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S.E.C. Registration Number

A L P H A L A N D C O R P O R A T I O N (f o r m e r l y ,
M a c o n d r a y P l a s t i c s , I n c .)

(Company's Full Name)

A l p h a l a n d S o u t h g a t e T o w e r , 2 2 5 8 C
h i n o R o c e s A v e . C o r n e r E D S A , M a k a
t i C i t y

(Business Address: No. Street City/ Town/ Province)

(02) 337-2031

Rodolfo Ma. A
Ponferrada
Contact Person

Company Telephone Number

1 2 3 1

Month Day
Fiscal Year

2 0 1 S

Form Type

0 8 2 8

Month Day
Annual
Meeting

Secondary License Type, If
Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

4 0

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel Concerned

File
Number

LCU

Document
I.D.

Cashier

STAMPS

NOTICE OF THE ANNUAL MEETING OF STOCKHOLDERS

Please take notice that the Annual Meeting of Stockholders of **ALPHALAND CORPORATION** will be held on Thursday, 28 August 2014 at 3:00 p.m. at The City Club at Alphaland Makati Place, Malugay Street corner Ayala Avenue, Makati City to discuss the following:

A G E N D A

1. Call to order
2. Certification of service of notice and quorum
3. Review and approval of the minutes of the previous meeting held on April 2, 2013
4. Annual report of management and approval of the audited financial statements for the fiscal year ended December 31, 2013 contained in the Company's Annual Report
5. Ratification and approval of the issuance of up to 1,374,903,866 shares of common stock of ALPHA, at the issue price of Php2.50 per share, as financing alternatives in order to augment funding of its *affiliates'* projects for the year 2014, consisting of the following:
 - 5.1 Issuance of up to 600,000,000 of common stock of ALPHA to RVO Capital Ventures Corporation;
 - 5.2 Issuance of up to 108,336,866 shares of common stock of ALPHA to minority shareholders;
 - 5.3 Issuance of up to 557,567,000 shares of common stock of ALPHA to pay for the acquisition of land located in Itogon, Benguet for the Alphaland Baguio Mountain Log Homes Project; and
 - 5.4 Issuance of up to 109,000,000 shares of common stock to new investors.
6. Amendment of the Articles of Incorporation to reflect the complete address of the principal office of the Company
7. Amendment of the By-laws to allow participation of directors in board meetings by conference call or similar means
8. Approval of the Company's Stock Option Plan
9. Ratification and approval of all acts of the Board of Directors (as well as committees) and Management since the Last Annual Meeting of Stockholders
10. Election of member of the Board of Directors (including Independent Directors)
11. Appointment of External Auditor
12. Other Matters
13. Adjournment


For purposes of the meeting, only stockholders of record as of July 31, 2014 are entitled to notice of, and to vote at, the Annual Meeting of Stockholders.

Copies of the minutes of the Annual Meeting of Stockholders held on 2 April 2013 will be available upon request.

Registration starts at 3:00 p.m. For your convenience in registering your attendance, please have available some form of identification, such as your driver's license, passport or other form of identification issued by any agency of the government of the Philippines. For representatives of corporate stockholders, kindly bring a copy of the Board Resolution authorizing you to vote the shares of the company you represent.

Should you be unable to attend the meeting in person, you may want to execute a proxy in favor of a representative. The giving of such proxy will not affect your right to vote in person, should you decide to attend the Annual Meeting.

Copies of the following documents will be available upon request: (i) Minutes of the Annual Meeting of Stockholders held on 2 April 2013; (ii) Information Statement; (iii) Management Report; (iv) Consolidated Audited Financial Statements for the year ended December 31, 2013.



RODOLFO M. A. PONFERRADA
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-1S

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE



1. Check the Appropriate box

☒ Preliminary Information Statement

☐ Definitive Information Statement

2. Name of Registrant as specified in its charter ALPHALAND CORPORATION (formerly Macondray Plastics, Inc.)

3. Province, country or other jurisdiction of incorporation or organization Philippines

4. SEC Identification Number 183835

5. BIR Tax Identification Number 001-746-612

6. Address of Principal Office Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati City 1232

7. Registrant's telephone number, including area code (632) 337 - 2031

8. Date, time and place of meeting of security holders
 Date 28 August, Thursday
 Time 3:00 p.m.
 Place The City Club at Alphaland Makati Place, Malugay St. cor. Ayala Ave., Makati City

9. Approximate date on which the Information Statement is first to be sent or given to security holders
4 August 2014

10. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA (information of the number of shares and amount of debt is applicable only to corporate registrants)

Title of Each Class	Number of Common Stock Outstanding or Amount of Debt Outstanding
Common Stock	3,359,226,217 shares
Debt Outstanding	P _____

11. Are any or all of the registrant's securities listed on a Stock Exchange?
 Yes ☒ No ☐

12. If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange Common Shares

INFORMATION STATEMENT

We are not asking you for a proxy and you are requested not to send us a proxy.

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Stockholders

Date : 28 August, Thursday
Time : 3:00 p.m.
Place : The City Club at Alphaland Makati Place, Malugay St. cor. Ayala Avenue, Makati City

Mailing Address of the Company

The complete mailing address of Alphaland Corporation (hereinafter, "ALPHA", the "Company" or the "Corporation") is:

ALPHALAND CORPORATION
The Penthouse, Alphaland Southgate Tower
2258 Chino Roces Avenue corner EDSA
Makati City 1232, Philippines

Record Date

The record date for the purpose of determining the stockholders entitled to notice of, and to vote at, the Annual Meeting of the Stockholders is 31 July 2014 (the "Record Date").

Approximate Date of First Release of Information Statement

The approximate date on which this Information Statement will be first sent out to the stockholders of the Company is on 4 August 2014.

Item 2. Dissenter's Right of Appraisal

There are no matters or proposed actions as specified in the attached Notice of Annual Meeting that may give rise to a possible exercise by shareholders of their appraisal rights or similar rights as provided in Title X of the Corporation Code of the Philippines.

Pursuant to Sections 81 and 42 of the Corporation Code, shareholders of the Company may exercise their right of appraisal in the following instances:

- (i) any amendment of the articles of incorporation which has the effect of changing or restricting the rights of any stockholder or class of share, or of authorizing preferences in respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (ii) sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the property or assets of the corporation;
- (iii) incurring, creating or increasing bonded indebtedness;
- (iv) increase or decrease of capital stock;
- (v) merger or consolidation of the corporation with another corporation or other corporations;

- (vi) dissolution of the corporation;
- (vii) declaration of stock dividends;
- (viii) removal of directors;
- (ix) extension or limitation of corporate term;
- (x) investment of corporate funds in another corporation or business or for any purpose other than the primary purpose for which the corporation was organized;
- (xi) delegation to the board of directors of the power to amend or repeal by-laws or adopt new by-laws.

Each share of stock is entitled to one vote during stockholders' meetings. However, at all elections of directors, every stockholder entitled to vote may vote such number of stocks for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

The election of directors may only be held at a meeting convened for that purpose at which stockholders representing a majority of the outstanding capital stock are present in person or by proxy. However, any vacancy in the board, other than by removal or expiration of term, may be filled by the majority of the remaining directors if still constituting a quorum.

A shareholder who shall have voted against any proposed action may exercise his appraisal right by making a written demand on the Company within thirty (30) days after the date of the shareholders meeting. Failure to make the demand within the prescribed period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the Company shall pay the dissenting stockholder upon surrender of the stock certificates representing his shareholdings in the Company based on the fair value thereof as of the day prior to the date of the shareholders meeting, excluding any appreciation or depreciation in anticipation of such corporate actions, provided that no payment shall be made to the dissenting shareholder unless the Company has unrestricted retained earnings to cause such payment.

If within a period of sixty (60) days from the date of the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the shareholder, another by the Corporation and the third by the two thus chosen. The findings of the majority of the appraiser shall be final and their award shall be paid by the Company within thirty (30) days after such award is made.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

There is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest (except the election of directors).

No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) **Total Number of Shares Outstanding as of 30 June 2014:** 3,359,226,217 common shares

Number of Votes per Share: One (1) vote per share.

- (b) **Record Date:** All stockholders of record as of the close of business on 31 July 2014 are entitled to notice of, and to vote at, the Annual Meeting.

Security Ownership of Certain Record and Beneficial Owners – as of 30 June 2014

There are no delinquent stocks and the direct and indirect record of beneficial owners of more than five percent (5%) of common shares of the Company are:

Title of Class	Name and Address of Record Owner and relationship with Issuer	Name of Beneficial Ownership and relationship with Record Owner	Citizenship	No. of Shares	% Held
Common	Masrickstar Corporation ¹ (17/F Tower 1, Enterprise Center, 6766 Ayala Avenue, Makati City) Stockholder	Eric O. Recto – Vice Chairman and Controlling Stockholder	Filipino	709,472,340	21.12%
Common	PCD Nominee Corporation (37/F Tower 1, Enterprise Center, 6766 Ayala Avenue, Makati City) Stockholder	Alphaland Holdings (Singapore) Pte. Ltd. - Beneficial Owner of these shares lodged with the PDTC	Non-Filipino	508,221,246	26.19%
Common	Alphaland Holdings (Singapore) Pte. Ltd. ² (8 Cross St., 11-00 PWC Building, Singapore) Stockholder	Ashmore Investment Managed Limited (AIML) – Record Owner is owned by funds managed by AIML	Singaporean	209,564,233	6.24%
Common		Credit Suisse (Singapore) Ltd – Beneficial Owner	Singaporean	49,608,000	1.48%
Common	RVO Capital Ventures Corporation ³ (17/F Tower 1, Enterprise Center, 6766 Ayala Avenue, Makati City) Stockholder	Roberto V. Ongpin – Chairman and Controlling Shareholder	Filipino	742,656,743	22.11%

¹The shareholdings of Masrickstar Corporation have been voted in past shareholders' meetings by Mr. Eric O. Recto.

²The shareholdings of Alphaland Holdings (Singapore) Pte. Ltd. have been voted in past shareholders' meetings by Mr. Roberto V. Ongpin.

³The shareholdings of RVO Capital Ventures Corporation have been voted in past shareholders' meetings by Mr. Roberto V. Ongpin.

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as at Record Date, was indirectly or directly the beneficial owner of more than five percent of the Company's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than five percent of the outstanding shares of common stock. There are no persons holding more than 5% of the Company's common stocks that are under a voting trust or similar agreement.

Security Ownership of Management

The following are the number of shares of common stock owned of record and beneficially by the directors and executive officers of the Company and the percentage of shareholdings of each, as at 30 June 2014:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent
Common	Roberto V. Ongpin	Direct	4,400,001	Filipino	0.13%
Common		Indirect	1,383,399,237		41.18%
Common	Eric O. Recto	Direct	1	Filipino	0.00%
Common		Indirect	756,039,117		22.51%
Common	Mario A. Oreta	Direct	1	Filipino	0.00%
		Indirect	16,400,000		0.49%
Common	Craig Webster	Direct	1	British	0.00%
Common	Peter Davies	Direct	1	British	0.00%
Common	Cyrano A. Austria	Direct	2,000	Filipino	0.00%
Common	Dennis O. Valdes	Direct	100	Filipino	0.00%
Common	Michael A.P.M. Asperin	Direct	100	Filipino	0.00%
Common	Joanna O. Duarte	Direct	100	Filipino	0.00%
Common	Rodolfo Ma. A. Ponferrada	Direct	100	Filipino	0.00%
Common	Margarito B. Teves	Direct	100	Filipino	0.00%
Common	Josephine A. Manalo	Direct	59,276,800	Filipino	1.76%
Common	Ma. Lourdes A. Torres	Direct	2,432,000	Filipino	0.07%

Except as disclosed above, the Company has not received from any of the directors or executive officers of the Company any statement of ownership, whether of record or beneficially, of more than 5% of the Company's outstanding shares of common stock. As known by the Company, the aggregate number of common shares owned directly by all key officers and directors as a group as at 30 June 2014 was 2,989,015,508 common shares.

