



Housing the Filipino People

Operating and Financial Performance
9 Months 2015

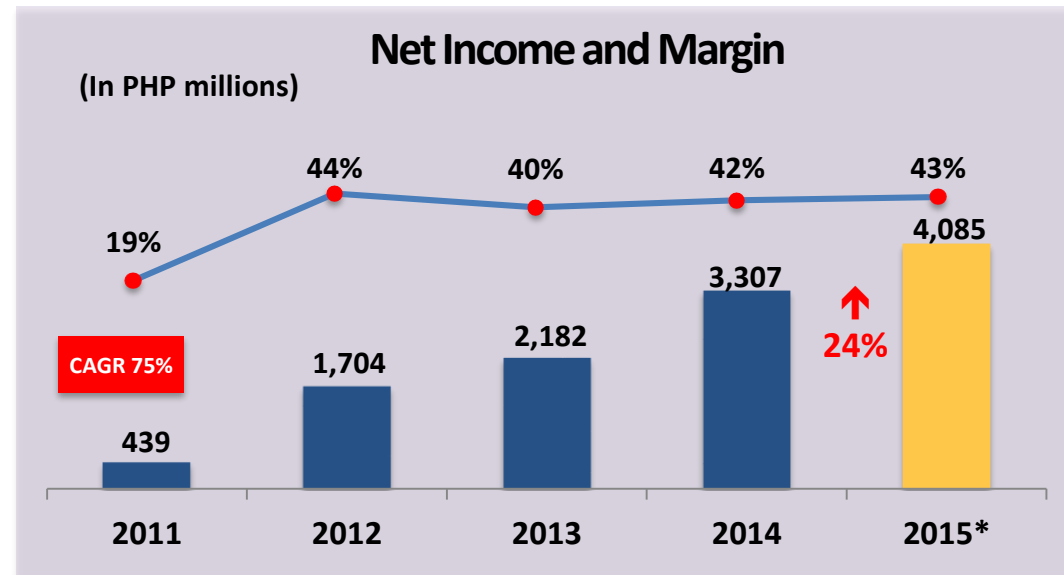
