111142016001601

SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.	0000062893
Company Name	ROCKWELL LAND CORPORATION DOING BUSINESS UNDER-THE NAME AND STYLE OF POWERPLANT MALL; POWERPLANT C
Industry Classification	
Company Type	Stock Corporation

Document Information

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Remarks	

COVER SHEET

SEC Registration Number

6 2 8 9 3

Company Name

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

Principal Office (No./Street/Barangay/City/Town/Province)

The Garage at Rockwell Center, Estrella St., Rockwell Center, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q		N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
N/A	793-0088	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
47,931	June 2	September 30

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Ellen V. Almodiel	ellena@rockwell.com.ph	793-0088	N/A

Contact Person's Address

Ground Floor, East Podium, Joya Lofts & Towers, 28 Plaza Drive, Rockwell Center, Makati City 1200

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

SEC Number:
File Number:

ROCKWELL LAND CORPORATION

(Company's Full Name)

The Garage at Rockwell Center
Estrella St. Makati City, 1200

(Company's Address)

(632) 793-0088

(Telephone Number)

September 30, 2016

(Quarter Ending)

SEC Form 17-Q Quarterly Report

(Form Type)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

- For the quarterly period ended **September 30, 2016**
- Commission Identification Number **62893**
- BIR Tax Identification Number **004-710-062-000**
- Exact name of issuer as specified in its charter: **ROCKWELL LAND CORPORATION**
- Province, country or other jurisdiction of incorporation or organization: **Philippines**
- Industry Classification Code: _____________ (SEC Use Only)
- Address of issuer's principal office and postal code:
  The Garage at Rockwell Center, Estrella St. Makati City 1200
- Issuer's telephone number, including area code: **(632) 793-0088**
- Former name, former address, former fiscal year, if changes since last report: **N/A.**
- Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of shares issued and outstanding
Common shares	**6,116,762,198**

Amount of Debt Outstanding
PhP16,162,081,150.72

- Are any or all of the securities listed on a Stock Exchange?
  Yes [**X**] No [ ]

Stock Exchange:	**Philippine Stock Exchange**
Securities Listed:	**Common shares**

- Indicate by check mark whether the registrant:

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

  Yes [**X**] No [ ]

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

  Yes [**X**] No [ ]

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ROCKWELL LAND CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Millions)

	September 30, 2016	December 31, 2015
	Unaudited	**Audited**
ASSETS		
Current Assets		
Cash and cash equivalents	₽ 1,907	₽ 2,249
Trade and other receivables - net	8,634	9,024
Land and development costs - net	9,209	8,924
Advances to contractors	2,444	1,559
Condominium units for sale	92	112
Other current assets	1,859	1,308
Total Current Assets	24,145	23,176
Noncurrent Assets		
Noncurrent trade receivables	17	11
Investment properties - net	7,960	6,614
Investment in joint venture	3,051	3,030
Property and equipment - net	2,209	2,302
Available for sale investments	16	16
Land held for future development	2,174	665
Deferred tax assets	22	6
Other noncurrent asset	210	211
Total Noncurrent Assets	15,658	12,854
Total Assets	₽39,803	₽ 36,030
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₽ 6,540	₽ 5,694
Current portion of interest-bearing loans and borrowings	1,711	2,203
Income tax payable	62	39
Total Current Liabilities	8,313	7,935
Noncurrent Liabilities		
Interest-bearing loans and borrowings - net of current portion	14,451	11,645
Noncurrent portion of installment payable	512	467
Deferred tax liabilities - net	850	912
Pension Liability	213	187
Deposits and other liabilities	399	703
Total Noncurrent Liabilities	16,425	13,915
Equity		
Capital stock	6,271	6,271
Capital in excess of par value	28	28
Share Based Payment	70	70
Unrealized gain (loss) on available-for-sale investments	5	5
Other equity adjustments	291	291
Retained earnings	8,265	7,379
	14,930	14,044
Treasury stock	(185)	(185)
Total Equity	14,745	13,859
Attributable to Non-Controlling Interest	321	321
Total Liabilities & Equity	₽39,803	₽ 36,030

See accompanying Notes to Financial Statements

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Millions, Except Earnings Per Share Value)

	2016 Unaudited		2015 Unaudited	
	July 1 to Sept. 30	**Jan. 1 to Sept. 30**	**July 1 to Sept. 30**	**Jan. 1 to Sept. 30**
REVENUE				
Sale of condominium units	₱2,750	₱5,623	₱1,364	₱3,520
Interest income	335	950	224	739
Lease income	234	658	199	579
Cinema revenue	53	161	57	154
Room revenue	86	253	67	195
Others	91	235	84	226
	3,550	7,881	1,995	5,413
EXPENSES				
Cost of real estate	2,188	4,426	953	2,378
General and administrative expenses	383	1,142	320	1,008
Selling expenses	213	506	141	291
	2,784	6,075	1,415	3,678
INCOME BEFORE OTHER INCOME (EXPENSES)	766	1,806	581	1,735
OTHER INCOME (EXPENSES)				
Interest expense	(119)	(329)	(107)	(345)
Share in net income of joint venture	68	192	63	118
Foreign exchange gain - net	-	2	1	3
	(51)	(136)	(43)	(224)
INCOME BEFORE INCOME TAX	715	1,671	538	1,510
PROVISION FOR INCOME TAX	204	455	147	422
NET INCOME	511	1,216	390	1,088
OTHER COMPREHENSIVE INCOME	–	–	0.36	0.72
TOTAL COMPREHENSIVE INCOME	511	1,216	391	1,089
Net Income Attributable to:				
Equity holders of the Parent Company	511	1,216	391	1,088
Non-controlling Interests	(0.19)	(0.01)	(0.22)	0.13
TOTAL	511	1,216	390	1,088
Total Comprehensive Income Attributable to:				
Equity holders of Rockwell Land Corporation	511	1,216	391	1,089
Non-controlling Interests	(0.19)	(0.01)	(0.22)	0.13
TOTAL	511	1,216	391	1,089
Basic/Diluted Earnings per Share (Note 8)	0.08	0.20	0.06	0.18

See accompanying Notes to Financial Statements.

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Millions)

	Equity Attributable to Equity Holders of the Parent Company									
	Capital Stock	Additional Paid-in Capital	Unrealized Gain on Available-for-Sale Investments	Other Equity Adjustments	Share-based Payments Plan	Retained Earnings	Treasury Shares	Total	Equity Attributable to Non-Controlling Interests	Total Equity
At December 31, 2015 (Audited)	**₱6,271**	**₱28**	**₱5**	**₱291**	**₱70**	**₱7,379**	**(₱185)**	**₱13,859**	**₱321**	**₱14,180**
Net income	–	–	–	–	–	1,216	–	1,216	–	1,216
Other comprehensive income (loss)	–	–	–	–	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	–	–	1,216	–	1,216	–	1,216
Cash Dividends	–	–	–	–	–	(330)	–	(330)	–	(330)
Share-based payments	–	–	–	–	–	–	–	–	–	–
At Sept. 30, 2016 (Unaudited)	**₱6,271**	**₱28**	**₱5**	**₱291**	**₱70**	**₱8,265**	**(₱185)**	**₱14,745**	**₱321**	**₱15,066**
At December 31, 2014 (Audited)	**₱6,271**	**₱28**	**₱5**	**₱291**	**₱70**	**₱6,090**	**(₱185)**	**₱12,569**	**₱322**	**₱12,892**
Net income	–	–	–	–	–	1,088	–	1,088	(4)	1,084
Other comprehensive income (loss)	–	–	–	–	–	0.7	–	0.7	–	0.7
Total comprehensive income for the year	–	–	–	–	–	1,089	–	1,089	(4)	1,085
Cash Dividends	–	–	–	–	–	(314)	–	(314)	–	(314)
Share-based payments	–	–	–	–	24	–	–	24	–	24
At Sept. 30, 2015 (Unaudited)	**₱6,271**	**₱28**	**₱5**	**₱291**	**₱94**	**₱6,866**	**(₱185)**	**₱13,370**	**₱318**	**₱13,688**

ROCKWELL LAND CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in Millions)

