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SEC Registration Number

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(Company's Full Name)

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

MICHELLE VARILLA

Contact Person

555-7777 LOCAL 7302

Company Telephone Number

1 2

Month Fiscal Year

3 1

Day

SEC Form 17-A

FORM TYPE

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Month

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Annual Meeting

N.A.

Secondary License Type, If Applicable

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Dept Requiring this Doc

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Amended Articles Number / Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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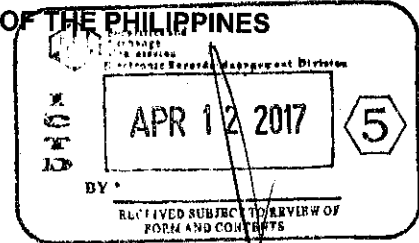
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND  
SECTION 141 OF THE CORPORATE CODE OF THE PHILIPPINES



1. For the fiscal year ended December 31, 2016
2. SEC Identification Number AS095-004137
3. BIR Tax Identification No. 004-659-091-000
4. Exact name of issuer as specified in its charter: DMCI PROJECT DEVELOPERS, INC.
5. PHILIPPINES  
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code:  (SEC Use Only)
7. DMCI Homes Corporate Center, 1321 Apolinario Street, Bangkal, Makati City 1233  
Address of issuer's principal office Postal Code
8. (02) 555-7777  
Issuer's telephone number, including area code
9. NOT APPLICABLE  
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Section 8 and 12 of the Code, or Sections 4 and 8 of the RSA  
Title of each Class Number of shares of common stock outstanding  
and amount of debt outstanding  
  
Deferred Coupon-Paying Homesaver Bonds aggregate principal amount of P1.0 Billion
11. Are any or all of the securities listed on a Stock Exchange?  
Yes [ ] No [x]  
If yes, state the name of such Stock Exchange and the class/es of securities listed therein:  

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12. Check whether the issuer:  
a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);  
Yes [x] No [ ]  
(b) has been subject to such filing requirements for the past ninety (90) days.  
Yes [x] No [ ]
13. Aggregate market value of the voting stock held by non-affiliates:

**APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

**14. NOT APPLICABLE**

Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

**DOCUMENTS INCORPORATED BY REFERENCE**

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the documents is incorporated:

- (a) Audited Financial Statements as of December 31, 2016 (Part II C)
  - (b) Corporate Governance (Part IV)
  - (c) Exhibits and Schedules (Part V)
-

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## PART I - BUSINESS

### Item 1. Business Information

#### (A) Business Development

- (a) DMCI Project Developers, Inc. (the Company or "DMCI Homes") was incorporated and registered with the SEC on April 27, 1995. The Company's original name was DMCI Property Developers, Inc. On August 1, 1995, the Company's name was changed to DMCI Project Developers, Inc. The Company was organized to carry out the business of a real estate developer.

DMCI Homes is wholly-owned subsidiary by DMCI Holdings, Inc.<sup>1</sup>, a leading conglomerate in the Philippines with interests in construction, real estate, power, water, and mining. DMCI-HI is listed at the PSE with a market capitalization of ₱179.06 billion as of December 31, 2016. One of the Company's affiliates is D.M. Consunji Inc. ("DMC"), a DMCI-HI wholly-owned subsidiary and one of the Philippines' leading triple A rated general construction companies. Another affiliate is PSE-listed and DMCI-HI majority-owned subsidiary Semirara Mining and Power Corporation, the country's largest coal-producing company, with a market capitalization of ₱157.24 billion as of December 31, 2016.

The Company's main activities include the development, management and selling of various real estate properties such as condominium units, subdivision lots, buildings, resorts and others. The Company's business goal is to provide affordable residential units in urban friendly, serviced communities near places of work, study, and leisure. DMCI Homes endeavors to achieve objectives that advance the proposition of "profit with honor", namely, to ensure customer satisfaction, sustainable investment growth, mutually beneficial relationships with business partners, environmental compliance, and career development of its people.  
Subsidiaries and Associates

The Company's subsidiaries and associates and its ownership in these subsidiaries and associates are summarized in the table below.

Company	Ownership	Date of incorporation
<b>Wholly-Owned Subsidiaries</b>		
Hampstead Gardens Corp.*	100.00%	May 24, 2000
DMCI Homes, Inc.	100.00%	January 7, 1997
DMCI Homes Property Management Corp.	100.00%	July 25, 2007
DMCI-PDI Hotels, Inc.	100.00%	September 2, 2009
<b>Subsidiaries which are more than 50%-owned</b>		
Zenith Mobility Solution Services, Inc.	51.00%	December 10, 2014
Riviera Land Corp.	62.62%**	April 17, 1996
<b>Associates</b>		
CSN Properties, Inc.	45.00%	July 17, 1992
Contech Products South (Acotec)	33.00%	September 18, 1997
Subic Water and Sewerage Company	30.00%	November 24, 1996***

\* The corporate term expired on February 28, 2014.

\*\* Approximate percentage.

\*\*\* Date of execution of joint venture agreement.

(b) Business Activities of Subsidiaries and Associates

Almost all subsidiaries and associates of the Company are involved in the real estate business. The main activities of the Company's subsidiaries and associates are described below in greater detail:

*Hampstead Gardens Corp.* is a wholly-owned subsidiary of the Company. Its project, the Hampstead Gardens was launched in 2000 and has three MRBs and an HRB located in Sta. Mesa, Manila. This project is fully developed and completed, with 95% of units sold and turned over to homeowners.

*DMCI Homes, Inc.* was organized primarily to engage in real estate brokerage by means of offering advertising, soliciting, listing, promoting, negotiating purchase, exchange, mortgage, joint venture, or other acquisition or disposition of or encumbrance on, any kind of real estate, whether improved or unimproved, including houses, inns, lodging houses, dwellings, offices, recreation or other structure. DMCI Homes, Inc. has the exclusive right to market the project developments of the Company.

*DMCI Homes Property Management Corp.* is a wholly-owned subsidiary of the Company providing property management and aftersales services. It also serves to obtain feedback from the Company's buyers and rental tenants in order to provide solutions to property needs, maintain the property, and develop long-term relationships with tenants. DMCI Homes Property Management Corp. has the sole right to render property management and aftersales services to the Company.

*DMCI-PDI Hotels, Inc.* was organized to engage in the hotel business, including but not limited to the ownership of, establishment, maintenance and operation of hotels, condotels, apartelles, and similar establishments, as well as to engage in the development of, design, and implementation of hotel management systems or operations. DMCI-PDI Hotels, Inc. manages the Company's flagship condotel project, the Alta Vista de Boracay, situated in Brgy. Yapak, Malay, Aklan.

*Zenith Mobility Solutions Services, Inc.* was organized to engage in the installation, operation, and maintenance of elevators, escalators, moving walkways, and other similar equipment, including appurtenants thereof, and the sourcing, purchase or trading of parts and supplies necessary thereto.

*Riviera Land Corp.* is a real estate company which owns the 0.90 hectare parcel of land which was developed into the Manors at Celebrity Place. Launched in 2006 and located in Capitol Hills, Quezon City, this development is an English-inspired exclusive community comprising seven MRBs with 158 units. It is located near educational institutions and the country club facilities of Celebrity Sports Plaza. The project is fully developed and completed, with at least 98% of the units sold and 96% turned over to homeowners. Riviera Land Corp. owns a 30% interest in the project, while the Company holds 70.0%.

*CSN Properties, Inc.* was organized to be a vehicle for prospective condominium developments of the Company. It has not commenced commercial operations.

*Contech Products South (Acotec)* was organized to engage in the manufacturing of concrete panels and similar products. It has not commenced commercial operations.

*Subic Water and Sewerage Company* is a joint venture of the Company with Subic Bay Metropolitan Authority, Olongapo City Water District, City of Olongapo, and Cascal Services, Ltd. Its primary purpose is to provide potable water and sewerage services to residences of Olongapo City and Subic Bay Freeport.

(c) Any bankruptcy, receivership or similar proceeding – **None**

- (d) Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business. - **None**

(B) Business of Issuer

(a) Description of Registrant

- (i) Principal products or services and their markets.

**Medium-Rise Buildings** - The development of mid-rise residential buildings in convenient locations is where the Company has achieved and continues to attain significant success. These low-density, resort-inspired projects are made up of three to seven storey MRBs with either walk-up or elevator facilities, and single-loaded corridor designs with garden atriums for ample lighting and ventilation. For the year 2015, MRB sales contributed 41.65% of the Company's revenues, amounting to ₱5,606 million. For 2016, it contributed ₱3,497 million which is 34.84% of the Company's revenues.

**High-Rise Buildings** - Combining successful elements of its mid-rise developments with new techniques in construction, the Company's high-rise projects, ranging from 14 to 50 storey each building, possess attributes such as the single-loaded corridor design and garden atrium, while offering design improvements from previous projects, such as the installation of the Company's trademark Lumiventt design in all high-rise structures beginning with the Tivoli project. The Lumiventt building feature is achieved by placing three-storey-high openings called "sky patios" in front and behind HRB towers and through breezeways located on the left and right wings of each floor to allow the free flow of natural light and ventilation. DMCI Homes' high-rise developments are located near business and commercial centers in Metro Manila. For the year 2015, HRB sales contributed 50.19% of the Company's revenues, amounting to ₱6,756 million. For 2016, it contributed ₱5,652 million which is 56.3% of the Company's revenues.

