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SECURITIES AND EXCHANGE COMMISSION

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Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. January 13, 2016
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS200703145 3. BIR Tax Identification No. 006-652-678-000
4. VISTA LAND & LIFESCAPES, INC.
Exact name of issuer as specified in its charter
5. Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. 3rd Level, Starmall Las Piñas C.V. Starr Avenue, Philam Village Pamplona, Las Piñas City
Address of principal office
8. (632) 874-5758 / (632) 872-6947
Issuer's telephone number, including area code
9. N/A
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

1747
Postal Code

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common stock</u> <i>(net of treasury shares 147,867,100 as of January 12, 2016)</i>	12,507,024,653
<u>VLL Homebuilder Bonds</u>	2,500,000,000
<u>VLL Retail Bonds</u>	5,000,000,000

11. Indicate the item numbers reported herein:

Item 9. Other Events

Following the completion of the first tranche of acquisition by Vista Land & Lifescapes, Inc. ("VLL") of approximately 88.25% of the outstanding common capital stock of Starmalls, Inc. ("STR", and the "STR Acquisition"), VLL now owns 79.43% of the outstanding common capital stock of STR, thereby making STR a subsidiary of VLL.

Thus, further to our disclosures dated 10 November 2015 and 22 December 2015, respectively, we attach herewith for information of the general public, updated disclosures and information on VLL, its business and financial performance, market strengths and business strategies, in general and in the context of the STR Acquisition.

SIGNATURES

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

VISTA LAND & LIFESCAPES, INC.
Issuer

By:



ATTY. NALEN ROSERO GALANG
Compliance Officer & CIO

Date: 13 January 2016

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COMPANY OVERVIEW

Vista Land & Lifescapes, Inc. (the “Vista Land” or “Company”) is one of the largest integrated property developers in the Philippines and the leading homebuilder in the country overall. The Company believes that it is one of the few leading integrated property developers in the Philippines that is focused on the mass market. In 2012, 2013, 2014 and the nine months ended 30 September 2015, the Company recorded consolidated revenues from real estate sales of ₱16,335.6 million, ₱20,024.6 million, ₱22,235.4 million and ₱18,525.0 million, respectively. For the nine months ended 30 September 2015, Vista Land recorded ₱19,793.6 million of total revenue, ₱6,284.5 million of total operating income and ₱5,019.8 million of net income. As of 30 September 2015, Vista Land had ₱123,291.3 million of total assets and ₱67,119.3 million of total liabilities.

Vista Land provides a wide range of housing products to its customers across all income segments and has recently expanded into the mass market retail mall and BPO segments via the acquisition of Starmalls, Inc. (“Starmalls”). Since it commenced operations in 1977, Vista Land has built approximately 300,000 homes as of 30 September 2015.

Vista Land’s primary business has historically been the development and sale of horizontal real estate projects, which comprise residential lots and units in the low-cost and affordable, upper mid-cost and high-end housing segments.

The following table sets out the contribution of each market segment as a percentage of total real estate sales for the periods indicated.

Development	For the years ended 31 December			For the nine months ended
	2012	2013	2014	30 September 2015
	(%)	(%)	(%)	(%)
Low-cost and affordable	70.1	74.6	74.8	75.3
Upper mid-cost	16.9	18.2	19.8	20.2
High-end	13.0	7.2	5.4	4.5

Note:

(1) *The projects that cover the low-cost and affordable segment are Camella and Communities Philippines. The projects that cover the affordable to upper mid-cost segment are Crown Asia and Vista Residences. The project that covers the high-end segment is Brittany.*

In addition, Vista Land develops and sells vertical residential projects, including low- to high-rise condominium developments. Approximately 86% of residential sales are house and lot sales while the remaining 14% are sales of condominium units for the nine months ended 30 September 2015. As of the same period, the Company believes that its market share in the “house and lot” segment is approximately 45%. Vista Land harnesses 40 years of professional expertise in residential real estate development and believes it has established a nationwide presence, superior brand recognition and proven track record in homebuilding.

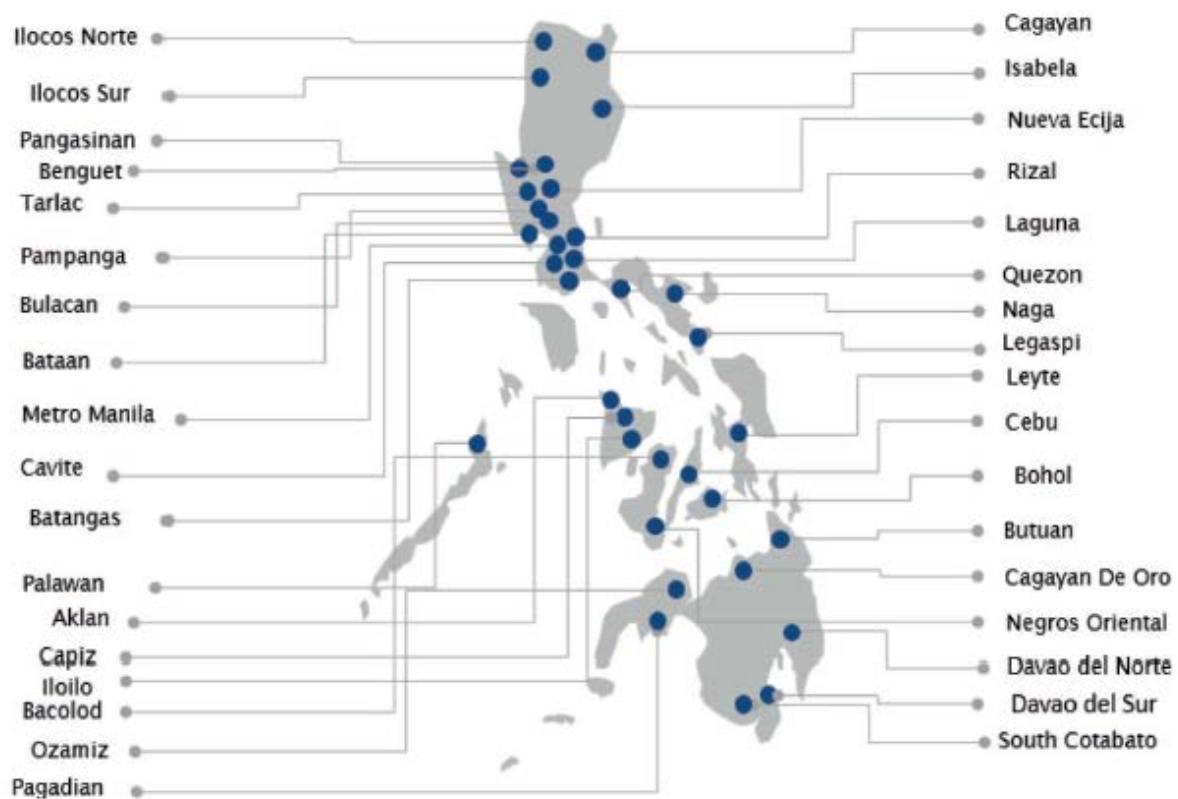
The Company is currently developing Vista City, an integrated urban development that combines lifestyle retail, prime office space, university town, themed residential developments, and leisure components. The Vista City project covers a total of 1,500 hectares strategically located where the cities of Muntinlupa and Las Piñas, and the provinces of Cavite and Laguna, meet. Vista City is an example of the Company’s transition to the *communiversity* development model, or fully integrated developments with residential, retail and BPO components along with additional components such as utilities and township infrastructure, hotels, healthcare facilities and educational institutions. The Company believes that Vista City is fast becoming one of the high-end destinations of the area. The Evia Lifestyle Center’s first phase in Vista City, Evia Everyday, is now open to visitors looking for a bar to party at, a cafe to relax in, or a restaurant to catch up with friends. It also houses Rustan’s

Supermarket as its anchor store. The second phase, Evia Global Village, which will have an open-air retail promenade, is set to be completed later this year. It will cater to a market with a taste for retail diversity and convenience. When completed, Vista City's mall and retail component will have a total gross floor area ("GFA") of approximately 120,000 sq.m., including the Evia Lifestyle Center. Vista City will also have its own spaces for sports, health, higher learning, even religious worship. Encompassing 100 hectares in total, a fully-integrated university town is already in the works, as well as sophisticated health facilities, a sports mecca, and a country club. A unique feature of Vista City is the Vista Hub, an entire district devoted to business and commerce along Daang Hari South, Las Piñas. Earmarked to become one of the most advanced business and IT parks in the country, work is ongoing for phase one, covering 10 hectares.

The Company intends to make Vista City a template for its future *communities*. As of 30 September 2015, the Company has identified about 100 areas (excluding sites earmarked for Starmalls' development) covering approximately 600 hectares from its existing projects around the country, including areas in the provinces of Davao, Iloilo, Cavite and Bulacan, and the cities of Cabanatuan in Northern Luzon and Cagayan de Oro in Mindanao, that are suitable for integrated developments.

As of 30 September 2015, the Company's developments could be found in 92 cities and municipalities in 35 provinces throughout the Philippines. Most of the Company's developments are outside major central business districts. For the first nine months of 2015, the Company launched 34 developments in 29 cities and municipalities in 19 provinces located throughout the Philippines, including the Metro Manila and Mega Manila areas. Of these 34 projects, 28 projects are for the low-cost and affordable housing market, three projects for the upper mid-cost market and three vertical projects. Sixteen of these projects are located in areas outside Metro Manila, including Agusan Del Norte, Bacolod, Batangas, Bohol, Bulacan, Butuan, Cebu, Dumaguete, General Santos City, Iloilo, Isabela, Laguna, Leyte, Negros Occidental, Nueva Ecija, Palawan, Pampanga, Quezon and Tarlac. As of 30 September 2015, the Company had 332 ongoing projects in its residential housing business.

The following map shows the different provinces in which the Company has ongoing residential development projects.



The Company's commercial projects, including its newly-acquired Starmalls mass market retail malls BPO facilities, are spread over 22 cities and municipalities in 10 provinces, capturing growth markets which are expected to see a rise in mass market consumer spending. The Company also has an extensive nationwide land bank available for future development. For its residential business, the Company's land bank consists of vacant or undeveloped land primarily in Metro Manila, Calabarzon (i.e., the provinces of Cavite, Laguna, Batangas, Rizal and Quezon) and in other major towns and cities in various provinces of the Philippines. The Company has invested in properties situated in what the Company believes are prime locations across the Philippines for existing and future housing and land development projects. Some properties in the Company's raw land inventory are subject to material liens or encumbrances.

In addition to directly acquiring land for future projects, the Company has also adopted a strategy of entering into joint venture arrangements with land owners for the development of raw land into future project sites for housing and land development projects. This allows the Company to reduce its capital expenditures for land and substantially reduces the financial holding costs resulting from owning land for development. As of 30 September 2015, the Company has a land bank of approximately 2,133.6 hectares of raw land for the development of its various projects, in addition to approximately 325.9 hectares (attributable to the Company) of land under joint venture agreements. According to Vitale Valuation Services, Inc., the market value of the Company's raw land as of 30 June 2015 is ₱4,059.83 per square meter or ₱99,804.5 million. The Company believes that its current land bank will be sufficient for its existing and planned projects and developments for the next nine years.

Details of the Company's raw land inventory, segregated into those properties directly owned by the Company and those properties subject to joint venture agreements, as of 30 September 2015 are set out in the table below.

Location		Area (in has.)		
		Owned	JV ⁽¹⁾	Total
Bacolod	Visayas	15.3	-	15.3
Batangas	Luzon	94.5	-	94.5
Bulacan	Luzon	155.7	39.1	194.7
Cagayan de Oro	Mindanao	61.1	-	61.1
Dumaguete	Visayas	10.7	-	10.7
Metro manila	Luzon	562.0	205.5	767.5
Cavite	Luzon	632.6	37.3	670.0
Cebu	Visayas	38.6	16.5	55.1
Davao	Mindanao	81.1	-	81.1
General Santos City	Mindanao	9.8	-	9.8
Iloilo	Visayas	204.9	-	204.9
Leyte	Visayas	1.6	-	1.6
Laguna	Luzon	51.0	27.6	78.6
Naga	Luzon	21.7	-	21.7
Pangasinan	Luzon	13.4	-	13.4
Pampanga	Luzon	19.1	-	19.1
Rizal	Luzon	49.2	-	49.2
Tarlac	Luzon	6.1	-	6.1
Butuan	Mindanao	1.0	-	1.0
Quezon	Luzon	45.3	-	45.3
Bohol	Visayas	1.3	-	1.3
Cabanatuan	Luzon	1.5	-	1.5
Palawan	Luzon	2.0	-	2.0
Candon	Luzon	2.1	-	2.1
Bataan	Luzon	18.2	-	18.2
Isabela	Luzon	4.2	-	4.2
Tugegarao	Luzon	0.9	-	0.9
Laoag	Luzon	2.2	-	2.2
Roxas City	Visayas	4.1	-	4.1
Nueva Ecija	Luzon	20.2	-	20.2
Koronadal City	Mindanao	2.2	-	2.2
Total		2,133.6	325.9	2,459.5

Note:

(1) Raw land inventory in Joint Venture arrangements attributable to the Company.

Starmalls has a land bank of approximately 46.9 hectares and is well suited for the development of mass market retail malls and BPO facilities given their location in attractive areas with sizeable local catchments and proximity to infrastructure. As of 30 September 2015, Starmalls' land bank consists of vacant or undeveloped land primarily in Metro Manila, Cavite and in other provinces neighbouring Metro Manila. With the acquisition of Starmalls, the Company believes that it will have one of the largest land banks among property developers in the Philippines.

The Company intends to acquire land in various parts of the Philippines for future development, either directly or pursuant to joint venture agreements.

