php18.30 billion in 2015.

### EXECUTING OUR STRATEGY FOR GROWTH

We are happy to report that our plan to triple our recurring income portfolio over a period of five years is beginning to bear fruit as the rental business now provides substantial revenues for the company and mitigates the risks of a cyclical residential market. The rental business now accounts for 40% of our income.

Our diversification strategy of having three main lines of business: residential sales, office rental and retail rental has put us in the best position to achieve synergies brought by integrated developments, as we develop townships where all three businesses can complement each other in one location.



## 2016 GAINS

### BENEFITTING FROM A GROWING RECURRING INCOME PORTFOLIO

Rental revenues grew significantly to Php3.38 billion for the full year 2016, 15% higher than Php2.95 billion in 2015 as the firm booked increased revenues from its office buildings.

FLI completed three new buildings in the last quarter of 2015 and these have started to generate revenues in 2016. In addition, in the fourth quarter of 2016, the company completed two new buildings, "Filinvest Cyberzone Bay City 1 & 2" in the Bay area, with 37,000 square meters of gross leasable

area (GLA) which have been fully leased out. FLI now operates 21 office buildings totaling 312,000 square meters of GLA, a 50% increase in the last 2 years. In 2017, three new buildings are scheduled to be completed: Vector 3, Filinvest Axis 1 and Cyberzone Cebu Tower 2 with total GLA of 103,000. By the end of 2017, total office GLA will reach 414,000 square meters.

FLI is also growing its retail rental space portfolio. "Main Square Community Mall" in Molino, Cavite just opened its doors to shoppers, adding 28,000 square meters to FLI's retail portfolio. Another new mall, the "Fora Mall" in Tagaytay, which will have 48,000 square meters of mall space, is scheduled to open in April 2017. Other retail developments scheduled for completion in 2017 are Il Corso in Cebu and the second phase of the Festival Mall expansion.

At the end of 2017,  
total rental GLA will be  
**700,000**  
square meters,  
a **104%**  
increase from  
2014 levels.

With most of the completions occurring between the later part of 2016 and mid-2017, rental revenues are expected to significantly increase in 2019 as lease take-up builds up to full year rental revenue recognition. It is expected that there will be some pressure on the income in the interim period as financing and operating expense recognition will ramp up at a faster pace than revenue take-up.

#### OUR COMPETITIVE ADVANTAGE IN THE HOUSING SEGMENT

On the residential side, FLI continues to launch projects that address the needs of the affordable and middle income markets, which remain to be underserved. More than 70% of FLI's product offerings are house-and-lots and mid-rise buildings (MRB) located nationwide.

In 2016, FLI launched new developments in new growth centers outside of Metro Manila in line with the government's thrust of all-inclusive growth. FLI brought the Futura Homes brand of affordable living to three new areas with Futura Homes Iloilo, Futura Homes Koronadal, Mindanao and Futura Homes Palm Estates – Talisay City. Targeted at first-home buyers in Visayas and Mindanao, these communities offer complete amenities in family-friendly locations. The Spatial, FLI's affordable mid-rise brand, continued its nationwide

FUTURA HOMES PALM ESTATES,  
TALISAY CITY





AMARIYO CREST  
AT HAVILA,  
RIZAL

expansion with the launch of Centro Spatial along Bolton Street in downtown Davao City. It targets investors who want to live within walking distance from local government offices, museums, parks and the cathedral. FLI is set to invest an additional Php5 billion in the next three years in Mindanao.

FLI also launched residential projects in Metro Manila, Cavite, Rizal, Bulacan, and other key locations. The company launched residential projects worth P11.9 billion in 2016. To date, FLI has developed more than 2,500 hectares of land and sold more than 160,000 units.

#### TOWNSCAPE AND CITYSCAPE DEVELOPMENTS: BUILDING A SUSTAINABLE FUTURE

We believe that our long-term growth and sustainability lies in our ability to develop master-planned townscapes and cityscapes that synergize work, leisure and living. As we have reported last year, FLI, together with parent company Filinvest Development Corporation (FDC), has signed a lease agreement with Clark Development Corporation (CDC) to develop, manage and operate the 200-hectare Clark Mimosa estate

for a term of 50 years, renewable for another 25 years. In October 2016, The Board of Directors of CDC approved Filinvest's master plan to redevelop the estate into a mixed-use, leisure-based destination at the heart of the Clark Freeport Zone in Pampanga. Clark Mimosa will be developed as an integrated, smart and sustainable resort community which will include a regional lifestyle and retail mall, a new office park, and a variety of residential options from villas to mid-rise condominiums. In keeping with their respective mandates, FLI will handle the retail, office and residential components while FDC will undertake the hospitality and leisure segments.

FLI also signed a Joint Venture Agreement with the Bases Conversion and Development Authority (BCDA) for the development of the 288-hectare Phase 1 portion of the landmark Clark Green City portion in Tarlac. The 9,450-hectare Clark Green City is envisioned to be developed as the country's newest sustainable urban community and globally-competitive investment center that is smart, green and disaster-resilient. The BCDA Board recently

provided FLI with the refined master plan with the approved boundaries and land uses for the Phase 1 parcel. FLI is the government's pioneer partner. Under the Duterte administration, development of Clark Green City has been fast-tracked. BCDA has already started construction of two primary access roads to Clark Green City. Rail infrastructure is also now being studied as part of the Clark Airport-Clark Green City (Capas) highway alignment. FLI will now undertake the detailed conceptual and engineering planning for Phase 1 of Clark Green City.

We continue to develop existing FLI Townscapes. In Timberland Heights and Havila, our developments in Eastern Metro Manila, horizontal residential projects are being completed and rolled out as we also add more facilities and amenities that enhance the communities. City di Mare in Cebu is becoming a preferred event place for outdoor activities and the residential community continues to grow as MRB residential units are turned over and new phases are rolled out. Ciudad de Calamba's affordable homes remain to be in demand as new phases are rolled out.

Cityscapes, our mixed-use building developments which have residential, office and retail components provide opportunities for our buyers to enjoy everyday convenience. Activa Cubao and One Binondo are soon-to-be-launched developments that we are excited about with their central locations and well-planned spaces.

Townscape and cityscape mixed-use developments will be key to our sustainable growth and we will continue to find opportunities for these.

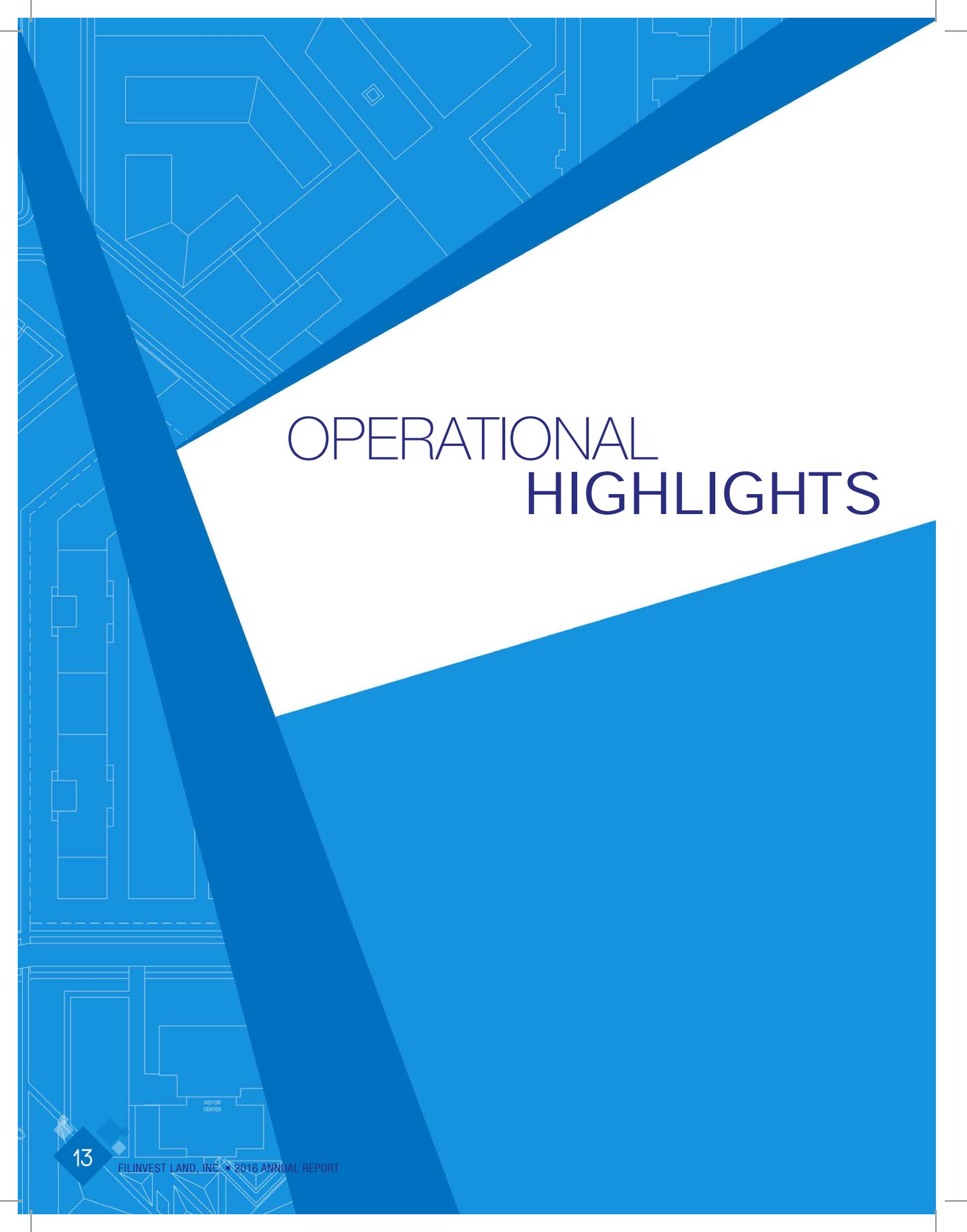


ONE BINONDO,  
MANILA

## APPRECIATION

I would like to thank our home buyers and office and retail tenants who have continued to trust us for their housing needs and office and retail space requirements. We assure them of our utmost commitment in serving their needs.

I would also like to thank our business partners, creditors and shareholders for their continued trust in the FLI management team. I would also like to express my appreciation to my management team and employees for their loyalty, support and commitment as we strive to continue to build the Filipino dream.



# OPERATIONAL HIGHLIGHTS

# BUILDING A SUSTAINABLE FUTURE



Currently FLI has  
**6 major Townscapes**  
encompassing almost  
**1,800 hectares**.  
Headlining these are  
two new joint ventures  
covering almost  
**500 hectares** within  
the **Clark Special  
Zones**, envisioned as the  
next growth center in Luzon.