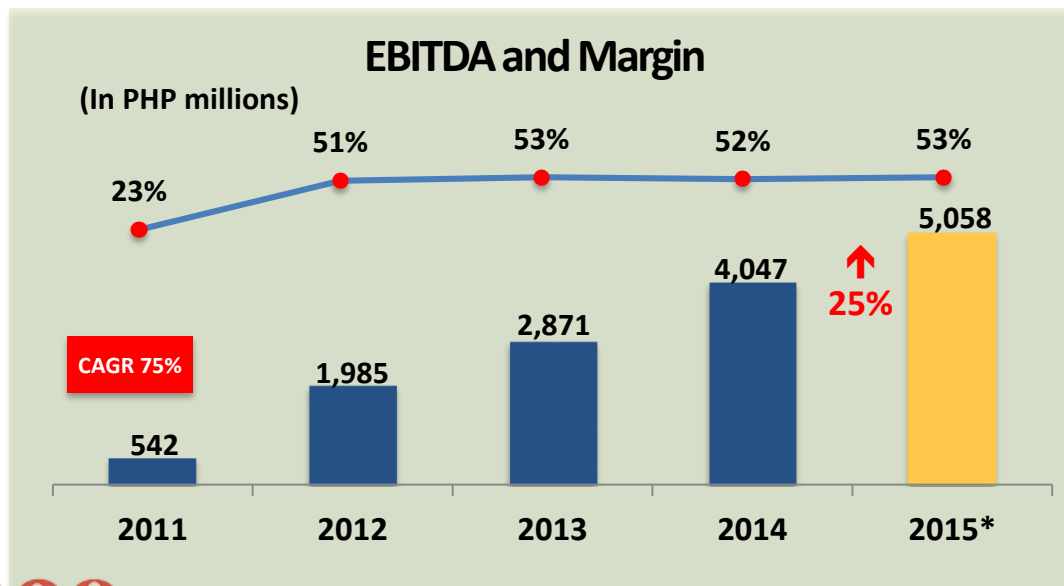
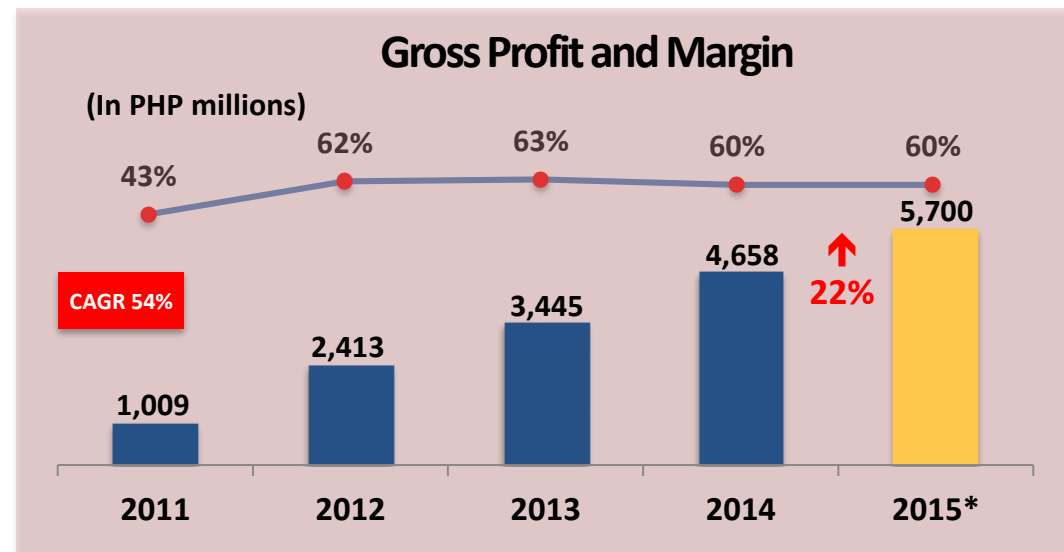
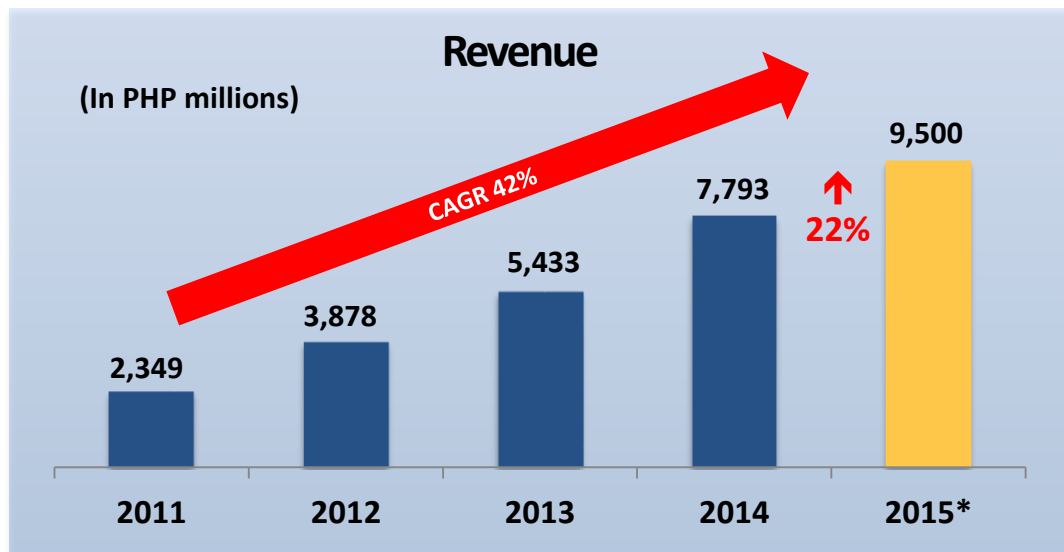
8990 NET INCOME GROWS 12% in 9MO15