BUSINESS UNITS

The Company operates its residential property development business and commercial property development business through six distinct business units. Brittany Corporation ("Brittany"), Crown Asia Properties, Inc. ("Crown Asia"), Camella Homes, Inc. ("Camella Homes"), Communities Philippines, Inc. ("Communities Philippines") and Vista Residences, Inc. ("Vista Residence") are

focused on residential property development while Starmalls is involved in commercial property development. These business units may be distinguished as follows:

Brittany

Brittany caters to the high-end market segment in Mega Manila, offering luxury houses in master-planned communities, priced at ₱12.0 million and above. For the nine months ended 30 September 2015, Brittany recorded ₱826.4 million in real estate revenues, representing 4.5% of the Company's total real estate revenues.

Project land area required for premium master-planned communities and leisure projects ranges in size from approximately 10 to 60 hectares and is typically developed in phases of five to ten hectare segments. Selling prices for lots only are typically above ₱10.5 million with lot sizes averaging 300 square meters. Sales prices for a house-and-lot start at ₱12.0 million with a typical home in the high-end projects having two or three floor levels and a floor area range of 200 to 625 square meters.

For the years ended 2012, 2013, 2014 and nine months ended 30 September 2015, Brittany recorded real estate revenue totaling ₱2,129.0 million, ₱1,446.7 million, ₱1,203.5 million and ₱826.4 million, respectively, which accounted for 13.0%, 7.2%, 5.4% and 4.5%, respectively, of the Company's total real estate revenue during these periods.

The following table sets forth selected financial data of Brittany for the periods indicated:

	For the years ended 31 December			For the nine months ended 30 September				
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾			
	(in millions, except for ratios)							
FINANCIAL DATA								
Real estate revenue.....	₱ 2,129.0	₱ 1,446.7	₱ 1,203.5	U.S.\$ 25.6	₱1,043.8	₱ 826.4	U.S.\$17.6	
Costs of real estate.....	1,037.4	614.5	542.8	11.6	428.0	313.7	6.7	
Gross profit on real estate	1,091.6	832.2	660.7	14.1	615.8	512.7	10.9	
Gross margin on real estate	51.3%	57.5%	54.9%	54.9%	59.0%	62.0%	62.0%	

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

Crown Asia

Crown Asia caters to the upper mid-cost housing segment in Mega Manila, primarily offering houses priced between ₱4.0 million and ₱12.0 million. For the nine months ended 30 September 2015, Crown Asia recorded ₱1,138.3 million in real estate revenues, representing 6.1% of the Company's total real estate revenues.

The Company's upper mid-cost housing developments have ranged in size from approximately 5 to 50 hectares and have been developed in phases typically comprising approximately 250 lots. Sales prices for a lot typically range from ₱2.5 million to ₱9.0 million and sales prices for a house and a lot normally range from ₱7.2 million to ₱22.0 million per unit. Lot sizes generally range from 110 to 300 square meters. A typical home in the Company's upper mid-cost projects has two floors with a total floor area of approximately 84 to 242 square meters.

For the years ended 2012, 2013, 2014 and nine months ended 30 September 2015, Crown Asia recorded real-estate revenues of ₱2,016.4 million, ₱2,460.4 million, ₱2,327.9 million and ₱1,138.3 million, respectively, which accounted for 12.3%, 12.3%, 10.5% and 6.1%, respectively, of total real estate revenue during these periods.

The following table sets forth selected financial data of Crown Asia for the periods indicated:

	For the years ended 31 December			For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾	
(in millions, except for ratios)						
FINANCIAL DATA						
Real estate revenue.....	₱ 2,016.4	₱ 2,460.4	₱ 2,327.9	U.S.\$49.6	₱ 1,754.1	₱ 1,138.3 U.S.\$24.3
Costs of real estate.....	975.9	1,234.4	1,151.4	24.5	897.5	492.0 10.5
Gross profit on real estate	1,040.5	1,226.0	1,176.6	25.1	856.6	646.3 13.8
Gross margin on real estate	51.6%	49.8%	50.5%	50.5%	48.8%	56.8% 56.8%

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

Camella Homes

For 40 years, Camella Homes has serviced the low-cost and affordable housing segment (houses priced below ₱4.0 million) in the Mega Manila area, following a strategy of building high quality yet affordable housing in planned residential subdivisions that incorporate the facilities and amenities traditionally found only in upscale developments. Camella Homes markets its houses primarily under the “Camella” brand, and targets young families and Filipinos working or residing abroad. According to the November 2015 Philippine Survey and Research Center (“PSRC”) “SALIGAN” Study, Camella was acknowledged as the most preferred brand overall in the Philippine housing market, with a brand awareness rate and brand preference rate of 99% and 56%, respectively. For the nine months ended 30 September 2015, Camella Homes recorded ₱4,758.9 million in real estate revenues, representing 25.7% of the Company’s total real estate revenues;

The typical product offerings of the affordable residential developments include:

- lots only, with areas ranging from 108 to 200 square meters;
- townhouses with floor areas ranging from 42 to 63 square meters and lots of 50 to 60 square meters;
- single-attached homes, usually with two floors, floor areas of 44 to 156 square meters and lot areas of 70 to 150 square meters; and
- bungalows with floor areas of 26 to 50 square meters and lots of 50 to 115 square meters.

Camella Homes’ low-cost housing projects provide basic inexpensive dwelling units in properly developed communities. These developments generally provide, among others, adequate road networks, complete water and power facilities, modest community, sports and recreational facilities and ensured security with perimeter walls and gates.

In the years ended 2012, 2013, 2014 and the nine months ended 30 September 2015, Camella Homes recorded real estate revenue totaling ₱5,571.2 million, ₱5,577.8 million, ₱6,257.4 million and ₱4,758.9 million, respectively, which accounted for 34.1%, 27.9%, 28.1% and 25.7%, respectively, of the Company’s total real estate revenue during these periods.

Initially, Camella Homes sold units through a domestic marketing network, but starting in 1997 it expanded its operations and established its international network to better service the overseas Filipino (“OF”) communities. In 2012, for example, sales to OFs represented a majority of Camella Homes sales.

The following table sets forth selected financial data of Camella Homes for the periods indicated:

	For the years ended 31 December			For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾	
(in millions, except for ratios)						
FINANCIAL DATA						
Real estate revenue.....	₱ 5,571.2	₱ 5,577.8	₱ 6,257.4	U.S. \$133.3	₱ 4,805.4	₱ 4,758.9 U.S.\$ 101.4
Costs of real estate.....	2,791.3	2,814.2	3,150.5	67.1	2,415.6	2,395.0 51.0

	For the years ended 31 December			For the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾		
	(in millions, except for ratios)						
Gross profit on real estate	2,779.9	2,763.6	3,106.9	66.2	2,389.8	2,363.9	50.4
Gross margin on real estate	49.9%	49.5%	49.7%	49.7%	49.7%	49.7%	49.7%

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

Communities Philippines

Communities Philippines and its subsidiaries offer residential properties outside the Mega Manila area under the “Camella” and “Crown Asia” brands. All sales outside of Mega Manila under the “Camella” brand are attributable to Communities Philippines while sales under the “Camella” brand within Mega Manila are attributable to the Camella Homes business unit. In the last three years, majority of Communities Philippines new projects were launched under the “Camella” brand, the Company’s low-cost and affordable housing brand.

The Company believes that Communities Philippines and its subsidiaries have the widest coverage of developments in the regions outside Mega Manila of any homebuilder in the Philippines and utilizes Camella Homes’ and Crown Asia’s expertise and designs to offer houses in areas outside of the Mega Manila area that it believes are on par, in terms of quality, with the developments in the Mega Manila area. For the nine months ended 30 September 2015, Communities Philippines and its subsidiaries recorded ₱9,196.7 million in real estate revenues, representing 49.6% of the Company’s total real estate revenues. The Communities Philippines projects are located in major cities and municipalities covering a significant portion of the Philippines’ main urban areas, including the provinces of Pangasinan, Pampanga, Bulacan, Batangas, Leyte, Iloilo, Cebu, Cagayan de Oro and Davao.

In the years ended 2012, 2013, 2014 and the nine months ended 30 September 2015, Communities Philippines recorded real estate revenue totalling ₱5,877.8 million, ₱9,358.6 million, ₱10,373.3 million and ₱9,196.7 million, respectively, which accounted for 36.0%, 46.7%, 46.7% and 49.6% respectively, of total real estate revenue during these periods.

The following table sets forth selected financial of Communities Philippines and its subsidiaries for the periods indicated:

	For the years ended 31 December			For the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾		
	(in millions, except for ratios)						
FINANCIAL DATA							
Real estate revenue.....	₱ 5,877.8	₱ 9,358.6	₱ 10,373.3	U.S. \$221.1	₱ 7,813.8	₱ 9,196.7	U.S.\$196.0
Costs of real estate.....	2,878.1	4,525.2	4,974.4	106.0	3,803.4	4,486.5	95.6
Gross profit on real estate	2,999.7	4,833.4	5,398.9	115.1	4,010.4	4,710.2	100.4
Gross margin on real estate	51.0%	51.6%	52.0%	52.0%	51.3%	51.2%	51.2%

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

Vista Residences

Vista Residences offers vertical residential projects in the Mega Manila area in the low to upper mid-cost housing segments priced between ₱2.0 million to ₱16.0 million. Vertical home projects generally involve longer project development periods as well as facilities, amenities and other specifications not often found in horizontal homes. For the nine months ended 30 September 2015, Vista Residences recorded ₱2,604.7 million in real estate revenues, representing 14.1% of the Company’s total real estate revenues;

In the years ended 2012, 2013, 2014 and the nine months ended 30 September 2015, Vista Residences recorded real estate revenue totalling ₱741.2 million, ₱1,181.1 million, ₱2,073.3 million and ₱2,604.7 million, respectively, which accounted for 4.5%, 5.9%, 9.3% and 14.1%, respectively, of total real estate revenue during these periods.

The following table sets forth selected financial data of Vista Residences for the periods indicated:

	For the years ended 31 December			For the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾		
(in millions, except for ratios)							
FINANCIAL DATA							
Real estate revenue.....	₱ 741.2	₱ 1,181.2	₱ 2,073.3	U.S. \$44.2	₱ 1,467.4	₱ 2,604.7	U.S. \$55.5
Costs of real estate.....	324.6	678.9	1,147.1	24.4	819.9	1,436.1	30.6
Gross profit on real estate	416.6	502.3	926.2	19.7	647.5	1,168.6	24.9
Gross margin on real estate	56.2%	42.5%	44.7%	44.7%	44.1%	44.9%	44.9%

Note:

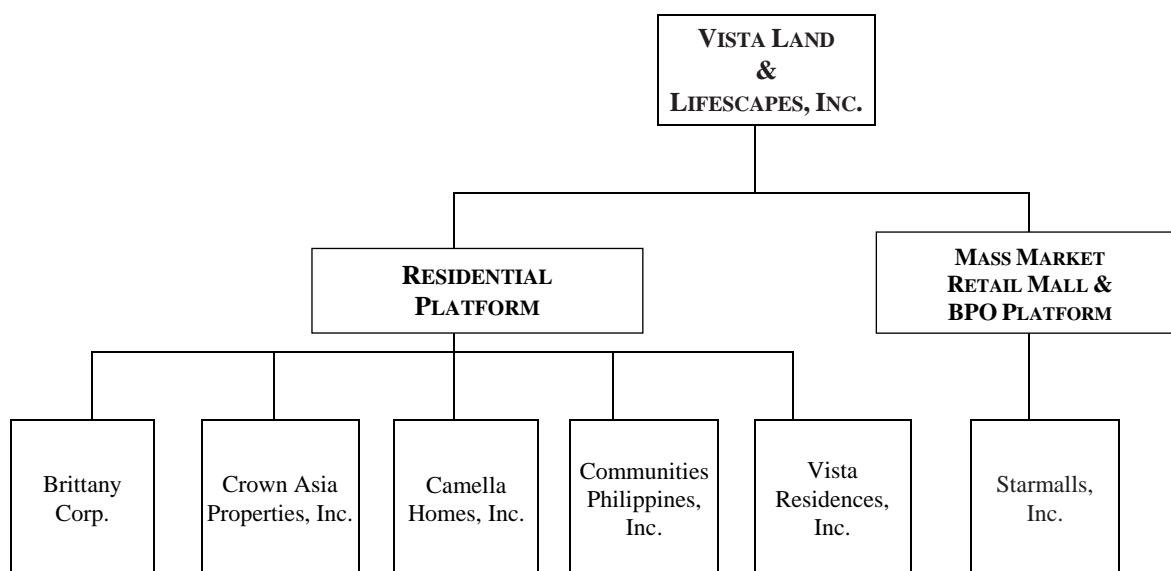
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Starmalls

Starmalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and also develops and operates BPO commercial centers. As of 30 September 2015, Starmalls, through its subsidiaries, owned and operated 10 retail malls in key cities and municipalities in the Philippines and two BPO commercial centers in Metro Manila, with a combined GFA of 509,385 square meters, with plans to grow to over 1.0 million square meters in GFA via enhancements to existing assets and to over 1.3 million square meters in GFA including new developments by the end of 2018. More information on Starmalls is provided elsewhere in this document.

STRUCTURE

The Company's main operating and corporate structure is set forth in the chart below.



COMPETITIVE STRENGTHS

Integrated property developer with market leadership in horizontal residential projects targeted towards end users and mass market retail malls with strong brand recognition across the Philippines.