CLARK GREEN CITY,  
TARLAC

## MASTER-PLANNED TOWNSCAPES

Under the Filinvest Townscapes brand, FLI has created master-planned townships that synergize work, leisure and living. Built from the ground up, these huge tracts of land are crafted into integrated developments to provide countless lifestyle and investment opportunities that span generations. These Townscapes provide families an all-embracing lifestyle through a seamless convergence of home, work and leisure

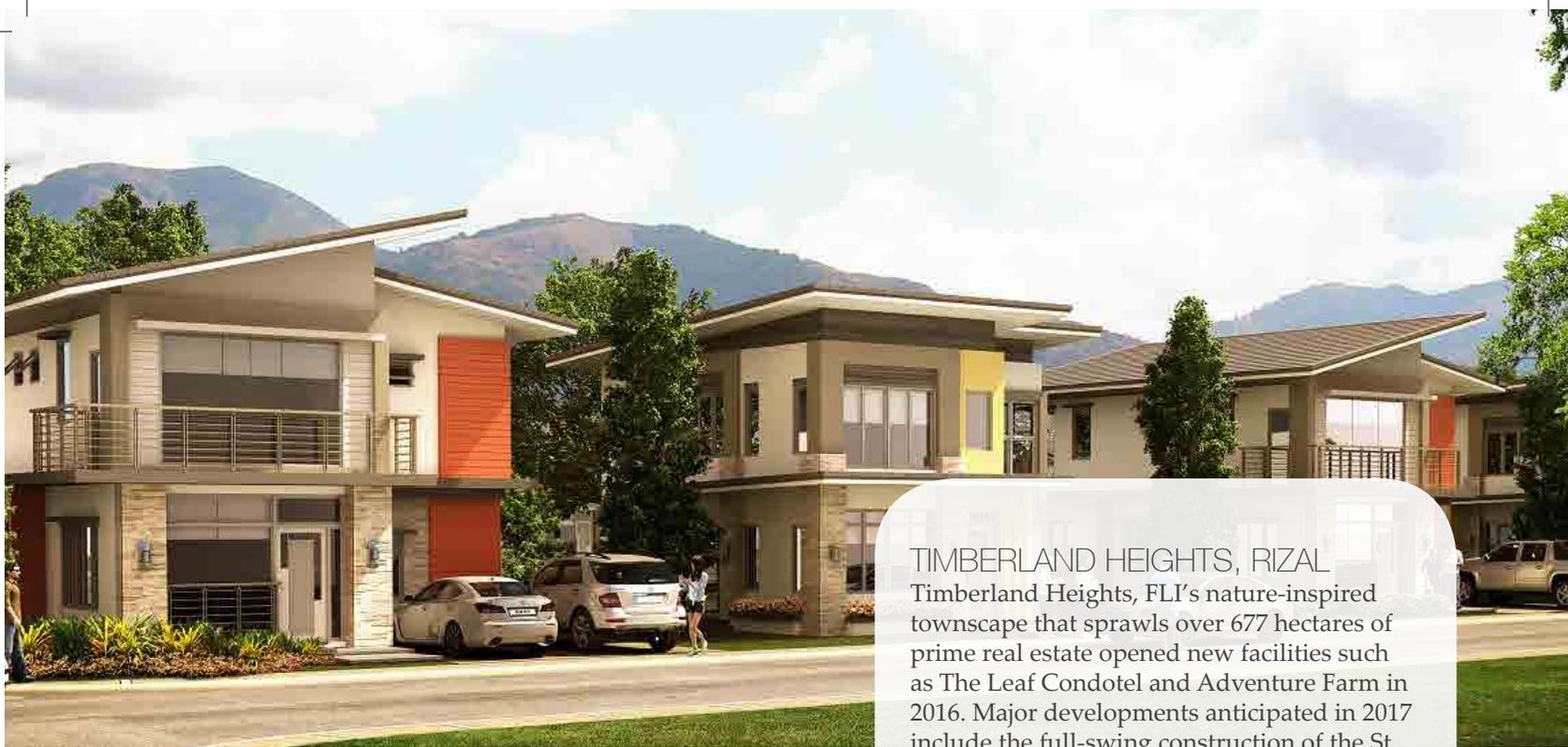
Headlining these Townscape developments are two new joint ventures strategically positioned to take advantage of the anticipated growth of the Clark Freeport Zone.

### CLARK MIMOSA, PAMPANGA

FLI, together with parent company Filinvest Development Corporation (FDC), signed a lease agreement with Clark Development Corporation (CDC) to develop the 200-hectare Clark Mimosa into a leisure-based destination. This integrated, smart and sustainable resort community will include a regional lifestyle and retail mall, a new office park, and a variety of residential options from villas to mid-rise condominiums. FLI undertakes its residential, retail and office developments while the hospitality and leisure developments are handled by FDC.

### CLARK GREEN CITY, TARLAC

In 2016, FLI also signed a joint venture agreement with the Bases Conversion and Development Authority (BCDA) for the development of the 288-hectare Phase 1 portion of the landmark Clark Green City in Tarlac. Clark Green City is envisioned to be developed as the country's newest sustainable urban community and globally-competitive investment center.



THE GROVE AT HAVILA,  
RIZAL

#### TIMBERLAND HEIGHTS, RIZAL

Timberland Heights, FLI's nature-inspired townscape that sprawls over 677 hectares of prime real estate opened new facilities such as The Leaf Condotel and Adventure Farm in 2016. Major developments anticipated in 2017 include the full-swing construction of the St. John Paul 2 Church and Timberland Outlook Park.

#### CITY DI MARE

City di Mare at Cebu's South Road Properties made excellent progress with the concreting of all major roads completed in 2016. With the completion of the four-hectare City Di Mare Event Grounds and other activity areas, City di Mare has become a preferred venue for marathons, weekend markets and other outdoor events such as the Color Manila Sun Warrior Challenge and the Sugbo Mercado which has around 8,000 people visiting every weekend. The residential community also continues to grow as MRB residential units are turned over and new phases are rolled out



FORA  
TAGAYTAY

#### FORA, TAGAYTAY

At the popular Tagaytay Rotunda, development of the 5.2-hectare Fora townscape continued in 2016. It is expected to become a destination in 2017 with Fora Mall and the condotel building scheduled to be operational within the year.

#### MARINA TOWN, DUMAGUETE

FLI unveiled Marina Town's iconic townscape marker and launched its first residential development. The 1.9-hectare bay-front development will feature residential Spatial enclaves and a Filinvest Lifemall. FDC will develop a Quest Hotel to complete and complement the Townscape to make it a destination in itself.



ONE BINONDO,  
MANILA

## CITYSCAPES & CYBERZONES

### PROVIDING A STABLE RECURRING INCOME STREAM

#### DYNAMIC CITYSCAPES

Making their mark on the skylines of major cities, FLI's Cityscapes offer an all-inclusive lifestyle in strategic locations. These vertical hubs integrate office, residential and retail components to provide everyday convenience and a higher standard of living for urban dwellers. These Cityscapes have substantial BPO office components featuring Cyberzone projects that provide a platform for growing the recurring income base of FLI from retail and office projects.

This year, Filinvest is expected to bolster its Cityscape brand through several project launches. Cubao and Binondo – two highly urbanized areas eclipsed by developments in CBDs like Makati and BGC, are expected to make a renaissance with two mixed-use developments: Activa in Cubao and One Binondo.

Set to breathe new life into Cubao is Activa, a smart, mixed-use development located at the corner of EDSA and Aurora Boulevard. A transit-oriented Cityscape concept set at the crossroads of two of the busiest mass transit lines, Activa offers a vibrant live-work-play lifestyle in one of the liveliest districts of Quezon City

In the third quarter of 2017, the heart of Manila's original Chinatown shall see the launch of One Binondo, a 2.2-hectare mixed-use development with retail, micro-retail, office and residential components designed to cater to the growing, highly affluent Chinese market

#### 100 WEST CITYSCAPE

The third quarter of 2017 will see the completion of the podium level of 100 West, FLI's first Cityscape. This mixed-used development is expected to bring in investors and early nesters alike, with its BPO tower and smartly-designed residential units, complemented by a vibrant commercial center.

#### STUDIO 7 CITYSCAPE

Construction is also in full swing for Studio 7, which broke ground in October 2016. Situated along EDSA, near GMA-Kamuning MRT station, it is expected to draw in a lot of investments with its LEED pre-certified BPO tower, charming retail plaza, and residential units balancing each other for a dynamic mixed-use community.



# Activa CUBAO

INSPIRING PROGRESS, PLAY AND PRODUCTIVITY  
IN ONE DYNAMIC DESTINATION

## Activa Versaflats

Flexible small-office, home-office units provide the convenience of living and working in one place.

## Activa Mall

A 5-level lifestyle mall offers myriad choices for shopping, dining and everyday essentials.

## Filinvest Cyberzone Activa

12 floors of high-tech offices topped by a green deck offer a superior alternative to the usual BPO headquarters.

## Canvas Hotel Activa

(to be managed by Chroma Hospitality)  
228 hotel rooms ideal for business trips and staycations mark the initial foray of this hospitality brand.

As vital components of integrated developments, FLI's office and retail projects give the company a competitive advantage in the lucrative leasing market and ensure a steady income stream for years to come

## FILINVEST CYBERZONES

### NORTHGATE CYBERZONE

Almost 34,000 square meters of new leases were closed in Northgate Cyberzone in Filinvest City, Alabang. Scheduled for completion in 2017 are Vector Three (36,000 sqm) and the first tower of Filinvest Axis (39,000 sqm), an iconic four-tower development primed for LEED Gold Certification.

### FILINVEST CYBERZONE CEBU

Tower 2 of Filinvest Cyberzone Cebu is expected to be completed by the third quarter of 2017 with a total GLA of 28,300 square meters.

### CITYSCAPE CYBERZONES

Preliminary clearing and excavation activities started in Cyberzones in the mixed-use projects of Studio 7 EDSA-Timog (37,000 sqm) and Activa Cubao (50,000 sqm). These projects have been awarded LEED Silver and Gold pre-certification, respectively.



NORTHGATE CYBERZONE  
ALABANG



FESTIVAL MALL  
RIVER PARK  
ALABANG

## RETAIL HUBS

- Festival Mall soft-opened its Water Garden, which features alfresco dining fronting the riverscape, with an interior air-conditioned seamlessly connecting to the main mall.
- In September 2016, Festival Mall opened its expansion mall connecting to the second level with global fashion brands like H & M, Cotton On, Owndays, Pandora, Fossil, WSI, Philip Stein, Faceshop and Geox. The five-storey Landmark Supermarket and Department Store is set to open by mid-2017 as the largest anchor of the mall.
- Main Square in Bacoor, Cavite with 19,000 sqm of GLA will be ready to open by the first quarter of 2017 as Filinvest Lifemalls' first community mall format.
- With its imposing façade, Fora Mall with 31,000 sqm of GLA is now highly visible at the Tagaytay Rotunda. Its hypermarket anchor, Super Metro of the Metro Gaisano group, is set to open in April 2017.
- In Cebu, Il Corso with 33,000 sqm of GLA is expected to be fully operational by the second half of 2017. The mall's Central Piazza with its impressive canopy and amphitheater is already a favorite for events.



FUTURA HOMES PALM ESTATES,  
TALISAY CITY

## HOMES ACROSS THE SPECTRUM

FLI remains committed to building the Filipino dream, be it a first home for the family, a legacy for future generations, or a premium lifestyle befitting one's success. The company reaches across all markets, expanding geographically and innovating product lines to build homes and lifestyles that match the needs and aspirations of Filipinos across the archipelago.

FLI has core brands targeting families in different stages of life. Every Filipino's dream of owning a home can be a reality with Futura Homes, which offers value-for-money communities built on quality standards. This brand also features the Spatial series of affordable mid-rise condos.