	Unaudited As of 3Q 2015	Unaudited As of 3Q 2014	Growth Rate
Gross Sales	P 7,058	P 6,241	13%
Gross Profit	4,043	3,716	9%
Operating Expense	1,116	1,018	10%
Net Income Before Tax	3,441	3,066	12%
Net Income After Tax	3,166	2,832	12%
Gross Margin	57%	60%	
Net Margin	45%	45%	

Net Earnings grew by 12% to hit P3.2B as Gross Sales increased by 13%, reaching P7B for 9Mo15.

Net Margin remains steady at 45%, 5% higher than the 40% benchmark.

FINANCIAL HIGHLIGHTS



* Projected Annual Figures

8990 GROSS SALES GROW 16% in 3Q15

	Unaudited 3Q 2015	Unaudited 3Q 2014	Growth Rate
Gross Sales	P 2,550	P 2,197	16%
Gross Profit	1,369	1,258	9%
Operating Expense	378	318	19%
Net Income Before Tax	1,128	1,110	2%
Net Income After Tax	1,039	1,023	2%
Gross Margin	54%	57%	
Net Margin for New House Sales	44%	46%	
Net Margin for Resale of Cancelled Units	5%	4%	
Net Margin	41%	44%*	

**Excludes net margin of time share revenues.*

Gross sales grew by 16%. NIBT grew by 2% in 3Q15 compared to 3Q14 due to the sales recognition policy for resold cancelled units which comprised 17% of total sales versus only 10% last year.

Under the audit rules, sales recognition for cancelled resold accounts are based on current market value and not on its original cost of production.

Thus, the stated production cost of these units are higher, resulting in a lower net income and margin. Net margins for resale would only be 5% compared to New Sales net margin of 44%.

Core Business Performance Reaches 7.8 Billion in 9Mo15

In units / Million pesos	As of 3Q 2015	As of 3Q 2014	Growth Rate
Sales Reservations	7,398	6,099	21%
Housing Production	5,682	4,992	14%
Housing Delivered	6,443	5,843	10%
Housing Revenues	P 6,940	P 6,163	13%
CTS Income (in millions)	P 882	P 655	35%
Total Revenues from Housing Operations (in millions)	P 7,822	P 6,818	15%

Housing revenues plus CTS income reaches P7.8 Billion in 9Mo15, up by 15% from last year.

Housing-related income remain to be 98% of the gross revenues.

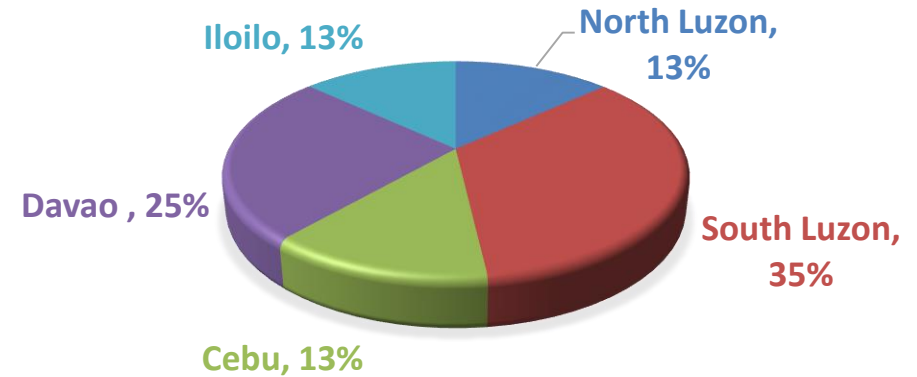
Revenues from CTS financing grew by 35% for 9Mo15, contributing 11% to the operating performance of 8990.