	January 1 to September 30	
	2016 Unaudited	**2015 Unaudited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱ 1,671	₱ 1,510
Adjustments for:		
Interest income	(956)	(695)
Depreciation and amortization	351	241
Interest expense	329	345
Share Based Payment	–	24
Share in net losses (income) of joint venture	(192)	(118)
Pension costs	80	31
Operating income before working capital changes	1,283	1,338
Decrease (increase) in:		
Trade and other receivables	1,355	759
Land and development costs	(216)	(1,750)
Advances to contractors	(924)	(116)
Restricted Cash and Other current assets	(510)	(331)
Condominium units for sale	20	(8)
Increase in Trade and other payables	1,015	(89)
Net cash generated from operations	2,023	(198)
Income taxes paid	(620)	(233)
Interest paid	(507)	(526)
Net cash provided by operating activities	896	(957)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment	(85)	(227)
Investment properties	(1,471)	(131)
Investment in joint venture	171	(126)
Land held for future development	(1,509)	–
Contributions to plan assets	(60)	(20)
Interest received	14	49
Net cash used in investing activities	(2,941)	(455)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Bank loans	(2,712)	(1,212)
Installment Payable	45	(643)
Dividends	(330)	(314)
Availments of loans and borrowings	5,000	–
Increase in deposits and other liabilities	(301)	414
Net cash provided in financing activities	1,702	(1,755)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	–	–
NET DECREASE IN CASH AND CASH EQUIVALENTS	(342)	(3,167)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,249	5,996
CASH AND CASH EQUIVALENTS AT END JUNE 30	₱ 1,907	₱ 2,828

See accompanying Notes to Financial Statements

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Rockwell Land Corporation ("Rockwell Land" or "The Company") is incorporated in the Philippines and is primarily engaged in the development of residential condominiums, retail and office leasing as well as operation of serviced apartments. The registered office and principal place of business is at The Garage at Rockwell Center, Estrella St. Makati City.

Rockwell Land became a public company in 2012 following the declaration of 51% ownership by Manila Electric Company (Meralco) as property dividend in favor of common stockholders, except for foreign common shareholders who were paid the cash equivalent of the property dividend.

As at September 30, 2016, First Philippine Holdings Corporation owns 86.58% of Rockwell Land and the rest by public. Lopez, Inc. is the ultimate parent company.

Rockwell Integrated Property Services, Inc. (RIPSI), a wholly owned subsidiary of the Company, is incorporated in the Philippines to establish, own, manage, operate and carry on the business of maintaining and cleaning buildings and other facilities.

Rockwell Primaries Development Corporation ("Rockwell Primaries", formerly Primaries Development Corporation) a wholly owned subsidiary of the Company, was incorporated last September 2012 to primarily cater to the broader market under a 2nd brand "Primaries". The subsidiary envisions itself to be the preferred developer in terms of providing exceptional and quality living at a more affordable price. The Securities and Exchange Commission approved the change in name to Rockwell Primaries Development Corporation on July 3, 2014 and was subsequently registered in Bureau of Internal Revenue on July 15, 2014.

Stonewell Development Corporation Inc., a wholly owned subsidiary of the Company, was incorporated on September 2012 to develop socialized housing for the Parent Company.

Primaries Properties Sales Specialist Inc., a wholly owned subsidiary of the Company, was incorporated on November 2012 primarily to act as the sales and marketing arm of Rockwell Primaries.

Rockwell Hotels & Leisure Management Corp. (Rockwell Hotels), a wholly owned subsidiary of the Company, was incorporated on June 2013 to manage and engage in the general business of hotel, resort, club, recreational center, apartment and other allied businesses.

Retailscapes Inc., a wholly owned subsidiary of the Company, was incorporated in November 2014 to develop and operate the pocket retail projects of the Company.

The Company also has 75% ownership in Rockwell Leisure Club Inc. (RLCI). RLCI is a non-profit premier leisure club created to complement Rockwell Land's exclusive lifestyle concept. Opened in December 1999, RLCI offers its resident members and proprietary shareholders a first-class social, sports and recreational facility within the Rockwell Center.

2. Summary of Significant Accounting and Financial Reporting Policies

Basis of Preparation

The accompanying financial statements of the Company have been prepared on a historical cost basis, except for available-for-sale investments that have been measured at fair value. The financial statements are presented in Philippine peso, which is the Company's functional and presentation currency under Philippine Financial Reporting Standards (PFRS), and all values are rounded to the nearest peso, except when otherwise indicated.

Statement of Compliance

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the Philippines as set forth in PFRS. PFRS includes statements named PFRS and Philippine Accounting Standards (PAS), including Interpretations issued by the Financial Reporting Standards Council (FRSC).

Basis of Consolidation

The consolidated financial statements comprise of the financial statements of Rockwell Land and the following subsidiaries (collectively referred to as the "Company") that it controls.

Subsidiaries	Nature of Business	Percentage of Ownership as of Sept. 30, 2016
Rockwell Integrated Property Services, Inc.	Property management	100%
Rockwell Primaries Development Corporation	Real estate development	100%
Stonewell Property Development Corporation	Real estate development	100%
Primaries Properties Sales Specialists Inc.	Marketing	100%
Rockwell Leisure Club Inc	Hotel & Leisure	77%
Rockwell Hotels & Leisure Management Corp	Hotel & Leisure management	100%
Retailscapes Inc.	Commercial Development	100%
Rockwell Primaries South Development Corporation (formerly ATR KimEng Land, Inc.) *	Real Estate Development	60%

** Indirect subsidiary acquired in 2014*

All subsidiaries are incorporated in the Philippines.

The subsidiaries are consolidated from date of acquisition, being the date on which the Parent Company obtains control, and continues to be consolidated until the date that such control ceases.

Effective January 1, 2013, RLCI is now consolidated to the Company in compliance with PFRS 10 standard on consolidation of financial statements.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All significant intercompany balances, transactions, income and expenses and profits and losses from intercompany transactions are eliminated in full in the consolidation.

3. Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the accompanying consolidated financial statements are consistent with those of the previous financial year, except for the adoption of the following new and amended Philippine Accounting Standards (PAS), PFRSs and Philippine Interpretations which were adopted as at January 1, 2016. The adoption of the following amendments and interpretations did not have material effect on the accounting policies, financial position or performance of the Company, unless otherwise indicated.

- PFRS 10, *Consolidated Financial Statements*, PFRS 12, *Disclosure of Interests in Other Entities*, and PAS 27, *Separate Financial Statements* (Amendments). These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under PFRS 10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The amendments must be applied retrospectively, subject to certain transition relief. These amendments have no impact to the Company, since none of the entities within the Company qualifies to be an investment entity under PFRS 10.

- PAS 32, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities* (Amendments). These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting and are applied retrospectively. These amendments have no impact on the Company.

- PAS 39, *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting* (Amendments). These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria and retrospective application is required. These amendments have no impact on the Company as the Company has not novated its derivatives during the current or prior periods.

- PAS 36, *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets* (Amendments). These amendments remove the unintended consequences of PFRS 13, *Fair Value Measurement*, on the disclosures required under PAS 36. In addition, these amendments require disclosure of the recoverable amounts for assets or cash-generating units (CGUs) for which impairment loss has been recognized or reversed during the period. The application of these amendments has no material impact on the disclosure in the Company's consolidated financial statements.

- Philippine Interpretation IFRIC 21, *Levies* (IFRIC 21). IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. Retrospective application is required for IFRIC 21. This interpretation has no impact on the Company as it has applied the recognition principles under PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, consistent with the requirements of IFRIC 21 in prior years.

- Annual Improvements to PFRSs (2010-2012 cycle).

  In the 2010 – 2012 annual improvements cycle, seven amendments to six standards were issued, which included an amendment to PFRS 13, *Fair Value Measurement*. The amendment to PFRS 13 is effective immediately and it clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment has no impact on the Company.

- Annual Improvements to PFRSs (2011-2013 cycle).

  In the 2011 – 2013 annual improvements cycle, four amendments to four standards were issued, which included an amendment to PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards– First-time Adoption of PFRS*. The amendment to PFRS 1 is effective immediately. It clarifies that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first PFRS financial statements. This amendment has no impact on the Company as it is not a first time PFRS adopter.

- Annual Improvements to PFRSs (2010-2012 cycle). The Annual Improvements to PFRSs (2010–2012 cycle) are effective for annual periods beginning on or after January 1, 2015. They include:

  - PFRS 2, *Share-based Payment – Definition of Vesting Condition*

    This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

    a. A performance condition must contain a service condition
    b. A performance target must be met while the counterparty is rendering service
    c. A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
    d. A performance condition may be a market or non-market condition
    e. If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

    The Company will assess the impact of this amendment.