In 2016, FLI launched  
**19** new residential  
projects and expansion  
phases worth  
**Php12 billion**

The mid-income Filinvest brand caters to urban professionals and upwardly-mobile families with its wide selection of condos and communities. This includes the Studio series of condos designed for students and yuppies and the Oasis resort-style enclaves. On the other end of the spectrum, Filinvest Premiere redefines the high life by offering luxury residences and premium leisure developments suited for the most discriminating tastes.



ARIA,  
RIZAL

## CREATING URBAN HAVENS:

Propagating the Oasis brand of Resort Living -- A total of

**57 buildings**

have been turned over in Oasis developments nationwide.

## RESIDENTIAL HORIZONTAL COMMUNITIES

- In the second half of 2016, the Futura Homes brand expanded to three new areas with Futura Homes Iloilo, Futura Homes Koronadal and Futura Homes Palm Estates, Talisay City.
- For 2017, Futura Homes will continue to expand its geographic footprint with new projects and expansion phases slated for launch in Laguna, Cavite and Davao City. Up north, new developments in Bulacan will introduce different home configurations geared towards start-up families in search of smaller unit cuts.
- For 2017, home buyers in the Cainta area can look forward to the launch of Aria at Serra Monte, an exclusive, low-density community that will feature the attractive Brahms house model.
- FLI is set to expand further east in Teresa, Rizal with Manna Estates, a 50-hectare development catering primarily to the market of start-up families.

## MID-RISE ENCLAVES

### OASIS RESORT-STYLE COMMUNITIES

More urbanites are enjoying the year-round vacation ambience as Filinvest continues to develop its mid-rise Oasis Communities across the country.



ONE OASIS,  
CAGAYAN DE ORO

- In Metro Manila, 530 units were turned over as buildings were completed in Maui Oasis, Bali Oasis 2 and Sorrento Oasis.
- One Oasis Cagayan de Oro had an early turnover of Building 1 with some home owners given their keys in March of 2016, just two and a half years from launch.
- In Cebu, One Oasis Cebu topped-off of its most premium building, boasting scenic views of the amenity area and the neighboring golf course. The Italian-inspired Sanremo Oasis turned over its sixth building and launched a new building comprised mostly of two-bedroom units.
- An expanded Oasis portfolio is expected in 2017 with the launch of new projects in Muntinlupa City and Davao City, along with additional buildings in existing developments.



CENTRO SPATIAL,  
DAVAO

## SPATIAL COMMUNITIES

- The flagship One Spatial Pasig saw the completion of the 5th of its seven buildings in 2016. Its last two buildings are slated for completion in 2017.
- Making waves in Visayas and Mindanao, One Spatial Iloilo topped off its first 10-storey building in December, while 8 Spatial in Davao launched two new buildings to meet the growing demand. In line with this, Centro Spatial was launched along Bolton Street in downtown Davao City.
- The Spatial brand broke new ground with Marina Spatial, the first residential enclave within Marina Town in Dumaguete.
- Three new Spatial developments are earmarked for launch in 2017: Verde Spatial (Commonwealth) in 1Q 2017, Alta Spatial (Valenzuela) in 2Q 2017 and East Spatial Phase 1 (Cainta) in 3Q 2017.

The Spatial brand continues to expand nationwide as FLI builds up its affordable mid-rise communities that offer more space and more value in condo living.



MARINA SPATIAL  
GROUNDBREAKING

## HIGH-RISE CONDOS & STUDIO SERIES

Construction launches, project turnovers and a number of milestones in 2016 marked one of FLI's busiest and most successful years in high-rise development.



### Studio A, Quezon City

- Topped off in June 2016
- Target turnover by end-2017

### Studio City, Alabang

- Topped off Tower 3 in 2016
- Tower 5 for launch in 2017



### Fortune Hill, San Juan

- Project turnover scheduled for the third quarter of 2017



### The Signature, Quezon City

- Target turnover of Tower 1 by the third quarter of 2017

### Vinia Residences + Versaflats, Quezon City

- Turnover of units by 2Q 2017

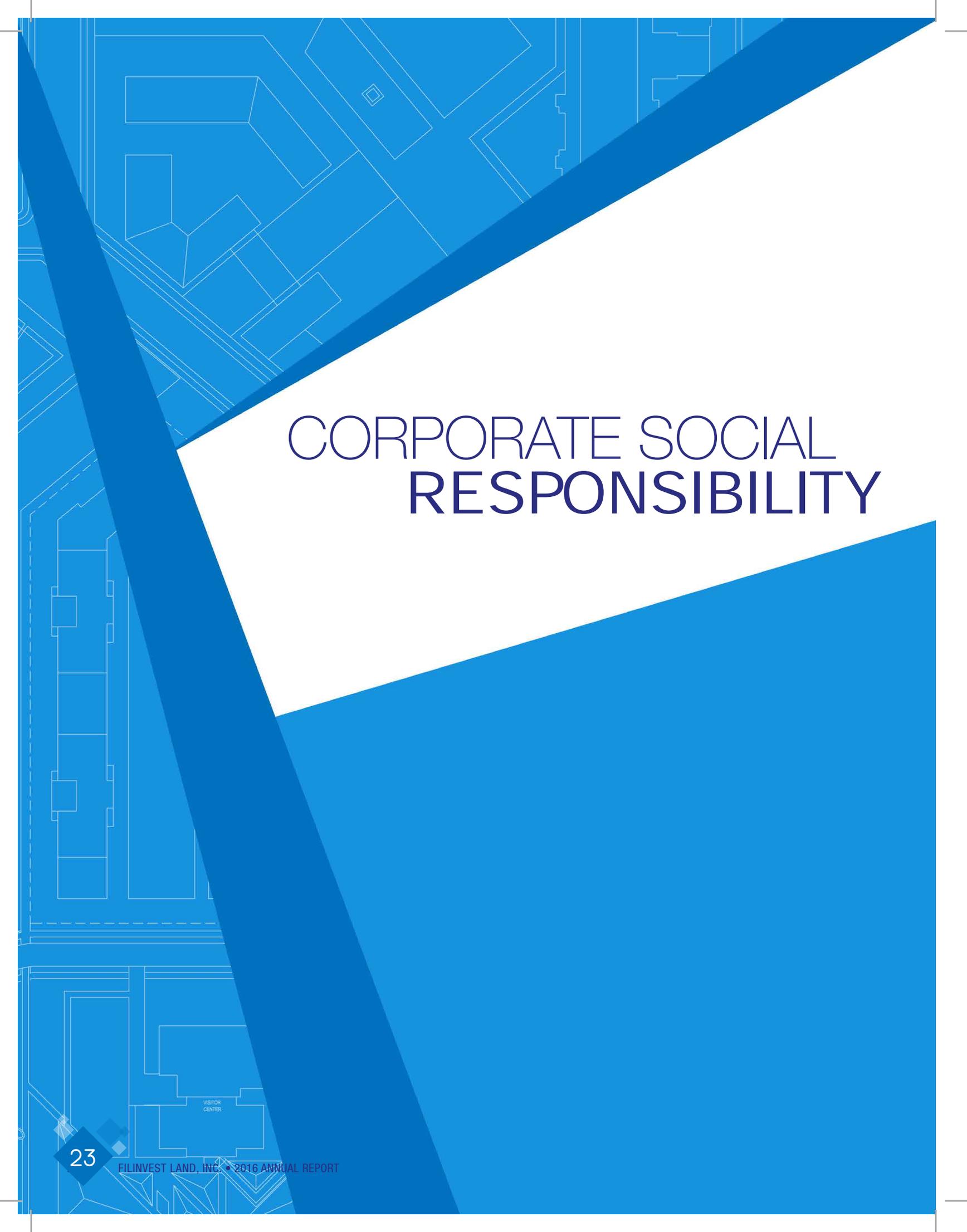


### The Linear, Makati

- Top-selling FLI project in 2016
- Recognized by Jardine Colliers Int'l as a highly preferred investment destination

### The Levels, Alabang

- Inaugurated main clubhouse and onsite sales office
- Burbank Tower for launch in the 2nd half of 2017



# CORPORATE SOCIAL RESPONSIBILITY

## CORPORATE SOCIAL RESPONSIBILITY

Continuing with FLI's drive for a sustainable future, the Company continued its "Keep it Green" tree-planting initiative. The annual tree-planting activity saw the simultaneous planting of trees across various FLI project sites in July 2016. The event drew participation from employees, sellers and homeowners alike. All proceeds of the event were donated to the Kanlungan ni Maria Home for the Aged. Since its implementation, the Keep It Green program has planted close to 4,000 trees in FLI's residential projects, including the key Filinvest townships: Havila, Timberland Heights, and Filinvest City.

To raise more funds to support the needs of scholars, FLI joined forces with the Filinvest Corporate City Foundation, Inc (FCCFI) and the Andrew Gotianun Foundation for the third Run for a Child in January 2016. The fun run was attended by over 1,000 runners and due to its success, Filinvest was able to donate Php6 million for the benefit of its bright, young scholars.

On the retail end, as Festival Mall continues to enjoy the loyal support of its patrons, it embarked on activities with the aim to give back to its community. Through marketing activities, the mall's programs benefiting persons with disabilities, senior citizens, as well as its sustained support for Breast Cancer Awareness gained wide support. True to its name as a Filinvest Lifemall, its Go Pink campaign won five Anvil awards, and the prestigious International Council of Shopping Centers Foundation award, the highest award given to a shopping center program.

With its promise to revitalize the landscape of Chinatown through One Binondo, Filinvest entered a memorandum of agreement with the Department of Natural Resources (DENR) and the Pasig River Rehabilitation Commission (PRRC) to restore the water quality of Estero dela Reina and introduce a 402-meter linear park adjacent to One Binondo's project site. Stretching from Moriones St. to CM Recto, the park will be completed in June 2017. As the year drew to a close, employee volunteers took time off from work to participate in the year-end outreach program, Handog Aguinaldo Para sa Masayang Pasko. Visiting the abandoned elderly at Anawim Lay Missions Foundation, Inc. and the local residents at Pintong Bukawe, both in Rizal, the volunteers aimed to spread the holiday cheer by sharing food, gifts, and time with the underprivileged communities.



KEEP IT GREEN  
TREE PLANTING

MANAGEMENT TRAINEES  
BATCH 9 GRADUATION

EMPLOYEE ENGAGEMENT

Always investing in its employees, FLI recognizes that its employees are its most valued resource. Training programs to improve skills, increase productivity and tap the potential leaders in every employee were implemented. 2015 saw the continuation of seminars organized by the Human Resource Department (HRAD) such as the Leaders' Assembly, Work, Attitude and Value Enhancement (WAVE), 5S, I Love My Job, Effective Business Writing, Personality Development, Basic Financial Planning, Open Office Training and more.



OUTREACH PROGRAM  
FOR THE ELDERLY



FEEDBACK & COACHING  
SEMINAR



# CORPORATE GOVERNANCE REPORT

## Compliance with Best Practices on Corporate Governance

For the year 2016, FLI fully complied with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) regulatory requirements. It is also in compliance with its Manual for Corporate Governance. In particular, your Company wishes to highlight the following:

(a) the election of two (2) independent directors to the Board; (b) the appointment of members of the audit, nomination and compensation committees; (c) the conduct of regular quarterly board meetings and special meetings, the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the submission to the SEC of reports and disclosures required under the Securities Regulation Code; (e) FLI's adherence to national and local laws pertaining to its operations; and (f) the observance of applicable accounting standards by FLI.