Changes in Control

There are no voting trust agreements or any other similar agreement that may result in a change in control of the Company of which the Company has any knowledge. No change in control of the Company has occurred since the beginning of its last fiscal year.

Item 5. Directors and Executive Officers

Pursuant to the Company By-Laws, the directors are elected at each annual meeting of stockholders by stockholders entitled to vote. Each director is elected for a term of one (1) year or until his successor is duly elected and qualified, unless he resigns, dies or is removed prior to such election.

The following names have been nominated to the Board of Directors for the ensuing year:

Roberto V. Ongpin
Mario A. Oreta

Dennis O. Valdes

Rodolfo Ma. A. Ponferrada
Joanna O. Duarte
Margarito B. Teves – Independent Director

The following names have been nominated as members of the Executive, Audit, Nominations and Compensation Committees for the ensuing year:

Executive Committee

- a. Roberto V. Ongpin (Chairman)
- b. Mario A. Oreta

Audit Committee

- 1. Margarito B. Teves (Chairman/Independent Director)

Nominations Committee

- a. Roberto V. Ongpin
- b. Mario A. Oreta

Compensation Committee

- a. Roberto V. Ongpin

The aforementioned nominees were nominated to the Nominations Committee by shareholders of the Company.

Pursuant to Section 38 of the Securities Regulation Code and Article III, Section 2 of the Corporation's By-Laws, the Corporation is required to elect at least two (2) independent directors, or such independent directors constituting at least twenty percent (20%) of the members of such board, whichever is less. Messrs. , and Margarito B. Teves were all nominated by. The nominating shareholders are not related to any of the nominees, including that of the independent director.

A majority of the above named nominees are expected to attend the scheduled Annual Meeting.

The executive officers have been appointed by the Board of Directors to serve for a period of one (1) year or until their successors shall have been elected and qualified.

Names of Directors and Executive Officers

The following are the names, ages and periods of service of the incumbent directors (as well as that of the new nominees) and executive officers of the Company with a brief description of the business experience during the past five years of each of the directors and executive officers:

Board of Directors

ROBERTO V. ONGPIN, *Chairman of the Board, Chief Executive Officer and Director*

Mr. Ongpin, Filipino, 77, was elected Director and Chairman of the Board in November 11, 2009. He is also the Chairman of the following Philippine-listed Corporations: PhilWeb Corporation (WEB) (since 2000), ISM Communications Corporation (ISM) (since 2000), Atok-Big Wedge Co., Inc. (AB) (since 2009), and a Director of San Miguel Corporation (SMC), Ginebra San Miguel, Inc. (GSMI), PAL Holdings, Inc. (PAL) and Petron Corporation (PCOR). He is also the chairman of Alphaland Balesin Island Club, Inc., The City Club at Alphaland Makati Place, Inc. and Alphaland Marina Club, Inc. In Hong Kong, he is the Non-Executive Director of Shangri-La Asia and the Deputy Chairman of the South China Morning Post, both listed in the Hong Kong Stock Exchange. He is also the Chairman of Acentie GmbH (Germany) and a Non-Executive Director of Forum Energy PLC (London). Mr. Ongpin joined SGV & Co. in 1964 and was Chairman and

Managing Partner of the firm from 1970 to 1979. He served as the Minister of Trade and Industry of the Republic of the Philippines from 1979 to 1986. Mr. Ongpin graduated cum laude in Business Administration from the Ateneo de Manila University, is a Certified Public Accountant, and has an MBA from the Harvard Business School.

ERIC O. RECTO, *Vice-Chairman*

Mr. Recto, Filipino, 51 years old, was elected Director on November 11, 2009, appointed Corporate Information Officer on November 18, 2009, and elected Vice Chairman on December 8, 2009. He is also the chairman of the Philippine Bank of Communications (PBC), vice chairman and director of Alphaland Balesin Island Club, Inc., The City Club at Alphaland Makati Place, Inc., Alphaland Marina Club, Inc., Atok-Big Wedge Co., Inc. Philweb Corporation, and of Petron Corporation, president and director of ISM Communications Corporation, a director of San Miguel Corporation and Manila Electric Company (MER), a member of the Board of Supervisors of Acentic GmbH and the President and Director of Top Frontier Investment Holdings, Inc., and Q-Tech Alliance Holdings, Inc. Prior to joining the Company, Mr. Recto served as Undersecretary of Finance of the Republic of the Philippines from 2002 to 2005, in charge of handling both the International Finance Group and the Privatization Office. Before his stint with the government, he was chief finance officer of Alaska Milk Corporation and Belle Corporation. Mr. Recto has a degree in Industrial Engineering from the University of the Philippines as well as an MBA from the Johnson School, Cornell University.

MARIO A. ORETA, *President and Director*

Mr. Oreta, Filipino, 68 years old, was elected Director on November 11, 2009 and President on December 8, 2009. He is also currently the President and a Director of Alphaland Development, Inc., Alphaland Balesin Island Resort Corporation, Alphaland Makati Place, Inc., Alphaland Makati Tower, Inc., The City Club at Alphaland Makati Place, Inc., Alphaland Balesin Island Club, Inc., Alphaland Marina Corporation, Alphaland Marina Club, Inc., Aklan Boracay Properties, Inc. and Alphaland Property Management Corporation, the Vice Chairman and Director of Alphaland Heavy Equipment Corporation and Alphaland Reclamation Corporation, and Chief Operating Officer of Jet Eagle International Limited, Inc. He is the Chairman of Major Holdings, Inc., Major Properties, Inc., and Major Homes, Inc. He is also a Director of PhilWeb Corporation, ISM Communications Corporation, and Atok-Big Wedge Co., Inc. He was the founder and managing partner of Tanjuatco Oreta and Factoran Law Offices.

JESUSA LORETO A. ARELLANO-AGUDA, *Chief Financial Officer and Director*

Ms. Aguda, Filipino, 34 years old, is currently Chief Financial Officer of Alphaland Corporation (ALPHA), The City Club at Alphaland Makati Place, Inc., Alphaland Balesin Island Club, Inc. and Atok-Big Wedge Co., Inc. (AB). She was previously the Legal Counsel for the Office of the Vice Chairman of Alphaland Corporation (from October 2010 to July 2012). She is a Certified Public Accountant as well as a member of the Philippine Bar. She is a graduate of the University of the Philippines College of Law and Howard Law School.

MICHAEL ANGELO PATRICK M. ASPERIN, *Director*

Mr. Asperin, Filipino, 55 years old, was elected Director on 2 April 2013. He handles various matters for the Group including the development of the Balesin Island Club project, as well as the operations of the aviation and security divisions of the Alphaland Group. Prior to joining ALPHA, he served as Senior Vice President for Security for WEB from 2009 to 2012, and as Enterprise Risk and Security Management Officer of PCOR from 2007-2009. He graduated from the Philippine Military Academy in 1981.

(MGen) CYRANO A. AUSTRIA (Ret.), *Director*

Mr. Austria, Filipino, 61, was elected Director on 2 April 2013. He is Senior Vice President for Project Development and Management of Alphaland Development, Inc. since the year 2012 up to the present. Before joining the Group, Mr. Austria was Head of Project Management & Government Agencies for South Luzon Tollway Corporation (2011); Operations Manager of

Manila Toll Expressway Systems (2009-2011); Chief Engineer of the Armed Forces of the Philippines (2006-2008), Assistant Chief of Staff for Logistics, G4 of the Philippine Army, AFP (203-2005); and served the AFP in various capacities from 1999-2006.

CRAIG WEBSTER, *Director*

Mr. Webster, British, 41 years old, was elected as Director on November 27, 2009. Mr. Webster is also currently a director of Alphaland Development, Inc. Mr. Webster is also Head of Legal and Transaction Management of Ashmore Investment Management Limited since June 2008. Prior to this, he was head of Corporate Finance Legal Team and Deputy Head of Legal Transaction and Management and joined Ashmore in 2005. Prior to joining Ashmore, Mr. Webster was a senior associate with Weil Gotshal's Corporate Finance Team in London from 1998 to 2003. He has a BA (hons) in Marketing from Stirling University and qualified as solicitor of the Supreme Court of England and Wales in 1998. Mr. Webster acts as a director on various Ashmore portfolio companies and is a member of Ashmore's Risk and Compliance Committee.

PETER DAVIES, *Director*

Mr. Davies, British, 50 years old, was elected Director on December 20, 2011. Mr. Davies is a British citizen and received an Honours degree from the University of London in 1985 (History) and subsequently studied to become a Chartered Surveyor receiving his professional qualifications (Member of the Royal Institution of Chartered Surveyors) in 1990. Prior to joining Ashmore, he has been employed in the real estate business since 1988 and has worked for a number of fund management businesses specializing in real estate including ING Real Estate and Goodman.

DENNIS O. VALDES, *Director*

Mr. Valdes, Filipino, 53 years old, is presently the president of Philweb Corporation and a director of ISM Communications Corporation and Atok-Big Wedge Co., Inc. and a member of the Board of Supervisors of Acentic GmbH. He worked in various capacities for the Inquirer Group of Companies from 1996 to 2006 as a director of Philippine Daily Inquirer, Inc., founding president of Inq7 Interactive, Inc. and president of Inquirer Publications, Inc. Simultaneously, he worked for the Print Town Group of companies as executive vice president and chairman of the executive committee of FEP Printing Corp., president of Lexmedia Digital Corp. and founding president of Newspaper Paraphernalia, Inc. He is a certified public accountant, graduated magna cum laude in Business Administration and Accountancy from the University of the Philippines and has an MBA degree from the Kellogg School of Management, Northwestern University.

RODOLFO MA. A. PONFERRADA, *Director and Corporate Secretary*

Mr. Ponferrada, Filipino, 37 years old, was elected as director of the Company in April 20, 2012. He is currently the Corporate Secretary and Corporate Information Officer of the Company. He is also the Corporate Secretary and a Corporate Information Officer of ISM Communications Corporation, Atok- Big Wedge Co., Inc., Philweb Corporation and the Philippine Bank of Communications, and a Member (representing the private sector) of the Board of Directors of the Social Housing Finance Corporation. Mr. Ponferrada is a Member of the Philippine Bar.

JOANNA O. DUARTE, *Director and Head of Sales and Marketing*

Ms. Duarte, Filipino, 45, is was elected as director of the Company in April 20, 2012. She is also currently the Director for Sales and Marketing for Alphaland Balesin Island Club, Inc., The City Club at Alphaland Makati Place, Inc. and Alphaland Marina Club, Inc. She is an entrepreneur with ventures in the retail industry. She is the president of Big & Small Marketing Co., Inc., a company she started in 1989 with the popular local clothing brands Big & Small Co., H.A.B. Maternity, and More and Spin; and a Director of Bearwear Inc., owner of local clothing brand Orange Juice. She has a degree in Interdisciplinary Studies from the Ateneo de Manila University and has attended an MA in Entrepreneurship from the Asian Institute of Management.