**Hybrid** - A community built with the resident's welfare in mind. Assembling its successful and iconic mid-rise residential building configuration with picturesque and towering high-rise buildings, DMCI Homes' hybrid developments provide resort-inspired homes to a wide array of clients. Each building configuration offers unique benefits, such as low-density and single-loaded corridor designs with garden atriums for mid-rise buildings, and the innovative Lumiventt design technology for high-rise structures. Every DMCI Homes hybrid development is adorned with lush landscapes and abundant amenities. These communities have developed in different parts of the city.

For the year 2015, Hybrid sales contributed 5.13% of the Company's revenues, amounting to ₱690 million. For 2016, it has contributed ₱676 million which is 6.74% of the Company's revenues.

**Residential Subdivisions** - For the horizontal development segment of the real estate market, DMCI Homes offers its target market the choice of owning either open lots or house and lot properties. DMCI Homes' subdivisions are located in Taguig City, Cavite (Carmona) and Laguna (Cabuyao). Each development is designed with resort-inspired amenities, lush greenery and wide avenues within safe and secure environments in close proximity to Metro Manila's major business centers. For the year 2015, residential subdivisions sales contributed 3.04% of the Company's revenues, amounting to ₱409 million. For 2016, it has contributed ₱214 million which is 2.13% of the company's revenues.

**Residential Leisure** - *Alta Vista de Boracay*. Launched in 2007, it is the Company's first venture in leisure development, with 17 MRBs comprised of a total of 503 units, and is located in Brgy. Yapak, Boracay Island in Aklan. This development provides recreational



facilities in a premium vacation site offering residential condominium-hotel services. Alta Vista de Boracay represents a significant product and service expansion for the Company. It is a 4-hectare property near Puca Beach on one side and the world-renowned White Beach on the other. Alta Vista de Boracay is the biggest condominium hotel development in the area. All of its operations, marketing, and management are handled by DMCI-PDI Hotels, Inc. The property is fully developed and completed, with 28% of units sold and turned over.

**Mixed Use/Township Development - *Acacia Estates*.** Acacia Estates is a master plan integrating the Company's completed and ongoing projects in Taguig City into a township which provides residential areas, commercial areas, educational facilities, police and fire stations, and places of worship. Envisioned as the flagship development of the Company, this 100-hectare development will integrate mixed-residential communities of HRBs, MRBs, and sprawling subdivisions. Within the development will rise a two-hectare commercial hub catering primarily to residents of the Company's Taguig City projects and their guests.

- (ii) Percentage of sales or revenue and net income contributed by foreign sales - **The international sales division contributed 1.3%, 3% and 2% of the Company's total sales by value in the years ended 2016, 2015, and 2014, respectively.**
- (iii) Distribution methods of the products or services - **The Company maintains a network of sales coordinators that assist customers at various project sites during the reservation process. Employees of DMCI Homes advise customers on financing options, documentation requirements, and loan application. Once a unit is sold and delivered, the Company's Customer Service Team is ready to respond to technical questions and implement solutions when needed.**

**The Company's marketing research unit is in charge of monitoring and researching on competitors' latest product developments and prices. Likewise, the marketing research unit conducts general research on target markets and undertakes market testing to determine customer preferences and product concept viability.**

**The Company remains involved in the properties it develops and sells through its property management division, DMCI Homes Property Management Corp., which provides property management and aftersales services until such time the property is turned over to the homeowners, at which point they may choose to retain DMCI Homes Property Management Corp. or switch to a third party property management firm. The property management division is a vehicle for the Company to obtain feedback from its buyers and rental tenants in order to provide solutions to their property needs, maintain the property, and develop long-term relationships with its tenants. Furthermore, the property management division contributes to enhancing the Company's brand and reputation in the aftersales market.**

- (iv) Status of any publicly-announced new product or service (e.g. whether in the planning stage, whether prototypes exist), the degree to which product design has progressed or whether further engineering is necessary. Indicate if completion of development of the product would require a material amount of the resources of the registrant, and the estimated amount. - **None**
- (v) Competition. - **The country's middle income socio-economic group is emerging as the most promising real estate market, and this has intensified competition in the property development business for that particular market segment. The Company's significant sales growth in recent years has made**

it one of the dominant players in the middle-income residential market category, and its pioneering construction and development methods - specifically in mid-rise developments - have been used as model by some competitors due to the success of these concepts.

To leverage against real estate groups positioned in the same market category, DMCI Homes maximizes its investments by drawing on the Company's strengths and resources as both developer and builder, enabling it to offer attractive, even lower prices than direct competition, and produce value for home buyers without adversely affecting its profitability. Aside from offering competitively-priced, high-quality units, DMCI Homes ensures good property location and on-time project completion.

For the same market category, the Company has several direct competitors with varying market strengths. Ayala Land, Inc., for instance, through Avida Land, has been successful due to being one of the first players in the middle income market segment. Megaworld Corporation and SM Development Corporation, own the first and second largest market share in the residential market respectively. Robinsons Land Corporation and Cityland Development Corporation both possess a good track record of completed and successful projects to attract business. Vista Land and Lifescapes, Inc., and Filinvest Land, Inc., along with their completed projects in the Metro Manila area, have also ensured market presence in other areas with their developments in areas such as Davao and Batangas. Rockwell Land Corporation focuses on the upper-mid income level earners, while Century Properties Group has a diverse portfolio of completed projects, ranging from office to medical properties.

(vi) Sources and availability of raw materials and the names of principal suppliers;

The Company's major suppliers are as follows:

Supplier	Product
Capitol Steel Corporation	Rebar
SteelAsia Manufacturing Corporation	Rebar
Pag-Asa Steel	Rebar
Filipino Metals Corporation	Rebar
Holcim Philippines, Inc.	Cement/ Ready Mix Concrete
Lafarge Cement Services Philippines, Inc.	Cement
Regan Industrial Sales, Inc.	Angle Bars
D-Square Plumbing Supply, Inc.	Tiles/Plumbing Fixtures
KC Industrial Corporation	Panel Board
Saturn Cement Marketing Corp.	Cement
American Wire & Cable Co., Inc.	Electrical Wire
London Industrial Products Inc.	Electrical Wire
CEMEX Philippines – Head Office	Cement

The Company's major subcontractors are as follows:

Subcontractor	Trade
SC Estolano Construction Group	Drywall Partitions and Ceiling Finishes
Gentry Specialty Building Solutions Inc,	Drywall Partitions and Ceiling Finishes
Intex Building Solutions Inc.	

Seapac Philippines Inc.	Drywall Partitions and Ceiling Finishes
Gold Peak Construction and Development Corporation	Aluminium windows and doors
Hongdrill Philippines Inc.	Rebars for Superstructure
Rich-Free Trading and Development Corporation	Slope Protection Works
Anvic Construction (Phils.), Inc.	Exterior Painting Works
Jomsar Construction and Development Corporation	Electrical Works
Spec-Master Incorporated	Electrical Works
DMCI Mayapa Joinery	Kitchen Cabinets
JBLS Trading & Construction Aesthetics	Interior Painting Works
I.S. Bautista Construction	Painting Works
Multi-line Systems Inc.	Roofing
Archi Line	Roofing
M. Tayag Builders	Kitchen Granite
South Pacific International Marble Development Corp.	Kitchen Granite
Rafaello Inc.	Kitchen Granite
Cabco Design Corp	Kitchen Cabinets
Northlandia Enterprises	Kitchen Cabinets
Julant Pest Control Systems Inc.	Soil Poisoning
Powertech	Pumps
Grundfos	Pumps
Eastman	Pumps
Cranecat Trading & Services	Ventilation Works
Coldpoint Air Sytems Corporation	Ventilation Works
Alpa Plumbing Works, Inc.	Plumbing and Sanitary works

- (vii) Disclose how dependent the business is upon a single customer or a few customers, the loss of any or more of which would have a material adverse effect on the registrant's sales; Describe any major existing sales contracts - **Not applicable**
- (viii) Transactions with and/or dependence on related parties - **Aside from items listed in Item 12, the Company has no known transactions with and/or dependence on related parties.**
- (ix) Summarize the principal terms and expiration dates of all patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements held; Indicate the extent to which the registrant's operations depend, or are expected to depend, on the foregoing and what steps are undertaken to secure these rights - **Not applicable**
- (x) Need for any government approval of principal products or services. If government approval is necessary and the registrant has not yet received that approval, discuss the status of the approval within the government approval process - **None at the moment.**
- (xi) Effect of existing or probable governmental regulations on the business - **DMCI Homes operates a material part of its businesses in a regulated environment. DMCI Homes is subject to numerous environmental laws and regulations relating to the protection of the environment and human health and safety. These include laws and regulations governing air emissions, water and**

waste water discharges, odor emissions, and the management and disposal of, and exposure to, hazardous materials. DMCI Homes cannot predict what environmental or health and safety legislation or regulations will be amended or enacted in the future; how existing or future laws or regulations will be enforced, administered or interpreted; or the amount of future expenditures that may be required to comply with these environmental or health and safety laws or regulations or to respond to environmental claims.

In addition, DMCI Homes is required to obtain licenses to sell before making sales or other dispositions of housing and condominium units. Project permits and any license to sell may be suspended, cancelled or revoked by the HLURB or by the courts upon its findings or upon complaint from an interested party, and there can be no assurance that the Company will receive the requisite approvals or licenses, or that such permits, approvals or licenses will not be cancelled or suspended. Any of the foregoing circumstances or events could affect the Company's ability to complete projects on time, within budget or at all, and could have a material adverse effect on its financial condition and results of operations.