In order to keep abreast of best practices in Corporate Governance, the members of the Board and top management have attended seminars on corporate governance initiated by duly accredited institutions.

FLI constantly reviews its Corporate Governance practices and welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors.

## Board of Directors

Leading the practice of good Corporate Governance is the Board of Directors. Your Board of Directors is firmly committed to the adoption of and compliance with the best practices in Corporate Governance as well as the observance of all relevant laws, regulations and ethical business practices.

### Nominations and Voting for the Board of Directors

The members of the Board are elected during the annual stockholders' meeting. The stockholders of FLI may nominate individuals to be members of the Board of Directors.

The Nomination Committee receives nominations for independent directors as may be submitted by the stockholders. After the deadline for the submission thereof, the Nomination Committee meets to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in FLI's Revised Manual on Corporate Governance and the Securities Regulation Code. All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Nomination Committee shall then prepare a Final List of Candidates enumerating the nominees who passed the screening. The name of the person or group of persons who recommends nominees as independent directors shall be disclosed along with his or their relationship with such nominees.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the annual meeting.

The conduct of the election of independent directors shall be in accordance with FLI's Manual on Corporate Governance. In 2008, FLI filed with the SEC its application for the amendment of the by-laws to include the procedure that will govern the nomination and election of independent directors. This procedure is consistent with FLI's Revised Manual on Corporate Governance and Rule 38 of the Securities Regulation Code. The approval by the Commission on said application was issued on April 8, 2009. The power of the Board to amend the By-Laws has been delegated by the stockholders representing two-thirds (2/3) of FLI's outstanding capital stock in an annual meeting of said stockholders on May 27, 1994.

It shall be the responsibility of the Chairman of the annual meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the annual meeting. Specific slots for independent directors shall not be filled up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit: Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the whole number of directors to be elected.

The directors of FLI are elected at the annual stockholders' meeting, to hold office until their respective successors have been duly appointed or elected and qualified. Vacancies in the Board occurring mid-term are filled as provided in the Corporation Code and FLI's Revised Manual on Corporate Governance. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

#### Nominations and Voting for the Board of Directors

Before the annual meeting, a stockholder of FLI may nominate individuals to be independent directors, taking into account the following guidelines:

- A. "Independent director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:
  - i. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
  - ii. Is not a relative of any director, officer or substantial stockholder of FLI, any of its related companies or any of its substantial shareholders.

- For this purpose, "relative" includes spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
- iii. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;
  - iv. Has not been employed in an executive capacity by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years;
  - v. Is not related as a professional adviser by FLI, any of its any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm;
  - vi. Has not engaged and does not engage in any transaction with FLI or any of its related companies or any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.
- B. When used in relation to FLI subject to the requirements above:
- i. "Related company" means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
  - ii. "Substantial shareholder" means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.
- C. An independent director of FLI shall have the following qualifications:
- i. He shall have at least one (1) share of stock of FLI;
  - ii. He shall be at least a college graduate or he shall have been engaged in or exposed to the business of FLI for at least five (5) years;
  - iii. He shall possess integrity/probity; and
  - iv. He shall be assiduous.
- D. No person enumerated under Section II (5) of the Revised Manual of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:
- i. He becomes an officer or employee of FLI, or becomes any of the persons enumerated under items (A) hereof;
  - ii. His beneficial security ownership exceeds 10% of the outstanding capital stock of FLI;
  - iii. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member;
  - iv. If he becomes disqualified under any of the grounds stated in FLI's Revised Manual on Corporate Governance.
- E. Pursuant to SEC Memorandum Circular No. 09, Series of 2011, which took effect on January 2, 2012, the following additional guidelines shall be observed in the qualification of individuals to serve as independent directors:
- i. There shall be no limit in the number of covered companies that a person may be elected as independent director, except in business conglomerates where an independent director can be elected to only five (5) companies of its conglomerate, i.e., parent company, subsidiary or affiliate;

- ii. Independent directors can serve as such for five (5) consecutive years, provided that service for a period of at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the independent director position was relinquished or terminated;
- iii. After completion of the five-year service period, an independent director shall be ineligible for election as such in the same company unless the independent director has undergone a "cooling off" period of two (2) years, provided, that during such period, the independent director concerned has not engaged in any activity that under existing rules disqualifies a person from being elected as independent director in the same company;
- iv. An independent director re-elected as such in the same company after the "cooling off" period can serve for another five (5) consecutive years under the conditions mentioned in paragraph (ii) above;
- v. After serving as independent director for ten (10) years, the independent director shall be perpetually barred from being elected as such in the same company, without prejudice to being elected as an independent director in other companies outside the business conglomerate;
- vi. All previous terms served by existing independent directors shall not be included in the application of the term limits.

#### Members of the Board of Directors, Attendance and Committee Memberships

The following table lists down the members of the Board of Directors and their attendance in Board Meetings during 2016.

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Jonathan T. Gotianun	April 22, 2016	6	5	83%
Member	Josephine G. Yap	April 22, 2016	6	5	83%
Member	Mercedes T. Gotianun	April 22, 2016	6	4	67%
Member	Andrew T. Gotianun, Jr.	April 22, 2016	6	5	83%
Member	Michael Edward T. Gotianun	April 22, 2016	6	4	67%
Member	Efren C. Gutierrez	April 22, 2016	6	6	100%
Member	Francis Nathaniel C. Gotianun*	April 22, 2016	3*	3	100%
Independent	Lamberto U. Ocampo	April 22, 2016	6	6	100%
Independent	Val Antonio B. Suarez	April 22, 2016	6	6	100%

\* Mr. Francis Nathaniel C. Gotianun was first elected as director of the Company on April 22, 2016. For the period April 22, 2016 until December 31, 2016, the Board of Directors of the Company conducted three (3) meetings.

Report on attendance of the Board of Directors and Officers of the Company during the annual stockholders' meeting held on April 22, 2016:

Board of Directors

Name	Position
Mr. Jonathan T. Gotianun	Chairman of the Board Member - Executive Committee Member - Audit Committee
Mrs. Lourdes Josephine Gotianun Yap	President and Chief Executive Officer Chairman - Executive Committee Member - Nominations Committee Member - Compensation Committee
Mr. Andrew T. Gotianun, Jr.	Vice Chairman Member - Executive Committee
Atty. Efren C. Gutierrez	Member - Audit Committee
Mr. Lamberto U. Ocampo	Independent Director Member - Nominations Committee Member - Technical Committee
Atty. Val Antonio B. Suarez	Independent Director Chairman - Audit Committee

Note: Mr. Francis C. Nathaniel, who was elected as a director at the annual stockholders' meeting held on April 22, 2016, was present at the meeting.

Key Officers, Senior Management Officers and Other Officers

Name	Position
Mr. Nelson M. Bona	Senior Vice President and Chief Financial Officer
Ms. Ana Venus A. Mejia	Senior Vice President, Treasurer and Deputy Chief Financial Officer
Atty. Elma Christine R. Leogardo	Vice President / Corporate Secretary and Compliance Officer
Mr. Vince Lawrence Abejo	Senior Vice President; Cluster Head (MRB)
Ms. Rizalangela L. Reyes	Vice President - HR & Customer Care
Ms. Bernadette M. Ramos	Vice President - Group Real Estate Marketing
Mr. Gilberto B. Abanto	Vice President - Security Services
Atty. Romeo L. Magtanong	Vice President - Litigation, Legal Department

Independent External Auditor

Name	Position
Ms. Dhonabee B. Seneres	Partner-In-Charge, Sycip Gorres Velayo & Co.

## Duties and Responsibilities of the Different Board Committees

### Executive Committee Committee Members

Office	Name	Date of Appointment	No. of Meetings Held during the year	No. of Meetings Attended	%	Length of Service in committee
Chairman	Josephine G. Yap	April 22, 2016	9	9	100%	1
Member (ED)	Michael Edward T. Gotianun	April 22, 2016	9	7	78%	1
	Francis Nathaniel C. Gotianun*	April 22, 2016	7	7	100%	1
Member (NED)	Jonathan T. Gotianun	April 22, 2016	9	8	89%	1
	Andrew T. Gotianun, Jr.	April 22, 2016	9	8	89%	1
	Mercedes T. Gotianun	April 22, 2016	9	7	78%	1
Member (ID)	Not Applicable	April 22, 2016				

\* Mr. Francis Nathaniel C. Gotianun was appointed as a member of the Executive Committee on April 22, 2016. For the period April 22, 2016, the Executive Committee conducted seven (7) meetings.

\*\* Committee members are appointed annually.

The functions, duties and responsibilities of the Board of Directors may be delegated, to the fullest extent permitted by law, to an Executive Committee to be established by the Board of Directors. The Executive Committee shall consist of five (5) members, and least three (3) of whom shall be members of the Board of Directors. All members of the Executive Committee shall be appointed by and under the control of the Board of Directors.

The Executive Committee may act on such specific matters within the competence of the Board of Directors as may be delegated to it by a majority vote of the Board of Directors, except with respect to: (i) approval of any action for which shareholders' approval is also required; (ii) the filing of vacancies in the Board of Directors; (iii) the amendment or repeal of these By-Laws or the adoption of new by-laws; (iv) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; and (v) the distribution of cash dividends to shareholders.

The act of the Executive Committee on any matter within its competence shall be valid if (i) it is approved by the majority vote of all its members in attendance at a meeting duly called where a quorum is present and acting throughout, or (ii) it bears the written approval or conformity of all its incumbent members without necessity for a formal meeting.

The Executive Committee shall hold its regular meeting at least once a month or as often as it may determine, in the principal office of the Corporation or at such other place as may be designated in the notice. Any member of the Executive Committee may, likewise, call a meeting of the Executive Committee at any time. Notice of any meeting of the Executive Committee shall be given at least seven (7) business days prior to the meeting or such shorter notice period as may be mutually agreed. The notice shall be accompanied by (i) a proposed agenda or statement of purpose and (ii) where possible, copies of all documents, agreements and information to be considered at such meeting.

## Audit Committee Committee Members

Office	Name	Date of Appointment	No. of Meetings Held during the year	No. of Meetings Attended	%	Length of Service in committee
Chairman	Val Antonio B. Suarez	April 22, 2016	3	3	100%	1
Member (ED)		April 22, 2016				
Member (NED)	Jonathan T. Gotianun	April 22, 2016	3	2	67%	1
	Efren C. Gutierrez	April 22, 2016	3	3	100%	1
Member (ID)	Val Antonio B. Suarez	April 22, 2016	3	3	100%	1

\* Committee members are appointed annually.

The Board shall constitute an Audit Committee to be composed of at least three (3) Director-members, preferably with accounting and financial background, one of which shall be an independent director and another should have related audit experience.

The Chairman of this Committee should be an independent director. He should be responsible for inculcating in the minds of the Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

### Duties and Responsibilities:

- Provide oversight financial management functions specifically in areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;
- Provide oversight of the Corporation's internal and external auditors;
- Review and approve audit scope and frequency, and the annual internal audit plan;
- Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one (1) audit firm is involved;
- Set up an internal audit department and consider the appointment of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
- Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
- Receive and review reports of internal and external auditors and regulatory agencies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner, in addressing control and compliance functions with regulatory agencies;
- Review the quarterly, half-year and annual financial statements before submission to the Board with particular focus on the following matters
  - o Any change/s in accounting policies and practices
  - o Major judgmental areas

- o Significant adjustments resulting from the audit
  - o Going concern assumptions
  - o Compliance with accounting standards
  - o Compliance with tax, legal and regulatory requirements
- Coordinate, monitor and facilitate compliance with existing laws, rules and regulations;
  - Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report.
  - Establish and identify the reporting line of the chief audit executive so that the reporting level allows the internal audit activity to fulfill its responsibilities. The chief audit executive shall report directly to the Audit Committee functionally. The Audit Committee shall ensure that the internal auditors shall have free and full access to the Corporation's records, properties and personnel relevant to the internal audit activity, and that the internal audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit Committee to review and approve the annual internal audit plan.