Vista Land is the Philippines' largest homebuilder in the horizontal residential market with a presence in 92 cities and municipalities in 35 provinces around the country as of 30 September 2015 and having built approximately 300,000 homes since operations commenced in 1977. The Company believes that it is considered the largest residential developer in the Philippines focused on the end-user market nationwide. The Philippine residential market is dominated by end-users residing in horizontal properties; according to BMI Research, 20.6 million households resided in detached, semi-detached houses or townhouses out of an estimated total occupied dwelling units of 21.5 million in the Philippines in 2012. The Company has historically been able to achieve strong take-up rates for its developments by targeting OFs and domestic end-users who are looking to purchase property for the purposes of occupation instead of speculative or investment purposes. In addition, the Company's market leading position in the horizontal residential market has fostered strong brand recognition, with the "Camella", "Crown Asia" and "Brittany" brands being three of the most recognized brands in the Philippine real estate market. According to the PSRC "SALIGAN" Study, the Company's "Camella", "Crown Asia" and "Brittany" brands collectively had an awareness rate of 99%, which the Company believes is well above that of its peer companies which average approximately 50%. The Company believes that this strong brand recognition demonstrates its track record of consistently developing quality products for its customers. The Company's strong local regulatory know-how, solid execution track record and nationwide footprint are difficult to replicate, serving as a strong barrier to competition at a national level from other property developers. As such, there is no other end-user focused residential developer in the Philippines which has the geographical reach and scale comparable to that of the Company.

Through the recently-acquired Starmalls mass market retail mall and BPO platform, the Company has also achieved an early mover advantage in the mass market retail mall segment. As an early mover in this underserved segment, the Company believes that Starmalls has been able to benefit from a lack of direct competition for many of its mass market retail malls given that other retail mall developers have predominantly focused on income segments above the mass market. The Company believes that its growth plans for this business, which will consist of new developments as well as asset enhancements to existing mass market retail malls, will underpin the Company's position as the leader in the mass market retail mall space in the Philippines.

The Company's integrated developer model enhances its ability to leverage on the diverse skill sets of its various business segments to extract value across the real estate value chain, from the development of residential projects to the development and incubation of mass market retail malls and BPO facilities and the development of *communities* which stretch across several asset classes. Supported by recurring income from its mass market retail malls and other commercial assets, the Company believes that an integrated model will enable it to diversify its revenue streams while continuing to develop *communities*.

Well positioned to benefit from synergies between the Vista Land residential platform and the newly-acquired Starmalls mass market retail mall and BPO platform and enhanced scale and stability from the integration of these two businesses, strengthening Vista Land's position as a top four integrated property developer.

In addition to enhancing the Company's scale and capabilities, the Company believes that the Starmalls acquisition will create the following substantial synergies: (i) enhanced and more recurring revenue opportunities; (ii) funding synergies; and (iii) lower land costs for mass market retail mall and BPO projects.

The Company believes that Vista Land and Starmalls target the same Filipino mass market consumer

base, including OFs and OF-dependent customers, and have complementary expertise and product offerings, which the Company believes is crucial for integrated developments. For example, Camella Homes and Communities Philippines, the Company's low-cost and affordable housing segments, accounted for 28.1% and 46.7%, respectively, or 74.8% collectively, of the Company's real estate revenue for 2014. These market segments are similar to the markets served by Starmalls. Specifically, Starmalls caters to the B, Upper C, Broad C and D markets, which constitute the Philippine mass market, and attracts quality tenants which cater to the same market. The Company believes that its residential developments when complemented by mass market retail malls, BPO facilities and other commercial assets will enhance its revenue streams, provide greater flexibility in funding future developments, improve the Company's credit profile through the enhanced recurring cash flow profile and reduce Starmalls' land costs by locating future Starmalls developments within Vista Land *communities*. The Company can also benefit from its enhanced scale through realizing economies of scale and greater bargaining power with land owners and suppliers.

Enhanced recurring income contribution and profitability from the newly-acquired Starmalls mass market retail mall and BPO platform.

The newly-acquired Starmall platform, with its focus on mass market retail malls and BPO commercial centers as well as its strong growth outlook, will benefit the Company. The Starmalls platform, given its focus on rental income, will diversify the Company's revenue streams and increase recurring revenue contribution; for example, the recurring revenue contribution for the Company on a pro forma basis for the nine months ended 30 September 2015 was 7.6%, versus 0.7% for the same period for Vista Land on a standalone basis; the recurring revenue contribution is expected to increase going forward given the strong growth outlook for the Starmalls mass market retail and BPO platform. In addition, the Company will enjoy higher margins on a pro forma basis due to the profitability of the Starmalls platform; EBITDA margin for the Company on a pro forma basis for the nine months ended 30 September 2015 was 38.9%, versus 35.4% for the same period for Vista Land on a standalone basis. Moreover, the recurring revenue contribution and enhanced profitability from mass market retail malls and BPO facilities are expected to rise in the future given the strong growth outlook for the Starmalls platform, with the Company expecting to grow GFA for the Starmalls platform from 509,385 square meters as of 30 September 2015 to over 1.3 million square meters by the end of 2018.

Moreover, the Company believes that there is limited execution risk in respect of the expected growth of its mass market retail mall and BPO platform. For example, the Company expects to be able to grow GFA for the Starmall platform from 509,385 square meters as of 30 September 2015 to over 1.0 million square meters in GFA via enhancements to existing assets; adding gross leasable area ("GLA") to existing assets is expected to provide higher returns and profitability versus greenfield projects given the benefit from the Company's existing assets' infrastructure and customer base. In addition, there is substantial scope for greater growth from greenfield mass market retail malls and BPO facilities in Vista Land *communities* with little to no need for further land acquisition given the breadth of Vista Land's land bank. Starmalls' existing assets also enjoy high average occupancy rates of 89.0% as of 30 September 2015 with a host of repeat anchor and specialty tenants such as Puregold, Shopwise, Robinsons Retail and All Home, favourable rental terms including 8.0% per annum step-ups in most leases, exposure to variable rents, which provides for greater upside as retail spending rises further, and long lease terms for anchor tenants who collectively account for approximately 36.0% of the Company's total GLA.

Well positioned to benefit from favorable Philippine demographic, economic and development trends, including continued demand from the OF segment.

The Philippines has experienced robust economic growth in recent years, with GDP growth of 6.6% in 2012, 7.2% in 2013 and 6.1% in 2014. Growth is expected to continue to be strong, with the International Monetary Fund's World Economic Outlook forecasting GDP growth of 6.0% in 2015 as announced on October 2015 and 6.3% for 2016.

The Company believes that the following positive macro environment and demographic profile will be instrumental to the continued growth in demand for housing and mass market retail space in the Philippines:

- a relatively young population (approximately 73.0% under the age of 39 and below; median age of 23.5 years) according to the CIA World FactBook;
- a growing population that increased at an average annual rate of 1.7% from 2010 to 2015 and is forecast to grow at a rate of 1.6% from 2015 to 2020 according to the Philippine National Statistical Coordination Board;
- a rising middle class, as evidenced by GDP per capita that grew at a compound annual growth rate of 9.3% from US\$1,837 in 2009 to US\$2,871 in 2014 according to the World Bank;
- robust household consumption on the back of stable consumer confidence; the BSP consumer confidence survey in Q2 2015 reflected a healthy buying outlook for big ticket items including real estate as the index rose to 30.3% quarter-on-quarter from 28.4% in Q1 2015;
- rising discretionary spending, which increased by 5.1% from Q4 2013 to Q4 2014 according to the Philippine Statistics Authority, with spending on clothing and footwear rising 6.0% over the same period;
- a persistently low interest rate environment, with 364-day treasury bill rates averaging 1.6% in October 2015 according to the BSP;
- a relatively low mortgage penetration rate of 3.1% mortgage-to-GDP as compared to regional peers according to the Housing Finance Information Network; and
- consistent growth in remittances from OFs, with the BSP reporting U.S.\$24.3 billion remitted through official channels in 2014, representing a compound annual growth rate of 9.5% between 2005 and 2014.

Official data on annual housing demand from the Housing and Urban Development Coordinating Council and annual housing supply from the Housing and Land Use Regulatory Board indicate that there is a structural supply shortage of housing in the Philippines. The Company believes that this structural imbalance is most acute in the market for low-cost and affordable housing, in which its “Camella” brand is a market leader. By targeting domestic end users who are looking to purchase property for the purposes of occupation instead of for investment, the Company has historically been able to achieve strong takeup rates for its developments and *communities*. The Company believes that these permanent populations will further contribute to consistent retail footfall in their respective local communities, which will provide greater growth for the Company mass market retail malls going forward given the Company’s focus on *communities*.

The Company’s developments are also well-positioned to benefit from the progress in ongoing infrastructure and development works nationwide. For example, the completion of the Muntinlupa-Cavite Expressway (“MCX”, formerly known as the Daang Hari-SLEX connector road) is expected to provide direct access to the Vista City *community* development in Daang Hari, whereas the planned Cavite-Laguna Expressway is expected to improve accessibility to the Company’s land bank in Cavite. Strategically positioning the Company’s developments near key infrastructure networks has also been shown to positively impact selling prices. For example, selling prices of Portofino lots in Vista City have almost tripled from approximately ₱23,000.0 per square meter when the notice of the construction of the MCX in December 2011 was issued to approximately ₱35,000.0 per square meter in 2013 after construction of the Evia Lifestyle Center was commenced, and to approximately ₱56,000.0 per square meter upon the completion and launch of the MCX in July 2015.

The Company also believes that it is well positioned to benefit from growth in OF remittances as a key driver of growth in the consumption of real estate in the Philippines. The Company believes it has one of the Philippines’ most extensive global marketing networks, comprising approximately 2,311 marketing teams, 2,121 accredited licensed realtors, 37 direct marketing teams and 19,300 active agents located throughout the Philippines and approximately 147 partners and 3,010 independent agents located in countries and regions with large OF populations, including the United States, as of

30 September 2015. In addition, demand from the OF market has remained historically resilient, allowing the Company to maintain its strong reservation sales momentum even during the Global Financial Crisis of 2008; the Company's nationwide footprint of developments in over 92 cities and municipalities in 35 provinces across the Philippines is critical in this regard since many OFs purchase homes in locations outside of the Metro Manila area. As of 30 September 2015, approximately 60% of the Company's sales originated from OFs primarily from Europe and the Middle East.

Diverse product offerings in order to benefit from growth in different market segments and to capitalize on demand across the full spectrum of homebuyers.

The Company believes that it is one of the few homebuilders in the Philippines that is strategically positioned to target specific consumer groups with carefully marketed brands, offering a full spectrum of residential housing products with prices that range from ₱0.5 million to ₱80.0 million. The following table illustrates the Company's key brand offerings targeting specific segments across the income spectrum. The Company has a customised pricing strategy, with products priced to sell based on the end users' affordability threshold.

	Camella	Communities Philippines	Vista Residences	Crown Asia	Brittany
Market segment	Low-cost and affordable	Low-cost and affordable (provincial)	Affordable to upper mid-cost	Upper mid-cost	High-end
Price range	Less than ₱4.0 million	Mostly below ₱4.0 million	₱2.0 – 16.0 million	₱4.0 – 12.0 million	₱12.0 million and above
Offering	Housing & lots	Housing & lots	Condominiums	Housing & lots	Housing & lots
2014 Real Estate Revenue Contribution (in millions)	₱6,257.4	₱10,373.3	₱2,073.3	₱2,327.9	₱1,203.5
Percentage of 2014 Real Estate Revenue	28.1%	46.7%	9.3%	10.5%	5.4%

In addition, Camella launched additional projects with house and lot packages at the sub-₱1 million price point to further address the growing housing backlog in such segment. The Company believes that its diverse product portfolio places it in a prime position to take advantage of market changes and to mitigate risks from negative market trends going forward.

With the integration of Starmalls' mass market retail mall and BPO platform, the Company plans to locate upcoming commercial developments in or around its *communities* in order to enhance attractiveness to potential residential customers and mass market retail mall and BPO tenants. In doing so, the Company aims to further mitigate risks from adverse market movements. As of 30 September 2015, the Company has obtained rezoning approvals for those projects to be developed immediately.

Geographically diverse project portfolio and land bank across the Philippines, with strong nationwide footprint.

The Company owns an extensive land bank, most of which is located in areas in close proximity to major roads and primary infrastructure. As of 30 September 2015, the Company owned approximately 2,133.6 hectares of raw land ready for development, with an additional 325.9 hectares available for development under joint venture agreements. Significantly, the Company's land bank is distributed nationally:

- A significant portion of the Company's raw land inventory, approximately 1,854.4 hectares of aggregate land, is located in the growing Mega Manila area, including Vista City;
- In Luzon (excluding Mega Manila), the Company owns 156.9 hectares of land available for development;
- In Visayas, the Company owns 293.0 hectares of prime land, including a property in Iloilo with an area of approximately 204.9 hectares located near the recently completed international airport; and
- In Mindanao, the Company holds 155.2 hectares of raw land available for development.

The majority of the Company's land bank is adjacent to or near its existing projects, facilitating future expansion into *communities*. The integration of the Company's newly-acquired mass market retail mall and BPO platform has further contributed 46.9 hectares of commercial land bank to the Company's existing land bank, well suited to the development of mass market retail malls and BPO facilities given their location in attractive areas with sizeable local catchments and proximity to infrastructure. The Company believes that its current land bank is sufficient for its existing and planned residential, commercial and *community* developments for the next nine years.

The Company has an extensive nationwide presence. As of 30 September 2015, the Company's projects are spread over 92 cities and municipalities in 35 provinces, covering most of the Philippines' main urban areas. Brittany, Crown Asia, Camella Homes and Vista Residences operate in Mega Manila while Communities Philippines is the Company's vehicle for operations in other parts of Luzon, the Visayas and Mindanao.