  - PFRS 3, *Business Combinations – Accounting for Contingent Consideration in a Business Combination*

    The amendment is applied prospectively for business combinations for which the acquisition date is on or after July 1, 2014. It clarifies that a contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of PAS 39, *Financial Instruments: Recognition and Measurement* (or PFRS 9, *Financial Instruments*, if early adopted). The Company shall consider this amendment for future business combinations.

  - PFRS 8, *Operating Segments – Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets*

    The amendments are applied retrospectively and clarify that:

    a. An entity must disclose the judgments made by management in applying the aggregation criteria in the standard, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'.

    b. The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

    The amendment has no impact on the Company's financial position or performance.

- PAS 16, *Property, Plant and Equipment and PAS 38, Intangible Assets – Revaluation Method – Proportionate Restatement of Accumulated Depreciation and Amortization*

  The amendment is applied retrospectively and clarifies in PAS 16 and PAS 38 that the asset may be revalued by reference to the observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. The amendment has no impact on the Company's financial position or performance.

- PAS 24, *Related Party Disclosures – Key Management Personnel*

  The amendment is applied retrospectively and clarifies that a management entity, which is an entity that provides key management personnel services, is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendments affect disclosures only and have no impact on the Company's financial position or performance.

- PAS 19, *Employee Benefits – Defined Benefit Plans: Employee Contributions (Amendments).* The amendments apply to contributions from employees or third parties to defined benefit plans. Contributions that are set out in the formal terms of the plan shall be accounted for as reductions to current service costs if they are linked to service or as part of the remeasurements of the net defined benefit asset or liability if they are not linked to service. Contributions that are discretionary shall be accounted for as reductions of current service cost upon payment of these contributions to the plans. The amendments to PAS 19 are to be retrospectively applied for annual periods beginning on or after July 1, 2014. The amendment has no impact on the Company's financial position or performance.

▪ Annual Improvements to PFRSs (2011-2013 cycle). The Annual Improvements to PFRSs (2011–2013 cycle) are effective for annual periods beginning on or after January 1, 2015. They include:

- PFRS 3, *Business Combinations – Scope Exceptions for Joint Arrangements*

  The amendment is applied prospectively and clarifies the following regarding the scope exceptions within PFRS 3:

  a. Joint arrangements, not just joint ventures, are outside the scope of PFRS 3.

  b. This scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

  The amendment has no impact on the Company's financial position or performance.

- PFRS 13, *Fair Value Measurement – Portfolio Exception*

  The amendment is applied prospectively and clarifies that the portfolio exception in PFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of PAS 39. The amendment has no significant impact on the Company's financial position or performance.

- PAS 40, *Investment Property*

  The amendment is applied prospectively and clarifies that PFRS 3, and not the description of ancillary services in PAS 40, is used to determine if the transaction is the purchase of an asset or business combination. The description of ancillary services in PAS 40 only differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment has no significant impact on the Company's financial position or performance.

<u>Standards, Interpretations and Amendments to Existing Standards Not Yet Effective</u>
The Company did not early adopt the following amendments to existing standards and interpretations that have been approved but are not yet effective as at March 31, 2016. Except as otherwise indicated, the Company does not expect the adoption of these amendments and interpretations to have an impact on its consolidated financial statements.

Effective in 2016

- PFRS 9, *Financial Instruments* – Classification and Measurement (2010 version). PFRS 9 (2010 version) reflects the first phase on the replacement of PAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in PAS 39, *Financial Instruments: Recognition and Measurement*. PFRS 9 requires all financial assets to be measured at fair value at initial recognition. A debt financial asset may, if the fair value option (FVO) is not invoked, be subsequently measured at amortized cost if it is held within a business model that has the objective to hold the assets to collect the contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. All other debt instruments are subsequently measured at fair value through profit or loss. All equity financial assets are measured at fair value either through other comprehensive income (OCI) or profit or loss. Equity financial assets held for trading must be measured at fair value through profit or loss. For FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other PAS 39 classification and measurement requirements for financial liabilities have been carried forward into PFRS 9, including the embedded derivative separation rules and the criteria for using the FVO. The adoption of the first phase of PFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will potentially have no impact on the classification and measurement of financial liabilities. PFRS 9 (2010 version) is effective for annual periods beginning on or after January 1, 2015. This mandatory adoption date was moved to January 1, 2018 when the final version of PFRS 9 was adopted by the Philippine Financial Reporting Standards Council (FRSC). Such adoption, however, is still for approval by the Board of Accountancy (BOA). The amendment has no impact on the Company's financial position or performance.

- PAS 16, *Property, Plant and Equipment*, and PAS 38, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization* (Amendments). The amendments clarify the principle in PAS 16 and PAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company given that it has not used a revenue-based method to depreciate its non-current assets.

- PAS 16, *Property, Plant and Equipment*, and PAS 41, *Agriculture – Bearer Plants* (Amendments). The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of PAS 41. Instead, PAS 16 will apply. After initial recognition, bearer plants will be measured under PAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of PAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, PAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, will apply. The amendments are retrospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company as it does not have any bearer plants.

- PAS 27, *Separate Financial Statements – Equity Method in Separate Financial Statements* (Amendments). The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying PFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of PFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to PFRS. The amendments are effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments will not have any impact on the Company's consolidated financial statements.

- PFRS 10, *Consolidated Financial Statements* and PAS 28, *Investments in Associates and Joint Ventures –* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. These amendments address an acknowledged inconsistency between the requirements in PFRS 10 and those in PAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. These amendments are effective from annual periods beginning on or after January 1, 2016.

- PFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations* (Amendments). The amendments to PFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant PFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to PFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company.

- PFRS 14, *Regulatory Deferral Accounts.* PFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of PFRS. Entities that adopt PFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. PFRS 14 is effective for annual periods beginning on or after January 1, 2016. Since the Company is an existing PFRS preparer, this standard would not apply.

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

  - PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations – Changes in Methods of Disposal*

    The amendment is applied prospectively and clarifies that changing from a disposal through sale to a disposal through distribution to owners and vice-versa should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in PFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification.

  - PFRS 7, *Financial Instruments: Disclosures – Servicing Contracts*

    PFRS 7 requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognized in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance in PFRS 7 in order to assess whether the disclosures are required. The amendment is to be applied such that the assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative disclosures are not required to be provided for any period beginning before the annual period in which the entity first applies the amendments.

  - PFRS 7 - *Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements*

    This amendment is applied retrospectively and clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report.

  - PAS 19, *Employee Benefits – regional market issue regarding discount rate*

    This amendment is applied prospectively and clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

  - PAS 34, *Interim Financial Reporting – disclosure of information 'elsewhere in the interim financial report'*

    The amendment is applied retrospectively and clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

Effective in 2018

- PFRS 9, *Financial Instruments* – Hedge Accounting and amendments to PFRS 9, PFRS 7 and PAS 39 (2013 version). PFRS 9 (2013 version) already includes the third phase of the project to replace PAS 39 which pertains to hedge accounting. This version of PFRS 9 replaces the rules-based hedge accounting model of PAS 39 with a more principles-based approach. Changes include replacing the rules-based hedge effectiveness test with an objectives-based test that focuses on the economic relationship between the hedged item and the hedging instrument, and the effect of credit risk on that economic relationship; allowing risk components to be designated as the hedged item, not only for financial items but also for non-financial items, provided that the risk component is separately identifiable and reliably measurable;

and allowing the time value of an option, the forward element of a forward contract and any foreign currency basis spread to be excluded from the designation of a derivative instrument as the hedging instrument and accounted for as costs of hedging. PFRS 9 also requires more extensive disclosures for hedge accounting. PFRS 9 (2013 version) has no mandatory effective date. The mandatory effective date of January 1, 2018 was eventually set when the final version of PFRS 9 was adopted by the FRSC. The adoption of the final version of PFRS 9, however, is still for approval by BOA. The adoption of PFRS 9 is not expected to have any significant impact on the Company's consolidated financial statements.

- PFRS 9, *Financial Instruments* (2014 or final version). In July 2014, the final version of PFRS 9, *Financial Instruments*, was issued. PFRS 9 reflects all phases of the financial instruments project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. PFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of PFRS 9 is permitted if the date of initial application is before February 1, 2015. The adoption of PFRS 9 is not expected to have any significant impact on the Company's consolidated financial statements.