MARGARITO B. TEVES, *Independent Director*

Mr. Teves, Filipino, 70 years old, was elected Independent Director on May 26, 2011 and assumed

this position on July 1, 2011. Mr. Teves is currently the Chairman of Think Tank, Inc., Member of the Board of Advisers of Metro Bank and Trust Company and Member of the Board of Directors of Landbank Countryside Development Foundation. He was formerly Secretary of the Department of Finance, Landbank President and CEO and a Member of the House of Representatives (representing the 3rd District of Negros Oriental). He obtained a Higher National Diploma (HND) in Business Studies, equivalent to a BSC in Business Economics from the City of London College and a Master of Arts (MA) in Development Economics from the Center for Development Economics, Williams College, Massachusetts, USA. He was recently conferred an Honorary Degree, Doctor of Laws, by Williams College, and named Senior Adviser to the China- Asean Economic and Culture Research Center and Visiting Professor at the Guilin University of Electronic Technology in China.

Independent Director

As approved by the Board of Directors, the procedure for the nomination of independent directors shall be as follows:

The nomination of independent directors shall be conducted by the Nominations Committee prior to the Annual Meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the nominees for election. The Nominations Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors.

After the nomination, the Nominations Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required by existing and applicable rules, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the information statement, or in such other reports the Company is required to submit the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relation with the nominee.

Only nominees whose names appear on the final list of candidates shall be eligible for election as independent directors. No other nomination shall be entertained after the final list of candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

All nominees, Messrs., Margarito B. Teves, and, do not have a relationship with the Company which would interfere with the exercise of independent judgment in carrying out responsibilities of a director. None of them are related to any of the directors or officers of the Company.

Mr. has recommended the nomination of Messrs., Teves, and as independent directors for the ensuing year. Mr. Reeto is not related to any of the mentioned nominees. The Nominations Committee has taken into consideration the qualifications to be an independent director. Attached as Annexes "A" "B" and "C" are the Certifications of the Qualification of the Nominees for Independent Directors of Messrs., Teves and.

In approving the nomination for Independent Director, the Nomination Committee took into consideration the guidelines on the nomination of Independent Directors prescribed in SEC Memorandum Circular No. 16, Series of 2002. All the nominees for election to the Board of Directors have at least one (1) share registered in their names.

OFFICERS

JOSEPHINE A. MANALO, *Corporate Information Officer*

Ms. Manalo, Filipino, 71 years old, was appointed Corporate Information Officer on November 18, 2009. Ms. Manalo is presently connected with PhilWeb Corporation as Executive Assistant to the Chairman. She is also working in various capacities for Mr. Roberto V. Ongpin's Group of Companies. She has a Bachelor of Science in Business Administration degree from St. Theresa's College, Manila.

MA. LOURDES A. TORRES, *Corporate Information Officer*

Ms. Torres, Filipino, 60, was appointed Corporate Information Officer on 27 November 2013. Ms. Torres is presently connected with WEB, as Executive Secretary to the Chairman. Prior to joining WEB, she worked in various capacities with several companies in the private sector and served as Assistant to the Secretary of Trade and Industry from 1983 to 1993. She has a Bachelor of Science in Business Administration degree from St. Theresa's College, Manila.

JONAMEL G. ISRAEL-ORBE, *Corporate Information Officer*

Ms. Israel-Orbe, Filipino, 40 years old, replaced Mr. Recto as Corporate Information Officer on 13 December 2013. Ms. Orbe is also Legal Counsel for Alphaland Development, Inc. and Corporate Information Officer of Atok-Big Wedge Co., Inc. She is a member of the Philippine Bar.

CLIBURN ANTHONY A. ORBE, *Assistant Corporate Secretary and Corporate Information Officer*

Mr. Orbe was elected Assistant Corporate Secretary on 2 January 2014. He is also Director, Assistant Corporate Secretary and Corporate Information Officer of WEB. He has a Bachelor of Laws degree from Mindanao State University where he graduated cum laude and class valedictorian. He was formerly an associate of Rodrigo Berenguer & Guno law firm. He is a member of the Integrated Bar of the Philippines.

Directorships in Other Reporting Companies

Mr. Roberto V. Ongpin also serves as chairman of ISM Communications Corporation, Philweb Corporation, Atok-Big Wedge Co. Inc., The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. and a director of Petron Corporation, San Miguel Corporation, PAL Holdings, Inc. and Ginebra San Miguel, Inc.

Mr. Eric O. Recto is also the chairman of Philippine Bank of Communications, the president of ISM Communications Corporation as well as vice chairman of Philweb Corporation, Atok-Big Wedge Co. Inc., Petron Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. He is also a director of Manila Electric Company and San Miguel Corporation.

Mr. Mario A. Oreta is president of The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc., a director of Philweb Corporation, ISM Communications Corporation and Atok-Big Wedge Co. Inc.

Ms. Jesusa Loreto A. Arellano-Aguda is a director and chief finance officer of Atok-Big Wedge Co., Inc.

Mr. Rodolfo Ma. A. Ponferrada is a director of Atok-Big Wedge Co., Inc.

Mr. Dennis O. Valdes is a director and president of Philweb Corporation and a director of ISM Communications Corporation and Atok-Big Wedge Co., Inc.

Mr. Cliburn Anthony A. Orbe is a director of WEB.

Shares of ISM Communications Corporation (ISM), Philweb Corporation (WEB), Atok-Big Wedge Co., Inc. (AB), Philippine Bank of Communications (PBC and PBCP), Petron Corporation (PCOR and PPREF), Manila Electric Company (MER), San Miguel Corporation (SMC and SMCPI), PAL Holdings, Inc. (PAL) and Ginebra San Miguel, Inc. (GSMI) are all listed in the Philippine Stock Exchange, Inc. Shares of The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. are covered by Registration Statements filed with the SEC.

Significant Employee

The Company considers its entire manpower complement (including that of its subsidiaries) as significant employees, expected to contribute positively to the Company's goals and objectives in line with the Company's mission, vision and objectives through the implementation of its core and foundational values.

Family Relationships

Messrs. Eric O. Recto and Dennis O. Valdes are nephews of Mr. Roberto V. Ongpin. Ms. Joanna O. Duarte is a niece of Mr. Ongpin. Other than the foregoing, the persons nominated or chosen by the Company to become directors or executive officers are not related to each other up to the fourth civil degree either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

1. *Development Bank of the Philippines vs. Reynaldo G. David, et al., OMB Case No. C-C-11-0492-II, Office of the Ombudsman.* This is a criminal complaint for violations of R.A. No. 3019, and banking laws, rules and regulations, pending with the Office of the Ombudsman, in connection with certain loan and share purchase transactions Mr. Roberto V. Ongpin (RVO) had with the Development Bank of the Philippines (DBP) involving shares in Philex Mining Corporation (Philex). In an Order dated 26 November 2012 and approved on 8 January 2013, the Office of the Ombudsman denied all motions for reconsideration of its 24 September 2012 Review Resolution and accordingly filed the corresponding Informations with the Sandiganbayan.
2. *Atty. Zenaida Ongkiko-Acorda, as attorney-in-fact of Atty. Mario E. Ongkiko and in behalf of Philex Mining Corporation vs. Roberto V. Ongpin, et al., SEC Case No. 11-166, Branch 158, Regional Trial Court of Pasig.* This involves a "derivative suit" filed on behalf of Philex against RVO and other companies beneficially owned by RVO in connection with Section 23.2 of the Securities Regulation Code and in order to recover the "short-swing profits" which were allegedly realized from supposed transactions involving Philex shares. This case is in the discovery stage. A related Petition for Review on Certiorari is also pending before the Supreme Court in G.R. No. 204166, entitled *Roberto V. Ongpin, et al. vs. Acorda, et al.*
3. *People vs. Reynaldo G. David, et al., S.B.-13-CRM-0105 and S.B.-13-CRIM-0106, Sandiganbayan (Third Division).* This case was filed against RVO and others in connection with two loans obtained by Deltaventure Resources, Inc. (DVR1) from DBP. The Informations in both cases, respectively, for violations of Section 3 (c) of R.A. No. 3019 were filed on 10 January 2013. There is a pending Motion to Quash filed by the accused.

4. *In Re: Ex Parte Petition for the Issuance of Freeze Order Against the Bank Accounts of Roberto V. Ongpin, et al., CA-G.R. AMLC No. 00066, Court of Appeals (Fifth Division).* This is a petition filed by the Anti-Money Laundering Council for the freezing of the bank accounts of RVO and others in connection with two loans granted by DBP to DVR1 in 2009. The freeze order has been lifted as of June 2013.
5. *NBI Technical Intelligence Division - Intelligence Service - Eduveges O. Batalan vs. Roberto V. Ongpin, et al., NPS Docket No. XVI-INV-14E-00168 (For: Serious Illegal Detention, Grave Coercion and Robbery)* – This is a complaint for alleged serious illegal detention, grave coercion and robbery filed against RVO, Michael Angelo Patrick M. Asperin, Josephine A. Manalo, Cliburn Anthony A. Orbe, et al. The case is presently pending before the Department of Justice.

Other than the foregoing, no director or senior corporate officer of the Issuer during the past five (5) years has been subject to:

- (a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- (b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (c) Any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; or
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

Certain Relationships and Related Transactions

The Company is not aware of any transaction in the last two (2) years, or proposed transaction to which the registrant is a party, in which the following persons have direct or indirect material interest, that were out of the ordinary course of business:

1. any director or executive officer
2. any nominee for election as director
3. any security holder named above
4. any member of the immediate family of the above-named persons

Except as disclosed in the Company's notes to financial statements contained in the Company's audited financial statements, there has been no material transaction to which the Company was or is to be a party in which any of the incumbent directors or nominee director or executive officer of the Company or owners of more than ten percent of the Company's voting shares has or is to have a direct or indirect material interest. In the ordinary course of business, the Company has transactions with other companies in which some of such persons may have an interest. Such transactions are negotiated on an arm's length basis comparable or better than that which can be provided by independent third parties.

The transactions with related parties/affiliates are carried out under commercial terms and conditions. Pricing for the sales of products are market driven. For purchases and other services, the Company's practice is to solicit competitive quotes from third parties. Transactions from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases and services are usually awarded on the basis of lowest cost provider. The Company also receives/grants cash advances and other financial support from/to affiliated companies and stockholders. These cash advances to and from affiliates bear interest rate based on current bank rates and with no definite repayment period.