DMCI Homes, through its construction and property management arms, keeps itself abreast of the latest technologies that enable it to implement existing sanitation, environment and safety laws and regulations at cost-efficient means. It also continuously exerts earnest efforts to secure and maintain all relevant and material permits and licenses required under such laws and regulations for its subdivision and condominium projects.

- (xii) Indicate the amount spent on research and development activities, and its percentage to revenues during each of the last three fiscal years - **None**
- (xiii) Costs and effects of compliance with environmental laws - **Costs vary depending on the size and nature of a construction project. Failure to comply with the terms of the ECC (Environmental Compliance Certificate) can lead to imposition of fines and temporary cessation of operations.**
- (xiv) Total Number of Employees - **The Company has 1,097 employees as of December 31, 2016. Employees of the Company can be classified based on their positions.**

<b>Position</b>	<b>No. of Employees</b>
Rank and File	870
Junior – Senior Supervisor	138
Assistant Manager - Manager	70
Senior Manager – Vice President	14
Senior Vice President - President	5

The employees of the Company are non-unionized and are not covered by collective bargaining agreements. They receive supplemental benefits such as health care benefit plan, dental care benefit plan, and group accident insurance coverage.

## **Item 2. Properties**

Give the location and describe the condition of the principal properties (such as real estate, plant and equipment, mines, patents, etc.) that the registrant and its subsidiaries own. If the registrant does not have complete ownership of the property, for example, others also own the property or there is a mortgage or

lien on the property, describe the limitations on ownership. Indicate also what properties it leases, the amount of lease payment, expiration dates and the terms of renewal options. Indicate what properties the registrant intends to acquire in the next twelve (12) months, the cost of such acquisitions, the mode of acquisitions (i.e. by purchase, lease or otherwise) and the sources of financing it expects to use. - **All properties are owned by the Company and its subsidiaries unless otherwise indicated as follows:**

**(A) Land Inventory**

In line with its goal of providing well-located residential options, DMCI Homes purchases properties within the Metro Manila area. The Company's land development begins one to two years from property acquisition to avoid carrying costs, resulting in more competitive sales pricing. Potential land acquisitions are assessed on the basis of strategic location, acquisition price relative to prevailing market prices, presence of competition in the area, shape of the lot, potential legal and technical hindrances to development, and local government requirements for development.

Based on the Company's development standards, the minimum land area required for the Company's five-storey mid-rise developments is one hectare, with a zonal classification of R-2. Ten-storey and mid-rise developments have a minimum land area requirement of 5,000 square meters, with a zonal classification of R-3. High-rise developments require a minimum land area of 3,000 square meters and a zonal classification of R-3.

The table below enumerates the Company's current land inventory available for development.

Location	Land area (square meters)
Taguig City	778,340.80
Pasay City	4,000.54
Rizal	7,796.00
Pasig City	6,105.00
Makati City	20,632.00
Laguna	15,094.00
Cavite	45,721.00
Manila	10,281.80
<b>Total</b>	<b>887,971.14</b>

The Company is currently exploring opportunities for diversification of its property developments in key urban centers in the Northern Luzon and Western Mindanao regions. Future land acquisitions will be funded by debt financing and internally generated funds.

In addition to its land inventory, the Company owns its corporate headquarters, located at 1321 Apolinario St. Bangkal, Makati City, Philippines, 1228. The property has a total land area of approximately one hectare, upon which stands a six-storey building with annex, with a total floor area of approximately 35,000 square meters.

**(B) Encumbrances**

Certain parcel or parcels of land of the Company which are minor in size considering the total landholdings of the Company are subject to proceedings arising out of claims of certain individuals. While the results of litigation cannot be predicted with certainty, the Company believes that the final outcome of these proceedings will not have a material adverse effect on the property, considering the nature of the claims asserted in the proceedings.

Properties of the Company in which particular projects have been created are subject to restrictions arising from the nature of the projects created over them. For instance, properties over which a condominium building has been constructed would have restrictions annotated on the title of such property arising from the master deed restrictions on the use of the property for condominium use.

### (C) Leased Properties

The Company has entered into leases of spaces in commercial areas in Metro Manila in which model units for its projects are set-up. The leases may be renewed based on the marketing needs of the Company. Due to the small space involved, the lease rental payments are not substantial. Further information on these leases are provided in the table below.

Purpose	Leased Area (in sq.m.)	Term	Monthly rental (in ₱, inclusive of VAT)
Model Unit for Arista Place	253	July 2014 to June 2015	172,267.60
Model Unit for Asteria Residences	110.6	June 2014 to May 2017	55,742.40
Model Unit for Brio Tower	210	Feb 2015 to Jan 2016	85,377.60
Model Unit for Mirea Residences	188.8	May 2015 to April 2016	61,600.00
Model Unit for One Castilla Place	186	Feb 2014 to Jan 2015	116,992.51
Model Unit for Sorrel Residences	144	April 2015 to April 2016	69,845.97
Model Unit for Sheridan Towers	121	May 2015 to April 2017	102,926.50
Model Unit for Viera Residences	99	July 2015 to June 2016	96,300.00
Model Unit for Zinnia Towers	362.9	June 2015 to Dec 2015	130,000.00

### Item 3. Legal Proceedings

**(A) Knights of Rizal vs. DMCI Homes, Inc., et al.** - The Company is a respondent, by means of a motion to substitute DMCI Homes, Inc. as the real party in interest, in legal proceedings arising from a petition for injunction filed on September 12, 2014 by the Knights of Rizal ("KOR"), a cultural organization granted a legislative charter. The petition sought to enjoin the construction of the Company's Torre de Manila project ("Torre de Manila") on the claim that Torre de Manila, once completed, would obstruct the view surrounding the Rizal Park and the Rizal Monument.

In a Resolution dated November 25, 2014, the Supreme Court converted the petition for injunction into one for *mandamus* and impleaded the City of Manila, the National Commission for Culture and the Arts ("NCCA"), the National Museum ("NM") and National Historical Commission of the Philippines ("NHCP") as public respondents. The City of Manila opposed KOR's petition and sought its dismissal on the ground that the Torre de Manila was issued all the necessary permits, licenses, clearances, certifications and exemptions, and that there was nothing illegal about the construction of the Torre de Manila, which was built on private property.

The following proceedings have stemmed from this case:

- (a) The NCCA issued a cease and desist order dated January 5, 2015 directing that the construction of the Torre de Manila be ceased and that the Company attend proceedings on the cease and desist order to be commenced before the NCCA to determine whether or not the cease and desist order should be lifted.
- (b) Meanwhile, the NM, NCCA and NHCP also filed a comment through the Office of the Solicitor General, as their statutory counsel, where the NCCA affirmed that it had no jurisdiction to issue a cease and desist order in relation to the Rizal Park and the Rizal Monument. In view of this, the Supreme Court issued an order requiring the NCCA to explain the issuance of the cease and desist order.
- (c) On June 16, 2015, the Supreme Court issued a temporary restraining order that provisionally suspended the construction of the Torre de Manila, effective until further orders from the Supreme Court. In deference to the Supreme Court, the HLURB issued on June 18, 2015, an order suspending the Company's License to Sell in respect of Torre de

Manila. The order covers the suspension and discontinuation of selling and advertising of units in Torre de Manila and the collection of amortization payments from unit buyers, until further orders from the HLURB. The Supreme Court has completed hearing the parties on oral arguments in September 1, 2015.

- (d) The parties and the appointed *amici curiae* by the Supreme Court then submitted their respective memoranda and/or briefs. Interested non-parties such as The Heritage Conservation Society, Inc., the Chamber of Real Estate & Builders' Associations, Inc., and the Department of Tourism also submitted their post-oral argument briefs. Pending resolution of the case, the Supreme Court allowed the Company to conduct the necessary safety and maintenance works on Torre de Manila to prevent hazardous deterioration of the building.
- (e) The Company has already filed five (5) urgent motions to lift temporary restraining order, the latest of which was on February 14, 2017

**(B) NATIONAL COMMISSION FOR CULTURE AND THE ARTS vs. Regional Trial Court Br. 146, Makati, et. Al., G.R. NO. 222826, Supreme Court**

- (a) This case is a Petition For Certiorari filed by the National Commission For Culture And Arts ("NCCA").

In an order dated January 5, 2015, the NCCA directed that the construction of the Torre de Manila be ceased and that the Company attend proceedings on the cease and desist order to be commenced before the NCCA to determine whether or not the cease and desist order should be lifted.

- (b) Due to the issuance of the cease and desist order, the Company and DMCI Homes, Inc. filed, on February 2, 2015, a petition for prohibition, injunction and damages against the NCCA and its Chairman, Felipe M. de Leon, Jr., before the National Capital Regional Trial Court, Branch 146, Makati City ("Makati court"), seeking, among others, that the cease and desist order be nullified and prohibited, and that the NCCA and its Chairman be ordered to pay damages to the Company and to DMCI Homes, Inc. After proceedings duly held, the Makati court rendered a Partial Judgment dated December 14, 2015 prohibiting NCCA and its Chairman, their agents and representatives, from implementing the cease and desist order and from further continuing with the administrative case before the NCCA, for lack of jurisdiction and for being contrary to Section 25 of Republic Act No. 10066 (2010) and Rule III, Secs. 6 and 7.1 of the 2013 NCCA Rules on Pleading and Practice in Heritage Cases.
- (c) The Partial Judgment rendered by the lower court was questioned by the NCCA before the Supreme Court through the filing of a Petition for Certiorari With Application For Issuance of a Temporary Restraining Order And/Or Writ of Preliminary Injunction on February 26, 2016. The Company filed its Comment dated April 26, 2016.
- (d) On June 28, 2016, the Supreme Court denied the NCCA's application for a TRO/Injunctive Writ but admonished the RTC from continuing the proceedings in the lower court due to its close relationship in the prior existing case G. R. No. 213948.