- IFRS 15, *Revenue from Contracts with Customers*. IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017 with early adoption permitted. The Company is engaged in selling activities of real estate projects while construction is on progress or even before it has started. The standard is expected to impact the revenue recognition on these pre-completed real estate sales whether revenue will be recognized at a point-in-time or over time. If there will be a change in revenue recognition, this will also impact the corresponding costs, and the related trade receivables, deferred tax liabilities and retained earnings account.

Deferred Effectivity

- Philippine Interpretation IFRIC 15, *Agreements for the Construction of Real Estate*. This interpretation covers accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors. The interpretation requires that revenue on construction of real estate be recognized only upon completion, except when such contract qualifies as construction contract to be accounted for under PAS 11, *Construction Contracts*, or involves rendering of services in which case revenue is recognized based on stage of completion. Contracts involving provision of services with the construction materials and where the risks and reward of ownership are transferred to the buyer on a continuous basis will also be accounted for based on stage of completion. The SEC and the FRSC have deferred the effectivity of this interpretation until the final Revenue standard is issued by International Accounting Standards Board and an evaluation of the requirements of the final Revenue standard against the practices of the Philippine real estate industry is completed. The Company is currently assessing the impact of IFRIC 15 and plans to adopt the new standard on the required effective date once adopted locally. Adoption of this interpretation will result to a change in the revenue and cost recognition of the Company on sale of condominium units and accounting for certain pre-selling costs.

The Company continues to assess the impact of the above new, amended and improved accounting standards and interpretations effective subsequent to September 30, 2016. Additional disclosures required by these amendments will be included in the consolidated financial statements when these are adopted.

4. Receivables / Payables
(Amounts in Millions)

Aging of Receivables as of September 30, 2016:

	Neither Past Due or Impaired	Past Due but not Impaired				
		Less than 30 Days	31 to 60 Days	61 to 90 Days	More than 90 Days	Total
Sale of Condominium Units	₱7,105	₱137	₱171	₱58	₱993	₱8,463
Lease	105	3	2	1	-	111
Advances to officers and employees	29	-	-	-	-	29
Others	31	-	-	-	-	31
Total Receivable	**₱7,271**	**₱140**	**₱173**	**₱59**	**₱993**	**₱8,634**

Aging of Payables as of September 30, 2016:

	Due within 3 months	Due Between 3 to 12 months	Total
Trade and Other Payables	₱349	₱5,258	₱5,606
Security Deposit (Current Portion)	155	214	369
Retention Payable (Current Portion)	84	313	397
Deferred Lease Income (Current Portion)	65	103	168
Total Payable	**₱653**	**₱5,888**	**₱6,540**

5. Trade and Other Payables
(Amounts in Millions)

The trade and other payables as of September 30, 2016 is broken down as follows:

Accrued project costs	₱ 1,651
Trade	1,142
Deferred Output VAT	1,066
Accrued expenses	452
Accrued taxes & licenses	168
Excess collections over recognized receivables	155
Accrued interest expenses	131
Advance payments from members and customers	12
Current portion of:	
Deposit from preselling of condominium units	775
Retention Payable	397
Security deposits	369
Deferred lease income	168
Others	54
Total	**₱ 6,540**

6. Short-Term and Long-Term Debt
(Amounts in Millions)

	September 30, 2016 (Unaudited)				**Total**
	Within 1 Year	**1-2 Years**	**2-3 Years**	**More than 3 Years**	
Corporate Notes	₱1,603	₱1,606	₱1,608	₱1,927	₱6,744
Long Term Loans	-	158	376	3,466	4,000
Bonds Payable	-	-	-	4,968	4,968
Notes Payable	114	218	118		450
Total	**₱1,717**	**₱1,982**	**₱2,102**	**₱10,361**	**₱16,162**

	December 31, 2015 (Audited)				**Total**
	Within 1 Year	**1-2 Years**	**2-3 Years**	**More than 3 Years**	
Corporate Notes	₱1,602	₱1,604	₱1,606	₱3,142	₱7,954
Bonds Payable	-	-	-	4,957	4,957
Notes Payable	101	107	112	117	437
Bridge Loans	500	-	-	-	500
Total	**₱2,203**	**₱1,711**	**₱1,718**	**₱8,216**	**₱13,848**

Issuances, Repurchases and Repayments of Debt and Equity Securities

Issuances of Debt and Equity Securities / New Financing through Loans

Nature	Amount
Long Term Loans	₱ 4,000 million
Short Term Loans	₱ 500 million
Bridge Loans	₱ 500 million
Total	**₱ 5,000 million**

Repayment of Debt and Equity Securities January – September 2016

Nature	Amount
Corporate notes	₱ 1,212 million
Short Term Loans	₱ 500 million
Bridge Loans	₱ 1,000 million
Total	**₱ 2,712 million**

7. Segment Information

(Amounts in Millions)

PFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker.

For management purposes, the Company's operating segments is determined to be business segments as the risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Company manages its operations under the following business segments:

- *Residential Development* is engaged in the development, selling, and property management of all residential projects of the Company and its amenities.
- *Commercial Development* is engaged in the sale, leasing and other related operations in the course of the management of commercial buildings or spaces used for retail and office leasing, including cinema operations.
- *Hotel segment* is engaged in leasing of serviced apartments and management of hotel and resort operations.

The Company does not have any customers which constitutes 10% or more of the Company's revenue.

Management monitors the operating results of each business unit separately for the purpose of making decisions about resource allocation and performance assessment. Performance is evaluated based on net income for the year and earnings before interest, taxes and depreciation and amortization, or *EBITDA*. Net income for the year is measured consistent with consolidated net income in the consolidated financial statements. *EBITDA* is measured as net income excluding depreciation and amortization, interest expense and provision for income tax.

The Company centrally manages cash and its financing requirements, income taxes and resource allocation. Resource allocation are measured against profitability among potential investments and made in view of the Company's existing business portfolio.

The President, the Company's chief operating decision maker, monitors operating results of its business segments separately for the purpose of performance assessment and making recommendations to the Board about resource allocation. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit and loss in the consolidated statements.

Disclosure of the geographical information regarding the Company's revenues from external customers and total assets have not been provided since all of the Company's consolidated revenues are derived from operations within the Philippines.

Business Segments

The following tables present revenue, and costs and expenses information regarding the Company's residential and commercial development business segments for the six months ended September 30, 2016 and 2015:

	September 30, 2016 (Unaudited)			
	Residential Development	**Commercial Development**	**Hotel**	**Total**
Revenue	**₽ 6,733**	**₽ 894**	**₽ 253**	**₽ 7,881**
Costs and expenses	(5,250)	(262)	(212)	(5,724)
Share in net income of joint venture	−	192	−	192
Other income – net	2	–	–	2
EBITDA	**1,485**	**824**	**41**	**2,351**
Depreciation and amortization				(351)
Interest expense				(329)
Provision for income tax				(455)
Consolidated Net Income				**₽ 1,216**

	September 30, 2015 (Unaudited)			
	Residential Development	**Commercial Development**	**Hotel**	**Total**
Revenue	**₽ 3,550**	**₽ 1,668**	**₽ 195**	**₽ 5,413**
Costs and expenses	(2,474)	(802)	(162)	(3,438)
Share in net income of joint venture	−	118	−	118
Other income – net	3	–	–	3
EBITDA	**1,079**	**984**	**33**	**2,096**
Depreciation and amortization				(241)
Interest expense				(345)
Provision for income tax				(422)
Consolidated Net Income				**₽ 1,088**

The following tables present assets and liabilities information regarding the Company's residential and commercial development business segments as of September 31, 2016 and December 31, 2015:

	September 30, 2016 (Unaudited)			
	Residential Development	**Commercial Development**	**Hotel**	**Total**
Assets and liabilities:				
Current & Other Assets	₱ 24,828	₱ 1,510	₱ 246	₱ 26,583
Investment Properties	801	7,159	–	7,960
Investment in Joint Venture	–	3,051	–	3,051
Property & equipment	1,180	270	759	2,209
Total assets	**₱ 26,808**	**₱ 11,990**	**₱ 1,005**	**₱ 39,803**
Segment liabilities	**₱ 23,137**	**₱ 1,432**	**₱ 169**	**₱ 24,738**

	December 31, 2015 (Audited)			
	Residential Development	**Commercial Development**	**Hotel**	**Total**
Assets and liabilities:				
Current & Other Assets	₱ 22,222	₱ 1,638	₱ 224	₱ 24,084
Investment Properties	801	5,813	–	6,614
Investment in Joint Venture	–	3,030	–	3,030
Property & equipment	1,261	259	781	2,302
Total assets	**₱ 24,284**	**₱ 10,741**	**₱ 1,005**	**₱ 36,030**
Segment liabilities	**₱ 21,266**	**₱ 456**	**₱ 128**	**₱ 21,850**