South Luzon Delivers 35% of DECA Homes in 9Mo15

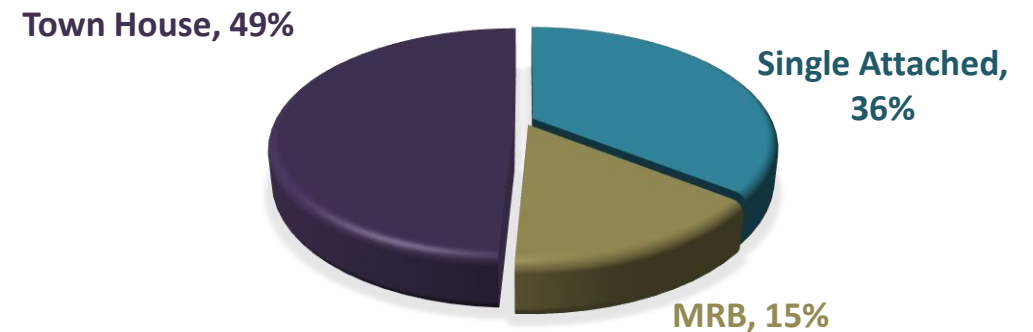
Of the 6,433 housing deliveries in 9Mo15, Luzon projects in NCR, Cavite and Pampanga contributed 48% or 3,103 units. Visayas delivered 26% or 1,704 units, while Mindanao contributed 25% or 1,636 units.

85% of revenue or 5,455 units came from landed subdivision projects, while 15% or 974 units came from the medium-rise building (MRB) projects in Tipolo and Tisa, Cebu City, and Muntinlupa.

DELIVERED HOUSING UNITS



TOP LINE REVENUE BREAKDOWN



DECA Homes Brand Attracts Young, Mid-Income Professionals For Primary Residence Purchase

Demographic	Subdivision	Condominium
Young: 23 to 45 years old.	71%	80%
College Educated and Licensed Professionals	78%	94%
100% Gainfully Employed: Office Workers, BPO, OFW	76%	93%
Minimum P35,000 Gross Family Income	79%	75%
Renters First-Time Asset Owners	88%	71%

Majority of 8990's buyers are young, college educated, gainfully employed as regular office workers, BPO staff, or OFWs. They earn at least P35,000 monthly income, and are primary purchasers of real estate property.

8990s buyers pass through a stringent credit scoring and evaluation process that complies with the eligibility and affordability guidelines for HDMF housing loans as well. Buyers are also required to undergo a half-day Financial Literacy Seminar prior to sales reservation.

Unrealized Sales Reach 890 Units in 3Q15

Branch	Total Units	Value Millions
Davao	102	P 89
Cebu	196	196
Iloilo	312	306
North Luzon	126	134
South Luzon	154	181
Total	890	P 906

8990's unrealized sales for 3Q15 stands at 890 units, equivalent to a take-out value of P906 Billion, which is below the sales surplus threshold of 10%.

These sales are expected to be realized in the fourth quarter with the proper turn-over of completed units to buyers.

36% Increase in Assets Strengthens 8990 Balance Sheet

8990's assets have grown by 36%, mainly with new land purchases and in house financing receivables.

The increase in total liabilities were borrowings for construction activities, operating expenses and the increase in landbank to more than 503 hectares.

The increase in non-current liabilities was the result of the P9 Billion Corporate Bond Offering where majority of short term liabilities were successfully moved to longer-term liabilities.

Balance Sheet Highlights (in PhP M)	As of 3Q2015	As of 3Q2014	Growth Rate
Current Assets	P 7,893	P 5,447	45%
Noncurrent Assets	26,566	19,802	34%
Total Assets	34,459	25,249	36%
Current Liabilities	4,669	4,170	12%
Noncurrent Liabilities	13,003	6,389	104%
Total Liabilities	17,672	10,559	67%
Equity	16,786	14,690	14%

8990 Book Value Per Share Posts 14% Gain in 9Mo15

8990's Financial Ratios are within acceptable industry standards, indicating a stable Balance Sheet with stronger current ratio, book value per share, asset-to-equity ratio, interest coverage ratio, and earnings per share that continues to improve each quarter.