## Compensation Committee

### Committee Members

Office	Name	Date of Appointment	No. of Meetings Held during the year	No. of Meetings Attended	%	Length of Service in committee
Chairman	Mercedes T. Gotianun	April 22, 2016	1	1	100%	8 months
Member (ED)	Josephine G. Yap	April 22, 2016	1	1	100%	8 months
Member (NED)	Jonathan T. Gotianun	April 22, 2016	1	1	100%	8 months
Member (ID)	Lamberto U. Ocampo	April 22, 2016	1	1	100%	8 months
Member						

\* Committee members are appointed annually.

The Board may constitute a Compensation Committee composed of at least three (3) Director-members, one of whom shall be an independent director.

Duties and Responsibilities:

- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.
- Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully.
- Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers.

- Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which, among others, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
- Disallow any director to decide his or her own remuneration.
- Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and ensuing year.
- Review the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

## Nomination Committee

### Committee Members

Office	Name	Date of Appointment	No. of Meetings Held during the year	No. of Meetings Attended	%	Length of Service in committee
Chairman	Efren C. Gutierrez*	April 22, 2016	NA	NA	100%	8 months
Member (ED)	Josephine G. Yap	April 22, 2016	1	1	100%	8 months
Member (NED)	Mercedes T. Gotianun	April 22, 2016	1	1	100%	8 months
Member (NED)	Jonathan T. Gotianun*	April 22, 2016	NA	NA	100%	8 months
Member (ID)	Lamberto U. Ocampo	April 22, 2016	1	1	100%	8 months

\*Mr. Efren C. Gutierrez and Mr. Jonathan T. Gotianun were appointed members of the Nomination Committee on April 22, 2016. After their appointment, the Nomination Committee did not conduct any meeting.  
 \*\* Committee members are appointed annually.

The Board may constitute a Nomination Committee consisting of at least three (3) Director-members, one of whom shall be an independent director. The Head of the Human Resources Department shall be a non-voting ex-officio member.

The Nomination Committee may review and evaluate the qualifications of all persons nominated to the Board, as well as those nominated to other positions requiring appointment by the Board, and provide assessment on the Board's effectiveness in directing the process of renewing and replacing the Board's members.

The Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board:

- The nature of the business of the Corporations in which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Nomination Committee may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the qualifications and the grounds for disqualifications as set forth in FLI's Manual of Corporate Governance and the Securities Regulation Code.

The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of the nomination for members of the Board of Directors. The same shall be properly disclosed in the Company's information or proxy statement or such other reports required to be submitted to the Securities and Exchange Commission (SEC).

The Nomination of independent directors shall be conducted by the Committee before the stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors as set forth in the Company's Manual on Corporate Governance.

After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, which shall be made available to the SEC and all stockholders through the filing and distribution of the Information Statement, or in such reports the Company is required to submit to the SEC. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

#### Compensation Committee Compensation of the Board of Directors and Officers:

Except for per diem of Php50,000 being paid to non-executive directors of the Filinvest Group for every meeting attended, there are no other arrangements to which directors are compensated, for any services provided as director, including any amounts payable for committee participation or special assignments.

Meanwhile, the aggregate compensation paid or incurred during the last two fiscal years to the non-independent Directors and top officers of FLI are as follows:

The aggregate compensation paid or incurred during the last two fiscal years and the estimate for this year are as follows:

#### Summary Computation Table

The aggregate compensation paid or incurred during the last two fiscal years and the estimate for this year are as follows:

(a) Name and Principal Position	(b) Year	(c) Salary (P)	(d) Bonus (P)	(e) Other Annual Compensation	TOTAL
Lourdes Josephine Gotianun Yap (President/Chief Executive Officer)					
Steve Chien Liang Ta (Senior Vice President)					
Nelson M. Bona (Chief Financial Officer/Senior Vice President)					
Ana Venus A. Mejia (Deputy Chief Financial Officer/Treasurer/ Senior Vice President)					
Francis V. Ceballos (Senior Vice President)					
CEO and top four (4) highest compensated officers	2017 Estimated	24.61M	8M	-	32.62M
	2016	23.22M	7.55M	-	30.77M
	2015	21.80M	6.94M	-	28.74M
All officers and directors as a group unnamed	2017 Estimated	45.70M	13.92M	-	59.61M
	2016	43.11M	13.13M	-	56.24M
	2015	40.56M	12.13M	-	52.69M

Except for a per diem of P50,000.00 being paid to each non-executive director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.

## External Auditor

The auditing firm of Sycip, Gorres, Velayo & Co. ("SGV") is the current independent auditor of FLI. There have been no disagreements with SGV on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

FLI, in compliance with SRC Rule 68(3)(b)(iv) relative to the five-year rotation requirement of its external auditors, has designated Ms. Dhonabee B. Seneres as its engagement partner starting CY 2013. Thus, Ms. Seneres is qualified to act as such until the year 2018. The representatives of SGV shall be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

### A. Audit and Audit-Related Fees

In consideration for the following professional services rendered by SGV as the independent auditor of FLI:

1. The audit of FLI's annual financial statements and such services normally provided by an external auditor in connection with statutory and regulatory filings or engagements for those fiscal years;
2. Other assurance and related services by SGV that are reasonably related to the performance of the audit or review of FLI's financial statements.

### B. Tax Fees

For each of the last two fiscal years, SGV did not render services for tax accounting, compliance, advice and planning for which it billed FLI the corresponding professional fees.

### C. All Other Fees

For each of the last two years, SGV did not render services in addition to the services described above for which it billed FLI the corresponding professional fees.

### D. Approval Policies and Procedures for Independent Accountant's Services of Management/ Audit Committee

In giving its stamp of approval to the audit services rendered by the independent accountant and the rate of the professional fees to be paid, the Audit Committee, with inputs from the management of FLI, makes a prior independent assessment of the quality of audit services previously rendered by the accountant, the complexity of the transactions subject of the audit, and the consistency of the work output with generally accepted accounting standards.

## Shareholders' Rights

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore the following provisions are issued for the guidance of all internal and external parties concerned, as governance covenant between the Corporation and all its investors:

The Board shall be committed to respect the following rights of the stockholders:

A. Voting Right

1. Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
2. Cumulative voting is mandatory in the election of directors.
3. A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

B. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code, during business hours and upon prior written notice to the Corporation and for good reason.

All Shareholders shall be furnished with annual reports, including financial statements, without cost or restrictions.

C. Right to Information

1. The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
2. The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
3. The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

D. Right to Dividends

1. Shareholders shall have the right to receive dividends subject to the discretion of the Board.
2. The Commission may direct the Corporation to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except:
  - i) when justified by definite corporate expansion projects or programs approved by the Board; or ii) when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

E. Appraisal Right

The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under the Corporation Code of the Philippines, under any of the following circumstances:

- In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence.
  - In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
  - In case of merger or consolidation.
- F. The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the corporation.
- The shareholders should be encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.
- G. It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

## Dividend Policy and Dividends Paid

On January 8, 2007, the Board of Directors approved an annual cash dividend payment ratio for the Company's issued shares of twenty percent (20%) of its consolidated net income from the preceding fiscal year, subject to the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends, include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board may, at any time, modify such dividend pay-out ratio depending upon the results of operations and future projects and plans of the Company.

On June 30, 2008, FLI paid cash dividends of Php0.02 per share or a total of Php485.72 million to all shareholders on record as of June 15, 2008. This equivalent to 28.5% of the Php1.704 billion in net income generated in 2007.

On June 9, 2009, FLI paid a cash dividend of Php0.033 per share or a total of Php800.24 million to all shareholders on record as of May 14, 2009. This is equivalent to 42.9% of the Php1.867 billion net income reported in 2008.

On June 9, 2010, FLI paid a regular cash dividend of Php0.017 and special cash dividend of Php0.016 per share or a total of Php800.24 million to all shareholders on record as of May 18, 2010. This is equivalent to 39.7% of 2009's Php2.018 billion net income.

On June 7 2011, FLI paid a regular cash dividend of Php0.0196 and a special cash dividend of Php0.0196 per share or a total of Php950.59 million to all shareholders on record as of May 13, 2011. This is equivalent to 39.2% of 2010's Php2.246 billion core net income.

On June 21 2012, FLI paid a regular cash dividend of Php0.0237 and a special cash dividend of Php0.0237 per share, or a total of Php0.0475 per share. This was equivalent to Php1,151.86 million, and paid to all shareholders on record as of May 25, 2012. This is equivalent to 39.2% of 2011's Php2.940 billion net income.

On July 3, 2013, FLI paid a regular cash dividend of Php0.0280 and a special cash dividend of Php0.020 per share, or a total of Php0.0480 per share. This was equivalent to Php 1,163.99 million, and paid to all shareholders on record as of June 7, 2013. This is equivalent to 33.9% of 2012's Php3.431 billion net income.

On July 2, 2014, FLI paid regular cash dividends of Php 0.032 and a special cash dividend of Php0.018 per share, or a total of Php0.050. This was equivalent to Php1,212.48 million and paid to all shareholders on record as of June 6, 2014. This is equivalent to 30.9% of 2013's net income.

In 2015, FLI declared cash dividends to all stockholders of record as of June 5, 2015 (ex-date June 2, 2015), in the amount of P0.0560 per share, broken down as follows:

- a. Regular Cash Dividend of P0.0373 per share
- b. Special Cash Dividend of P0.0187 per share

Payment date was set on July 1, 2015.

In 2016, FLI declared cash dividends to all stockholders of record as of May 22, 2016, in the amount of P0.061 per share, broken down as follows:

- a. Regular Cash Dividend of P0.041 per share
- b. Special Cash Dividend of P0.020 per share

Payment date was set on June 15, 2016.

## Annual Stockholders' Meeting and Procedures

### Notice of Annual Stockholders' Meeting

Stockholders on record as of March 11, 2016 were entitled to attend and vote at the April 22, 2016 Annual Stockholders' Meeting.

Stockholders were informed that the Annual Stockholders' Meeting for 2016 would be held at 9:00 am at the Sapphire A-B Function Room, Crowne Plaza Manila Galleria, Ortigas Avenue corner ADB Avenue, Quezon City 1100, Metro Manila.

On January 27, 2016, FLI disclosed to the Philippine Stock Exchange that its Board of Directors had fixed the date of the Annual Stockholders' Meeting on April 22, 2016 with the record date set on March 11, 2016.

### Procedures During the Annual Stockholders' Meeting

The following was the agenda of the Annual Stockholders' Meeting last April 22, 2016:

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of the Minutes of the Annual Stockholders' Meeting held on 08 May 2015
5. Presentation of the President's Report
6. Ratification of the Audited Financial Statements for the year ending 31 December 2015
7. Approval of the Amendment of Article II, Section 1 of the By-Laws of the Company to Change the Date of the Annual Meeting of the Stockholders from "second Friday of May" to "second to the last Friday of April" of each year
8. Ratification of the Acts and Resolutions of the Board of Directors and Management for the year 2015
9. Election of the Members of the Board of Directors, including two (2) Independent Directors, to serve for 2016-2017
10. Appointment of the External Auditor
11. Other Matters
12. Adjournment

Only stockholders of record as of March 11, 2016 were entitled to attend and vote in the said meeting.