8. Earnings per Share Attributable to Equity Holders of the Parent Company

(Amounts in millions, except for number of common shares)

	September 30, 2016	**September 30, 2015**
Net income attributable to equity holders of the Parent Company	₱1,216	₱1,088
Dividends on preferred shares	(1)	(1)
Net income attributable to common shares (a)	₱1,215	₱1,087
Common shares at beginning of year	6,116,762,198	6,116,762,198
Weighted average common shares – basic (b)	6,116,762,198	6,116,762,198
Dilutive potential common shares under the ESOP	4,607,158	6,853,564
Weighted average common shares – diluted (c)	6,121,369,356	6,123,615,762
Per share amounts:		
Basic (a/b)	₱0.20	₱0.18
Diluted (a/c)	₱0.20	₱0.18

9. Fair Value Measurement

(Amounts in millions)

Fair Values

Set out below is a comparison by class of the carrying values and fair values of all the Company's financial instruments that are carried in the consolidated financial statements as of September 30, 2016 and December 31, 2015. There are no material unrecognized financial assets and liabilities as of September 30, 2016 and December 31, 2015.

	September 30, 2016				
	Carrying Value	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Assets					
Loans and receivables:					
Trade receivables from:					
Sale of condominium units					
(including noncurrent portion)	8,480	22,356	–	22,356	–
Investment Properties	7,960	14,379	–	2,078	12,301
Available-for-sale investments	16	16	16	–	–
	16,455	36,751	16	24,434	12,301

	Carrying Value	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Liabilities					
Other Financial Liabilities:					
Interest-bearing loans & borrowings					
(including noncurrent portion)	16,162	16,901	–	–	16,901
Installment payable	512	565	–	–	565
Retention payable					
(including noncurrent portion)	509	498	–	–	498
Security deposits					
(including noncurrent portion)	508	325	–	–	325
	17,691	18,289	0	0	18,289

	December 31, 2015				
	Carrying Value	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Assets					
Loans and receivables:					
Trade receivables from:					
Sale of condominium units					
(including noncurrent portion)	8,722	18,457	–	18,457	–
Investment Properties	6,614	14,434	–	1,378	13,056
Available-for-sale investments	13	13	13	–	–
	15,371	32,132	13	20,627	11,492

	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Liabilities					
Other Financial Liabilities:					
Interest-bearing loans & borrowings (including noncurrent portion)	13,848	14,500	–	–	14,500
Installment payable	467	521	–	–	521
Retention payable (including noncurrent portion)	640	606	–	–	606
Security deposits (including noncurrent portion)	303	299	–	–	299
	15,258	15,295	–	–	15,925

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade Receivables from Lease, Advances to Officers and Employees, Other Receivables, Restricted Cash, Refundable Deposits and Trade and Other Payables. Due to the short-term nature of transactions, the carrying values of these instruments approximate the fair values as at financial reporting period.

Trade Receivables from Sale of Condominium Units. The fair values of trade receivables from sale of condominium units were calculated by discounting the expected future cash flows at prevailing credit adjusted PDEx interest rates ranging from 2.4% to 4.7% as at September 30, 2016 and 2.7% to 5.5% as at December 31, 2015.

Available-for-Sale Investments. The fair values of quoted equity securities were determined by reference to published two-way quotes of brokers as at financial reporting date. Unquoted equity securities for which no other reliable basis for fair value measurement is available, were valued at cost, net of impairment, if any.

Interest-bearing Loans and Borrowings. The fair values of fixed rate loans were calculated by discounting the expected future cash flows at prevailing credit adjusted PDEx interest rates ranging from 2.4% to 4.7% as at September 30, 2016 and 2.7% to 5.2% as at December 31, 2015.

Installment Payable. The fair value of installment payable was calculated by discounting the expected cash flows at prevailing credit adjusted PDEx interest rates ranging from 2.4% to 4.0% as at September 30, 2016 and 2.7% to 5.1% as at December 31, 2015

Retention Payable and Security Deposits. The fair values were calculated by discounting the expected future cash flows at prevailing credit adjusted PDEx interest rates ranging from 2.3% to 3.3% as at September 30, 2016 and 2.9% to 4.9% as at December 31, 2015

<u>Fair Value Hierarchy</u>
The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

10. Significant Financial Ratios

The significant financial ratios are as follows:

As indicated	**For the 1st nine months ended September 30**	
	2016	**2015**
ROA (*)	4.3%	3.7%
ROE (*)	11.1%	10.9%
	As of September 30, 2016	**As of December 31, 2015**
Current ratio *(x)*	2.90	2.92
Debt to equity ratio *(x)*	1.07	0.98
Net debt to equity Ratio *(x)*	0.95	0.82
Asset to equity ratio *(x)*	2.64	2.54
Interest coverage ratio *(x)*	4.64	6.25

Notes:
(1) ROA [Net Income/Average Total Assets]
(2) ROE [Net Income/ Average Total Equity]
(3) Current ratio [Current assets/Current liabilities]
(4) Debt to equity ratio [Total interest bearing debt / Total Equity]
(5) Net debt to equity ratio [(Total Interest bearing debt)- (Cash and cash equivalents) / Total Equity]
(6) Asset to equity ratio [Total Assets/Total Equity]
(7) Interest coverage ratio [EBITDA/Interest Payments]
** ROA and ROE are annualized figures*

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

RESULTS OF OPERATIONS:

For the 1st nine months ended 30 September 2016 and 2015

Rockwell Land Corporation ("the Company") registered Php7,881 million in consolidated revenues, higher by 46% from last year's Php5,413 million. 83% of the revenues came from the sale of condominium units, including accretion of interest income.

Total EBITDA reached Php2,351 million, 12% higher than last year's Php2,096 million primarily driven by 38% growth in Residential contribution. Overall EBITDA margin registered at 30% of total revenues, which is lower compared to last year's 39%. Residential development, commercial development and hotel contributed 63%, 35% and 2% to the total EBITDA, respectively.

Net income after tax registered at Php1,216 million, a growth of 12% from last year's Php1,088 million. NIAT margin is at 15%, lower compared to last year's 20%.

Business Segments

Residential Development generated Php6,733 million, contributing 85% of the total revenues for the period. Bulk of the revenues came from the sale of condominium units, including accretion from interest income.

EBITDA from this segment amounted to Php1,485 million, 38% higher than the same period last year at Php1,079 million due to substantial completion of Proscenium projects.

Commercial Development revenues amounted to Php894 million, 46% lower than 2015's Php1,668 million mainly due to sale of office units in 8 Rockwell (formerly Lopez Tower) in 2015. This segment contributed 11% of total revenues excluding the share in the joint venture (RBC). The share in the joint venture is reported as "Share in Net Losses (Income) in JV" under Other Income (Expenses).

Retail Operations generated revenues of Php674 million, accounting for 9% of total revenues. Retail operations include retail leasing, interest income and other mall revenues. Cinema Operations also generated Php165 million which is 2% of total revenues. Cinema operations include Cinema ticket and snackbar sales and other cinema revenues. Office operations generated Php55 million which is equivalent to 1% of the total revenues. Office operations include office leasing, sale of office and other office revenues.

The segment's EBITDA amounted to Php824 million, lower by 16% from the same period last year. Commercial development accounted for 35% of the Company's total EBITDA.

The total revenues used as basis for the EBITDA margin excludes gross revenues from the joint venture as the latter is reported separately under "Share in Net Losses (Income) in JV". Share in net income in the joint venture contributes 8% to the Company's total EBITDA.

Hotel Operations contributed 3% of the total revenues. Revenues grew by 30% from Php195 to Php253 million, while EBITDA grew by 27% from Php33 million to Php41 million due to higher occupancy and increase in average room rates.

Costs and Expenses

Cost of real estate and selling amounted to Php4,932 million. The cost of real estate and selling to total revenue ratio is at 63%, higher than last year's 49%, due to higher cost ratio from Proscenium Project. Selling expenses amounted to Php506 million which is higher by 74% than 2015 due to amortization of prepaid marketing expenses, and increase in advertisements and sales commission.

General and administrative expenses (G&A) amounted to Php1,142 million, higher by 13% from same period last year. The increase was mainly attributable to higher depreciation expense and expenses incurred by the hotel business.