Prudent financial management and stronger balance sheet providing headroom for capital expenditure and expansion plans.

The integration of the Company's newly-acquired mass market retail mall and BPO platform is expected to further strengthen the Company's balance sheet, providing it with further debt headroom as well as flexibility in financing its commercial operations via residential pre-sales. The Company believes that its stronger balance sheet boosted by a large asset and equity base will allow it to move quickly to acquire additional land bank and other real estate assets. As of 30 September 2015, the Vista Land-Starmalls combined entity had pro forma consolidated total assets of ₱158.9 billion and consolidated equity of ₱76.5 billion versus ₱123.3 billion and ₱56.2 billion on a standalone basis, respectively. As of 30 September 2015, the combined entity's pro forma fixed charge coverage ratio for the most recent four quarterly periods was 3.1x versus 2.7x on a standalone basis, providing additional debt headroom and financing flexibility for future capital expenditure and expansion plans. The Company expects its credit profile and associated cost of funding to further improve on the back of a stronger combined balance sheet, a more stable cash flow profile supported by the steady recurring income of the Starmalls platform and lower third party funding requirements due to the use of residential pre-sales to partially fund the construction of commercial assets within *communities*.

The Company believes it has adopted a prudent financial management policy, as primarily evidenced by its diverse domestic and international funding sources and what it believes to be a strategy to maintain relatively conservative leverage levels. The Company believes that its financial prudence has created sufficient headroom to take advantage of opportunities to expand its businesses through external financing and other means. The Company will continue to actively manage its capital structure as well as opportunistically access the debt and equity markets.

Strong and experienced management team with a demonstrated execution track record.

The Company has a highly experienced management team with an average 24 years of sound operational and management experience in real estate, particularly in the horizontal housing, mass market retail mall and BPO markets. The Company's management team has extensive experience in, and in-depth knowledge of, the Philippine real estate market and has also developed positive relationships with key market participants, including construction companies, regulatory agencies and

local government officials in the areas where the Company's projects are located.

BUSINESS STRATEGY

The Company's strategy is premised on three key pillars: (i) strengthening its market position as an integrated property developer with a key focus on horizontal residential developments and mass market retail mall and BPO operations; (ii) diversification of revenue streams through the integration of its commercial platform while enhancing the value and attractiveness of its properties; and (iii) improvement in capital efficiency and financial flexibility.

Pursue an integrated developer model to with market leadership and strong brand recognition in the Philippines.

The Company plans to continue to capitalize on its leadership position in the horizontal residential housing market and in mass market retail malls but with a focus on creating *communities*. In that respect, the Company intends to (i) develop synergies; (ii) integrate commercial assets into *communities*; and (iii) enhance project attractiveness.

The Company believes that synergies arising from its combined scale and expertise across multiple real estate segments place it in a unique position to undertake larger and higher-value projects. In addition, the Company intends to lower its financial expense by partially financing its mass market retail mall and BPO assets using residential pre-sales as opposed to debt financing.

The Company intends to integrate other commercial asset classes beyond mass market retail malls and BPO facilities into its *communities*, such as hospitality assets and healthcare and educational institutions, which it believes will further enhance these integrated developments and thus further attract homebuyers as well. For example, Vista City's Evia district already contains a comprehensive suite of facilities, including a retail segment and a university town. The Company has also received commendation awards for Best Retail Development and Best Architectural Design from the Philippines Property Awards in respect of ongoing developments at Evia district in 2015. The Company intends to further establish its reputation as an integrated developer, while diversifying its revenue to encompass a greater variety of sources of recurring income.

The Company believes that the inclusion of amenities such as retail malls, hotels, healthcare facilities and educational institutions early in the development phase of its projects will complement its residential developments, making its developments more attractive to potential home buyers. For instance, the Vista City development is an integrated urban development that combines lifestyle retail, prime office space, university town, healthcare, themed residential developments, and leisure components. Vista City, the most expansive integrated urban development in the southern part of Metro Manila, has over 45,000 households as of 30 September 2015 and covers a total area of approximately 1,500 hectares strategically located where the cities of Muntinlupa and Las Piñas, and the provinces of Cavite and Laguna meet. Vista City's 15 kilometer radius catchment area has more than 1 million households, or a population of approximately 4.7 million. Vista City has over 700 hectares still to be developed into new residential areas under Vista Land's Brittany, Crown Asia and Camella brands, together with mall and retail developments, including the existing Evia Lifestyle Center and other real estate classes.

The Company intends to make Vista City a template for its future *community* integrated developments across the Philippines. As of 30 September 2015, the Company has identified about 100 areas (excluding sites earmarked for Starmalls' development) covering over 600 hectares from its existing projects around the country, including areas in the provinces of Davao, Iloilo, Cavite and Bulacan, and the cities of Cabanatuan in Northern Luzon and Cagayan de Oro in Mindanao, that are suitable for integrated developments.

Strengthen market leadership in horizontal residential projects while expanding the Company's newly-acquired Starmalls mass market retail mall and BPO footprint.

With the acquisition of Starmalls, Vista Land is now a top four integrated property developer in the Philippines, and intends on further improving its ranking. The Company believes that its transition to an integrated developer model is rooted in its strong market leadership in horizontal residential projects, which it will continue to strengthen while simultaneously expanding its Starmalls portfolio through (i) continuing to focus on key market segments; (ii) improving project execution efficiency; (iii) continuing to capture demand from OFs; and (iv) generating a strong pipeline of Starmalls mass market retail malls and BPO commercial centers that can be developed within existing Vista Land *communities*. As of 30 September 2015, the Company has five projects from Starmalls' mass market retail mall and BPO pipeline under development. The Company believes that it has the flexibility to develop more projects should market conditions allow.

Diversify revenue base.

The Company aims to diversify its revenue base, with particular focus on increasing rental revenue by (i) increasing investment in mass market retail malls and other commercial assets; (ii) increasing mid-rise residential developments; and (iii) continuing to opportunistically invest in high-rise vertical projects.

Apart from traditional retail and commercial developments, the Company intends to expand into other niche property development projects and township infrastructure such as in the hospitality, education and healthcare sectors by developing the relevant industry expertise, and in time, allocating a proportion of its capex budget to a comprehensive offering of niche commercial developments. The Company believes that doing so will enable it to further build its brand equity across the Philippines while adding a sizeable pool of mature, income-generating assets to further grow the Company's recurring income contribution.

The Company believes that there is sufficient demand and growth potential for mid-rise residential development projects, which are less capital intensive and are completed more quickly than traditional vertical developments. As a result, the Company has 30 mid-rise residential developments, of which 23 are completed as of 30 September 2015.

The Company believes there is also growth potential in certain segments of the vertical residential project market, mainly driven by OFs. It has 22 high-rise developments, of which nine were completed as of 30 September 2015. The Company believes that this provides a good platform for future development. The Company aims to continue leveraging its existing extensive marketing network and strong brand names to continue to opportunistically grow its market share in this segment.

The Company intends to improve margins while maintaining a lean balance sheet by capitalizing on opportunities to acquire and jointly develop land for new developments with various landowners as joint venture partners. The integration of the Company's newly-acquired mass market retail mall and BPO platform contributes to greater operational scale, enabling the Company to negotiate and enter into joint ventures for larger and higher-value plots of land.

Improve capital efficiency for land banking activities and financial flexibility.

The Company plans to take advantage of joint ventures, focus on diversifying funding sources and increase recurring rental income while utilizing proceeds from residential pre-sales to improve capital efficiency.

The Company intends to improve margins while maintaining a lean balance sheet by capitalizing on opportunities to acquire and jointly develop land for new developments with various landowners as

joint venture partners. The integration of the Company's newly-acquired mass market retail mall and BPO platform contributes to greater operational scale, enabling the Company to negotiate and enter into joint ventures for larger and higher-value plots of land.

THE STARMALLS ACQUISITION

On 22 December 2015, the Company acquired common shares representing approximately 79.4% of the total outstanding common capital stock of Starmalls from Fine Properties, Inc., Althorp Holdings, Inc., Manuela Corporation, Mr. Manuel B. Villar, Jr. and Mr. Manuel Paolo A. Villar. Vista Land and Starmalls are both principally owned by the family of Mr. Manuel B. Villar, Jr.

An additional 8.8% of the total outstanding common shares of Starmalls will be acquired by the Company from Fine Properties, Inc., on or around 29 January 2016, following the release of such shares from a mandatory lock-up imposed by the Philippine Stock Exchange.

In compliance with prevailing regulations, the Company is presently conducting a tender offer for the remaining 11.7% of the total outstanding common shares of Starmalls held by minority and public shareholders. The tender offer is expected to close by end-February 2016, and assuming all minority and public shareholders of Starmalls participate in the tender offer, the Company will hold all or substantially all of the total outstanding common shares of Starmalls.

Starmalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines. It also develops and operates BPO commercial centers. As of 30 September 2015, Starmalls, through its subsidiaries, owned and operated 10 retail malls in key cities and municipalities in the Philippines with an aggregate GFA of 378,385 square meters. As of the same date, Starmalls, through its subsidiaries, owned and operated two BPO commercial centers in Metro Manila, with a combined GFA of 131,000 square meters and leases with BPO tenants employing approximately 15,000 employees.

Retail Malls

Starmalls' retail malls have become popular because of their value-for-money proposition, one-stop shopping concept and diverse tenant mix. Starmalls believes that it is well-placed to face the increased competition in the retail mall industry because of its competitive advantages including, among other things, the location of its existing retail malls (including proximity of a number of its malls beside major transport hubs), the existing land bank of the Group, its balance sheet strength and low debt-equity ratio, diverse tenant mix, proven tenant selection criteria and the presence of the key tenants within each of its retail malls. As an early mover in the underserved mass consumer retail segment, the Company believes that it has been able to benefit from a lack of direct competition for many of its mass market retail malls given that other retail mall developers have predominantly focused on income segments above the mass market. For example, Starmalls established Starmall EDSA Shaw in Mandaluyong City in 1988 before any other retail mall developer had entered the area. Since then, Mandaluyong City has seen the entry of several other retail mall operators, however their focus remain on consumers in the upper income brackets.

Starmalls' retail malls currently include Starmall Las Piñas 1, Starmall Las Piñas 2, Starmall EDSA Shaw, Starmall Alabang, Starmall San Jose del Monte, Starmall Prima Taguig 1, Starmall Talisay, Starmall Prima Sta. Rosa, Starmall Daang Hari and Starmall Imus.

Starmalls' retail malls had a GFA and GLA of approximately 378,385 square meters and 227,814 square meters, respectively, as of 30 September 2015. For the same period, it had a weighted average monthly rental of ₱785.0 per square meter. Starmalls' retail malls have a diverse tenant mix of more than 1,700 Philippine and international tenants, with major tenants that include Puregold Corporation, Robinsons Retail, Dairy Farm, Jollibee Group, McDonalds, Starbucks, Max's Group, Coffee Bean & Tea Leaf, Watsons, Golden ABC and Micro retail group. As of 30 September 2015, Starmalls' anchor

tenants collectively account for approximately 36% of total existing GLA. Starmalls' mass market retail malls enjoy high footfall and a strong weighted average occupancy rate of 89.0% across Starmalls' 12 commercial assets as of 30 September 2015 as they are targeting the mass market and are strategically located in areas in close proximity to transport hubs and other key infrastructure in growth markets such as Las Piñas City, Mandaluyong City and the province of Bulacan. For example, the Company's flagship mall in Muntinlupa City, Starmall Alabang, is directly connected to the Philippine National Railways Alabang station, a major railway terminal in the south of Metro Manila. In addition, the same mall houses major bus terminals which serve as nodes for people transiting between Metro Manila and the southern provinces.

Starmalls caters to the Filipino mass market segment with a mix of local and international brands as key tenants. The following table is representative of Starmalls' tenant mix:

Category	Representative Tenants
Services	National Bookstore, Executive Optical, Cebuana Lhuiller Pawnshop, David's Salon
Grocery	Puregold, Robinsons Supermarket, Wellcome Supermarket, All Day Convenience Store
Appliances	Abenson, WellCom, DIY Shop, Japan Home Center, All Home
Fashion	Bench, Penshoppe, JAG, RRJ, UniSilver
Food & Beverage	Jollibee, Mang Inasal, Chowking, Greenwich Pizza, Goldilocks, McDonalds, Coffee Bean & Tea Leaf, Burgoos, Yellow Cab Pizza, Red Ribbon, Max's Chicken, Starbucks
Banks	Rizal Commercial Banking Corporation, Philippine National Bank, Security Bank, Banco de Oro
Pharmacies	Generika, Mercury Drug, Rose Pharmacy, Watson's
Amusement	Tom's World, Waku Land

The following table provides details on Starmalls' retail malls as of 30 September 2015:

No.	Name	Operation Date	Location	Catchment Area	GFA (sq.m.)	Occupancy (%)	Mall Positioning ⁽¹⁾
1.	Starmall Las Piñas 1	1979	Zapote, Las Piñas City	Las Piñas, Paranaque, Bacoor, Cavite	7,014	98	Community Mall
2.	Starmall Las Piñas 2	1982	Zapote, Las Piñas City	Las Piñas, Paranaque, Bacoor, Cavite	20,570	85	Community Mall
3.	Starmall EDSA Shaw	1988	Wack Wack, Mandaluyong City	Mandaluyong, Pasig, Makati, Pateros, San Juan, Taguig	69,972	90	Regional/ Transit Mall
4.	Starmall Alabang	1997	Alabang, Muntinlupa City	Muntinlupa, Las Piñas, Paranaque, Bacoor, Cavite	159,620	85	Regional/ Transit Mall
5.	Starmall San Jose del Monte	2012	San Jose Del Monte, Bulacan	San Jose del Monte City, Meycauayan, Marilao Bulacan, Caloocan	37,871	95	Community Mall

No.	Name	Operation Date	Location	Catchment Area	GFA (sq.m.)	Occupancy (%)	Mall Positioning ⁽¹⁾
6.	Starmall Prima Taguig 1	2014	Tuktukan, Taguig City	Makati, Pasig, Cainta, Pateros	11,769	96	Regional Mall (Prima) ⁽³⁾
7.	Starmall Talisay	2014	Talisay, Cebu City	Talisay, Cebu City	10,963	95	Community Mall
8.	Starmall Prima Sta. Rosa 1	2015	Sta. Rosa, Laguna	Sta. Rosa, Calamba, Carmona, Silang, Cabuyao, Binan	20,958	82	Regional Mall (Prima) ⁽³⁾
9.	Starmall Daang Hari	2015	Molino, Bacoor City, Cavite	Bacoor, Muntinlupa, Las Piñas, Kawit, Dasmaringas	28,482	60 ⁽²⁾	Commercial Strip Mall
10.	Starmall Imus	2015	Imus City, Cavite	Imus, Kawit, Dasmaringas	11,165	90	Community Mall
TOTAL					378,385		

Notes:

- (1) Malls are classified as either regional or community malls, based on their respective catchment sizes. Community malls have a catchment area of three to five kilometers, while regional malls have a catchment area of 10 kilometers and above. Community malls can be expanded and developed into regional malls over time.
- (2) Starmall Daang Hari, located in Vista City, opened its first phase in July 2015 and is still in its ramp-up occupancy period.
- (3) "Prima" is an extension given to malls that have gone through some asset enhancement and improvement.