- (e) Except for the following, none of the directors, executive officers and nominees for election as directors of the Corporation is subject to any pending criminal cases:

(1) **Pp. vs. Isidro A. Consunji, et. al., Criminal Case No. Q-02-114052, Regional Trial Court -Quezon City, Branch 78–**

This is a complaint for violation of Article 315(2)(a) of the Revised Penal Code, as qualified by Presidential Decree No. 1689 was filed in RTC-QC Branch 78 as Criminal Case No. Q-02-114052 pursuant to a resolution of the Quezon City Prosecutor dated December 3, 2002 in I.S. No. 02-7259 finding probable cause against the directors and officers of Universal Leisure Club (ULC) and its parent company, Universal Rightfield Property Holdings, Inc., including Isidro A. Consunji as former Chairman, and Ma. Edwina C. Laperal as former director of ULC. Complainants claim to have been induced to buy ULC shares of stock on the representation that ULC shall develop a project known as “a network of 5 world clubs.”

The case was re-raffled to RTC-QC Branch 85 (the “Court”). On January 10, 2003 respondents filed their Motion for Reconsideration on the resolution dated December 3, 2002 recommending the filing of the complaint in court, which was granted on August 18, 2003. Accordingly, a Motion to Withdraw Information was filed in Court. On September 11, 2003, complainants’ sought reconsideration of the resolution withdrawing the information, but was denied by the City Prosecutor. By reason of the denial, Complainants’ filed a Petition for Review with the Department of Justice (DOJ) on August 26, 2005.

Meanwhile, the Court granted the withdrawal of information on June 6, 2005. Complainants filed a Motion for Reconsideration and Urgent Motion for Inhibition, but were both denied by the Court in its Omnibus Order dated November 29, 2005. Thereafter, a Notice of Appeal was filed by the complainants, but was ordered stricken out from records by the Court for being unauthorized and declaring the Omnibus Order final and executory in its Order dated February 22, 2007. The Petition for Review, however, filed by the Complainants with the DOJ on August 26, 2005 is pending to date.

(2) **Rodolfo V. Cruz, et. al. vs. Isidro A. Consunji, et. al. , I.S. Nos. 03-57411-I, 03-57412-I, 03-57413-I, 03-57414-I, 03-57415-I, 03-57446-I and 03-57447-I, Department of Justice, National Prosecution Service**

These consolidated cases arose out of the same events in the immediately above-mentioned case, which is likewise pending before the DOJ.

In its 1<sup>st</sup> Indorsement dated December 9, 2003, the City Prosecutor for Mandaluyong City, acting on a motion for inhibition filed by complainants, through counsel, recommended that further proceedings be conducted by the DOJ. In an order dated February 3, 2004, the DOJ designated State Prosecutor Geronimo Sy to conduct the preliminary investigation of this case. The last pleading filed is a notice of change of address dated June 27, 2008 filed by complainants’ counsel. This case remains pending to date.



**(3) Sps. Andrew D. Pope and Annalyn Pope vs. Alfredo Austria, et al., NPS Docket No. XV-INV-14K-01066, Office of the City Prosecutor, Taguig City**

This involves a complaint dated November 6, 2014 for syndicated *estafa* filed against certain directors of the Corporation, namely Messrs. Isidro A. Consunji, Jorge A. Consunji, Ma. Edwina C. Laperal, Alfredo A. Austria, Victor S. Limlingan and certain directors of D.M. Consunji, Inc. ("DMCI"), and the Corporation's Corporate Secretary and Assistant Corporate Secretary, Atty. Noel A. Laman and Atty. Ma. Pilar Pilares-Gutierrez. The complainants alleged that DMCI failed to deliver the transfer certificate of title over the parcel of land they bought in Mahogany Place III, one of the developments of DMCI-PDI. In a Resolution dated February 16, 2016, the Office of the City Prosecutor for Taguig City dismissed the Complaint-Affidavit dated November 6, 2014 of complainants Andrew David Pope and Annalyn Pope, because of Spouses Pope's failure to show the element of deceit as would establish probable cause to indict the respondents for syndicated *estafa*. Spouses Pope filed a Petition for Review dated May 6, 2016 ("Petition") with the Department of Justice ("DOJ"), seeking to reverse and set aside the Taguig City Prosecutor's Office's ("TCPO") Resolution dated February 16, 2016 insofar as it dismissed Pope Spouses' complaint for syndicated *estafa* against the Corporation's directors and officers. The impleaded officers and directors filed their Comment on May 27, 2016. The review is still pending with the DOJ.

**(4) Maria Soledad Indoyon vs. Alfredo R. Austrial, et al., NPS Docket No. XV-12-INV NO. 17-A-0077 - Violation of par. (b), (c) & (f) of Sec. 9, PD. 957, NPS Docket No. XV-12-INV NO. 17-A-0076 – Grave Coercion, Office of the City Prosecutor, Parañaque City**

Complainant instituted two (2) before the City Prosecutor of Paranaque City, which, however, stemmed from a single act.

The complainant is a purchaser of a unit and parking slot in Raya Gardens Condominium. However, due to the failure of complainant to comply with the terms of payment of the parking slot, the Company rescinded the contract to sell.

The same parking slot was subsequently sold to another party. Despite notices to vacate, the complainant refused to surrender the parking slot and hence, the Company was constrained to exercise its right to repossess the parking slot.

By virtue of this repossession, the complainant instituted the above –stated criminal suits.

The officers of the company have already filed their Joint Counter-Affidavit.

#### Item 4. Submission of Matters to a Vote of Security Holders

Except for the matters taken up during the Annual Meeting of Stockholders, there was no other matter submitted to a vote of security during the period covered by this report.

## PART II - OPERATIONAL AND FINANCIAL INFORMATION

#### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

##### (1) Capital Structure

As of December 31, 2016, the Company's authorized capital stock is ₱5,000,000,000 divided into 5,000,000,000 shares, with a par value of ₱1.00 per share, out of which 3,487,727,328 shares have been subscribed and fully paid.

##### (2) Holders

The following are the stockholders of the Company as of December 31, 2016:

Stockholder	Shares Subscribed	Amount Subscribed	Amount Paid	% of Ownership*
DMCI Holdings, Inc. (Filipino)	2,982,861,746	₱2,982,861,746	₱2,982,861,746	85.52%
Isidro A. Consunji (Filipino)	1,000	1,000	1,000	<0.01%
Jorge A. Consunji (Filipino)	1,000	1,000	1,000	<0.01%
Ma. Edwina C. Laperal (Filipino)	1,000	1,000	1,000	<0.01%
Victor S. Limlingan (Filipino)	1	1	1	<0.01%
Victor A. Consunji(Filipino)	1	1	1	<0.01%
Francisco F. Del Rosario, Jr. (Filipino)	1	1	1	<0.01%
Alfredo R. Austria (Filipino)	1	1	1	<0.01%
Honorio O. Reyes-Lao (Filipino)	1	1	1	<0.01%
Elmer G. Civil (Filipino)	1	1	1	<0.01%
Evaristo T. Francisco (Filipino)	1	1	1	<0.01%
D.M. Consunji, Inc. (Filipino)	504,862,578	₱504,862,578	₱504,862,578	14.48%

\*This is based on total issued shares of 3,487,727,331.

On April 7, 2014, the Board of Directors of DMCI approved the declaration by DMCI of property dividends in the form of 504,862,578 shares of stock in DMCI-PDI (representing 14.5% ownership) in favor of DMCI-HI. This transfer has not yet been recorded in the stock and transfer book of DMCI-PDI pending issuance of the Certificate Authorizing Registration by the BIR. The Company is 100% Filipino owned.

**(3) Dividends**

The Company is authorized under Philippine law to declare dividends, subject to certain restrictions. The Company's Board of Directors is authorized to declare cash dividends. Declaration of cash and property dividends does not require any further approval from the Company's shareholders, except that the distribution of property dividends requires the approval of the Securities and Exchange Commission. On the other hand, declaration of stock dividends requires the approval of shareholders representing at least two-thirds of the Company's outstanding capital stock. Dividends may be declared only from unrestricted retained earnings.

The Company and its subsidiaries have not adopted any dividend policy. For the dividends declared by the Company and its subsidiaries for 2016, 2015 and 2014, reference can be made to Consolidated Statements of Changes in Equity and Note 20 of Audited Financial Statements for the year ended December 31, 2016. Dividends declared for previous three years are as follow: 2016 – ₱1.4 billion, 2015 – ₱1.2 billion and 2014 – ₱1.2 billion.

**Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS AND RESULTS OF OPERATION**

**(A) FULL YEAR PERIOD DEC. 31, 2016 vs. DEC. 31, 2015**

**(1) Results of Operations**

The Company's net income dropped by 38% from ₱3,587 million for year ended December 30, 2015 to ₱2,221 million in 2016 same period mainly due to deferred recognition of revenues from its high rise projects with normally takes three to four years to complete. Revenues also dropped by 24%. Excluding the effect of one time gain on sale of investment this year, net income dropped by 45% compared to the same period in 2015.

Unlike local industry practice of using percentage-of-completion accounting, the company adopts a more conservative approach to recognizing real estate revenues by realizing sales only when the project is fully completed and at least 15% of contract price has been collected.