In particular, the Current Ratio at 1.69 and Debt-to-Equity Ratio at 1.05 are well within the recent P9B Corporate Bond covenants of 1.0 and 1.5, respectively.

Key Performance Indicators	As of 3Q15	As of 3Q14
Current Ratio	1.69	1.31
Book Value per Share	3.04	2.66
Debt to Equity Ratio	1.05	0.72
Asset to Equity Ratio	2.05	1.72
Asset to Debt Ratio	1.95	2.39
Interest Coverage Ratio	14.69	11.65
EPS	0.53	0.51

8990 Delivers P2.4B to HDMF for Take-Out in 9MO15

8990 delivered 2,601 accounts to HDMF for take-out, equivalent to a value of P2.4 billion in 9Mo15.

Of this, 42% or P1 billion, comprising 1,102 accounts are with HDMF being processed for take-out.

Status	Unit	Value	Percentage
2015 Taken-out	1,499	P 1,356	58%
With HDMF	1,102	1,002	42%
TOTAL	2,601	P 2,358	100%

HDMF Take-Outs Improve in 3Q15

In units / Million pesos	3Qs of 2015	3Qs of 2014	Growth Rate
Housing Take-Outs in Units	1,499	1,451	3%
Housing Take-Outs in Value	1,356	1,266	7%

8990's total HDMF Takeouts as of 3Q15 is 1,499 accounts amounting to P1.4B.

In units / Million pesos	3Q15	3Q14	Growth Rate
Housing Take-Outs in Units	574	479	20%
Housing Take-Outs in Value	527	436	21%

For the third quarter, 574 accounts were taken out equivalent to P527M, representing a year on year growth rate of 20% in units and 21% in value.

8990 Improves Cash Flow in 3Q15

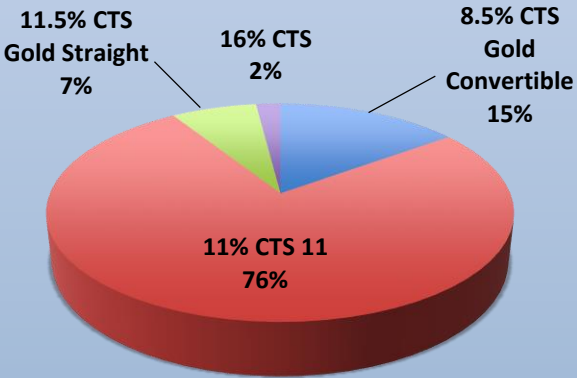
In Million pesos	As of 3Q15	As of 3Q14	Growth Rate
Cash, beginning balance	605	249	143%
Total new borrowings	3,467	5,552	(38%)
Uses for Operations	1,336	1,972	(32%)
Uses for Capital Expenditure	1,910	3,455	(45%)
Cash balance at the end of the year	826	374	121%

8990's 3Q15 cash flow indicates a 38% decline in borrowings and 32% drop in net cash used, indicating a greater usage of internally generated funds versus borrowings.

Internally generated funds came principally from the increased volume of take-outs from Pag-IBIG Fund; and the higher levels of recurring income from the CTS Portfolio .