Item 6. Compensation of Directors and Executive Officers

The aggregate compensation (including bonuses) paid or accrued during the last three (3) years and the ensuing year to the Company's Chief Executive Officers and the key officers named below, as a group are:

Name and Principal Position	Year	Salary (PhP)	Bonus (PhP)	Aggregate Compensation
<hr/>				
Executive Officers	2010			
Roberto V. Ongpin, Chairman				
Eric O. Recto, Vice Chairman				
Mario A. Oreta, President				
Fernando R. Santico, Chief Operating Officer				
Raul C. Pagdanganan, Chief Finance Officer				
All Directors and Officers as a Group Unnamed		P	P	P
<hr/>				
Chief Executive Officer and Top 4 Highest Paid Executives	2011			
Roberto V. Ongpin, Chairman				
Eric O. Recto, Vice Chairman				
Mario A. Oreta, President				
Fernando R. Santico, Jr., Chief Operating Officer				
Marriana H. Yulo, Chief Finance Officer				
				P
				31,850,000.00
<hr/>				
Chief Executive Officer and Top 4 Highest Paid Executives	2012			
Roberto V. Ongpin, Chairman				
Eric O. Recto, Vice Chairman				
Mario A. Oreta, President				
Fernando R. Santico, Jr., Chief Operating Officer				
Marriana H. Yulo, Chief Finance Officer				
				P31,850,000.00
All Directors and Officers as a Group Unnamed		P	P	P
				49,311,613.00

The above executive officers, aside from their compensation and bonus, are entitled to reimburse certain expenses which they incur as part of the ordinary course of business (i.e. gasoline, representation and travel expenses). There are no special terms or compensatory plans or arrangements with respect to the resignation, termination of employment of such executive officers between the Company and any of its executive officers. Likewise, there are no warrants or options held by the Company's officers or directors either singly or collectively.

The non-executive members of the Board of Directors do not receive any direct compensation from the Company. None of the directors, in their personal capacity, has been contracted and compensated by the Company for services other than those provided as a director. The Board of Directors, upon attendance at each Board Meeting, is authorized under the Company's Articles of Incorporation to receive a per diem of P10,000.00.

The Company is being managed by the management team of ADI.

Item 7. Independent Public Accountant

In 2012, the Company engaged SGV & Co. as its external auditor. There were no changes in or disagreements with accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the past fiscal year.

The Company paid its external auditor the following fees for the last three (3) years for professional services rendered:

Type of Service	Aggregate Fee Amounts (in Php)			Nature of Services
	2012	2011	2010	
External audit	1,400,000	1,200,000	1,400,192	Audit of Financial Statements
Retainer	200,000	140,000	-	Tax advisory services
Total fees	1,600,000	1,340,000	1,400,192	

The Audit Committee is directly responsible in selecting and appointing the independent public accountants. Annually, the Committee recommends that the Board request shareholder ratification of the appointment of the independent public accountants. The Committee is also responsible for setting the compensation of the independent public accountants and periodically reviews the fees charged for all permitted audit-related expenses and other services. The Committee performs oversight functions over the Company's external auditors. It ensures that the auditors act independently from management and that it is given access to all records, properties and personnel of the Company to enable it to perform its functions properly. It is also their responsibility to evaluate and, when appropriate, to remove the independent public accountants. The Audit Committee makes recommendations to the Board of Directors concerning the external auditors and pre-approves audit plans, scope and frequency before the conduct of the external audit. The Committee reviews the financial reports before these are submitted to the Board, with particular focus on (i) any changes in accounting policies and practices, (ii) Major judgmental areas, (iii) significant adjustments resulting from audit, (iv) going concern assumptions, (v) compliance with accounting standards, and (vi) compliance with tax, legal and regulatory requirements. The Audit Committee has approved the audit conducted by SGV & Co.

There were no other professional services rendered by SGV & Co during the period.

The reappointment of SGV & Co. as the Company's external auditor was approved by the Stockholders in the Annual Stockholders Meeting held last 2 April 2013.

There were no disagreements with respect to the transfer of the account, nor was there any accounting/auditing issue raised in this connection.

The reappointment of the said auditing firm as Independent Public Accountant for the year 2013 will be submitted to the stockholders by the Company's Audit Committee for their confirmation and approval during the regular annual stockholders meeting.

Pursuant to Rule 68 of the Securities Regulation Code on the 5 year rotation requirement for the external auditor, the Audit Committee shall require the appointment of a new partner to handle and oversee the external audit of the Company's financial statements. The appointment of the duly qualified and SEC registered Independent Public Accountant shall be announced in the shareholders meeting for consideration and approval of the stockholders.

Duly authorized representatives of SGV & Co are expected to be present at the meeting where they will have the opportunity to respond to appropriate questions.

Item 8. Compensation Plans

No action pertaining to any plan involving the payment or distribution of cash or non-cash compensation will be taken during the Annual Meeting.

C. ISSUANCE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

No approval of the stockholders is sought for the issuance or authorization of securities other than for exchange of outstanding securities of the Company.

Item 8 (Compensation Plans) above sets forth the adoption of the Company's stock option plan.

There are no provisions in the Company's Article of Incorporation or By-Laws that would delay, defer or prevent a change in control of the Company.

Each common share entitles the holder to one vote. At each meeting of the stockholders, each stockholder entitled to vote on a particular question or matter involved shall be entitled to vote for each share of stock standing in his name in the books of the Company as of record date. Voting shall be in accordance with the voting procedure described below.

Each holder of common stock shall be entitled to such dividends as may be declared by the Board and on the basis of outstanding stock held by them. The Board is authorized to declare dividends which shall be declared and paid out of the Company's unrestricted retained earnings. A cash dividend declaration does not require any further approval from the stockholders. A stock dividend approval shall require the further approval of the stockholders representing at least two-thirds of the Company's outstanding capital stock.

Under the Company's amended articles of incorporation, holders of common stock have waived their pre-emptive right. There is no provision in the Company's amended articles of incorporation or by-laws that would delay, defer or prevent a change in control of the Corporation.

Item 10. Modification or Exchange of Securities

There are no matters or actions to be taken up for the modification of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

The audited financial statements as of December 31, 2013, Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto.

Financial Statements

The Unaudited Consolidated Financial Statements of the Company for the fiscal year ended December 31, 2012 is hereby attached for reference. Copies of the audited consolidated financial statements for the period ended December 31, 2012 shall be made available to the stockholders during the Annual Stockholders' Meeting on April 2, 2013. The consolidated financial statements reflect that of Alphaland Corporation (formerly Macondray Plastics, Inc. or MPI; hereinafter referred to as ALPHA or Parent Company) and its subsidiaries: Alphaland Development, Inc. (ADI), Alphaland Reclamation Corporation (ARC), Alphaland Balesin Island Resort Corporation (ABIRC), Alphaland Aviation, Inc. (AAI) and Alphaland Boracay Properties, Inc. (ABPI) (collectively referred to as the Group).

Management's Discussion and Analysis of Results of Operation and Financial Condition

Organization and Business

ALPHA's primary purpose was amended from a plastics manufacturing interest to a holding company upon the approval of the Philippine Securities and Exchange Commission (SEC) on April 7, 2010. The Company spun off the operation and maintenance of its plastics manufacturing business to its then wholly-owned subsidiary, Macondray Plastics Products, Inc. ("MPPI") through a deed of conveyance on October 13, 2009 where ALPHA transferred and conveyed in favor of MPPI all of its rights, titles and interests in, and obligations to, its net assets in consideration of, and solely in exchange for shares of stock of MPPI (the "Assignment"). The transfer of properties and obligations to MPPI from ALPHA became effective upon the approval by the SEC of the increase in the authorized capital stock of MPPI on April 7, 2010.

Further to the spinoff of MPPI, ALPHA signed a Memorandum of Understanding ("MOU") on December 23, 2010 with Macondray Philippines Co., Inc. ("MPCI"), where the latter is offering to buy ALPHA's entire interest in MPPI upon completion of the Assignment, which ALPHA accepted for a reasonable consideration to be determined nearer to the Assignment. With the foregoing agreement, ALPHA presented the assets of MPPI as "Assets held for sale", and the liabilities as "Liabilities directly associated with assets held for sale" in the 2010 consolidated balance sheet, and reported the operations of the plastics manufacturing segment as "Income from discontinued operations" in the 2010 consolidated statement of comprehensive income. Consequently, the sale of MPPI was consummated with the execution of a Deed of Absolute Sale between ALPHA and MPCI on October 28, 2011 for a consideration of P254.0 million, which resulted to a loss on sale of P1.3 million.

Basis of Consolidation

On April 7, 2010, ALPHA completed the legal acquisition of ADI and its subsidiary through the share-for-share swap. ADI was deemed to be the accounting acquirer for accounting purposes under the principles of Philippine Financial Reporting Standards (PFRS) 3, *Business Combinations*. Therefore, the share-for-share swap transaction was accounted for as a reverse acquisition under PFRS 3. Accordingly, the consolidated financial statements of ALPHA in 2012, 2011 and 2010 have been prepared as a continuation of the consolidated financial statements of ADI.

Following is a list of the legal subsidiaries as of December 31, 2012, 2011, and 2010:

Company	Nature of Business	Percentage of Effective Ownership		
		2012	2011	2010
ADI	Real property development	100	100	100
Alphaland Makati Place, Inc. (AMPI) ^(a)	Real property development	100	100	100
Alphaland Makati Tower Inc. (AMTI) ^{(a) (d)}	Real property development	100	100	100
Alphaland Marina Corporation (AMC) ^{(a) (d)}	Real property development	100	100	100
ABIRC ^(d)	Real property development	100	100	100
ARC ^(c)	Real property development	100	100	—
AAI ^(f)	Real property development	100	—	—
ABPI ^(f)	Real property development	100	—	—
2258 Blue Holdings ^{(a) (f)}	Real property development	100	—	—
Choice Insurance Brokerage, Inc. ^{(f) (g)}	Real property development	70	—	—
MPPI	Plastics manufacturing	—	—	100
The City Club at Alphaland Makati Place, Inc. (TCCAMPI; the "City Club") ^{(b) (d)}	City club operation	—	—	99
^(b)				
Alphaland Balesin Island Club Inc. (ABICI; the "Island Club") ^{(c) (d) (h)}	Island club operation	—	—	100

^(a) Through ADI

^(b) Through AMPI

^(c) Through ABIRC

^(d) Incorporated in 2010

^(e) Incorporated in 2011

^(f) Incorporated in 2012

^(g) Through 2258 Blue Holdings

^(h) Ownership of TCCAMPI and ABICI was transferred to Alphaland Property Management Corporation (APMC), a related party, as a result of the Deed of Assignment dated August 12, 2011.