In spite of a more challenging market, sales and reservations for the period was reported at P31.2 billion, double digit growth of 65% from last year. Sustained demand for residential condominium units in new and existing projects such as Brixton Place, Lumiere Residences, and Oak Harbor Residences contributed to the sustained sales take up.

As of December 2016, the company has launched seven projects with 10,611 residential units, with a total approximate value of ₱38.1 billion.

Other income increased by 113% from ₱550 million to ₱1,174 million in 2016. Aside from the recognized one time gain on sale of undeveloped land and sale of investment this year, increase is due to higher rental income and income from cancellations and forfeitures this year compared to last year.

Company's operating expenses grew slightly by 12% from ₱2,462 million to ₱2,766 million mainly due to increase in marketing and selling, taxes and licenses, salaries and wages.

**(2) Financial Position**

The Company's total assets stood at ₱47.55 billion as of December 31, 2016, higher by 3% than the ₱46.21 billion total assets as of December 31, 2015.

Cash and cash equivalents increased by 32% from ₱5.68 billion as of December 31, 2015 to ₱3.87 billion as of December 31, 2016. The decrease was due to cost incurred for on-going and construction of projects and payments for purchased land.

Receivables dropped by 5% from ₱8.46 billion to ₱8.00 for 2016 and 2016 respectively. The decrease is due to increase in collection from bank financing accounts and cash term buyers.

Real estate held for sale increased by 11% from ₱28.38 million to ₱31.62 million due to development costs incurred for new projects and construction costs of on-going projects, as well as land banking activities.

Customers deposit increased significantly from ₱5.65 billion to ₱8.18 billion due to collections received from launched projects such as Lumiere Residences, Sheridan Towers and Ivorywood Residences.

#### **Other Disclosures:**

There are no known trends, events or uncertainties or material commitments that may result to any cash flow or liquidity problems of the Company, aside from the possible material increase in interest rates of outstanding loans subject to floating rates, which is only 12.33% and 8.91% of total debt as of December 31, 2016 and 2015, respectively.

There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

The operating activities of the Company are carried uniformly over the calendar year. There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are also no seasonal aspects affecting the Company's financial condition and results of operations.

### **(B) FULL YEAR PERIOD DEC 31, 2015 v. DEC 31, 2014**

#### **(1) Results of Operations**

The Company's net income rose by 9% from ₱3,289 million for year ended December 30, 2014 to ₱3,586 million in 2015 same period mainly due to higher revenues from real estate sales in 2015. Revenues increased by 10% due to sales recognition of Sorrel Tower, La Verti Residences South Tower, Verawood Residences, The Amaryllis and One Castilla Place. Excluding the effect of one time gain on sale of undeveloped land last year, net income rose by 19% compared to the same period in 2014.

Unlike local industry practice of using percentage-of-completion accounting, the company adopts a more conservative approach to recognizing real estate revenues by realizing sales only when the project is fully completed and at least 15% of contract price has been collected.

In spite of a more challenging market, sales and reservations for the period was reported at ₱18.8 billion, a dip of 1% from last year. Sustained demand for residential condominium units

in new and existing projects such as Ivorywood, Lumiere Residences, Sheridan Towers contributed to the sustained sales take up.

As of December 2015, the company has launched five projects with 2,866 residential units, with a total approximate value of ₱11.4 billion.

Other income dropped by 48% from ₱950 million to ₱490 million in 2015. Aside from the recognized one time gain on sale of undeveloped land in 2014, decrease is due to lesser cancellations this year compared to last year, thus a reduction in the amount forfeited from cancelled accounts.

Company's operating expenses decrease by 2% from ₱2,501 million to ₱2,462 million mainly due to decrease in marketing and selling, taxes and licenses, professional fees and outside services.

## **(2) Financial Position**

The Company's total assets stood at ₱46.21 billion as of December 31, 2015, higher by 18% than the ₱39.02 billion total assets as of December 31, 2014.

Cash and cash equivalents increased by 106% from ₱2.75 billion as of December 31, 2014 to ₱5.68 billion as of December 31, 2015. The increase was due to the loan availed in December amounting to ₱2.00 billion through the issuance of corporate notes and increased cash collection from customers who availed of bank financing.

Receivables dropped by 2% from ₱8.67 billion to ₱8.46 for 2014 and 2015 respectively same period. The decrease is due to increase in collection from bank financing accounts and cash term buyers.

Real estate held for sale increased by 17% from ₱24.23 million to ₱28.38 million due to development costs incurred for new projects and construction costs of on-going projects, as well as land banking activities.

Property, equipment and software increased by 5% due to purchase of new construction machinery and equipment and purchase of new accounting system, Microsoft AX.

Total liabilities of the Company amounting to ₱31.83 billion in December 31, 2015, increased by 18% from ₱27.00 billion as of December 31, 2014 is mainly due to availment of additional loan amounting to P2.0 billion and increase in Liabilities for Purchased Land due to continuous land banking activities.

### **Other Disclosures:**

There are no known trends, events or uncertainties or material commitments that may result to any cash flow or liquidity problems of the Company, aside from the possible material increase in interest rates of outstanding loans subject to floating rates, which is only 12.33% and 8.91% of total debt as of December 31, 2015 and 2014, respectively.

There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

The operating activities of the Company are carried uniformly over the calendar year. There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are also no seasonal aspects affecting the Company's financial condition and results of operations.

**(C) Performance Indicators**

	KPI		
	2016	2015	2014
Gross Revenues	₱11.77 billion	₱14.54 billion	₱13.70 billion
EBIT	2.91 billion	4.96 billion	4.42 billion
EBITDA	3.25 billion	5.27 billion	4.64 billion
Net Income	2.22 billion	3.59 billion	3.29 billion
Earnings per share	0.64	1.03	0.94
Current ratio	3.84:1	2.66:1	3.60:1
Debt-to-equity ratio	2.13:1	2.21:1	2.25:1
Solvency rate	0.08:1	0.12:1	0.13:1
Interest Coverage Ratio	2.71:1	4.98:1	4.15:1
Debt Service Coverage Ratio	0.40:1	1.97:1	1.19:1
Return on Assets	4.73%	8.42%	8.43%
Return on Equity	15.06%	27.34%	27.55%

The manner by which the Company calculates the foregoing indicators is as follows:

*Current Ratio* means the Issuer's current assets divided by the current liabilities as reflected in the Issuer's latest audited financial statements ending December 31. This ratio is used as a test of the Company's liquidity.

*Debt to Equity Ratio* means the ratio of the Issuer's total liabilities to its total stockholders' equity, as reflected in the latest audited financial statements ending December 31. The ratio reveals the proportion of liability and equity the Company is using to finance its business. It also measures a Company's borrowing capacity.

*Return on Assets* means the ratio obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.

*Return on Equity* means the ratio obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.

*Earnings per Share* means the portion of the Company's profit allocated to each outstanding share of common stock. Earnings per Share serves as an indicator of the Company's profitability.

*Solvency Rate* means the ratio obtained by dividing the Company's net income and depreciation and amortization by its total liabilities. It measures the Company's ability to meet its short-term and long-term obligations.

*Interest Coverage Ratio* means the ratio calculated by dividing the Company's earnings before interest and taxes by interest expense. This ratio determines the Company's ability to pay interest on its outstanding debt.

*Debt Service Coverage Ratio* means the ratio obtained by dividing the earnings before interest and taxes (net operating income) by the total debt service costs which includes payment of loans and interest expense. This ratio measures the Company's ability to maintain its current debt levels.

#### **Item 7. FINANCIAL STATEMENTS**

The Financial Statements incorporated herein by reference to the attached audited financial statements.

#### **Item 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

There has been no change or disagreements with certifying accountants.

### **PART III - CONTROL AND COMPENSATION INFORMATION**

#### **Item 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER**

(A) Identify Directors, Including Independent Directors, and Executive Officer.

Name	Age	Position
Isidro A. Consunji	68	Chairman of the Board and Chief Executive Officer
Alfredo R. Austria	59	Director and President
Jorge A. Consunji	64	Director
Ma. Edwina C. Laperal	55	Director, Senior Vice-President and Treasurer
Victor A. Consunji	59	Director
Elmer G. Civil	55	Director, Senior Vice-President for Construction Division

Victor S. Limlingan	72	Director
Honorio O. Reyes Lao	72	Independent Director
Francisco F. Del Rosario, Jr.	69	Independent Director

**(a) REGULAR DIRECTORS**

**Isidro A. Consunji**, 68, Filipino, is the Chairman of the Board of Directors of the Company. He is a graduate of B.S. Civil Engineering at the University of the Philippines. He obtained his Master in Business Economics from the Center for Research and Communication and Master's in Business Management from the Asian Institute of Management, and attended the Advanced Management Program at Instituto de Estudios Superiores de la Empresa (IESE) in Barcelona, Spain. He is the President of DMCI-HI, Dacon Corporation, and Asia Industries Inc. He is the Chairman of the Board of Directors of DMCI Mining Corp., DMCI Homes, and Beta Electric Corp. He is the Vice Chairman of Maynilad Water Services Inc., a member of the board of directors of D.M. Consunji Inc., Semirara Mining and Power Corporation, DMCI/MPIC Water Company Inc., Crown Equities, Inc., Atlas Consolidated Mining and Dev Corp., Carmen Copper Corp., Sem-Calaca Power Corp., Berong Nickel Corp., Toledo Mining Corp., ENK PLC (London). He was the former President of the Philippine Constructors Association and Philippine Chamber of Coal Mines, Inc. At present, he is the Chairman of the Board of the Philippine Overseas Construction Board and a board member of Construction Industry Authority of the Philippines.