Starmalls' mass market retail malls are located on land owned by the Company or its affiliates. A brief description of each of Starmalls' various retail malls is set forth below:

Starmall Las Piñas 1

Starmall Las Piñas 1 opened in 1979 and was most recently renovated in 2011. It is comprised of two levels of retail, food service and entertainment outlets, with approximately 1,000 square meters of office space located on the second floor. Starmall Las Piñas 1 is considered by the Company as a community mall positioned for families, students and teens and residents of nearby residential subdivisions. For 2014, it had a daily average footfall of approximately 10,000.

Starmall Las Piñas 2

Starmall Las Piñas 2 opened in 1982. It has undergone major redevelopment over the years, including the improvement of the retail mall's facade and facilities such as elevators. A bridgeway was constructed to connect the two buildings that comprise Starmall Las Piñas 2, increasing GLA.

Starmall Las Piñas 2 has four levels of retail, food service and entertainment outlets and is considered by the Company as a community mall positioned for families, students and teens and residents of nearby residential subdivisions. Starmall Las Piñas 2 also has approximately 1,000 square meters of office space located at the second to fourth floors. For 2014, it had a daily average footfall of approximately 10,569.

Starmall EDSA Shaw

Starmall EDSA Shaw opened in 1988. Between 2009 and 2011, Starmall EDSA Shaw underwent major redevelopment, including facade enhancement, upgrade and addition of escalators and

replacement of air-conditioning systems. Starmall EDSA Shaw is adjacent to other retail buildings forming a collection of retail malls at the corner of two major thoroughfares, EDSA and Shaw Boulevard, and is accessible by public and private transport. The second level is directly accessible from the adjacent MRT station.

Starmall EDSA Shaw has four levels of retail, food service and entertainment outlets and approximately 3,000 square meters of office space. Starmall EDSA Shaw is considered by the Company as a transit mall as its footfall is principally comprised of commuters and passengers of public transportation. For 2014, it had a daily average footfall of approximately 61,290.

Starmall Alabang

Starmall Alabang opened in 1997. It is the largest mall in the portfolio. Between 2009 and 2011, Starmall Alabang underwent major redevelopment, including the construction of bridgeways on the ground floor and third level, increasing net leasable area. Other enhancements included the improvement of the retail mall's facade, major repairs of the air-conditioning and lighting systems and the re-tiling of floors.

Starmall Alabang has four levels of retail, food and entertainment outlets and approximately 4,000 square meters of office space located at the third and fourth floors. Starmall Alabang is considered by the Company as a destination mall for families, office employees, students and teens and residents of nearby residential subdivisions. A major attraction of Starmall Alabang is an indoor theme park and indoor swimming pool that attracts students and families. For 2014, it had a daily average footfall of approximately 75,000.

Starmall Alabang is located along the South Luzon Expressway which is a network of two six-lane highways that connects Metro Manila to the provinces in the Calabarzon region, and is accessible by public and private transport.

Starmall San Jose del Monte

Starmall San Jose del Monte opened in 2012. It has two levels of retail, food and entertainment outlets and approximately 250 square meters of office space. It is considered by the Group as a destination mall for families, office employees, students and residents of residential subdivisions. For 2014, it had a daily average footfall of approximately 26,000.

Starmall Prima – Taguig 1

Starmall Prima – Taguig 1 opened in September 2014 and serves the growing residential population of Taguig City and the municipality of Pateros. It is anchored by a large format home depot and complemented by casual dining, fastfood and other services. It is becoming a destination of families, office employees and students, attracting a daily average footfall of approximately 15,000 in 2014.

Starmall Talisay

Starmall Talisay opened in 2014 and is located at the junction of Cebu's South Coastal Road and Talisay Road making it a new landmark in this growing commercial part of Cebu, which is popular among local residents and tourists. Starmall Talisay is a two level community mall serving the highly populated city of Talisay. It has a full-line supermarket, local fashion brands, casual and family restaurants, services, gadget stores, micro retail, and an amusement center. Due to its high accessibility to transportation it attracted a daily average footfall of approximately 10,000 in 2014.

Starmall Prima – Sta. Rosa 1

Starmall Sta. Rosa opened in April 2015 and the Company believes that it is the most prime BPO hub in Southern Luzon. Starmall Sta. Rosa 1 is located along the busy Sta. Rosa-Tagaytay National Road

and is anchored by the All Home Center, attracting residents and visitors from neighbouring communities to shop for their home and everyday needs.

Starmall Sta. Rosa will be the only full-scale mall development in the area once phase two is completed. Phase two is expected to open in the first quarter of 2016. Offerings will expand to supermarket, department store, cinema and amusement, food court, foreign and local fashion, international and native cuisines, IT hub, services, government satellite offices, among others. This development is expected to generate an average daily footfall of 70,000.

Starmall Daang Hari

Starmall Daang Hari opened its first phase in July 2015, incorporating a power center with a diverse tenant mix that includes supermarket, department store, casual dining, fast food, micro retail, amusement, entertainment and other services. The power center is an open strip center with three to five non-traditional, specialty anchor stores, accounting for more than 75.0% of the GLA with the GLA of a few smaller tenants accounting for the balance.

Starmall Daang Hari is now more accessible with the opening of Muntinlupa-Cavite Expressway in July 2015. Located in one of the most populated towns south of Manila, Starmall Daang Hari enjoyed average daily footfall of approximately 15,000 in 2014, which is expected to increase because of greater accessibility and the growing number of residential development in the area. Starmall Daang Hari also benefits from several schools and universities, hospital, and other government institutions in the area.

Starmall Imus

Starmall Imus opened in September 2015, and is the latest addition to the growing number of Starmalls. Located along the busy road of Aguinaldo highway in Cavite, Starmall Imus is anchored by the All Home Center. Casual dining restaurants, convenience store, and services will complete its offerings.

BPO Commercial Centers

Starmalls develops commercial centers designed for BPOs as anchor tenants. Food outlets and other retail establishments located at BPO commercial centers provide 24-hour support to BPO tenants and their employees.

Starmalls BPO commercial buildings currently include Worldwide Corporate Center (“WCC”) and Polar Center EDSA (“Polar EDSA”). Starmalls’ BPO commercial buildings have a GFA and GLA of approximately 131,000 square meters and 80,243 square meters, respectively, as of 30 September 2015. In addition, WCC and Polar EDSA are buildings accredited by the Philippine Economic Zone Authority (“PEZA”). PEZA-accredited enterprises are entitled to certain fiscal and non-fiscal incentives. WCC is located on land leased by the Company while Polar EDSA is on land owned by the Company.

The following table provides details of Starmalls’ BPO commercial centers as of 30 September 2015:

No.	Name	Operation Date	Location	Catchment Area	GFA (sq.m.)	Occupancy (%)	Mall Positioning
1.	Worldwide Corporate Center	2007	Mandaluyong City	Mandaluyong, Pasig, Makati, Pateros, San Juan, Taguig	118,000	99	Office Building

No.	Name	Operation Date	Location	Catchment Area	GFA (sq.m.)	Occupancy (%)	Mall Positioning
2.	Polar Center EDSA	2015	Wack Wack, Mandaluyong City	Mandaluyong, Pasig, Makati, Pateros, San Juan, Taguig	13,000	85	Office Building
TOTAL					131,000		

Starmalls' BPO business has a diverse tenant mix of more than 120 tenants, including major tenants such as Sykes Marketing, Convergys, Acquire Asia, CNN Philippines, Solar Entertainment, Vista Land Group, Interglobe Technologies, Brady Philippines, Regus, Unisys Phils and Tramway Buffet.

Worldwide Corporate Center

Worldwide Corporate Center houses (i) large tenants requiring customized office space, including BPO centers and a media company; (ii) smaller corporate offices, such as residential real estate marketing offices, management offices and a direct marketing company; and (iii) retail outlets designed to cater to the other tenants in the building, such as restaurants, convenience stores and service shops. In 2007, WCC was repositioned as a BPO center. It is strategically located in the vicinity of EDSA, Metro Manila's main thoroughfare, and is connected to transportation terminals, including the MRT, bus terminals and other forms of public transportation.

Manuela constructed WCC on land leased from Leca Realty Corporation ("Leca") pursuant to the terms of a long term lease contract originally expiring in July 2020. In August 2011, Leca and Manuela entered into an agreement to extend the lease for another 10 years (up to July 2030) and granted Manuela a right of first refusal to purchase the land subject of the lease in the event that Leca decides to sell the land.

WCC has four levels of office space, and has a range of retail and food outlets. WCC also contains multi-level basement parking with 532 spaces. It is positioned for BPO operators as well as retail and food and beverage outlets that support the BPO tenants.

Polar Center EDSA

Polar EDSA, strategically located along EDSA right beside Starmall EDSA Shaw, is a BPO/IT Center. The building is designed to accommodate the 24/7 operations and business needs of BPO/call center companies, with reliable support facilities including 100.0% back-up power, automatic fire detection and alarm system and high-speed voice and data telecommunications connections.

Completed in 2014, the building comprises six levels of office space plus two levels of basement parking. Located at the upper ground and second floors are restaurants and a convenience store that operate 24 hours to cater to the needs of its BPO tenants. Polar EDSA is accessible to all modes of public transport, and is a few steps away from an MRT station, bus stations and jeepney/van terminals.

As of 30 September 2015, Polar EDSA was 85.0% leased and occupied, with almost 80.0% being occupied by tenants servicing the BPO industry. The building, at full occupancy, is estimated to house about 1,000 call center seats and a headcount of over 2,000 employees. Major tenants include Interglobe Technologies, Unysis Philippines, Regus and SDS Pathology.

Starmalls Expansion

Key details of Starmalls projects under development as of 30 September 2015 are as follows:

Name of Property	Location	Estimated opening date	Estimated GFA (sqm)
Starmall San Jose Phase 3	Bulacan	First quarter of 2016	53,124
Starmall Sta Rosa Phase 2	Laguna	First quarter of 2016	42,622
Polar Center LP	Las Piñas City	First quarter of 2016	28,809
Starmall Prima Taguig 2	Taguig City	First quarter of 2016	28,624
Starmall Bataan	Bataan	Second quarter of 2016	68,646
TOTAL			221,825

Leasing Policies

Starmalls' leasing policy for tenant selection follows its target market strategy. Starmalls' mall leasing team is responsible for tenant selection. Tenants are evaluated in terms of their product offering, store concept, compliance with regulatory requirements and operational and financial capacity. All leases include arm's-length commercial terms, including those with affiliates. The high demand for tenancies within Starmalls' retail malls means that it generally has a sufficient tenant pipeline to cover any vacancies that may arise in the retail malls.

Retail leases are generally granted for a term of two years with an average escalation of 8.0%, with the exception of some of the larger tenants, which are granted initial lease terms of three to five years with an escalation of 5.0% to 7.0%, renewable upon expiry for a similar period thereafter. Sixty days' notice is required of tenants for termination of their leases. Starmalls generally requires payment of four months' rent as a security deposit and two months' advance rental prior to the commencement of a lease. Upon renewal of a lease, the rental rates are adjusted to reflect the prevailing market rent.

The table below sets forth a summary of the expiration of Starmalls' leases as of 30 September 2015:

Lease Expiry	Percentage (%)
1-3 years	21.0%
3-5 years	25.0%
5-10 years	25.0%
Over 10 years	29.0%

Tenant sourcing for WCC and Polar EDSA is conducted by the BPO division, augmented by reputable brokers, such as Colliers Philippines, Jones Lang Lasalle Leechiu, and CB Richard Ellis Philippines. Before Starmalls enters into lease contracts with BPO tenants, it seeks to understand their fit-out requirements for the rental space and evaluate the economics of such requirements. Starmalls directly engages in tenant sourcing for auxiliary food and beverage and service spaces and follows the evaluation process generally applied for retail mall tenants. Tenancies are generally granted for a term of one to three years, with the exception of larger tenants operating nationally, which are granted initial lease terms of two to ten years, renewable for a five year term thereafter.