Results of Operations

	As of December 31, 2012	As of December 31, 2011	As of December 31, 2010
(amount in million)			
Total Assets	51,080.2	33,855.6	17,984.7
Total Liabilities	15,556.1	9,517.8	4,640.0
Stockholders' Equity	35,524.1	24,337.8	13,344.7

	For the year ended December 31, 2012	For the year ended December 31, 2011	For the year ended December 31, 2010
(amount in million)			
Income	3,347.1	2,959.7	1,835.2
Costs and Expenses	556.3	300.8	298.7
Net Income	2,022.0	1,936.0	1,249.9
Total Comprehensive Income	11,180.3	7,710.8	1,250.9
Retained Earnings	7,879.9	5,857.8	3,921.7

2012 vs. 2011

SELECTED ANNUAL INFORMATION

	Years Ended December 31		Variance	
	2012	2011	AMOUNT	PERCENTAGE
<i>(amounts in million)</i>				
REVENUES	529,528,522.00	413,024,287.00	116,504,235.00	28%
Utilities and rent	160,161,872.00	123,827,293.00	36,354,579.00	29%
Service and professional fees	50,944,999.00	36,660,639.00	14,283,460.00	39%
Listing and filing fees	25,149,080.00	30,428,771.00	(5,277,691.00)	-17%
Sales and marketing	14,391,137.00	29,481,774.00	(15,090,637.00)	-51%
Taxes and licenses	84,381,500.00	28,520,473.00	55,861,027.00	196%
Salaries and employees' benefits	16,473,982.00	19,192,190.00	(2,718,208.00)	-14%
Others	73,653,739.00	32,739,280.00	40,914,459.00	125%
COST AND EXPENSES	425,175,409.00	300,848,420.00	124,326,989.00	41%
Gain on fair value change in investment properties	2,454,298,880.00	2,356,792,867.00	97,505,993.00	4%
Gain on sale of AFS investments	330,647,538.00	208,631,416.00	122,016,122.00	58%
Interest expense and other finance charges	(123,392,834.00)	(71,406,901.00)	(51,985,853.00)	73%
Interest income	31,522,356.00	44,887,264.00	(13,364,908.00)	-30%
Gain on loss of control	-	8,939,415.00	(8,939,415.00)	-100%
Loss on sale of an investment	-	(1,298,081.00)	1,298,081.00	-100%
Gain on assignment of shares	1,107,177.00	-	1,107,177.00	100%
Others	(7,685,950.00)	101,790.00	(7,787,740.00)	-7651%
OTHER INCOME (EXPENSES)	2,686,497,147.00	2,546,647,690.00	139,849,457.00	5%
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,790,850,260.00	2,658,823,557.00	132,026,703.00	5%
PROVISION FOR INCOME TAX	768,890,519.00	735,681,820.00	33,208,699.00	5%
NET INCOME FROM CONTINUING OPERATIONS	2,021,959,741.00	1,923,141,737.00	98,818,004.00	5%
INCOME FROM DISCONTINUED OPERATIONS	-	12,907,072.00	(12,907,072.00)	-100%
NET INCOME	2,021,959,741.00	1,936,048,809.00	85,910,932.00	4%
OTHER COMPREHENSIVE INCOME	9,158,312,945.00	5,774,711,570.00	3,383,601,375.00	59%
TOTAL COMPREHENSIVE INCOME	11,180,272,686.00	7,710,760,379.00	3,469,512,307.00	45%

The Group posted a remarkable consolidated net income amounting to P2,022.0 million for the year ended December 31, 2012, compared to P1936.0 million in 2011.

28% Increase in Revenues

Consolidated total revenues relating to rental and other income from Alphaland Southgate Tower amounted to P529.5 million and P413.0 million for the year ended December 31, 2012 and 2011, respectively. The jump in revenues is on account of higher occupancy of the leasable areas during the current period.

41% increase in Costs and Expenses

Increase from P300.8 million in prior period to P323.7 million in current period is mainly due to higher operating expenses (largely utilities, security and janitorial expenses) of Alphaland Southgate Tower associated with increased tenancy, and higher taxes paid on recognized gains on sale of AFS investments, which are subject to the payment of capital gains tax.

5% Increase in Other Income

The net increase is due to gain on fair value change of investment properties amounting to P2,454.3 million and P2,356.8 for the year ended December 31, 2012 and 2011, respectively. The net increase is also attributable to the gain on sale of AFS investments amounting to P330.6 million as of

December 31, 2012 compared to P208.6 million in 2011. 194 Balesin Island Club shares were sold for the year ended December 31, 2012 in higher prices versus 237 in the same period last year. While 51 City Club shares were sold for the year ended December 31, 2012 in higher prices versus 315 in the same period last year. The increase is then offset by higher interest expense and other finance charges as compared to 2011 that is related to the loan of ABIRC.

SELECTED ANNUAL INFORMATION

	December 31, 2012	December 31, 2011	VARIANCE	
	(Unaudited)	(Audited)	AMOUNT	PERCENTAGE
Current Assets				
Cash and cash equivalents	392,416,219	575,015,010	(182,598,791)	-30%
Trade and other receivables	267,960,032	167,722,644	100,237,388	60%
Land and development	1,171,426,541	685,887,592	485,538,949	71%
Advances to related parties	110,662,565	24,929,200	84,833,265	337%
Current portion of available-for-sale (AFS) investments	1,111,159,416	-	1,111,159,416	100%
Other current assets	1,654,630,253	1,800,262,628	(145,632,375)	-9%
	5,080,196,617	33,855,686,146	(28,775,489,529)	-57%
Noncurrent Assets				
Investments in and advances to associates	1,005,853,646	928,511,430	77,342,216	8%
AFS investments - net of current portion	22,516,522,779	10,747,425,000	11,769,097,779	110%
Investment properties	21,315,229,784	18,046,189,795	3,269,039,989	18%
Property and equipment	298,081,321	351,261,224	(53,179,903)	-15%
Other noncurrent assets	266,353,953	120,426,211	145,927,742	100%
	40,001,641,491	30,201,727,662	9,799,913,829	33%
TOTAL ASSETS	51,080,196,617	33,855,686,146	17,224,510,472	51%
Current Liabilities				
Trade and other payables	3,892,773,327	2,209,283,083	1,683,490,244	76%
Loans payable	2,000,000,000	-	2,000,000,000	100%
Current portion of long-term debt	225,976,774	193,756,100	32,220,674	17%
Current portion of customers' deposits	12,741,489	19,551,074	(6,809,584)	-35%
Advances from related parties	30,214,227	9,297,509	20,916,718	225%
Subscriptions payable	523,549,680	523,549,680	-	0%
	6,620,261,770	3,855,431,346	2,764,830,424	72%
Noncurrent Liabilities				
Long-term debt - net of current portion and deferred financing costs	4,148,994,373	2,833,716,282	1,315,278,091	46%
Customer's deposits - net of current portion	77,839,379	57,995,940	19,843,439	34%
Retirement benefit obligation	31,719,332	10,832,286	20,887,046	118%
Deferred tax liabilities	4,092,560,620	3,115,165,012	977,395,608	31%
Obligation under finance lease - net of current portion	2,503,284	3,790,556	(1,287,272)	-31%
Other noncurrent liability	591,859,998	441,889,268	149,970,730	34%
	9,735,676,986	6,462,309,132	3,273,367,854	51%
Total Liabilities	15,556,138,756	9,517,800,478	6,038,338,278	63%
Equity attributable to equity holders of the Parent				
Capital stock - P1 par value				
Authorized: 1,584,322,351 shares				
Issued and outstanding	1,030,370,551	1,030,370,551	-	0%
Additional paid-in capital	9,872,052,401	9,672,852,401	199,200,000	2%
Unrealized gains on AFS investments	10,288,147,677	7,129,834,922	3,158,312,755	44%
Excess of acquisition price over acquired interest	(159,018,215)	(159,018,215)	-	0%
Retained earnings	7,879,875,149	5,857,750,524	2,022,124,625	35%
	28,510,427,763	24,337,990,193	4,172,437,570	17%
Less cost of 423,000 shares in treasury	(1,213,526)	(1,213,526)	-	0%
	25,516,214,237	24,337,776,667	1,178,437,570	5%
Non-controlling interest	5,844,110	-	5,844,110	100%
Total Equity	36,624,056,353	24,337,785,667	12,286,270,686	51%
TOTAL LIABILITIES AND EQUITY	51,080,196,617	33,855,686,146	17,224,510,472	51%

Total assets of the Group amounted to P51,080.2 million and P33,855.6 million as of December 31, 2012 and 2011, respectively.

60% Decrease in Cash and Cash Equivalents

Decrease from P975.1 million as of December 31, 2011 to P392.4 million as of December 31, 2012 is brought about by extensive project development expenditures of the Group.

60% Increase in Trade and Other Receivables

Increase from P167.7 million in December 2011 to P268.0 million in December 31, 2012 came primarily from installment sales of AFS investments comprised of Balesin Island Club and City Club shares during the period.

71% Increase in Land and Development

Projects classified under this account pertain to the Group's proportionate interest in Alphaland Makati Place and Alphaland Tower projects, which are intended for sale. Increase from P685.9 million as of December 31, 2011 to P1,171.4 million as of December 31, 2012 is on account of substantial progress in their construction and development.

9% Increase in Other Current Assets

Increase from P1,800.3 million as December 31, 2011 to P1,954.6 million as of December 31, 2012 is largely due to accumulation of restricted cash, advances to contractors, and input VAT. The sales proceeds of AFS investments and condominium units are held in designated escrow accounts with an agent bank. The former is a requirement of the Securities and Exchange Commission (SEC) to ensure the completion of the Balesin Island Club's and City Club's facilities for the benefit of their members. The latter is a requirement of the Housing and Land Use Regulatory Board (HLURB) to keep the sales proceeds of the Makati Place condominium units intact pending the issuance of AMPI's Certificate of Registration and permanent License to Sell.

120% Increase in AFS Investments

Increase from P10,747.4 million as of December 31, 2011 to P23,627.7 million as of December 31, 2012 is primarily due to increase in fair market value of the Group's total AFS investments, ABIRC's additional subscription to 3,090 Balesin Island Club shares and increase in cost of Marina club shares related to the development agreement entered on December 3, 2012. On December 3, 2012, ABCC, the AMC and AMCI entered into a DA for the development and construction of the Marina Club. It is agreed that ABCC and/or AMC will develop and construct the Marina Club with AMC extending any financing required for the completion of the Marina Club and its amenities. The DA indicates that AMC has the primary obligation to develop and construct the Marina Club. Moreover, in consideration for the Marina Club's construction, AMCI agrees to convert any and all advances provided by ABCC and AMC to additional paid-in capital as the Company constructs the Marina Club. Furthermore, the ownership of the Marina Club, its facilities and amenities will be transferred to AMCI as costs are incurred.

21% Increase in Investment Properties

Under this account are completed properties and properties under construction held to earn rentals or for capital appreciation, or both. Increase from P18,046.2 million as of December 31, 2011 to P21,815.2 million as of December 31, 2012 represents actual project development expenditures and fair value appreciation of investment properties during the period.

Total liabilities of the Group amounted to P15,556.1 million and P9,517.8 million as of December 31, 2012 and 2011, respectively.

31% Increase in Trade and Other Payables

Increase from P2,309.3 million as of December 31, 2011 to P3,022.8 million as of December 31, 2012 is primarily on account of unbilled charges related to the construction of the Group's projects as of year-end.

100% Increase in Loans Payable

In the first quarter of 2012, ABIRC obtained a P2.0 billion credit line from Bank of Commerce (BOC) to finance the construction of the Balesin Island Club, of which P1,593.0 million has been drawn and outstanding as of December 31, 2012.

45% Increase in Long-term Debt - net of deferred financing costs

On 2012, AMTI made loan drawdown in the total amount of P602.0 million, against its P2,400.0 million syndicated loan facility for the construction of the Alphaland Tower, while AMPI also made its loan drawdown in the total amount of P900.0 million against its P1,750.0 million loan facility. These were offset by ADI's principal loan repayments totaling to P155.5 million during the current year.

57% Increase in Deferred Tax Liabilities

Increase from P3,115.2 million as of December 31, 2011 to P4,893.0 million as of December 31, 2012 is substantially due to tax provisions related to gain on fair value of investment properties and unrealized gain on AFS investments.

34% increase in Other Noncurrent Liability

Increase from P441.7 million as of December 31, 2011 to P591.9 million as of December 31, 2012 is on account of the increase in liability related to AMC's acquisition of AFS investments, offset by the transfer of the remaining liability related to the AMPI and ABIRC's acquisition of AFS investments from noncurrent to current liability. The Balesin Island Club and The City Club are both expected to be completed by the first quarter of 2013.

Total equity of the Group amounted to P 35,524.1 million and P 24,337.8 million as of December 31, 2012 and 2011, respectively.