**Alfredo R. Austria**, 59, Filipino, is a Director, President and Chief Operating Officer of the Company. He is a graduate of B.S. Civil Engineering, Cum Laude, at the University of the Philippines. He is a licensed Civil Engineer and placed 2nd at the Philippine Civil Engineering Board Exam. He also obtained his Master in Business Administration from the University of the Philippines. He has held various positions in different construction companies domestically and internationally. He is a member of the Philippine Institute of Civil Engineers - Manila Chapter.

**Ma. Edwina C. Laperal**, 55, Filipino, is a Director, Senior Vice-President and Treasurer of the Company. She both graduated from B.S. Architecture and obtained her Master's Degree in Business Administration from the University of the Philippines and an Executive Certificate for Strategic Business Economics Program from the University of Asia & the Pacific (formerly the Center for Research and Communication). She is a licensed architect in the Philippines. She is concurrently the Director and Treasurer of DMCI Holdings, Inc., D.M. Consunji Inc. and Dacon Corporation and a Director in Semirara Mining and Power Corporation, DMC Urban Property Developers, Inc., and Sem-Calaca Power Corporation.

**Jorge A. Consunji**, 64, Filipino, is a Director of the Company. He is a graduate of B.S. Industrial Management Engineering at the De La Salle University. He obtained his Master's in Business Economics from University of Asia and the Pacific. He is the President and COO of D.M. Consunji Inc. He is also the Chairman of DMCI Masbate Power Corporation and Wire Rope Corp. of the Philippines, Director of DMCI-HI, Dacon Corporation, SEM-Calaca Power Corporation, DMCI Mining Corporation, DMCI Power Corporation, DMCI Concepcion Power Corporation, Semirara Mining and Power Corporation, Maynilad Water Services Inc., Manila Herbal Corporation, and Beta Electric Corp. He is currently a Director of Private Infrastructure Development Corp. and a Board Member of Construction Industry Authority of the Philippines. He was the former Chairman of ASEAN Constructors Federation and former President of Phil. Constructors Association and ACEL.



**Victor A. Consunji**, 65, Filipino, is a Director of the Company. He is also a regular Director of the following: Semirara Mining and Power Corp.; DMCI Power Corp., Sem-Calaca Power Corp., Southeast Luzon Power Generation Corp., Sem Calaca Res Corporation, Dacon Corp., DMCI Masbate Corp., DMCI Mining Corp., D.M. Consunji Inc., DFC Holdings, Inc., M&S Company, Inc., Sodaco Agricultural Corporation, Ecoland Properties Development Corporation., DMC Urban Properties Development Inc., Sirawai Plywood & Lumber Corp., Royal Star Aviation, Inc., Zanorte Palm-Rubber Plantation, Inc. He is a graduate of AB Political Science (Ateneo de Manila and Ateneo de Davao); Chevalier College, Australia (secondary); San Beda College, Manila (elementary).

**Elmer G. Civil**, 54, Filipino, is a Director of the Company and SVP for Construction and Post Construction of the Company. He is a graduate of B.S. Civil Engineering & B.S. Sanitary Engineering at the Mapua Institute of Technology. He placed 12th in the Philippine Civil Engineering Board Examination and placed 5th in the Philippine Sanitary Engineering Board Examination. He is also the President of Zenith Mobility Solutions Services, Inc. He has held the position of Vice-President & General Manager for Housing Business Unit of DMCI.

**Victor S. Limlingan**, 72, is a Director of the Company. He is also the Director of D.M. Consunji, Inc., Berong Nickel Corporation and all other subsidiaries of DMCI Holdings, Inc. He is currently the Managing Director of DMCI-HI. He also serves as the Chairman of Guagua National Colleges and member of the Presidential Task Force on Education. He owns and manages Regina Capital Development Corporation. He is also the Chairman and majority shareholder of Cristina Travel Corporation. Mr. Limlingan was a Professor of Public Policy, Business Strategy, and Financial Management at the Asian Institute of Management (AIM). He is a graduate of Bachelor of Arts Major in Engineering and received his Master in Business Management and Bachelor of Arts Major in Engineering degrees from Ateneo de Manila University. He also received his Doctorate Degree in Business Administration from Harvard University.

#### **(b) INDEPENDENT DIRECTORS**

**Honorio O. Reyes-Lao**, 72 years old, is an Independent Director of the Company. He has served the Corporation as an Independent Director for eight (8) months since July 2016. He is currently an independent director of DMCI Holdings, Inc., and is also a director of Philippine Business Bank (*Listed*); **Non-Listed (Past Positions)** Gold Venture Lease and Management Services Inc. (2008-2009), First Sovereign Asset Management Corporation (2004-2006, CBC Forex Corporation (1998-2002), CBC Insurance Brokers, Inc. (1998-2004), CBC Properties and Computers Center, Inc. (1993-2006). He obtained his Bachelor of Arts degree, Major in Economics and his Bachelor of Science in Commerce, Major in Accounting from De La Salle University. He obtained his Masters Degree in Business Management from the Asian Institute of Management. His current civic affiliations include the Institute of Corporate Directors, *Fellow*, Rotary Club of Makati West, *Member/Treasurer*, Makati Chamber of Commerce and Industries, *Past President*.

**Francisco F. Del Rosario, Jr.**, 68, is an Independent Director of the Company. He is also an Independent Director of Metrobank and Philab Industries, Inc., a Director of Mapfre Insular Insurance Corp. and Omnipay Inc., a Cabinet Member of Habitat for Humanity Philippines, and a Trustee of ABS-CBN Foundation Inc. Mr. del Rosario is a graduate of B.S. Commerce major in Accounting and Bachelor of Arts Major in Economics from De La Salle College. He also obtained his Master in Business Management from the Asian Institute of Management. He is also a candidate for Doctoral Program in Business Administration from De La Salle University Professional Schools, Inc.

#### **(c) KEY OFFICERS**

The following are the names, ages and citizenship of the Company's executive officers as of December 31, 2016:

Name	Age	Position
Alfredo R. Austria	58	President
Ma. Edwina C. Laperal	55	Treasurer
Florante C. Ofrecio	62	Senior Vice-President for Sales
Elmer G. Civil	54	Senior Vice President for Construction and Post Construction Division
Enrico C. Wong	59	Senior Vice-President for DMCI Property Management, Alta Vista de Boracay, Leasing and General Services
Evangeline H. Atchioco	42	Chief Compliance Officer/ Vice President For Finance
Noel A. Laman	76	Corporate Secretary
Ma. Pilar P. Gutierrez	40	Assistant Corporate Secretary

The business experience of each of the Company's executive officers covering the past five years are described below.

**Alfredo R. Austria**, 59, Filipino, is a Director, President and Chief Operating Officer of the Company. He is a graduate of B.S. Civil Engineering, Cum Laude, at the University of the Philippines. He is a licensed Civil Engineer and placed 2nd at the Philippine Civil Engineering Board Exam. He also obtained his Master in Business Administration from the University of the Philippines. He has held various positions in different construction companies domestically and internationally. He is a member of the Philippine Institute of Civil Engineers - Manila Chapter.

**Ma. Edwina C. Laperal**, 55, Filipino, is a Director, Senior Vice-President and Treasurer of the Company. She both graduated from B.S. Architecture and obtained her Master's Degree in Business Administration from the University of the Philippines and an Executive Certificate for Strategic Business Economics Program from the University of Asia & the Pacific (formerly the Center for Research and Communication). She is a licensed architect in the Philippines. She is concurrently the Director and Treasurer of DMCI Holdings, Inc., D.M. Consunji Inc. and Dacon Corporation and a Director in Semirara Mining and Power Corporation, DMC Urban Property Developers, Inc., and Sem-Calaca Power Corporation.

**Elmer G. Civil**, 54, Filipino, is a Director of the Company and SVP for Construction and Post Construction of the Company. He is a graduate of B.S. Civil Engineering & B.S. Sanitary Engineering at the Mapua Institute of Technology. He placed 12th in the Philippine Civil Engineering Board Examination and placed 5th in the Philippine Sanitary Engineering Board Examination. He is also the President of Zenith Mobility Solutions Services, Inc. He has held the position of Vice-President & General Manager for Housing Business Unit of DMCI.

**Florante C. Ofrecio**, 62, is the Senior Vice President for Sales of the Company and has been heading the Sales Division since 2006. He is a graduate of B.S. Industrial Engineering from University of the Philippines, Diliman. He obtained units for a degree in Master in Business Administration from the Ateneo de Manila University and Certificate in Business Economics from University of Asia and the Pacific. He is a licensed real estate broker since 1987. He has been involved in the realty business since 1981 in the areas of sales and marketing, financial

planning, project conceptualization and actual development, consultancy and related advisory functions. He has been an active member of CREBA (Chamber of Real Estate Builders Association Inc.) since 1990 having served in various positions as officer and member of the Board of Directors. He is an active Rotarian and a past president of the Rotary Club of South Triangle, District 3780 for two terms RY2010-2011 and RY2012-2013.