STARMALLS MANAGEMENT – KEY OFFICERS

Jerry M. Navarrete, *President, Starmalls, Inc.* Mr. Navarrete, 61, graduated from the Lyceum of the Philippines with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He has been with the Group for more than 40 years and has served as President and Chief Executive Officer of Starmalls since 2004.

Benjamarie Therese N. Serrano, *Chief Operating Officer, Starmalls, Inc.* Ms. Serrano, 53, graduated from the University of the Philippines with a degree in Economics and from the Asian Institute of Management with a Master’s degree in Business Management. She is also the President and Chief Executive Officer of AllValue Holdings Corp. and its subsidiaries and was President and Chief Executive Officer of Vista Land from 2007 to 2011. She also serves as Business Development Head of the Group.

Frances Rosalie T. Coloma, *Chief Financial Officer, Starmalls, Inc.* Ms. Coloma, 52, graduated cum laude from the University of the Philippines with a Bachelor of Science degree in Business Administration and Accountancy. She is a certified public accountant. Before joining Starmalls in 2011, she was the Assistant General Manager of Maersk Global Services, Philippines.

EMPLOYEES AND LABOR

As of 30 September 2015, the Company and its subsidiaries, had 1,629 employees. The addition of 173 Starmalls employees as of 30 September 2015 brings the total number to 1,802 broken down by function as follows:

Function	Number of employees
Operations.....	924
Administrative	448
Technical	430
Total.....	<u>1,802</u>

The Company recognises that there may be a need to hire additional personnel to handle increase in the volume of business over the next twelve months. However, all such hiring decisions will be made taking into account the uncertainties surrounding the current market environment in addition to the long-term requirements of the business. As such, the Company does not anticipate a significant increase in the number of employees this year.

The Company has no collective bargaining agreements with its employees and none of the Company’s employees belongs to a union. The Company believes it has a good relationship with its employees and no key employees have left the Company during the past three years.

The Company provides employees with on-the-job-training and other development programmes that assist them in effectively carrying out their jobs and that prepare them for career advancement in the Company.

The Company continuously strives to position itself as an employer of choice in the Philippine real estate industry. It offers what it believes to be competitive salary and benefits packages that allow it to compete in the job market for quality employees. The Company has no employee stock option plan.

LEGAL PROCEEDINGS

The Company and its subsidiaries, from time to time, are subject to various civil lawsuits and legal actions arising in the ordinary course of business. Typical cases include adverse claims against a subsidiary’s title over parcels of land and claims brought by buyers seeking the return of deposits or cancellations of sales. The Company believes that none of the lawsuits or legal actions to which it is currently subject will materially affect the daily operations of its business nor will they have a material adverse effect on the Company’s consolidated financial position and results of operations.

OTHER FINANCIAL INFORMATION

	Audited				Unaudited			
	As of and for the years ended 31 December				As of and for the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾		
	(in millions, except for ratios and percentages)							
EBIT ⁽²⁾	₱ 5,720.9	₱ 6,863.8	₱ 7,600.8	U.S.\$162.0	₱5,903.4	₱6,773.6	U.S.\$144.3	
EBITDA ⁽³⁾	5,875.6	7,098.9	7,895.7	168.3	6,088.3	7,001.4	149.2	
Total debt ⁽⁴⁾	14,922.5	22,015.4	37,717.2	803.8	40,103.5	47,002.7	1,001.6	
Net debt ⁽⁵⁾	7,389.4	7,158.7	11,600.8	247.2	10,037.4	19,344.9	412.2	
Gross margin (%) ⁽⁶⁾	51%	51%	51%	51%	50.5%	50.8%	50.8%	
Debt-to-total capitalisation ratio (%) ⁽⁷⁾	25%	31%	42%	42%	43.6%	45.6%	45.6%	
Debt-to-EBITDA ratio ⁽⁸⁾	2.5	3.1	4.8	4.8	5.2	5.3	5.3	
Net debt to EBITDA ratio ⁽⁹⁾	1.3	1.0	1.5	1.5	1.3	2.2	2.2	
Total liabilities-to-total equity ratio (%)	63%	74%	101%	101%	111%	119%	119%	
Current assets-to-current liabilities ratio	2.2	3.9	3.1	3.1	4.48	2.83	2.83	
Debt-to-Equity ⁽¹⁰⁾	0.34	0.45	0.71	0.71	0.77	0.84	0.84	
Net debt-to-equity ⁽¹¹⁾	0.17	0.15	0.22	0.22	0.19	0.34	0.34	
Debt-to-assets ⁽¹²⁾	20.9%	26.0%	35.3%	35.3%	36.6%	38.1%	38.1%	
EBITDA to fixed charges ⁽¹³⁾	4.0	3.7	2.9	2.9	2.9	2.7	2.7	

Notes:

- (1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.
- (2) EBIT is computed as consolidated net income before interest and other financing charges and provision for income taxes and excluding foreign exchange losses – net. The following table sets forth further information with respect to the computation of EBIT for the nine months ended 30 September 2014 and 2015:

	For the years ended 31 December			For the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾	2014	2015 ⁽¹⁾		
	(in millions)						
EBIT							
Consolidated net income	₱ 4,385.7	₱ 5,062.5	₱ 5,709.6	U.S.\$121.7	₱ 4,245.2	₱ 5,019.8	U.S.\$107.0
Interest and other financing charges	1,257.6	1,334.7	1,341.8	28.6	1,450.9	1,377.4	29.4
Foreign exchange losses (gains)	(31.0)	54.3	(19.8)	(0.4)	(21.2)	3.4	0.1
Provision for income tax	108.6	412.3	569.2	12.1	228.5	373.0	7.9
	<u>₱ 5,720.9</u>	<u>₱ 6,863.8</u>	<u>₱ 7,600.8</u>	<u>U.S.\$162.0</u>	<u>₱ 5,903.4</u>	<u>₱ 6,773.6</u>	<u>U.S.\$144.3</u>

- (3) *EBITDA is computed as EBIT, as defined in this Offering Circular, before depreciation and amortisation. The following table sets forth further information with respect to the computation of EBITDA for the nine months ended 30 September 2014 and 2015:*

	For the years ended 31 December				For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾	
	(in millions)						
EBITDA							
EBIT	₱ 5,720.9	₱ 6,863.8	₱ 7,600.8	U.S.\$162.0	₱ 5,903.4	₱ 6,773.6	U.S.\$144.3
Depreciation and amortization	154.7	235.1	294.9	6.3	184.9	227.8	4.9
	<u>₱ 5,875.6</u>	<u>₱ 7,098.9</u>	<u>₱ 7,895.7</u>	<u>U.S.\$168.3</u>	<u>₱ 6,088.3</u>	<u>₱ 7,001.4</u>	<u>U.S.\$149.2</u>

- (4) *Total debt computed as current and noncurrent portions of bank loans and notes payable.*
- (5) *Net debt computed as total debt (as defined above) less the sum of consolidated cash and cash equivalents, short-term investments and long-term cash investments, available-for-sale financial assets (quoted) and held-to-maturity investments.*
- (6) *Represents gross profit (computed as real estate revenue less cost of real estate) as a percentage of real estate revenue.*
- (7) *Computed as total debt (as defined above) divided by total debt plus total equity.*
- (8) *Computed as total debt (at end of period) divided by EBITDA (last 12 months up to end of period):*

	For the years ended 31 December				As of and for the years ended 30 September		
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾	
	(in millions)						
Total debt.....	₱ 14,922.5	₱ 22,015.4	₱ 37,717.2	U.S.\$803.8	₱ 40,103.5	₱ 47,002.7	U.S.\$1,001.6
EBITDA	5,875.6	7,098.9	7,895.7	168.3	7,682.2 ⁽¹⁴⁾	8,808.8 ⁽¹⁴⁾	187.7
Debt-to-EBITDA ratio	<u>2.5</u>	<u>3.1</u>	<u>4.8</u>	<u>4.8</u>	<u>5.2</u>	<u>5.3</u>	<u>5.3</u>

- (9) *Computed as net debt (at end of period) divided by EBITDA (last 12 months up to end of period):*

	For the years ended 31 December				As of and for the years ended 30 September		
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾	
	(in millions)						
Net debt	₱ 7,389.4	₱ 7,158.7	₱ 11,600.8	U.S.\$247.2	₱ 10,037.4	₱ 19,344.9	U.S.\$412.2
EBITDA	5,875.6	7,098.9	7,895.7	168.3	7,682.2 ⁽¹⁴⁾	8,808.8 ⁽¹⁴⁾	187.7
Net debt-to-EBITDA ratio.....	<u>1.3</u>	<u>1.0</u>	<u>1.5</u>	<u>1.5</u>	<u>1.3</u>	<u>2.2</u>	<u>2.2</u>

- (10) *Debt-to-equity ratio is computed by dividing total debt by total equity.*
- (11) *Net debt-to-equity ratio is computed by dividing net debt by total equity.*
- (12) *Debt-to-assets ratio is computed by dividing total debt by total assets.*
- (13) *Computed using the latest four quarters EBITDA amounting to ₱7,682.2 million and ₱8,808.8 million for the years ended 30 September 2014 and 2015, respectively. Fixed charges are interest payments related to the interest-bearing debt including interest expense and capitalized interest.*

- (14) Computed as EBITDA for the nine months ended 30 September 2014 and 2015 plus EBITDA for the last three months of prior year:

	For the years ended 30 September			
	2014	2015		
	(in millions)			
EBITDA for the first nine months	₱ 6,088.3	₱ 7,001.4	U.S.\$	149.2
EBITDA for the last three months of prior year.....	1,593.9*	1,807.4**		38.5
	7,682.2	8,808.8	U.S.\$	187.7

* Computed as EBITDA for the fourth quarter of 2013.

** Computed as EBITDA for the fourth quarter of 2014.

SUMMARY PRO FORMA FINANCIAL INFORMATION

The following tables present summary pro forma condensed consolidated financial information for the Company based on the consolidated financial statements of Vista Land and Starmalls, adjusted to give pro forma effect to: (i) the acquisition of the outstanding common capital stock of Starmalls; and (ii) Fine and other shareholders' investment in Vista Land, as if these occurred on 1 January, the beginning of the periods presented (for the pro forma consolidated statement of comprehensive income) or on 31 December or 30 September, as the case may be, the ending of the periods presented (for the pro forma consolidated statement of financial position). These pro forma adjustments include (a) Vista Land's acquisition of approximately 88.3% of the outstanding common capital stock of Starmalls; (b) the increase in Vista Land's authorized capital by 6,000.0 million common shares at a par value of ₱1.00 per share or a total of ₱6,000.0 million and subscriptions to 4,573.3 million shares out of such increase by Fine and other shareholders; (c) Vista Land's acquisition of the remaining 11.7% of Starmalls as a result of the tender offer to Starmalls' minority shareholders, assuming full participation therein of all such minority shareholders; and (d) the additional issuance by Vista Land of 608.7 million common shares to Fine as an incident to the tender offer (assuming that Vista Land will acquire all the remaining Starmalls shares from Starmalls' minority shareholders).

The unaudited pro forma consolidated information has been prepared in accordance with Section 8, Part II of the Philippine Securities Regulation Code 68, as amended in 2011 ("SRC Rule 68"). The unaudited pro forma condensed consolidated financial information of the Company as of 31 December 2013 and 2014 and for the years ended 31 December 2012, 2013 and 2014 was derived from the audited consolidated financial statements of the Company, which were audited by SGV & Co. and the audited consolidated financial statements of Starmalls, which were audited by Punongbayan & Araullo ("P&A"), each prepared in compliance with PFRS. The pro forma condensed consolidated financial information of the Company as of 30 September 2015 and for the nine months ended 30 September 2014 and 2015 was derived from the unaudited interim condensed consolidated financial statements of Vista Land, which were reviewed by SGV & Co., and Starmalls, which were reviewed by P&A, as of 30 September 2015 and for the nine months ended 30 September 2014 and 2015.

The unaudited pro forma condensed consolidated financial information has not been prepared in accordance with the requirements of Article 11 of Regulation S-X under the U.S. Exchange Act.

The pro forma adjustments are based upon available information and certain assumptions that the Company believes are reasonable under the circumstances. The summary pro forma condensed consolidated financial information does not purport to represent what the results of operations and financial position of the Company and its subsidiaries would actually have been had the acquisition of Starmalls in fact occurred as at 1 January, 31 December or 30 September of each of the periods presented, as the case may be, nor do they purport to project the results of operations of the Company and its subsidiaries for any future period or date.

PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited				Unaudited			
	For the years ended 31 December				For the nine months ended 30 September			
	2012	2013	2014 ⁽¹⁾	U.S.\$	2014	2015 ⁽¹⁾	U.S.\$	
	(in millions, except for share figures)							
STATEMENT OF COMPREHENSIVE INCOME								
REVENUE								
Real estate.....	P 16,335.6	P 20,044.2	P22,320.7	U.S.\$475.7	P16,884.6	P18,525.0	U.S.\$394.8	
Interest income from instalment contracts receivable	693.5	679.1	756.4	16.1	589.6	518.2	11.0	
Rental income.....	1,195.2	1,291.4	1,461.2	31.1	1,065.5	1,648.7	35.1	
Miscellaneous income	578.5	855.8	930.6	19.8	647.7	939.9	20.0	
	<u>18,802.8</u>	<u>22,870.5</u>	<u>25,468.9</u>	<u>542.7</u>	<u>19,187.4</u>	<u>21,631.8</u>	<u>460.9</u>	
COSTS AND EXPENSES								
Costs of real estate sales.....	8,009.3	9,878.8	11,032.3	235.1	8,364.4	9,123.3	194.4	
Operating expenses	4,939.1	5,980.4	6,664.9	142.0	4,815.3	5,415.0	115.4	
	<u>12,948.4</u>	<u>15,859.2</u>	<u>17,697.2</u>	<u>377.1</u>	<u>13,179.7</u>	<u>14,538.3</u>	<u>309.8</u>	
OTHER INCOME (EXPENSES)								
Interest income from investments	252.1	303.6	447.6	9.5	279.3	586.7	12.5	
Interest and other financing charges	(1,290.6)	(1,365.1)	(1,406.3)	(30.0)	(1,480.6)	(1,418.9)	(30.2)	
Income from acquisition of a subsidiary.....	9,317.9	—	—	—	—	—	—	
Others	57.1	(42.3)	19.8	0.4	(21.2)	(3.5)	(0.1)	
	<u>8,336.5</u>	<u>(1,103.8)</u>	<u>(938.9)</u>	<u>(20.1)</u>	<u>(1,180.1)</u>	<u>(835.7)</u>	<u>(17.8)</u>	
INCOME BEFORE INCOME TAX								
	14,190.9	5,907.5	6,832.8	145.5	4,827.6	6,257.8	133.4	
PROVISION FOR INCOME TAX								
	350.0	607.9	737.7	15.7	301.3	660.9	14.1	
NET INCOME BEFORE PRE-ACQUISITION COST								
	13,840.9	—	—	—	—	—	—	
PRE-ACQUISITION LOSS OF A NEWLY-ACQUIRED SUBSIDIARY								
	(24.5)	—	—	—	—	—	—	
NET INCOME	<u>P 13,816.4</u>	<u>P 5,299.6</u>	<u>P 6,095.1</u>	<u>U.S.\$129.8</u>	<u>P 4,526.3</u>	<u>P5,596.8</u>	<u>U.S.\$119.3</u>	
Total net income attributable to:								
Vista Land & Lifescapes, Inc.	13,808.7	5,291.7	6,084.1	129.6	4,519.5	5,590.5	119.1	
Noncontrolling interests	<u>7.7</u>	<u>7.9</u>	<u>11.0</u>	<u>0.2</u>	<u>6.8</u>	<u>6.3</u>	<u>0.2</u>	
OTHER COMPREHENSIVE INCOME (LOSS)								
Cumulative translation adjustments	—	(3.2)	(11.8)	(0.3)	—	13.1	0.3	
Changes in fair value of AFS financial assets.....	6.4	(82.0)	(50.7)	(1.1)	30.0	18.9	0.4	
Unrecognized transition obligation	—	—	(25.5)	(0.4)	—	—	—	
Remeasurement gains/(losses) on pension liabilities.....	(10.5)	35.9	16.2	0.3	28.4	—	—	
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	<u>(4.1)</u>	<u>(49.3)</u>	<u>(71.9)</u>	<u>(1.5)</u>	<u>58.4</u>	<u>32.0</u>	<u>0.7</u>	
TOTAL COMPREHENSIVE INCOME	<u>P 13,812.3</u>	<u>P 5,250.3</u>	<u>P 6,023.2</u>	<u>U.S.\$128.3</u>	<u>P 4,584.7</u>	<u>P 5,628.8</u>	<u>U.S.\$120.0</u>	
Total comprehensive income attributable to:								
Vista Land & Lifescapes, Inc.	13,798.6	5,242.5	6,012.2	128.1	4,577.9	5,622.4	119.8	
Noncontrolling interests	<u>7.7</u>	<u>7.9</u>	<u>11.0</u>	<u>0.2</u>	<u>6.8</u>	<u>6.3</u>	<u>0.2</u>	
Historical and Pro Forma Basic/ Diluted Earnings per Share.....	<u>P 1.13</u>	<u>P 0.41</u>	<u>P 0.47</u>	<u>U.S.\$ 0.01</u>	<u>P 0.35</u>	<u>P 0.43</u>	<u>U.S.\$0.01</u>	

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited			Unaudited		
	As of 31 December			As of 30 September		
	2013	2014 ⁽¹⁾		2015 ⁽¹⁾		
	(in millions)					
STATEMENT OF FINANCIAL POSITION						
ASSETS						
Current Assets						
Cash and cash equivalents.....	₱ 5,656.9	₱ 6,827.3	U.S.\$ 145.5	₱ 10,229.5	U.S.\$ 218.0	
Short-term cash investments	1,056.7	4,381.3	93.4	2,329.3	49.6	
Receivables.....	19,260.2	20,437.9	435.5	25,550.7	544.5	
Held-to-maturity (HTM) investments.....	342.7	—	—	—	—	
Receivables from related parties	591.1	3,745.0	79.8	948.1	20.0	
Real estate inventories.....	16,188.8	18,092.5	385.6	20,539.4	437.7	
Available-for-sale (AFS) financial assets	903.0	340.7	7.3	33.6	0.7	
Other current assets	2,513.1	3,469.4	73.9	4,043.1	86.2	
Total Current Assets	46,512.5	57,294.1	1,221.0	63,673.7	1,356.9	
Noncurrent Assets						
Noncurrent receivables.....	7,865.8	6,878.2	146.6	8,413.0	179.3	
Long-term cash investments	5,038.8	—	—	—	—	
Receivables from related parties	2,444.2	705.8	15.0	2,687.0	57.3	
Available-for-sale (AFS) financial assets	1,368.0	6,680.2	142.4	7,170.0	152.8	
Held-to-maturity (HTM) investments.....	2,562.6	10,232.6	218.1	10,838.3	231.0	
Investment properties	21,080.7	25,124.3	535.4	32,460.1	691.7	
Land and improvements.....	18,569.4	25,095.7	534.8	29,562.1	630.0	
Property and equipment	626.0	562.3	12.0	741.8	15.8	
Investments and advances in project development costs	1,793.7	1,583.8	33.8	2,391.7	51.0	
Deferred tax assets — net.....	39.3	203.0	4.3	126.6	2.7	
Other noncurrent assets	626.9	750.0	16.0	798.7	17.0	
Total Noncurrent Assets	62,015.4	77,815.9	1,658.4	95,189.3	2,028.6	
Total Assets	₱108,527.9	₱135,110.0	U.S.\$ 2,879.4	₱158,863.0	U.S.\$3,385.5	
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts and other payables.....	₱ 8,507.8	₱ 9,503.6	U.S.\$ 202.5	₱ 12,299.1	U.S.\$ 262.1	
Customers' advances and deposits.....	1,695.3	2,685.8	57.2	2,972.1	63.3	
Income tax payable.....	75.8	93.4	2.0	27.5	0.6	
Dividends payable	—	—	—	1,162.6	24.8	
Current portion of:						
Notes payable.....	729.4	2,804.5	59.8	2,098.3	44.7	
Bank loans	1,708.5	4,768.9	101.6	8,752.9	186.5	
Loans payable	527.1	512.7	10.9	570.0	12.2	
Total Current Liabilities	13,243.9	20,368.9	434.0	27,882.5	594.2	
Noncurrent Liabilities						
Bank loans — net of current portion.....	8,524.1	9,107.5	194.1	18,512.8	394.5	
Loans payable — net of current portion	2,622.1	2,180.1	46.5	2,858.2	60.9	
Notes payable — net of current portion.....	12,824.9	25,938.2	552.7	28,655.4	610.7	
Pension liabilities	222.8	312.0	6.7	341.6	7.3	
Deferred gross profit on real estate sales	27.7	—	—	—	—	
Deferred tax liabilities — net.....	1,604.2	1,559.8	33.2	1,542.8	32.9	
Other noncurrent liabilities	1,555.5	2,758.2	58.8	2,538.5	54.1	
Total Noncurrent Liabilities	27,381.3	41,855.8	892.0	54,449.3	1,160.4	
Total Liabilities.....	40,625.2	62,224.7	1,326.0	82,331.8	1,754.6	
Equity						
Capital stock:						
Common stock.....	13,720.7	13,720.7	292.4	13,720.7	292.4	
Preferred stock.....	33.0	33.0	0.7	33.0	0.7	
Additional paid-in capital.....	28,916.0	28,887.8	615.6	28,887.8	615.6	
Treasury stock	(5,378.3)	(5,378.3)	(114.6)	(6,216.1)	(132.4)	

	Unaudited			Unaudited	
	As of 31 December			As of 30 September	
	2013	2014 ⁽¹⁾	(in millions)	2015 ⁽¹⁾	
Other comprehensive income (loss).....	(28.9)	(100.8)	(2.0)	(68.8)	(1.5)
Retained Earnings.....	30,393.7	35,465.3	755.8	39,910.7	850.5
Non-controlling interests.....	246.5	257.5	5.5	263.9	5.6
Total Equity	67,902.7	72,885.3	1,553.4	76,531.2	1,630.9
Total Liabilities and Equity	<u>₱108,527.9</u>	<u>₱ 135,110.0</u>	<u>U.S.\$2,879.4</u>	<u>₱158,863.0</u>	<u>U.S.\$3,385.5</u>

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited				Unaudited		
	For the years ended 31 December				For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾	(in millions)	2014	2015 ⁽¹⁾	
CASH FLOWS FROM OPERATING ACTIVITIES							
Income before income tax.....	₱14,500.4	₱ 7,015.3	₱ 6,804.7	U.S.\$145.0	₱ 4,827.6	₱ 6,257.8	U.S.\$133.4
Adjustments for:							
Interest and other financing charges.....	1,261.9	1,361.5	1,403.2	29.9	1,480.6	1,415.8	30.2
Depreciation and amortization	598.3	813.6	942.2	20.1	660.5	743.0	15.8
Provision for impairment losses on receivables, AFS financial assets and other current assets.....	52.4	4.3	5.4	0.1	—	—	—
Unrealised foreign exchange losses (gains)	(0.8)	39.6	(4.4)	(0.1)	(21.2)	3.4	0.1
Equity in net income of an associate and joint venture	(342.5)	(127.5)	—	—	—	—	—
Gain on derecognition of liabilities.....	—	—	—	—	—	(14.6)	(0.3)
Interest income	(945.6)	(978.9)	(1,199.0)	(25.6)	(868.4)	(1,102.9)	(23.5)
Gain on sale of investment in associate	(48.7)	(993.9)	(0.8)	(0.0)	—	—	—
Realized gross profit on real estate sales.....	(27.3)	(6.2)	(45.5)	(1.0)	—	—	—
Loss on sale of subsidiary	—	—	28.2	0.6	—	—	—
Impairment loss on investment property.....	6.1	—	—	—	—	—	—
Income from acquisition of a subsidiary	(9,317.9)	—	—	—	—	—	—
Operating income before working capital changes.....	5,736.2	7,127.8	7,934.0	169.1	6,079.1	7,302.5	155.7
Decrease (increase) in:							
Receivables	(4,428.2)	(3,828.2)	(219.8)	(4.7)	(3,545.9)	(7,064.8)	(150.6)
Receivables from related parties.....	(177.9)	(196.3)	(160.6)	(3.4)	(1,154.7)	(1,822.0)	(38.8)
Real estate inventories	2,190.6	2,172.6	1,307.2	27.8	(2,712.8)	1,361.2	29.0
Prepayments and other current assets.....	(464.2)	(418.6)	(1,034.3)	(22.0)	—	—	—
Other noncurrent assets.....	9.1	169.2	(38.0)	(0.8)	—	—	—
Other current assets.....	—	—	—	—	(687.6)	(674.8)	(14.4)
Increase/ (decrease) in:							
Accounts and other payables	560.5	729.2	767.3	16.4	4,169.3	4,036.7	86.0
Payable to related parties	(182.8)	—	—	—	—	—	—
Customers' advances and deposits ..	72.4	401.9	990.5	21.1	2,401.1	286.3	6.1
Pension liabilities.....	8.7	34.2	87.1	1.8	87.9	29.6	0.6
Other current liabilities.....	(0.5)	11.7	(10.1)	(0.2)	—	—	—
Estimated liability for property development	—	4.7	(0.6)	(0.0)	—	—	—
Liabilities for purchased land	—	—	—	—	(359.0)	(1,496.5)	(31.9)
Other noncurrent liabilities.....	14.7	(4.1)	(0.4)	(0.0)	—	—	—
Other current liabilities.....	—	—	—	—	14.4	—	—
Net cash flows provided by operations.....	3,338.7	6,204.1	9,622.3	205.1	4,291.8	1,958.2	41.7