128% Increase in Unrealized Gains on AFS Investments

The significant increase is brought about mainly by the increase in number of Balesin Island Club preferred shares available for sale as well as the increase in fair market value of the Group's total AFS investments which consist of club shares in The City Club and Balesin Island Club.

35% Increase in Retained Earnings

This increase is brought about by the net income of the Group during the current period.

2011 vs. 2010

SELECTED ANNUAL INFORMATION

	Years Ended December 31		VARIANCE	
	2011	2010	AMOUNT	PERCENTAGE
REVENUES	413,024,287	184,264,310	228,759,977	124%
Utilities and rent	123,827,293	65,281,966	58,545,327	90%
Service and professional fees	36,660,639	49,622,955	(12,962,316)	-20%
Listing and filing fees	30,426,771	37,683,721	(7,256,950)	-19%
Sales and marketing	29,481,774	5,977,745	23,504,029	393%
Taxes and licenses	28,520,473	61,922,051	(33,401,578)	-54%
Salaries and employees' benefits	19,192,190	43,694,877	(24,502,687)	-56%
Other's	32,739,280	34,487,590	(1,748,310)	-5%
COSTS AND EXPENSES	300,848,420	298,670,905	2,177,515	1%
Gain on fair value change of investment properties	2,356,792,867	958,615,184	1,398,177,683	146%
Gain on sale of AFS investments	208,631,416	-	208,631,416	100%
Interest expense and other finance charges	(71,406,981)	(93,676,292)	22,269,311	-24%
Interest income	44,887,264	7,810,460	37,076,798	475%
Gain on loss of control	8,939,415	-	8,939,415	100%
Loss on sale of an investment	(1,298,081)	-	(1,298,081)	100%
Other's	101,790	778,180,754	(778,078,964)	-100%
OTHER INCOME (EXPENSES)	2,546,647,690	1,650,930,112	895,717,578	54%
	101,790	778,180,754	(778,078,964)	
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,658,823,557	1,536,523,517	1,122,300,040	-100%
PROVISION FOR INCOME TAX	735,681,820	312,998,438	422,683,382	135%
NET INCOME FROM CONTINUING OPERATIONS	1,923,141,737	1,223,525,079	699,616,658	57%
INCOME FROM DISCONTINUED OPERATIONS	12,907,072	26,336,041	(13,428,969)	-51%
NET INCOME	1,936,048,809	1,249,861,120	686,187,689	55%
OTHER COMPREHENSIVE INCOME	5,774,711,570	1,000,000	5,773,711,570	577371%
TOTAL COMPREHENSIVE INCOME	7,710,760,379	1,250,861,120	6,459,899,259	516%

The Group delivered a remarkable performance with 516% growth in total comprehensive income to P7,710.8 million in 2011 from P1,250.9 million in 2010. Accounting for the huge increase in the bottom line for the current period were higher revenues from property leasing, gain on fair value change of investment properties, gain on sale of AFS investments and interest income.

124% Increase in Revenues

Revenues were derived from the leasing operations of Alphaland Southgate. The Southgate Tower successfully reached 100% occupancy rate in 2011 with the entry of several large tenants coming from the business process outsourcing (BPO) sector. This contributed to higher foot traffic for the Mall translating to higher tenant sales in 2011 compared to previous years. Consequently, is the influx of more retailers in the Mall bringing up the occupancy rate to 87% as of year-end 2011.

1% Increase in Costs and Expenses

Corporate cost control has also been improving with the continued drop in the ratio of costs and expenses to revenues, from 162% in 2010 to 73% in 2011. With total revenues growing faster than total expenses, gross profit margin improved to 27% in 2011 from -62% the previous year. Utilities and rent significantly increased by P58.5 million (90%) due to full tenant occupancy of Alphaland Southgate Tower and wider mall activities. Sales and marketing expenses climbed to P29.5 million in 2011 from only P6.0 million in 2010 due to pre-selling drive of the Group's club shares and condominium units. They were however, offset by decreases in service and professional fees, listing and filing fees, taxes and licenses, salaries and employees' benefits as substantial portions were appropriately allocated to project development costs.

146% Increase in Gain on Fair Value Change of Investment Properties

Effective January 1, 2009, the Group changed its accounting for investment properties from cost to fair value method. The fair values of investment properties as of December 31, 2011 and 2010 were based on the valuation performed by an independent appraiser.

100% Increase in Gain on Sale of AFS Investments

Gain on AFS investments in 2011 were from the secondary sale of the Group's preferred stock shareholdings in the City Club and in Island Club. The City Club is a 3-storey sports and leisure club to be situated underneath the 3 towers of the Alphaland Makati Place, while the Island Club is an island resort situated in Polillo, Quezon whose main attraction is the six villages, themed after the world's top luxurious destinations. Sales activities for the City Club shares started as early as December 2010 at an initial price of P0.5 million each that went up to P1.0 million as of December 31, 2011. Utilizing a personal approach, which was then followed by full-swing marketing, the secondary sale of City Club shares generated a total of 344 shares sold in 2011. Beginning September 2011, the Island Club shares were also offered for secondary sale at an initial price of P1.0 million each, which closed to P2.0 million as of December 31, 2011. A total of 354 shares were sold only four months after it started selling.

475% Increase in Interest Income and 24% Decrease in Interest Expense

Interest income earned is higher in 2011 as compared to 2010 due to higher cash levels coming from revenues, loan proceeds, and equity infusions. Likewise, interest expense and other finance charges is lower in 2011 than in 2010 due to settlement of loans payable and partial payment of long-term debt of ADI.

577,371% Increase in Other Comprehensive Income

Unrealized valuation gain on AFS investments, net of deferred income tax, recognized in other comprehensive income in investment in TCCAMPL, ABICI and Wack Wack shares amounted to P1,810.7, P4,368.2 and P0.3 million, respectively.

SELECTED ANNUAL INFORMATION

	December 31, 2011 (Audited)	December 31, 2010 (Audited)	VARIANCE	
			AMOUNT	PERCENTAGE
Cash and cash equivalents	975,055,018	566,642,921	408,412,097	72%
Trade and other receivables	167,723,644	60,031,019	107,692,634	179%
Land and development	685,887,592	-	685,887,592	100%
Other current assets	1,800,262,920	421,889,044	1,378,373,884	327%
Available-for-sale (AFS) investments	10,747,425,000	11,600,000	10,735,825,000	92,550%
Investment properties	10,040,169,798	15,337,579,053	2,700,569,845	18%
Property and equipment	351,201,224	110,925,870	240,275,354	217%
Other assets	1,001,860,941	1,476,044,338	(394,183,397)	-27%
TOTAL ASSETS	33,855,586,145	17,984,713,136	15,870,873,009	88%
Trade and other payables	2,309,283,003	437,002,691	1,872,280,392	428%
Loans payable	-	128,000,000	(128,000,000)	-100%
Long-term debt - net of deferred financing costs	3,027,466,302	1,598,867,517	1,430,798,785	90%
Customers' deposits	77,547,022	49,664,662	27,882,360	56%
Retirement benefit obligation	10,032,206	4,919,700	5,112,506	104%
Deferred tax liabilities	3,115,165,012	1,592,577,535	1,522,587,477	96%
Other liabilities	978,306,853	831,211,928	147,094,925	18%
Total Liabilities	9,517,800,478	4,640,044,033	4,877,756,445	106%
Capital stock - P1 par value	1,838,370,551	1,429,220,287	409,150,264	29%
Additional paid-in Capital	9,672,052,401	5,998,700,015	3,673,352,386	61%
Deposits for future stock subscriptions	-	2,147,819,426	(2,147,819,426)	-100%
Gain on sale of AFS investments	-	2,559,163	(2,559,163)	-100%
Unrealized gains on AFS investments	7,129,834,932	1,000,000	7,129,834,932	712,883%
Excess of acquisition price over acquired interest	(159,018,215)	(159,018,215)	-	0%
Retained earnings	5,857,759,524	3,921,710,715	1,935,048,809	49%
	24,338,999,103	13,341,991,391	10,997,007,802	82%
Less cost of 423,900 shares in treasury	(1,213,526)	(1,213,526)	-	0%
	24,337,785,667	13,340,777,865	10,997,007,802	82%
Non-controlling interest	-	3,891,238	(3,891,238)	-100%
Total Equity	24,337,785,667	13,344,669,103	10,993,116,564	82%
TOTAL LIABILITIES AND EQUITY	33,855,586,145	17,984,713,136	15,870,873,009	88%

Total assets of the Group amounted to P33,855.6 million and P17,984.7 million as of December 31, 2011 and 2010, respectively.

72% Increase in Cash and Cash Equivalents

Significant increase in cash and cash equivalents is brought about by shareholder's infusion in 2011 January (P1,933.7 million), proceeds from additional long-term loan drawdown of AMPI (P600.0 million) and AMTI (P1,020.0 million).

179% Increase in Trade and Other Receivables

Increase in trade and other receivables is due to increase in receivables from sale of City Club and Island Club shares.

100% Increase in Land and Development Costs and 18% Increase in Investment Properties

Increase in investment properties and land and development costs are due to extensive project construction and appreciation of fair value of investment properties.

92,550% Increase in AFS Investments

AFS investments in 2011 consists of investments in unquoted club preferred shares of TCCAMPI, ABICI, Alphaland Marina Club, Inc. (AMCI) and investment in quoted shares of Wack Wack Golf and Country Club, Inc. (Wack Wack) amounting to P4,172.0 million, P6,564.0 million, P0.1 and P11.3 million, respectively, as of December 31, 2011, while AFS investments in 2010 only consists of investment in quoted shares of Wack Wack amounting to P11.6 million.

327% Increase in Other Current Assets

Increases in other current assets are primarily due to advances to contractors and accumulated input vat on purchases of goods and services.

217% Increase in Property and Equipment

Property and equipment significantly increased due to the massive construction and development of the Group's realty projects in Balesin Island and Caticlan that necessitated the purchase of a number of heavy equipment and machinery for use in the projects.

Total liabilities of the Group amounted to P9,517.8 million and P4,640.0 million as of December 31, 2011 and 2010, respectively.

428% Increase in Trade and Other Payables

Trade and other payables increased significantly in 2011 on account of the recognized P 1,871.3 million liability related to the acquisition of AFS investments with commitment to construct and develop the City Club and Island Club.

100% Decrease in Loans Payable

Loans payable of ADI amounting to P128.0 in 2010 were fully settled in May 2011.

90% Increase in Long-term debt

Proceeds of the outstanding long-term debt were used to finance the Group's projects in Makati City: the completed Alphaland Southgate Tower at EDSA corner Chino Roces Avenue, the on-going construction of Alphaland Makati Place project at Ayala Avenue Extension corner Malugay Street and Alphaland Tower project along Ayala Avenue.

56% Increase in Customers' Deposits

Increase in customers' deposits is mostly attributable to outstanding lease contracts of Southgate.

104% Increase in Retirement Benefit Obligation

Starting 2010, ADI has an unfunded defined benefit plan covering all its regular employees. Retirement benefits obligation recognized in the consolidated balance sheets as of December 31, 2011 and 2010 pertains to present value of the defined benefit obligation of P 10.0 million and P4.9 million, respectively.

96% Increase in Deferred Tax Liability

Increase in deferred tax liability is mainly due to tax provisions related to gain on fair value of investment properties and unrealized gain on AFS investments.

Total equity of the Group amounted to P24,337.8 million and P13,344.7 million as of December 31, 2011 and 2010, respectively.