On the same day, right after the stockholders' meeting, FLI disclosed to the Philippine Stock Exchange the results of the annual stockholders' meeting which included the following:

- a. Approval of the Minutes of the Annual Stockholders' Meeting held on May 8, 2015;
- b. Approval of the President's Report for the year 2015;
- c. Approval of the Audited Financial Statements for the year ending December 31, 2015;
- d. Ratification of all the acts, resolutions and proceedings of the Board of Directors, Executive Committee and Management up to April 29, 2016;
- e. Re-appointment of Sycip Gorres Velayo & Co. as external auditor of FLI for the year 2016; and

- f. Approval of the amendment of Article II, Section 1 of the By-Laws of the Company to Change the Date of the Annual Meeting of the Stockholders from “second Friday of May” to “second to the last Friday of April” of each year

Likewise, the following were elected as directors of FLI to serve for the period 2016-2017 and until their successors shall have been duly elected and qualified:

1. MERCEDES T. GOTIANUN
2. ANDREW T. GOTIANUN, JR.
3. JONATHAN T. GOTIANUN
4. LOURDES JOSEPHINE GOTIANUN YAP
5. MICHAEL EDWARD T. GOTIANUN
6. EFREN C. GUTIERREZ
7. FRANCIS NATHANIEL C. GOTIANUN
8. LAMBERTO U. OCAMPO (as independent director)
9. VAL ANTONIO B. SUAREZ (as independent director)

## Statutory Compliance

FLI fully complied with the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) regulatory requirements. Below is the Company’s Reportorial Compliance Report:

Type of Report	Number of Filings
<b>Financials</b>	
Annual Report (17-A)	1
Quarterly Report (17-Q)	4
Audited Financial Statements	1
<b>Ownership</b>	
Annual List of Stockholders - for Annual Stockholders’ Meeting	1
Foreign Ownership Monitoring Report	14
Public Ownership Report	4
Report on Number of Shareholders and Board Lot	12
Statement of Changes in Beneficial Ownership of Securities (23-B)	36
Top 100 Stockholders’ List	4
<b>Notices - Stockholders’ Meetings/Briefings/Dividends</b>	
Notice of Annual/Special Stockholders’ Meeting	1
Dividend Notice (part of disclosure on Results of Stockholders’ Meeting)	1
Notice of Analysts’ Briefing	4

Type of Report	Number of Filings
<b>Other Disclosures</b>	
Certification - Qualifications of Independent Directors	1
Clarifications of News Articles	3
Definitive Information Statement (20-IS)	1
General Information Sheet	1
Preliminary Information Statement (20-IS)	1
SEC Form 17-C (Current Report)	

Which includes the following:

- a) Results of Annual Stockholders' Meeting/Board Meetings (7)
- b) Press Releases (7)
- c) Other Matters (3)

## Investor Relations

FIL's website, [www.filinvestland.com](http://www.filinvestland.com), makes available to the public, current information on the Company, including details of its operations.

The Investor Relations section of the website provides information on financial statements, press releases, declaration of dividends, ownership structure and any changes in the ownership of major shareholders and officers, notice of analysts' briefings, other reportorial requirements by the Philippine Stock Exchange. The contact details of the Investor Relations Office are available in the website.

To meet the requirements of FIL's investors, the Company conducted four (4) Analysts' Briefings in 2016:

1. March 18, 2016 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for Full Year 2015 results
2. On May 12, 2016 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Quarter 2016 results;
3. On August 11, 2016 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Half 2016 results; and
4. On November 11, 2016 at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for First Nine Months of 2016 results

On March 20, 2017, FIL conducted an analysts' briefing at the Filinvest Building in No. 79 EDSA, Mandaluyong City, Metro Manila for the Full Year 2016 results.

The company also hosted a number of project site tours for analysts and investors.

In 2016, FIL participated in seven (7) conferences organized by different stock brokerages in Hong Kong, Singapore, Malaysia and the Philippines. FIL also went on non-deal roadshows in Hong Kong, United Kingdom and the United States.

# BOARD OF DIRECTORS



Standing (L-R):

**Efren C. Gutierrez**  
Director

**Michael Edward T. Gotianun**  
Director

**Jonathan T. Gotianun**  
Chairman

**Val Antonio B. Suarez**  
Independent Director

**Lamberto U. Ocampo**  
Independent Director

Seated (L-R):

**Andrew T. Gotianun, Jr.**  
Vice Chairman

**Mercedes T. Gotianun**  
Director

**Josephine Gotianun Yap**  
Director - President & CEO

**Francis C. Gotianun**  
Director

# SENIOR MANAGEMENT



Standing (L-R):

**Romeo L. Magtanong**  
VP - Litigation Head

**Reynaldo Juanito S. Nieva**  
FVP - Operations Head

**Bernadette M. Ramos**  
VP - Group Real Estate Marketing Head

**Leonardo A. Gonzales**  
VP - Security & Safety Head

**Rizalangela L. Reyes**  
VP - HRAD & Customer Care Head

Seated (L-R):

**Grace Marie M. Bada**  
VP - Information Technology Head

**Elma Christine R. Leogardo**  
VP - Corporate Advisory Services Head

**Michael Edward T. Gotianon**  
VP - Supply Chain Management Head



Standing (L-R):

**Luis L. Fernandez**  
FVP - General Services Head

**Arnulfo N. delos Reyes**  
SVP - Construction Management Head

**Romeo T. Bautista**  
VP - Bids and Awards Head

**Winnifred H. Lim**  
FVP - Chief Technical Planning Officer

Seated (L-R):

**Jimmy S. Roque**  
VP - Architectural Design &  
Planning Group Head

**Antonio E. Cenon**  
FVP - Permits & Licenses Head

# SENIOR MANAGEMENT



(L-R):

**Nelson M. Bona**  
SVP - Chief Finance Officer

**Ana Venus A. Mejia**  
SVP - Treasurer &  
Deputy Chief Finance Officer

**Nelly Desyree D. Tobias**  
VP - Controllership

**Joseph M. Yap**  
President - Cyberzone Properties, Inc.

**Harriet C. Ducepec**  
VP - Chief of Staff



Standing (L-R):

**Steve C. Chien**  
SVP - International &  
Special Projects Head

**Reynaldo A. Ascaño**  
SVP - Business Group Head

**Tristaneil D. Las Marias**  
SVP - Business Group Head

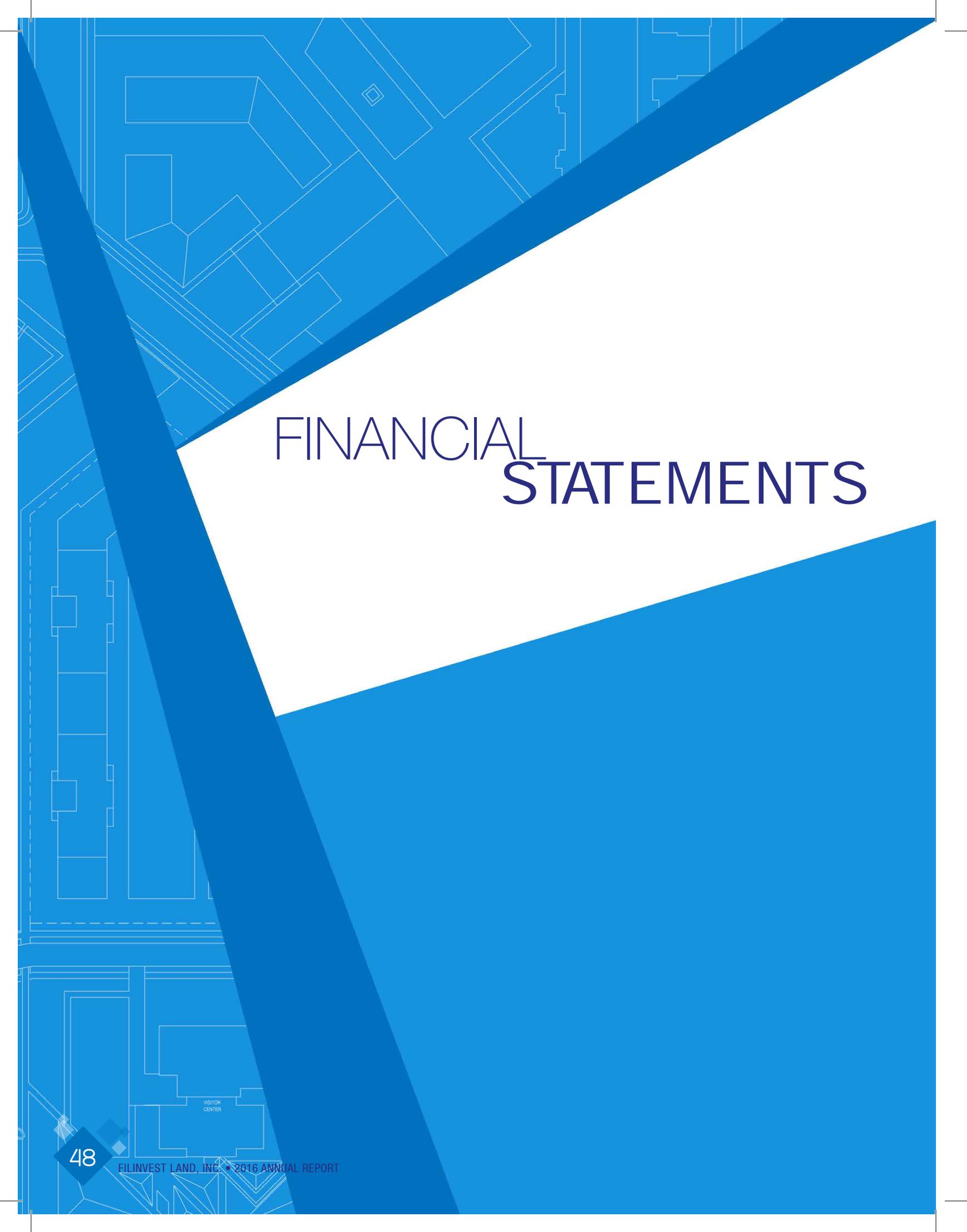
**Vince Lawrence L. Abejo**  
SVP - Business Group Head

Seated (L-R):

**Mai C. Yang**  
VP - FLI Metro Manila HRB

**Francis V. Ceballos**  
SVP - Business Group Head

**Cesarine Janette B. Cordero**  
FVP - Filinvest Cyberparks, Inc.  
Group Head



# FINANCIAL STATEMENTS

# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Filinvest Land, Inc. and Subsidiaries  
(Amounts in Thousands of Pesos)