Interest Expense amounted to Php329 million, lower by 5% than last year's Php345 million. The decrease was mainly due to higher capitalized interest. The average interest rate of the Company's consolidated debt is at 4.78%.

Share in Net Income (Losses) in JV realized share in net income of RBC amounting to Php192 million, 63% increase from last year's income of Php118 million mainly due to additional rental revenue from Tower 3. Occupancy rate is at 98% compared to 84% rate of same period last year. It generated gross revenues of Php499 million which is 37% higher than last year's Php364 million. At its 70% share, the Company generated revenues of Php350 million and share in net income of Php192 million. The share in net income is reported net of taxes and represents the Company's share in the operations generated by RBC.

Project and capital expenditures

The Company spent a total of Php7.4 billion for project and capital expenditures for the first nine months of 2016, 37% higher than last year's Php5.4 billion. The expenditures consist mostly of development costs for Proscenium project and land acquisition costs.

Financial Condition

The Company's total assets as of September 30, 2016 amounted to Php39.80 billion, which increased by Php3.77 billion from 2015's yearend amount of Php36.03 billion. On the other hand, total liabilities amounted to Php24.74 billion, higher than 2015's P21.85 billion. The increase in total assets was mainly from higher development cost and land acquisitions, while the increase in total liabilities was mainly from additional borrowings.

Current ratio as of September 30, 2016 slightly decreased to 2.90x from 2.92x as of December 31, 2015. Net debt to equity ratio is at 0.95x as of September 30, 2016, higher than 2015's yearend ratio of 0.82x.

Causes for any material changes (+/- 5% or more) in the financial statements

Statement of Comprehensive Income Items – 1st Nine Months 2016 vs. 1st Nine Months 2015

60% increase in Sale of condominium units
Primarily due to substantial completion of Proscenium projects.

29% increase in Interest Income
Mainly due to higher interest income accretion arising from Proscenium projects.

14% increase in Lease Income
Mainly due to additional revenue from leased area of 8 Rockwell office and other retail areas.

5% increase in Cinema Revenues
Due to higher ticket sales and average ticket price.

30% increase in Room revenues
Primarily due to higher occupancy and increase in average room rates.

86% increase in Cost of Real Estate
Primarily due to construction completion for Proscenium.

13% increase in General and administrative expenses
Mainly attributable to higher expenses incurred by of serviced apartments operations and higher depreciation expense recognized.

74% increase in Selling expenses
Primarily due to higher amortized prepaid costs following the percentage of completion of various projects and higher advertisement and sales commission.

5% decrease in Interest Expense
Primarily due to higher capitalized interest.

63% increase in Share in Net Income of Joint Venture
Mainly due to higher occupancy rate of 98% compared to last year's 84% and higher average rental rates.

37% decrease in Foreign Exchange Gain
Due to decrease in U.S. dollar collections.

Statement of Financial Position items – September 30, 2016 vs. December 31, 2015

15% decrease in Cash and cash equivalents
Primarily due to project- related disbursements and land acquisitions.

57% increase in Advances to Contractors
Primarily due to payment to contractors for Proscenium projects.

18% decrease in Condominium Units for Sale
Due to additional sale of 205 Santolan units.

42% increase in Other Current Assets
Mainly due to additional restricted cash and higher input vat.

55% increase in Non-current Trade Receivables
Due to recognition of long-term receivables from completed projects.

20% increase in Investment Properties
Due to payments for construction of RBC Sheridan, Santolan Town Plaza and Mall Expansion projects.

227% increase in Land held for Future Use
Due to additional land acquisitions.

253% increase in Deferred Tax Asset
Mainly due to higher advance rental income & pension cost.

15% increase in Trade and Other Payables
Mainly due to higher development cost accrual and deposit from pre-selling.

22% decrease in Current portion of interest-bearing loans and borrowings
Mainly attributable to payment of short term borrowing.

59% increase in Income Tax Payable
Due to lower creditable withholding taxes.

24% increase in Non-current portion of interest-bearing loans and borrowings
Due to additional loans drawn for the 1st nine months of 2016.

10% increase in Non-current portion of Installment Payable
Due to additional accretion of interest expense.

7% decrease in Deferred tax liabilities
Due to the turnover of The Grove CD and EF, and 8 Rockwell.

14% increase in Pension liability
Due to provision for retirement benefits for the first nine months of 2016.

43% decrease in Deposits and Other Liabilities
Primarily due to reclassification of current portion of retention payable.

12% increase in Retained Earnings
Due to net income after tax of P1,216 million for the first nine months of 2016 net of declaration of dividend of P330 million.

Key Performance Indicators

As indicated	For the 1st half ended September 30	
	2016	**2015**
ROA (*)	4.3%	3.7%
ROE (*)	11.1%	10.9%
	As of September 30, 2016	**As of December 31, 2015**
Current ratio *(x)*	2.90	2.92
Debt to equity ratio *(x)*	1.07	0.98
Net debt to equity Ratio *(x)*	0.95	0.82
Asset to equity ratio *(x)*	2.64	2.54
Interest coverage ratio *(x)*	4.64	6.25

Notes:
(1) ROA [Net Income/Average Total Assets]
(2) ROE [Net Income/ Average Total Equity]
(3) Current ratio [Current assets/Current liabilities]
(4) Debt to equity ratio [Total interest bearing debt / Total Equity]
(5) Net debt to equity ratio [(Total Interest bearing debt)-(Cash and cash equivalents) / Total Equity]
(6) Asset to equity ratio [Total Assets/Total Equity]
(7) Interest coverage ratio [EBITDA/Interest Payments]
** ROA and ROE are annualized figures*

PART II – OTHER INFORMATION

Item 3. Other Notes and Disclosures

1. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.	None
2. The effect of changes in the composition of the issuer during the interim period, including business combinations, acquisitions or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.	None
3. Changes in contingent liabilities or contingent assets since the last annual balance sheet date.	None
4. Existence of material contingencies and any other events or transactions that are material to an understanding of the current interim period.	None
5. Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.	None
6. Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.	None
7. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.	None
8. Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.	None
9. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.	None

10. Any significant elements of income or loss that did not arise from the registrant's continuing operations.	None
11. Any seasonal aspects that had a material effect on the financial condition or results of operations.	None
12. Disclosure not made under SEC Form 17-C.	None

Annex A

The stockholders, directors and officers of the Company, their respective number of Common Shares and the corresponding percentage of these Common Shares as of September 30, 2016 are as follows:

Name of Stockholder		Relationship	No. of Shares	% of Total Outstanding Shares
1	First Philippine Holdings Corporation	Shareholder	5,296,015,375	86.58%
2	Manuel M. Lopez	Shareholder and Director	16,936,680	0.28%
3	Oscar M. Lopez	Shareholder and Director	174,898	0.00%
4	Nestor J. Padilla	Shareholder and Director	21,150,001	0.35%
5	Miguel Ernesto L. Lopez	Shareholder and Director	68,694	0.00%
6	Eugenio L. Lopez III	Director	1	0.00%
7	Manuel L. Lopez, Jr.	Director	75,001	0.00%
8	Federico R. Lopez	Director	1	0.00%
9	Francis Giles B. Puno	Shareholder and Director	5,656	0.00%
10	Ferdinand Edwin S. Coseteng	Director	1	0.00%
11	Oscar J. Hilado	Director	1	0.00%
12	Monico V. Jacob	Director	2	0.00%
13	Enrique I. Quiason	Shareholder and Officer	3,575	0.00%
14	Esmeraldo C. Amistad	Officer	0	0.00%
15	Valerie Jane L. Soliven	Officer	0	0.00%
16	Maria Lourdes L. Pineda	Shareholder and Officer	141,272	0.00%
17	Ellen V. Almodiel	Officer	0	0.00%
18	Estela Y. Dasmariñas	Shareholder and Officer	1,882	0.00%
19	Abel L. Roxas	Officer	0	0.00%
20	Adela D. Flores	Shareholder and Officer	4,340	0.00%
21	Davy T. Tan	Officer	0	0.00%
22	Divino M. Villanueva, Jr.	Officer	0	0.00%
23	Angela Marie B. Pagulayan	Officer	0	0.00%
24	Jesse S. Tan	Officer	0	0.00%
25	Geraldine B. Brillantes	Officer	0	0.00%
26	Others (Public)	Shareholder	782,184,818	12.79%
			6,116,762,198	**100.00%**