	Unaudited				Unaudited		
	For the years ended 31 December				For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾	
	(in millions)						
Interest received	1,145.1	866.1	1,169.8	24.9	894.7	1,094.9	23.3
Income tax paid	(635.8)	(616.8)	(888.2)	(18.9)	(175.4)	(670.7)	(14.3)
Interest paid	(1,441.1)	(1,734.8)	(1,328.6)	(28.3)	(1,109.8)	(1,823.1)	(38.9)
Net cash flows provided by operating activities.....	2,406.9	4,718.6	8,575.3	182.8	3,901.3	559.3	11.8
CASH FLOWS FROM INVESTING ACTIVITIES							
Payment for acquisition of Starmalls.....	(2,191.2)	(2,191.2)	(2,191.2)	(46.7)	(2,191.2)	(2,191.2)	(46.7)
Proceeds from sale of long-term cash investments.....	308.7	—	2,866.2	61.1	5,038.8	—	—
Proceeds from sale of short-term cash investments and other investments.....	883.0	94.2	962.9	20.5	1,535.8	4,381.3	93.4
Advances to (collections from) related parties.....	132.3	181.8	(1,135.2)	(24.2)	—	—	—
Proceeds from disposal of a portion of investment in an associate	771.8	—	—	—	—	—	—
Proceeds from disposal of available-for-sale financial assets.....	—	—	982.6	20.9	—	—	—
Acquisition of short-term cash investments	(201.9)	(168.8)	(2,120.9)	(45.2)	(5,839.8)	(2,329.3)	(49.6)
Additions to land and improvements	(4,987.2)	(2,933.2)	(8,714.1)	(185.7)	(1,936.8)	(7,203.8)	(153.5)
Acquisition of:							
Available-for-sale financial assets...	(0.2)	(2,282.6)	(5,797.1)	(123.5)	(2,192.9)	(452.9)	(9.7)
Property and equipment.....	(296.8)	(290.8)	(439.5)	(9.4)	(234.5)	(374.8)	(8.0)
System development costs.....	(38.5)	(37.7)	(29.3)	(0.6)	—	—	—
Investment properties.....	(2,243.6)	(1,562.3)	(3,725.8)	(79.4)	(3,316.6)	(5,683.4)	(121.1)
HTM investments	—	(2,907.1)	(7,327.3)	(156.1)	(3,381.0)	(11.6)	(0.2)
Investment in associates	—	—	—	—	(13.4)	—	—
Interest received	12.8	14.1	24.4	0.5	—	—	—
Dividends received.....	64.6	—	—	—	—	—	—
Payment for transaction cost on available-for-sale financial assets.....	(11.6)	—	—	—	—	—	—
Proceeds from disposal of available-for-sale financial assets.....	—	—	—	—	730.8	296.2	6.3
Decrease (increase) in:							
Other noncurrent assets	(94.3)	(58.0)	(105.0)	(2.2)	(33.5)	(24.9)	(0.5)
Project development costs.....	56.0	(17.1)	(10.3)	(0.2)	342.7	(807.9)	(17.2)
Net cash flows used in investing activities.....	(7,836.1)	(12,158.7)	(26,759.7)	(570.2)	(11,491.6)	(14,402.3)	(306.8)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from:							
Loans payable.....	₱ 2,856.9	₱ 3,222.0	₱ 4,991.3	U.S.\$106.4	₱1,117.1	₱2,269.0	U.S.\$48.4
Bank loans	1,754.7	5,917.8	3,511.6	74.8	6,277.1	14,711.8	313.5
Notes payable	4,316.5	4,404.6	15,680.6	334.2	15,958.4	2,550.1	54.3
Payments of:							
Loans payable.....	(1,843.0)	(1,854.3)	(2,317.3)	(49.4)	(1,500.8)	(1,527.9)	(32.6)
Bank loans	(1,877.5)	(3,065.4)	(2,998.2)	(63.9)	(3,797.0)	(1,485.2)	(31.6)
Notes payable	(790.9)	(762.1)	(623.6)	(13.3)	(2,259.6)	(539.1)	(11.5)
Payment of dividends declared	(1,037.1)	(870.9)	(1,012.5)	(21.6)	(7.5)	(96.1)	(2.0)
Acquisition of treasury shares.....	(387.4)	—	—	—	—	(837.8)	(17.9)

	Unaudited				Unaudited		
	For the years ended 31 December				For the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾		2014	2015 ⁽¹⁾	
	(in millions)						
Sale of treasury shares.....	1,536.5	636.1	—	—	—	—	—
Proceeds from issuance of shares.....	23.5	33.0	—	—	—	—	—
Payment of stock issuance cost	17.8	—	—	—	—	—	—
Interest paid.....	(23.2)	(64.9)	(138.5)	(3.0)	—	—	—
Increase (decrease) in due to related parties.....	(83.2)	(163.6)	75.4	1.6	—	—	—
Increase in other noncurrent liabilities.....	—	—	—	—	(0.6)	10.2	0.2
Proceeds from issuance of capital stock ...	2,191.2	2,191.2	2,191.2	46.7	2,191.2	2,191.2	46.7
Net cash flows provided by financing activities.....	6,619.2	9,623.5	19,360.0	412.5	17,978.3	17,246.2	367.5
CASH OF DISPOSED SUBSIDIARY.....	—	—	(0.8)	(0.0)	—	—	—
EFFECT EXCHANGE RATES CHANGES ON CASH AND CASH EQUIVALENTS.....	(0.5)	22.6	(4.4)	(0.1)	7.5	(1.0)	(0.0)
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	1,189.5	2,206.0	1,170.4	25.0	10,395.5	3,402.2	72.8
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD.....	2,136.1	3,450.9	5,656.9	120.5	5,656.9	6,827.3	145.5
BEGINNING BALANCE OF CASH AND CASH EQUIVALENTS OF A NEWLY ACQUIRED SUBSIDIARY.....	125.3	—	—	—	—	—	—
CASH AND CASH EQUIVALENTS AT END OF PERIOD.....	₱ 3,450.9	₱ 5,656.9	₱ 6,827.3	U.S.\$145.5	₱16,052.4	₱10,229.5	U.S.\$218.0

Note:

(1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.

OTHER PRO FORMA FINANCIAL INFORMATION

	As of and for the years ended 31 December				As of and for the nine months ended 30 September		
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾		
	(in millions, except for ratios and percentages)						
Pro Forma EBIT ⁽²⁾	₱ 6,132.6	₱ 7,326.9	₱ 8,219.3	U.S.\$ 175.2	₱ 7,680.1	U.S.\$ 163.7	
Pro Forma EBITDA ⁽³⁾	6,730.9	8,140.5	9,161.5	195.3	8,423.1	179.5	
Pro Forma Total debt ⁽⁴⁾	15,675.3	23,786.9	42,619.1	908.2	58,019.4	1,236.4	
Pro Forma Net debt ⁽⁵⁾	6,620.8	6,899.7	14,198.5	302.6	27,549.7	587.1	
Pro Forma Debt-to-total capitalisation ratio (%) ⁽⁶⁾	21%	26%	37%	37%	43%	43%	
Pro Forma Debt-to-EBITDA ratio ⁽⁷⁾	2.3	2.9	4.7	4.7	5.4	5.4	
Pro Forma Net debt to EBITDA ratio ⁽⁸⁾	1.0	0.8	1.6	1.6	2.6	2.6	
Pro Forma Total liabilities-to-total equity ratio (%).....	52%	60%	85%	85%	108%	108%	
Pro Forma Current assets-to-current liabilities ratio.....	2.1	3.5	2.8	2.8	2.3	2.3	
Pro Forma Debt-to-Equity ⁽⁹⁾	0.3	0.4	0.6	0.6	0.8	0.8	

	As of and for the years ended 31 December				As of and for the nine months ended 30 September	
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾	
Pro Forma Net debt-to-equity ⁽¹⁰⁾	0.1	0.1	0.2	0.2	0.4	0.4
Pro Forma Debt-to-assets ⁽¹¹⁾	17%	22%	32%	32%	37%	37%
Pro Forma EBITDA to fixed charges ⁽¹²⁾	4.5	4.1	3.2	3.2	3.1	3.1

Notes:

- (1) Amounts in Philippine pesos were converted to U.S. dollars using the BSP Rate of ₱46.926 to U.S.\$1.00 as of 30 September 2015. Translation of peso amounts to U.S. dollars is provided for convenience only and is unaudited.
- (2) Pro Forma EBIT is computed as pro forma consolidated net income before pro forma interest and other pro forma financing charges and pro forma provision for income taxes and excluding foreign exchange losses – net, income from acquisition of a subsidiary and pre-acquisition loss of a newly acquired subsidiary. The following table sets forth further information with respect to the computation of Pro Forma EBIT for the nine months ended 30 September 2015:

	For the years ended 31 December				For the nine months ended 30 September	
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾	
	(in millions)					
Pro Forma EBIT						
Pro Forma Consolidated net income	₱ 13,816.4	₱ 5,299.6	₱ 6,095.1	U.S.\$ 129.9	₱ 5,596.8	U.S.\$119.3
Pro Forma Interest and other financing charges	1,290.6	1,365.1	1,406.3	30.0	1,418.9	30.2
Pro Forma Foreign exchange losses (gains)	(31.0)	54.3	(19.8)	(0.4)	3.4	0.1
Income from acquisition of a subsidiary	(9,317.9)	—	—	—	—	—
Pre-acquisition loss of a newly acquired subsidiary	24.5	—	—	—	—	—
Pro Forma Provision for income tax	350.0	607.9	737.7	15.7	661.0	14.1
	<u>₱ 6,132.6</u>	<u>₱ 7,326.9</u>	<u>₱ 8,219.3</u>	<u>U.S.\$175.2</u>	<u>₱ 7,680.1</u>	<u>U.S.\$ 163.7</u>

- (3) Pro Forma EBITDA is computed as Pro Forma EBIT before depreciation and amortisation. The following table sets forth further information with respect to the computation of Pro Forma EBITDA for the nine months ended 30 September 2015:

	For the years ended 31 December				For the nine months ended 30 September	
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾	
	(in millions)					
Pro Forma EBITDA						
Pro Forma EBIT	₱ 6,132.6	₱ 7,326.9	₱ 8,219.3	U.S.\$ 175.2	₱ 7,680.1	U.S.\$ 163.7
Pro Forma Depreciation and amortization	598.3	813.6	942.2	20.1	743.0	15.8
	<u>₱ 6,730.9</u>	<u>₱ 8,140.5</u>	<u>₱ 9,161.5</u>	<u>U.S.\$ 195.3</u>	<u>₱ 8,423.1</u>	<u>U.S.\$ 179.5</u>

- (4) Pro Forma Total debt computed as pro forma current and noncurrent portions of bank loans and notes payable.
- (5) Pro forma Net debt computed as pro forma total debt (as defined above) less the sum of pro forma consolidated cash and cash equivalents, short-term investments and long-term cash investments, available-for-sale financial assets (quoted) and held-to-maturity investments.
- (6) Computed as pro forma total debt (as defined above) divided by pro forma total debt plus pro forma total equity.
- (7) Computed as total pro forma debt (at end of period) divided by Pro Forma EBITDA (last 12 months up to end of period):

	For the years ended 31 December				As of and for the year ended 30 September	
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾	
	(in millions)					
Pro Forma Total debt	₱ 15,675.3	₱ 23,786.9	₱42,619.1	U.S.\$ 908.2	₱ 58,019.4	U.S.\$ 1,236.4
Pro Forma EBITDA	6,730.9	8,140.5	9,161.5	195.3	10,774.6 ⁽¹³⁾	229.6
Pro Forma Debt-to-EBITDA ratio	2.3	2.9	4.7	4.7	5.4	5.4

(8) Computed as pro forma net debt (at end of period) divided by Pro Forma EBITDA (last 12 months up to end of period):

	For the years ended 31 December				As of and for the year ended 30 September	
	2012	2013	2014 ⁽¹⁾		2015 ⁽¹⁾	
	(in millions)					
Pro Forma Net debt	₱ 6,620.8	₱ 6,899.7	₱ 14,198.5	U.S.\$ 302.6	₱ 27,549.7	U.S.\$ 587.1
Pro Forma EBITDA	6,730.9	8,140.5	9,161.5	195.3	10,774.6 ⁽¹³⁾	229.6
Pro Forma Net debt-to-EBITDA ratio	1.0	0.8	1.6	1.6	2.6	2.6

(9) Pro Forma Debt-to-equity ratio is computed by dividing pro forma total debt by pro forma total equity.

(10) Pro Forma Net debt-to-equity ratio is computed by dividing pro forma net debt by pro forma total equity.

(11) Pro Forma Debt-to-assets ratio is computed by dividing pro forma total debt by pro forma total assets.

(12) Computed using the latest four quarters Pro Forma EBITDA amounting to ₱10,774.6 million for year ended 30 September 2015. Pro Forma Fixed charges are interest payments related to the interest-bearing debt including interest expense and capitalized interest.

(13) Computed as Pro Forma EBITDA for the nine months ended 30 September 2015 plus Pro Forma EBITDA for the last three months of prior year:

	For the year ended 30 September 2015	
	(in millions)	
Pro Forma EBITDA for the first nine months.....	₱ 8,423.1	U.S.\$ 179.5
Pro Forma EBITDA for the last three months of prior year	2,351.5*	50.1
	₱ 10,774.6	U.S.\$ 229.6

* Computed as EBITDA for the fourth quarter of 2014.

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This document contains statements that are, or may be deemed to be, “forward looking statements” which are prospective in nature. These forward looking statements may be identified by the use of forward looking terminology, or the negative thereof such as “plans” “expects” or “does not expect,” “is expected,” “continues,” “assumes,” “is subject to,” “scheduled,” “estimates,” “aims,” “forecasts,” “risks,” “intends,” “positioned,” “predicts,” “anticipates” or “does not anticipate,” or “believes,” or variations of such words or comparable terminology and phrases or statements that certain actions, events or results “may,” “could,” “should,” “shall,” “would,” “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy.

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This document includes certain pro forma financial information. The pro forma adjustments are based upon available information and certain assumptions that the Company believes are reasonable under the circumstances. The pro forma financial information does not purport to represent what the results of operations and financial position of the Company and its subsidiaries would actually have been had the assumptions in fact been true, nor does it purport to project the results of operations of the Company and its subsidiaries for any future period or date.

In this document, references to “EBIT” are to consolidated net income before interest and other financing charges and provision for income taxes and excluding unrealised foreign exchange gain or loss, and references to “EBITDA” are to consolidated net income before interest and other financing charges, provision for income taxes, and depreciation and amortisation, and excluding foreign exchange losses — net. EBIT and EBITDA are not measures of performance under PFRS, and investors should not consider EBIT or EBITDA in isolation or as alternatives to net income as an indicator of the Company’s operating performance or to cash flow from operating, investing and financing activities as a measure of liquidity, or any other measures of performance under PFRS. Because there are various EBIT and EBITDA calculation methods, the Company’s presentation of these measures may not be comparable to similarly titled measures used by other companies. “EBITDA margin” is calculated as EBITDA divided by total revenue plus interest income from investments.