	December 31	
	2016	2015
<b>ASSETS</b>		
Cash and cash equivalents	₱4,873,025	₱6,596,380
Contracts receivable	21,785,580	19,455,271
Other receivables	3,445,084	4,062,814
Financial assets at fair value through other comprehensive income	15,670	18,665
Real estate inventories	25,905,712	25,239,416
Land and land development	17,594,754	17,743,353
Investment in associates	4,046,789	4,141,165
Investment properties	37,964,948	31,981,021
Property and equipment	2,645,084	1,979,903
Deferred income tax assets - net	23,714	12,677
Goodwill	4,567,242	4,567,242
Other assets	6,557,630	5,397,264
<b>TOTAL ASSETS</b>	<b>₱129,425,232</b>	<b>₱121,195,171</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	₱11,504,669	₱13,700,190
Loans payable	24,456,598	15,946,927
Bonds payable	28,796,051	31,749,909
Income tax payable	48,063	33,220
Due to related parties	243,736	342,885
Retirement liabilities	447,475	321,939
Deferred income tax liabilities - net	4,516,003	3,402,840
Total Liabilities	70,012,595	65,497,910
<b>Equity</b>		
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	29,015,356	25,247,329
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement losses on retirement plan - net of tax	(158,973)	(122,348)
Share in other components of equity of an associate	361,794	361,794
Equity attributable to equity holders of the parent	59,157,546	55,426,144
Noncontrolling interests	255,091	271,117
Total Equity	59,412,637	55,697,261
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱129,425,232</b>	<b>₱121,195,171</b>

# CONSOLIDATED STATEMENTS OF INCOME

Filinvest Land, Inc. and Subsidiaries  
(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)



	Years Ended December 31		
	2016	2015	2014
<b>REVENUE</b>			
Real estate sales	₱14,255,920	₱14,050,710	₱13,204,443
Rental and related services	3,384,182	2,952,759	2,634,162
<b>EQUITY IN NET EARNINGS OF AN ASSOCIATE</b>	<b>183,020</b>	176,475	50,829
<b>OTHER INCOME</b>			
Interest income	871,972	808,380	752,178
Others - net	805,492	314,529	415,003
	<b>19,500,586</b>	18,302,853	17,056,615
<b>COSTS</b>			
Real estate sales	8,322,274	8,132,153	7,726,164
Rental services	742,489	686,583	637,434
<b>OPERATING EXPENSES</b>			
General and administrative expenses	1,303,954	1,138,021	1,299,328
Selling and marketing expenses	1,204,804	1,088,705	1,054,056
<b>INTEREST AND OTHER FINANCE CHARGES</b>	<b>1,072,664</b>	883,756	647,617
	<b>12,646,185</b>	11,929,218	11,364,599
<b>INCOME BEFORE INCOME TAX</b>	<b>6,854,401</b>	6,373,635	5,692,016
<b>PROVISION FOR INCOME TAX</b>	<b>1,503,615</b>	1,275,071	1,078,525
<b>NET INCOME</b>	<b>₱5,350,786</b>	₱5,098,564	₱4,613,491
<b>Net income attributable to:</b>			
Equity holders of the parent	₱5,247,262	₱5,011,815	₱4,541,522
Noncontrolling interest	103,524	86,749	71,969
	<b>₱5,350,786</b>	₱5,098,564	₱4,613,491
<b>Basic/Diluted Earnings Per Share</b>	<b>₱0.22</b>	₱0.21	₱0.19

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Filinvest Land, Inc. and Subsidiaries  
(Amounts in Thousands of Pesos)



	Years Ended December 31		
	2016	2015	2014
<b>NET INCOME</b>	<b>₱5,350,786</b>	₱5,098,564	₱4,613,491
<b>OTHER COMPREHENSIVE LOSS</b>			
Other comprehensive income not to be reclassified to profit or loss			
Remeasurement losses on retirement plan, net of tax	(36,625)	(7,106)	(2,975)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱5,314,161</b>	₱5,091,458	₱4,610,516
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	₱5,210,637	₱5,004,709	₱4,538,547
Noncontrolling interest	103,524	86,749	71,969
	<b>₱5,314,161</b>	₱5,091,458	₱4,610,516

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Filinvest Land, Inc. and Subsidiaries  
(Amounts in Thousands of Pesos)



	Attributable to Equity Holders of the Parent								Total	Noncontrolling Interest	Total Equity
	Common Stock (Note 25)	Preferred Stock (Note 25)	Additional Paid-in Capital	Treasury Stock (Note 25)	Retained Earnings (Note 25)	Revaluation Reserve on Financial Assets at FVTOCI (Note 10)	Remeasurement Losses on Retirement Plan (Note 23)	Share in Other Components of Equity of an Associate (Note 11)			
	<b>For the Year Ended December 31, 2016</b>										
Balances as of December 31, 2015	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱25,247,329	(₱2,619)	(₱122,348)	₱361,794	₱55,426,144	₱271,117	₱55,697,261
Net income	-	-	-	-	5,247,262	-	-	-	5,247,262	103,524	5,350,786
Other comprehensive income	-	-	-	-	-	-	(36,625)	-	(36,625)	-	(36,625)
Total comprehensive income	-	-	-	-	5,247,262	-	(36,625)	-	5,210,637	103,524	5,314,161
Dividends declared (Note 25)	-	-	-	-	(1,479,235)	-	-	-	(1,479,235)	-	(1,479,235)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(120,000)	(120,000)
Investment in noncontrolling interest (Note 1)	-	-	-	-	-	-	-	-	-	450	450
<b>Balances as of December 31, 2016</b>	<b>₱24,470,708</b>	<b>₱80,000</b>	<b>₱5,612,321</b>	<b>(₱221,041)</b>	<b>₱29,015,356</b>	<b>(₱2,619)</b>	<b>(₱158,973)</b>	<b>₱361,794</b>	<b>₱59,157,546</b>	<b>₱255,091</b>	<b>₱59,412,637</b>

	Attributable to Equity Holders of the Parent								Total	Noncontrolling Interest	Total Equity
	Common Stock (Note 25)	Preferred Stock (Note 25)	Additional Paid-in Capital	Treasury Stock (Note 25)	Retained Earnings (Note 25)	Revaluation Reserve on Financial Assets at FVTOCI (Note 10)	Remeasurement Losses on Retirement Plan (Note 23)	Share in Other Components of Equity of an Associate (Note 11)			
	<b>For the Year Ended December 31, 2015</b>										
Balances as of December 31, 2014	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱21,775,140	(₱2,619)	(₱115,242)	₱361,794	₱51,961,061	₱147,992	₱52,109,053
Effect of consolidation of investment in club project (Note 2)	-	-	-	-	(174,249)	-	-	-	(174,249)	36,376	(137,873)
	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱21,600,891	(₱2,619)	(₱115,242)	₱361,794	₱51,786,812	₱184,368	₱51,971,180
Net income	-	-	-	-	5,011,815	-	-	-	5,011,815	86,749	5,098,564
Other comprehensive income	-	-	-	-	-	-	(7,106)	-	(7,106)	-	(7,106)
Total comprehensive income	-	-	-	-	5,011,815	-	(7,106)	-	5,004,709	86,749	5,091,458
Dividends declared (Note 25)	-	-	-	-	(1,365,377)	-	-	-	(1,365,377)	-	(1,365,377)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(100,000)	(100,000)
Investment of noncontrolling interest (Note 1)	-	-	-	-	-	-	-	-	-	100,000	100,000
<b>Balances as of December 31, 2015</b>	<b>₱24,470,708</b>	<b>₱80,000</b>	<b>₱5,612,321</b>	<b>(₱221,041)</b>	<b>₱25,247,329</b>	<b>(₱2,619)</b>	<b>(₱122,348)</b>	<b>₱361,794</b>	<b>₱55,426,144</b>	<b>₱271,117</b>	<b>₱55,697,261</b>

	Attributable to Equity Holders of the Parent								Total	Noncontrolling Interest	Total Equity
	Common Stock (Note 25)	Preferred Stock (Note 25)	Additional Paid-in Capital	Treasury Stock (Note 25)	Retained Earnings (Note 25)	Revaluation Reserve on Financial Assets at FVTOCI (Note 10)	Remeasurement Losses on Retirement Plan (Note 23)	Share in Other Components of Equity of an Associate (Note 11)			
	<b>For the Year Ended December 31, 2014</b>										
Balances as of January 1, 2013	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱18,446,106	(₱2,619)	(₱112,267)	₱361,794	₱48,635,002	₱364,652	₱48,999,654
Net income	-	-	-	-	4,541,522	-	-	-	4,541,522	71,969	4,613,491
Other comprehensive income	-	-	-	-	-	-	(2,975)	-	(2,975)	-	(2,975)
Total comprehensive income	-	-	-	-	4,541,522	-	(2,975)	-	4,538,547	71,969	4,610,516
Dividends declared (Note 25)	-	-	-	-	(1,212,488)	-	-	-	(1,212,488)	-	(1,212,488)
Dividend distribution to noncontrolling interest	-	-	-	-	-	-	-	-	-	(100,000)	(100,000)
Redemption of shares attributable to noncontrolling interest	-	-	-	-	-	-	-	-	-	(188,629)	(188,629)
<b>Balances as of December 31, 2014</b>	<b>₱24,470,708</b>	<b>₱80,000</b>	<b>₱5,612,321</b>	<b>(₱221,041)</b>	<b>₱21,775,140</b>	<b>(₱2,619)</b>	<b>(₱115,242)</b>	<b>₱361,794</b>	<b>₱51,961,061</b>	<b>₱147,992</b>	<b>₱52,109,053</b>

# CONSOLIDATED STATEMENTS OF CASH FLOW

Filinvest Land, Inc. and Subsidiaries  
(Amounts in Thousands of Pesos)



	Years Ended December 31		
	2016	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	₱6,854,401	₱6,373,635	₱5,692,016
Adjustments for:			
Interest income	(871,972)	(808,380)	(752,178)
Interest expense and amortization of transaction costs	1,034,036	858,751	631,274
Depreciation and amortization	520,789	491,714	430,887
Equity in net earnings of an associate	(183,020)	(176,475)	(50,829)
Dividend income	–	(4,048)	–
Net pension expense, net of contribution and benefits paid	56,008	34,981	43,985
Operating income before changes in operating assets and liabilities	7,410,242	6,770,178	5,995,155
Changes in operating assets and liabilities			
Decrease (increase) in:			
Contracts receivable	(2,330,309)	(2,482,924)	(3,888,572)
Other receivables	777,730	(244,915)	(412,144)
Real estate inventories	1,402,152	(998,156)	1,301,940
Other assets	(983,443)	(1,669,445)	(1,107,558)
Increase (decrease) in accounts payable and accrued expense	(2,400,741)	2,561,434	981,007
Cash generated from operations	3,875,631	3,936,172	2,869,828
Income taxes paid, including creditable withholding taxes	(562,696)	(591,945)	(399,983)
Interest received	871,972	810,368	752,038
Net cash provided by operating activities	4,184,907	4,154,595	3,221,883
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions of land	(898,758)	(1,421,677)	(2,667,725)
Acquisitions of investment properties and property and equipment	(6,353,151)	(4,058,991)	(3,378,342)
Additional investment in associate	(37,829)	–	–
Dividends received	155,225	10,727	96,000
Redemption (subscription) of shares of stock	1	5,274	(6,000)
Net cash used in investing activities	(7,134,512)	(5,464,667)	(5,956,067)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from availment of:			
Loans payable	10,475,000	7,845,000	9,500,000
Bonds payable	–	8,000,000	7,000,000
Payments of:			
Loans payable	(1,932,827)	(8,429,042)	(7,745,000)
Bonds payable	(3,000,000)	–	(4,500,000)
Cash dividend	(1,479,235)	(1,365,377)	(1,212,488)
Interest and transaction costs	(2,617,989)	(2,447,320)	(2,214,979)
Dividends paid to noncontrolling interest	(120,000)	(100,000)	(100,000)
Increase (decrease) in amounts due to related parties	(99,149)	(5,474)	50,023
Redemption of shares attributable to noncontrolling interest	–	–	(188,629)
Investment from noncontrolling interest	450	100,000	–
Net cash provided by financing activities	1,226,250	3,597,787	588,927
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,723,355)</b>	<b>2,287,715</b>	<b>(2,145,257)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>6,596,380</b>	<b>4,308,665</b>	<b>6,453,922</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>₱4,873,025</b>	<b>₱6,596,380</b>	<b>₱4,308,665</b>