Annex B

ROCKWELL LAND CORPORATION
SUPPLEMENTARY SCHEDULE REQUIRED
UNDER SRC RULE 68, AS AMENDED (2011)

I. List of Philippine Financial Reporting Standards (PFRSs) [which consists of PFRSs, Philippine Accounting Standards (PASs) and Philippine Interpretations] effective as of June 30, 2016

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		√		
PFRSs Practice Statement Management Commentary				√
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	√		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	√		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			√
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			√
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			√
	Amendments to PFRS 1: Government Loans			√
	Amendment to PFRS 1: Meaning of Effective PFRSs	Not early adopted		
PFRS 2	Share-based Payment	√		
	Amendments to PFRS 2: Vesting Conditions and Cancellations	√		
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions	√		
	Amendment to PFRS 2: Definition of Vesting Condition	√		
PFRS 3 (Revised)	Business Combinations	√		
	Amendment to PFRS 3: Accounting for Contingent Consideration in a Business Combination	Not early adopted		
	Amendment to PFRS 3:Scope Exceptions for Joint Arrangements	Not early adopted		
PFRS 4	Insurance Contracts			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			√

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
PFRS 6	Exploration for and Evaluation of Mineral Resources			√
PFRS 7	Financial Instruments: Disclosures	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	√		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	√		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	√		
	Amendments to PFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	√		
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	Not early adopted		
PFRS 8	Operating Segments	√		
	Amendments to PFRS 8: Aggregation of Operating Segments and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets	√		
PFRS 9	Financial Instruments	√		
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures	Not early adopted		
PFRS 10	Consolidated Financial Statements	√		
	Amendments to PFRS 10: Investment Entities	√		
PFRS 11	Joint Arrangements	√		
PFRS 12	Disclosure of Interests in Other Entities	√		
	Amendments to PFRS 10: Investment Entities			√
PFRS 13	Fair Value Measurement	√		
	Amendment to PFRS 13: Short-term Receivables and Payables	Not early adopted		
	Amendment to PFRS 13: Portfolio Exception	Not early adopted		
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	√		
	Amendment to PAS 1: Capital Disclosures	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendments to PAS 1: Presentation of Items of Other	√		

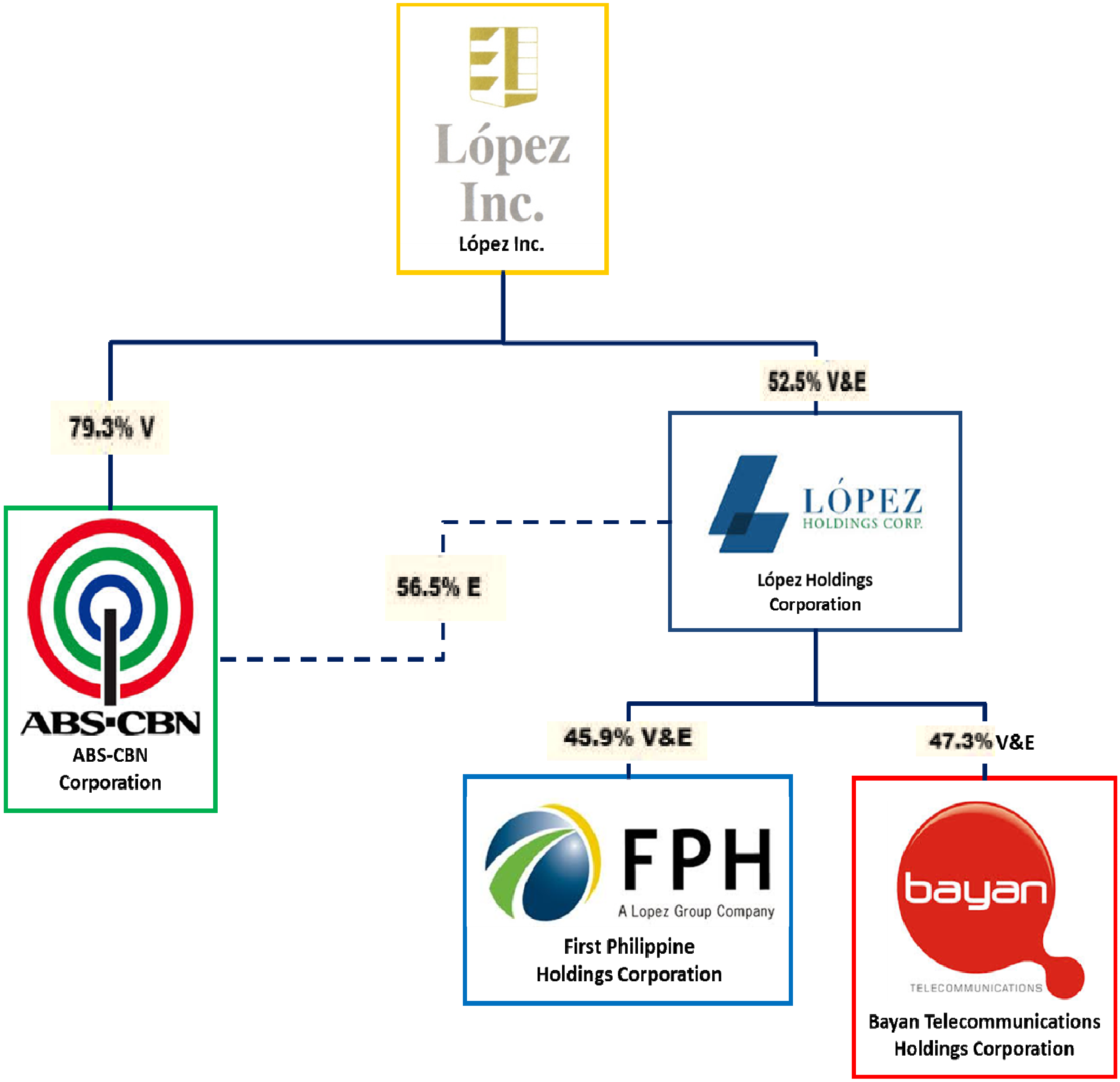
PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
	Comprehensive Income			
PAS 2	Inventories			√
PAS 7	Statement of Cash Flows	√		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	√		
PAS 10	Events after the Reporting Date	√		
PAS 11	Construction Contracts	√		
PAS 12	Income Taxes	√		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	√		
PAS 16	Property, Plant and Equipment	√		
	Amendment to PAS 16: Revaluation Method – Proportionate Restatement of Accumulated Depreciation	Not early adopted		
PAS 17	Leases	√		
PAS 18	Revenue	√		
PAS 19	Employee Benefits	√		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	√		
PAS 19 (Amended)	Employee Benefits	√		
	Amendments to PAS 19: Defined Benefit Plans: Employee Contributions	Not early adopted		
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			√
PAS 21	The Effects of Changes in Foreign Exchange Rates	√		
	Amendment: Net Investment in a Foreign Operation			√
PAS 23 (Revised)	Borrowing Costs	√		
PAS 24 (Revised)	Related Party Disclosures	√		
	Amendments to PAS 24: Key Management Personnel	√		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			√
PAS 27	Consolidated and Separate Financial Statements	√		
PAS 27 (Amended)	Separate Financial Statements	√		
	Amendments to PFRS 10: Investment Entities	Not early adopted		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
PAS 28	Investments in Associates			√
PAS 28 (Amended)	Investments in Associates and Joint Ventures	√		
PAS 29	Financial Reporting in Hyperinflationary Economies			√
PAS 31	Interests in Joint Ventures	√		
PAS 32	Financial Instruments: Disclosure and Presentation	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendment to PAS 32: Classification of Rights Issues			√
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	Not early adopted		
PAS 33	Earnings per Share	√		
PAS 34	Interim Financial Reporting			√
PAS 36	Impairment of Assets	√		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets	Not early adopted		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	√		
PAS 38	Intangible Assets			√
	Amendments to PAS 38: Revaluation Method – Proportionate Restatement of Accumulated Amortization	Not early adopted		
PAS 39	Financial Instruments: Recognition and Measurement	√		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities			√
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			√
	Amendments to PAS 39: The Fair Value Option			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets			√
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition			√
	Amendments to Philippine Interpretation IFRIC - 9 and PAS 39: Embedded Derivatives			√
	Amendment to PAS 39: Eligible Hedged Items			√
	Amendment to PAS 39: Novation of Derivatives and	Not early adopted		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		**Adopted**	**Not Adopted**	**Not Applicable**
	Continuation of Hedge Accounting			
PAS 40	Investment Property	√		
	Amendment to PAS 40: Investment Property	Not early adopted		
PAS 41	Agriculture			√
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			√
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			√
IFRIC 4	*Determining Whether an Arrangement Contains a Lease*			√
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			√
IFRIC 6	*Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment*			√
IFRIC 7	*Applying the Restatement Approach under PAS 29, Financial Reporting in Hyperinflationary Economies*			√
IFRIC 8	*Scope of PFRS 2*			√
IFRIC 9	Reassessment of Embedded Derivatives			√
	Amendments to Philippine Interpretation IFRIC - 9 and PAS 39: Embedded Derivatives			√
IFRIC 10	*Interim Financial Reporting and Impairment*			√
IFRIC 11	PFRS 2 - Group and Treasury Share Transactions			√
IFRIC 12	Service Concession Arrangements			√
IFRIC 13	Customer Loyalty Programmes			√
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			√
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			√
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			√
IFRIC 17	Distributions of Non-cash Assets to Owners			√
IFRIC 18	Transfers of Assets from Customers			√
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			√
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			√
IFRIC 21	Levies	Not early adopted		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
SIC-7	Introduction of the Euro			√
SIC-10	Government Assistance - No Specific Relation to Operating Activities			√
SIC-12	Consolidation - Special Purpose Entities			√
	Amendment to SIC - 12: Scope of SIC 12			√
SIC-13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers			√
SIC-15	Operating Leases - Incentives			√
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			√
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease			√
SIC-29	Service Concession Arrangements: Disclosures.			√
SIC-31	Revenue - Barter Transactions Involving Advertising Services			√
SIC-32	Intangible Assets - Web Site Costs			√