**Enrico C. Wong**, 59, is the Senior Vice President for DMCI Property Management, Alta Vista de Boracay, Leasing and General Services of the Company. He is also the Managing Director and part owner of Nuvali Steel Processing Center Inc, Board of Trustee of Made in Hope Philippines (NGO helping rescued women and children) and a Lecturer / Associate Professor in Ateneo Graduate School of Business for MBA-Regis University USA program. Before joining the Company in 2015, he has held various positions in San Miguel Group of Companies such as Vice President, General Manager and Board of Director of San Miguel Packaging Specialist, Inc., Vice President and Business Manager for PET Packaging and Beverage Business Cluster, San Miguel Yamamura Packaging Corp and San Miguel Corp., and Assistant Vice President and Sales Account Director for Coca Cola (Domestic and International). He is a graduate of B.S. Electrical Engineering from University of the Philippines and obtained his Masters in Business Administration from Ateneo Graduate School of Business. He is also a business consultant and trainer for Strategic Planning and Management, Quality Management, Operations Management, Culture Development, Motivation and Values Formation. He is a Certified Master Project Manager, a Professional Executive Coach and a member of International Coach Federation, USA.

**Evangeline H. Atchioco**, 42, is the Chief Compliance Officer of the Company. She was appointed on February 12, 2016. She graduated Magna Cum Laude from the University of the East in 1994 with a degree of Bachelor of Science in Accountancy and obtained a Certificate in Business Economics from University of Asia and the Pacific in 2016. She is a Certified Public Accountant. She was a Senior Auditor in SyCip Gorres Velayo & Co. from 1994 to 1996 and thereafter joined the Company in 1997. She also occupies the position of Vice President for Finance in the Company.

**Noel A. Laman**, 76, is the Corporate Secretary of the Company. He is a graduate of the University of the Philippines College of Law (B.S. Juris '59, LLB '60) and pursued graduate law studies at the University of Michigan Law School (LLM '63) as a DeWitt scholar. He began his practice as an intellectual property and business lawyer after his studies in the United States and, after founding the law firm Castillo Laman Tan & Pantaleon in 1981, he expanded his intellectual property/business law practice to foreign investments and mergers and acquisitions. He is a name and senior partner of Castillo Laman Tan Pantaleon & San Jose. He was a former president of the Intellectual Property Association of the Philippines and a former council member of the Asian Patent Attorneys Association. He is a firm representative to the European Chamber of Commerce and German Philippine Chamber of Commerce, Inc. and a rear admiral of the Philippine Coast Guard Auxiliary aside from being its legal counsel and head of its board of discipline. He is the Corporate Secretary of DMCI Holdings, Inc. and D.M. Consunji, Inc.

**Ma. Pilar P. Gutierrez**, 40, is the Assistant Corporate Secretary of the Company. She graduated from the Ateneo de Manila University with Bachelor of Science degree in Legal Management in 1997. She is a Dean's medalist and a graduate of the University of the Philippines College of Law Class of 2001. After taking the bar examinations in 2001, she joined the law firm Castillo Laman Tan Pantaleon & San Jose as an Associate on November 5, 2001. She was promoted to Senior Associate in the same law firm on January 1, 2007, and was admitted as a Partner on January 1, 2010. She is the Assistant Corporate Secretary of DMCI Holdings, Inc. and D.M. Consunji, Inc.

- (i) Identify Significant Employees

Each employee, whether executive or rank and file is considered important, and each makes a significant contribution to the business of the Company.

(ii) **Family Relationships**

The family relationship up to the fourth civil degree either by consanguinity or affinity among directors, executive officers or persons nominated or chosen by the Corporation to become directors or executive officers is stated below:

Messrs. Isidro A. Consunji, Jorge A. Consunji, Victor A. Consunji and Ms. Ma. Edwina C. Laperal are siblings. Mr. Herbert M. Consunji who is being nominated for the first time as director, and who will assume office upon SEC approval of the amended articles of incorporation increasing the number of board seats to 11, is their cousin.

Except as disclosed above, there are no other family relationships known to the Corporation.

(iii) **Involvement in Certain Legal Proceedings**

None of the Directors or Executive Officers has been involved in any bankruptcy proceeding. Neither have they been convicted by final judgment in any criminal proceeding, nor been subject to any order, judgment or decree of competent jurisdiction, permanently enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in an action by any court or administrative body to have violated a securities or commodities law.

The Corporation is presently a party to the following litigation cases listed in Item 3.

**Item 10. EXECUTIVE COMPENSATION**

**(A) Compensation of Directors**

Under Article III, Section 10 of the Company's By-Laws, each director shall receive a reasonable per diem for his attendance at every meeting of the Board. Furthermore, every member of the Board shall receive such amounts, not to exceed 10% of the net income before income tax of the Corporation during the preceding year, as may be determined by the Board of Directors, as compensation, subject to the approval of the stockholders.

Each Director's per diem per board meeting attended is ₱10,000. The total annual compensation received by the directors amounted to ₱260,000 for 2016.

**(B) Executive Compensation**

Under Article IV, Section 10 of the Company's By-Laws, the Board of Directors shall determine the remuneration to be received by the executive officers designated therein.

The total annual compensation for the Company's Chief Executive Officer and five (5) most highly compensated executive officers amounted to ₱13.4 million for 2016.

Names	Position	Salary & Other Compensation 2016	Salary & Other Compensation 2015
Alfredo R. Austria	President and Chief Operating Officer		
Ma. Edwina C. Laperal	Senior Vice-President and		

	Treasurer		
Elmer G. Civil	Senior Vice-President for Construction Division		
Enrico C. Wong	Senior Vice-President for DMCI Property Management, Alta Vista de Boracay, Leasing and General Services		
Florante C. Ofrecio	Senior Vice-President for Sales		
Total for five most highly compensated executive officers		<b>₱ 13,425,277.46</b>	<b>₱ 10,928,667.00</b>
Total for all other officers as a group unnamed*		<b>₱ 49,810,191.00</b>	<b>₱ 45,914,060.30</b>

\*Officers holding positions of managers and above.

There is no contract covering their employment with the Corporation and they hold office by virtue of their election to office. The Company has no agreements with its named executive officers regarding any bonus, profit sharing, pension or retirement plan.

There are no outstanding warrants, options, or right to repurchase any securities held by the directors or executive officers of the Company.

#### Item 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

##### (A) Beneficial Ownership of Directors of the Corporation as of December 31, 2016

Title of Class	Name of Director/Officer	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Isidro A. Consunji	DMCI Holdings, Inc.	1,000; pursuant to a deed of trust	Filipino	<0.01%
Common	Jorge A. Consunji	DMCI Holdings, Inc.	1,000; pursuant to a deed of trust	Filipino	<0.01%
Common	Ma. Edwina C. Laperal	DMCI Holdings, Inc.	1,000; pursuant to a deed of trust	Filipino	<0.01%
Common	Victor S. Limlingan	DMCI Holdings, Inc.	1; pursuant to a deed of trust	Filipino	<0.01%
Common	Victor A. Consunji	DMCI Holdings, Inc.	1; pursuant to a deed of trust	Filipino	<0.01%
Common	Honorio O. Reyes-Lao	Honorio O. Reyes-Lao	1; record owner is also the beneficial owner	Filipino	<0.01%
Common	Francisco F. Del Rosario, Jr.	Francisco F. Del Rosario, Jr.	1; record owner is also the beneficial owner	Filipino	<0.01%
Common	Alfredo R. Austria	DMCI Holdings, Inc.	1; pursuant to a deed of trust	Filipino	<0.01%
Common	Elmer G. Civil	DMCI Holdings, Inc.	1; pursuant to a deed of trust	Filipino	<0.01%

The aggregate number of shares of common stock directly and indirectly owned by the directors and executive officers listed above, as of December 31, 2016 was 3,006 or approximately 0.000086% of the Company's outstanding shares of common stock.

**(B) Owners owning 5% or more of the voting stocks of the Corporation as of December 31, 2016.**

Title of Class	Name & address of record owner & relationship with Company	Name of beneficial owner & relationship with record owner	Citizenship	No. of shares held	Percentage of Ownership
Common	DMCI Holdings, Inc.; 3 <sup>rd</sup> Floor, Dacon Building, 2281 Don Chino Roces Avenue, Makati City; Shareholder of the Company	DMCI Holdings, Inc.; it is also the record owner	Filipino	2,982,861,744	85.52%
Common	D.M. Consunji, Inc.; DMCI Plaza Building, 2281 Chino Roces Avenue Extension, Makati City 1231 Philippines; Affiliate of the Company*	DMCI Holdings, Inc.; parent company of the record owner	Filipino	504,862,578	14.48%

\* On April 7, 2014, D.M. Consunji, Inc. declared its shares in the Company as property dividends in the amount of ₱504,862,578.00 in favor of DMCI Holdings, Inc. The SEC approved the property dividend declaration on September 9, 2014. The Certificate Authorizing Registration for the transfer of shares is still pending with the Bureau of Internal Revenue. D.M. Consunji, Inc. is a wholly-owned subsidiary of DMCI Holdings, Inc.

**(C) Voting Trusts**

The Company is not aware of any person holding 5% or more of the Company's outstanding voting shares under a voting trust or any similar agreement.

**(D) Changes in Control**

From January 1, 2016 to date, there has been no change in control of the Corporation. Neither is the Corporation aware of any arrangement which may result in a change in control of it.

**Item 12. Certain Relationships and Related Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making the financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions entered into by the Group with related parties are at arm's length and have terms similar to the transactions entered into with third parties. In the regular course of business, the Group's significant transactions with related parties include the following:

The Company is a subsidiary of DMCI-HI. The Company, in its regular course of business, engages in transactions with DMCI-HI, its subsidiaries and affiliates.

The Company's significant transactions with related parties consist primarily of the following:

- a. General and special management services rendered by DMCI-HI, the ultimate parent company, and by DMCI Homes, Inc., a subsidiary, to the Parent Company for a fee. This is effective for a period of five (5) years and renewable for another five (5) years upon mutual agreement of the contracting parties.