# MAP OF PROJECTS



## TARLAC

- Somerset Lane

## PAMPANGA

- Claremont
- Austine Homes
- Hampton Orchards

## METRO MANILA

### ALABANG

- 2301 Civic Place\*
- Civic Prime\*
- Entrata Urban Complex\*
- La Vie Flats\*
- Studio Two\*
- Studio One\*
- Vivint Flats\*
- West Parc\*
- The Palms Country Club\*
- Palms Pointe\*
- South Station\*
- Festival Supermall
- Studio City
- The Levels
- Northgate Cyberzone Parkway Place
- Aspen Tower\*
- Bristol\*
- Botanika
- Nature Residences\*

### CALOOCAN

- Tamara Lane

### LAS PIÑAS

- Auburn Place

### MANILA

- Maui Oasis
- One Binondo

### MANDALUYONG

- Filinvest Transcom Bldg.
- FLI Head Office

### MAKATI

- 100 West
- The Linear
- PBCom Tower

## CAVITE

### BACOR

- Princeton Heights
- Filinvest Mall Princeton

### DASMARINAS

- Raintree Prime Residences
- Raintree West
- Fairway View
- Oakridge
- Windward Hills

### GEN. TRIAS

- Asenso Village
- Brookside Lane
- Castillon
- The Residences
- Crystal Aire
- Meridian Place
- Savannah Fields
- Woodville
- Nature Grove
- Belvedere Towne
- Belmont Hills
- Castillon Homes
- Country Meadows
- Mistral Plains
- Sunny Brooke

## PALAWAN

- West Palms
- Futura Homes Palawan
- East Bay

## ILOILO

- One Spatial Iloilo
- Futura Homes Iloilo

## BACOLOD

- Palm Estates
- Futura Homes Palm Estates
- Sunrise Place

### PARANAQUE

- Asiana Oasis
- Filinvest Classic Estates

### PASAY

- Studio Zen

### PASIG

- One Filinvest
- One Oasis - Ortigas
- Bali Oasis - Marcos Highway
- Bali Oasis 2 - Marcos Highway
- Capri Oasis
- Sorrento Oasis
- One Spatial Pasig

### QUEZON CITY

- Activa
- Filinvest Cyberzone Activa
- Filinvest Heights
- The Enclave
- Filinvest Homes
- Mountain View
- Northview Villas
- Northview Homes
- Serra Monte Villas
- Spring Country
- Spring Heights
- Studio A
- Studio 7
- Filinvest Cyberzone Studio 7
- The Signature
- The Prominence
- Verde Spatial
- Vinia

### SAN JUAN

- Fortune Hill

### TAGUIG

- The Beaufort\*
- Panglao Oasis

### VALENZUELA

- Alta Spatial

## TAGAYTAY

- Fora Tagaytay

## TANZA

- Springfield View
- Westwood Mansions
- Westwood Place
- Nusa Dua
- Santoso Villas
- Pineview
- Belleview Meadows
- Sunrise Place

## TRESE MARTIRES

- The Wood Estates
- Rosewood Place
- New Leaf

## ZAMBOANGA

- Villa San Ignacio

## DUMAGUETE

- Marina Town
- Marina Spatial

## SOUTH COTABATO

- Futura Homes Koronadal

## BULACAN

### SAN RAFAEL

- San Rafael Estates
- Alta Vida
- Tierra Vista
- Verna

### CAINTA

- The Tropics 1, 2 & 3
- Aria
- East Spatial

### ANGONO

- Havila
- Forest Farms at Havila
- The Grove
- Primrose Hills
- Primrose Townhomes at Havila
- Mission Hills at Havila
- Sta. Catalina
- Sta. Isabel
- Sta. Sofia

### ANTIPOLO

- Havila
- Mission Hills at Havila
- Sta. Barbara
- Sta. Monica
- Sta. Clara
- Sta. Cecilia
- Anila Park at Havila
- Anila Park Townhomes
- Anila Park Residences

### TERESA

- Manna Estates
- New Fields

## LAGUNA

### BINAN

- Brentville International
- The Meridian
- Sunshine Place
- West Parc
- Woodmore Spring
- The Arborage
- Prominence I
- Prominence II
- The Village Front
- La Mirada at Filinvest South

### SAN PEDRO

- Village Square
- The Glens
- Southpeak
- The Pines
- Viridian
- The Manors
- Summer Field
- Park Spring
- Futura Homes San Pedro
- Southern Heights
- San Pedro Homesite
- Southwind

## BATANGAS

- Blue Grass County
- Palmridge Townhomes
- Summerbreeze II
- Amare Homes
- Blue Isle

## BUTUAN

- Filinvest Homes Butuan

## DAVAO

- Costa Villas
- Le Jardin de Villa Abrille
- Filinvest Homes Tagum
- Kembali
- The Veranda Resort Condos

## CEBU

- Aldea del Sol
- Filinvest Cebu Cyberzone
- Corona Del Mar
- Escala
- Grand Cenia Residences
- One Oasis - Cebu
- Sunrise Place Mactan
- The Mactan Tropics II
- Futura Homes Mactan

## CAGAYAN DE ORO

- One Oasis - Cagayan de Oro

## SAN JOSE DEL MONTE

- Melody Plains
- Melody Heights
- Citation Homes - Meycauyan

## TAYTAY

- Havila
- The Peak at Havila
- Highlands Pointe at Havila
- Manor Ridge
- The Terraces
- The Villas
- The Villas 2
- Villa Montserrat at Havila
- The Mercado
- Amariyo Crest

## SAN MATEO

- Timberland Heights
- Timberland Sports and Nature Club
- Mandalay Residential Farm Estates 1 & 2
- Banyan Ridge
- Banyan Crest
- The Ranch
- The Glades
- The Leaf

## CALAMBA

- Ashton Fields
- Ciudad de Calamba
- Aidea Real
- Asenso Village
- Filinvest Technology Park
- La Brisa
- Montebello
- Punta Altezta
- Vista Hills
- Casa Lira

## Pueblo Solana

- Valle Dulce
- Ventura Real
- Valle Alegre

## TALISAY

- Laeuna de Taal
- Arista
- Orilla
- Bahia

## TANAUAN

- Sandia Homes

## Ocean Cove

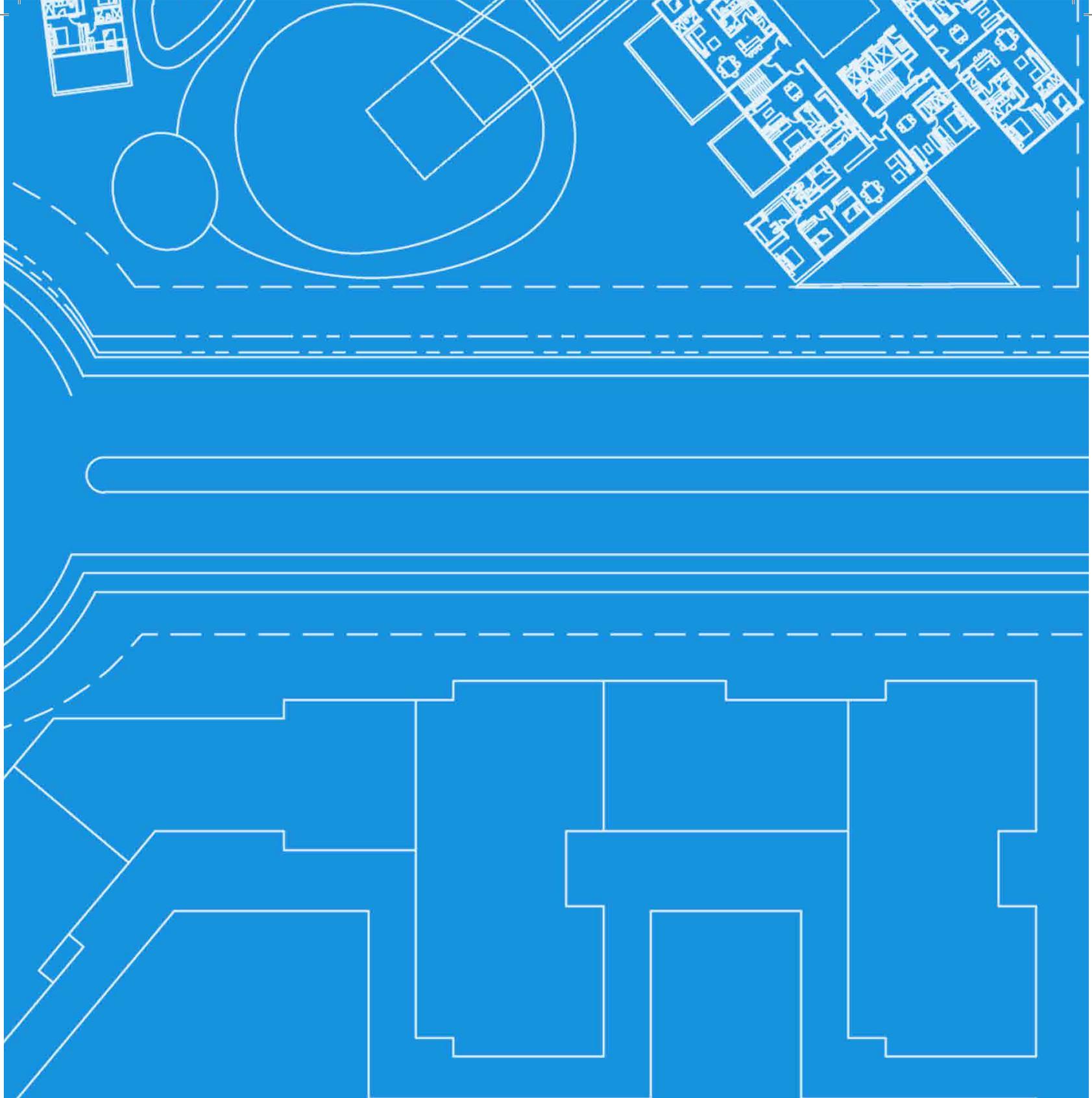
- One Oasis - Davao
- Orange Grove
- Villa Mercadita
- 8 Spatial
- Centro Spatial

## Serulyan

- City of Mare
- Amalfi
- Sanremo Oasis
- Il Corso

## LEGEND:

- EXCLUSIVE COLLECTION
- PREMIERE (LEISURE & RESIDENTIAL / COUNTRY CLUB)
- FILINVEST
- FUTURA
- SOCIALIZED
- RETAIL / COMMERCIAL
- OFFICE / IT / BUSINESS PARK
- TOWNSCAPE / CITYSCAPE
- Filinvest Alabang, Inc. projects
- Filinvest Development Corp. projects



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