Increase in Capital Stock, Additional Paid-in Capital and Deposits for Future Stock Subscription

Comprising the significant increase in 2011 is the additional shareholder's infusions in January 2011 in the amount of P1,933.7 million. Deposits for future subscriptions of P2,147.8 million as of December 31, 2010 were all converted to capital stock and additional paid-in capital as of December 31, 2011.

712883% Increase in Unrealized Gains on AFS Investments

Unrealized gains on AFS investments as of December 31, 2011 consist of investments in unquoted club preferred shares of TCCAMPI and ABICI and investment in quoted shares of Wack Wack amounting to P2,761.0 million, P4,368.2 million and P0.7 million.

2010 vs. 2009

SELECTED ANNUAL INFORMATION

	Years Ended December 31		VARIANCE	
	2010	2009	AMOUNT	PERCENTAGE
REVENUES	184,264,310	39,490,300	144,768,004	367%
Utilities and rent	65,281,966	20,785,769	44,496,197	214%
Service and professional fees	49,622,955	33,175,682	16,447,273	50%
Listing and filing fees	37,683,721	-	37,683,721	100%
Taxes and licenses	61,922,051	3,243,244	58,678,807	1809%
Salaries and employees' benefits	43,694,877	18,599,273	25,095,604	135%
Repairs and maintenance	2,640,136	13,839,165	(11,199,029)	-81%
Others	37,825,199	41,277,306	(3,452,107)	-8%
COSTS AND EXPENSES	298,670,905	130,920,529	167,750,376	128%
Gain on fair value change of investment properties	958,615,184	298,902,598	659,712,586	221%
Equity in net income of associates	27,044,818	3,486,918	23,557,900	676%
Gain on bargain purchase	761,886,845	-	761,886,845	100%
Others	(96,616,735)	(22,420,385)	(74,196,350)	-331%
OTHER INCOME (EXPENSES)	1,650,930,112	279,969,131	1,370,960,981	490%
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,536,523,517	188,544,508	1,347,979,009	715%
PROVISION FOR INCOME TAX	312,998,438	114,624,491	198,373,947	173%
NET INCOME FROM CONTINUING OPERATIONS	1,223,525,079	73,920,417	1,149,604,662	1555%
INCOME FROM DISCONTINUED OPERATIONS	26,336,041	-	26,336,041	100%
NET INCOME	1,249,861,120	73,920,417	1,175,940,703	1591%
OTHER COMPREHENSIVE INCOME	1,000,000	-	1,000,000	100%
TOTAL COMPREHENSIVE INCOME	1,250,861,120	73,920,417	1,176,940,703	1592%

The Group reported a total comprehensive income of P1,250.9 million and P73.9 million as of December 31, 2010 and 2009, respectively. Accounting for the huge increase in bottom line for the period are gain on fair value change of investment properties, gain on bargain purchase of an investment, higher revenues from property leasing and increased equity in net income of associates.

367% Increase in Revenues

Revenues were derived from the lease of Alphaland Southgate Tower that commenced in August 2009. Rental income in 2010 is higher compared to 2009 because of the full year operation in 2010 and higher occupancy rate of the Tower and Mall of 84% and 41%, respectively.

128% Increase in Costs and Expenses

Costs and expenses increased in 2010 mainly due to listing and filing expenses of the new companies within the Group, taxes and licenses which were largely real property taxes, higher utilities and rent, service and professional fees and increased administrative overhead associated with simultaneous project developments and the fully operational Alphaland Southgate Tower leasing. Repairs and maintenance decreased by P11.2 million (81%), from P13.8 million in 2009 to P2.6 million in 2010. Ondoy flooding in 2009 damaged several office and mechanical equipment in Southgate that warranted repairs.

221% Increase in Gain on Fair Value Change of Investment Properties

The fair values of investment properties were based on the valuation performed by an independent appraiser.

100% Increase in Gain on Bargain Purchase

Gain on bargain purchase of P761.9 million pertains to the Group's proportionate share in the net assets of a joint venture company over its investment cost. Through various Deeds of Exchange dated October 14, 2010, DMWAI, Wendel Holdings Co., Inc. (Wendel) and ADI conveyed a total of 28 hectares of land they respectively own in Ascana Business Park to A. A. Land Properties Developers Corporation (the "Joint Venture Company"). The properties will be developed by the Joint Venture Company into a high-end, mixed-use property project to be known as Alphaland Bay City, with the Marina Club as its centerpiece. ADI's total investment cost in the Joint Venture Company of P7,979.5 million represents 10 hectares of land, more or less, with fair value of P6,456.0 million, cash of P1,000.0 million and subscriptions payable of P523.5 million. ADI's proportionate share in the net assets of the Joint Venture Company amounted to P8,741.4 million as of December 31, 2010. The excess of ADI's share in the Joint Venture Company over its investment cost amounting to P761.9 million was recognized as "Gain on bargain purchase" in the 2010 consolidated statement of comprehensive income.

676% Increase in Equity in Net Income of Associates

Equitized net earnings in 2010 were from the 20%-owned Shang Global City Properties, Inc. that posted a net income of P141.6 million in 2010, offset by net losses in same year from the 20%-owned Fort Bonifacio Shangri-La Hotel, Inc. and 50%-owned Alphaland Heavy Equipment Corporation (AHEC) of P0.1 million and P2.5 million, respectively.

100% Increase in Other Comprehensive Income

Under other comprehensive income is the unrealized valuation gain on AFS investments in shares of stock of WackWack Golf and Country Club, Inc.

SELECTED ANNUAL INFORMATION

	December 31, 2010	December 31, 2009	VARIANCE	
	(Audited)	(Audited)	AMOUNT	PERCENTAGE
Cash and cash equivalents	566,642,921	55,151,107	511,491,814	927%
Trade and other receivables	60,031,010	39,173,001	20,857,409	53%
Other current assets	421,880,044	274,670,844	147,210,200	54%
Advances to related parties	102,074,638	107,047,000	(94,372,362)	-48%
Investments in and advances to associates	757,470,868	679,211,200	78,259,576	12%
Available-for-sale (AFS) investments	11,600,000	-	11,600,000	100%
Investment properties	15,337,579,953	11,447,110,738	3,890,461,215	34%
Property and equipment	110,025,070	6,901,444	104,024,426	1507%
Assets held for sale	571,427,261	-	571,427,261	100%
Other assets	44,471,573	8,167,429	36,304,144	444%
TOTAL ASSETS	17,984,713,136	12,707,441,453	5,277,271,683	42%
Trade and other payables	437,002,691	248,460,252	188,542,439	76%
Loans payable	128,000,000	-	128,000,000	100%
Long-term debt - net of deferred financing costs	1,596,667,517	1,400,000,000	196,667,517	14%
Subscriptions payable	437,002,688	-	437,002,688	100%
Customers' deposits	49,664,662	31,447,754	18,216,908	58%
Deferred tax liabilities	1,592,577,535	1,201,548,805	311,030,730	24%
Retirement benefit obligation	4,919,700	-	4,919,700	100%
Liabilities directly associated with assets held for sale	292,382,542	-	292,382,542	100%
Other liabilities	101,826,698	2,039,934	99,786,764	4892%
Total Liabilities	4,640,044,033	2,963,494,745	1,676,549,288	57%
Capital stock - P1 par value	1,429,220,287	150,588,900	1,278,631,387	840%
Additional paid-in Capital	5,998,700,015	-	5,998,700,015	100%
Equity reserves	-	6,892,686,702	(6,892,686,702)	-100%
Deposits for future stock subscriptions	2,147,810,426	-	2,147,810,426	100%
Gain on sale of AFS investments	2,550,163	-	2,550,163	100%
Unrealized gains on AFS investments	1,000,000	-	1,000,000	100%
Excess of acquisition price over acquired interest	(159,018,215)	-	(159,018,215)	-100%
Retained earnings	3,921,710,715	2,674,954,393	1,246,756,322	47%
Less cost of 423,900 shares in treasury	(1,213,526)	(1,213,526)	-	0%
	13,340,777,865	9,717,016,529	3,623,761,336	37%
Non-controlling interest	3,091,230	26,930,179	(23,030,941)	-86%
Total Equity	13,344,669,103	9,743,946,708	3,600,722,395	37%
TOTAL LIABILITIES AND EQUITY	17,984,713,136	12,707,441,453	5,277,271,683	42%

Total assets amounted to P17,984.7 million and 12,707.4 million as of December 31, 2010 and 2009, respectively.

927% Increase in Cash and Cash Equivalents

Cash and cash equivalents increased mainly from deposits for future subscriptions from certain shareholders of ALPHA, proceeds of loan availments, and revenues from Southgate.

53% Increase in Trade and Other Receivables

Trade and other receivables increased predominantly from the growing Tenants of Southgate.

34 Increase in Investment Properties

The substantial upward movement is due to continuous project construction and development, appreciation of fair value of investment properties, and recognition of the Group's proportionate share in the investment properties of a Joint Venture Company as well as the acquisition of Balesin Island.

54% Increase in Other Current Assets

Increase in other current assets is mostly input vat on purchases of goods and services during the year.

48% Decrease in Advances to Related Parties

Advances to related parties decreased as of end 2010 on account of ADI's cancellation of the outstanding obligation of Noble Care Management Corporation (Noble Care) in partial

consideration for the latter's conveyance of its 5.88% interest in AMPI. With the foregoing, AMPI became a 100%-owned subsidiary of ADI.

12% Increase in Investments in and Advances to Associates

Increase in investments in and advances to associates is attributable to ADI's P50.0 million investment in AHEC and P27.0 million equitized net earnings of associates.

100% Increase in AFS Investments

ALPHA has AFS investments in listed ordinary shares of stock of Wack Wack Golf and Country Club, Inc. with fair value of P11.6 million as of December 31, 2010.

1507% Increase in Property and Equipment

Property and equipment significantly increased due to massive construction and development of the Group's projects in approximately 394 hectares of land in Balesin Island, Polillo, Quezon and in a 500-hectare property in Nabas, Aklan necessitated the purchase of several heavy equipment from AHEC.

100% Increase in Assets Held for Sale and Liabilities Directly Associated with Assets Held for Sale

Following ALPHA's intent to sell its plastics manufacturing business to MPCl, the assets of MPPI in the total amount of P571.4 million was presented as "Assets held for sale" as of December 31, 2010. Total liabilities amounting to P292.4 million was presented as "Liabilities directly associated with assets held for sale".

Total liabilities of the Group amounted to P4,640.0 million and P2,963.5 million as of December 31, 2010 and 2009, respectively.

76% Increase in Trade and Other Payables

Increase in trade and other payables corresponds to increased project construction requirements.

100% Increase in Loans Payable

Loans payable of P128.0 million was obtained during the current year for working capital requirements, with ADI's property in Silang, Cavite as collateral.

14% Increase in Long-term debt

Proceeds of the outstanding long-term debt were used to finance the completed Southgate Tower and Mall, and the on-going construction of AMPI's Alphaland Makati Place project. As of December 31, 2010, the demolition of existing improvements on the property has been completed and excavation is 87% completed.

100% Increase in Subscriptions Payable

ADI's subscriptions payable of P523.5 million as of December 31, 2010 relates to its total investment cost in the Joint Venture Company.

58% Increase in Customers' Deposits

Increase in customers' deposits is due to new lease contracts of Southgate.