Total management fees charged against operations under this agreement amounted to ₱4.2million as of December 31, 2016 and ₱4.2million as of December 31, 2015.

- b. Dividend income from investment in Subic Water and Sewerage Company recognized by the Parent Company in the statements of comprehensive income amounted to ₱35.00 million and ₱32.00 million in 2016 and 2015, respectively.
- c. Contract billings by DMCI, an affiliate, amounting ₱286.81 million and ₱122.82 million as of December 31, 2016 and December 31, 2015 respectively, for the construction of the real estate projects included in the "Payables to related parties" account.

The Group's wholly owned subsidiary DMCI Homes Inc. provides general and special management services. DMCI Homes Inc. receives remittances from Company's customers situated in other countries as payment for real estate units. Transaction with other related parties represents advances made by the Company for daily operation of related parties.

There have been no guarantees provided or received for any related party receivables or payables. The Company has not recognized any impairment losses on amounts receivables from related parties for the year ended December 31, 2016. This assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates.

Transactions between related parties are based on terms similar to those offered to non-related parties. Related party transactions are made under the normal course of business.

Aside from the above, the Company also has cash and operating advances made to and received from related parties. These advances are mostly made to subsidiaries for initial working capital requirements for maintenance of completed projects. To ensure the proper upkeep of premises upon completion of projects, the Company typically provides advances to each project's condominium corporation or homeowners' association as seed fund for maintenance purposes. Repayments of these advances are offset from association dues of units owned by the Company in these projects.

Total outstanding receivables from related parties as of December 31, 2016 and December 31, 2015 amounted to ₱6.5 million and ₱6.3 million, respectively. Total outstanding payable to related parties as of December 31, 2016 and December 31, 2015 amounted to ₱232.80 million and ₱550.6 million, respectively.

To the best of the Company's knowledge, there are no parties that fall outside of the definition of "related parties" under SFAS/IAS No. 24, but with whom the Company or its related parties have a relationship that enables the parties to negotiate terms of material transactions that may not be available from other, more clearly independent parties on an arm's length basis.

## **PART IV – CORPORATE GOVERNANCE**

### **Item 13. Corporate Governance**

- (A) The Company's Amended Manual on Corporate Governance ("CG Manual") provides that the Compliance Officer shall establish an evaluation system to determine and measure compliance with the CG Manual. Considering that the Compliance Officer was only appointed on February 12, 2016, the latter is still in the process of formulating the evaluation system that will be proposed to the Board of Directors of the Company for approval.
- (B) The Company is compliant with its Manual on Corporation Governance. The Compliance Officer attends all meetings of the Board of Directors of the Company and closely coordinates with the Chairman of the Board and other officers to ensure compliance with its CG Manual. The Company's directors and top-level management also attend seminars on good corporate governance which are held annually by the Company's parent company, DMCI Holdings, Inc.
- (C) As of the date hereof, there are no deviations from the Company's Manual on Corporate Governance.
- (D) The Company is bound to comply with various corporate governance policies being implemented by its parent company, DMCI Holdings, Inc. This is intended to improve the corporate governance of the Company.

## **PART V - EXHIBITS AND SCHEDULES**

### **Item 14. Exhibits and Reports on SEC Form 17-C**

**(1) Exhibits -** See accompanying index to exhibits

The following exhibit is incorporated by reference in this report:

2016 Audited Financial Statements

The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

**(2) Reports on SEC Form 17-C**

The Company filed the following SEC Form 17-C for the year 2016:

**(3) Reports under SEC Form 17-C filed**

The item under (2) was filed with the SEC.

Certification on Board Attendance for 2016.

Certification on Corporate Governance.



**(4) Material events subsequent to the end of the reporting period that have not been reflected in the financial statements of the reporting period**

On January 12, 2017, the Company submitted the Certification on Board Attendance for 2016. That as per the record of the minutes of the meetings of the Board of Directors of DMCI-PDI, no director has absented himself for more than fifty percent (50%) from all meetings of the Board of Directors, both regular and special, during his incumbency or any twelve (12) month period during said incumbency.

On January 13, 2017, the Company submitted the Certification on Corporate Governance signed by the incumbent Chief Compliance Officer. For calendar year 2016, the Corporation has substantially adopted all the provisions of its Manual of Corporate Governance, as prescribed by SEC Memorandum Circular No. 2, Series of 2002, as amended, and there are no material deviations by the Corporation in its compliance with its Manual of Corporate Governance.

On January 31, 2017, the Board of Directors of DMCI Project Developers, Inc. (DMCI-PDI) approved the following resolutions:

- (1) Declaration of Cash Dividends amounting to Php1,215,000,000.00, out of the unrestricted retained earnings of the Corporation as of December 31, 2016, to the stockholders of record as of December 31, 2016.
- (2) Reversal of the appropriation from the retained earnings as of December 31, 2015 of the total amount of Php121,000,000 with details as follows:
  - a. Php50,000,000 which was already used for the development of the Fortis Garden project of the Corporation;
  - b. Php71,000,000 which was already used for the development of the Prisma Residences project of the Corporation.
- (3) Appropriation of the amount of Php1,500,000,000 from the retained earnings as of December 31, 2016 to fund the development and project cost of Mulberry Place project of the Corporation located in Taguig City, which has a total development cost of Php3,600,000,000.

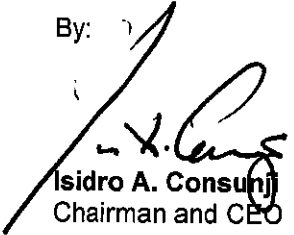
On March 8, 2017, the Board of Directors of DMCI Project Developers, Inc. (DMCI-PDI) approved the following:

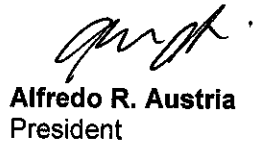
- (1) To reset the 2017 annual stockholders' meeting of DMCI-PDI to May 4, 2017, 2:30 PM (instead of May 10, 2017 or the second Wednesday of May), at the principal office of the corporation located at DMCI Homes Corporate Center, 1321 Apolinario Street, Bangkal, 1233 Makati City; and
- (2) To set the record date for the 2017 annual stockholders' meeting on April 6, 2017.

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporate Code, this report is signed in behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on

By:

  
**Isidro A. Consunji**  
Chairman and CEO

  
**Alfredo R. Austria**  
President

  
**Evangelina H. Atchioco**  
VP for Finance / Chief Compliance Officer

  
**Atty. Ma. Pilar P. Gutierrez**  
Assistant Corporate Secretary

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2016 affiants exhibiting to me his/their Passport details, as follows:

<b>NAME</b>	<b>Passport No.</b>	<b>DATE OF ISSUE</b>	<b>PLACE OF ISSUE</b>
Isidro A. Consunji	EC4977907	08-11-15	DFA Manila
Alfredo R. Austria	EB9222042	09-24-13	DFA Manila
Evangelina H. Atchioco	EB9321409	10-07-13	DFA NCR CENTRAL
Atty. Ma. Pilar P. Gutierrez	EC3902652	04-10-15	DFA NCR Northeast

\_\_\_\_\_  
**Notary Public**

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Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2017.



**DMCI  
PROJECT DEVELOPERS**  
I N C O R P O R A T E D

SECURITIES AND EXCHANGE COMMISSION  
SEC Building, EDSA Greenhills  
Mandaluyong, Metro Manila

DMCI Home Corporate Center  
1321 Apolinario St.,  
Brgy. Bangkal  
Makati City, 1233 Philippines

(632) 555-7777

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

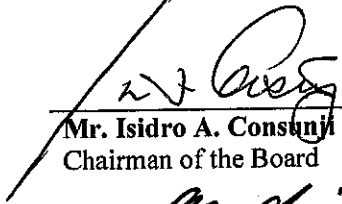
The management of DMCI Project Developers, Inc. and its subsidiaries (collectively referred to as the Group) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the year(s) ended December 31, 2016 and 2015, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.


The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip, Gorres, Velayo & Co., the independent auditors, appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
\_\_\_\_\_  
**Mr. Isidro A. Consunji**  
Chairman of the Board

  
\_\_\_\_\_  
**Mr. Alfredo R. Austria**  
President

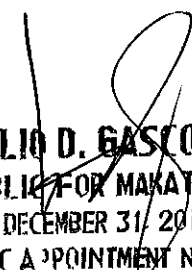
  
\_\_\_\_\_  
**Ms. Edwina C. Laperal**  
Treasurer

Signed this \_\_\_\_\_ day of \_\_\_\_\_.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public for and in  
**MAKATI CITY**, this \_\_\_ day of 11 APR 2017

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal on the date and place above written.

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Book No. CCCLIX  
Series No. 2017

  
**ATTY. BASILIO D. GASCON JR.**  
NOTARY PUBLIC FOR MAKATI CITY  
UNTIL DECEMBER 31, 2017  
NOTARY PUBLIC APPOINTMENT NO. M-99  
ROLL NO. ATTORNEY NO. 51633  
MCLE COMPLIANCE NO. V-0022773/JULY 04, 2016  
IBP LIFE MEMBER ROLL NO. 09441/ZAMBALES CHAPTER  
PTR NO. 5909835/JANUARY 4, 2017 MAKATI CITY  
2/F DMCI HOMES CORPORATE CENTER  
1321 APOLINARIO STREET, BANGKAL  
MAKATI CITY, METRO MANILA