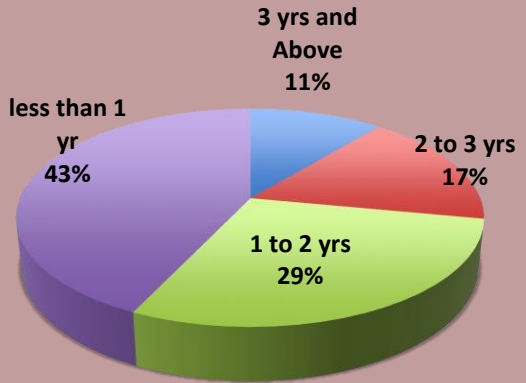
8990 CTS Receivables Reach P18B or 21,000 units as of 3Q15

Mix According to Interest Rate



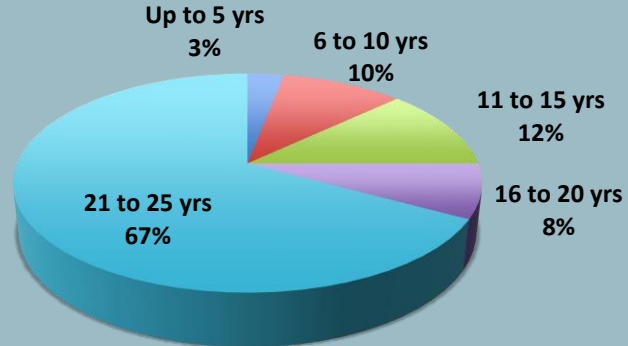
76% of 8990's In House Receivables are under the CTS 11 Program, which yields 11% per annum and enjoys rebate of 1.5% for the first 5 years as long as buyers pay on time.

Mix According to Seasoning



57% of the CTS Receivables portfolio are with seasoning period of at least one year, making half of the portfolio eligible for CTS Purchase arrangements with the banks.

Mix According to Terms



67% of 8990 buyers choose 21 to 25 years payment term which offers them the lowest monthly amortization possible, and therefore a lower risk of default.



8990 CTS Income Jumps 35% for 9M015

For 9Mo15, 8990's CTS Portfolio yielded P882 million in recurring income – a 35% increase over last year.

Total value of 8990's CTS Portfolio now stands at P18 billion, up 42% from 3Q14. Portfolio size grew by 42% to under 21,000 units.

On October 30, 2015, 8990 was able to sell P1.0 billion of its CTS Portfolio to BPI Family Savings Bank, paving the way for more “Purchase of CTS” agreements with other banks in the Fourth Quarter.

	As of 3Q15	As of 3Q14	Growth Rate
Units	20,874	14,721	42%
Value (in millions)	P 18,302	P 12,870	42%
Interest Income from CTS	P 882	P 655	35%
Performing Accounts Ratio	96%	95%	1%



8990 Launches All 9 Projects For 2015

The 9 new projects committed in 2015 were all successfully launched in the Third Quarter, providing an inventory of 7,827 units, of which 5,236 are scheduled for delivery this year.

1,602 housing units from the 7 out of the 9 projects were already delivered as of 9Mo15, contributing P1.8 Billion in gross revenue, equivalent to a 31% take-up of the new inventory projected for take-out by the end of the year.

Project	Type	Total Units	Units to be Delivered (in 2015)	Sold as of 3Q15 (in units)
Urban DH Campville Muninglupa	MRB	1,068	488	244
DH Tanza, Cavite	Horizontal	632	594	119
DH PRR, Iloilo	Horizontal	2,125	1,680	696
DHRR Prime, Davao	Horizontal	217	217	210
DHRR 11, Davao	Horizontal	109	109	71
DH Idangan Ph 3 & 4, Davao	Horizontal	1,905	750	242
DH Catalunan Grande, Davao	Horizontal	720	580	20
DH Talisay 3, Cebu	Horizontal	643	410	-
DH Guadalupe, Cebu	Horizontal	408	408	-
Total		7,827	5,236	1,602

8990 Landbank Expands to 503 Hectares

8990's landbank in 3Q15 expanded to 503 hectares with an expected yield of over 98,000 units worth P108 Billion.

New Purchases in 3Q15 are:

- Leganes, Iloilo 25.4 h.a
- Cabug, Bacolod 60.2 h.a

Location	Hectares	No. of Units
North Luzon	13	1,612
NCR	72	50,252
South Luzon	5	2,618
Visayas	239	30,418
Mindanao	174	13,635
Total	503	98,535