24% Increase in Deferred Tax Liability

Increase in deferred tax liabilities are chiefly tax provisions on unrealized fair value gain on investment properties.

100% Increase in Retirement Benefit Obligation

Retirement benefits obligation recognized in the consolidated balance sheets as of December 31, 2010 pertains to present value of the defined benefit obligation of P4.9 million.

Total equity of the Group amounted to P13,344.7 million and P9,743.9 million as of December 31, 2010 and 2009, respectively.

Increase in Capital Stock, Additional Paid-in Capital and Equity Reserves

Comprising the increase were the issuance by ALPHA of 1,269,734,041 shares of stock to ADI shareholders in relation to the share-for-share swap.

100% Increase in Deposits for Future Stock Subscription

In 2010, ALPHA received deposits for future stock subscriptions from its major shareholders in the total amount of P2,147.8 million.

100% Increase in Gain on Sale of AFS Investments

As of December 31, 2010, AMPI's sale of 13 preferred shares at P450,000 per share on cash sales, and at P500,000 per share on installment sales, provided a gain of P2.6 million.

100% Increase in Excess of Acquisition Price over Acquired Interest

On November 11, 2010, ADI acquired 2,031 common shares of AMPI from Noble Care for a total consideration of P189.9 million. The purchase of Noble Care's 5.88% interest increased ADI's interest in AMPI from 94.12% to 100.00%. ADI excess of acquisition price over its acquired interest in AMPI amounted to P159.0 million in 2010.

Below are the comparative key performance indicators of the Group:

Key Performance Indicator	Manner of Calculation	December 31, 2012 (Unaudited)	December 31, 2011 (Audited)	December 31, 2010 (Audited)
Debt to equity ratio	Interest-bearing debt over shareholders' equity	0.13 : 1.00	0.12 : 1.00	0.12 : 1.00
Net debt to equity ratio	Interest-bearing debt less cash and cash equivalents over shareholders' equity	0.17 : 1.00	0.08 : 1.00	0.08 : 1.00
Return on assets	total assets during the period	4.76%	7.47%	8.14%
Return on equity	Net income over average stockholders' equity during the period	6.76%	10.28%	10.83%

The Group does not foresee any cash flow or liquidity problems over the next 12 months. It continuously derives cash from Southgate Tower and Mall rentals, sale of AFS investments to the public consisting of the preferred shares of the City Club and Island Club, and pre-selling of its Alphaland Makati Place Tower 1 condominium units. The planned opening of the City Club and Mall at Makati Place and completion of Alphaland Tower in the first half of 2013 are also expected to generate cash for the Company.

The Group is in compliance with all of its debt obligations.

No material off-balance sheet transactions, arrangements, obligations, and other relationships of the Group with unconsolidated entities were created during the year.

As of December 31, 2012, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;

- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Group's results of operations; and
- Material changes in the financial statements of the Group from the year ended December 31, 2010 to December 31, 2012.

Changes in Disagreements with Accountants on Accounting and Financial Disclosures

In 2011, the Company engaged SGV & Co as its external auditor. There were no changes in or disagreements with accountants on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the past fiscal year. Duly authorized representatives of SGV & Co are expected to be present at the meeting where they will have the opportunity to respond to appropriate questions.

Submission of Matters to a Vote of Security Holders

During the last Annual Stockholders' Meeting on 2 April 2013, the security holders present and represented approved the appointment of SGV & Co. as the Company's external auditor.

The foregoing matter was approved by the security holders present and entitled to vote during the said meeting.

Securities of the Company

The Company's common shares were listed on the Philippine Stock Exchange on November 23, 2000. The trading record of the company's shares since it has been listed is as follows:

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2010- high	P61.50	P52.00	P51.80	P73.50
- low	P47.50	P44.50	P23.25	P44.40
2011- high	P54.40	P50.00	P42.00	P34.25
- low	P53.50	P45.00	P37.95	P34.20
2012- high	P28.95	P28.60	P30.00	P26.50
- low	P28.95	P28.50	P30.00	P19.50

- The Company declared a 155% stock dividend to all shareholders of record as of 06 October 2001, equivalent to 76,322,000 common shares

The closing price of the Company's common shares as of 20 January 2014 (the last trading date) is P17.48 per share.

The total number of shareholders of common shares, as of 30 June 2014 is 71 and shares outstanding are 3,359,226,217 of which 1,429,220,287 shares are listed with the Philippine Stock Exchange.

The top 20 registered stockholders of the Company as of 30 June 2014 are as follows:

Name of Shareholder	No. of Shares	%
RVO Capital Ventures Corporation	742,656,743	22.11%
Masrickstar Corporation	709,472,340	21.12%

PCD Nominee Corporation	519,499,614	15.46%
Alphaland Holdings (Singapore) Pte. Ltd.	209,564,233	6.24%
Boerstar Corporation	167,788,430	4.99%
D.M. Wenceslao and Associates, Inc.	147,375,700	4.39%
Herbosa, Elaine O.	108,148,000	3.22%
Red Epoch Group Ltd.	96,113,413	2.86%
Oceña, Lenor I.	94,120,000	2.80%
Fine Land Limited	89,000,000	2.65%
Manalo, Josephine A.	59,276,800	1.76%
Martinez, Ma. Lourdes L.	51,291,200	1.53%
Credit Suisse (Singapore) Ltd.	49,608,000	1.48%
Deltaventure Resources, Inc.	49,252,600	1.47%
Toemo Realty Corporation	38,211,200	1.14%
Labilab Corporation	37,699,200	1.12%
Azurestar Corporation	28,062,636	0.84%
Green Highland Mountain Estate Corporation	25,253,600	0.75%
Bacong Highland Realty, Inc.	23,348,000	0.70%
Guinto, Gloria P.	23,171,200	0.69%

Dividends

There has been no proposed action or resolution relating to the declaration of dividends for the ensuing year. The Company has not declared dividends in the past two fiscal years.

There are no restrictions on the Corporation that limit the payment of dividends on Common shares. The Company has re-invested its retained earnings for working capital requirements as well as the expansion of its operations and facilities.

Recent Sale of Unregistered or Exempt Securities Including Recent Issuance of Securities Constituting an Exempt Transaction

There were no recent sales of unregistered or exempt securities including recent issuances of securities constituting an exempt Transaction.

Item 12. Mergers, Consolidations, Acquisitions, and Similar Matters

There are no matters or actions to be taken up in the annual stockholders' meeting with respect to merger, consolidation, acquisition by sale, or liquidation of the Company.

Item 13. Acquisition or Disposition of Property

There are no matters or actions to be taken up in the annual stockholders' meeting with respect to acquisition or disposition of any property by the Company.

Item 14. Restatement of Accounts

No action is to be taken with respect to the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

- (a) Approval of the Minutes of the 2013 annual meeting of stockholders held on April 2, 2013 covering the following matters:
- i) Annual report;
 - ii) Ratification and approval of all resolutions of the Board and the Executive Committee, and all acts of the Management after the annual stockholders' meeting on April 2, 2013 until the annual stockholders' meeting on August 28, 2014;
 - iii) Election of the members of the Board, including the Independent Directors, and
 - iv) Election of the external auditor
- b. Approval of the annual report of the Management for the year ending December 31, 2013, including the 2013 audited financial statements.

Item 16. Matters not required to be Submitted

There are no matters or actions to be taken up in the meeting that will not require the vote of the stockholders as of the record date.

Item 17. Amendment of Charter, By-laws, or Other Documents

- (a) Amendment to the Third Article of the Articles of Incorporation to reflect the complete address of the principal office of the Company such that, as amended, the Third Article will read as follows:

"THIRD: That the place where the principal office of the corporation is to be established or located is at the Penthouse, Alphaland Southgate Tower, 2258 Chino Roces Avenue corner EDSA, Makati City. (as amended on 23 December 2009 and _____)"

- (b) The Board also approved the amendment of Section 6, Article III of the Company's By-laws to allow participation of members of the Board of Directors in board meetings by conference call or similar means such that, as amended, Section 6 of Article III will read as follows:

"**Section 6. Quorum** – A majority of the number of directors, as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all members of the Board. Directors may participate in board meetings by conference call or other similar means."

Item 18. Other Proposed Action

(a) Ratification of all resolutions of the Board and the Executive Committee, as well as the acts of the Management to implement the resolutions after the annual stockholders' meeting on April 2, 2013 until the annual stockholders' meeting on August 28, 2014.

The resolutions of the Board and the Executive Committee involve –

- i) Approval of contracts, projects, investments, and other acts which have been covered by disclosures to the PSE and the SEC;
- ii) Treasury matters, including borrowings, opening of accounts and bank transactions; and
- iii) Housekeeping matters, including the appointment of signatories and amendments thereof.

(b) Election of the members of the Board, including the independent directors, for the ensuing year.

(c) Election of the external auditor.

(d) Adoption of the stock option plan.

Item 19. Voting Procedures

The vote required for acts requiring stockholders approval is at least a majority of the outstanding capital stock.

In the election of directors, the fifteen (15) nominees with the greatest number of votes will be elected directors.

Every stockholder entitled is entitled to one vote. However, with respect to the election of directors, the stockholders may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Corporation multiplied by the number of directors to be elected.

The method of counting the votes of the shareholders shall be in accordance with the general provisions of the Corporation Code of the Philippines. Method of voting shall be conducted by show of hands unless a shareholder requires a poll to be made on any action. In such case, the method of counting votes shall be done by secret. Counting of votes shall be supervised by the Corporate Secretary and/or Assistant Corporate Secretary with the supervision and assistance of representatives from Sycip, Gorres Velayo and Co.

Compliance with Leading Practices on Good Governance

The Board of Directors and Management of the Company recognize that good corporate governance is key to achieving the Company's objective of maximizing shareholder value. The institution of the Code on Corporate Governance seeks to provide the process and structure by which the business and affairs of the Company are directed and managed, in order to enhance long-term shareholder value through the enhancement of corporate performance and accountability.

Compliance with the Code of Corporate Governance is ensured by the Corporate Compliance Officer in coordination with the Chairman and President of the Company. Regular meetings are

made between Management and the Board of Directors, to review and evaluate the Company's performance and address key policy matters. The Board is provided with timely and complete information for each meeting. Each director has direct access to the advice and services of management and the corporate secretary, and in appropriate circumstances, seek independent professional advice concerning the Company's affairs.

All directors are required to submit themselves for re-election every year. In consideration for their re-election, the nomination committee reviews and presents attendance and participation in meetings of the Company.

All directors are briefed by Management on the Company's business operations as well as a regular tour of the Company's manufacturing operations.

The audit committee first reviews the Company's audited financials, who then recommends approval from the board of directors before they are presented to the stockholders of the Company. It is also the audit committee, which ensures independence and objectivity of the external auditors.

The Company is continually seeking measures of improving its corporate governance to further enhance corporate performance and accountability. The Directors and Management have been encouraged to regularly attend corporate governance seminars and corporate governance consultants on methods by which it can enhance its corporate performance and accountability.

No deviation from the Company's Manual Code of Corporate Governance has been noted. The Company's Manual on Corporate Governance was amended on February 21, 2011.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on _____.

ALPHALAND CORPORATION
(formerly Macondray Plastics, Inc.)

Issuer

A handwritten signature in black ink, consisting of a large, stylized 'P' with a horizontal stroke extending to the left and a vertical stroke extending downwards.

By: RODOLFO M. A. PONFERRADA
Corporate Secretary