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
As of June 30, 2016



ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
As of June 30, 2016

LÓPEZ HOLDINGS CORP.

FPH — A Lopez Group Company

45.90%
First Philippine Holdings

Power Generation

66.24%
First Gen Corporation

Property

86.58%
Rockwell Land Corporation

- 100% Rockwell Integrated Property Services, Inc.
- 100% Rockwell Primaries Development Corporation
  - 60% ATR KimEng Land, Inc.
- 100% Stonewell Property Development Corporation
- 100% Primaries Properties Sales Specialists Inc.
- 75% Rockwell Leisure Club, Inc.
- 100% Rockwell Hotels and Leisure Management Corp.
- 100% Retailscapes Inc.

FIRST PHILIPPINE INDUSTRIAL PARK

70.00%
First Philippine Industrial Park, Inc.

- 100% FPIP Property Developers and Management Corporation
- 100% FPIP Utilities Incorporated
- 85.00% Grand Batangas Resort Development Incorporated
  - 40.52% First Batangas Hotel Corp.

Manufacturing

100%
First Philippine Electric Corporation

- 99.15% Philippine Electric Corporation
- 100% First Electro Dynamics Corporation
- 100% First Philippine Power Systems
- 100% First Philec Manufacturing Technologies Corporation
- 74.50% First Philec Solar Corporation
- 100% Cleantech Energy Holdings PTE, Ltd.
- 100% First PV Ventures Corporation
  - 70.00% First Philec Nexolon Corporation
  - 100% First Philec Solar Solutions
- 25% MHE-Demag (P), Inc.

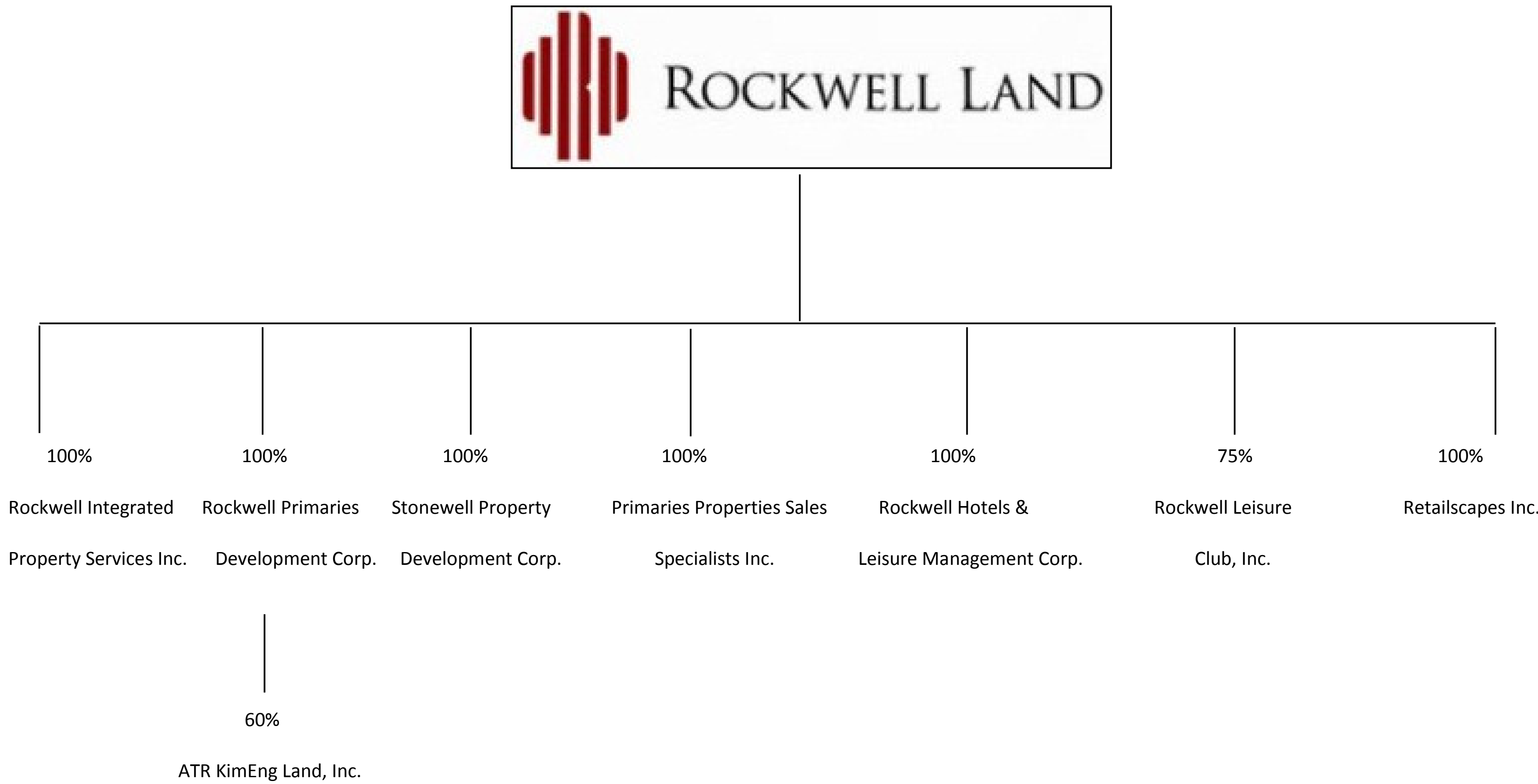
Power Distribution

- 30.00% Panay Electric Company
- 3.94% Manila Electric Company

Other Businesses

- 100% First Balfour, Inc.
  - 100% ThermaPrime Well Services, Inc.
- 60.00% First Philippine Industrial Corporation
- 100% Securities Transfer Services, Inc.
- 100% First Philippine Realty Corporation
- 98.00% FPHC Realty and Development Corporation
- 100% FPH Capital Resources Inc.
- 100% First Philippine Utilities Corporation
- 100% FGHC International
- 100% FPH Fund
  - 100% FPH Ventures
- 100% First Philippine Properties Corp.
  - 100% FPH Land Ventures Inc.
    - 90% TerraPrime, Inc.
  - 100% First Industrial Township, Inc.
  - 100% First Industrial Township Water, Inc.
  - 100% First Industrial Township Utilities, Inc.
  - 100% First Philippine Dev't Corp.
  - 100% FWV Biofields Corp
  - 60% First Sumiden Realty, Inc.

ROCKWELL LAND CORPORATION AND SUBSIDIARIES
MAP OF RELATIONSHIPS OF COMPANIES WITHIN THE GROUP
As of June 30, 2016



SIGNATURE

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

Issuer: **ROCKWELL LAND CORPORATION**

By:

Ellen V. Almodiel
Senior Vice President - Finance

Date: November 14, 2016